



# شركة التأمين الإسلامية

المساهمة العامة المحدودة

إشارتنا : ت/ن/١١٨/٢٠٢٥  
التاريخ : ٢٠٢٥/٠٥/٠٨

To: Jordan Securities Commission

السادة / هيئة الأوراق المالية المحترمين

To: Amman Stock Exchange

السادة / بورصة عمان المحترمين

Subject:

Financial Statements as at  
31/03/2025

الموضوع: البيانات المالية المنتهية في  
٢٠٢٥/٠٣/٣١

Attached the Financial Statements of  
The Islamic Insurance Co. as at  
31/03/2025

بالإشارة إلى الموضوع أعلاه ، يسرنا أن  
نرفق طياً البيانات المالية ربع السنوية كما  
هي في ٣١ آذار ٢٠٢٥ ، وفقاً للمعيار  
الدولي لإعداد التقارير المالية رقم (١٧)  
(باللغة الانجليزية) مراجعة من قبل مدقق  
حسابات الشركة السادة المهنيون العرب،  
حسب الأصول.

Kindly accept our highly  
appreciation and respect

وتفضلوا بقبول فائق الاحترام،،،

The Islamic Insurance Co. Plc.

عن / شركة التأمين الإسلامية م.ع.م.

A. Al- Natsheh  
First Deputy. G. Manager

عبد السميع النتشه  
نائب المدير العام الأول

# **The Islamic Insurance Company**

**Public Shareholding Company**

**Amman - Jordan**

**Condensed Interim Financial Statements (Unaudited)**

**31 March 2025**

**The Islamic Insurance Company  
Public Shareholding Company**

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**Report on Review of the Condensed Interim Financial Statements**

**To The Board of Directors  
The Islamic Insurance Company  
Public Shareholding Company  
Amman – Jordan**

**Introduction**

We have reviewed the accompanying condensed interim financial statements of **The Islamic Insurance Company (PSC)** comprising the condensed interim statement of financial position as at 31 March 2025, condensed interim statement of profit or loss (Policyholders), condensed interim statement of profit or loss (Shareholders), condensed interim statement of comprehensive income (Policyholders), condensed interim statement of changes in shareholders' equity, condensed interim statement of changes in policyholders' equity and condensed interim statement of cash flows for the three months period then ended. Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with Islamic shari'a rules and principles as determined by the Shari'a Supervisory Board of the Company and in accordance with Financial Accounting Standards for Islamic Financial Institutions as issued by the Accounting and Auditing Organization for Islamic Financial Institutions. Our responsibility is to express a conclusion on this condensed interim financial statements based on our review.

**Scope of Review**


We conducted our review in accordance with the International Standard on Review Engagements number (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 condensed interim financial statements are not prepared, in all material respects, in accordance with Islamic shari'a rules and principles as determined by the Shari'a Supervisory Board of the Company and in accordance with Financial Accounting Standards for Islamic Financial Institutions as issued by the Accounting and Auditing Organization for Islamic Financial Institutions.

Amman – Jordan  
29 April 2025



  
**Arab Professionals**  
**Ibrahim Hammoudeh**  
**License No. (606)**

**The Islamic Insurance Company**  
**Public Shareholding Company**  
**Amman-Jordan**  
**Condensed interim statement of financial position as at 31 March 2025**  
**(In Jordanian Dinar)**

	Note	31 March 2025 (Unaudited)	31 December 2024 (Audited)
<b>Assets</b>			
<b>Investments</b>			
Bank deposits	3	30,529,582	26,729,151
Financial assets at fair value through profit or loss (Policyholders)	4	1,000,000	1,000,000
Financial assets at fair value through profit or loss (Shareholders)	4	3,000,000	3,000,000
Financial assets at fair value through other comprehensive income	5	9,556,818	8,803,967
Investment properties	6	378,062	380,034
<b>Total Investments</b>		<b>44,464,462</b>	<b>39,913,152</b>
Cash on hand and at banks	7	3,732,498	1,848,606
Insurance contract assets - net	8	-	-
Reinsurance contract assets - net	9	8,438,815	7,494,734
Property and equipment - net	11	2,281,605	2,301,261
Intangible assets - net	12	3,043	5,483
Other assets	13	363,288	545,149
Al Qard Al Hasan granted by shareholders to cover policyholders' deficit	20	2,157,524	-
<b>Total Assets</b>		<b>61,441,235</b>	<b>52,108,385</b>
<b>Liabilities, Policyholders' Equity and Shareholders' Equity</b>			
<b>Liabilities</b>			
Insurance contract liabilities	8	31,993,566	26,521,714
Reinsurance contract liabilities	9	567,828	62,326
Accounts payable	14	19,747	26,564
Income tax provision	10	414,385	489,126
Other provisions	15	1,257,772	1,228,433
Other liabilities	16	602,277	313,988
Al Qard Al Hasan granted by shareholders to cover policyholders' deficit	20	2,157,524	-
<b>Total Liabilities</b>		<b>37,013,099</b>	<b>28,642,151</b>
<b>Policyholders' Equity</b>			
Deficiency cover reserve (Emergency Provision)	17	-	7,106
Cumulative change in fair value	23	21,347	(166,866)
Non-demanded surplus	18	8	4,022
Accumulated surplus (deficit)	19	(2,157,524)	-
<b>Total Policyholders' Equity</b>		<b>(2,136,169)</b>	<b>(155,738)</b>
<b>Shareholders' Equity</b>			
Paid-in capital	21	16,500,000	16,500,000
Statutory reserve	22	4,248,059	4,248,059
Voluntary reserve	22	5,916	5,916
Al Qard Al Hasan granted by shareholders to cover policyholders' deficit	20	2,157,524	-
Cumulative change in fair value	23	64,040	(500,598)
Profit for the period	24	220,171	-
Retained earnings	24	3,368,595	3,368,595
<b>Total Shareholders' Equity</b>		<b>26,564,305</b>	<b>23,621,972</b>
<b>Total Shareholders' and Policyholders' Equity</b>		<b>24,428,136</b>	<b>23,466,234</b>
<b>Total Liabilities, Policyholders' Equity and Shareholders' Equity</b>		<b>61,441,235</b>	<b>52,108,385</b>

"The attached notes from (1) to (50) are an integral part of these condensed interim financial statements and read with review report"

**The Islamic Insurance Company**  
**Public Shareholding Company**  
**Amman-Jordan**  
**Condensed interim statement of financial position (Policyholders)**  
**as at 31 March 2025**  
**(In Jordanian Dinar)**

	Note	31 March 2025 (Unaudited)	31 December 2024 (Audited)
<b>Assets</b>			
<b>Investments</b>			
Bank deposits	3	14,514,250	13,341,572
Financial assets at fair value through profit or loss (Policyholders)	4	1,000,000	1,000,000
Financial assets at fair value through other comprehensive income	5	2,387,165	2,198,952
<b>Total Investments</b>		<b>17,901,415</b>	<b>16,540,524</b>
Cash on hand and at banks	7	871,272	-
Insurance contract assets - net	8	-	-
Reinsurance contract assets - net	9	8,438,815	7,494,734
Other assets	13	267,797	354,833
Income tax provision	10	93,523	93,523
Amount due from Shareholders		5,373,158	3,240,783
<b>Total Assets</b>		<b>32,945,980</b>	<b>27,724,397</b>
<b>Liabilities and Policyholders' Equity</b>			
<b>Liabilities</b>			
Insurance contract liabilities	8	31,993,566	26,521,714
Reinsurance contract liabilities	9	567,828	62,326
Cash on hand and at banks (overdrawn accounts)	7	-	1,209,215
Income tax provision	10	-	-
Other liabilities	16	363,231	86,880
Al Qard Al Hasan granted by shareholders to cover policyholders' deficit	20	2,157,524	-
<b>Total Liabilities</b>		<b>35,082,149</b>	<b>27,880,135</b>
<b>Policyholders' Equity</b>			
Deficiency cover reserve (Emergency Provision)	17	-	7,106
Cumulative change in fair value	23	21,347	(166,866)
Non-demanded surplus	18	8	4,022
Accumulated surplus (deficit)	19	(2,157,524)	-
<b>Total Policyholders' Equity</b>		<b>(2,136,169)</b>	<b>(155,738)</b>
<b>Total Liabilities and Policyholders' Equity</b>		<b>32,945,980</b>	<b>27,724,397</b>

"The attached notes from (1) to (50) are an integral part of these condensed interim financial statements and read with review report"

**The Islamic Insurance Company**  
**Public Shareholding Company**  
**Amman-Jordan**  
**Condensed interim statement of financial position (Shareholders)**  
**as at 31 March 2025**

(In Jordanian Dinar)

	Note	31 March 2025 (Unaudited)	31 December 2024 (Audited)
<b>Assets</b>			
<b>Investments</b>			
Bank deposits	3	16,015,332	13,387,579
Financial assets at fair value through profit or loss (Shareholders)	4	3,000,000	3,000,000
Financial assets at fair value through other comprehensive income	5	7,169,653	6,605,015
Investment properties	6	378,062	380,034
<b>Total Investments</b>		<b>26,563,047</b>	<b>23,372,628</b>
Cash on hand and at banks	7	2,861,226	3,057,821
Property and equipment - net	11	2,281,605	2,301,261
Intangible assets - net	12	3,043	5,483
Other assets	13	95,491	190,316
Al Qard Al Hasan granted by shareholders to cover policyholders' deficit	20	2,157,524	-
<b>Total Assets</b>		<b>33,961,936</b>	<b>28,927,509</b>
<b>Liabilities and Shareholders' Equity</b>			
<b>Liabilities</b>			
Accounts payable	14	19,747	26,564
Income tax provision	10	507,908	582,649
Other provisions	15	1,257,772	1,228,433
Other liabilities	16	239,046	227,108
Amounts due to policyholders		5,373,158	3,240,783
<b>Total Liabilities</b>		<b>7,397,631</b>	<b>5,305,537</b>
<b>Shareholders' Equity</b>			
Paid-in capital	21	16,500,000	16,500,000
Statutory reserve	22	4,248,059	4,248,059
Voluntary reserve	22	5,916	5,916
Al Qard Al Hasan granted by shareholders to cover policyholders' deficit	20	2,157,524	-
Cumulative change in fair value	23	64,040	(500,598)
Profit for the period	24	220,171	-
Retained earnings	24	3,368,595	3,368,595
<b>Total Shareholders' Equity</b>		<b>26,564,305</b>	<b>23,621,972</b>
<b>Total Liabilities and Shareholders' Equity</b>		<b>33,961,936</b>	<b>28,927,509</b>

"The attached notes from (1) to (50) are an integral part of these condensed interim financial statements and read with review report"

The Islamic Insurance Company  
Public Shareholding Company  
Amman-Jordan  
Condensed interim statement of profit or loss (policyholders)  
for the three months ended at 31 March 2025 (Unaudited)  
(In Jordanian Dinar)

	Note	31 March 2025	31 March 2024
<b>Revenues</b>			
Insurance contracts revenues	25	10,133,587	9,157,661
Insurance contracts expenses	26	(9,519,537)	(7,522,080)
<b>Insurance contract service results</b>		<b>614,050</b>	<b>1,635,581</b>
Reinsurance contracts held expenses	27	(3,396,090)	(3,465,549)
Reinsurance contracts held revenues	28	2,727,030	2,456,930
<b>Reinsurance contract service results</b>		<b>(669,060)</b>	<b>(1,008,619)</b>
<b>Net insurance contracts service results</b>		<b>(55,010)</b>	<b>626,962</b>
Finance (expenses) revenues from insurance contracts	29	(288,816)	(205,760)
Finance revenues (expenses) from reinsurance contracts	30	129,812	99,324
<b>Net insurance financing results</b>		<b>(159,004)</b>	<b>(106,436)</b>
<b>Net insurance contracts service and financing results</b>		<b>(214,014)</b>	<b>520,525</b>
Policyholders' share of investment returns	31	22,532	119,645
Policyholders' share of net profits from financial assets and investments	32	45,384	27,231
Less: Shareholders' share against managing the investment portfolio	33	(16,979)	(36,719)
<b>Total revenues</b>		<b>(163,077)</b>	<b>630,682</b>
Shareholders' share against takaful operation management (not-allocated)	33	(1,962,636)	(1,662,351)
Provision for expected credit losses (deposit)	3	(38,917)	(36,917)
<b>Total expenses</b>		<b>(2,001,553)</b>	<b>(1,699,268)</b>
Policyholders' deficit before income tax		(2,164,630)	(1,068,585)
Income tax provision	10	-	-
<b>Policyholders' deficit after income tax</b>		<b>(2,164,630)</b>	<b>(1,068,585)</b>

"The attached notes from (1) to (50) are an integral part of these condensed interim financial statements and read with review report"



	Note	31 March 2025	31 March 2024
<b>Revenues</b>			
Shareholders' share against takaful operation management	33	3,279,425	2,910,015
Shareholders' share against managing the investment portfolio	33	16,979	36,719
Shareholders' share of investment returns	31	445,488	464,525
Shareholders' share of net profits from financial assets and investments	32	142,404	89,942
<b>Total revenues</b>		<b>3,884,296</b>	<b>3,501,201</b>
<b>Expenses</b>			
Employees expenses	34	1,016,754	972,862
Provision against Al Qard Al Hasan granted to policyholders	20	2,157,524	578,483
Administrative and general expenses	36	331,410	314,119
Other provisions	37	29,339	330,048
Depreciation & amortization		52,703	41,522
Provision for expected credit losses (deposits)		23,163	8,183
<b>Total expenses</b>		<b>3,610,893</b>	<b>2,245,217</b>
<b>Profit for the period before income tax</b>		<b>273,403</b>	<b>1,255,984</b>
Income tax provision for the period	10	(53,232)	(145,349)
<b>Profit for the period</b>		<b>220,171</b>	<b>1,110,635</b>
<b>Earnings per share</b>	38	<b>0.013</b>	<b>0.067</b>

