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السادة / هيئة الأوراق المالية المحترمين

عمان - الاردن

تحية طيبة وبعد ،

الموضوع : البيانات المالية للربع الأول من عام 2019

نرفق لكم طيه البيانات المالية المراجعة للربع الأول 2019 باللغة الإنجليزية .

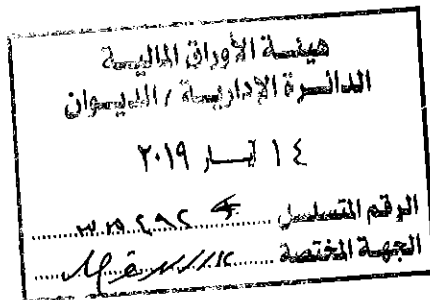
وتفضلوا بقبول فائق الاحترام

عن/ شركة العرب للتأمين على الحياة والحوادث



هادي داود الكرد

الرئيس التنفيذي



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**Arab Life& Accidents Insurance Company
(P.S.C)
Amman - The Hashemite Kingdom Of Jordan**

Condensed interim financial statements

**As of March 31,2019
(Reviewed not audited)**

**Arab Life& Accidents Insurance Company
(P.S.C)
Amman - The Hashemite Kingdom Of Jordan**

Index

	<u>Page</u>
Independent auditors' report on review of condensed interim consolidated financial statements	1
Condensed interim financial position	3-2
Condensed interim statement of comprehensive income	4-5
Condensed interim statement of change in owners' equity	6
Condensed interim statement of cash flows	8
Condensed interim Compined statement of Life insurance underwriting revenue inside jordan	9
Condensed interim Compined statement of Life insurance underwriting revenue outside jordan	10
Condensed interim Compined statement of Life insurance underwriting revenue outside jordan	11
Condensed interim statement of general insurance underwriting revenue	12-13
Condensed interim statement of general insurance cost of claims	14-15
Condensed interim statement of general insurance underwriting profit (loss)	16-17
Notes to condensed interim financial statements	18-33
Condensed interim consolidated financial position of the Life insurance branch	34

Report on the review of the condensed interim financial statements

43 19 03

To the Board of Directors of

Arab Life & Accident Insurance Co. (P.S.C.)

Amman - The Hashemite Kingdom of Jordan

Introduction:

We have reviewed the accompanying condensed interim financial statements of **Arab Life & Accident Insurance Co. (P.S.C.)** which comprising of condensed interim statement of financial position as at 31 March 2019, and the related condensed interim statements of comprehensive income, changes in equity and cash flows for Three-months period ended 31 March 2019 and the related explanatory notes.

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

Scope of review:

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

Conclusion:

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

Other Matters

1. The Board of Directors of the Company decided at its meeting held on 23 December 2014 to liquidate and close the branches of Palestine during the year 2015 and is still working on the accounts and liquidation.
2. The Ministry of Industry, Trade and Supply - Insurance Department's letter No. 3651/Arab/2018 dated December 2, 2018 has agreed to extend the period for the company to correct its financial position until May 1, 2019, in order to reach its minimum solvency margin of 150%.
3. The Company did not assess its investments in shares of companies not listed in one of the approved ways to assess them at fair value, although the financial statements for the year ended 31 December 2018 for these companies have not yet been issued.

Emphasis of matters

- As stated in the letter dated February 14, 2019, No. 359 / M / 2019, the company's future plan includes correcting its situation. The company's continuity depends on the implementation of the future plan mentioned in note (19).
- The Board of Directors of the Company decided at its meeting held on April 8, 2019 and its resolutions for the Extraordinary General Assembly to reduce the losses as stated in the financial statements for the year ended 31 December 2018 and increase the capital by JD 4,000,000.
- The Company calculated the effect of applying IFRS 9 in accordance with the expected credit loss model on the financial statements as at 31 December 2018. It did not take forward an allowance for credit losses anticipated for Arab Potash Company based on the opinion of the Company's legal counsel, Arab potash in favor of the company The fact that the potash company based on the corresponding claim submitted to the invalidity of the agreement on the calculation of the premium for collective life contract and renewals more than the claims, which in our view is legally acceptable and also adopted on the Kata The Actuary Actuary dated October 8, 2017, in which he stated that the existence of a condition in the document or its amendments determines the cost of the claims as a proportion of the premiums is not surprising in some insurance contracts and that there is in the insurance industry globally such contracts and also relied on the letter of loss planner on 20 January 2019, which stated that the amendment contained in the document is true and is considered to be the type of stop loss insurance applied in the insurance sector.
- It also did not take a provision for credit losses expected for the Saudi cultural attaché based on the opinion of the company's legal advisor in his book dated February 26, 2019, which reported exhausting the friendly efforts to collect the debts and their dependents. At the end of these efforts, "Our client, Arab Life and Accident Insurance Company, enjoys a good legal position and is expected to issue a decision in favor of the company with the full amount claimed with the legal benefits that we will claim from the date of the legal warning of the Saudi Cultural."

Al Abbasi & Partners Co.



Ahmad Moh'd Alabbasi

License No. 710



Amman in

29 April 2019

Arab Life & Accidents Insurance Company
(P.S.C)
Amman - The Hashemite Kingdom Of Jordan
Condensed interim consolidated financial position As of March 31, 2019

Reviewed not audited

	<u>Note</u>	<u>31-Mar-2019</u>	<u>31-Dec-2018</u>
		JD	JD
<u>Assets</u>		(Reviewed)	(Audited)
Deposits at banks	3	1,983,497	2,231,741
Financial assets at fair value through income statement	4	68,108	84,641
Financial assets at fair value through other comprehensive income	5	1,332,235	1,319,477
Realestate investments		137,920	137,920
Loans to Policy Holders - Life Insurance		29,193	29,276
Total investments		3,550,953	3,803,055
 Cash on hand & at banks		 341,981	 449,977
Notes receivable & cheques under collection - net		2,318,868	2,606,506
Accounts receivable - net	6	8,964,390	8,164,438
Due from other reinsurers - net	7	1,293,239	1,239,872
Deferred tax assets	9 B	251,394	251,394
Property , plant & equipments - net		776,300	799,535
Intangible assets - Net		411,797	366,034
Other assets	8	760,317	548,853
Total assets		18,669,239	18,229,664

Chairman of the Board of Directors

chief executive officer

"The Accompanying notes from an integral part of these financial statements and read them"

Arab Life & Accidents Insurance Company
(P.S.C)
Amman - The Hashemite Kingdom Of Jordan
Condensed interim consolidated financial position As of March 31,2019
Reviewed not audited - Exhibit A

