



شركة الأراضي المقدسة للتأمين المساهمة العامة المحدودة

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

٢٠٢٠/١١/٢٣

٢٠٢٠/٧٤٥/٢٦

السادة/ بورصة عمان المحترمين .

عمان - الاردن

الموضوع: البيانات المالية للشركة

كما في ٢٠٢٠/٩/٣٠

تحية طيبة وبعد،،،،

نرفق لكم طيه البيانات المالية الموحدة المترجمة للغة الانجليزية كما في ٢٠٢٠/٩/٣٠ وتقرير مدقق الحسابات الخارجي عليها .

راجين التكرم بالاستلام حسب الاصول .

وتفضلوا بقبول فائق الاحترام،،،،

عبد السلام عبد اللطيف الشروف

نائب المدير العام



بورصة عمان  
الدائرة الإدارية والمالية  
الديوان

٢٢ تموز ٢٠٢٠

الرقم المتسلسل: ١٨٥  
رقم الملف: ٢١٥١٥  
الجهة المختصة: ١١/١١/٢٠٢٠

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

**Consolidated condensed interim  
financial statements**

**As of September 30, 2020**  
**(Reviewed not audited)**

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

---

**Index**

	<b><u>Page</u></b>
Independent auditors' report on review of consolidated condensed interim financial statements	1-2
Statement of consolidated condensed interim financial position	3-4
Statement of consolidated condensed interim of comprehensive income	5-6
Statement of consolidated condensed interim of change in owners' equity	7
Statement of consolidated condensed interim of cash flows	8-9
Statement of consolidated condensed interim of general insurance underwriting revenue	10
Statement of consolidated condensed interim of general insurance cost of claims	11
Statement of consolidated condensed interim of general insurance underwriting profit (loss)	12
Notes to consolidated condensed interim financial statements	13-25

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

785 20 04

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

### Introduction:

We have reviewed the accompanying condensed interim Consolidated financial statements of **The Holy Land Insurance Co. – public shareholding company** which comprising , statement of consolidated condensed interim financial position as at September 30, 2020, and statement of consolidated condensed interim of comprehensive income, statement of consolidated condensed interim of changes in owners' equity and statement of consolidated condensed interim of cash flows for the nine-month period ended June 30, 2020 and the related explanatory notes.

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

### Scope of review:

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

### Qualified Conclusion:

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

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

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

**Emphasis of matters:**

The financial statements include recoveries amounting to JD 1,581,635 (legal recourse returns on those causing accidents), that the movement is slow on this item and therefore we have not achieved in any way the possibility of recovering those recoveries, that a large part of these recoveries, especially with regard to allegations that have passed on Paying it more than three years, with cases filed, and according to the instructions of the Insurance Department, there is no need to make provisions for it. The company's management will prepare a detailed study of these recoveries during the year 2020 to express the final opinion.

**Other matters:**

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

**Al Abbasi & Partners Co.**

**Nabeel Moh'd Obeidat**

**License No. 877**



**Amman in  
October 28, 2020**

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

**Statement of consolidated condensed interim financial position**  
**as of September 30, 2020 (reviewed not audited)**

	Note	30-Sep-2020 JD (Reviewed)	31-Dec-2019 JD (Audited)
<b><u>Assets</u></b>			
Deposits at banks	7	454,445	453,932
Financial assets at fair value through income statement	8	388,351	363,536
Financial assets at fair value through other comprehensive income	9	10,000	10,000
Realestate investments	10	3,784,002	3,784,002
Investments in subsidiary - under liquidation	11	135,000	135,000
<b>Total investments</b>		<b>4,771,798</b>	<b>4,746,470</b>
Cash on hand & at banks		233,176	245,480
Cheques under collection		50,452	54,389
Due from related parties	20	212,617	209,310
Accounts receivable - net	12	1,268,733	1,190,709
Due from reinsurers - net	13	964,960	779,259
Deferred tax assets	14	1,674,443	1,674,443
Property , plant & equipments - net		1,881,275	1,937,560
Intangible assets - net		7,535	11,844
Other assets		880,448	797,257
<b>Total assets</b>		<b>11,945,437</b>	<b>11,646,721</b>

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

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

**Follow-statement of consolidated condensed interim financial position**  
**as of September 30, 2020 (reviewed not audited)**

