

JORDAN FRENCH INSURANCE COMPANY

PUBLIC SHAREHOLDING COMPANY

INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)

30 SEPTEMBER 2022

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

Introduction

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

Scope of Review

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

Conclusion

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

Amman – Jordan
30 October 2022

ERNST & YOUNG
Amman - Jordan

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

	<u>Notes</u>	30 September 2022 JD (Unaudited)	31 December 2021 JD (Audited)
Assets			
Investments-			
Deposits at banks	3	7,053,755	7,042,323
Financial assets at fair value through statement of income	4	146,967	93,837
Financial assets at fair value through other comprehensive income	5	2,111,936	1,987,979
Investment in associate		669,939	678,099
Financial assets at amortized cost	6	75,000	75,000
Investment properties	7	2,356,986	2,365,398
Total Investments		12,414,583	12,242,636
Other Assets-			
Cash on hand and at banks		2,344,504	1,289,928
Notes receivable and checks under collection		1,600,314	1,549,839
Accounts receivable	8	17,677,924	16,135,549
Reinsurance receivables	9	2,305,216	2,276,583
Deferred tax assets	12	1,823,854	1,576,790
Property and equipment		1,322,152	1,312,021
Intangible assets		80	320
Right of use assets		18,191	29,107
Other assets		1,107,323	893,470
		28,199,558	25,063,607
Total Assets		40,614,141	37,306,243
Liabilities and Equity			
Technical reserves-			
Unearned premiums reserve, net		13,345,330	9,706,614
Outstanding claims reserve, net		9,440,153	6,807,126
Mathematical reserve, net		676,380	382,288
Total Technical Reserves		23,461,863	16,896,028
Other Liabilities -			
Banks overdrafts		405,229	1,303,509
Accounts payable	10	1,128,698	1,183,987
Reinsurance payables	11	972,209	1,032,558
Postdated checks		2,877,370	3,332,374
Lease liabilities		34,344	40,071
End of service indemnity provision		-	47,870
Income tax provision	12	-	298,274
Deferred tax liabilities	12	45,614	40,074
Other liabilities		316,432	185,235
Total Technical Reserves and Other Liabilities		29,241,759	24,359,980
Equity-			
Authorized and paid-in capital	13	9,100,000	9,100,000
Statutory reserve	14	2,275,000	2,275,000
Fair value reserve	15	100,138	(13,182)
(Accumulated losses) retained earnings		(102,756)	1,584,445
Total Shareholders' Equity		11,372,382	12,946,263
Total Liabilities and Shareholders' Equity		40,614,141	37,306,243

The attached notes from 1 to 25 form part of these interim condensed financial statements

JORDAN FRENCH INSURANCE COMPANY
PUBLIC SHAREHOLDING COMPANY
INTERIM CONDENSED STATEMENT OF INCOME
FOR THE THREE AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2022 (UNAUDITED)

		For the three months ended 30 September		For the nine months ended 30 September	
	Notes	2022	2021	2022	2021
		JD	JD	JD	JD
Revenues -					
Gross written premiums		12,601,281	10,291,747	26,662,470	25,904,415
Less: Reinsurance share		1,137,695	926,627	4,069,421	3,722,730
Net written premiums		11,463,586	9,365,120	22,593,049	22,181,685
Net change in unearned premiums reserve		(4,916,781)	(3,486,451)	(3,638,716)	(4,872,594)
Net change in mathematical reserve		(96,661)	(104,414)	(294,092)	(138,047)
Net earned premiums		6,450,144	5,774,255	18,660,241	17,171,044
Commissions income		86,240	51,770	263,532	202,301
Insurance policies issuance fees		1,410,646	1,114,242	2,894,971	2,594,497
Other revenues related to underwriting accounts		383,667	265,704	820,293	656,223
Interest income		58,735	73,421	176,843	165,877
Gain from the reclassification of financial assets at fair value through other comprehensive income to investments in an associate		-	101,847	-	101,847
Company's share of results from investment in associate		(2,003)	-	(8,160)	-
Gain (loss) from financial assets and investments	16	34,866	(1,284)	95,416	(25,386)
Other revenues, net		11,581	12,877	100,830	32,017
Total revenues		8,433,876	7,392,832	23,003,966	20,898,420
Claims, Losses and Expenses					
Paid claims		7,354,101	7,642,042	22,497,651	20,043,523
Less: Recoveries		474,720	273,265	1,558,831	1,343,994
Less: Reinsurance share		460,899	1,725,703	2,532,910	2,664,194
Add: Incurred and matured policies		-	4,212	-	16,455
Net paid claims		6,418,482	5,647,286	18,405,910	16,051,790
Net change in outstanding claims reserve		2,974,437	(168,112)	2,633,027	(220,454)
Allocated employees' expenses		458,479	652,803	1,484,169	1,696,598
Allocated administrative and general expenses		230,272	81,458	616,207	720,785
Excess of loss premium		47,712	128,833	219,206	224,258
Policies acquisition costs		111,387	112,429	404,092	354,618
Other expenses related to underwriting accounts		173,440	220,006	423,639	510,397
Net claims cost		10,414,209	6,674,703	24,186,250	19,337,992
Unallocated employees' expenses		67,857	124,729	286,989	294,187
Depreciation and amortization		16,457	26,745	50,493	81,283
Unallocated administrative and general expenses		24,857	45,365	119,163	138,094
Provision for expected credit losses	8,9	100,000	150,000	300,000	300,000
Total expenses		209,171	346,839	756,645	813,564
(Loss) profit for the period before tax		(2,189,504)	371,290	(1,938,929)	746,864
Income tax expense	12	270,775	(122,736)	(435)	(252,736)
Effect of deferred tax assets	12	50,303	79,416	252,163	72,761
(Loss) profit for the period		(1,868,426)	327,970	(1,687,201)	566,889
		Fils/JD	Fils/JD	Fils/JD	Fils/JD
Basic and diluted (loss) earnings per share (JD/Fils)	17	(0/205)	0/036	(0/185)	0/062