	Note	31-Mar-2019	31-Dec-2018
		JD (Reviewed)	JD (Audited)
<u>Liabilities and owners' equity</u>			
<u>Technical provisions</u>			
Unearned premium provision - net		5,946,442	5,971,736
Outstanding claims provision - net		3,292,869	3,422,192
Life Insurance Reserve, net		650,482	658,693
Total technical provisions		9,889,793	10,052,621
<u>Liabilities</u>			
Due to banks		530,297	651,972
Accounts payable	10	1,725,486	1,685,461
Accrued Expenses		106,000	25,315
Due to other reinsurers	11	1,264,768	983,146
Other provisions		383,400	368,640
Incom Tax Provisions	9-A	-	-
Other liabilities		681,804	510,413
Total liabilities		4,691,755	4,224,947
Total technical provisions & liabilities		14,581,548	14,277,568
<u>Owners' equity</u>			
Authorized & paid up capital		8,000,000	8,000,000
Statutory reserve		605,479	605,479
Retained Earnings	12	(3,819,394)	(3,942,231)
Fair value reserve	13	(698,394)	(711,152)
Net owners' equity		4,087,691	3,952,096
Total owners' equity & liabilities		18,669,239	18,229,664

Chairman of the Board of Directors

chief executive officer

"The Accompanying notes from an integral part of these financial statements and read them"

Arab Life & Accidents Insurance Company
(P.S.C)
Amman - The Hashemite Kingdom Of Jordan
Compined interim statement of income for the period ended 31 March 2019

Reviewed not audited

	Note	31-Mar-2019 JD (Reviewed)	31-Mar-2018 JD (Reviewed)
<u>Revenues</u>			
Gross Written Premiums		4,256,603	4,087,481
reinsurance share		(1,048,703)	(965,676)
Net written premiums		3,207,900	3,121,805
change in unearned premium provision		25,294	32,879
change in Life Insurance Premium Reserve		8,211	(7,120)
Net earned premium income		3,241,405	3,147,564
Commissions received		77,248	75,223
Issuance fees		195,840	167,275
Special revenues for subscription accounts		-	4,465
Interests revenues		16,291	29,073
Gains (losses) from financial assets & investments	14	7,806	65,546
Other revenues		(770)	7
Total revenues		3,537,820	3,489,153
<u>Cost of claims</u>			
Claims paid		3,228,772	3,434,515
Maturity and liquidation of policies		11,722	12,580
Deduct: recoveries		(255,396)	(310,032)
Deduct: reinsurance share		(634,539)	(545,189)
Net claims paid		2,350,559	2,591,874
Net change in outstanding claims provision		(128,782)	(419,744)
Allocated employees expenses		543,410	543,683
Allocated administrative expenses		165,093	184,006
Excess of loss		59,004	57,808
Acquisition policies cost		197,519	188,294
Other expenses due to written accounts		26,650	34,543
Net claims		3,213,453	3,180,464
<u>Chairman of the Board of Directors</u>			<u>chief executive officer</u>

"The Accompanying notes from an integral part of these financial statements and read them"

Arab Life & Accidents Insurance Company
(P.S.C)
Amman - The Hashemite Kingdom Of Jordan
Compined interim statement of income for the period ended 31 March 2019

Reviewed not audited

	Note	31-Mar-2019	31-Mar-2018
		JD	JD
		(Reviewed)	(Reviewed)
Employees expenses - not allocated		100,788	92,792
Administrative expenses - not allocated		37,214	44,139
Depreciation & amortization		24,977	38,701
Doubtful debt expences		10,083	18,036
Total expenses		173,062	193,668
Profit for the period from continuing operations		151,305	115,021
Net (Loss) Profit After Tax for the year before discontinued opetations	15	(28,468)	(13,437)
Profit for the period before tax		122,837	101,584
Tax	9-A	-	(31,934)
Profit for the period after tax		122,837	69,650
		Fils/Dinar	Fils/Dinar
Basic and diluted earning per share	16	0.015	0.009

Chairman of the Board of Directors

chief executive officer

**Arab Life & Accidents Insurance Company
(P.S.C)**

Amman - The Hashemite Kingdom Of Jordan

Compined interim statement of comprehensive income for the period ended 31 March 2019

Reviewed not audited

	Note	31-Mar-2019 JD (Reviewed)	31-Mar-2018 JD (Reviewed)
Profit for the period after tax		122,837	69,650
<u>Added: Other comprehensive income items</u>			
Foreign currency translation differences		-	-
The cumulative change in fair value of financial assets through a list of other comprehensive income	13	12,758	90,857
Gain on sale of financial assets at fair value through other comprehensive income	12	-	(122,161)
Total other comprehensive income items		12,758	(31,304)
Total comprehensive income for the period		135,595	38,346

Chairman of the Board of Directors

chief executive officer

"The Accompanying notes from an integral part of these financial statements and read them"

Arab Life & Accidents Insurance Company (P.S.C)

Amman - The Hashemite Kingdom Of Jordan

Condensed interim Compined statement of change in owners' equity for the period ended in March 31, 2019

Reviewed not audited

	paid Capital JD	Statutory reserve JD	Fair value reserve JD	*Cumulative profits (losses) at the end of the period		
				Realized JD	Unrealized JD	Total JD
Balance at the beginning of the period / year	8,000,000	605,479	(711,152)	(3,798,069)	(144,162)	3,952,096
Effect of applying a new and modified standard						
Balance at the beginning of the modified year	8,000,000	605,479	(711,152)	(3,798,069)	(144,162)	3,952,096
Profit for the period				116,798	6,039	122,837
Closing unrealized profits				(144,162)	144,162	-
Net change in fair value - Note 14			12,758			12,758
Total comprehensive income for the period			12,758			12,758
Balance as of March 31, 2019	8,000,000	605,479	(698,394)	(3,825,433)	6,039	4,087,691
Balance at the beginning of the year	8,000,000	1,750,945	(916,830)	(1,078,058)	(67,408)	7,688,649
Effect of applying a new and modified standard						
Balance at the beginning of the modified year	8,000,000	1,750,945	(916,830)	(1,078,058)	(67,408)	7,688,649
Profit for the period				31,280	38,370	69,650
Closing unrealized profits				(67,408)	67,408	-
Net change in fair value - Note 14			90,857			90,857
Gain on sale of investments through other comprehensive income - Note 13				(122,161)		(122,161)
Total comprehensive income for the period			90,857	(122,161)		(31,304)
Balance as of March 31, 2018	8,000,000	1,750,945	(825,973)	(1,236,347)	38,370	7,726,995

* The retained earnings as of March 31, 2019 include an amount of JD 251,394 to be disposed of in respect of deferred tax assets

Chairman of the Board of Directors

chief executive officer

"The Accompanying notes from an integral part of these financial statements and read them"

