Arab Jordanian Insurance Group
(Public Limited Shareholding Company)
Amman – The Hashemite Kingdom of Jordan

Interim Condensed Consolidated Financial Statements (Unaudited)
and the Independent Auditor's Report

for the six months period ended in June 30, 2023

Arab Jordanian Insurance Group
(Public Limited Shareholding Company)
Amman-Hashemite kingdom of Jordan
Interim Condensed Consolidated Financial Statements (Unaudited)
For the six months period ended in June 30, 2023

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Independent Auditor's Report

To, Shareholders
Arab Jordanian Insurance Group
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Introduction

We have reviewed the accompanying interim condensed statement of financial position of **Arab Jordanian Insurance Group ("the Company")** as of June 30, 2023 and the related interim condensed statements of profit or loss, other comprehensive income, changes in shareholders' equity, and cash flows for the six months period then ended and a summary of significant accounting policies and other explanatory notes.

The management is responsible for the preparation and fair presentation of these interim condensed financial statements in accordance with International Accounting Standard ("IAS") 34, "Interim Financial Reporting" as endorsed in the Hashemite Kingdom of Jordan and the instructions of Central Bank of Jordan. 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" as endorsed in the Hashemite Kingdom of Jordan. A review of interim condensed financial statements 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 for the period ended June 30, 2023 are not prepared in all material respects, in accordance with IAS (34) "Interim Financial Reporting" as endorsed in the Hashemite Kingdom of Jordan and the instructions of Central Bank of Jordan.

Other Matter

The financial statements for the year ended December 31, 2022 whose numbers appear in the statement of financial position for comparison purposes have been audited by another auditor, who issued an unqualified report on February 28, 2023. The interim condensed financial statements for the period ended June 30, 2022, the statements of profit or loss, other comprehensive income, changes in shareholders' equity, and cash flows which appears in the comparative figures have been reviewed by another auditor who issued an unqualified conclusion on July 28, 2022.

Date: August 30, 2023

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Hassan Amin Othman
(License No. 674)

Arab Jordanian Insurance Group
(Public Limited Shareholding Company)
Interim Condensed Consolidated Statements of financial position (Unaudited)
As of June 30, 2023
(Jordanian Dinars)

	Note	June 30,2023 (Unaudited)	December 31, 2022 (Audited) (Adjusted)	December 31,2021 (Audited) (Adjusted)
Assets				
Bank deposits, net	6	**6,969,933**	7,727,051	6,306,474
Financial assets at fair value through profit or loss	8	**2,397,865**	1,863,793	942,870
Financial assets at fair value through other comprehensive income	7	**327,050**	129,320	497,410
Financial assets at amortized cost		-	-	109,612
Investment properties	9	**2,219,660**	2,251,029	2,304,351
Total investments		**11,914,508**	**11,971,193**	**10,160,717**
Cash on hands and at banks	10	**358,973**	70,679	987,871
Reinsurance contract assets held, net	12	**4,677,455**	6,120,959	8,508,089
insurance contract assets held, net	11	**1,755,869**	3,590	15,100
Deferred tax assets	13	**1,163,677**	937,740	1,129,594
Property and equipment, net	14	**2,684,469**	2,619,025	2,730,070
Intangible assets, net	15	**21,517**	31,106	56,457
Other assets	16	**638,655**	712,237	385,636
Total Assets		**23,215,123**	**22,466,529**	**23,973,534**
Liabilities and Shareholders' Equity				
Liabilities				
Insurance contract liabilities	11	**13,973,810**	14,440,558	11,911,255
Reinsurance contract liabilities	12	**163,993**	1,499	-
Total Insurance contracts Liabilities		**14,137,803**	**14,442,057**	**11,911,255**
Due to banks		-	82,584	984,383
Accounts payable	17	**1,502,196**	1,548,387	967,008
Provision for income tax	18	**87,358**	51,049	58,299
Accrued expenses		-	115,892	85,623
Other liabilities		**2,168,466**	1,844,262	2,882,753
Total liabilities		**17,895,823**	**18,084,231**	**16,889,321**
Authorized and paid share capital	19	**9,500,000**	9,500,000	9,500,000
Issuance discount		**(2,019,280)**	(2,019,280)	(2,539,738)
Statutory reserve	20	**320,602**	320,602	1,319,089
Voluntary reserve		-	-	520,458
Change in fair value reserve		-	2,408	45,396
Accumulated loss		**(2,482,022)**	(3,421,432)	(1,760,992)
Total Shareholders' Equity		**5,319,300**	4,382,298	7,084,213
Total Liabilities and Shareholders' Equity		**23,215,123**	**22,466,529**	**23,973,534**

The accompanying notes from 1 to 26 are integral part of these financial statements

Arab Jordanian Insurance Group
(Public Limited Shareholding Company)
Interim Condensed Consolidated Statements of Profit or Loss (Unaudited)
For the six months period ended in June 30, 2023
(Jordanian Dinars)

	Notes	For the six months period from January 1 to June 30 2023	2022
Revenues:			
Insurance contract revenue	21	**12,047,351**	10,456,387
Insurance contract expenses	22	**(9,015,659)**	(9,011,544)
Insurance service result		**3,031,692**	**1,444,843**
Reinsurance contracts results		**(3,436,894)**	(2,796,785)
Reinsurance contracts recoveries		**1,695,581**	2,245,979
Reinsurance contracts results		**(1,741,313)**	**(550,806)**
Net insurance business results		**1,363,285**	(68,839)
Financing expenses/ income - insurance contracts	23	**(73,244)**	(52,389)
Financing expenses/ income – reinsurance contracts	24	**72,262**	8,704
Net financing results of insurance operations		**(982)**	**(43,685)**
Interest income	25	**153,921**	90,097
Commissions income		**261,418**	273,650
Financial assets losses		**23,505**	144,470
Policy issuance fees income		**384,602**	393,662
Other revenues		**264,000**	246,266
Total revenues		**1,087,446**	**1,148,145**
Salaries, wages and employees' benefits		**(1,046,816)**	(875,017)
General and administrative expenses		**(232,783)**	(273,769)
Other expenses		**(338,804)**	(220,388)
Depreciation and amortization expense		**(101,923)**	(82,077)
Expected credit loss provision		**127,991**	(299,738)
Total expenses		**(1,592,335)**	**(1,750,989)**
profit for the period before tax		**784,508**	247,508
Income tax expense		**152,494**	(207,615)
National contribution fees		**-**	-
Profit for the period after tax		**937,002**	**39,893**
Earnings/ per share for the period	26	**0.08**	0.02

The accompanying notes from 1 to 26 are integral part of these financial statements