The attached notes from 1 to 25 form part of these interim condensed financial statements

JORDAN FRENCH INSURANCE COMPANY
PUBLIC SHAREHOLDING COMPANY
INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE AND NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2022 (UNAUDITED)

	For the three months ended 30 September		For the nine months ended 30 September	
	2022	2021	2022	2021
	JD	JD	JD	JD
(Loss) profit for the period	(1,868,426)	327,970	(1,687,201)	566,889
Add: Other comprehensive income items after tax that will not to be reclassified to income in subsequent periods:				
Change in fair value of financial assets at fair value through other comprehensive income	(6,157)	59,587	113,320	103,956
Total comprehensive income for the period	<u>(1,874,583)</u>	<u>387,557</u>	<u>(1,573,881)</u>	<u>670,845</u>

The attached notes from 1 to 25 form part of these interim condensed financial statements

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

	Authorized and paid-in capital	Statutory reserve	Fair value reserve	(Accumulated losses) retained earnings	Total
	JD	JD	JD	JD	JD
For the nine months ended 30 September 2022					
Balance as at 1 January 2022	9,100,000	2,275,000	(13,182)	1,584,445	12,946,263
Total comprehensive income for the period	-	-	113,320	(1,687,201)	(1,573,881)
Balance as at 30 September 2022	<u>9,100,000</u>	<u>2,275,000</u>	<u>100,138</u>	<u>(102,756)</u>	<u>11,372,382</u>
For the nine months ended 30 September 2021					
Balance as at 1 January 2021	9,100,000	2,256,010	(563,179)	1,840,619	12,633,450
Reclassification of financial assets at fair value through other comprehensive income (Note 15)	-	-	391,421	(391,421)	-
Total comprehensive income for the period	-	-	103,956	566,889	670,845
Dividends paid (Note 23)	-	-	-	(637,000)	(637,000)
Balance as at 30 September 2021	<u>9,100,000</u>	<u>2,256,010</u>	<u>(67,802)</u>	<u>1,379,087</u>	<u>12,667,295</u>

The attached notes from 1 to 25 form part of these interim condensed financial statements

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

		For the nine months ended 30 September	
	Notes	2022 JD	2021 JD
<u>Operating Activities</u>			
(Loss) profit for the period before tax		(1,938,929)	746,864
Adjustments for non-cash items			
Depreciation of investment properties	7	8,412	8,414
Depreciation of property and equipment		41,841	55,099
Amortization of intangible assets		240	17,770
Net change in unearned premiums reserve		3,638,716	4,872,594
Net change in mathematical reserve		294,092	138,047
Net change in outstanding claims reserve		2,633,027	(220,454)
End of service indemnity provision		-	3,964
Provision for expected credit losses – Accounts receivables	8	200,000	300,000
Provision for expected credit losses – Reinsurance receivables	9	100,000	-
Interest income		(176,843)	(165,877)
Interest expense		51,556	61,079
(Gain) loss on change in fair value of financial assets at fair value through statement of income	16	(53,130)	63,018
Gain on sale of property and equipment		(60,416)	(5,928)
Company's share of results from investment in associate		8,160	-
Interest on lease liabilities		1,559	2,254
Depreciation of right of use assets		10,916	10,915
Gain from the reclassification of financial assets at fair value through other comprehensive income		-	(101,847)
Cash flows from operating activities before changes in working capital		<u>4,759,201</u>	<u>5,785,912</u>
Notes receivable and checks under collection		(50,475)	(386,991)
Accounts receivable		(1,742,375)	(5,386,579)
Reinsurance receivables		(128,633)	530,017
Other assets		(213,853)	(212,456)
Accounts payable		(55,289)	66,163
Postdated checks		(455,004)	512,765
Reinsurance payables		(60,349)	623,580
Paid from end of service provision		(47,870)	-
Other liabilities		131,197	(30,537)
Net cash flows from operating activities before tax paid		<u>2,136,550</u>	<u>1,501,874</u>
Income tax paid	12	(298,709)	(463,033)
Net cash flows from operating activities		<u>1,837,841</u>	<u>1,038,841</u>
<u>Investing Activities</u>			
Deposits at banks (Due after 3 months)		(3,676,571)	(800,000)
Interest received		176,843	165,877
Proceeds from sale of property and equipment		112,751	31,500
Purchase of property and equipment		(104,305)	(3,118)
Net cash flows used in investing activities		<u>(3,491,282)</u>	<u>(605,741)</u>
<u>Financing Activities</u>			
Payments of lease liabilities		(7,286)	(11,573)
Interest paid		(51,556)	(61,079)
Dividends paid	23	-	(637,000)
Net cash flows used in financing activities		<u>(58,842)</u>	<u>(709,652)</u>
Net decrease in cash and cash equivalents		<u>(1,712,283)</u>	<u>(276,552)</u>
Cash and cash equivalent, at the beginning of the period		3,978,742	3,711,182
Cash and cash equivalents, at the end of the period	18	<u>2,266,459</u>	<u>3,434,630</u>