**Arab Life & Accidents Insurance Company
(P.S.C)**

Amman - The Hashemite Kingdom Of Jordan

Compined interim statement of cash flows for the period ended 31, March 2019

	Note	Reviewed not audited	
		31-Mar-2019	31-Mar-2018
		JD	JD
<u>Cash flows from operating activities</u>		(Reviewed)	(Reviewed)
Profit for the period before tax		151,305	115,021
Net result of Palestinian branches - under liquidation		(28,468)	(13,437)
<u>Modifications :</u>			
Depreciation		37,214	44,139
Doubtful debt expences		10,083	18,036
Return of doubtful debts		-	(5,388)
Change in fair value of financial assets at fair value through statement of income		6,039	(38,370)
Net change in unearned premium provision		(25,294)	(32,879)
Net change in outstanding claims provision		(129,323)	(419,742)
Net change in Life Insurance Reserve provision		(8,211)	7,120
Operating income (loss) before changes in working capital		13,345	(325,500)
<u>Changes in assets & liabilities</u>			
Financial assets designated at fair value through statement of income		10,494	103,784
Notes receivable & cheques under collection		287,638	(117,683)
Accounts receivable		(810,035)	(818,989)
Due from other reinsurers		(53,367)	(58,981)
Other assets		(211,464)	(254,402)
Accounts payable and Posted dated cheques		40,025	(49,915)
Accrued Expenses		80,685	73,136
Other provisions		14,760	29,334
Due to other reinsurers		281,622	(96,752)
Other liabilities		171,391	95,972
Net cash flows provided from (used in) operating activities		(174,906)	(1,419,996)
Before paid tax			
Paid tax		-	(27,691)
Net cash flows provided from (used in) operating activities		(174,906)	(1,447,687)
<u>Cash flows from investing activities</u>			
Due to banks		(121,675)	381,728
Deposits at banks		8,225	613,926
Loans to Policy Holders - Life Insurance		83	5,457
Acquisitions of property , plant & equipments		(5,542)	(34,535)
Acquisitions of intangible assets		(54,200)	-
Financial assets designated at fair value through other comprehensive income		-	9,339
Net cash flows (used In) investing activities		(173,109)	975,915
Net (dicrease) in cash		(348,015)	(471,772)
Cash on hand and at banks at beginning of period		831,626	784,528
Cash on hand and at banks at end of period	17	483,611	312,756

Chairman of the Board of Directors

chief executive officer

"The Accompanying notes from an integral part of these financial statements and read them"

**Arab Life & Accidents Insurance Company
(P.S.C)**

Amman - The Hashemite Kingdom Of Jordan

**Condensed interim Compined statement of Life insurance underwriting revenue inside
jordan for the period ended 31, March 2019 (Reviewed not Audited)**

	31-Mar-2019	31-Mar-2018
	JD	JD
	(Reviewed)	(Reviewed)
Direct insurance	281,275	178,700
Reinsurance inward business	-	-
Total Premiums	281,275	178,700
Less:		
Local reinsurer share	-	-
Foreign reinsurer share	34,576	18,914
Net written premiums	246,699	159,786
 Beg Balance		
Mathematical Reserve	826,826	802,980
Less: Reinsurers' Share	168,133	163,140
Mathematical Reserve - Net	658,693	639,840
 Less:		
End Balance		
Mathematical Reserve	816,519	811,915
Less: Reinsurers' Share	166,037	164,955
Mathematical Reserve - Net	650,482	646,960
 Net earned revenue from written premiums	254,910	152,666

**Arab Life & Accidents Insurance Company
P.S.C**

Amman - The Hashemite Kingdom Of Jordan

**Condensed interim Compined statement of Life insurance underwriting revenue outside jordan
for the period ended 31 March 2019 (Reviewed not Audited)**

	31-Mar-2019	31-Mar-2018
	JD	JD
	(Reviewed)	(Reviewed)
Paid claims	225,108	130,865
Maturity and liquidation of policies	11,722	12,580
<u>Less:</u>		
Foreign reinsurer share	21,381	13,017
Net paid claims	215,449	130,428
 Add: Outstanding claims reserve at end of the period		
RCR	178,136	225,162
IBNER	3,750	3,750
Reinsurer share	78,391	139,386
Net reported outstanding claims reserve at end of the period	103,495	89,526
 <u>Less: Outstanding Claims Reserve At Beginning Of The period</u>		
RCR	173,278	228,881
IBNER	13,500	13,500
Reinsurer share	74,202	140,196
Net reported outstanding claims reserve at beginning of the period	112,576	102,185
Net claims cost	206,368	117,769

**Arab Life & Accidents Insurance Company
P.S.C**

Amman - The Hashemite Kingdom Of Jordan

**Condensed interim Compined statement of Life insurance underwriting revenue outside
jordan for the period ended 31 March 2019 (Reviewed not Audited)**

	<u>31-Mar-2019</u>	<u>31-Mar-2018</u>
	JD	JD
	(Reviewed)	(Reviewed)
Net earned revenue from written premiums	254,910	152,666
Less:		
Net claims cost	206,368	117,769
Add:		
Commissions received	3,187	1,688
Insurance policies issuance fees	1,848	2,379
Investment income for the subscription account	14,292	29,473
Total Revenue	67,869	68,437
Less:		
Commissions paid	72	325
Allocated general & administrative expenses	45,394	45,760
Other allocated expenses	2,403	2,352
Total expenses	47,869	48,437
Underwriting profit	20,000	20,000

Arab Life & Accidents Insurance Company

P.S.C

Amman - The Hashemite Kingdom Of Jordan

Condensed interim Compined statement of general insurance underwriting revenue inside Jordan for the period ended 31 March 2018 (Reviewed not Audited)

	Fire & other damage												Total
	Motor		Marine & transport		Liability		Other types		Medical		Credit		
	31-Mar-2019	31-Mar-2018	31-Mar-2019	31-Mar-2018	31-Mar-2019	31-Mar-2018	31-Mar-2019	31-Mar-2018	31-Mar-2019	31-Mar-2018	31-Mar-2019	31-Mar-2018	
<u>Written premiums</u>	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Direct insurance	2,862,456	2,830,917	42,724	50,415	354,716	224,821	49,753	18,890	21,938	28,458	506,296	557,642	3,837,883
Reinsurance inward business	128,129	161,959	-	-	9,316	35,499	180	-	-	-	-	-	137,445
Total premiums	2,990,585	2,992,876	42,724	50,415	364,032	260,320	49,753	19,070	21,938	28,458	506,296	557,642	3,975,328
Less:													
Local reinsurer share	323,295	363,030	-	-	3,796	3,778	-	-	1,812	1,416	-	-	328,903
Foreign reinsurer share	-	-	34,884	40,842	345,525	238,439	44,850	13,667	13,912	19,040	246,053	266,550	685,224
Net written premiums	2,667,290	2,629,846	7,840	9,573	14,711	18,103	4,903	5,403	6,214	8,002	260,243	291,092	2,961,201
Add : Balance at beginning of the period													
Unearned premiums reserve	6,167,621	6,065,783	73,264	105,692	381,079	659,986	9,170	11,921	74,859	63,563	213,622	224,215	6,919,615
Less: Reinsurer share	354,822	321,630	63,910	94,684	355,136	628,489	2,240	4,504	53,783	45,755	117,988	113,777	947,879
Net unearned premium reserve	5,812,799	5,744,153	9,354	11,008	25,943	31,497	6,930	7,417	21,076	17,808	95,634	110,438	5,971,736
Less : Balance at ending of the period													
Unearned premiums reserve	6,105,749	6,038,380	66,066	76,984	498,242	633,892	47,454	22,899	65,075	64,779	356,956	368,294	7,139,542
Less: Reinsurer share	387,802	397,770	56,979	66,772	471,396	600,642	41,062	15,243	46,290	46,671	189,571	188,688	1,193,100
Net unearned premium reserve	5,717,947	5,640,610	9,087	10,212	26,846	33,250	6,392	7,656	18,785	18,108	167,385	179,606	5,946,442
Net earned revenue from written premiums	2,762,142	2,733,389	8,107	10,269	13,808	16,350	5,441	5,164	8,505	7,702	188,492	221,924	2,986,495