Arab Jordanian Insurance Group
(Public Limited Shareholding Company)
Interim Condensed Consolidated Statement of Other Comprehensive Income (Unaudited)
For the six months period ended June in 30, 2023
(Jordanian Dinars)

	For the six months period from January 1 to June 30	
	2023	**2022**
Profit/for the period	**937,002**	39,893
Add: Other comprehensive income items		
Change in fair value reserve	-	132,493
Gain from selling assets through other compressive income	-	4,930
Total comprehensive /income for the period	**937,002**	177,316

The accompanying notes from 1 to 26 are an integral part of these financial statements

Arab Jordanian Insurance Group
(Public Limited Shareholding Company)
Interim Condensed Consolidated Statement of Changes in Shareholders' Equity (Unaudited)
For the six months period ended in June 30, 2023
(Jordanian Dinars)

	Paid- up Capital	Issuance discount	Statutory Reserve	Voluntary Reserve	Change in Fair Value Reserve	Accumulated (loss)/ Retained Earnings	Total
For the six-month period ended June 30, 2022 (unaudited)							
Balance as of December, 31 2021 (audited)-before adjustment	9,500,000	(2,539,738)	1,319,089	520,458	45,396	(706,108)	8,139,097
Prior Years adjustments	-	-	-	-	-	(296,567)	(296,567)
The impact of the application of (IFRS 17).	-	-	-	-	-	(758,317)	(758,317)
Balance as of December, 31 2021 (audited)- after adjustment	9,500,000	(2,539,738)	1,319,089	520,458	45,396	(1,760,992)	7,084,213
Profit for the period – net	-	-	-	-	-	39,893	39,893
Other Comprehensive income -net	-	-	-	-	132,493	4,930	137,423
Total comprehensive income for the period	-	-	-	-	132,493	44,823	177,316
Amortization of issuance discount	-	520,458	(998,487)	(520,458)	-	998,487	-
Dividends	-	-	-	-	-	-	-
Balance as of June 30, 2022 (unaudited)	**9,500,000**	**(2,019,280)**	**320,602**	**-**	**177,889**	**(717,682)**	**7,261,529**
For the six-months period ended June 30, 2023 (unaudited)							
Balance as of December 31, 2022 (Audited) - Before adjustment	9,500,000	(2,019,280)	320,602	-	2,408	(2,238,011)	5,565,719
Prior Years adjustments	-	-	-	-	-	(296,567)	(296,567)
The impact of the application of (IFRS 17).	-	-	-	-	-	(886,854)	(886,854)
The balance as of December 31, 2022 (Audited) - after adjustment	**9,500,000**	**(2,019,280)**	**320,602**	**-**	**2,408**	**(3,421,432)**	**4,382,298**
Profit for the period - net	**-**	**-**	**-**	**-**	**-**	**937,002**	**937,002**
Other Comprehensive income -net	**-**	**-**	**-**	**-**	**(2,408)**	**2,408**	**-**
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**(2,408)**	**939,410**	**937,002**
Balance as of June 30, 2023 (unaudited)	**9,500,000**	**(2,019,280)**	**320,602**	**-**	**-**	**(2,482,022)**	**5,319,300**

The accompanying notes from 1 to 26 are an integral part of these financial statements

Arab Jordanian Insurance Group
(Public Limited Shareholding Company)
Interim Condensed Consolidated Statement of Cash flows (Unaudited)
For the six months period ended June in 30, 2023
(Jordanian Dinars)

	June 30, 2023 (Unaudited)	June 30, 2022 (Unaudited)
Cash flow from Operating Activities		
Net Profit for the period before tax	**784,508**	247,508
Adjustment for non-cash items		
Depreciation and amortization	**101,923**	82,077
Change in fair value for financial assets through profit or loss statement	-	-
Expected loss for financial assets at amortized cost	-	4,007
Cash flows from operating activities before changes in working capital	**886,431**	333,592
Reinsurance contract assets	**(1,752,279)**	(10,537)
Insurance contract assets	**1,443,504**	(305,526)
Insurance contract liabilities	**(466,748)**	1,338,506
Reinsurance contract liabilities	**162,494**	-
Accounts payable	**(46,191)**	415,505
Other assets	**73,582**	(437,978)
Other liabilities	**324,204**	(494,771)
Due to banks	**(82,584)**	(611,876)
Accrued expenses	**(115,892)**	(2,494)
Income tax paid	**(145,810)**	(58,538)
Net cash flows provided by operating activities	**280,711**	165,883
Cash flow from Investing Activities		
Change in bank deposits	**757,118**	(262,005)
(Purchase)/sell property and equipment	**(126,409)**	(968)
(Purchase)/sell financial assets	**(734,210)**	(709,018)
Net cash flows used in investing activities	**(103,501)**	(971,991)
Net cash and cash equivalent provided/(used) during the year	**177,210**	(806,108)
Cash and cash equivalents at beginning of the period	**181,763**	987,871
Cash and cash equivalents at the end of the period	**358,973**	181,763

The accompanying notes from 1 to 26 are an integral part of these financial statements

1- Legal Status and Activities

The Arab Jordanian Insurance Group Company was established in (1996) and registered as a Jordanian public joint stock company under No. (321) with an authorized capital of (9,500,000) Jordanian dinars, divided into (9,500,000) shares, the value of each share being one Jordanian dinar.

The company offers all life and general insurance business (marine, transportation, motor, fire and other property damage, liability insurance, medical insurance, personal accident insurance and aviation insurance).

The Condensed Consolidated interim financial statements were approved by the Audit Committee on 30/08/2023

2-Basis of Preparation:

The interim Condensed Consolidated financial statements for the Company for the Six months period ended 30 June 2023 have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting".

The interim Condensed Consolidated financial statements have been prepared according to the historical cost principle, with the exception of financial assets at fair value through other comprehensive income and financial assets at fair value through the statement of profit or loss, which appear at fair value on the date of the Condensed Consolidated interim financial statements.

The Jordanian Dinar is the currency of showing the interim Condensed Consolidated financial statements, which represents the main currency of the company.

Applying new and amended International Financial Reporting Standards

During the year, the company applied the following new and amended standards:
1-International Financial Reporting Standard No. (17) Insurance Contracts.

The application of these new and amended standards, along with their interpretations, has resulted in a substantial impact on the financial amounts for both the current and previous accounting periods. Additionally, the application of these new and amended standards, along with their interpretations, has led to changes in the company's accounting policies in the following areas, which have had an impact on the financial amounts for the current year and previous years.