The attached notes from 1 to 25 form part of these interim condensed financial statements

JORDAN FRENCH INSURANCE COMPANY
PUBLIC SHAREHOLDING COMPANY
STATEMENT OF UNDERWRITING REVENUES FOR LIFE INSURANCE
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2022 (UNAUDITED)

	Life	
	For the nine months ended 30 September	
	2022	2021
	JD	JD
Written premiums -		
Direct insurance	600,933	662,540
Total premiums	600,933	662,540
Less:		
Foreign reinsurance share	346,404	408,479
Net Written premiums	254,529	254,061
Add:		
Mathematical reserve at the beginning of the period	493,764	278,725
Less: Reinsurance share	111,476	90,295
Net mathematical reserve at the beginning of the period	382,288	188,430
Less:		
Mathematical reserve at the end of the period	827,232	439,036
Less: Reinsurance share	150,852	112,559
Net mathematical reserve at the end of the period	676,380	326,477
Net earned revenues from the written premiums	(39,563)	116,014

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

	Life	
	For the nine months ended 30 September	
	2022	2021
	JD	JD
Paid claims	538,306	1,170,916
Incurred and matured policies	-	16,455
Less: Foreign reinsurance share	366,668	1,077,904
Net paid claims	171,638	109,467
Add:		
Outstanding claims reserve at the end of the period reported	408,282	465,891
Less:		
Reinsurance share	339,189	372,713
Net outstanding claims reserve at the end of the period	69,093	93,178
Less:		
Outstanding claims reserve at the beginning of the period reported	536,417	437,830
Less:		
Reinsurance share	429,133	357,222
Net outstanding claims reserve at the beginning of the period	107,284	80,608
Net claims cost	133,447	122,037

JORDAN FRENCH INSURANCE COMPANY
PUBLIC SHAREHOLDING COMPANY
STATEMENT OF UNDERWRITING (LOSSES) PROFITS FOR LIFE INSURANCE
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2022 (UNAUDITED)

	Life	
	For the nine months ended 30 September	
	2022	2021
	JD	JD
Net earned (losses) revenues from written premiums	(39,563)	116,014
Less:		
Net claims cost	133,447	122,037
Add:		
Commissions received	4,207	4,619
Insurance policies issuance fees	7,089	172,646
Other revenues related to underwriting accounts	99,266	-
Net revenues	110,562	177,265
Less:		
Policies acquisition cost	5,340	19,325
General and administrative expenses related to underwriting accounts	73,118	117,791
Other expenses related to underwriting accounts	11,005	11,942
Total expenses	89,463	149,058
Underwriting (loss) profit	(151,911)	22,184

JORDAN FRENCH INSURANCE COMPANY
PUBLIC SHAREHOLDING COMPANY
STATEMENT OF UNDERWRITING REVENUES FOR GENERAL INSURANCE
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2022 (UNAUDITED)

	Motor		Marine and transportations		Aviation		Fire and property		Civil responsibility		Guarantees		Medical		Other Branches		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Written Premiums																		
Direct insurance	11,427,578	8,945,023	335,571	495,183	405,183	71,898	998,255	1,295,466	180,258	170,919	90,253	113,225	11,761,787	13,586,579	13,550	10,893	25,212,435	24,689,186
Facultative inward reinsurance	-	360,000	118,993	182,075	-	-	730,109	10,614	-	-	-	-	-	-	-	-	849,102	552,689
Total premiums	11,427,578	9,305,023	454,564	677,258	405,183	71,898	1,728,364	1,306,080	180,258	170,919	90,253	113,225	11,761,787	13,586,579	13,550	10,893	26,061,537	25,241,875
Less:																		
Local reinsurance share	279,236	606,651	118,993	182,075	-	-	824,455	289,165	145,345	117,109	-	-	-	-	-	-	1,368,029	1,195,000
Foreign reinsurance share	-	-	282,717	482,073	405,183	70,898	830,330	942,353	3,519	3,922	(2,301)	(4,687)	835,540	622,554	-	2,138	2,354,988	2,119,251
Net written premiums	11,148,342	8,698,372	52,854	13,110	-	1,000	73,579	74,562	31,394	49,888	92,554	117,912	10,926,247	12,964,025	13,550	8,755	22,338,520	21,927,624
Add:																		
Balance at the beginning of the period for unearned premiums																		
reserve	4,441,011	4,063,902	267,292	85,698	38,114	222,690	588,153	1,525,168	67,773	45,492	221,414	127,918	5,553,251	1,962,575	2,174	5,824	11,179,182	8,039,267
Less: Reinsurance share	398,309	88,236	252,987	81,911	38,114	218,983	550,437	1,477,726	37,993	21,725	-	-	193,136	-	1,592	4,386	1,472,568	1,892,967
Net unearned premiums reserve	4,042,702	3,975,666	14,305	3,787	-	3,707	37,716	47,442	29,780	23,767	221,414	127,918	5,360,115	1,962,575	582	1,438	9,706,614	6,146,300
Less:																		
Balance at the end of the period for unearned premiums reserve	6,718,735	5,194,639	117,945	157,652	289,310	-	801,785	825,543	99,565	96,147	201,479	148,874	6,871,340	6,245,864	-	5,301	15,100,159	12,674,020
Less: Reinsurance share	196,983	362,157	99,724	153,170	289,310	-	757,194	768,565	82,102	57,797	-	-	329,516	309,546	-	3,891	1,754,829	1,655,126
Net unearned premiums reserve	6,521,752	4,832,482	18,221	4,482	-	-	44,591	56,978	17,463	38,350	201,479	148,874	6,541,824	5,936,318	-	1,410	13,345,330	11,018,894
Net earned revenues from written premiums	8,669,292	7,841,556	48,938	12,415	-	4,707	66,704	65,026	43,711	35,305	112,489	96,956	9,744,538	8,990,282	14,132	8,783	18,699,804	17,055,030