	Note	30-Sep-2020	31-Dec-2019
		JD	JD
		(Reviewed)	(Audited)
<b><u>Liabilities and owners' equity</u></b>			
<b><u>Technical provisions</u></b>			
Unearned premium provision - net		5,237,664	4,897,750
Outstanding claims provision - net		1,761,169	2,464,165
<b>Total technical provisions</b>		<b>6,998,833</b>	<b>7,361,915</b>
<b><u>Liabilities</u></b>			
Banks overdraft		103,312	289,034
Accounts payable	15	137,831	189,509
Due to reinsurers	16	537,437	553,745
Other liabilities		264,017	416,418
<b>Total liabilities</b>		<b>1,042,597</b>	<b>1,448,706</b>
<b>Total technical provisions &amp; liabilities</b>		<b>8,041,430</b>	<b>8,810,621</b>
<b><u>Owners' equity</u></b>			
Capital	1	9,868,691	9,868,691
Issuance discount		(3,522,386)	(3,522,386)
Fair value reserves for financial assets	17	(200,000)	(200,000)
Accumulated (losses)		(3,310,205)	(3,310,205)
Profit for the period		1,067,907	-
<b>Net owners' equity</b>		<b>3,904,007</b>	<b>2,836,100</b>
<b>Total owners' equity &amp; liabilities</b>		<b>11,945,437</b>	<b>11,646,721</b>

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



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

**Statement of consolidated condensed interim of comprehensive income**  
**for the nine months ended September 30, 2020 (reviewed not audited)**

	Note	For the nine months ended		For the three months ended	
		30-Sep-2020	30-Sep-2019	30-Sep-2020	30-Sep-2019
		(Reviewed)	(Reviewed)	JD (Reviewed)	JD (Reviewed)
<b><u>Revenues</u></b>					
Total written premiums		8,139,439	7,546,051	3,089,238	2,547,398
Deduct: reinsurance share		(81,971)	(141,841)	(28,680)	(51,814)
<b>Net written premiums</b>		<b>8,057,468</b>	<b>7,404,210</b>	<b>3,060,558</b>	<b>2,495,584</b>
Net change in unearned premium provision		(339,914)	(224,669)	(281,499)	(55,281)
<b>Net earned premium income</b>		<b>7,717,554</b>	<b>7,179,541</b>	<b>2,779,059</b>	<b>2,440,303</b>
Commissions received		14,819	30,866	4,929	10,956
Issuance fees		372,577	342,245	170,715	125,285
Interests revenues		6,555	18,769	1,150	6,694
(Losses) from financial assets & investmer	18	(9,137)	(156,725)	31,043	343
Other revenues due to written accounts		402	26,994	-	(4,100)
Other revenues		23,267	21,146	5,428	3,117
Returned from impairment provisions	12 + 13	-	108,252	-	(104,197)
<b>Total revenues</b>		<b>8,126,037</b>	<b>7,571,088</b>	<b>2,992,324</b>	<b>2,478,401</b>
<b><u>Cost of claims</u></b>					
Claims paid		6,095,101	7,506,217	2,801,203	2,241,586
Deduct: recoveries		(384,223)	(600,852)	(181,652)	(191,886)
Deduct: reinsurance share		(327,626)	(84,081)	(71,189)	(48,195)
<b>Net claims paid</b>		<b>5,383,252</b>	<b>6,821,284</b>	<b>2,548,362</b>	<b>2,001,505</b>
Net change in outstanding claims provision		(702,996)	(1,609,755)	(13,602)	(378,929)
Allocated employees expenses		652,905	668,948	253,911	229,115
Allocated administrative expenses		402,659	392,855	153,185	122,514
Excess of loss		166,550	95,062	62,945	31,687
Acquisition policies cost		829,688	704,914	188,948	418,248
Other expenses due to written accounts		1,237	26,467	316	(6,027)
<b>Net claims</b>		<b>6,733,295</b>	<b>7,099,775</b>	<b>3,194,065</b>	<b>2,418,113</b>

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



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

**Follow-statement of consolidated condensed interim of comprehensive income**  
**for the nine months ended September 30, 2020 (reviewed not audited)**