3- Changes in Accounting Policies

The company applied International Financial Reporting Standard No. 17 "Insurance Contracts", where it evaluated the impact of applying the standard and identified the gap between the previous situation and the requirements of the standard and prepared a risk assessment system through actuarial statistical models for various insurance contracts in addition to updating information technology systems to ensure the availability of all databases Necessary for applying actuarial models and preparing systems for estimating future cash flows for contracts, and determining the present value of money, in addition to updating accounting policies and procedures and updating other operational policies and procedures, which had an impact on the financial statements. The requirements of the standard as shown in the applied policies in Note No. (4).

The transitional provisions for applying the standard retrospectively require the company to follow one of the following approaches (full retrospective/modified retrospective/fair value) recognizing the cumulative effect of applying the standard as an adjustment to the opening balance of retained earnings (or other component of equity, if applicable) at the beginning of the year.

3- Changes in Accounting Policies

New Standards, Interpretations, and Amendments Effective from January 1, 2023

The company applied International Financial Reporting Standard No. 17 "Insurance Contracts", where it evaluated the impact of applying the standard and identified the gap between the previous situation and the requirements of the standard and prepared a risk assessment system through actuarial statistical models for various insurance contracts in addition to updating information technology systems to ensure the availability of all databases Necessary for applying actuarial models and preparing systems for estimating future cash flows for contracts, and determining the present value of money, in addition to updating accounting policies and procedures and updating other operational policies and procedures, which had an impact on the financial statements. The requirements of the standard as shown in the applied policies in Note No. (4).

The transitional provisions for applying the standard retrospectively require the company to follow one of the following approaches (full retrospective/modified retrospective/fair value) recognizing the cumulative effect of applying the standard as an adjustment to the opening balance of retained earnings (or other component of equity, if applicable) at the beginning of the year.

The effect of applying the standard and the amendment on the opening balance of retained earnings is disclosed in the consolidated statement of changes in equity.

The impact of the application is also disclosed in addition to a summary of restating the items of the financial statements for the year ended as on December 31, 2023.

- Disclosure of accounting policies Classification of current and non-current liabilities (amendments to IAS (1) "Presentation of Financial Statements").
- Disclosure of accounting policies (amendments to IAS 1) "Presentation of Financial Statements" and Statement of Practice 2 of International Financial Reporting (Standards).
- Definition of accounting estimates (Amendments to IAS 8) "Accounting Policies, Changes in Accounting Estimates and Errors").
- Deferred taxes relating to assets and liabilities arising from a single transaction (amendments to IAS No. (12) "Income Taxes").

The company has disclosed its accounting policies in line with the requirements of the International Accounting Standards Board and its amendments for presenting financial statements "Statement of Practice 2" under the framework of the Central Bank of Jordan's requirements. There is no impact on the company from the application of new accounting standards other than the application of International Financial Reporting Standard (IFRS) 17.

4- Use of Estimates and Assumptions

Expected credit losses:

The company applies the simplified approach for trade receivables and the general approach for other financial instruments in calculating expected credit losses, as required by International Financial Reporting Standard (IFRS) No. 9. This approach recognizes expected credit losses over the lifetime of the receivables and contractual assets based on credit risks and homogeneous age categories.

The expected loss rates are based on historical credit losses incurred by the company during the preceding three years until the end of the current period. Subsequently, these historical loss rates are adjusted for current and future information based on macroeconomic factors affecting the company's customers.

Property, Plant, and Equipment, and Intangible Assets:

Management periodically reassesses the useful lives of tangible and intangible assets for the purpose of calculating depreciation and amortization expenses based on the expected useful lives in the future. Impairment is recognized, if necessary, in the statement of profit and loss.

Please note that the translation is based on the provided information and may vary depending on specific IFRS guidelines and company-specific circumstances.

The present value of future cash flows:

Cash flows are defined as all expected collections and disbursements expected within the limits of the insurance/reinsurance contract, adjusted to reflect the timing and uncertainty of these amounts, based on actuarial assumptions and the company's experience in insurance and reinsurance contracts.
Cash flows are recognized at their present value, and the assumptions used in estimating future cash flows are disclosed, including considerations taken into account, the method used for discounting those cash flows, the discount rate, the discounting technique, and the yield curve used. Furthermore, the rationale for adopting the method used in calculating discount rates and the treatment of insurance financing income or expenses in the profit or loss statement are also disclosed.

When setting assumptions related to estimating cash flows for insurance contract groups, the following factors are considered:
Inherent risks.
Aggregation level.
The probability of natural disasters.
The probability of contract settlement before the end of the insurance coverage, and other expected practices by the policyholders.
The factors influencing the estimates and the sources of information for these factors.

Non-financial risk adjustments:

The company recognizes a financial amount against the uncertainty of the amount and timing of cash flows arising from non-financial risks based on actuarial assumptions and the company's experience in managing its insurance/reinsurance contracts. This amount is determined at a confidence level of 75% and is expected to align with the business surface runoff. Diversification is included to reflect diversification in contracts sold across geographical regions, which reflects the compensation required by the entity. Non-financial risk adjustments are reassessed annually.

4- Use of Estimates and Assumptions (Continued)

Non-insurance components:

The company discloses the following aspects:
Definition of insurance risk.
Definition of an insurance contract, identifying subscribed insurance contracts that meet the definition.
Identification of contracts issued by the company that meet the definition of an insurance contract.
Mechanism for separating non-insurance components (investment component, service component, etc.) from the insurance contract, and if present, the more relevant standard to be applied to address those components.
Mechanism for determining the relative significance of insurance contract risks.

Claims against the company:

A provision is made against claims brought against the company based on a legal study prepared by the company's lawyer, which determines the potential risks that may arise in the future. These studies are periodically reviewed.

Please note that this translation is based on the provided information and may vary depending on specific IFRS guidelines and company-specific circumstances

Fair Value Levels:

The disclosure includes a complete classification of fair value measurements, as well as a breakdown of the specific levels defined in International Financial Reporting Standards. The difference between Level 2 and Level 3 of fair value measurements assesses whether the information or inputs can be observed and the significance of the information that can be observed, requiring judgments and detailed analysis of the inputs used to measure fair value, considering all factors related to the assets or liabilities.

In essence, this disclosure indicates that the company classifies its fair value measurements into different levels based on the availability of observable market data. Level 1 represents measurements where the fair value is based on unadjusted quoted prices in an active market for identical assets or liabilities. Level 2 represents measurements where inputs other than quoted prices are observable, either directly or indirectly, for the asset or liability.

Level 3 represents measurements where inputs are unobservable, and fair value is determined using the company's own assumptions and models. The difference between Level 2 and Level 3 is essentially the degree to which market-based inputs are available to determine the fair value. Level 2 has observable inputs, while Level 3 relies more heavily on unobservable inputs.