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**The Islamic Insurance Company**  
**Public Shareholding Company**  
**Amman-Jordan**  
**Condensed interim statement of profit or loss (Policyholders) - Takaful**  
**for the three months ended at 31 March 2025 (Unaudited)**

(In Jordanian Dinar)

	Note	31 March 2025	31 March 2024
<b>Revenues</b>			
Insurance contracts revenues	26	3,171,482	2,885,882
Insurance contracts expenses	27	(1,934,528)	(1,992,849)
<b>Insurance contract service results</b>		<b>1,236,954</b>	<b>893,033</b>
Reinsurance contracts held expenses	28	(1,330,103)	(1,368,548)
Reinsurance contracts held revenues	29	1,023,128	1,135,079
<b>Reinsurance contracts service results</b>		<b>(306,975)</b>	<b>(233,469)</b>
<b>Net insurance contract service results</b>		<b>929,979</b>	<b>659,564</b>
Finance (expenses) from insurance contracts	30	(63,012)	(59,330)
Finance revenues (expenses) from reinsurance contracts	31	39,774	36,042
<b>Net insurance financing results</b>		<b>(23,238)</b>	<b>(23,288)</b>
Policyholders' share of investment returns	32	6,760	35,894
Policyholders' share of net profits from financial assets and investments	33	13,615	8,169
Less : Shareholders' share against managing the investment portfolio	34	(5,094)	(11,016)
<b>Total revenues</b>		<b>922,022</b>	<b>669,323</b>
Shareholders' share against takaful operation management (not-allocated)	34	(1,389,929)	(1,246,114)
Provision for expected credit losses (deposits)		(1,946)	(1,846)
<b>Total expenses</b>		<b>(1,391,875)</b>	<b>(1,247,960)</b>
Policyholders' (deficit) surplus before income tax		(469,853)	(578,637)
Income tax provision	10	-	-
<b>Policyholders' (deficit) surplus after income tax</b>		<b>(469,853)</b>	<b>(578,637)</b>

"The attached notes from (1) to (50) are an integral part of these condensed interim financial statements and read with review report"

The Islamic Insurance Company  
Public Shareholding Company  
Amman-Jordan  
Condensed interim statement of other comprehensive income (Shareholders)  
for the three months ended at 31 March 2025 (Unaudited)

(In Jordanian Dinar)

	31 March 2025	31 March 2024
Profit for the period	220,171	1,110,635
<b>Add : Other comprehensive income items:</b>		
Shareholders' share from change in fair value	564,638	(60,701)
<b>Total comprehensive income for the period</b>	<b><u>784,809</u></b>	<b><u>1,049,934</u></b>

"The attached notes from (1) to (50) are an integral part of these condensed interim financial statements and read with review report"

**The Islamic Insurance Company**  
**Public Shareholding Company**  
**Amman-Jordan**  
**Condensed interim statement of changes in shareholders' equity for the three months ended at 31 March 2025 (Unaudited)**  
**(In Jordanian Dinar)**

	<u>Paid-in Capital</u>	<u>Statutory Reserve</u>	<u>Voluntary Reserve</u>	<u>Al Qard Al Hasan granted by shareholders to cover policyholders' deficit</u>	<u>Cumulative Change in Fair Value</u>	<u>Retained Earnings</u>	<u>Total Shareholders' Equity</u>
<b>Balance at 1 January 2025</b>	16,500,000	4,248,059	5,916	-	(500,598)	3,368,595	23,621,972
Profit for the period	-	-	-	-	-	220,171	220,171
Shareholders' share from net change in fair value	-	-	-	-	564,638	-	564,638
Al Qard Al Hasan granted by shareholders to cover policyholders' deficit	-	-	-	2,157,524	-	-	2,157,524
<b>Balance at 31 March 2025</b>	<u>16,500,000</u>	<u>4,248,059</u>	<u>5,916</u>	<u>2,157,524</u>	<u>64,040</u>	<u>3,588,766</u>	<u>26,564,305</u>
<b>Balance at 1 January 2024</b>	15,000,000	3,954,946	1,505,916	-	(439,320)	3,101,279	23,122,821
Profit for the period	-	-	-	-	-	1,110,635	1,110,635
Shareholders' share from net change in fair value	-	-	-	-	(60,701)	-	(60,701)
Al Qard Al Hasan granted by shareholders to cover policyholders' deficit	-	-	-	578,483	-	-	578,483
<b>Balance at 31 March 2024</b>	<u>15,000,000</u>	<u>3,954,946</u>	<u>1,505,916</u>	<u>578,483</u>	<u>(500,021)</u>	<u>4,211,914</u>	<u>24,751,238</u>

"The attached notes from (1) to (50) are an integral part of these condensed interim financial statements and read with review report"

**The Islamic Insurance Company**  
**Public Shareholding Company**  
**Amman-Jordan**

**Condensed interim statement of changes in policyholders' equity for the three months ended at 31 March 2025 (Unaudited)**

(In Jordanian Dinar)

	Deficiency Cover Reserve (Emergency Provision)*	Cumulative Change in Fair Value	Non- Demanded Surplus	Accumulated Surplus (Deficit)	Total Policyholder's Equity
<b>Balance at 1 January 2025</b>	7,106	(166,866)	4,022	-	(155,738)
Policyholders' deficit for the period	-	-	-	(2,164,630)	(2,164,630)
Transferred from deficiency cover reserve to cover the deficit	(7,106)	-	-	7,106	-
Policyholder' share from net change in fair value	-	188,213	-	-	188,213
Change in non-demanded surplus	-	-	(4,014)	-	(4,014)
<b>Balance at 31 March 2025</b>	<u>-</u>	<u>21,347</u>	<u>8</u>	<u>(2,157,524)</u>	<u>(2,136,169)</u>
<b>Balance at 1 January 2024</b>	490,102	(146,440)	17,793	-	361,455
Policyholders' deficit for the period	-	-	-	(1,068,585)	(1,068,585)
Transferred from deficiency cover reserve to cover the deficit	(490,102)	-	-	490,102	-
Al Qard Al Hasan granted by shareholders to cover policyholders' deficit	-	-	-	-	-
Policyholder' share from net change in fair value	-	(20,234)	-	-	(20,234)
Change in non-demanded surplus	-	-	(8,071)	-	(8,071)
<b>Balance at 31 March 2024</b>	<u>-</u>	<u>(166,674)</u>	<u>9,722</u>	<u>(578,483)</u>	<u>(735,435)</u>

\*The deficiency coverage reserve is calculated at a rate of 20% from both of the Policyholders' surplus for the period and the Policyholder's share from profit of sale of financial assets at fair value through other comprehensive income.

"The attached notes from (1) to (50) are an integral part of these condensed interim financial statements and read with review report"

**The Islamic Insurance Company**  
**Public Shareholding Company**  
**Amman-Jordan**

**Condensed interim statement of cash flows for the three months ended at 31 March 2025 (Unaudited)**

**(In Jordanian Dinar)**

	<b>Note</b>	<b>31 March 2025</b>	<b>31 March 2024</b>
<b>Cash Flows from Operating Activities</b>			
Profit for the period before income tax		(1,891,227)	187,399
<b>Adjustments</b>			
Depreciation & amortization		52,703	41,522
Unallocated loss adjustment expenses (ULAE)		29,339	-
Provision against Al Qard Al Hasan granted to policyholders		2,157,524	578,483
Provision for expected credit losses (deposits)		62,033	45,100
<b>Cash flows from operating activities before changes in working capital items</b>		<b>410,372</b>	<b>852,504</b>
Reinsurance contract assets –Net		(944,081)	(494,441)
Other assets		181,861	(431,443)
Insurance contract liabilities		5,471,852	4,406,534
Reinsurance contract liabilities		505,502	239,768
Accounts payable		(6,817)	(9,182)
Other provisions		-	-
Other liabilities		288,289	181,858
Non-demanded surplus		(4,014)	(8,071)
<b>Net cash flows from operating activities before paid income tax</b>		<b>5,902,964</b>	<b>4,737,527</b>
Income tax paid		(127,973)	(225,148)
<b>Net cash flows from operating activities</b>		<b>5,774,991</b>	<b>4,512,379</b>
<b>Cash Flows from Investing Activities</b>			
Bank deposits		(3,745,335)	(3,942,797)
Purchase of property and equipment		(28,635)	(148,924)
<b>Net cash flows used in investing activities</b>		<b>(3,773,970)</b>	<b>(4,091,721)</b>
<b>Cash Flows from Financing Activities</b>			
Paid dividends		-	-
<b>Net cash flows used in financing activities</b>		<b>-</b>	<b>-</b>
<b>Net increase in cash and cash equivalents</b>		<b>2,001,021</b>	<b>420,658</b>
Cash and cash equivalents, beginning of the year		2,863,651	5,289,898
<b>Cash and cash equivalents, end of the period</b>	39	<b>4,864,672</b>	<b>5,710,556</b>

“The attached notes from (1) to (50) are an integral part of these condensed interim financial statements and read with review report”

**The Islamic Insurance Company**  
**Public Shareholding Company**  
**Amman-Jordan**  
**Notes to the condensed interim financial statements (Unaudited)**  
**31 March 2025**  
**(In Jordanian Dinar)**

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**1. General**

The **Islamic Insurance Company** (the "Company") was established on 1996 and registered as a public shareholding company under No. (306). The authorized and paid in capital is JOD 16,500,000 divided into 16,500,000 shares at JOD 1 per share.

The Company engages in several Insurance activities that complies with Islamic regulation including, motor, marine transportation risk, fire insurance, comprehensive householder insurance, engineering and contractor's plant and equipment insurance, miscellaneous insurance, workers compensation insurance, liability insurance, glass plate insurance, personal accidents, medical, and social takaful insurance (Life), and all investment business with means free of usury any illegitimate, and with accordance with Sharia' Islamic principles and Central Bank of Jordan regulations.

The accompanying condensed interim financial statements were approved by the Board of Directors in their meeting held on 29 April 2025.

**2.1 Basis of Preparation**

The condensed interim financial statements were prepared in accordance with Financial Accounting standards for Islamic Financial Institutions issued by Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) and in accordance with templates set by Central Bank of Jordan – Insurance Supervision Department. In the absence of Financial Accounting Standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions relating to financial statements items, the International Financial Reporting Standards and related interpretations are applied in conformity with the Shari'a standards, pending the promulgation of Islamic Standards therefor.

The condensed interim financial statements have been prepared on a historical cost basis except for financial assets at fair value.

The condensed interim financial statements are presented in Jordanian Dinar which is the functional currency of the Company.

The accounting policies are consistent with those used in the previous period, except for the adoption of new standards effective as at the beginning of the year.

The preparation of condensed interim financial statements requires the use of important and specific accounting estimates, and it also requires management to use its own estimates in the process of applying the company's accounting policies.

## **2.2 Changes in accounting policies**

1. The International Accounting Standards Board (IASB) issued a number of amendments to the International Financial Reporting Standards (IFRS). Additionally, the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) issued several new standards. During the year, the company applied these standards and amendments, which became effective as of January 1, 2025, as follows:

<b>The New and Amended Standards and Interpretations:</b>	<b>Effective Date</b>
These amendments clarify how the company should assess whether a currency is exchangeable and how to determine the spot exchange rate when exchangeability is lacking. Additionally, they require disclosure of information that enables users of the financial statements to understand the effect or the expected effect of a lack of exchangeability on the company's financial position, financial performance, and cash flows (Amendments to IAS 21).	1 January 2025
Financial Accounting Standard No. (42) relating to the Presentation and Disclosure in the Financial Statements of Takaful Institutions, which replaces Financial Accounting Standard No. (12).	1 January 2025
Financial Accounting Standard No. (43) relating to Accounting for Takaful (Recognition and Measurement), which replaces Financial Accounting Standard No. (13) and No. (15).	1 January 2025

The adoption of these amendments has no material impact on the financial statements of the Company for the current and past year

## **2. New standards, interpretations and amendments not yet effective.**

The Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) issued both Financial Accounting Standard No. (42) relating to presentation and disclosure in the financial statements of Takaful institutions, and Financial Accounting Standard No. (43) relating to Accounting for Takaful (Recognition and Measurement) applicable to the fiscal years on or after 1 January 2025.

## **2.3 Use of Estimates**

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amount of financial assets and liabilities and disclosure of contingent liabilities. These estimates and assumptions also affect the revenues and expenses, the resultant provisions and the changes in fair value that are presented in equity and in particular, considerable judgment by management is required in the estimation of the amount and timing of future cash flows. Such estimates are necessarily based on assumptions about several factors involving varying degrees of judgment and uncertainty and actual results may differ resulting in future changes in such provisions.

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

### **A) Expected credit losses**

The company applies the simplified approach as required by International Financial Reporting Standard (9) for calculating the expected credit loss allowance. This method obliges recognition of an impairment loss allowance for expected credit losses over the lifetime of the receivables and contractual assets. This is in consideration of credit risks and business condition.

The expected credit loss rates are based on historical credit losses the company has experienced over the preceding three years until the end of the current period. These historical loss rates are then adjusted for current and future information regarding macroeconomic factors affecting the company's customers.

The insurance company is required to establish a provision for amounts owed between it and local insurance companies and external reinsurance companies that remain unsettled and have a maturity exceeding one year.

### **B) Impairment in the value of financial assets.**

The management periodically reviews whether a financial asset or group of financial assets is impaired, if so this impairment is taken to the consolidated statement of profit or loss.

### **C) Income tax**

The financial year is charged with its related income tax in accordance with regulations.

## **1) Accrued income tax**



Tax expenses are calculated based on taxable profits, which differ from reported profits in the income statement because reported profits include non-taxable revenues or non-deductible expenses for tax purposes, either in the current financial year or subsequent years, accepted accumulated tax losses, or items that are not subject to taxation.

Taxes are calculated based on the tax rates prescribed by the laws, regulations, and instructions in the Hashemite Kingdom of Jordan.