	Note	For the nine months ended		For the three months ended	
		30-Sep-2020	30-Sep-2019	30-Sep-2020	30-Sep-2019
				JD	JD
		(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)
<b>Net claims</b>		<b>6,733,295</b>	<b>7,099,775</b>	<b>3,194,065</b>	<b>2,418,113</b>
Employees expenses - not allocated		163,226	167,237	63,478	57,279
Administrative expenses - not allocated		60,944	66,609	19,295	11,760
Depreciation & amortization		100,665	98,213	38,296	30,628
Impairment debts	12	-	30,543	-	19,977
<b>Total expenses</b>		<b>7,058,130</b>	<b>7,462,377</b>	<b>3,315,134</b>	<b>2,537,757</b>
<b>Profit for the period before tax</b>		<b>1,067,907</b>	<b>108,711</b>	<b>(322,810)</b>	<b>(59,356)</b>
Tax	14	-	-	-	-
<b>Profit for the period</b>		<b>1,067,907</b>	<b>108,711</b>	<b>(322,810)</b>	<b>(59,356)</b>
<b>Total comprehensive income for the period</b>		<b>1,067,907</b>	<b>108,711</b>	<b>(322,810)</b>	<b>(59,356)</b>
		<b>Dinar/Fils</b>	<b>Dinar/Fils</b>	<b>Dinar/Fils</b>	<b>Dinar/Fils</b>
<b>Basic and diluted earning per share</b>	19	<b>0.108</b>	<b>0.022</b>	<b>(0.033)</b>	<b>(0.012)</b>

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

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

**Statement of consolidated condensed interim of change in owners' equity  
for the three nine ended September 30, 2020 (reviewed not audited)**

Description	Capital	Non-cash advanced payments on capital increase		Issuance discount	Fair value reserves for financial assets		Accumulate (loss)d	profit for the period		Net
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
<b>For the nine months ended September 30, 2020</b>										
<b>Balance as of January 1, 2020 - audited</b>	9,868,691	-	(3,522,386)	(200,000)	(3,310,205)	-	2,836,100			
Total comprehensive income for the period	-	-	-	-	-	1,067,907	1,067,907			
<b>Balance as of September 30, 2020 - reviewed</b>	<b>9,868,691</b>	<b>-</b>	<b>(3,522,386)</b>	<b>(200,000)</b>	<b>(3,310,205)</b>	<b>1,067,907</b>	<b>3,904,007</b>			

**For the nine months ended September 30, 2019**

<b>Balance as of January 1, 2019 - audited</b>	5,000,000	-	(2,061,779)	(200,000)	(758,502)	-	1,979,719			
Total comprehensive income for the period	-	-	-	-	-	108,711	108,711			
Non-cash advanced payments on capital increase (note 1)	-	3,408,084	-	-	-	-	3,408,084			
<b>Balance as of September 30, 2019 - reviewed</b>	<b>5,000,000</b>	<b>3,408,084</b>	<b>(2,061,779)</b>	<b>(200,000)</b>	<b>(758,502)</b>	<b>108,711</b>	<b>5,496,514</b>			

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

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

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

**Statement of consolidated condensed interim of cash flows**  
**for the nine months ended September 30, 2020 (reviewed not audited)**

	30-Sep-2020	30-Sep-2019
	JD	JD
<b><u>Cash flows from operating activities</u></b>	<b>(Reviewed)</b>	<b>(Reviewed)</b>
Profit for the period before tax	1,067,907	108,711
Depreciation & amortization	60,944	66,609
Net change in unearned premium provision	339,914	224,669
Net change in outstanding claims provision	(702,996)	(1,609,755)
Un realized losses from the sale of financial assets at fair value through the income st.	9,137	89,324
Realized losses from the sale of financial assets at fair value through the income st.	-	67,401
Imparment debts	-	30,543
Returned from impairment provisions	-	(108,252)
<b>Operating profit (loss) income before changes in working capital</b>	<b>774,906</b>	<b>(1,130,750)</b>
<b><u>Changes in assets &amp; liabilities</u></b>		
Cheques under collection	3,937	(19,474)
Due from related parties	(3,307)	(67,942)
Accounts receivable	(78,024)	(49,972)
Due from reinsurers	(185,701)	229,958
Other assets	(83,191)	(281,107)
Account payable	(51,678)	29,687
Due to reinsurers	(16,308)	136,138
Other liabilities	(152,401)	(7,882)
<b>Net cash flows from operating activities</b>	<b>208,233</b>	<b>(1,161,344)</b>