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

	Motor		Marine and transportations		Aviation		Fire and property		Civil responsibility		Guarantees		Medical		Other Branches		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Paid claims	9,827,248	8,841,944	95,223	38,070	-	-	1,250,274	1,300,850	21,105	778	127,497	154,260	10,634,852	8,526,132	3,146	10,573	21,959,345	18,872,607
Less:																		
Recoveries	1,416,248	1,212,730	-	-	-	-	22,389	14,025	910	-	119,284	117,178	-	-	-	61	1,558,831	1,343,994
Local reinsurance share	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Foreign reinsurance share	380,344	120,565	93,246	37,591	-	-	1,044,727	1,228,508	20,215	-	-	12,273	627,022	185,619	688	1,734	2,166,242	1,586,290
Net paid claims	8,030,656	7,508,649	1,977	479	-	-	183,158	58,317	(20)	778	8,213	24,809	10,007,830	8,340,513	2,458	8,778	18,234,272	15,942,323
Add:																		
Outstanding claims reserve at the end of the period																		
Reported	8,497,301	6,355,504	150,200	570,940	18,000	18,000	202,596	490,261	172,324	230,393	596,185	689,264	1,200,000	950,000	18,732	3,375	10,855,338	9,307,737
Unreported	2,000,000	1,400,000	125,000	125,000	50,000	50,000	100,000	100,000	50,000	50,000	100,000	100,000	1,100,000	950,000	-	-	3,525,000	2,775,000
Less:																		
Reinsurance share from reported claims	738,671	988,640	142,690	560,090	17,100	17,100	96,852	411,489	76,187	155,153	-	-	75,000	80,000	-	-	1,146,500	2,212,472
Reinsurance share from unreported claims	-	-	100,000	100,000	50,000	50,000	80,000	80,000	40,000	40,000	80,000	80,000	70,000	50,000	-	-	420,000	400,000
Recoveries	2,874,115	2,752,257	-	-	-	-	-	-	-	-	568,663	638,754	-	-	-	-	3,442,778	3,391,011
Net outstanding claims reserve at the end of the period	6,884,515	4,014,607	32,510	35,850	900	900	125,744	98,772	106,137	85,240	47,522	70,510	2,155,000	1,770,000	18,732	3,375	9,371,060	6,079,254
Less:																		
Outstanding claims reserve at the beginning of the period																		
Reported	6,679,804	6,782,562	508,180	-	18,000	18,000	463,153	1,013,136	195,964	195,737	593,295	648,976	1,150,000	950,000	2,200	4,844	9,610,596	9,613,255
Unreported	1,400,000	1,400,000	125,000	125,000	50,000	50,000	100,000	100,000	50,000	50,000	100,000	100,000	950,000	1,000,000	-	-	2,775,000	2,825,000
Less:																		
Reinsurance share from reported claims	842,506	1,250,511	498,559	-	17,100	17,100	406,663	834,037	98,433	128,168	-	-	100,000	-	-	-	1,963,261	2,229,816
Reinsurance share from unreported claims	-	-	100,000	100,000	50,000	50,000	80,000	80,000	40,000	40,000	80,000	80,000	50,000	-	-	-	400,000	350,000
Recoveries	2,820,141	3,090,685	-	-	-	-	-	-	-	-	502,352	455,476	-	-	-	-	3,322,493	3,546,161
Net outstanding claims reserve at the beginning of the period	4,417,157	3,841,366	34,621	25,000	900	900	76,490	199,099	107,531	77,569	110,943	213,500	1,950,000	1,950,000	2,200	4,844	6,699,842	6,312,278
Net claims cost	10,498,014	7,681,890	(134)	11,329	-	-	232,412	(42,010)	(1,414)	8,449	(55,208)	(118,181)	10,212,830	8,160,513	18,990	7,309	20,905,490	15,709,299

JORDAN FRENCH INSURANCE COMPANY
PUBLIC SHAREHOLDING COMPANY
STATEMENT OF UNDERWRITING (LOSSES) PROFITS FOR GENERAL INSURANCE
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2022 (UNAUDITED)