**2) Deferred taxes**

Deferred taxes are taxes expected to be paid or recovered as a result of temporary differences between the time value of the assets or liabilities in the financial statements and the value that is calculated on the basis of taxable profit.

Deferred tax is provided using the liability method on temporary differences at the liabilities and their carrying amounts for financial reporting purposes.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced in the event that it will not be possible to benefit from those deferred tax assets partially or in whole, or to pay the tax liability.

**D) Property & equipment**

Management reviews periodically the tangible assets in order to assess the depreciation for the year based on the useful life and future economic benefits. Any impairment is taken to the statement of profit or loss.

**E) The present value of future cash flows**

Cash flows are defined as all expected receipts and payments within the boundaries of an insurance or reinsurance contract, after adjusting them to reflect the timing and uncertainty of those amounts. This adjustment is based on actuarial assumptions and the company's experience in managing its portfolio of insurance or reinsurance contracts.

Future cash flows are recognized at their present value, and this section provides an overview of items likely to be materially adjusted due to changes in estimates and assumptions in subsequent periods. Detailed information about each of these estimates is included in the notes below, along with information about the accounting basis for each affected item in the financial statements.

When applying the measurement requirements according to International Financial Reporting Standard (IFRS) 17, the following inputs and methods were used, which involve significant estimates. The present value of future cash flows is estimated using deterministic scenarios, and the assumptions used in these deterministic scenarios are derived to approximate the weighted average probability for a complete set of scenarios.

**E.1) Discount rates**

The bottom-up approach was used to derive the discount rate for cash flows that do not vary with the underlying items' returns in participating contracts (except for investment contracts without discretionary participation features (DPF) that fall outside the scope of IFRS 17). Under this approach, the discount rate is determined as the risk-free rate adjusted for the differences in liquidity characteristics between the financial assets used to derive the risk-free rate and the related cash flows (known as the illiquidity premium). The risk-free rate was derived using available market swap rates in the currency of the insurance contract being measured or an equivalent currency, adjusted for currency basis spreads.

In the absence of a market for Jordanian government bonds, discount rates are determined based on the risk-free discount rate (EIOPA rate) in US dollars plus 1%. The additional 1% is assumed to compensate for the fact that the Jordanian dinar is pegged to the US dollar, and interest rates on the dinar are always higher to maintain its attractiveness. Additionally, although Jordanian government bonds are not publicly traded, their yields at issuance are published by the Central Bank of Jordan. Accordingly, we have reviewed these yields against the risk-free rate in US dollars and confirmed the reasonableness of the additional 1%.

**E.2) Estimations of future cash flows to fulfill insurance contracts.**

The measurement of each group of contracts within the scope of International Financial Reporting Standard 17 includes all future cash flows within the boundaries of each contract group. The estimation of these future cash flows is based on the expected and probabilistic future cash flows. The company estimates the expected cash flows and their likelihood of occurrence on the measurement date. In formulating these expectations, the company uses information about past events, current conditions, and future condition expectations. The company's estimation of future cash flows represents an average of a range of scenarios that reflect the full spectrum of possible outcomes. Each scenario specifies the amount, timing, and probability of future cash flows. The weighted average of the estimated future cash flows is calculated using a deterministic scenario that represents the expected average probability of a set of scenarios.

When establishing assumptions related to estimating cash flows for groups of insurance contracts, the company takes into consideration factors such as underlying risks, aggregation level, the likelihood of contract settlement before the end of the coverage period, and other expected practices of insurance contract holders. Additionally, the company considers other factors that could impact the estimates and sources of information for these factors.

When estimating cash flows related to expenses at the portfolio or higher level, they are allocated to groups of contracts using systematic approaches such as the direct cost method. The Islamic insurance company has determined that this method leads to a systematic and rational allocation, where similar methods are consistently applied to allocate expenses of a similar nature. Typically, cash flows for acquisition costs of contract groups are allocated based on the total written contributions.

**E.3) Financing revenues (expenses) - Insurance and reinsurance contracts**

Insurance financing revenues or expenses include the change in carrying amount of the portfolio of insurance contracts arising from:

1. The effect of the time value of money and changes in the time value of money.
2. The impact of financial risks and changes in financial risks.

For contracts measured under the Premium Allocation Approach (PAA), the main amounts within the revenues or expenses of insurance finance are:

1. The accumulated profits on the liability for incurred claims.
2. The impact of changes in profit rates and other financial assumptions.

The company classifies changes in the risk adjustment for non-financial risks within the insurance service result and as revenues or expenses of insurance financing.

For contracts measured under the Premium Allocation Approach (PAA), the company includes all insurance financing revenues or expenses for the period in the statement of profit or loss (That is, the profit or loss option is applied).

**F) Adjustments for non-financial risk**

Represents an 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 the portfolio of insurance/reinsurance contracts held.

The non-financial risk adjustment is applied to the present value of estimated future cash flows and reflects the compensation required by the company to bear the uncertainty regarding the amount and timing of cash flows arising from non-financial risks as the company executes insurance contracts. For reinsurance contracts retained, the non-financial risk adjustment represents the amount of risk transferred from the company to the reinsurer.

The Company calculate the non-financial risk adjustments based on the Value-at-Risk assumption at 75% confidence level.

The company has separated the financial impact of non-financial risk adjustments between the results of insurance contract operations and the results of insurance financing operations.

**G) Non-insurance components**

Insurance contracts are contracts through which the company accepts significant insurance risks from policyholders by agreeing to compensate the policyholder if there is an uncertain future event that negatively impacts the policyholder. When conducting this assessment, all substantive rights and obligations are considered, including those arising from laws or regulations, on a contract-by-contract basis. The company exercises judgment to evaluate whether the contract transfers insurance risks (i.e., whether there is a scenario with a commercial substance in which the company has the potential for loss based on present value) and whether the accepted insurance risks are significant.

The company issues insurance policies for various types of coverage, including motor, marine transportation risk, fire insurance, comprehensive householder insurance, engineering and contractor's plant and equipment insurance, miscellaneous insurance, workers compensation insurance, liability insurance, glass plate insurance, personal accidents, medical, and social takaful insurance (Life). All of these falls within the definition of insurance contracts and insurance risks. The company does not engage in issuing savings, investment, or participatory policies.

Contracts that have a legal form of insurance but do not involve significant insurance risks and expose the company to financial risks are classified as investment contracts. These contracts are accounted for under the International Financial Reporting Standard 9 (IFRS 9) as financial instruments. It's important to note that the company does not issue any investment-linked or savings-related insurance contracts.

The company defines an insurance contract that exhibits characteristics of direct participation as a contract that meets the following criteria at its inception:

- The contractual terms specify that the policyholders will participate in a clearly defined portion of a specific pool of key elements.
- The company expects to pay the policyholder an amount equal to a significant portion of the fair value returns on the underlying assets.
- The company anticipates that a substantial proportion of any change in the amounts to be paid to the policyholder will vary with the changes in the fair value of the underlying assets.

All other insurance contracts issued by the company are without direct participation features.

In the normal course of business, the company uses reinsurance to mitigate its exposure to risks. A reinsurance contract transfers significant risk if it transfers substantially all of the insurance risks related to the underlying contracts, even if the reinsurer does not have a significant exposure to the possibility of a large loss.

All references to insurance contracts in these financial statements apply to both issued insurance contracts and held reinsurance contracts, unless specifically stated otherwise.

## Significant Accounting Policies

### A) Business Segments

The business sector 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 top management of the Company.

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

### B) Definition of insurance contract

The contract under which an insurance company accepts significant insurance risks from the policyholder. By agreeing to compensate the contract holder in the event of a specific and uncertain future occurrence (the insured event), which adversely impacts the contract holder. The company recognizes a group of insurance contracts at the following timings, whichever is earlier.

- The start of the coverage period for the group of contracts.
- From the date of the first payment due from any contract holder in the group.
- From the date when the facts and circumstances indicate that the group to which an insurance contract will belong is onerous, for group of onerous contracts.

The company does not issue contracts containing the direct participation feature, and all insurance contracts issued by the company are classified as insurance contracts and do not contain any non-insurance components.

### C) Reinsurance contracts held

It is an insurance contract issued by a reinsurer to compensate an insurance company for claims arising from one or more of its issued insurance contracts (the underlying contracts).

Reinsurance contracts held are recognized:

- If the reinsurance contracts held are proportionate to a group of insurance contracts, the reinsurance contracts held are recognized at the beginning of the coverage period for this group of contracts, or upon the initial recognition of any underlying contract, whichever comes first.
- From the beginning of the coverage period for the group of reinsurance contracts held.

### D) Initial recognition of insurance contracts / general approach / variable fee.

At initial recognition, the company measures a group of insurance contracts as follows:

- 1) The cash flows for fulfilling the contracts, which include:
  - Estimates of future cash flows.
  - Adjustments for the time value of money and financial risks associated with future cash flows, to the extent that these financial risks are not included in the estimates of future cash flows (discount rates).
  - Adjustments for non-financial risks.
- 2) Contractual service margin.

### E) Subsequent measurement of insurance contracts / general approach / variable fee.

At initial recognition, the company records the book value of the liability, which includes the following:

- 1) The liability for the remaining coverage, which includes the net present value of cash inflows and outflows (after applying the discount rate), adjusted for non-financial risks and contractual service margin.
- 2) The liability for incurred claims, which is calculated based on the best estimate of future cash flows for settling the claims, adjusted for non-financial risks, and considering the application of the discount rate to claims expected to be settled beyond one year.

**F) Initial recognition of insurance contracts / premium allocation approach.**

At initial recognition, the company records the book value of the liability, which includes the following:

- 1) The received insurance premiums at initial recognition.
- 2) Deducting any costs paid for the acquisition of insurance contracts on that date.
- 3) Adding any amounts relating to the amortization of insurance acquisition cash flows recognized as an expense in the reporting period.

**G) Subsequent measurement of insurance contracts / premium allocation approach.**

- 1) At the end of each subsequent period, the company confirms the book value of the liability, considering the following adjustments to the balance of the liability:
  - a) Add the insurance premiums received for the period,
  - b) Subtract cash flows for acquisitions of insurance contracts,
  - c) Add any amounts related to the amortization of cash flows to acquire established insurance contracts as an expense
  - d) Adding any incidental adjustment on the financing component.
  - e) Deducting the amount recognized as insurance revenue for services provided in that period.
  - f) Deduct any paid investment component transferred to incurred claims.

- 2) Liabilities for claims incurred, which are calculated according to the best estimate of future cash flows to settle claims plus adjustments for non-financial risks, considering the application of the discount rate to claims.

The company conducted an eligibility test (PAA Eligibility Test) for groups of insurance contracts and reinsurance contracts with coverage periods exceeding one year, and all groups passed the eligibility test (PAA Eligibility Test), as it was found that there are no fundamental differences between the Liabilities for remaining coverage (LRC) and/or Assets for remaining coverage (ARC) when applying the premium allocation approach and the general measurement approach. Therefore, the company decided to measure these portfolios using the premium allocation approach. Note that the level of relative importance for the financial statements used is (3%) of net equity, and the relative importance limit for each group tested is (33%) of the relative importance limit at the company level (i.e. 1% of net equity).

**H) Modification of insurance contracts**

The company modify insurance contracts by addressing changes that have occurred in future cash flows due to the modification, treating them as changes in estimates of cash flows for fulfilling the contracts, unless the criteria for derecognizing insurance contracts are met.

**I) Derecognition of insurance contracts**

The company derecognizes insurance contracts in the following cases:

- The contract extinguished (obligation specified in the insurance contract expires or is discharged or cancelled).
- If a modification to an insurance contract does not meet the criteria for modification as per the standard's requirements, the company derecognizes the contract and recognizes a new contract.

**J) Onerous Insurance contracts (PAA)**

The company recognizes insurance contracts as onerous contracts if, at the initial recognition date, the contract is expected to incur a loss. The loss component is measured if the expected cash flows to fulfill the contract's obligations or the group of contracts exceed the expected cash inflows from that contract or group of contracts. The loss is recognized immediately in the statement of profit and loss (Policyholders) in insurance contract expenses. The loss component is measured on a gross basis but can be mitigated by the loss recovery component if the contracts are covered by reinsurance contracts.

**K) Liability for the remaining coverage**

The liability that the company must recognize upon initial recognition of insurance contracts, which pertains to subsequent financial periods as a result of existing insurance contracts.

**L) Liability for incurred claims.**

It is the total expected costs incurred by the company due to events covered by the insurance contract that occurred before the end of the financial period. This includes reported and unreported claims, as well as related expenses.

**M) Contractual service margin.**

It is the unearned profit from in-force contracts that are expected to be profitable, and it is recognized simultaneously with providing services under insurance contracts.