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

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

**Follow - statement of consolidated condensed interim of cash flows**  
**for the nine months ended September 30, 2020 (reviewed not audited)**

	30-Sep-2020	30-Sep-2019
	JD	JD
<b><u>Cash flows from investing activities</u></b>	<b>(Reviewed)</b>	<b>(Reviewed)</b>
Deposits at banks due over 3 months	(513)	981,214
Acquisitions of property , plant & equipments	(350)	(5,490)
Acquisitions of intangible assets	-	(2,442)
Proceeds from the sale of financial assets at fair value through the income list	-	80,199
Paid to purchase financial assets through income statement	(33,952)	-
Paid to purchase real estates	-	(3,607,277)
<b>Net cash flows from investing activities</b>	<b>(34,815)</b>	<b>(2,553,796)</b>
<b><u>Cash flows from financing activities</u></b>		
Banks Overdraft	(185,722)	336,363
Non-cash advanced payments on capital increase	-	3,408,084
<b>Net cash flows from financing activities</b>	<b>(185,722)</b>	<b>3,744,447</b>
<b>Net (dcrease) increase in cash</b>	<b>(12,304)</b>	<b>29,307</b>
Cash on hand and at banks at beginning of period	245,480	27,175
<b>Cash on hand and at banks at end of period</b>	<b>233,176</b>	<b>56,482</b>

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

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

**Statement of consolidated condensed interim of general insurance underwriting revenue**  
**for the nine months ended September 30, 2020 (reviewed not audited)**

	Motor		Marine & transport		Fire & other damage to property		Liability		Total	
	30-Sep-2020	30-Sep-2019	30-Sep-2020	30-Sep-2019	30-Sep-2020	30-Sep-2019	30-Sep-2020	30-Sep-2019	30-Sep-2020	30-Sep-2019
<b>Written premiums</b>	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Direct insurance	7,917,304	7,247,813	8,327	4,774	79,260	145,313	13,341	16,446	8,018,232	7,414,346
Reinsurance inward business	110,919	124,157	-	-	10,288	7,548	-	-	121,207	131,705
<b>Total premiums</b>	<b>8,028,223</b>	<b>7,371,970</b>	<b>8,327</b>	<b>4,774</b>	<b>89,548</b>	<b>152,861</b>	<b>13,341</b>	<b>16,446</b>	<b>8,139,439</b>	<b>7,546,051</b>
<b>Less:</b>										
Local reinsurer share	(10,819)	(17,046)	-	-	-	-	-	-	(10,819)	(17,046)
Foreign reinsurer share	-	-	(5,341)	(3,185)	(65,811)	(121,610)	-	-	(71,152)	(124,795)
<b>Net written premiums</b>	<b>8,017,404</b>	<b>7,354,924</b>	<b>2,986</b>	<b>1,589</b>	<b>23,737</b>	<b>31,251</b>	<b>13,341</b>	<b>16,446</b>	<b>8,057,468</b>	<b>7,404,210</b>
<b>Add : balance at beginning of the year</b>										
Unearned premiums reserve	4,884,287	3,156,806	2,001	1,800	91,358	95,929	13,587	14,011	4,991,233	3,268,546
Un expired risks reserve	-	-	-	-	-	-	-	-	-	-
Less: Reinsurer share	(14,547)	(18,931)	(1,286)	(1,374)	(77,650)	(78,030)	-	-	(93,483)	(98,335)
<b>Net unearned premium reserve</b>	<b>4,869,740</b>	<b>3,137,875</b>	<b>715</b>	<b>426</b>	<b>13,708</b>	<b>17,899</b>	<b>13,587</b>	<b>14,011</b>	<b>4,897,750</b>	<b>3,170,211</b>
<b>Less : balance at ending of the year</b>										
Unearned premiums reserve	5,224,527	3,381,491	2,088	2,116	56,373	96,175	6,967	11,634	5,289,955	3,491,416
Un expired risks reserve	-	-	-	-	-	-	-	-	-	-
Less: Reinsurer share	(4,699)	(14,222)	(1,259)	(1,381)	(46,333)	(80,933)	-	-	(52,291)	(96,536)
<b>Net unearned premium reserve</b>	<b>5,219,828</b>	<b>3,367,269</b>	<b>829</b>	<b>735</b>	<b>10,040</b>	<b>15,242</b>	<b>6,967</b>	<b>11,634</b>	<b>5,237,664</b>	<b>3,394,880</b>
<b>Net earned revenue from written premiums</b>	<b>7,667,316</b>	<b>7,125,530</b>	<b>2,872</b>	<b>1,280</b>	<b>27,405</b>	<b>33,908</b>	<b>19,961</b>	<b>18,823</b>	<b>7,717,554</b>	<b>7,179,541</b>