	Motor		Marine and transportations		Aviation		Fire and property		Civil responsibility		Guarantees		Medical		Other Branches		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Net earned revenues from written premiums	8,669,292	7,841,556	48,938	12,415	-	4,707	66,704	65,026	43,711	35,305	112,489	96,956	9,744,538	8,990,282	14,132	8,783	18,699,804	17,055,030
Less:																		
Net claims cost	10,498,014	7,681,890	(134)	11,329	-	-	232,412	(42,010)	(1,414)	8,449	(55,208)	(118,181)	10,212,830	8,160,513	18,990	7,309	20,905,490	15,709,299
Add:																		
Commissions received	-	25,000	57,321	29,681	39,291	(425)	122,714	104,433	7,220	4,500	(575)	(1,172)	33,354	35,682	-	(17)	259,325	197,682
Insurance policies issuance fees	956,074	689,462	134,149	99,412	19,514	2,315	259,727	197,728	15,087	7,914	14,094	18,424	1,489,237	1,404,712	-	1,884	2,887,882	2,421,851
Other revenue related to underwriting accounts	714,739	643,386	5,397	2,960	-	-	891	110	-	-	-	-	-	9,762	-	5	721,027	656,223
Total revenues	1,670,813	1,357,848	196,867	132,053	58,805	1,890	383,332	302,271	22,307	12,414	13,519	17,252	1,522,591	1,450,156	-	1,872	3,868,234	3,275,756
Less:																		
Policies acquisition cost	290,077	177,442	6,121	4,958	-	-	55,624	73,979	-	-	-	-	46,930	78,914	-	-	398,752	335,293
Excess of loss premiums	161,456	147,258	-	-	-	-	57,750	77,000	-	-	-	-	-	-	-	-	219,206	224,258
General and administrative expenses related to underwriting accounts	856,282	865,833	76,383	77,597	5,847	13,198	150,336	209,594	26,674	18,198	30,107	97,597	872,706	993,776	8,923	23,799	2,027,258	2,299,592
Other expenses related to underwriting accounts	114,191	141,920	3,460	3,969	518	6,542	9,503	12,410	809	241	300	396	283,796	332,526	57	451	412,634	498,455
Total expenses	1,422,006	1,332,453	85,964	86,524	6,365	19,740	273,213	372,983	27,483	18,439	30,407	97,993	1,203,432	1,405,216	8,980	24,250	3,057,850	3,357,598
(Loss) profit of underwriting	(1,579,915)	185,061	159,975	46,615	52,440	(13,143)	(55,589)	36,324	39,949	20,831	150,809	134,396	(149,133)	874,709	(13,838)	(20,904)	(1,395,302)	1,263,889

JORDAN FRENCH INSURANCE COMPANY
PUBLIC SHAREHOLDING COMPANY
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
30 SEPTEMBER 2022 (UNAUDITED)

(1) GENERAL

Jordan French Insurance Company was established and registered as a Jordanian public shareholding company under No. (101) on 20 March 1976 with an authorized capital of JD 9,100,000 and divided into 9,100,000 shares at a par value of 1 JD per share.

The Company is engaged in insurance business including life and general insurance (marine and transportation insurance, motors insurance, fire and property insurance, public liability insurance, medical insurance, personal accident insurance and aviation insurance).

The Company's head office is located in Al Shmeisani - Amman, Jordan

The interim condensed financial statements were approved for issuance by the audit committee on the 27 October 2022.

(2) BASIS OF PREPARATION

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

The Jordanian Dinar is the reporting currency of the interim condensed financial statements which represents the functional currency of the Company.

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

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

CHANGES IN ACCOUNTING POLICIES

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

Reference to the Conceptual Framework – Amendments to IFRS 3

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

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

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

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

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

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

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

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

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

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

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

IFRS 1 First-time Adoption of International Financial Reporting Standards – Subsidiary as a first-time adopter

As part of its 2018-2020 annual improvements to IFRS standards process, the IASB issued an amendment to IFRS 1 First-time Adoption of International Financial Reporting Standards. The amendment permits a subsidiary that elects to apply paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported by the parent, based on the parent's date of transition to IFRS. This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(a) of IFRS 1.

These amendments are not applicable to the Company.

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

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

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

Business segment

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

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

USE OF ESTIMATES

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

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

- A provision for expected credit losses is estimated by the Company's management based on their principles and assumptions according to IFRS 9.
- The financial year is charged with its related income tax in accordance with related laws and regulations.
- The management periodically reviews tangible assets useful lives in order to calculate the depreciation and amortization amount depending on the status of these assets and future benefit. The impairment loss (if any) is recorded on the interim condensed statement of income.
- The outstanding claim reserve and technical reserve are estimated based on technical studies and according to Insurance Administration regulation. Also mathematical reserve and IBNR are calculated based on actuarial studies.
- A provision on lawsuits against the Company is made based on the Company's lawyers' studies in which contingent risk is determined, review of such study is performed periodically.

Standards issued but not yet effective

IFRS 17 Insurance Contracts

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

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

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

The Company is preparing the study to assess the impact of the application of this standard on the Company's interim condensed financial statements. The study is expected to be completed during the fourth quarter of 2022.

(3) DEPOSITS AT BANKS

This item represents deposits with banks in Jordanian Dinar, which the Company holds for varying periods between one month to one year depending on the Company's liquidity needs. Interest rates on these deposits were between 3% and 5% for the period ended 30 September 2022 (30 September 2021: from 3% to 5%), the details of deposits according to the maturity periods as at 30 September 2022 and 31 December 2021 were as follows:

	30 September 2022			31 December 2021
	Deposits			
	Deposits maturing within one month	Deposits maturing between 1 month to 3 months	Deposits maturing after 3 months to 1 year	Total
	JD	JD	JD	JD
				(Unaudited)
				(Audited)
Inside Jordan	11,685	325,231	6,726,571	7,063,487
Provision for expected credit losses	(9,732)	-	-	(9,732)
	1,953	325,231	6,726,571	7,053,755
				7,042,323

Deposits pledged to the order of the Central Bank of Jordan amounted to 800,000 JD as of 30 June 2022 at investment bank.

Deposits collateralized against credit facilities in Housing Bank for Trade and Finance amounted to JD 405,229 as at 30 September 2022 (31 December 2021: JD 702,866).