Arab Life & Accidents Insurance Company

P.S.C

Amman - The Hashemite Kingdom Of Jordan

Condensed interim Combined statement of general insurance cost of claims inside Jordan for the period ended 31 March 2019 (Reviewed not Audited)

	Motor		Marine & transport		Fire & other damage to property		Liability		Other types		Medical		Credit		Total	
	31-Mar-2019	31-Mar-2018	31-Mar-2019	31-Mar-2018	31-Mar-2019	31-Mar-2018	31-Mar-2019	31-Mar-2018	31-Mar-2019	31-Mar-2018	31-Mar-2019	31-Mar-2018	31-Mar-2019	31-Mar-2018	31-Mar-2019	31-Mar-2018
Paid claims	2,443,229	2,808,070	201	40,490	207,213	59,431	1,500	-	12,408	22,366	339,113	373,293	-	-	3,003,664	3,303,650
Less:																
Recoveries	239,751	302,734	-	-	75	217	-	-	-	-	12,936	5,212	2,634	1,869	255,396	310,032
Local reinsurer share	245,648	176,798	-	-	-	-	-	-	5,713	-	-	-	-	-	245,648	182,511
Foreign reinsurer share	3,515	55,692	165	37,363	179,264	58,813	1,200	-	10,547	15,584	172,819	182,209	-	-	367,510	349,661
Net paid claims	1,954,315	2,272,846	36	3,127	27,874	401	300	-	1,861	1,069	153,358	185,872	(2,634)	(1,869)	2,135,110	2,461,446
Add: Outstanding claims reserve at end of the period																
RCR	3,675,482	3,784,591	3,153,600	3,351,486	660,292	1,139,087	32,125	23,825	19,846	14,500	74,757	-	-	-	7,616,102	8,313,489
IBNYR	1,930,438	1,988,101	611	843	1,262	1,339	411	504	813	651	51,355	62,799	-	-	2,004,890	2,054,237
Less:																
Reinsurer share	365,310	598,913	3,152,880	3,349,513	614,959	1,082,492	27,700	19,060	17,010	12,560	50,767	-	-	-	4,228,626	5,062,338
Recoveries	1,818,934	1,637,346	85,214	287,693	40,945	35,000	-	-	-	-	-	-	430,723	431,723	2,375,816	2,391,762
Net reported outstanding claims reserve at end of the period	3,441,676	3,536,433	(83,883)	(284,877)	5,650	22,934	4,836	5,269	3,649	2,791	75,445	62,799	(430,723)	(431,723)	3,016,550	2,913,626
Less: Outstanding Claims Reserve At Beginning Of The period																
RCR	2,581,551	4,328,399	3,150,100	3,272,830	660,526	795,065	23,125	23,423	16,033	35,775	-	-	-	-	6,431,335	8,455,494
IBNYR	3,040,269	1,985,000	601	847	1,314	1,349	403	534	773	664	62,799	62,799	-	-	3,106,159	2,051,193
Less:																
Reinsurer share	311,413	635,362	3,150,080	3,268,589	616,038	753,908	18,700	18,740	13,659	33,168	-	-	-	-	4,109,890	4,709,767
Recoveries	1,738,437	1,720,206	86,193	287,693	35,000	35,000	-	-	-	-	-	-	431,723	433,310	2,291,353	2,476,209
Net reported outstanding claims reserve at end of the year	3,571,970	3,957,831	(85,572)	(282,605)	10,802	7,506	4,828	5,219	3,147	3,271	62,799	62,799	(431,723)	(433,310)	3,136,251	3,330,711
Net claims cost	1,824,021	1,851,448	1,725	855	22,722	15,829	308	50	2,363	589	165,904	185,872	(1,634)	(282)	2,015,409	2,054,361

Arab Life & Accidents Insurance Company

P.S.C

Amman - The Hashemite Kingdom Of Jordan

Condensed interim Compined statement of general insurance underwriting profit inside jordan for the period ended 31 March 2019 (Reviewed not Audited)

	Motor		Marine & transport		Fire & other damage to property		Liability		Other types		Medical		Credit		Total	
	31-Mar-2019	31-Mar-2018	31-Mar-2019	31-Mar-2018	31-Mar-2019	31-Mar-2018	31-Mar-2019	31-Mar-2018	31-Mar-2019	31-Mar-2018	31-Mar-2019	31-Mar-2018	31-Mar-2019	31-Mar-2018	31-Mar-2019	31-Mar-2017
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Net earned revenue from written premiums	2,762,142	2,733,389	8,107	10,369	13,808	16,350	5,441	5,164	8,505	7,702	188,492	221,924	-	-	2,986,495	2,994,898
Net claims cost	1,824,021	1,851,448	1,725	855	22,722	15,829	308	50	2,563	589	165,904	185,872	(1,634)	(282)	2,015,409	2,054,361
Add:																
Commissions received	647	6	12,047	17,744	57,586	53,187	2,242	683	1,539	1,915	-	-	-	-	74,061	73,535
Insurance policies issuance fees	137,717	110,019	1,997	2,743	15,531	12,162	2,970	1,127	1,148	1,559	34,629	37,286	-	-	193,992	164,896
Other revenues	-	-	-	-	-	-	-	-	-	-	4,465	4,465	-	-	-	4,465
Net revenues	1,076,485	991,966	20,426	30,001	64,203	65,870	10,345	6,924	8,829	10,587	57,217	77,803	1,634	282	1,239,139	1,183,433
Less:																
Commissions paid	151,931	164,943	2,558	1,694	18,441	15,730	148	369	474	472	4,605	2,734	-	-	178,157	185,942
Excess of loss premiums	54,529	52,297	725	1,036	3,750	4,475	-	-	-	-	-	-	-	-	59,004	57,808
Allocated general & administrative expenses	471,986	476,174	19,012	19,914	57,886	49,653	7,912	3,637	3,490	5,428	102,823	127,123	-	-	663,109	681,929
Other allocated expenses	15,916	25,963	305	1,222	3,335	2,586	-	32	492	313	22,814	3,867	675	235	43,537	34,218
Total expenses	694,362	719,377	22,600	23,866	83,412	72,444	8,060	4,038	4,456	6,213	130,242	133,724	675	235	943,807	959,897
Underwriting profit (loss)	382,123	272,589	(2,174)	6,135	(19,209)	(6,574)	2,285	2,886	4,373	4,374	(73,025)	(55,921)	959	47	295,332	223,536

Arab Life & Accidents Insurance Company

P.S.C

Amman - The Hashemite Kingdom Of Jordan

Condensed interim Compined statement of general insurance underwriting revenue outside jordan for the period ended 31, March 2019 (Reviewed not Audited)