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

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

**Statement of consolidated condensed interim of general insurance cost of claims**  
**for the nine months ended September 30, 2020 (reviewed not audited)**

	Fire & other damage						Total	
	Motor		Marine & transport		to property		Liability	
	30-Sep-2020	30-Sep-2019	30-Sep-2020	30-Sep-2019	30-Sep-2020	30-Sep-2019	30-Sep-2020	30-Sep-2019
	JD	JD	JD	JD	JD	JD	JD	JD
<b>Paid claims</b>	5,890,471	7,412,726	-	-	194,846	93,491	9,784	-
<b>Less:;</b>								
Recoveries	(384,223)	(598,852)	-	-	-	(2,000)	-	-
Local reinsurer share	-	-	-	-	-	-	-	-
Foreign reinsurer share	(171,238)	(19,526)	-	-	(156,388)	(64,555)	-	-
<b>Net paid claims</b>	<b>5,335,010</b>	<b>6,794,348</b>	<b>-</b>	<b>-</b>	<b>38,458</b>	<b>26,936</b>	<b>9,784</b>	<b>-</b>
<b>Add: outstanding claims reserve at end of the year</b>								
RCR	1,476,755	2,051,688	-	-	2,216,482	1,928,053	5,305	13,055
IBNER	2,519,036	580,579	-	-	-	-	-	-
IBNYR	1,451,616	637,042	-	-	30,786	1,364	1,000	396
<b>Less:;</b>								
Reinsurer share	(1,011,675)	(862,342)	-	-	(2,096,218)	(1,761,517)	-	-
Recoveries	(2,831,918)	(2,503,989)	-	-	-	-	-	-
<b>Net reported outstanding claims</b>	<b>588,070</b>	<b>(445,022)</b>	<b>-</b>	<b>-</b>	<b>149,213</b>	<b>166,536</b>	<b>5,305</b>	<b>13,055</b>
<b>Net unreported outstanding claims reserve at end of the year</b>	<b>1,015,744</b>	<b>348,000</b>	<b>-</b>	<b>-</b>	<b>1,837</b>	<b>1,364</b>	<b>1,000</b>	<b>396</b>
<b>Less: outstanding claims reserve at beginning of the year</b>								
RCR	1,976,641	1,919,062	-	-	2,351,247	1,642,794	15,105	22,430
IBNER	2,860,979	1,451,447	-	-	-	-	-	-
IBNYR	1,648,663	1,449,042	-	-	30,786	1,364	1,000	396
<b>Less:</b>								
Reinsurer share	(1,232,167)	(779,563)	-	-	(2,203,871)	(1,544,385)	(2,500)	-
Recoveries	(2,981,718)	(2,468,503)	-	-	-	-	-	-
<b>Net reported outstanding claims reserve at beginning of the year</b>	<b>1,112,398</b>	<b>411,485</b>	<b>-</b>	<b>-</b>	<b>176,325</b>	<b>98,409</b>	<b>12,605</b>	<b>22,430</b>
<b>Net unreported outstanding claims reserve at beginning of the year</b>	<b>1,160,000</b>	<b>1,160,000</b>	<b>-</b>	<b>-</b>	<b>1,837</b>	<b>1,364</b>	<b>1,000</b>	<b>396</b>
<b>Net claims cost</b>	<b>4,666,426</b>	<b>5,125,841</b>	<b>-</b>	<b>-</b>	<b>11,346</b>	<b>95,063</b>	<b>2,484</b>	<b>(9,375)</b>
				</				

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

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

**Statement of consolidated condensed interim of general insurance underwriting profit**  
**for the nine months ended September 30, 2020 (reviewed not audited)**