**N) A summary of measurement approaches.**

**1) Islamic insurance company classify insurance contracts according to the following:**

<b>The portfolio (Level 1)</b>	<b>Contract classification</b>	<b>Measurement approach.</b>
Own damage insurance	Insurance contracts	PAA
Compulsory insurance	Insurance contracts	PAA
Buses & borders	Insurance contracts	PAA
Marine insurance	Insurance contracts	GMM eligible to PAA
Fire insurance	Insurance contracts	PAA
Engineering insurance – short term	Insurance contracts	PAA
Engineering insurance – long term	Insurance contracts	GMM eligible to PAA
General insurance (Liability, Accidents, and Others)	Insurance contracts	PAA
Medical insurance (Group and Individual)	Insurance contracts	PAA
Takaful (Life) insurance - Group	Insurance contracts	PAA
Takaful (Life) insurance - Individual	Insurance contracts	GMM eligible to PAA

The company conducted an eligibility test (PAA) for groups of insurance contracts with coverage periods exceeding one year. All groups passed the eligibility test, showing no significant differences between the liabilities of the remaining coverage contracts and the remaining coverage assets under the premium allocation approach and the general measurement approach. Therefore, the company decided to measure these portfolios using the premium allocation approach

**2) Islamic insurance company classify reinsurance contracts held according to the following:**

<b>The portfolio (Level 1)</b>	<b>Measurement approach.</b>
Motors Insurance (Proportional treaty)	GMM eligible to PAA
Motors Insurance (Non-proportional treaty)	PAA
Motors Insurance (Borders & Buses)	PAA
Marine Insurance (Proportional treaty)	GMM eligible to PAA
Marine Insurance (Facultative)	GMM eligible to PAA
Marine Insurance (Non-proportional treaty)	PAA
Fire Insurance (Proportional treaty)	GMM eligible to PAA
Fire Insurance (Facultative)	GMM eligible to PAA
Fire Insurance (Non-proportional treaty)	PAA
General Insurance (Proportional treaty)	GMM eligible to PAA
General Insurance (Facultative)	GMM eligible to PAA
Engineering Insurance (Proportional treaty)	GMM eligible to PAA
Engineering Insurance (Facultative)	GMM eligible to PAA
Medical Insurance (Proportional treaty)	GMM eligible to PAA
Takaful Insurance (Proportional treaty)	GMM eligible to PAA
Takaful Insurance (Facultative)	GMM eligible to PAA
Takaful Insurance (Non-proportional treaty)	PAA

The company conducted an eligibility test (PAA) for groups of insurance contracts with coverage periods exceeding one year. All groups passed the eligibility test, showing no significant differences between the liabilities of the remaining coverage contracts and the remaining coverage assets under the premium allocation approach and the general measurement approach. Therefore, the company decided to measure these portfolios using the premium allocation approach.

**O) Aggregation level.**

The company classify groups of insurance contracts and reinsurance contracts according to the following:

The company manages insurance contracts issued by insurance departments within the operational sector. Each insurance management handles contracts subject to similar risks, all insurance contracts within an insurance management represent a group of contracts. Similarly, each portfolio is classified into groups of contracts issued within a fiscal year (annual groups), (a) onerous (loss-making) contracts upon initial recognition, (b) contracts that have a significant possibility of becoming onerous (loss-making) at a later time upon initial recognition, or (c) a group of remaining contracts. These groups represent the aggregation level at which recognition and measurement of insurance contracts occur at the outset. These distinctions are not subsequently reconsidered.

For each portfolio of contracts, the company determines the appropriate level for which it has reasonable and supportable information to assess whether these contracts are onerous (loss-making) upon initial recognition and whether non-onerous contracts have a significant possibility of becoming onerous. This level of accuracy determines the groups of contracts. The company uses an estimation approach to determine the level of accuracy for which it possesses reasonable and supportable information sufficient to conclude that all contracts within a homogenous group will be adequately allocated to the same group without performing individual assessments of contracts.

For underwriting management of the life insurance risk, contract groups typically align with policyholder groups that the company has determined to have similar insurance risks and are priced within the same insurance rate ranges. The company monitors the profitability of contracts within the portfolios, the likelihood of changes in insurance and financial exposure, and other factors that could lead these contracts to become onerous within these pricing groups, without information available at a more granular level.

Contracts issued within the participating insurance management are always priced with high expected profit margins. Therefore, these contracts are allocated to groups of contracts that have a low possibility of becoming onerous (loss-making) as is the case upon initial recognition.

Compulsory motor insurance contracts which are underwritten through the Unified Compulsory Insurance Bureau have been included in one group of contracts and classified as having a significant possibility of becoming onerous (loss-making) prior to acquisition.

For other motor vehicle contracts that are measured using the retrospective accounting approach, the company assumes that no contracts of this nature are onerous (loss-making) upon initial recognition, unless facts and circumstances indicate otherwise. If facts and circumstances indicate that some contracts are onerous, an additional assessment is performed to distinguish between onerous and non-onerous contracts (not likely to become loss-making).

For non-onerous contracts, the entity evaluates the likelihood of changes in facts and circumstances occurring in subsequent periods to determine whether the contracts have a significant possibility of becoming onerous. Similar to life insurance contracts, this assessment is conducted at the policyholder group pricing level.

The evaluation of portfolios of reinsurance contracts held is conducted separately from portfolios of issued insurance contracts, applying the company's requirements to reinsurance contracts. The company aggregates reinsurance contracts entered into during a fiscal year (annual groups) into groups of (a) contracts that have a positive net profit upon initial recognition, if any; (b) contracts that do not have a significant possibility of future net profit upon initial recognition; and (c) the remaining contracts in the portfolio, if any.

The evaluation of reinsurance contracts held is performed for aggregation purposes on an individual contract basis. The company tracks internal management information reflecting historical experience of these contracts' performance and utilizes this information to determine the pricing of these contracts in a manner that positions the reinsurance contracts held at a net cost position with little likelihood of future net profit arising later.

**P) Profitability level**

The previously mentioned groups of contracts are classified into the following categories, based on the expected net cash flows from the contract and the accounting approach adopted in dealing with contract groups:

- Contracts that have no likelihood of becoming onerous at initial recognition.
- Contracts that are onerous.
- Other contracts.

**Q) Financial assets**

**Financial assets at amortized cost**

They are the financial assets which the Company's management intends according to its business model to hold for the purpose of collecting contractual cash flows which comprise the contractual cash flows that are solely payments of principal and interest on the outstanding principal.

Those financial assets are stated at cost upon purchase plus acquisition expenses. Moreover, the issue premium / discount are amortized using the effective interest rate method, and recorded to the interest account. Provisions associated with the decline in value of these investments leading to the inability to recover the investment or part therefore are deducted, and any impairment loss in its value is recorded in the statement of profit or loss.

The amount of the impairment loss recognized is the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the original effective interest rate.

**Financial Assets at Fair Value through Profit or Loss (Policy holders)**

It is the financial assets held by the Company for the purpose of trading in the near future and achieving gains from the fluctuations in market prices in the short term or trading margins.

Financial assets at fair value through profit or loss are initially stated at fair value at acquisition date (purchase costs are recorded at the consolidated statement of profit or loss upon acquisition) and subsequently measured at fair value. Moreover, changes in fair value are recorded in the consolidated statement of profit or loss including the change in fair value resulting from translation of non-monetary assets stated at foreign currency. Gains or losses resulting from the sale of these financial assets are taken to the statement of profit or loss.

Dividends from these financial assets are recorded in the statement of profit or loss.

**Reclassification**

Financial assets may be reclassified from the amortized cost to financial assets at fair value through statement of income and vice versa only when the entity changes the business model on which it was classified as stated above, considering the following:

- Any previously recognized profits, losses or benefits may not be recovered.
- When financial assets are reclassified at fair value, their fair value is determined at the date of reclassification. Any gain or loss arising from differences between the previously recorded value and the fair value is recognized in the consolidated statement of income.
- When financial assets are reclassified to be measured at amortized cost, they are recorded at their fair value at the date of reclassification.

**Financial Assets at Fair Value through Other Comprehensive Income**

These financial assets represent investments in equity instruments held for the purpose of generating gain on a long term and not for trading purpose.

Financial assets at fair value through other comprehensive income initially stated at fair value plus transaction costs at purchase date.

Subsequently, they are measured at fair value with gains or losses arising from changes in fair value recognized in the consolidated statement of other comprehensive income and within owner's equity, including the changes in fair value resulting from translation of non-monetary assets stated at foreign currency. Gain or Loss from the sale of these investments should be recognized in the statement of comprehensive income and within owner's equity, and the balance of the revaluation reserve for these assets should be transferred directly to the retained earnings and not to the statement of profit or loss.

These assets are not subject to impairment testing.

Dividends are recorded in the consolidated statement of profit or loss on a separate line item.



**Q) Investment properties**

Property held to earn rentals or for capital appreciation purposes as well as those held for undetermined future use are classified as investment property. Investment property is measured at cost less any accumulated depreciation and any accumulated impairment losses (except for lands), these investments are depreciated over their useful life at a rate of 2%, and any decrease in their value is recorded in statement of profit or loss.

The cost of constructed property includes the cost of material and any other costs directly attributed to bringing the property to a working condition for its intended use.

Investment property is valued in accordance with Central Bank of Jordan regulations, and its fair value is disclosed in the investment property note.

**R) Property and equipment**

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment loss. When assets are sold or retired, their cost and accumulated depreciation are eliminated from the accounts and any gain or loss resulting from their disposal is included in the consolidated statement of profit or loss.

The initial cost of property and equipment comprises its purchase price, including import duties and non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditures incurred after the fixed assets have been put into operation, such as repairs and maintenance and overhaul costs, are normally charged to income in the period the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property and equipment beyond its originally assessed standard of performance, the expenditures are capitalized as an additional cost of property and equipment.

Depreciation is computed on a straight-line basis at annual depreciation rates:

Buildings	2%
Fixture & Furniture	20%
Vehicles	15%
Computers	35%

The useful life and depreciation method are reviewed periodically to ensure that the method and period of deprecation are consistent with the expected pattern of economic benefits from items of property plant and equipment.

**S) Intangible assets**

Intangible assets acquired through business combinations are recorded at their fair value on that date. Other intangible assets are measured on initial recognition at cost.

Intangible assets with finite live are amortized over the useful economic lives, while intangible assets with indefinite useful lives are assessed for impairment at each reporting date or when there is an indication that the intangible asset may be impaired.

Internally generated intangible assets are not capitalized and are expensed in the statement of profit or loss.

Indications of impairment of intangible assets are reviewed for and their useful economic lives are reassessed at each reporting date. Adjustments are reflected in the current and subsequent periods.

Intangible assets include computer software and software licenses. These intangible assets are amortized on a straight-line basis over their estimated economic useful.

**T) Cash and cash equivalents**

Cash and cash equivalents are carried in the consolidated financial statement at cost. For the purposes of the consolidated statement of cash flow, cash and cash equivalents comprise cash on hand and at banks, deposits with maturities less than three months, less restricted funds.

**U) Offsetting**

Financial assets and financial liabilities are offset and the net amount reported in the consolidated financial statement when there is a legally enforceable right to offset the recognized amounts and the company intends to either settle them on a net basis, or to realize the asset and settle the liability simultaneously.

**V) Recognition of financial assets**

Financial assets and financial liabilities are recognized on the trading date which is the date that the entity commits itself to purchase or sell the financial assets.

**W) Fair value**

For fair value of investments, which are traded in organized financial markets, is determined by reference to the quoted market bid price at the close of the business on the statement of financial position date.

In case market prices are not available, there is no active trading for certain financial instruments, or the market is inactive, their fair value is estimated using several methods, including:

- Comparing them to the current market value of a similar financial instrument to a large extent.
- Analyzing the future cash flows and discounting the expected cash flows using a rate employed in a similar financial instrument.
- Option pricing models.

The valuation methods aim to obtain a fair value that reflects market expectations and takes into consideration market factors, as well as any anticipated risks or benefits when estimating the value of financial instruments. In cases where it is not feasible to measure their fair value using a reliable method, they are presented at cost, after any impairment in value has been recognized.

**X) Financial liabilities**

The company classifies financial liabilities based on the purpose for which the obligation was incurred. The accounting policy for financial liabilities is as follows:

- Payables and reinsurance contracts liability.  
Payables and reinsurance contracts liability are initially recognized at fair value, subsequently measured at amortized cost using the effective interest rate method.
- Credit facilities  
They are initially recognized at fair value net of costs associated with obtaining the facilities, Subsequently, these liabilities are measured at amortized cost using the effective murabha method. The finance cost includes the initial expenses, the premium paid upon settlement, and the murabha that accrues during the term of the obligation.

**Y) Insurance Contract Liabilities**

Liabilities are recognized when the Company has an obligation at the date of the financial statements as a result of past events, and the cost to settle the obligation are both probable and measured reliably.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the consolidated financial statements date, taking into account the risks and uncertainties surrounding the obligation where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of these cash flows.

When it is expected to recover some or all amounts due from other parties, the due amount will be recognized within the assets if the value can be measured reliably.

- **Allowance for doubtful debts and expected credit loss**

The allowance for doubtful debts and expected credit losses provision are booked when there is objective evidence that the company will not be able to collect all or part of the due amounts, and calculated based on the difference between book value of and recoverable amount.

Taking into consideration that 100% from insurance company receivables have been taken, as its margin compliance less than 100%

**- Provision for end of service indemnity**

The provision for end of service indemnity is calculated in accordance with the company's policy, which is in line with the Jordanian labor law.

The compensations incurred for employees who leave the service are recorded against the provision for end of service indemnity upon payment. A provision for the company's liabilities related to employees' end-of-service compensation is included in the statement of profits or losses.

**Z) Foreign currency**

Assets and liabilities denominated in foreign currencies are translated to Jordanian Dinar using the prevailing exchange rates at year end. Foreign currency transactions during the year are recorded using exchange rates that were in effect at the dates of the transactions. Translation differences for items of non-monetary assets and liabilities denominated in foreign currencies are recorded as part of the change in fair value and translated at the date of fair value determination. Foreign exchange gains or losses are reflected in the statement of profit or loss.

**AA) Revenue recognition**

**A. Dividend and Deposits revenue**

The Dividends revenues are realized when the shareholder has the right to receive the payment once declared by the General Assembly of Shareholders.

Deposits revenues are recorded when it booked by bank.

**B. Rent revenues**

Rental revenues from investment properties under operating lease agreements are recognized using the straight-line method over the duration of those contracts and on an accrual basis.

**BB) Insurance acquisition cost**

Insurance acquisition cash flows are costs directly attributable to selling or underwriting a portfolio of insurance contracts. The Company has elected to capitalize and amortize these costs over the coverage period.

**CC) Insurance contract expenses (Shareholders' share against Takaful Operation Management - distributed)**

The company allocate directly attributable employee expenditures, General & Administrative expenses related to insurance contracts to the insurance portfolios, incorporating them into the calculation of contract profitability while, the company allocate indirectly attributable employee expenditures, General & Administrative expenses not related to insurance contracts based on the total insurance contributions written by the insurance portfolios as an approved cost center for distribution.