	Motor		Marine & transport		Fire & other damage to property		Liability		Medical		Total	
	31-Mar-2019	31-Mar-2018	31-Mar-2019	31-Mar-2018	31-Mar-2019	31-Mar-2018	31-Mar-2019	31-Mar-2018	31-Mar-2019	31-Mar-2018	31-Mar-2019	31-Mar-2018
<u>Written premiums</u>	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Direct insurance	-	-	-	-	-	-	-	-	-	-	-	-
Reinsurance inward business	-	-	-	-	-	-	-	-	-	-	-	-
Total premiums	-	-	-	-	-	-	-	-	-	-	-	-
<u>Less:</u>												
Local reinsurer share	-	-	-	-	-	-	-	-	-	-	-	-
Foreign reinsurer share	-	-	-	-	-	-	-	-	-	-	-	-
Net written premiums	-	-	-	-	-	-	-	-	-	-	-	-
<u>Add : Balance at beginning of the period</u>												
Unearned premiums reserve	-	-	-	-	-	-	-	-	-	-	-	-
Less: Reinsurer share	-	-	-	-	-	-	-	-	-	-	-	-
Net unearned premium reserve	-	-	-	-	-	-	-	-	-	-	-	-
<u>Less : Balance at ending of the period</u>												
Unearned premiums reserve	-	-	-	-	-	-	-	-	-	-	-	-
Less: Reinsurer share	-	-	-	-	-	-	-	-	-	-	-	-
Net unearned premium reserve	-	-	-	-	-	-	-	-	-	-	-	-
<u>Net earned revenue from written premiums</u>	-	-	-	-	-	-	-	-	-	-	-	-

Arab Life & Accidents Insurance Company

P.S.C

Amman - The Hashemite Kingdom Of Jordan

Condensed interim Compined statement of general insurance cost of claims outside jordan for the period ended 31 March 2018 (Reviewed not Audited)

	Motor		Marine & transport		Fire & other damage to property		Liability		Medical		Total	
	31-Mar-2019	31-Mar-2018	31-Mar-2019	31-Mar-2018	31-Mar-2019	31-Mar-2018	31-Mar-2019	31-Mar-2018	31-Mar-2019	31-Mar-2018	31-Mar-2019	31-Mar-2018
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Paid claims												
Less::												
Recoveries	25,035	16,272	-	-	-	-	7,337	-	-	-	32,372	16,272
Local reinsurer share	-	-	-	-	-	-	-	-	-	-	-	-
Foreign reinsurer share	-	-	-	-	-	-	-	-	-	-	-	-
Net paid claims												
	25,035	16,272	-	-	-	-	-	-	-	-	-	-
Add: Outstanding claims reserve at end of the period												
							7,337	-	-	-	32,372	16,272
RCR												
IBNYR	90,502	97,281	-	-	-	-	83,511	84,051	-	-	174,013	181,332
Less::												
Reinsurer share	-	-	-	-	-	-	-	-	-	-	-	-
Recoveries	-	-	-	-	-	-	1,188	1,188	-	-	1,188	1,188
reserve at end of the period												
	90,502	97,281	-	-	-	-	82,323	82,863	-	-	172,825	180,144
At Beginning Of The period												
RCR												
IBNYR	90,502	97,281	-	-	-	-	84,051	84,051	-	-	174,553	181,332
Less:												
Reinsurer share	-	-	-	-	-	-	-	-	-	-	-	-
Recoveries	-	-	-	-	-	-	1,188	1,188	-	-	1,188	1,188
reserve at end of the year												
	90,502	97,281	-	-	-	-	82,863	82,863	-	-	173,365	180,144
Net claims cost												
	25,035	16,272	-	-	-	-	6,797	-	-	-	31,832	16,272

Arab Life & Accidents Insurance Company

P.S.C

Amman - The Hashemite Kingdom Of Jordan

Condensed interim Compined statement of general insurance underwriting profit outside jordan for the period ended 31 March 2019 (Reviewed not Audited)

	Motor		Marine & transport		Fire & other damage to property		Liability		Medical		Total	
	31-Mar-2019	31-Mar-2018	31-Mar-2019	31-Mar-2018	31-Mar-2019	31-Mar-2018	31-Mar-2019	31-Mar-2018	31-Mar-2019	31-Mar-2018	31-Mar-2019	31-Mar-2018
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Net earned revenue from written premiums	-	-	-	-	-	-	-	-	-	-	-	-
Net claims cost	25,035	16,272	-	-	-	-	6,797	-	-	-	31,832	16,272
Add:												
Commissions received	-	-	-	-	-	-	-	-	-	-	-	-
Insurance policies issuance fees	-	-	-	-	-	-	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-	-	-	-	-	-	-
Net revenues	(25,035)	(16,272)	-	-	-	-	(6,797)	-	-	-	(31,832)	(16,272)
Less:												
Commissions paid	-	-	-	-	-	-	-	-	-	-	-	-
Excess of loss premiums	-	-	-	-	-	-	-	-	-	-	-	-
Allocated general & administrative expenses	1,923	-	-	-	-	-	-	-	-	-	1,923	-
Change in provision for catastrophic hazards	-	-	-	-	-	-	-	-	-	-	-	-
Change in other provisions	-	-	-	-	-	-	-	-	-	-	-	-
Other allocated expenses	226	-	-	-	-	-	-	-	-	-	226	-
Total expenses	2,149	-	-	-	-	-	-	-	-	-	2,149	-
Underwriting profit (loss)	(22,886)	(16,272)	-	-	-	-	(6,797)	-	-	-	(33,981)	(16,272)

Arab Life & Accidents Insurance Company
(P.S.C)
Amman - The Hashemite Kingdom Of Jordan

Notes to condensed interim consolidated financial statements - reviewed not audited

1- Company's registration and objectives

The **Arab Life & Accidents Insurance Company** was established & registered as a public shareholding company in the Ministry of Industry & Trade under number (149) on the year 1980 with paid capital 2 million jordanian dinars divided to 2 million shares and the capital has been increased to 8 million jordanian dinars as the following:.

General assembly in its extraordinary meeting held on April 12, 1997 decided to increase capital to be JD 2,200,000 by capitalizing JD 200,000 from the retained earning.

General assembly in its extraordinary meeting held on March 30, 1998 decided to increase capital to be JD 2,640,000 by capitalizing JD 440,000 from the retained earning.

General assembly in its extraordinary meeting held on April 11, 1999 decided to increase capital to be JD 3,000,000 by capitalizing JD 360,000 from the retained earning.

General assembly in its extraordinary meeting held on April 19, 2001 decided to increase capital to be JD 3,300,000 by capitalizing JD 300,000 from the retained earning.

General assembly in its extraordinary meeting held on April 18, 2002 decided to increase capital to be JD 3,564,000 by capitalizing JD 264,000 from the retained earning.

General assembly in its extraordinary meeting held on April 21, 2004 decided to increase capital to be JD 4,000,000 by capitalizing JD 436,000 from the retained earning.

General assembly in its extraordinary meeting held on April 14, 2005 decided to increase capital to be JD 5,000,000 by capitalizing JD 1,000,000 from the retained earning.

General assembly in its extraordinary meeting held on February 23, 2006 decided to increase capital to be JD 8,000,000 by capitalizing JD 3,000,000 from the retained earning.