The disclosure also suggests that for assets or liabilities classified as Level 3, the company needs to make significant judgments and perform detailed analysis of the inputs used to measure fair value, considering all factors related to those assets or liabilities. This is because Level 3 assets or liabilities are not directly observable in the market, making their valuation more subjective and dependent on the company's assumptions and models

5 - Significant Accounting Policies:

A - Segment Information:

Business segments represent a group of assets and operations that share common risks and returns that are different from those of other segments, measured according to reports used by the company's chief operating decision-maker. Geographic segments are related to providing products or services in a specific economic environment subject to risks and returns that differ from those of segments operating in other economic environments.

In this context, the disclosure describes how the company classifies its operations into business and geographic segments. Business segments are those that offer products or services with common risks and returns, while geographic segments are those operating in specific economic environments. This information is relevant for assessing the performance and allocation of resources within the company's different segments.

B - Definition of Insurance Contracts:

"Insurance contracts are defined as agreements in which one party (the insurer) accepts substantial insurance risks from another party (the policyholder) by agreeing to compensate the policyholder in the event of a specified, uncertain future event (the insured event) that adversely affects the policyholder. All contracts issued by the company fall under the definition of insurance contracts.
As for contracts that do not fall under the definition of insurance contracts, examples include:

- Investment contracts that have a legal form of insurance contracts but do not transfer significant insurance risks to the insurer are classified as investment contracts and accounted for under IFRS 9.
- Investment contracts that contain a discretionary participation feature (i.e., the insurer's ability to participate in surplus investment returns) are also accounted for under IFRS 9.
- Self-insurance arrangements, where an entity retains risks that could have been covered by an insurance contract, are classified and accounted for under IFRS 15. For instance, the company does not issue insurance contracts to affiliate companies but only to employees, and these contracts are not subject to IFRS 17 but are recognized as employee healthcare expenses.

C - Reinsurance Contracts Held

A reinsurance contract is issued by a reinsurer to compensate an insurance company for claims arising from insurance contracts issued by the insurance company.

Reinsurance contracts held are recognized as follows:

- If reinsurance contracts held are closely related to a group of insurance contracts, they are recognized at the beginning of the coverage period for that group or at initial recognition of any underlying insurance contract, whichever is earlier.
- At the beginning of the coverage period for a group of reinsurance contracts held. Initial Recognition of Insurance Contracts / Premium Allocation Approach

D - Recognition of Insurance Contracts

The company recognizes a group of insurance contracts from the following dates, whichever is earlier:

- The start of the coverage period.
- The first premium due.
- When the group of contracts is onerous.
- Upon initial recognition, the company records the carrying amount of the liability.

5 - Significant Accounting Policies (Continued):

E- Premiums received at initial recognition.

Deducting any acquisition costs paid to acquire the insurance contracts at that date.
Adding or deducting any cash flows related to the acquisition costs of the insurance contracts.
Subsequent Measurement of Insurance Contracts / Premium Allocation Approach

At the end of each subsequent reporting period, the company measures the carrying amount of the liability, taking into account the following adjustments to the liability balance:

- Adding premiums received for the period.
- Deducting cash flows for the acquisition of insurance contracts.
- Adding any amounts related to the exhaustion of cash flows for the acquisition of insurance contracts recognized as an expense.

F- Subsequent Measurement of Insurance Contracts / Premium Allocation Approach

The company, at the end of each subsequent reporting period, verifies the book amount of the liability, taking into account the following adjustments to the liability balance:

- Adding premiums received for the period.
- Deducting cash flows for the acquisition of insurance contracts.
- Adding any amounts related to the exhaustion of cash flows for the acquisition of insurance contracts recognized as an expense.

G- Amendment of Insurance Contracts

The company amends the initial recognition of insurance contracts by dealing with changes that have occurred in future cash flows to fulfill the contracts unless the derecognition conditions for insurance contracts apply.

H- Derecognition of Insurance Contracts

The company derecognizes insurance contracts in the following cases:

- Expiry of the contract. (Expiration of the commitment specified in the insurance contract, fulfillment, or cancellation)
- In case of amending insurance contracts in a way that no longer meets the standard's requirements, the company cancels the contract and recognizes a new contract.

I- Insurance Contracts Onerous

The company classifies contracts as onerous if it is expected to incur a loss at the initial recognition date. Contracts are measured as onerous if the expected cash flows to fulfill the contract or group of contracts exceed the cash flows obtained from this contract or group of contracts. The company discloses the loss component if the contractual service margin equals zero.

J- Unearned Premiums for In-force Contracts

This represents the total value of expected costs incurred by the company due to risks covered by the insurance contract. These events occurred before the end of the financial period and include reported and unreported claims, in addition to related expenses."

5 - Significant Accounting Policies (Continued):

K- Approaches to measuring contracts

- Summary of the approved insurance contract measurement methodology:

Portfolio (level one)	Classification of contracts	measurement method
Vehicles Comprehensive)	Insurance contracts	Premium allocation approach
Vehicles (Motor pool)	Insurance contracts	Premium allocation approach
Vehicles (Third party liability)	Insurance contracts	Premium allocation approach
Marine	Insurance contracts	Premium allocation approach
Fire	Insurance contracts	Premium allocation approach
Engineering	Insurance contracts	Premium allocation approach
Medical	Insurance contracts	Premium allocation approach
General	Insurance contracts	Premium allocation approach
Life	Insurance contracts	Premium allocation approach

- Summary of the approved method for measuring held reinsurance contracts:

Portfolio	measurement method
Marine	Premium allocation approach
Fire	Premium allocation
Engineering	Premium allocation approach
General insurance	Premium allocation approach
Medical	Premium allocation approach
Life	Premium allocation approach
Motor (excess of loss)	Premium allocation approach
Motor (High value)	Premium allocation approach

Profitability Levels

The contract groups referred to in the previous section are classified into the following categories based on expected net cash flows from contracts and the accounting treatment followed in processing contract groups:

Contracts that are not expected to become onerous at initial recognition.
Onerous contracts.
Other contracts, if any.

Financial Assets

Financial assets are classified at initial recognition into one of the following categories:

- At amortized cost.
- At fair value through profit or loss.
- At fair value through other comprehensive income.

5 - Significant Accounting Policies (Continued):

Financial Assets at Amortized Cost

The company classifies financial assets at amortized cost based on the company's business model for managing financial assets and the contractual cash flow characteristics of financial assets when both of the following conditions are met:

The purpose of holding these assets in the business model is to collect contractual cash flows.
The cash flows under the contractual terms of these assets are solely payments of principal and interest on the principal amount of the assets.