**DD) Deficiency cover reserve (Emergency provision)**

20% of all policyholders' surplus and policyholders' gain from sale of financial assets at fair value through other comprehensive income recognized during the period are transferred to the contingencies provision to cover the deficits in future financial periods, and only if no accumulated deficit was present at date of the transfer. The reserve is not distributable to policyholders' and must not exceed total technical provisions.

In case of liquidation, the Deficiency coverage reserve (Emergency provision) is distributed to charity after the settlement of any outstanding non-profitable loans if present.

**EE) Basis for determining the insurance surplus**

Insurance surplus is the excess of the total contributions collected, investment income from these contributions and any other income after deducting claims paid, technical, reserves shareholders share for management of Takaful operations and investments, and policyholder's fund expense.

Different lines of business are treated as a single unit when computing the insurance surplus.

#### **FF) Basis for Distributing the insurance surplus**

The insurance surplus is limited to the policyholders and can only allocated to them. Shareholders do not have the right in the surplus.

The insurance surplus is distributed among policyholders in proportion to their respective contribution percentage without distinguishing between those who for insurance claims and those who have not during the fiscal year.

The Company retains any un-distributed amount not claimed by the policyholders' in. a separate account presented within the policyholders' fund to be later transferred to the reserve to cover deficit (Emergency Allowance) after acquiring the approval of the Sharia' Supervisory Committee.

In case of liquidation, the insurance surplus for the period is allocated to policyholders while any undistributed and unclaimed surplus of prior periods (if any) will be distributed to charity after the settlement of any outstanding non-profitable loan.

#### **GG) Methods of covering policyholders' fund deficit**

In case of deficit or accumulated deficit in the policyholders' current account, the deficit is covered by the Emergency Allowance In case of the shortage in the Emergency Allowance the shareholders will grant the policyholders a non-profitable loan to cover all the shortage, and then company create full allowance against this loan.

#### **HH) Non-compliant Sharia' transactions**

The Company is committed to comply with Sharia' in its operations and to disclose any income or gains from the transactions inconsistent with Sharia'.

Any revenues and gains non-compliant with sharia' are recorded in separate account which is presented in the financial statements within other credit balances (shareholders liabilities) and are not recorded in the income statement. This account is distributed to charity based on the Sharia' committee decision.

#### **II) Policyholders and shareholders' financial investments**

The Company complies with the principles of Takaful insurance by maintaining complete separate entries and records for the policyholders and the shareholders.

The shareholders paid all general expenses and manage Takaful Business for Policyholders' interest in accordance with contract on the basis of known wakala Fees.

The shareholders invest surplus funds from the policyholder's account against known share from investment revenue as Mudhareb.

The percentage as determined by Board and approved by Sharia' Committee, as follow:

30% Company share from Gross written contributions as Wakala Fees against mange Takaful business to cover administrative expenditures.

25% Company share from Investment revenue as mudhareb

While the applied percentage, as approved by the Board of Directors with the consent of the Shari'a Committee.

15.5% Company share from Gross written contributions as Wakala Fees against mange Takaful business to cover administrative expenditures.

25% Company share from Investment revenue as mudhareb.

The mentioned percentage above have been applied in the condensed interim financial statement as of 31 March 2025.

### 3. Bank Deposits

	31 March 2025 (Unaudited)								31 December 2024 (Audited)	
	Deposits mature within (1) month		Deposits mature after (1) month to (3) months		Deposits mature after (3) months to (12) months		Total		Total	
	Policyholders	Shareholders	Policyholders	Shareholders	Policyholders	Shareholders	Policyholders	Shareholders	Policyholders	Shareholders
<b>Inside Jordan</b>										
Jordan Islamic Bank	111,510	-	-	-	2,000,000	8,586,610	2,111,510	8,586,610	3,000,000	6,180,340
Islamic international Arab Bank	605,488	-	-	-	-	7,500,000	605,488	7,500,000	-	7,255,354
Safwa Islamic Bank	415,815	-	-	-	5,447,067	-	5,862,882	-	5,368,285	-
AlRajhi Bank	-	-	-	-	6,000,000	-	6,000,000	-	5,000,000	-
<b>Total Bank Deposits Inside Jordan</b>	<b>1,132,813</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,447,067</b>	<b>16,086,610</b>	<b>14,579,880</b>	<b>16,086,610</b>	<b>13,368,285</b>	<b>13,435,694</b>
<b>Outside Jordan</b>										
Al Baraka Islamic Bank – Bahrain	-	-	-	-	-	-	-	-	-	-
<b>Total Bank Deposits Outside Jordan</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>1,132,813</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,447,067</b>	<b>16,086,610</b>	<b>14,579,880</b>	<b>16,086,610</b>	<b>13,368,285</b>	<b>13,435,694</b>
Provision for expected credit losses *	(639)	-	-	-	(64,991)	(71,278)	(65,630)	(71,278)	(26,713)	(48,115)
<b>Net</b>	<b>1,132,174</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,382,076</b>	<b>16,015,332</b>	<b>14,514,250</b>	<b>16,015,332</b>	<b>13,341,572</b>	<b>13,387,579</b>

- There is no fixed profit rate on deposit balances with banks, as profits are linked to the investment outcomes of banks based on the principles and rules of Sharia-compliant trading. The profit rate ranged from 3% to 5.5% for bank deposits for the period ended 31/3/2025.
- Deposits pledged to the favor of the Governor of the Central Bank of Jordan amounted to JOD (800,000) as at 31 March 2025 at Jordan Islamic Bank.

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

	31 March 2025 (Unaudited)		31 December 2024 (Audited)	
	Policyholders	Shareholders	Policyholders	Shareholders
Balance at beginning of the period	26,713	48,115	16,366	53,095
Additions	38,917	23,163	10,347	-
Transfer to the provision for expected credit losses – Cash at banks	-	-	-	-
Disposals	-	-	-	(4,980)
<b>Balance at end of the period</b>	<b>65,630</b>	<b>71,278</b>	<b>26,713</b>	<b>48,115</b>

**4 . Financial Assets at Fair Value Through Profit or Loss (Policyholders) / (Shareholders)**

The details of this item are as follows:

Financial assets at fair value through profit or loss:

	31 March 2025 (Unaudited)		31 December 2024 (Audited)	
	Policyholders	Shareholders	Policyholders	Shareholders
<b><u>Inside Jordan</u></b>				
Investment portfolios *	1,000,000	3,000,000	1,000,000	3,000,000
<b>Total</b>	<b>1,000,000</b>	<b>3,000,000</b>	<b>1,000,000</b>	<b>3,000,000</b>

\*Investment portfolios represent bonds issued from Jordan Islamic Bank, available for subscription throughout the year without a predetermined maturity date. They are not listed on the public market and can be liquidated by the company at any time during the year. They are stated at cost which represent the best measure of fair value.

**5 . Financial Assets at Fair Value Through Other Comprehensive Income**

This item consists of the following:

	31 March 2025 (Unaudited)		31 December 2024 (Audited)	
	Policyholders	Shareholders	Policyholders	Shareholders
<b><u>Inside Jordan</u></b>				
Investments in quoted shares	2,333,353	7,000,060	2,137,102	6,411,308
Investments in unquoted shares	53,812	161,436	61,850	185,550
<b>Total</b>	<b>2,387,165</b>	<b>7,161,496</b>	<b>2,198,952</b>	<b>6,596,858</b>
<b><u>Outside Jordan</u></b>				
Investments in quoted shares	-	-	-	-
Investments in unquoted shares*	-	8,157	-	8,157
<b>Total</b>	<b>-</b>	<b>8,157</b>	<b>-</b>	<b>8,157</b>
<b>Grand total</b>	<b>2,387,165</b>	<b>7,169,653</b>	<b>2,198,952</b>	<b>6,605,015</b>

\*This item represents financial assets with no publicly traded prices outside Jordan and stated at cost.

**6 . Investment properties**

This item consists of the following:

	31 March 2025 (Unaudited)	31 December 2024 (Audited)
Buildings	400,000	400,000
Accumulated depreciation	(21,938)	(19,966)
<b>Net</b>	<b>378,062</b>	<b>380,034</b>

The fair value of the investment properties as assessed by real estate appraiser equals to an amount of JOD (400,000) as at 31/12/2024 according to instruction issued from central bank.

**7 . Cash on hand and at banks**

This item consists of the following:

	31 March 2025 (Unaudited)		31 December 2024 (Audited)	
	Policyholders	Shareholders	Policyholders	Shareholders
Cash on hand	36,191	-	9,401	-
Current banks accounts	835,081	6,101,699	(1,218,616)	6,298,294
<b>Total</b>	<b>871,272</b>	<b>6,101,699</b>	<b>(1,209,215)</b>	<b>6,298,294</b>
Provision for expected credit losses	-	(3,240,473)	-	(3,240,473)
<b>Total Provision for expected credit losses</b>	<b>-</b>	<b>(3,240,473)</b>	<b>-</b>	<b>(3,240,473)</b>
<b>Total</b>	<b>871,272</b>	<b>2,861,226</b>	<b>(1,209,215)</b>	<b>3,057,821</b>

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

	31 March 2025 (Unaudited)		31 December 2024 (Audited)	
	Policyholders	Shareholders	Policyholders	Shareholders
Balance at beginning of the year	-	3,240,473	-	2,910,500
Additions	-	-	-	329,973
Disposals	-	-	-	-
<b>Balance at end of the period</b>	<b>-</b>	<b>3,240,473</b>	<b>-</b>	<b>3,240,473</b>

**The Islamic Insurance Company PLC**  
**Notes to the condensed interim Financial Statements (Unaudited)**  
**31 March 2025**

**8 . Insurance contract Assets /liabilities – Premium Allocation Approach**

	Liabilities for remaining coverage				liabilities for incurred claims				Total	
	31/3/2025	31/12/2024	31/3/2025	31/12/2024	31/3/2025	31/12/2024	31/3/2025	31/12/2024	31/3/2025	31/12/2024
	Excluding loss component contracts	Excluding loss component contracts	Loss component	Loss component	Present value of future cash flows	Present value of future cash flows	non-financial Risk adjustments	non-financial Risk adjustments	Total	Total
Insurance contracts liabilities at beginning of the period	4,970,686	4,383,014	1,822,967	1,090,569	18,629,118	16,087,444	1,098,943	1,121,600	26,521,714	22,682,627
Insurance contracts (assets) at beginning of the period	-	-	-	-	-	-	-	-	-	-
<b>Net of insurance contracts liabilities (assets) at the beginning of the period</b>	<b>4,970,686</b>	<b>4,383,014</b>	<b>1,822,967</b>	<b>1,090,569</b>	<b>18,629,118</b>	<b>16,087,444</b>	<b>1,098,943</b>	<b>1,121,600</b>	<b>26,521,714</b>	<b>22,682,627</b>
<b>Insurance Contract revenues</b>	<b>(10,133,587)</b>	<b>(37,340,289)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(10,133,587)</b>	<b>(37,340,289)</b>
<b>Insurance Contract expenses</b>	<b>405,587</b>	<b>1,148,461</b>	<b>-</b>	<b>732,398</b>	<b>9,039,321</b>	<b>30,446,029</b>	<b>74,629</b>	<b>(22,657)</b>	<b>9,519,537</b>	<b>32,304,231</b>
Incurred claims net of recoveries	-	-	-	-	7,872,328	29,135,782	-	-	7,872,328	29,135,782
Changes that relate to past service: changes related to LFIC	-	-	-	-	(149,797)	(3,031,745)	-	-	(149,797)	(3,031,745)
Changes in onerous contract	-	-	-	732,398	-	-	-	-	-	732,398
Changes in risk adjustment -insurance contract	-	-	-	-	-	-	74,629	(22,657)	74,629	(22,657)
Amortization of insurance acquisition cost	58,388	512,653	-	-	-	-	-	-	58,388	512,653
Other technical expenses	347,199	635,808	-	-	-	-	-	-	347,199	635,808
Employee Exp. (Sh. Takaful Operation Management)	-	-	-	-	1,003,214	3,457,571	-	-	1,003,214	3,457,571
Management Exp. (Sh. Takaful Operation Management)	-	-	-	-	313,576	884,421	-	-	313,576	884,421
<b>Insurance Contract service results</b>	<b>(9,728,000)</b>	<b>(36,191,828)</b>	<b>-</b>	<b>732,398</b>	<b>9,039,321</b>	<b>30,446,029</b>	<b>74,629</b>	<b>(22,657)</b>	<b>(614,050)</b>	<b>(5,036,058)</b>
Finance (expenses) from insurance contract	-	-	-	-	288,816	464,438	-	-	288,816	464,438
<b>Net change – Other Comprehensive Income</b>	<b>(9,728,000)</b>	<b>(36,191,828)</b>	<b>-</b>	<b>732,398</b>	<b>9,328,137</b>	<b>30,910,467</b>	<b>74,629</b>	<b>(22,657)</b>	<b>(325,234)</b>	<b>(4,571,620)</b>
Cash received from underwritten contracts	14,365,033	37,984,779	-	-	-	-	-	-	14,365,033	37,984,779
Paid claims	-	-	-	-	(6,855,325)	(24,026,801)	-	-	(6,855,325)	(24,026,801)
Paid acquisition cost	(48,633)	(569,471)	-	-	-	-	-	-	(48,633)	(569,471)
Paid other technical expenses	(347,199)	(635,808)	-	-	-	-	-	-	(347,199)	(635,808)
Paid Employee and management Exp.	-	-	-	-	(1,316,790)	(4,341,992)	-	-	(1,316,790)	(4,341,992)
<b>Insurance contracts liabilities at the end of the period</b>	<b>9,211,887</b>	<b>4,970,686</b>	<b>1,822,967</b>	<b>1,822,967</b>	<b>19,785,140</b>	<b>18,629,118</b>	<b>1,173,572</b>	<b>1,098,943</b>	<b>31,993,566</b>	<b>26,521,714</b>
<b>Insurance contracts (assets) at the end of the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net of insurance contracts liabilities (assets) at the end of the period</b>	<b>9,211,887</b>	<b>4,970,686</b>	<b>1,822,967</b>	<b>1,822,967</b>	<b>19,785,140</b>	<b>18,629,118</b>	<b>1,173,572</b>	<b>1,098,943</b>	<b>31,993,566</b>	<b>26,521,714</b>