	Motor			Marine & transport			Fire & other damage to property			Liability			Total	
	30-Sep-2020			30-Sep-2020			30-Sep-2020			30-Sep-2020			30-Sep-2020	
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
<b>Net earned revenue from written premiums</b>	7,667,316	7,125,530		2,872	1,280		27,405	33,908		19,961	18,823	7,717,554	7,179,541	
<b>Net claims cost</b>	4,666,426	5,125,841		-	-		11,346	95,063		2,484	(9,375)	4,680,256	5,211,529	
<b>Add:</b>														
Commissions received	43	142		1,327	1,006		13,449	29,718		-	-	14,819	30,866	
Insurance policies issuance fees	367,380	334,453		469	285		3,947	6,587		781	920	372,577	342,245	
Other revenues	402	25,477		-	1,517			-		-	-	402	26,994	
<b>Net revenues</b>	<b>367,825</b>	<b>360,072</b>		<b>1,796</b>	<b>2,808</b>		<b>17,396</b>	<b>36,305</b>		<b>781</b>	<b>920</b>	<b>387,798</b>	<b>400,105</b>	
<b>Less:</b>														
Commissions paid	(827,969)	(703,091)		(306)	-		(1,413)	(1,823)		-	-	(829,688)	(704,914)	
Excess of loss premiums	(166,550)	(95,062)		-	-		-	-		-	-	(166,550)	(95,062)	
Allocated general & administrative expenses	(1,041,140)	(1,037,308)		(1,080)	(672)		(11,613)	(21,509)		(1,731)	(2,314)	(1,055,564)	(1,061,803)	
Other allocated expenses	(250)	(25,171)		(30)	(26)		(957)	(1,270)		-	-	(1,237)	(26,467)	
<b>Total expenses</b>	<b>(2,035,909)</b>	<b>(1,860,632)</b>		<b>(1,416)</b>	<b>(698)</b>		<b>(13,983)</b>	<b>(24,602)</b>		<b>(1,731)</b>	<b>(2,314)</b>	<b>(2,053,039)</b>	<b>(1,888,246)</b>	
<b>Underwriting profit</b>	<b>1,332,806</b>	<b>499,129</b>		<b>3,252</b>	<b>3,390</b>		<b>19,472</b>	<b>(49,452)</b>		<b>16,527</b>	<b>26,804</b>	<b>1,372,057</b>	<b>479,871</b>	

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



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

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

---

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

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

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

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

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

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

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

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

The consolidated condensed interim financial statements were approved by the board of directors at its meeting held on October 28,2020, these financial statements aren't subject to the approval of the general assembly of shareholders .

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

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

---

**2- Significant accounting policies**

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

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

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

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

These consolidated condensed interim financial statements do not include all the information required for a complete set of IFRS financial statements, However , selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the company's financial position and performance since the last annual report of financial statements as of **December 31, 2019**, in addition, The results for the nine months period ended **September 30, 2020** are not necessarily indicative of the results that may be expected for the financial year ending **December 31, 2020**.

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

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

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

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

Company's name	Date of control	Legal form	Activity	Capital	Ownership rate	Company's share of	
						subsidiary's (loss)	Investment book value
				JD	%	JD	JD
Reyaza Realstate Investments Co.	30-Nov-2014	L.L.C	Real-estates	10,000	100	(768)	5,000
<b>- Summary for Subsidiary's Assets &amp; Liabilities &amp; Revenues &amp; Profits :</b>							
Company's name	Assets	Liabilities	Revenues	(Loss) for the period			
	JD	JD	JD	JD			
Reyaza Realstate Investments Co.	158,219	172,560	-	(768)			

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

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

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

## **The Holy Land Insurance Company**

**Public shareholding company**

**Amman - The Hashemite Kingdom Of Jordan**

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

---

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

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

Amendments to IFRS 3 "Business Combinations"

Amendments to IFRS 1 "Presentation of financial statements"

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

Amendments to IFRS 7 "Disclosures"

Amendments to IFRS 9 "Financial instruments"

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

Amendments to IFRS 10 "Consolidated financial statements"

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

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

### **5- Bussiness sector**

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

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

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

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

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

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

**7- Deposits at banks**

This item consists of :

	30-Sep-2020	31-Dec-2019
	JD	JD
	(Reviewed)	(Audited)
Jordan Trade Bank - JD	7,017	7,017
Cairo Amman Bank - JD	14,137	14,155
Union Bank for Saving & Investment - JD	202,500	202,500
Arab Bank - JD & \$	188,082	187,932
Arab Jordanian Inestment Bank - \$	5,309	5,306
Housing Bank for Trade & Finance - JD	17,081	16,706
Jordan Dubai Islamic Bank - JD	11,306	11,306
Capital Bank - JD	9,013	9,010
<b>Total</b>	<b>454,445</b>	<b>453,932</b>