Financial assets at amortized cost are initially recognized at cost, including acquisition expenses. Any premium or discount (if applicable) is amortized using the effective interest rate method. Provisions for impairments resulting from a decline in the value of these investments, which leads to an inability to recover the investment or a portion thereof, are recognized. Any decrease in their value is recognized in the statement of profit and loss.

The impairment amount of financial assets at amortized cost is the difference between the carrying amount and the present value of expected cash flows discounted at the current effective interest rate.

In rare cases, the standard allows for the measurement of these assets at fair value through the statement of profit and loss if it eliminates or significantly reduces an accounting mismatch that results from measuring assets or liabilities or recognizing income and expenses using different bases.

Financial Assets at Fair Value Through Profit or Loss

Other financial assets that do not meet the conditions for financial assets at amortized cost are measured at fair value.

Financial assets measured at fair value through profit or loss include investments in equity instruments and debt instruments held for trading purposes. The purpose of holding these assets is to generate profits from short-term market price fluctuations or trading income.

Financial assets at fair value through profit or loss are initially recognized at fair value (acquisition costs are recognized in the statement of profit and loss at the time of acquisition). They are subsequently remeasured at fair value on the financial statements' date, with any changes in fair value recognized in the statement of profit and loss in the same period in which they occur, including changes in fair value resulting from foreign exchange differences on non-monetary items denominated in foreign currencies. Distributions or returns are recognized in the statement of profit and loss when realized (as approved by the General Assembly of Shareholders).

Reclassification

Reclassification from financial assets at amortized cost to financial assets at fair value through profit or loss, and vice versa, is allowed only when the entity changes its business model for classifying those assets as previously mentioned, taking into consideration the following:

No retroactive reversal of previously recognized gains, losses, or interest is allowed.
When reclassifying financial assets to be measured at fair value, their fair value is determined at the reclassification date. Any gains or losses resulting from differences between the previously recorded value and the fair value are recognized in the statement of profit and loss.
This explanation pertains to the reclassification of financial assets and aligns with the requirements of IFRS 17. It emphasizes that such reclassifications should be based on changes in the entity's business model and underscores that gains, losses, or interest recognized previously cannot be reversed retroactively. Additionally, it clarifies the accounting treatment for any differences between the previously recorded value and the fair value at the time of reclassification.

5 - Significant Accounting Policies (Continued):

Financial Assets at Fair Value Through Profit or Loss

When reclassifying financial assets to be measured at amortized cost, they are recorded at their fair value as of the reclassification date.

Financial Assets at Fair Value Through Other Comprehensive Income

- Initial recognition of investments in equity instruments, not held for trading purposes, allows for an irrevocable option to present all changes in * the fair value of these investments on an individual basis (per share) within other comprehensive income. There is no subsequent reclassification of these changes within other comprehensive income to the statement of profit or loss at a later date. However, profits received from these investments are recognized as part of investment income, unless these distributions clearly represent a partial recovery of the investments.
- Upon the sale of these assets or a portion thereof, any gains or losses resulting from the sale are transferred from the cumulative net change in fair value through other comprehensive income to retained earnings and not through the consolidated statement of profit and loss.

Property Investments

Property investments are presented at cost, net of accumulated depreciation (excluding land). These investments are depreciated over their useful life at a rate of 4%. Any decrease in their value is recorded in the statement of profit or loss. Revenue or operating expenses related to these investments are recognized in the statement of profit or loss.

(Property investments are evaluated in accordance with legislation, and their fair value is disclosed in the Property Investments Notes).

Investments in Associate Companies

Associate companies are those in which the entity has a significant influence over financial and operating policies but does not have control (ownership ranges from 20% to 50% of voting rights), and investments in associate companies are accounted for using the equity method.
In the case of significant influence, revenue and expenses arising from transactions between the entity and associate companies are excluded, and they are recognized based on the entity's ownership share in these companies.

Property and Equipment

Property and equipment are presented at cost, net of accumulated depreciation and any accumulated impairment losses. Property and equipment (excluding land) are depreciated when ready for use using the straight-line method over their estimated useful lives. Depreciation expense is recognized in the statement of profit and loss.

Asset	Depreciation rates%
Buildings	2% - 4%
Decorations and furniture	3% - 5%
Solar panels	3% - 5%
Equipment's and tools	3% - 5%
vehicles	7% - 15%

5 - <u>Significant Accounting Policies (Continued):</u>

<u>Property and Equipment (Continued):</u>

Depreciation of property and equipment is recognized when these assets are ready for use for their intended purpose. The full depreciation expense for the period is shown in the line item designated for it in the statement of profit or loss. When the recoverable amount of any property or equipment falls below it carrying amount, it is reduced to the recoverable amount, and the impairment loss is recorded in the statement of profit or loss.

Property and equipment under construction for the company's use are presented at cost, net of any impairment losses. The estimated useful life of property and equipment is reviewed at the end of each year, and if the expected useful life differs from prior estimates, the change is recorded as a change in estimates for future years.

Gains or losses resulting from the disposal or write-off of property and equipment, representing the difference between the sale proceeds and the original carrying amount, are recognized in the statement of profit or loss. Property and equipment are derecognized when they are disposed of or when there are no future expected benefits from their use.

<u>Intangible Assets</u>

- Intangible assets acquired through mergers are recorded at their fair value on the acquisition date. Intangible assets acquired through means other than mergers are initially recognized at cost.
- Other intangible assets are classified based on their estimated useful life for specific or indefinite periods. Intangible assets with a specific estimated useful life are amortized over that period, and amortization expense is recognized in the statement of profit or loss. Intangible assets with an indefinite useful life are reviewed for impairment at the consolidated interim financial statement date, and any impairment is recognized in the statement of profit or loss.
- Internally generated intangible assets are not capitalized and are recognized in the statement of profit or loss in the current year.
- Indicators of impairment for intangible assets are reviewed at the consolidated interim financial statement date, and estimates of useful life are reviewed and adjusted for future periods as necessary.

<u>Cash and Cash Equivalents</u>

Cash and cash equivalents include cash in hand, balances with banks, bank deposits, and matured investments with a maturity period of less than three months after the deduction of bank overdrafts.
Settlement

<u>Offsetting</u>

Offsetting of financial assets and financial liabilities and presentation of the net amount in the statement of financial position are carried out only when there are legally enforceable rights and when the assets and liabilities are settled on a net basis or simultaneously.

<u>Recognition Date of Financial Assets</u>

Financial assets are recognized on the trade date (the date the company commits to buy or sell the financial assets).

5 - Significant Accounting Policies (Continued):

Fair Value

Closing prices (buying assets/selling liabilities) on the financial statement date in active markets represent the fair value of financial instruments with quoted market prices.