8 . (A) Accounts Receivables – Insurance operations

This item consists of the following:

	31 March 2025 (Unaudited)	31 December 2024 (Audited)
Policyholders receivables	11,569,744	4,411,094
Agents receivables	-	-
Brokers receivables	-	-
Employees receivables	7,404	11,330
<b>Total</b>	<b>11,577,148</b>	<b>4,422,424</b>
Less: Allowance for doubtful debts *	-	(51,042)
Less: Provision for expected credit losses **	(654,635)	(583,784)
<b>Net Accounts Receivable</b>	<b>10,922,513</b>	<b>3,787,598</b>

This item represents account receivables related to insurance operation that considered in the calculation of insurance contract assets and liabilities which is included in footnote (8)

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

	31 March 2025 (Unaudited)	31 December 2024 (Audited)
Balance at beginning of the period	51,042	174,289
Additions	-	-
Disposals	(51,042)	(123,247)
<b>Balance at end of the period</b>	<b>-</b>	<b>51,042</b>

\*\* Movement on the provision for expected credit losses is as follows:

	31 March 2025 (Unaudited)	31 December 2024 (Audited)
Balance at beginning of the period	583,784	480,601
Additions	70,851	103,183
Disposals	-	-
<b>Balance at end of the period</b>	<b>654,635</b>	<b>583,784</b>

The aging of accounts receivables is as follows:

	31 March 2025 (Unaudited)	31 December 2024 (Audited)
Past due from 0-30 days	8,946,888	2,240,015
Past due from 31-90 days	926,248	1,020,175
Past due from 91-180 days	719,346	289,383
Past due from 181-365 days	433,433	369,193
Past due for more than one year	551,233	503,658
<b>Total</b>	<b>11,577,148</b>	<b>4,422,424</b>

## 8 . (B) Cheques under collection – Insurance Operations

This item consists of the following:

	31 March 2025 (Unaudited)	31 December 2024 (Audited)
Cheques under collection	1,466,263	1,513,064
Less: Provision for expected credit losses **	(6,883)	(7,822)
Net cheques under collection related to Al- Takaful operation	<u>1,459,380</u>	<u>1,505,242</u>

This item represents checks under collection related to insurance operation that considered in the calculation of insurance contract assets and liabilities which is included in footnote (8).

\*\* Movement on the provision for expected credit losses is as follows:

	31 March 2025 (Unaudited)	31 December 2024 (Audited)
Balance at beginning of the period	7,822	7,822
Additions	-	-
Disposals	(939)	-
<b>Balance at end of the period</b>	<u>6,883</u>	<u>7,822</u>

The aging of cheques under collection is as follows:

	31 March 2025 (Unaudited)	31 December 2024 (Audited)
Past due from (0-6) months	1,099,048	1,045,466
Past due from (7-12) months	367,215	467,598
Past due for more than (12) months	-	-
<b>Total</b>	<u>1,466,263</u>	<u>1,513,064</u>

## 8 . (C) Accounts Payable – Insurance Operations

This item consists of the following:

	31 March 2025 (Unaudited)	31 December 2024 (Audited)
Individual payable	90,058	115,637
Companies payable	36,703	60,378
Institutions payable	1,582	2,811
Garages station & suppliers Co. payable	118,049	15,026
Other payables (Medical care, takaful, other)	94,473	94,835
Agents payables (Accrued commission)	111,415	113,429
Medical and pending cheques	52,987	59,458
<b>Total</b>	<u>505,267</u>	<u>461,574</u>

This item represent accounts payable related to insurance operation that considered in the calculation of insurance contract assets and liabilities which is included in footnote (8).

**The Islamic Insurance Company PLC**  
**Notes to the condensed interim Financial Statements (Unaudited)**  
**31 March 2025**

**9 . Reinsurance contract Assets /liabilities – Premium Allocation Approach**

	Liabilities for remaining coverage				liabilities for incurred claims				Total	
	31/3/2025	31/12/2024	31/3/2025	31/12/2024	31/3/2025	31/12/2024	31/3/2025	31/12/2024	31/3/2025	31/12/2024
	Excluding loss component contracts	Excluding loss component contracts	Loss component	Loss component	Present value of future cash flows	Present value of future cash flows	non-financial Risk adjustments	non-financial Risk adjustments	Total	Total
Reinsurance contracts liabilities at beginning of the period	62,326	117,062	-	-	-	(88,469)	-	(4,702)	62,326	23,891
Reinsurance contracts (assets) at beginning of the period	1,989,565	4,006,803	(112,842)	(99,854)	(8,800,895)	(8,290,675)	(570,562)	(548,086)	(7,494,734)	(4,931,812)
<b>Net of reinsurance contracts liabilities (assets) at the beginning of the period</b>	<b>2,051,891</b>	<b>4,123,865</b>	<b>(112,842)</b>	<b>(99,854)</b>	<b>(8,800,895)</b>	<b>(8,379,144)</b>	<b>(570,562)</b>	<b>(552,788)</b>	<b>(7,432,408)</b>	<b>(4,907,921)</b>
Reinsurance Contract held expenses	3,396,090	13,396,708	-	-	-	-	-	-	3,396,090	13,396,708
Reinsurance Contract held revenues	-	-	-	(12,988)	(2,678,907)	(9,294,247)	(48,123)	(17,774)	(2,727,030)	(9,325,009)
Recovered incurred claims from reinsurer	-	-	-	-	(2,678,907)	(8,928,499)	-	-	(2,678,907)	(8,928,499)
Change in loss recovery component	-	-	-	(12,988)	-	-	-	-	-	(12,988)
Changes in non-financial risk adjustment	-	-	-	-	-	-	(48,123)	(17,774)	(48,123)	(17,774)
Profit commission due from reinsurer	-	-	-	-	-	(365,748)	-	-	-	(365,748)
<b>Insurance service results</b>	<b>3,396,090</b>	<b>13,396,708</b>	<b>-</b>	<b>(12,988)</b>	<b>(2,678,907)</b>	<b>(9,294,247)</b>	<b>(48,123)</b>	<b>(17,774)</b>	<b>669,060</b>	<b>4,071,699</b>
Finance (expenses) revenues from insurance contracts held	-	-	-	-	(129,812)	(282,459)	-	-	(129,812)	(282,459)
<b>Net change - Other Comprehensive Income</b>	<b>3,396,090</b>	<b>13,396,708</b>	<b>-</b>	<b>(12,988)</b>	<b>(2,808,719)</b>	<b>(9,576,706)</b>	<b>(48,123)</b>	<b>(17,774)</b>	<b>539,248</b>	<b>3,789,240</b>
Paid reinsurers' share from premium	(3,733,831)	(15,468,682)	-	-	-	-	-	-	(3,733,831)	(15,468,682)
Received claims recovery from reinsurer	-	-	-	-	2,756,004	8,789,207	-	-	2,756,004	8,789,207
Received profit commission	-	-	-	-	-	365,748	-	-	-	365,748
<b>Reinsurance contracts liabilities at the end of the period</b>	<b>567,828</b>	<b>62,326</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>567,828</b>	<b>62,326</b>
Reinsurance contracts (assets) at the end of the period	1,146,322	1,989,565	(112,842)	(112,842)	(8,853,610)	(8,800,895)	(618,685)	(570,562)	(8,438,815)	(7,494,734)
<b>Net of reinsurance contracts (assets) at the end of the period</b>	<b>1,714,150</b>	<b>2,051,891</b>	<b>(112,842)</b>	<b>(112,842)</b>	<b>(8,853,610)</b>	<b>(8,800,895)</b>	<b>(618,685)</b>	<b>(570,562)</b>	<b>(7,870,987)</b>	<b>(7,432,408)</b>

9 . (A) Receivables (Reinsurance contract held)

This item consists of the following:

	31 March 2025 (Unaudited)	31 December 2024 (Audited)
Reinsurance contract held assets (Local)	135,919	197,713
Reinsurance contract held assets (Foreign)	46,339	454,573
<b>Total Receivables related to reinsurance operation</b>	<b>182,258</b>	<b>652,286</b>
Provision for performance risks *	(24,394)	(24,394)
Provision for expected credit losses**	(120,971)	(140,780)
<b>Net receivables reinsurance operations</b>	<b>36,893</b>	<b>487,112</b>

This item represents receivables related to reinsurance operation that considered in the calculation of reinsurance contract assets and liabilities which is included in footnote (9)

\* Movements in the provision for performance risks is as follows:

	31 March 2025 (Unaudited)	31 December 2024 (Audited)
Balance at beginning of the period	24,394	24,394
Additions	-	-
Disposals	-	-
<b>Balance at end of the period</b>	<b>24,394</b>	<b>24,394</b>

\*\* Movement on the provision for expected credit losses is as follows:

	31 March 2025 (Unaudited)	31 December 2024 (Audited)
Balance at beginning of the period	140,780	142,859
Additions	-	-
Disposals	(19,809)	(2,079)
<b>Balance at end of the period</b>	<b>120,971</b>	<b>140,780</b>

The aging of receivables (reinsurance contract held) is as follows:

	31 March 2025 (Unaudited)	31 December 2024 (Audited)
Past due from (0-30) days	-	-
Past due from (31-90) days	36,785	513,844
Past due from 91-180 days	23,646	2,290
Past due from 181-365 days	-	3,650
Past due for more than one year	121,827	132,502
	<b>182,258</b>	<b>652,286</b>

9 . (B) Payables (Reinsurance contract held)

This item consists of the following:

	31 March 2025 (Unaudited)	31 December 2024 (Audited)
Reinsurance contract held assets – (Local)	482,909	788,540
Reinsurance contract held assets – (Foreign)	8,686,340	3,166,587
<b>Total</b>	<b>9,169,249</b>	<b>3,955,127</b>

This item represents payable related to reinsurance operation that considered in the calculation of reinsurance contract assets and liabilities which is included in footnote (9)

10. Income Tax

A- Income tax provision

The movement on income tax provision is as follow:

	31 March 2025 (Unaudited)		31 December 2024 (Audited)	
	Policyholders	Shareholders	Policyholders	Shareholders
Balance at beginning of the period	(93,523)	582,649	146,997	583,683
Income tax paid	-	(127,973)	(240,520)	(816,731)
Income tax expense for the period	-	53,232	-	815,697
<b>Balance at end of the period</b>	<b>(93,523)</b>	<b>507,908</b>	<b>(93,523)</b>	<b>582,649</b>

Income tax expense that appears in the statement of profit or loss represents:

	31 March 2025 (Unaudited)		31 December 2024 (Audited)	
	Policyholders	Shareholders	Policyholders	Shareholders
Income tax expense for the period	-	53,232	-	815,697
<b>Total</b>	<b>-</b>	<b>53,232</b>	<b>-</b>	<b>815,697</b>

The following is the reconciliation between accounting profit and taxable profit:

	31 March 2025 (Unaudited)		31 December 2024 (Audited)	
	Policyholders	Shareholders	Policyholders	Shareholders
Accounting (loss) profit - Policyholders and shareholders	(2,164,630)	273,403	(482,996)	2,876,126
Nontaxable revenues	-	(68,664)	(3,085,570)	(36,820)
Nondeductible expenses	2,164,630	-	3,568,566	297,990
<b>Taxable profit</b>	<b>-</b>	<b>204,739</b>	<b>-</b>	<b>3,137,296</b>
<b>Income tax of the period</b>	<b>-</b>	<b>53,232</b>	<b>-</b>	<b>815,697</b>
<b>Effective income tax rate</b>	<b>26%</b>	<b>26%</b>	<b>26%</b>	<b>26%</b>

- The Company has settled its tax liability with Income Tax Department up to the year ended 2022, and based on the tax advisor opinion the income tax provision considered sufficient as of 31/3/2025.
- There is no deferred tax assets or liabilities related to the company as it calculates income tax based on taxable profit for the year.
- The income tax returns for the years 2023 and 2024 have been filed with the Income Tax Department but the Department has not reviewed the Company's records till the date of this report.
- The Income and National Contribution tax provision for the three months ended 31 March 2025 was calculated in accordance with the Income Tax Law.