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

The mortgaged deposited upon request for general manager of Insurance Authority in addition to his job amounted of JD **225,000** as of **September 30, 2020** , its details as follows :

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

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

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

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

A. This item consists of :

	30-Sep-2020	31-Dec-2019
	JD	JD
<b><u>National</u></b>	<b>(Reviewed)</b>	<b>(Audited)</b>
Stocks in Amman stock Exchange (listed) (8 B)	380,478	355,663
Stocks in Amman stock Exchange (unlisted) (8C)	788	788
<b><u>International</u></b>		
Stocks in international stock Exchange (unlisted) (8C)	7,085	7,085
<b>Total</b>	<b>388,351</b>	<b>363,536</b>

B. For purposes of company's membership in the Investing companys' board of directors, the number of share reserved was **25,000** share of market value amounted of JD **13,000**.

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

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

A. This item consists of :

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

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



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

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

**10- Real estate investments - net**

A. This item consists of :

	<b>Lands</b>	<b>Buildings</b>	<b>Total</b>
	<b>JD</b>	<b>JD</b>	<b>JD</b>
<b>Cost</b>			
<b>Balance ending of the period</b>	<b>3,630,777</b>	<b>123,737</b>	<b>3,754,514</b>
<b>Accumulated depreciations</b>			
<b>Balance ending of the period</b>	<b>-</b>	<b>123,737</b>	<b>123,737</b>
<b>Book value as of September 30, 2020</b>	<b>3,630,777</b>	<b>-</b>	<b>3,630,777</b>
<b>Book value as of December 31, 2019</b>	<b>3,630,777</b>	<b>-</b>	<b>3,630,777</b>

- B. The lands item represents of the cost of land of JD **23,500** and constitute a percentage of **47%** of whole land's value located on land number **853** basin number **11** Wadi Assalt of Amman lands with a totally space of **788** square meters and the buildings constructed on it. As well, the cost of land of JD **153,225** located on land number **2363** basin number **42** alboqan of Assalt lands with a totally space of **1,803** square meters. As well, the cost of land of JD **3,607,277** located on land number **431** basin number **4** of Dabouq lands with a totally space of **4,010** square meters, the cost represents the market value of the land at the date of acquisition on **September 1, 2019**. Thus, the market value of real estate investments, according to the estimation of two licensed real estate experts during the month of **March 2020**, reached an average amount of **706,465** JD, in addition to the cost of owning a plot of land in the amount of **3,607,277** JD, for a total of **4,313,742** JD.

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

A. This item consists of :

	<b>Ownerity rate</b>	<b>30-Sep-2020</b>	<b>31-Dec-2019</b>
	<b>%</b>	<b>JD</b>	<b>JD</b>
<b>National</b>		<b>(Reviewed)</b>	<b>(Audited)</b>
<b>Limited liabilities companies</b>			
The Dead Sea Co. For Vehicle Surveying & Paint (11 B)	100	120,000	120,000
The Dead Sea Co. For Vehicles' Parts Trading (11 B)	100	15,000	15,000
<b>Total</b>		<b>135,000</b>	<b>135,000</b>

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



**The Holy Land Insurance Company**

**Public shareholding company**

**Amman - The Hashemite Kingdom Of Jordan**

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

**12- Accounts receivable - net**

A. This item consists of :

	30-Sep-2020	31-Dec-2019
	JD	JD
	(Reviewed)	(Audited)
Policies compaign receivable	1,462,921	1,479,851
Agents receivable	592,758	498,181
Returned cheques	81,028	81,027
Issues and under settelmet receivable	121,841	122,771
Garages receivable	17,446	17,698
Employees receivable	36,133	34,575
<b>Total</b>	<b>2,312,127</b>	<b>2,234,103</b>
Deduct :receivable debts impairment (note 12 B)	(1,043,394)	(1,043,394)
<b>Net</b>	<b>1,268,733</b>	<b>1,190,709</b>