In the absence of quoted prices or in cases of inactive markets, fair value is estimated using various methods, including:

- Comparing it to the current market value of a substantially similar financial instrument.
- Analyzing future cash flows and discounting expected cash flows at a rate used for a similar financial instrument.
- Option pricing models.

These valuation methods aim to obtain a fair value that reflects market expectations, taking into account market factors and any expected risks or benefits when estimating the fair value of financial instruments. If a financial instrument cannot be measured reliably using these methods, it is recognized at cost, after any impairment.

Financial liabilities

The financial liabilities are classified by the company based on the purpose of the obligation's origination. The accounting policy for financial liabilities is as follows:

1- Creditors and Reinsurance Contract Liabilities

The initial recognition of creditors and reinsurance contract liabilities is done at fair value, and subsequently, they are measured at the cost extinguished using the effective interest rate method.

2- Borrowings from Banks

Initially recognized at fair value, subsequently measured at amortized cost using the effective interest rate method. Financing costs include initial costs and premiums paid upon borrowing, in addition to interest accrued over the life of the liability.

3- Provisions

Provisions are recognized when there is a present obligation resulting from past events, the settlement of which is probable, and the amount can be reliably measured. Provisions represent the best estimate of the amounts required to settle the obligation as of the financial statement date, considering risks and uncertainties.

When it is expected that some or all of the economic benefits required to settle the provision will be recovered from third parties, a receivable is recognized if the receipt of compensation is virtually certain and can be measured reliably.

Employee End of Service Benefits Provision

The provision for employee end-of-service benefits is calculated in accordance with the company's policy, in compliance with Jordanian labor law.

Accrued annual benefits for employees leaving the service are recorded as part of the end-of-service benefits when paid. The accrued liability for employee end-of-service benefits is recognized in the statement of profit or loss.

5 - Significant Accounting Policies (Continued):

Foreign Currencies

- Transactions denominated in foreign currencies are initially recorded at the transaction date exchange rates.
- Balances of financial assets and liabilities in foreign currencies are translated using the middle exchange rates as of the financial statement date, as declared by the Central Bank of Jordan.
- Non-monetary assets and non-monetary liabilities in foreign currencies are translated at fair value as of the date of fair value determination.
- Gains or losses resulting from foreign currency translation are recognized in the statement of profit or loss.
- Foreign currency translation differences related to non-monetary assets and liabilities are recorded as part of changes in fair value.
- When consolidating financial data, assets and liabilities of foreign branches and subsidiaries are translated from their functional currency to the reporting currency using the average exchange rates prevailing on the financial statement date, as declared by the Central Bank of Jordan. Revenue and expense items are translated based on the average exchange rates during the year, and any currency translation differences (if any) are presented as a separate item within equity. In the event of the sale of any of these companies or branches, any currency translation differences related to them are recorded within revenue or expenses in the statement of profit or loss.

Dividends and Interest Income

Dividend revenue is recognized when shareholders have the right to receive payments as approved by the general assembly.
Interest revenue is recognized using the effective interest rate method based on the time periods and the original amounts outstanding.

Rental Income

Rental income from investment properties with operating lease contracts is recognized on a straight-line basis over the lease terms.

6- Deposits at Banks

	June 30, 2023 (Unaudited)				December 31,2022 (Audited)
	Deposits due within a month	Deposits maturing from (1-3 months)	Deposits maturing after more than three months	Total	Total
Inside of Jordan	5,919,933	-	1,050,000	6,969,933	6,568,479
	5,919,933	**-**	**1,050,000**	**-**	**6,568,479**

The interest rates on deposits with banks in JD range from 4.75% to 6.75%. for the period ending June 30, 2022 (from 4% to 5.25% during the year 2022).

The pledged deposits with the Central Bank amounted to 1,050,000 JD at the Investment Bank, in addition to 250,000 at the Jordan Kuwait Bank as of June 30, 2023 (December 31, 2022: 800,000 at the Investment Bank).

Deposits are distributed as follows:

	June 30,2023 (Unaudited)	December 31, 2022 (Audited)
BLOM Bank	**6,967,737**	7,721,709
Jordan Commercial Bank	**2,196**	5,342

7- Financial Assets at Fair Value through Other Comprehensive Income

	June 30,2023 (Unaudited)	December 31, 2022 (Audited)
Inside Jordan		
Refined financial assets at fair value	**327,050**	126,912
Cumulative change	**-**	2,408
	327,050	129,320

8- Financial Assets at Fair Value through Profit or Loss

	June 30, 2023 (Unaudited)	December 31,2022 (Audited)
Inside Jordan		
Listed stocks	**2,397,865**	1,863,793
Unlisted stocks	**-**	-
	2,397,865	1,863,793

9- Investment Properties

	June 30, 2023 (Unaudited)	December 31,2022 (Audited)
Land	**452,142**	452,142
Buildings	**2,509,303**	2,509,303
Less: Accumulated depreciation	**(741,785)**	(710,416)
Total	**2,219,660**	2,251,029

- Investment buildings are depreciated at a rate of 2% annually and are shown at the net book value.

10 - Cash on hand and at banks

	June 30, 2023 (Unaudited)	December31,2022 (Audited)
Cash on hand	**4,195**	6,401
Cash at banks	**354,778**	64,278
	358,973	70,679

11- Insurance Contract (Assets / Liabilities) – Premium Allocation approach

	Liabilities for Remaining coverage		Liabilities for Incurred Claims		
June 30 ,2023	**Non-Onerous Contracts**	**Onerous Contracts**	**Present Value of Cash Flows**	**Non-Financial Risk Adjustments**	**Total**
Insurance Contract Liabilities-beginning of the period	(259,878)	(3,293,663)	(10,199,950)	(687,067)	(14,440,558)
Insurance Contract Assets-beginning of the period	3,590	-	-	-	3,590
Net Insurance Contract Liabilities (Assets) at the beginning of the period	**(256,288)**	**(3,293,663)**	**(10,199,950)**	**(687,067)**	(14,436,968)
Insurance Contract Revenues	**(8,452,511)**	**(3,594,840)**	-	-	(12,047,351)
Claims Incurred	-	-	10,104,566	97,596	10,202,162
Amortization of acquisition cost	247,083	123,996	-	-	371,079
Employees Costs	-	-	-	-	-
Administrative Costs	-	-	-	-	-
Insurance Contract Expenses	247,083	123,996	10,104,566	97,596	10,573,241
Insurance Service Results	**(8,205,428)**	**(3,470,844)**	**10,104,566**	**97,596**	(1,474,110)
Finance Costs - from Insurance Contracts	-	-	(73,244)	-	(73,244)
Net Change - Other Comprehensive Income	**(8,205,428)**	**(3,470,844)**	**10,031,322**	**97,596**	(1,547,354)
Cash Received from Written Contracts	9,828,469	3,481,084	-	-	13,309,553
Cash Paid for Incurred Claims	-	-	(8,654,006)	-	(8,654,006)
Paid from Acquisition Costs	(531,218)	(357,948)	-	-	(889,166)
Other Expenses	-	-	-	-	-
Transferred to Liabilities for Incurred Claims	**9,297,251**	**3,123,136**	**(8,654,006)**	-	**3,766,381**
Net Insurance Contract Liabilities (Assets) - End of Period	**835,535**	**(3,641,370)**	**(8,822,634)**	**(589,471)**	**(12,217,941)**