# 11. Property and equipment – net

This item consists of the following:

	Buildings	Equipment and Furniture	Vehicles	Computer Devices	Total
<b>Cost</b>					
Balance as at 1/1/2025	2,474,274	795,285	233,101	537,809	4,040,469
Additions	-	10,161	-	18,474	28,635
Disposals	-	-	-	-	-
Balance as at 31/3/2025	2,474,274	805,446	233,101	556,283	4,069,104
<b>Accumulated depreciation</b>					
Balance as at 1/1/2025	590,819	632,054	102,335	414,000	1,739,208
Depreciation	12,489	11,768	5,859	18,175	48,291
Disposals	-	-	-	-	-
Balance as at 31/3/2025	603,308	643,822	108,194	432,175	1,787,499
<b>Net book value as at 31/3/2025</b>	<b>1,870,966</b>	<b>161,624</b>	<b>124,907</b>	<b>124,108</b>	<b>2,281,605</b>
<b>Cost</b>					
Balance as at 1/1/2024	2,431,572	736,789	183,700	424,403	3,776,464
Additions	42,702	58,496	136,901	113,406	351,505
Disposals	-	-	(87,500)	-	(87,500)
Balance as at 31/12/2024	2,474,274	795,285	233,101	537,809	4,040,469
<b>Accumulated depreciation</b>					
Balance as at 1/1/2024	540,623	587,526	168,510	356,789	1,653,448
Depreciation	50,196	44,528	21,324	57,211	173,259
Disposals	-	-	(87,499)	-	(87,499)
Balance as at 31/12/2024	590,819	632,054	102,335	414,000	1,739,208
<b>Net book value as at 31/12/2024</b>	<b>1,883,455</b>	<b>163,231</b>	<b>130,766</b>	<b>123,809</b>	<b>2,301,261</b>

# 12. Intangible Assets

This item consists of the following:

	31 March 2025 (Unaudited) Software	31 December 2024 (Audited) Software
Balance at the beginning of the period	5,483	9,577
Additions	-	3,500
Amortization	(2,440)	(7,594)
<b>Balance at the end of the period</b>	<b>3,043</b>	<b>5,483</b>

# 13. Other Assets

This item consists of the following:

	31 March 2025 (Unaudited)		31 December 2024 (Audited)	
	Policyholders	Shareholders	Policyholders	Shareholders
Prepaid expenses	-	17,903	-	73,266
prepaid income tax	10,838	44,557	-	-
Refundable deposit	-	15,531	-	15,531
Accrued revenues	256,959	-	354,833	90,269
Advance payments for updating and developing the company website	-	17,500	-	11,250
<b>Total</b>	<b>267,797</b>	<b>95,491</b>	<b>354,833</b>	<b>190,316</b>

#### 14. Accounts Payable

This item consists of the following:

	31 March 2025 (Unaudited)	31 December 2024 (Audited)
Advertising and other payables	19,747	26,564
<b>Total</b>	<b>19,747</b>	<b>26,564</b>

#### 15. Other Provisions

This item consists of the following:

	31 March 2025 (Unaudited)	31 December 2024 (Audited)
Employees vacation provision	229,625	229,625
Provision for end of service indemnity	381,060	381,060
Unallocated loss adjustment expense (ULAE)	647,087	617,748
<b>Total</b>	<b>1,257,772</b>	<b>1,228,433</b>

The following table presents the movement in the various provisions.

	Balance at beginning of the period	Addition during the period	Paid during the period	Balance at end of the period
Employees vacation provision	229,625	-	-	229,625
Provision for end of service indemnity	381,060	-	-	381,060
Unallocated loss adjustment expense (ULAE)	617,748	29,339	-	647,087
<b>Total</b>	<b>1,228,433</b>	<b>29,339</b>	<b>-</b>	<b>1,257,772</b>

#### 16. Other liabilities

This item consists of the following:

	31 March 2025 (Unaudited)		31 December 2024 (Audited)	
	Policyholders	Shareholders	Policyholders	Shareholders
Ministry of finance deposits	126,693	169	51,802	438
Other dues	-	8,389	-	8,143
Health insurance fund	-	103,500	-	84,000
Shareholders dues	-	8,152	-	8,587
Board of directors' remunerations	-	57,491	-	57,491
Central bank dues	232,285	-	29,811	-
Policyholders' Guarantee Fund withholdings	4,253	-	5,267	-
Unearned rent revenues	-	18,750	-	25,000
Social security withholdings	-	42,595	-	43,449
	<b>363,231</b>	<b>239,046</b>	<b>86,880</b>	<b>227,108</b>

#### 17. Deficiency Cover Reserve (Emergency Provision)

The accumulated amounts in this account represent what has been transferred from the policyholders' surplus and the policyholders' share of the profit from the sale of financial assets at fair value through other comprehensive income at a rate of 20% during the current period and previous years.

	31 March 2025 (Unaudited)	31 December 2024 (Audited)
Balance at beginning of the period	7,106	490,102
Add: Transfer to deficiency cover reserve	-	-
Less: Transfer from deficiency cover reserve to cover the deficit	(7,106)	(482,996)
<b>Balance at end of the period</b>	<b>-</b>	<b>7,106</b>

#### 18. Non-Demanded Surplus

	31 March 2025 (Unaudited)	31 December 2024 (Audited)
Balance at beginning of the period	4,022	17,793
Less: Distributions to charity	(4,014)	(13,771)
<b>Balance at end of the period</b>	<b>8</b>	<b>4,022</b>

#### 19. Accumulated Surplus (Deficit)

This item consists of the following:

	31 March 2025 (Unaudited)	31 December 2024 (Audited)
Balance at beginning of the year	-	-
Add: Deficit for the period for policyholders	(2,164,630)	(482,996)
Less: Transfer to deficiency cover reserve	-	-
Add: Transfer from deficiency cover reserve to cover the deficit	7,106	482,996
<b>Balance at end of the period</b>	<b>(2,157,524)</b>	<b>-</b>

#### 20 . Al Qard Al Hasan granted by shareholders to cover policyholders' deficit

This item consists of the following:

	31 March 2025 (Unaudited)	31 December 2024 (Audited)
Balance at beginning of the year	-	-
Less: The amount settled from the policyholders' surplus for the period	-	-
Add: The loan granted to cover policyholders' deficit for the period	2,157,524	-
<b>Balance at end of the period</b>	<b>2,157,524</b>	<b>-</b>



## 21. Paid-in Capital

The Company's authorized, subscribed and paid-in capital is JOD (16,500,000) divided equally into (16,500,000) shares with a par value of JOD (1) each as at 31 March 2025 and 31 December 2024.

## 22. Reserves

### Statutory Reserve

The accumulated amounts in this account represent 10% of the Company's net income before income tax according to the Companies Law. The statutory reserve is not available for distribution to shareholders.

### Voluntary Reserve

The accumulated amounts in this account represent cumulative appropriations not exceeding 20% of net income before income tax. This reserve is available for distribution to shareholders.

## 23. Cumulative Change in Fair Value

This item represents the increase (decrease) in fair value of financial assets measured at fair value through other comprehensive income, as follow:

<u>Shareholders</u>	31 March 2025 (Unaudited)	31 December 2024 (Audited)
Balance at beginning of the period	(500,598)	(439,320)
Net change in fair value during the period	564,638	(61,278)
<b>Balance at end of the period</b>	<b>64,040</b>	<b>(500,598)</b>

<u>Policyholders</u>	31 March 2025 (Unaudited)	31 December 2024 (Audited)
Balance at beginning of the period	(166,866)	(146,440)
Net change in fair value during the period	188,213	(20,426)
<b>Balance at end of the period</b>	<b>21,347</b>	<b>(166,866)</b>

The cumulative change in fair value as 31 March 2025 and 31 December 2024 amounted to JOD (85,387) and JOD (667,464) respectively.

## 24. Retained Earnings

This item consists of the following:

	31 March 2025 (Unaudited)	31 December 2024 (Audited)
Balance at beginning of the period	3,368,595	3,101,279
Less: Paid dividends	-	(1,500,000)
Add: Profit for the period	220,171	2,060,429
Less: Transferred to reserves	-	(293,113)
<b>Balance at end of the period</b>	<b>3,588,766</b>	<b>3,368,595</b>

**The Islamic Insurance Company PLC**  
**Notes to the condensed interim Financial Statements (Unaudited)**  
**31 March 2025**

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**25. Insurance Contracts Revenues**

	Motors (Unaudited)		Marine (Unaudited)		Fire (Unaudited)		Engineering (Unaudited)		Medical (Unaudited)		Responsibility Insurance (Unaudited)		Other Insurance (Unaudited)		Takaful (Unaudited)		Total (Unaudited)	
	31 /3/2025	31 /3/2024	31 /3/2025	31 /3/2024	31 /3/2025	31 /3/2024	31 /3/2025	31 /3/2024	31 /3/2025	31 /3/2024	31 /3/2025	31 /3/2024	31 /3/2025	31 /3/2024	31 /3/2025	31 /3/2024	31 /3/2025	31 /3/2024
Change in insurance contract liabilities against the remaining coverage	4,035,107	3,452,230	261,409	188,215	481,118	421,449	26,480	25,277	1,696,988	1,722,911	51,772	51,847	184,354	183,113	3,095,788	2,837,953	9,833,016	8,882,995
Policy issuance fees	98,063	99,810	6,691	4,814	21,125	24,177	921	1,335	83,307	79,989	2,131	2,621	12,639	13,991	75,694	47,929	300,571	274,666
Other revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Insurance Contracts Revenues</b>	<b>4,133,170</b>	<b>3,552,040</b>	<b>268,100</b>	<b>193,029</b>	<b>502,243</b>	<b>445,626</b>	<b>27,401</b>	<b>26,612</b>	<b>1,780,295</b>	<b>1,802,900</b>	<b>53,903</b>	<b>54,468</b>	<b>196,993</b>	<b>197,104</b>	<b>3,171,482</b>	<b>2,885,882</b>	<b>10,133,587</b>	<b>9,157,661</b>

**The Islamic Insurance Company PLC**  
**Notes to the condensed interim Financial Statements (Unaudited)**  
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**26. Insurance Contracts Expenses**

	Motors (Unaudited)		Marine (Unaudited)		Fire (Unaudited)		Engineering (Unaudited)		Medical (Unaudited)		Responsibility Insurance (Unaudited)		Other Insurance (Unaudited)		Takaful (Unaudited)		Total (Unaudited)	
	31 /3/2025	31 /3/2024	31 /3/2025	31 /3/2024	31 /3/2025	31 /3/2024	31 /3/2025	31 /3/2024	31 /3/2025	31 /3/2024	31 /3/2025	31 /3/2024	31 /3/2025	31 /3/2024	31 /3/2025	31 /3/2024	31 /3/2025	31 /3/2024
Incurring claims net of recoveries	4,181,970	2,859,548	375,972	231,264	(26,819)	(5,410)	(518)	(1,571)	1,506,735	1,368,150	45,360	36,448	(1,188)	(4,737)	1,641,019	1,745,526	7,722,531	6,229,218
Amortization of insurance acquisition cost	38,670	71,600	5,066	2,647	9,444	4,635	183	256	3,644	3,630	1,298	1,462	83	77	-	-	58,388	84,307
Loss of onerous contracts	1,462,741	537,133	-	-	-	-	-	-	360,226	268,806	-	-	-	-	-	-	1,822,967	805,940
Recovered amount from Onerous Contracts loss	(1,462,741)	(612,983)	-	-	-	-	-	-	(360,226)	(477,586)	-	-	-	-	-	-	(1,822,967)	(1,090,569)
Non-financial risk adjustment	527,509	447,655	71,779	36,423	203,143	235,423	13,087	15,069	112,096	87,288	18,946	10,124	11,088	973	215,924	250,505	1,173,572	1,083,460
Recovered amount from Non-financial risk adjustments	(505,763)	(438,857)	(25,565)	(5,319)	(205,896)	(244,135)	(13,235)	(20,522)	(123,049)	(124,301)	(18,556)	(7,558)	(11,085)	(4,504)	(195,794)	(218,922)	(1,098,943)	(1,064,119)
Employee Exp. (Shareholders' share against Takaful Operation Management-distributed)	356,656	359,166	84,201	67,116	75,139	57,859	4,160	4,429	341,075	349,817	11,647	20,090	19,322	6,607	111,014	87,623	1,003,214	952,706
Management Exp. (Shareholders' share against Takaful Operation Management - distributed)	108,080	83,696	22,132	16,628	21,012	18,712	1,172	24,623	106,314	29,684	3,615	59,991	5,966	11,693	45,285	49,931	313,576	294,958
Other technical expenses	145,280	105,511	3,263	1,043	13,014	7,012	672	399	60,178	30,302	768	365	6,944	3,362	117,080	78,186	347,199	226,180
<b>Total insurance contracts expenses</b>	<b>4,852,402</b>	<b>3,412,469</b>	<b>536,848</b>	<b>349,802</b>	<b>89,037</b>	<b>74,096</b>	<b>5,521</b>	<b>22,683</b>	<b>2,006,993</b>	<b>1,535,790</b>	<b>63,078</b>	<b>120,922</b>	<b>31,130</b>	<b>13,471</b>	<b>1,934,528</b>	<b>1,992,849</b>	<b>9,519,537</b>	<b>7,522,080</b>

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**27. Reinsurance Contracts held Expenses**

	Motors (Unaudited)		Marine (Unaudited)		Fire (Unaudited)		Engineering (Unaudited)		Medical (Unaudited)		Responsibility Insurance (Unaudited)		Other insurance (Unaudited)		Takaful (Unaudited)		Total (Unaudited)	
	31 /3/2025	31 /3/2024	31 /3/2025	31 /3/2024	31 /3/2025	31 /3/2024	31 /3/2025	31 /3/2024	31 /3/2025	31 /3/2024	31 /3/2025	31 /3/2024	31 /3/2025	31 /3/2024	31 /3/2025	31 /3/2024	31 /3/2025	31 /3/2024
Change in reinsurance contract liabilities against the remaining coverage and issuance fee	(254,482)	(254,260)	(157,242)	(120,433)	(361,312)	(322,439)	(18,816)	(19,149)	(1,140,583)	(1,244,397)	(24,634)	(25,813)	(108,918)	(110,510)	(1,330,103)	(1,368,548)	(3,396,090)	(3,465,549)
Other expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total reinsurance contracts expenses</b>	<b>(254,482)</b>	<b>(254,260)</b>	<b>(157,242)</b>	<b>(120,433)</b>	<b>(361,312)</b>	<b>(322,439)</b>	<b>(18,816)</b>	<b>(19,149)</b>	<b>(1,140,583)</b>	<b>(1,244,397)</b>	<b>(24,634)</b>	<b>(25,813)</b>	<b>(108,918)</b>	<b>(110,510)</b>	<b>(1,330,103)</b>	<b>(1,368,548)</b>	<b>(3,396,090)</b>	<b>(3,465,549)</b>

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**28. Reinsurance Contracts held Revenues**