**Arab Life & Accidents Insurance Company
(P.S.C)
Amman - The Hashemite Kingdom Of Jordan**

Notes to condensed interim consolidated financial statements - reviewed not audited

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

Life insurance business

- 1- Life Insurance Branch
- 2- insurance branch or pension
- 3- Insurances associated with investment
- 4- Permanent health insurance

General insurance business

- 1- Medical Insurance
- 2- Marine & transport insurance license
- 3- Aviation Insurance
- 4- Fire & other damage to property insurance license
- 5- Motor insurance license
- 6- Personal Accident Insurance
- 7- Liability insurance license
- 8- Credit Insurance
- 9- Branch Insurance Assistance

The financial statements were approved at the Board of Directors' Meeting dated 29/4/2018

2- Significant accounting policies

Basis of preparation of interim consolidated financial statements

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

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

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

These condensed interim consolidated financial statements do not include all the information required for a complete set of IFRS financial statements, However , selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the company's financial position and performance since the last annual report of financial statements as of **December 31, 2018** , in addition, The results for the three months period ended **March 31, 2019** are not necessarily indicative of the results that may be expected for the financial year ending **December 31, 2019** .

Arab Life & Accidents Insurance Company
(P.S.C)
Amman - The Hashemite Kingdom Of Jordan

Notes to condensed interim consolidated financial statements - reviewed not audited

Bussiness sector

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

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

Use of estimates

The preparation of the interim financial statements requires management to make estimates and assumptions that affect the reported amount 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 particular , considerable judgement by management is required in the estimation of the amount and timing of future cash flows . 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 change in such provisions .

Management beleive that the estimates are reasonable and are as follows :

- Management evaluates its investments for impairment on a regular basis where there is a prolonged decline , Management estimates the value of impairment and the same is charged in the statement of comprehensive income - An estimate of the collectible amount of trade accounts receivables is made when collection of the full amount is no longer probable . For individually significant amounts , this estimation is performed on an individual basis . Amounts which are not individually significant , but which are past due , are assessed collectively and a provision applied according to the length of time past due , based on historical recovery rates .
- Inventories are held at the lower of either cost or net realizable value . When inventories become old or obsolete , an estimate is made of their realizable value . For individually significant amounts this estimation is performed on an individual basis . Amounts which are not individually significant , but which are old or obsolete , are assessed collectively and a provision applied according to the inventory type and the degree of aging or obsolescence , based on historical selling prices.
- Management reviews periodically the tangible and intangible assets in order to assess the amortization and depreciation for the year based on the useful life and future economic benefits . Any impairment is taken to the statement of comprehensive income.

**Arab Life & Accidents Insurance Company
(P.S.C)**

Amman - The Hashemite Kingdom Of Jordan

Notes to condensed interim consolidated financial statements - reviewed not audited

3- Deposits at banks

This item consists of :

	31-Mar-2019		31-Dec-18	
	Deposit Mature within one month	Deposit Maturing after Three months and up to one year	Total	Total
	JD	JD	JD	JD
<u>Inside Jordan</u>				
Housing Bank For Trade & Finance	133,477	18,517	151,994	367,063
Arab Banking Corporation	414,350	-	414,350	414,350
Jordan Bank	396	-	396	8,291
Invest Bank	707,757	-	707,757	733,037
Bank al Etihad	-	-	-	-
Societe Generale Bank	-	-	-	-
Total	1,255,980	18,517	1,274,497	1,522,741
<u>Outside Jordan</u>				
Housing Bank For Trade & Finance	709,000	-	709,000	709,000
Total	709,000	-	709,000	709,000
Total	1,964,980	18,517	1,983,497	2,231,741

Interest rate on JD deposit at banks ranging between **2.5%** to **5.9%**

Deposited deposits as of March 31, 2019 amounted

	31-Mar-2019	31-Dec-2018
	JD	JD
	(Reviewed)	(Audited)
Arab Banking Corporation	414,350	414,350
Housing Bank For Trade & Finance - Ramallah	709,000	709,000
Invest Bank	700,000	700,000
Total	1,823,350	1,123,350

**Arab Life & Accidents Insurance Company
(P.S.C)
Amman - The Hashemite Kingdom Of Jordan**

Notes to condensed interim consolidated financial statements - reviewed not audited

4- Financial assets at fair value through income

This item consists of :

	31-Mar-2019 JD (Reviewed)	31-Dec-2018 JD (Audited)
Stocks in Amman stock Exchange	68,108	84,641
Total	68,108	84,641

5- Financial assets at fair value through other comprehensive income

This item consists of :

	Number of Shares	31-Mar-2019 JD (Reviewed)	31-Dec-2018 JD (Audited)
<u>Inside Jordan</u>			
<u>Listed</u>			
Stocks in Amman stock Exchange		278,389	265,631
Total		278,389	265,631
<u>Unlisted</u>			
Arab real estate company	21,000	21,000	21,000
Saraya Aqaba	500,000	500,000	500,000
Imkan for Brokerage & Trading	92,138	14,214	14,214
Al Motrabetah Investment Company	29,851	9,579	9,579
Total		544,793	544,793
<u>Outside Jordan</u>			
<u>Unlisted</u>			
Iraq International Insurance	443,650,000	171,000	171,000
Burqan Insurance	71,619	338,053	338,053
Total		509,053	509,053
Total inside& Outside Jordan		1,332,235	1,319,477

**Arab Life & Accidents Insurance Company
(P.S.C)**

Amman - The Hashemite Kingdom Of Jordan

Notes to condensed interim consolidated financial statements - reviewed not audited

6- Accounts receivable - net

This item consists of :

	<u>31-Mar-2019</u>	<u>31-Dec-2018</u>
	JD	JD
	(Reviewed)	(Audited)
Policies compaign receivable	10,250,946	9,444,352
Agents receivable	29,272	30,434
Employees receivable	19,167	10,079
Other receivable	285,478	332,700
Broker receivable	153,332	110,595
Total	10,738,195	9,928,160
Deduct : Provision for receivable debts impairment (Note 10 B)	(1,773,805)	(1,763,722)
Net	8,964,390	8,164,438

Transaction of provision for receivable debts impairment during the period represents of :

	<u>31-Mar-2019</u>	<u>31-Dec-2018</u>
	JD	JD
	(Reviewed)	(Audited)
Balance beginning of the period/year	1,763,722	1,202,207
Effect of applying (IFRS 9)		526,862
Balance at the beginning of the modified year	1,763,722	1,729,069
Additions for the period / year	10,083	40,041
Disposals for the period/year (closing debts to provision)		(5,388)
Balance ending of the period/year	1,773,805	1,763,722

**Arab Life & Accidents Insurance Company
(P.S.C)**

Amman - The Hashemite Kingdom Of Jordan

Notes to condensed interim consolidated financial statements - reviewed not audited