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

This item represents the Company's investments in the shares of listed companies for the purpose of benefiting from the price changes of these shares. The details of these investments as at 30 September 2022 and 31 December 2021 are as follows:

	30 September 2022	31 December 2021
	JD	JD
	(Unaudited)	(Audited)
Outside Jordan		
Quoted shares	146,967	93,837
	<u>146,967</u>	<u>93,837</u>

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

This item represents the Company's investments in the shares of listed and unlisted companies for the purpose of long-term retention and not for the purposes of trading. The details of the investment as at 30 September 2022 and 31 December 2021 are as follows:

	30 September 2022	31 December 2021
	JD	JD
	(Unaudited)	(Audited)
Inside Jordan		
Quoted shares	821,497	823,408
Unquoted shares	726,793	735,874
	<u>1,548,290</u>	<u>1,559,282</u>
Outside Jordan		
Quoted shares	563,646	428,697
	<u>2,111,936</u>	<u>1,987,979</u>

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(6) FINANCIAL ASSETS AT AMORTIZED COST

This item represents the Company's investment in bonds issued by Ithmar Company for Investments and Consulting with a face value of JD 5,000 per bond with a total of 15 bonds at a fixed interest rate of 8.25% per annum paid on a half yearly basis on the interest due dates, which falls on April 9 and October 9 of each year, from the date of issuance on 9 October 2018 until the maturity date of 9 October 2023.

(7) INVESTMENT PROPERTIES

This item represents the Company's investments in real estate, which includes a commercial complex building in the Shmeisani area, in addition to plots of land in Al Shmeisani, Mafraq and Giza. The purpose of these investments is earning rental income and to benefit from capital appreciation. Depreciation expense of investments properties for the nine months period ended 30 September 2022 JD 8,412 (30 September 2021: JD 7,207).

The fair value of real estate investments amounted to JD 3,804,112 as of 31 December 2021. The Company has estimated the fair value of investment properties by an independent valuator. In the opinion of the management, the fair value of investment properties exceeds its carrying amount as at 30 September 2022 and that the fair valuation performed on 31 December 2021 continues to apply.

(8) ACCOUNTS RECEIVABLES

	30 September 2022	31 December 2021
	JD	JD
	(Unaudited)	(Audited)
Policy holders' receivables	7,713,150	8,481,787
Governmental receivables	11,997,493	9,428,146
Agents receivables	52,946	55,105
Brokers receivables	11,489	14,188
Employees receivables	56,804	69,678
Other receivables	46,042	86,645
	<u>19,877,924</u>	<u>18,135,549</u>
Less: Provision for expected credit losses*	<u>(2,200,000)</u>	<u>(2,000,000)</u>
	<u>17,677,924</u>	<u>16,135,549</u>

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

	30 September 2022	31 December 2021
	JD	JD
	(Unaudited)	(Audited)
Balance at the beginning of the period/year	2,000,000	1,700,000
Additions	200,000	300,000
Balance at the end of the period/year	2,200,000	2,000,000

(9) REINSURANCE RECEIVABLES

	30 September 2022	31 December 2021
	JD	JD
	(Unaudited)	(Audited)
Local insurance companies	1,038,947	1,341,477
Foreign reinsurance companies	2,402,045	1,970,882
	3,440,992	3,312,359
Less: Provision for impairment of reinsurance receivables*	(1,135,776)	(1,035,776)
	2,305,216	2,276,583

* The movement on the provision for impairment of reinsurance receivables is as follows:

	30 September 2022	31 December 2021
	JD	JD
	(Unaudited)	(Audited)
Balance at the beginning of the period/year	1,035,776	935,776
Additions	100,000	100,000
Balance at the end of the period/year	1,135,776	1,035,776

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(10) ACCOUNTS PAYABLE

	30 September 2022	31 December 2021
	JD	JD
	(Unaudited)	(Audited)
Policy holders' payables	720,070	799,413
Agents payables	62,150	68,907
Employees' payables	3,091	1,411
Brokers payable	21,865	28,578
Other payables	321,522	285,678
	<u>1,128,698</u>	<u>1,183,987</u>

(11) REINSURANCE PAYABLES

	30 September 2022	31 December 2021
	JD	JD
	(Unaudited)	(Audited)
Local insurance companies	72,705	68,725
Foreign reinsurance companies	899,504	963,833
	<u>972,209</u>	<u>1,032,558</u>

(12) INCOME TAX

A- Income tax provision

The movement on the income tax provision is as follows:

	30 September 2022	31 December 2021
	JD	JD
	(Unaudited)	(Audited)
Balance at beginning of the period / year	298,274	401,664
Income tax paid	(298,709)	359,743
Provision for the period / year	-	(463,133)
Previous years income tax	435	-
Balance at end of the period / year	<u>-</u>	<u>298,274</u>

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

	30 September 2022	30 September 2021
	JD	JD
	(Unaudited)	(Unaudited)
Income tax expense for the period	-	234,496
National contribution tax expense	-	18,240
	-	252,736
Effect of deferred tax assets	(252,163)	(72,761)
	(252,163)	179,975

Income tax

The provision for income tax for the periods ended on 30 September 2022 and 2021 was calculated in accordance with the Income Tax Law No. (34) of 2014 and its amendments.

Final settlement for income tax was reached with the Income and Sales Tax Department up to the year 2019

The Company has submitted its income tax returns for the years 2021 and 2020 and it has still not been reviewed by the Income and Sales Tax Department until the date of these interim condensed financial statements, and in the opinion of the management and the tax consultant the provision is adequate.