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

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

**13- Due from reinsurers - net**

A. This item consists of :

	30-Sep-2020	31-Dec-2019
	JD	JD
	(Reviewed)	(Audited)
Local insurance co. receivable	936,233	856,058
foreign reinsurers co. receivable	494,996	389,470
<b>Total</b>	<b>1,431,229</b>	<b>1,245,528</b>
Deduct : reinsurers debts impairment (note 13 B)	(466,269)	(466,269)
<b>Net</b>	<b>964,960</b>	<b>779,259</b>

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

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

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

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

**14- Income tax**

**A. Income tax provision**

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

**B. Deferred tax assets**

This item consists of :

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

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

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

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

**15- Accounts payable**

This item consists of :

	30-Sep-2020	31-Dec-2019
	JD	JD
	(Reviewed)	(Audited)
Accidents payable	1,132	1,460
Agents payable	21,594	30,294
Policies compaign payable	115,105	154,732
Garages payable	-	3,023
<b>Total</b>	<b>137,831</b>	<b>189,509</b>

**16- Due to reinsurers**

This item consists of :

	30-Sep-2020	31-Dec-2019
	JD	JD
	(Reviewed)	(Audited)
Local insurance co. payable	436,527	414,700
Foreign reinsurers co. payable	100,910	139,045
<b>Total</b>	<b>537,437</b>	<b>553,745</b>

**17- Fair value reserve**

This item consists of :

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

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

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

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

This item consists of :

	<u>30-Sep-2020</u>	<u>30-Sep-2019</u>
	JD	JD
Realized (losses) from financial assets at fair value through income statement	-	(67,401)
Unrealized (losses) from financial assets at fair value through income statement	(9,137)	(89,324)
<b>Total</b>	<b>(9,137)</b>	<b>(156,725)</b>
<b>Amount transfer to income statement</b>	<b>(9,137)</b>	<b>(156,725)</b>

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

This item consists of :

	<u>30-Sep-2020</u>	<u>30-Sep-2019</u>
	JD	JD
Profit for the period after tax (JD)	1,067,907	108,711
Weighted average shares (share)	9,868,691	5,000,000
<b>Basic and diluted earning per share</b>	<b>0.108</b>	<b>0.022</b>

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

**20- Related parties transactions**

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

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

	Type of transaction	<u>30-Sep-2020</u>	<u>31-Dec-2019</u>
		JD	JD
		<b>(Reviewed)</b>	<b>(Audited)</b>
<b><u>Subsidiary</u></b>			
The Dead Sea Co. For Vehicle Surveying & Paint	Finance	206,348	203,041
The Dead Sea Co. For Vehicles' Parts Trading	Finance	6,269	6,269
<b>Total</b>		<b>212,617</b>	<b>209,310</b>

## The Holy Land Insurance Company

Public shareholding company

Amman - The Hashemite Kingdom Of Jordan

Notes to consolidated condensed interim financial statements - reviewed not audited

### - Details related parties balances appear on statement of income

	Type of transaction	30-Sep-2019 JD	30-Sep-2018 JD
<u>Subsidiary</u>			
	Car repair fees transferred from the parent company - compensation paid		
The Dead Sea Co. For Vehicle Surveying & Paint		-	18,215

### Wages, allowances and other benefits for senior executive managements :

	30-Sep-2020 JD	30-Sep-2019 JD
Wages & other benefits	<u>375,953</u>	<u>269,585</u>

### 21- Issues

There are issues facing company from others subject of accidents amounted of JD ,639,304, they appear in outstanding claims provision , upon Legal consultant opinion the outstanding claims balance is enough, also there are issues facing others amounted of JD 795,129 subject of recoveries, its appear within recoveries, upon legal consultant opinion the amounts allocated in records for outstanding recoveries which issues arise of it is enough within legal and technical standards and there is a chance to recover thats amounts.

### 22- Contingent liabilities

There are no contingent liabilities as of financial position date .

### 23- Subsequent events

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

**24- Future plan**

- Diversify the insurance company portfolio by obtaining new insurance licenses.  
Collecting the bulk of the outstanding recoveries in all legal ways.
- Take all necessary measures to improve the collection of receivables.  
Continuing the reservation policy in accepting various insurance risks.
- Expanding the production circle of the company by providing it with highly qualified and experienced staff.
- Research in attracting new insurance agents and brokers with wide experience and integrity.

**25- Comparative figures**

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