6-

Including the receivable , the balance of the receivables of the Arab Potash Company as at December 31, 2018 was amounted to JD 5,107,053 and a provision was made in previous years amounting to JD 600,000 for this receivables, noting that there is an Court Cases against the Arab Potash Company in the full amount and the case is still pending infront of the Court. Arab Insurance Company took the necessary Provision in the subsequent period according to the reality of the case and its Procedures in the judiciary. In the opinion of the Company's management and the legal consaltant of the Company, the case is in the interest of the Company as the Arab Potash Company based on the counterclaim. The submission of the contract is based on the invalidity of the agreement to calculate the premium for collective life contract No. (H / C / 74) In addition to the fact that the existence of a condition in the document or its amendments determines the cost of claims as a percentage of premiums is not surprising in some insurance contracts and that there is in the insurance industry globally such contracts , And This was based on the book losses on Samson January 2019 20 in which it said that the amendment contained on the document properly and is secure and stop loss applicable in the insurance There is a balance from previous years at the Embassy of the Kingdom of Saudi Arabia (Cultural Attaché) for JD 1,020,273 Based on the letter of the Company's legal advisor dated February 26, 2019, and due to the exhaustion of all friendly methods for collecting this claim, a lawsuit will be filedIn the opinion of the legal counsel of the company, the company enjoys a good legal position on this issue and is expected to issue a decision in favor of the company with the full amount claimed with the legal benefits that will be claimed from the date of the legal warning of the cultural attaché Saudi Arabia.

**Arab Life & Accidents Insurance Company
(P.S.C)**

Amman - The Hashemite Kingdom Of Jordan

Notes to condensed interim consolidated financial statements - reviewed not audited

7- Due from other reinsurers - net

This item consists of :

	31-Mar-2019	31-Dec-2018
	JD	JD
	(Reviewed)	(Audited)
Local insurance co. receivable	1,190,789	1,158,501
foreign reinsurers co. receivable	160,217	139,138
Total	1,351,006	1,297,639
Deduct : Provision for reinsurers debts impairment (Note 11 B)	(57,767)	(57,767)
Net	1,293,239	1,239,872

Transaction of provision for reinsurers debts impairment during the period represents of :

	31-Mar-2019	31-Dec-2018
	JD	JD
	(Reviewed)	(Audited)
Balance beginning of the period/year	57,677	56,931
Addition for the period / year	-	836
Balance ending of the period/year	57,677	57,767

8- Other Assets

This item consists of :

	31-Mar-2019	31-Dec-2018
	JD	JD
	(Reviewed)	(Audited)
Accrued revenue	-	44,869
Prepaid expenses	489,330	249,540
Refundable deposits	2,339	2,339
Insurnace guarantees	4,503	2,967
Others	27,147	27,147
Profit Sharing	164,117	153,344
Income tax payments	38,730	38,730
withholding tax	34,151	29,917
Total	760,317	548,853

**Arab Life & Accidents Insurance Company
(P.S.C)**

Amman - The Hashemite Kingdom Of Jordan

Notes to condensed interim consolidated financial statements - reviewed not audited

9- **Income tax**

A- **Income tax provision**

Transaction of income tax provision during the period represents of :

	31-Mar-2019	31-Dec-2018
	JD	JD
	(Reviewed)	(Audited)
Balance beginning of the period/year	-	-
Paid tax during the period / year	-	-
Income tax for the period / year *	-	-
Balance ending of the period/year	-	-

Transaction of income tax during the period represents of :

	31-Mar-2019	31-Dec-2018
	JD	JD
	(Reviewed)	(Audited)
Income tax for the period / year	-	31,934
Deferred tax assets	-	-
Total	-	31,934

Summary of accounting profit adjustment with tax

	31-Mar-2019	31-Dec-2018
	JD	JD
	(Reviewed)	(Audited)
Accounting profit	122,837	(3,048,385)
Loss of external branches	28,468	(38,691)
Expenses not taxable	-	-
Tax profit	-	-
Income tax (Ratio 24%)	-	-

- The company obtained a deduction from Income and Sales Tax Department Until the end of 2015, the self-assessment statement for 2016, 2017 has not yet been reviewed by the Income Tax Department and sales

**Arab Life & Accidents Insurance Company
(P.S.C)**

Amman - The Hashemite Kingdom Of Jordan

Notes to condensed interim consolidated financial statements - reviewed not audited

B- Deferred tax assets

	<u>31-Mar-2019</u>	<u>31-Dec-2018</u>
	JD	JD
	(Reviewed)	(Audited)
IBNER at end of the period	8,492	8,492
End of service indemnity provision	3,839	3,839
Accrued revenue	28,808	28,808
Provision for doubtful debts	210,255	210,255
Balance ending of the period/year	<u>251,394</u>	<u>251,394</u>

Tax on deferred tax assets is calculated at 24% according to the Income Tax Law. In the opinion of the administration, these deferred tax assets will be collected in the future.

Deferred taxes are not charged as at 31 March 2019 and deferred taxes will be charged at the end of the year

**Arab Life & Accidents Insurance Company
(P.S.C)**

Amman - The Hashemite Kingdom Of Jordan

Notes to condensed interim consolidated financial statements - reviewed not audited

10- Accounts payable

This item consists of :

	31-Mar-2019	31-Dec-2018
	JD	JD
	(Reviewed)	(Audited)
Policies campaign payable	239,462	426,840
Employees payable	156,700	33,299
Other payable	753,311	527,992
Garages payable	228,088	440,587
Hospital payable	6,140	255,216
Broker Payable	341,785	1,527
Total	1,725,486	1,685,461

11- Due to other reinsurers

This item consists of :

	31-Mar-2019	31-Dec-2018
	JD	JD
	(Reviewed)	(Audited)
Local insurance co. payable	322,581	393,192
Foreign reinsurers co. payable	942,187	589,954
Total	1,264,768	983,146

12- Retained Earnings

This item consists of :

	31-Mar-2019	31-Dec-2018
	JD	JD
	(Reviewed)	(Audited)
Balance at the beginning of the period / year	(3,942,231)	(1,145,466)
Effect of applying a new and modified standard	-	(568,681)
Balance at the beginning of the modified year	(3,942,231)	(1,714,147)
Profit for the period	-	1,145,466
Closing unrealized profits	122,837	(3,048,385)
Net change in fair value - Note 14	-	(325,165)
Balance at the ended of the period / year	(3,819,394)	(3,942,231)

**Arab Life & Accidents Insurance Company
(P.S.C)**

Amman - The Hashemite Kingdom Of Jordan

Notes to condensed interim consolidated financial statements - reviewed not audited

13- Fair value reserve

This item consists of :

	<u>31-Mar-2019</u>	<u>31-Dec-2018</u>
	JD	JD
	(Reviewed)	(Audited)
Balance beginning of the period/year	(711,152)	(916,830)
Net changes in fair value during the period / year	12,758	205,678
Balance ending of the period/year	<u>(698,394)</u>	<u>(711,152)</u>

14- Gains (losses) from financial assets & investments

This item consists of :

	<u>31-Mar-2019</u>	<u>31-Mar-2018</u>
	JD	JD
	(Reviewed)	(Reviewed)
Cash Dividends from financial assets at fair value through income statement	-	12,400
Cash Dividends from financial assets at fair value through other comprehensive income	-	3,150
Gain from selling financial assets at fair value through income statement	1,767	11,626
Unrealized gains (losses) from financial assets at fair value through income statement	6,039	38,370
Total	<u>7,806</u>	<u>65,546</u>
Amount transferred to IPO accounts	<u>-</u>	<u>-</u>
Amount transfer to income statement	<u>7,806</u>	<u>65,546</u>