Sales Tax

A final settlement was reached with the Sales Tax Department until the end of December 2019.

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B- Deferred tax assets and liabilities

	30 September 2022				31 December 2021	
	Balance at the beginning of the period	Amounts released	Amounts added	Balance at the end of the period	Deferred tax	Deferred tax
	JD	JD	JD	JD	JD (Unaudited)	JD (Audited)
1. Deferred tax Assets						
Provision for incurred but not reported claims	2,375,000	-	730,000	3,105,000	807,300	617,500
Impairment provision	3,050,000	-	300,000	3,350,000	871,000	793,000
Provision for end of service indemnity	47,870	49,812	1,942	-	-	12,446
Unrealized losses from financial assets at fair value through income statement	303,461	53,130	-	250,331	25,033	30,346
Unrealized losses from investments through other comprehensive income	302,207	62,361	-	239,846	43,110	48,209
Unrealized losses from investment in associate	289,574	-	8,160	297,734	77,411	75,289
	<u>6,368,112</u>	<u>165,303</u>	<u>1,040,102</u>	<u>7,242,911</u>	<u>1,823,854</u>	<u>1,576,790</u>

	30 September 2022				31 December 2021	
	Balance at the beginning of the period	Amounts released	Amounts added	Balance at the end of the period	Deferred tax	Deferred tax
	JD	JD	JD	JD	JD (Unaudited)	JD (Audited)
2. Deferred tax Liabilities						
Unrealized gain from investments through other comprehensive income	280,892	-	61,596	342,488	45,614	40,074
	<u>280,892</u>	<u>-</u>	<u>61,596</u>	<u>342,488</u>	<u>45,614</u>	<u>40,074</u>

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Movement on deferred tax assets and deferred tax liabilities is as follows:

	Liabilities		Assets	
	30 September 2022	31 December 2021	30 September 2022	31 December 2021
	JD	JD	JD	JD
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Beginning balance for the period / year	40,074	-	1,576,790	1,429,472
Addition	8,316	40,074	270,426	147,318
Disposal	(2,776)	-	(23,362)	-
Ending balance for the period / year	45,614	40,074	1,823,854	1,576,790

C- A summary of the reconciliation between the accounting (loss) profit and taxable (loss) profit is as follows:

	For the period ended	
	30 September 2022	30 September 2021
	JD	JD
	(Unaudited)	(Unaudited)
Accounting (loss) profit	(1,938,929)	746,864
Non - taxable income	(2,435,416)	(2,475,000)
Non - deductible expenses	3,425,634	2,700,247
Taxable (loss) profit	(948,711)	972,111
Income tax expense	-	252,736
Previous years income tax	435	-
Effect of deferred tax assets	(252,163)	(72,761)
	(251,728)	179,975
Effective tax rate	-	24%
Legal tax rate (includes national contribution rate 2%)	%26	26%

(13) PAID-IN CAPITAL

The authorized and paid in capital as of 30 September 2022 and 31 December 2021 is JD 9,100,000 divided into 9,100,000 shares, with a par value of JD 1 per share.

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(14) LEGAL RESERVES

The Company did not transfer legal reserves in accordance with the regulations of Companies Law as these financial statements are interim financial statements.

(15) FAIR VALUE RESERVE

	30 September 2022	31 December 2021
	JD	JD
	(Unaudited)	(Audited)
Beginning balance	(13,182)	(563,179)
Changes during the period/year	110,816	166,711
Losses from reclassification of financial assets at fair value through other comprehensive income to investment in associate	-	391,421
Deferred tax liabilities	45,614	40,074
Deferred tax assets	(43,110)	(48,209)
Ending balance	100,138	(13,182)

(16) NET PROFIT (LOSS) FROM FINANCIAL ASSETS AND INVESTMENTS

	For the period ended	
	30 September 2022	30 September 2021
	JD	JD
	(Unaudited)	(Unaudited)
Dividend returns on financial assets through comprehensive income	42,286	37,632
Unrealized gains (losses) on financial assets through statement of income	53,130	(63,018)
	95,416	(25,386)

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(17) BASIC AND DILUTED EARNINGS PER SHARE

The (loss) profit per share is calculated by dividing the profit for the period by the weighted average number of shares during the period, as follows:

	For the three months ended 30 September		For the nine months ended 30 September	
	2022	2021	2022	2021
	JD	JD	JD	JD
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
(Loss) profit for the period/ JD	(1,868,426)	327,970	(1,687,201)	566,889
Weighted average number of shares	9,100,000	9,100,000	9,100,000	9,100,000
	JD/ Fils	JD/ Fils	JD/ Fils	JD/ Fils
Basic and diluted (loss) profit earnings per share for the period	<u>(0/205)</u>	<u>0/036</u>	<u>(0/185)</u>	<u>0/062</u>

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

(18) CASH AND CASH EQUIVALENT

The cash and cash equivalents appearing in the interim condensed statement of cash flows represents the amounts shown in the interim condensed statement of financial position as follows:

	30 September 2022	30 September 2021
	JD	JD
	(Unaudited)	(Unaudited)
Cash on hand and at banks	2,344,504	1,212,728
Add: Deposits at banks mature within three months (Note 3)	327,184	3,993,866
Less: Bank overdrafts*	<u>(405,229)</u>	<u>(1,771,964)</u>
	<u>2,266,459</u>	<u>3,434,630</u>

* This item represents the utilized amount from the facilities granted to the Company by Jordan Kuwait Bank with a ceiling of JD 2,250,000 and by Housing Bank for Trade and Finance with a ceiling of JD 800,000. The interest rate on these facilities was 4.25% for the period ended 30 September 2022 (30 September 2021: 5.75%).