11- Insurance Contract (Assets / Liabilities)- Premium Allocation approach (Continued)

	Liabilities for Remaining coverage		Liabilities for Incurred Claims		
December 31 ,2022	**Non-Onerous Contracts**	**Onerous Contracts**	**Present Value of Cash Flows**	**Non-Financial Risk Adjustments**	**Total**
Insurance Contract Liabilities-beginning of the period	213,431	(2,594,944)	(8,922,023)	(607,719)	(11,911,255)
Insurance Contract Assets-beginning of the period	16,070	-	(906)	(64)	15,100
Net Insurance Contract Liabilities (Assets) at the beginning of the period	**229,501**	**(2,594,944)**	**(8,922,929)**	**(607,783)**	(11,896,155)
Insurance Contract Revenues	**(17,626,353)**	**(6,712,905)**	-	-	(24,339,258)
Claims Incurred	-	-	17,216,465	(79,284)	17,137,181
Amortization of acquisition cost	971,164	200,940	-	-	1,172,104
Employees Costs	-	-	-	-	-
Administrative Costs	-	-	-	-	-
Insurance Contract Expenses	**971,164**	**200,940**	**17,216,465**	**(79,284)**	18,309,285
Insurance Service Results	**(16,655,189)**	**(6,511,965)**	**17,216,465**	**(79,284)**	(6,029,973)
Finance Costs - from Insurance Contracts	-	-	47,491	-	47,491
Net Change - Other Comprehensive Income	**(16,655,189)**	**(6,511,965)**	**17,263,956**	**(79,284)**	(5,982,482)
Cash Received from written Contracts	17,389,410	6,191,328	-	-	23,580,738
Cash Paid for Incurred Claims	-	-	(18,540,976)	-	(18,540,976)
Paid from Acquisition Costs	(1,220,011)	(378,082)	-	-	(1,598,093)
Other Expenses					
Transferred to Liabilities for Incurred Claims	**16,169,399**	**5,813,246**	**(18,540,976)**	-	3,441,669
Net Insurance Contract Liabilities (Assets) - End of Period	**(256,289)**	**(3,293,663)**	**(10,199,950)**	**(687,067)**	**(14,436,968)**

12 -Reinsurance Contract Assets/Liabilities

	June 30, 2023 (Unaudited)	December31,2022 (Audited)
Reinsurance Contract Assets- Local	347,867	455,222
Reinsurance Contract Assets- Foreign	4,329,588	5,665,737
	4,677,455	6,120,959
Reinsurance Contract Liabilities- Local	-	-
Reinsurance Contract Liabilities- Foreign	(163,993)	(1,499)
	(163,993)	(1,499)

13 - Income Tax

A- Provision for Income Tax

The movement on the income tax provision during the period/ year is as follows:

	June 30, 2023 (Unaudited)	December31,2022 (Audited)
Balance at beginning of the period/ year	55,352	58,299
Income tax paid	(41,408)	(57,411)
Provided during the period/ year	73,414	49,661
Income tax provision – prior years	-	500
Balance at the end of the period/ year	87,358	51,049

In terms of the income tax presented in the statement of profit or loss, it includes the following:

	June 30, 2023 (Unaudited)	June 30, 2022 (Unaudited)
Income tax for the income of the period	(68,266)	(54,299)
Deferred tax assets	(225,937)	-
Withholding tax payable	(5,148)	-
Deferred tax assets amortization/(recognition)	-	(191,854)
End of year balance	(299,351)	(246,153)

A final settlement was reached with the Income Tax Department until the year of 2020. In the opinion of the company's tax advisor and company management, the income tax provision for the period ending on June 30, 2023 is sufficient.

13 - Income Tax (continued)

B- Deferred tax assets – liabilities

	June 30, 2023 (Unaudited)					December 31,2022 (Audited)
	Balance at the beginning of the year	**Released**	**Additions**	**Balance at the end of the period**	**Deferred tax**	**Deferred tax**
A-Deferred Tax Assets						
Incurred but not reported claims provision	**2,051,120**	**2,051,120**	**2,116,890**	**2,116,890**	**17,100**	153,209
Change in fair value for financial assets through profit or loss	**95,201**	**95,201**	-	-	**(24,733)**	24,752
Accounts receivables – Expected credit loss provision	-	-	-	-	-	(246,730)
Cheques under collection – Expected credit loss provision	-	-	-	-	-	(22,481)
Reinsurance receivables – Expected credit loss provision			1,007,078	1,007,078	233,570	(56,922)
Change in fair value for financial assets through other comprehensive income statement	-	-	-	-	-	(39,000)
Bad debts	-	-	-	-	-	(4,682)
Income tax refunds	-	-	-	-	225,937	(191,854)
Balance at the beginning of the period	-	-	-	-	937,740	1,129,594
Total	-	-	-	-	**1,163,677**	**937,740**

Movement on deferred tax assets and liabilities is as follows:

	Liabilities		Assets	
	June 30,2023 (Unaudited)	**December 31,2022 (Audited)**	**June 30, 2023 (Unaudited)**	**December 31,2022 (Audited)**
Balance at the beginning of the period/ year	**937,740**	-	1,129,594	-
Additions	**225,937**	-	-	-
Released	-	-	(191,854)	-
Balance at the end of the period/ year	**1,163,677**	-	937,740	-

14- Property plant and equipment

	Land	Buildings	Equipment's Devices and Furniture	Transportation	Toal
Cost:					
Balance as of December 31, 2022	452,142	2,315,026	616,456	123,072	3,506,696
Additions	-	-	126,418	-	126,418
Disposals	-	-	-	-	-
Balance as of June 30, 2023	**452,142**	**2,315,026**	**742,874**	**123,072**	**3,633,114**
Less:					
Accumulated depreciation:					
Balance as of December 31, 2022	-	511,398	340,741	35,532	887,671
Depreciation expense	-	34,725	19,888	6,361	60,974
Disposals	-	-	-	-	-
Balance as of June 30, 2023	-	**546,123**	**360,629**	**41,893**	**948,645**
Net book value:					
Balance as of June 30, 2023	**452,142**	**1,768,903**	**382,245**	**81,179**	**2,684,469**
Balance as of December 31, 2022	**452,142**	**1,803,628**	**275,715**	**87,540**	**2,619,025**