**Arab Life & Accidents Insurance Company
(P.S.C)**

Amman - The Hashemite Kingdom Of Jordan

Notes to condensed interim consolidated financial statements - reviewed not audited

15- **Net result of Palestinian branches - under liquidation**

This item consists of :

	<u>31-Mar-2019</u>	<u>31-Mar-2018</u>
	JD	JD
	(Reviewed)	(Reviewed)
Gain (Losses) Liability department	(6,797)	-
Gain (Losses) Motor department	(27,184)	(16,272)
Total gain (Losses) all departments	(33,981)	(16,272)
Investment revenue	5,513	2,835
Net Result	(28,468)	(13,437)

**Arab Life & Accidents Insurance Company
(P.S.C)**

Amman - The Hashemite Kingdom Of Jordan

Notes to condensed interim consolidated financial statements - reviewed not audited

16- Basic and diluted earning per share

This item consists of :

	<u>31-Mar-2019</u>	<u>31-Mar-2018</u>
	JD	JD
	(Reviewed)	(Reviewed)
Profit for the period after tax (JD)	122,837	69,650
Weighted average shares (share)	<u>8,000,000</u>	<u>8,000,000</u>
Basic and diluted earning per share	<u>0.015</u>	<u>0.009</u>

17- Cash & cash equivalent

This item consists of :

	<u>31-Mar-2019</u>	<u>31-Mar-2018</u>
	JD	JD
	(Reviewed)	(Reviewed)
Cash on hand	341,981	747,681
Deposits Mortgaged	1,964,980	1,388,425
Less: Restricted deposits	<u>(1,823,350)</u>	<u>(1,823,350)</u>
Total	<u>483,611</u>	<u>312,756</u>

Arab Life & Accidents Insurance Company (P.S.C)

Amman - The Hashemite Kingdom Of Jordan

Notes to condensed interim consolidated financial statements - reviewed not audited

18- Related parties transactions

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

	Receivable		Insurance premium		Shares in Arab Insurance		Investment with related parties	
	31-Mar-2019	31-Dec-2018	31-Mar-2019	31-Dec-2018	31-Mar-2019	31-Dec-2018	31-Mar-2019	31-Dec-2018
	JD	JD	JD	JD	JD	JD	JD	JD
	(Reviewed)	(Audited)	(Reviewed)	(Audited)	(Reviewed)	(Audited)	(Reviewed)	(Audited)
Al Ahlia Insurance /Kuwait	121,196 Cr	128,565 Cr	7,127	29,679	2,235,313	2,235,313	-	-
Burqan Insurance (Arab Life previously	200 Dr	8,517 Dr	-	2,075	5,541	-	338,053	338,053
Executive Management	7540 Dr	103 Dr	6,449	5,748	5,541	5,841	-	-
Ahmad Tantash	11943 Dr	252 Dr	2,950	7,440	80,808	80,808	-	-

The management of the financial relationship with the parties involved in the insurance transactions, bonuses and attendance fees of the Board of Directors and there are no funds granted to any of the members of the Board of Directors and senior shareholders, while the senior management is sometimes grant short-term advances are subject to any Murabaha ratios and in accordance with the internal regulations applied in the company

Wages , allowances and other benefits for senior excutive managements :

	31-Mar-2019		31-Mar-2018	
	JD	(Reviewed)	JD	(Reviewed)
Wages & other benefits	99,870		58,770	
Travel expenses	6,179		9,403	
	106,049		68,173	

Arab Life & Accidents Insurance Company (P.S.C)

Amman - The Hashemite Kingdom Of Jordan

Notes to condensed interim consolidated financial statements - reviewed not audited

19- Future plan and correct the financial situation of the company

The future plan prepared by the management of the company, which will be approved by the Board of Directors as follows:

- in accordance to the approval of the board of director at his meeting at april 8,2019 , to ammortizing the accumulated loss as at the financial statement as at decenber 31,2018 , and increas the capital with ammount JD 4,000,000
- Follow up the process of collecting the rights of the company by friendly or legal means, especially related to the Arab Potash Company, The Saudi Cultural Attaché, and the debt insurance recoveries from the Housing Bank and Union Bank. , which in turn will raise the solvency margin of the company to Above the minimum required by the insurance department.
- The amount of credit facilities granted to the company against the deduction of part of the checks is currently under way The collection with the banks whose balance as at 31 December 2018 amount to 2,600,000 JD to cover The cash flow deficit of the Company until completion of the procedures of the capital structure of the company

20- Analysis of main sectors

The company's activities are organized into two business segments:

- 1- Life Insurance: These include individual life insurance and collective life insurance
- 2- General insurance sector: includes insurance of vehicles, marine insurance, transport, fire insurance and other damage to property, liability insurance and insurance of other branches

These sectors constitute the basis used by the company to show information related to the main sectors and include investments and cash management for the company's account. Transactions between the sectors are based on the estimated market prices and on the same terms that are dealt with by other parties

21- Potential liabilities

The Company has potential commitments at the date of preparing the financial statements against bank guarantees amounting to JD 62,117

22- Palestine branches

Work is continuing on the liquidation of the branches of Palestine based on the plan, which began in this regard since the beginning of 2015

23- Comparative figures

Certain comparative figures have been reclassified to conform and present the current financial statements in accordance with the instructions of the Insurance Commission No. (2) for the year 2003. And the decision of the Insurance Commission No. (8) for the year 2008.

**Arab Life & Accidents Insurance Company
(P.S.C)**

Amman - The Hashemite Kingdom Of Jordan

**Condensed interim consolidated financial position of the Life insurance branch As of March
31, 2019**

	31-Mar-2018	31-Dec-2017
	JD	JD
<u>Assets</u>	(Reviewed)	(Audited)
Deposits at banks	707,757	702,795
Financial assets at fair value through income statement	24,828	147,476
Financial assets at fair value through other comprehensive income	106,253	236,853
Loans to Policy Holders - Life Insurance	29,193	27,995
Total investments	868,031	1,115,119
Cash on hand & at banks	87,345	101,432
Notes receivable & cheques under collection - net	-	-
Accounts receivable - net	6,104,687	5,298,993
Due from other reinsurers - net	28,232	-
Other assets	155,099	145,456
Total assets	7,243,394	6,661,000
<u>Liabilities and owners' equity</u>		
<u>technical provisions</u>		
Outstanding claims provision - net	103,495	89,526
Life Insurance Reserve, net	650,482	646,960
Total technical provisions	753,977	736,486
<u>Liabilities</u>		
Accounts payable	487,368	453,021
Due to other reinsurers	385,967	329,582
Other liabilities	228,162	209,732
Total Liabilities	1,101,497	992,335
Main branch	5,387,920	4,932,179
Total owners' equity & liabilities	7,243,394	6,661,000

Chairman of the Board of Directors

chief executive officer