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(19) RELATED PARTY TRANSACTIONS

The Company entered into transactions with major shareholders, board members and top management in the Company within the normal activities of the Company. All amounts provided to related parties are considered performing and no provision has been provided against them.

Prices policies and terms of the transactions with related parties are approved by the Company's management.

The following represent summary of related parties' transactions:

	Related party		Total	Total
	Sister Companies	Board of Directors members and shareholders	30 September 2022	31 December 2021
	JD	JD	JD	JD
			(unaudited)	(audited)

Statement of financial position items

Checks under collection	2,501,765	-	2,501,765	2,847,421
Accounts receivables	4,041	2,324,372	2,328,413	1,762,118

	Related party		Total	Total
	Sister Companies	Board of Directors members and shareholders	30 September 2022	30 September 2021
	JD	JD	JD	JD
			(unaudited)	(unaudited)

Statement of income items

Written premiums	86,753	2,898,683	2,985,436	3,754,140
Rental income	18,722	-	18,722	15,335

The following represent benefits summary (salaries and remunerations) for executive management:

	For the period ended	
	30 September 2022	30 September 2021
	JD	JD
	(Unaudited)	(Unaudited)
Salaries and remunerations	310,770	376,297
Board of directors' accommodation and transportation compensation	34,650	38,950
	345,420	415,247

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(20) FAIR VALUE FOR FINANCIAL ASSETS

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

Level 1: Quoted market prices in active markets for the same assets and liabilities.

Level 2: Other techniques where all inputs that have an important impact on fair value can be observable, directly or indirectly, from market information.

Level 3: Other techniques where inputs are used that have an important impact on fair value but are not based on observable market information.

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

	Level 1	Level 3	Total
	JD	JD	JD
30 September 2022 (Unaudited) -			
Financial assets			
Financial assets at fair value through statement of income	146,967	-	146,967
Financial assets at fair value through other comprehensive income	1,385,143	726,793	2,111,936
	<u>1,532,110</u>	<u>726,793</u>	<u>2,258,903</u>

31 December 2021 (Audited) -

Financial assets

Financial assets at fair value through statement of income	93,837	-	93,837
Financial assets at fair value through other comprehensive income	1,252,105	735,874	1,987,979
	<u>1,345,942</u>	<u>735,874</u>	<u>2,081,816</u>

(21) LAWSUITS RAISED BY AND AGAINST THE COMPANY

The Company appears as defendant in a number of lawsuits amounted to JD 3,390,392 as of 30 September 2022 (31 December 2021: JD 2,841,108), the Company booked a sufficient provision to meet any obligations towards these lawsuits, The management and legal consultant believe that the lawsuit provisions is sufficient to meet any obligations towards these lawsuits.

The value of the cases filed by the Company against others amounted to JD 3,505,071 as of 30 September 2022 (31 December 2021: JD 4,411,275) represented in accounts receivable to the Company and cheques returned as a result of the Company's exercise of its normal activities.

(22) CONTINGENT LIABILITIES

As at the date of interim condensed financial statement, the Company has contingent liabilities which are represented in letter of guarantees amounted to JD 2,980,108 Compared to JD 2,758,119 as of 30 September 2022 and 31 December 2021 respectively.

(23) DECLARED DIVIDENDS

The General Assembly of shareholders approved in its ordinary meeting held on 9 May 2021 to distribute cash dividends amounted to JD 637,000 equivalent to 7% of paid-in capital as of 31 December 2021.

(24) COMPARATIVE FIGURES

Some of 2021 balances were reclassified to correspond with those of 2022 presentation. The reclassification has no effect on the (loss) profit and equity of the year 2021.

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(25) STATEMENT OF FINANCIAL POSITION FOR LIFE

	30 September 2022	31 December 2021
	JD	JD
	(Unaudited)	(Audited)
Assets -		
Deposits at banks	191,568	180,117
Financial assets at fair value through income statement	3,759	2,400
Financial assets at fair value through other comprehensive income	54,015	50,845
Investment in associate	17,134	17,343
Financial assets at amortized cost	1,918	1,918
Investment properties	52,116	60,498
Total investments	320,510	313,121
Cash on hand and at banks	59,964	32,992
Notes receivable and checks under collection	40,930	39,639
Account receivables	425,277	412,688
Reinsurance receivables	659,450	651,259
Property and equipment	33,816	33,557
Intangible assets	3	8
Right of use assets	465	744
Other assets	27,911	22,521
Total assets	1,568,326	1,506,529
Liabilities and head office equity		
Technical reserves		
Outstanding claim reserve	69,093	107,284
Mathematical reserve	676,379	382,288
Total Technical Reserves	745,472	489,572
Bank overdrafts	10,364	33,339
Account payable	28,868	30,282
Post-dated checks	73,593	85,230
Reinsurance payables	24,865	26,409
Lease liability	879	1,025
Income tax provision	-	7,597
Other liabilities	7,528	4,407
Total Liabilities	891,569	677,861
Head Office equity		
Head Office current account	828,668	823,776
(Losses) profit for the year	(151,911)	4,892
Total liabilities and Head office equity	1,568,326	1,506,529