15- Intangible Assets

	June 30, 2023 (Unaudited)	December 31, 2022 (Audited)
	Computer systems and software	
Balance at the beginning of the period	**294,264**	297,152
Additions	**1,200**	-
Amortizations	-	-
Impairment during the period	**(273,947)**	(266,046)
Balance at the end of the period	**21,517**	31,106

16- Other Assets

	June 30, 2023 (Unaudited)	December 31, 2022 (Audited)
Accrued and unreceived revenues	**310,200**	330,184
Income tax deposits	**19,752**	76,428
Social committee deposits	-	-
National contribution	-	3,945
Refundable deposits	**322**	-
Deferred tax assets on bank deposits	-	10,117
Various deposits, commissions paid in advance	-	-
Others	**4,612**	30,000
Prepaid expenses	**303,769**	261,563
Total	**638,655**	712,237

17- Accounts payable

	June 30, 2023 (Unaudited)	December 31, 2022 (Audited)
Brokers payables	**50,000**	42,603
Policy holders	**119,020**	68,932
Agents	**3,745**	2,344
Employees	**1,001**	4,067
Other payables	**1,328,430**	1,430,441
Total	**1,502,196**	1,548,387

18- Other provisions

	June 30, 2023 (Unaudited)	December 31, 2022 (Audited)
Income tax provision	**87,358**	51,049
Total	**87,358**	51,049

19- Authorized and Paid Capital

The authorized and paid-up capital as of June 30, 2023, and December 31, 2022, amounted to 9,500,000 dinars divided into 9,500,000 shares, with a nominal value of one dinar per share.

20- Statutory Reserve

The Statutory reserve is formed in accordance with the provisions of the Jordanian Companies Law by deducting 10% of the annual net profits. The deduction stops when the accumulated reserve balance reaches the equivalent of a quarter of the company's authorized capital. However, with the approval of the company's general assembly, it is permissible to continue deducting this percentage until it reaches the balance of this reserve is equal to the amount of the authorized capital of the company.

The amounts accumulated in this account represent the transferred annual profits before taxes at a rate of 10% during the year and previous years in accordance with the Companies Law, and it is not subject to distribution to shareholders.

21-Insurance contract revenue

30 June, 2023	Motor-Comprehensive	Bus Complex	Motor (Third party liability)	Marine	Marine (Undefined coverage)	Fire	Engineering	General	Life	Medical	Travel	Other	Total
Total Insurance Contracts revenue	2,087,597	185,525	3,594,840	239,098	305,730	1,042,477	235,626	285,590	545,527	3,336,279	31,429	157,633	12,047,351

30 June, 2022	Motor-Comprehensive	Bus Complex	Motor (Third party liability)	Marine	Marine (Undefined coverage	Fire	Engineering	General	Life	Medical	Travel	Other	Total
Total Insurance Contracts revenue	2,644,937	187,245	3,010,831	360,828	193,274	(74,665)	172,157	269,342	305,035	3,354,380	7,561	25,462	10,456,387

22- Insurance contract expenses

30 June, 2023	Motor-Comprehensive	Bus Complex	Motor (Third party liability)	Marine	Fire	Engineering	General	Life	Medical	Total
Incurred Insurance Claims	1,978,808	119,928	3,190,363	91,032	72,965	1,036	40,457	270,527	3,339,804	9,104,920
Insurance claims incurred / recoveries	(494,369)	-	(56,850)	(10,546)	(513)	-	(321)	-	(123,613)	(686,212)
Insurance claims incurred / change in the outstanding (insurance)	57,458	8,208	98,500	(94,871)	145,650	7,666	(99,005)	78,403	(93,969)	108,040
Excess of loss premiums	-	-	68,082		49,750	-	-	-	-	117,832
Cost of acquiring policies	108,435	-	104,182	13,444	40,476	19,048	44,198	570	40,726	371,079
Total Expenses of Insurance Contracts	1,650,332	128,136	3,404,277	(941)	308,329	27,749	(14,671)	349,500	3,162,948	9,015,659

22-Insurance contract expenses (continued)

30 June, 2023	Motor-Comprehensive	Bus Complex	Motor (Third party liability)	Marine	Fire	Engineering	General	Life	Medical	Total
Incurred Insurance Claims	2,152,513	130,455	4,067,033	78,046	167,942	2,385	77,399	266,905	3,138,334	10,081,013
Insurance claims incurred / recoveries	(525,361)	-	(53,800)	(4,431)	(4,069)	-	-	-	(144,947)	(732,608)
Insurance claims incurred / change in the outstanding (insurance)	(344,240)	(49,177)	(590,126)	(10,225)	45,815	2,411	(28,915)	(91,007)	42,724	(1,022,740)
Excess of loss premiums	-	-	80,125	-	39,100	-	-	-	-	119,225
Cost of acquiring policies	169,058	-	162,428	23,927	39,990	18,819	78,975	98	73,359	566,654
Total Expenses of Insurance Contracts	1,451,971	81,278	3,665,661	87,317	288,778	23,615	127,459	175,996	3,109,470	9,011,544

23- Financing Expenses/ Income – Insurance Contracts

	June 30, 2023 (Unaudited)	June 30, 2022 (Unaudited)
Finance Expenses / Revenues	(73,244)	(52,389)

The discount rate used in calculating the present value of future cash flows is 4%-5.5% cumulative over 5 years, taking into account the method of settlement of claims during the years.

24-Financing Expenses/ Income –Reinsurance Contracts

	June 30, 2023 (Unaudited)	June 30, 2022 (Unaudited)
Finance Expenses / Revenues	72,262	8,704

The discount rate used in calculating the present value of future cash flows is 4%-5.5% cumulative over 5 years, taking into account the method of settlement of claims during the years.

25-Intrest payable

	June 30, 2023 (Unaudited)	June 30, 2022 (Unaudited)
Bank interest	153,921	90,097
Interest on investments in financial assets at amortized cost	-	-
Total	153,921	90,097

26-Earnings per Share

	June 30, 2023 (Unaudited)	June 30, 2022 (Unaudited)
Profit of the Period/ JD	784,508	177,316
Weighted Average Number of Shares /per share	9,500,000	9,500,000
	(Fils/ JD)	(Fils/ JD)
Basic earnings per share (Fils/ JD)	0.08	0.02

The basic share of profit for the period is equal to diluted share of profit for the period.