	Motors (Unaudited)		Marine (Unaudited)		Fire (Unaudited)		Engineering (Unaudited)		Medical (Unaudited)		Responsibility Insurance (Unaudited)		Other insurance (Unaudited)		Takaful (Unaudited)		Total (Unaudited)	
	31 /3/2025	31 /3/2024	31 /3/2025	31 /3/2024	31 /3/2025	31 /3/2024	31 /3/2025	31 /3/2024	31 /3/2025	31 /3/2024	31 /3/2025	31 /3/2024	31 /3/2025	31 /3/2024	31 /3/2025	31 /3/2024	31 /3/2025	31 /3/2024
Recovered incurred claims from reinsurance	280,942	203,547	342,238	232,160	(12,389)	(3,761)	(414)	512	1,029,569	835,289	31,325	9,284	(5,352)	(52)	1,012,988	1,147,414	2,678,907	2,424,393
Loss of onerous contracts	-	-	-	-	-	-	-	-	112,842	73,676	-	-	-	-	-	-	112,842	73,676
Recovered amount from Onerous Contracts loss	-	-	-	-	-	-	-	-	(112,842)	(99,854)	-	-	-	-	-	-	(112,842)	(99,854)
Non-financial risk adjustment	109,174	82,327	68,742	35,743	199,638	269,902	13,021	13,560	78,269	54,351	7,703	1,711	8,529	491	133,609	123,833	618,685	581,918
Recovered amount from Non-financial risk adjustments	(104,893)	(45,836)	(24,843)	(4,510)	(202,071)	(238,451)	(13,161)	(18,465)	(86,100)	(75,450)	(7,249)	(1,455)	(8,776)	(2,868)	(123,469)	(136,168)	(570,562)	(523,203)
Other revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total reinsurance contracts revenues</b>	<b>285,223</b>	<b>240,038</b>	<b>386,137</b>	<b>263,393</b>	<b>(14,822)</b>	<b>27,690</b>	<b>(554)</b>	<b>(4,393)</b>	<b>1,021,738</b>	<b>788,012</b>	<b>31,779</b>	<b>9,540</b>	<b>(5,599)</b>	<b>(2,429)</b>	<b>1,023,128</b>	<b>1,135,079</b>	<b>2,727,030</b>	<b>2,456,930</b>

## 29. Finance Revenues (Expenses) From Insurance Contracts

This item consists of the following:

	31 March 2025 (Unaudited)	31 March 2024 (Unaudited)
Finance revenues (expenses)	(288,816)	(205,760)
<b>Total</b>	<b>(288,816)</b>	<b>(205,760)</b>

The bottom-up approach was used to derive the discount rate for cash flows. Under this approach, the discount rate is determined as the risk-adjusted risk-free in US Dollar (EIOPA) plus 1%. The company used discount rate from (4.42% - 5.44%) for 31 March 2025, compared to (4.25% - 6.39%) for the period of 31 March 2024.

## 30. Finance Revenues (Expenses) From Reinsurance Contracts

This item consists of the following:

	31 March 2025 (Unaudited)	31 March 2024 (Unaudited)
Finance revenues (expenses)	129,812	99,324
<b>Total</b>	<b>129,812</b>	<b>99,324</b>

The bottom-up approach was used to derive the discount rate for cash flows. Under this approach, the discount rate is determined as the risk-adjusted risk-free in US Dollar (EIOPA) plus 1%. The company used discount rate from (4.42% - 5.44%) for the 31 March 2025, compared to (4.25% - 6.39%) for the period of 31 March 2024.

## 31. Investment Returns

This item consists of the following:

	31 March 2025 (Unaudited)		31 March 2024 (Unaudited)	
	Policyholders	Shareholders	Policyholders	Shareholders
Profits from deposits	22,532	445,488	119,645	464,525
Gain from financial assets at fair value through profit or loss	-	-	-	-
<b>Total</b>	<b>22,532</b>	<b>445,488</b>	<b>119,645</b>	<b>464,525</b>

## 32. Net Profit from Financial Assets and Investments

This item consists of the following:

	31 March 2025 (Unaudited)		31 March 2024 (Unaudited)	
	Policyholders	Shareholders	Policyholders	Shareholders
Dividends income	45,384	136,154	27,231	81,692
Rent revenues	-	6,250	-	8,250
<b>Total</b>	<b>45,384</b>	<b>142,404</b>	<b>27,231</b>	<b>89,942</b>

### 33. Shareholders' Share against Takaful Operation Management

#### A- This item consist of the following:

31 March 2025 (Unaudited)					31 March 2024 (Unaudited)				
Acquisition costs	Expenses attributed to contracts (Direct)	Expenses attributed to contracts (Indirect)	Expenses not attributed to contracts	Total	Acquisition costs	Expenses attributed to contracts (Direct)	Expenses attributed to contracts (Indirect)	Expenses not attributed to contracts	Total
527,159	602,452	187,178	1,962,636	3,279,425	234,690	776,746	236,228	1,662,351	2,910,015
527,159	602,452	187,178	1,962,636	3,279,425	234,690	776,746	236,228	1,662,351	2,910,015

The company allocates administrative expenses and direct employee-related costs to insurance contract groups and includes them in the profitability calculation of the contract through their direct relationship with insurance portfolios. In addition the company allocates administrative and general expenses, as well as indirect employee-related costs not associated with insurance contracts, based on a number of cost centers used for allocation. These include the total underwritten insurance premiums cost center for insurance portfolios, the paid claims and pending claims cost center, and the number of employees cost center.

#### B- Shareholders' Share against Takaful Operation Management

- The Shareholders invest the surplus funds from the policyholders' account in exchange for a common share of the investment returns in their capacity as Mudarib (investment manager), at a rate of 25% for the current period, compared to a rate of 25% for the previous period.
- The Shareholders bear all general expenses and manage the insurance operations on behalf of the policyholders under an agreement (contract) based on a fee-based agency arrangement, at a rate of 15.5% for the period ended 31 March 2025. Compared to a rate of 15.5% for the period ended 31 March 2024, and applied uniformly to all insurance portfolios, including motor, marine, fire, engineering, medical, general liability, other insurance lines, and Takaful insurance. The distribution to the insurance contracts was as follows:

	31 March 2025 (Unaudited)	31 March 2024 (Unaudited)
Shareholders' share against Takaful Operation Management - allocated (Insurance Contracts Expenses).	1,316,789	1,247,664
Shareholders' share against Takaful Operation Management - not-allocated (Statement of Profit or Loss (Policyholders)).	1,962,636	1,662,351
	<b>3,279,425</b>	<b>2,910,015</b>

### 34. Employees Expenses

This item consists of the following:

	31 March 2025 (Unaudited)	31 March 2024 (Unaudited)
Salaries and bonuses	883,670	845,339
End of services indemnity	-	-
Company's contribution in social security	81,389	78,084
Medical expenses	49,578	47,948
Employee training and development	862	-
Travel and transportation	1,255	1,491
Employee vacation	-	-
<b>Total</b>	<b>1,016,754</b>	<b>972,862</b>

### **35. Related Party Transactions**

There are no contracts, projects, or engagements that the company has entered into with board members, the general manager, any employee of the company, or their relatives, except for issuing their insurance policies, which falls within the company's main activities.

The total contributions value of the underwritten insurance policies by the Jordan Islamic Bank (a major shareholder) for the three months ended at 31/3/2025 and 31/3/2024 amounted to JOD (5,369,751) and JOD (5,107,149) respectively and the contributions value underwritten for the Takaful insurance fund of the Jordan Islamic Bank during the three months at 31/3/2025 and 31/3/2024 amounted to JOD (8,748,380) and JOD (5,107,149) respectively.

The remunerations of key management (salaries, bonuses, and other benefits) are as follows:

	<b>31 March 2025 (Unaudited)</b>	<b>31 March 2024 (Unaudited)</b>
Salaries and bonuses	145,089	135,656
Transportation expenses	315	315
<b>Total</b>	<b>145,404</b>	<b>135,971</b>

### **36. General and Administrative Expenses**

This item consists of the following:

	<b>31 March 2025 (Unaudited)</b>	<b>31 March 2024 (Unaudited)</b>
Rent	7,860	7,862
Stationery and printing	7,794	6,964
Advertisements	33,529	18,856
Water, electricity and heating	15,774	24,248
Maintenance	19,658	22,618
Postage and telecommunications	2,791	3,308
Hospitality	10,451	15,085
Lawyer and legal consultancy fees	35,147	33,310
Board of directors transportation	29,350	19,880
Subscriptions	41,994	41,543
Governmental and other fees	63,803	48,648
Virtual conference and meetings expense	5,377	11,649
Professional fees	-	6,500
Media and Marketing consultancy fees	5,450	5,100
Cleaning	19,967	17,586
Insurance	3,002	3,404
Others	18,363	9,367
ISO certification expense	-	591
Expense for implementing (IFRS 17)	11,100	17,600
<b>Total</b>	<b>331,410</b>	<b>314,119</b>



**37. Other Provisions**

This item consists of the following:

	31 March 2025 (Unaudited)	31 March 2024 (Unaudited)
Provision for expected credit loss – Cash at Al Baraka Bank - Lebanon	-	330,048
Unallocated loss adjustment expense (ULAE)	29,339	-
<b>Total</b>	<b>29,339</b>	<b>330,048</b>

**38. Earnings per Share**

Earnings per share are calculated by dividing the profit for the period by the weighted average number of shares outstanding during the period, as detailed below:

	31 March 2025 (Unaudited)	31 March 2024 (Unaudited)
Profit for the period after tax	220,171	1,110,635
Weighted average number of shares	16,500,000	16,500,000
<b>Basic and diluted earnings per share</b>	<b>0.013</b>	<b>0.067</b>

**39. Cash and Cash Equivalents**

The cash and cash equivalents that appear in the statement of cash flows represent the following:

	31 March 2025 (Unaudited)	31 March 2024 (Unaudited)
Cash on hand and at banks	3,732,498	3,763,038
Add: Deposits at banks mature within (3) months	1,132,174	1,947,518
<b>Net Cash and Cash Equivalents</b>	<b>4,864,672</b>	<b>5,710,556</b>

**40. The fair value of financial assets and liabilities that is not measured at fair value in the financial statements**

There are no significant differences between book value and fair value of financial assets and liabilities that is not measured at fair value.

**41. Onerous Contracts**

Motor TPL insurance contracts are underwritten at JIF and priced by the Government, such that the pricing of TPL insurance policies does not cover the technical and administrative expenses charged to those policies, these policies were therefore classified into a single group of contracts and assessed as having a high potential to become loss-making prior to acquisition.

#### **42. Fair Value Levels:**

The following table analyzes financial instruments recorded at fair value based on the valuation method, where the different levels are defined as follows:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2: information other than the announced price included in the first level that is monitored for the asset or liability, whether directly (i.e. prices) or indirectly (i.e. derived from prices).

Level 3: Information about the asset or liability that is not based on that observed from the market (invisible information).

31/3/2025	Level One	Level Two	Level Three	Total
Financial assets at fair value through profit or loss	-	-	4,000,000	4,000,000
Financial assets at fair value through other comprehensive income	9,333,413	215,248	8,157	9,556,818
<b>Total</b>	<b>9,333,413</b>	<b>215,248</b>	<b>4,008,157</b>	<b>13,556,818</b>

31/12/2024	Level One	Level Two	Level Three	Total
Financial assets at fair value through profit or loss	-	-	4,000,000	4,000,000
Financial assets at fair value through other comprehensive income	8,548,410	247,400	8,157	8,803,967
<b>Total</b>	<b>8,548,410</b>	<b>247,400</b>	<b>4,008,157</b>	<b>12,803,967</b>

#### **43. Risks management**

##### **First: Descriptive Disclosures**

The risk management policy considered one of the most important policies which the company had set for mitigating risk surrounding its activities in order to safeguard the company's assets, shareholders equity and its financial position.

The company recognizes the importance of proactive risk management in achieving its strategic objectives. The company assumes responsibility for risk management to ensure the identification, assessment, and management of key risks. The risk management framework provides reasonable assurances for identifying and addressing significant risks.

The risk management process is designed to implement policies within the organizational hierarchy. It is viewed as an integrated, sequential process from the board of directors to the lowest management level. The primary responsibility for enterprise risk management lies with the board of directors. Accordingly, the board executes its responsibilities in overseeing the risk management policy by forming the necessary committees and delegating them to take on risk management responsibilities, preparing appropriate reports, and presenting them to the board.

##### **Enterprise Risk Management (ERM) Process**

The Enterprise Risk Management (ERM) process involves identifying uncertainties and risks that may adversely affect the company's ability to achieve its strategic objectives, evaluating these risks, managing them, and continuously reviewing risks. Periodic risk assessments are conducted in all areas in which the company operates. In addition to many other risks mentioned in the risk management policy, the following risks are considered highly significant to the company's operations, as follows:

- 1- Insurance Risks: Insurance risks represent the most significant risks faced by the company. Additionally, the company accepts risks associated with insurance and various activities arising from them, including various technical insurance coverages such as property insurance, vehicle insurance, marine insurance, and others. Based on this, insurance-related risks can be identified, including risks related to business mix, risks related to the development of insurance products, pricing risks, estimation risks of loss provisions, claims settlement risks, accumulation risks, credit risks, and others.
- 2- Investment Risks: The investments made by the company for both policy holders and shareholders are subject to regulatory constraints imposed by regulatory authorities and are based on the investment guidelines issued by the Central Bank of Jordan - Insurance Supervision Department. These guidelines require the distribution of investments across various asset classes. Moreover, there is a specific investment policy approved by the Board of Directors, outlining the investment mechanism, instruments, and methods. This policy serves as a reference for managing the company's investments. There are risks associated with investments for the cash surplus held by the company, including credit risks from the parties investing in it, market risks, and liquidity risks.
- 3- Operational and Other Risks: This category encompasses operational risks, legal and regulatory risks, governance risks, information technology risks, and others.

**C- Operational risks:**

Include system failures and human error, whether intentional or unintentional. These risks can affect the company's reputation and result in financial losses. The company takes measures to avoid these risks, such as defining responsibilities and implementing necessary procedures to obtain information from the systems used in the company, in addition to raising awareness and training employees.

**D- Legal risks:**

This type of risk arises from legal actions against the company. To mitigate these risks, the company has established an independent legal department to oversee the company's operations in compliance with the Insurance Business Regulation Law and the instructions of the Central Bank of Jordan's/Insurance Supervision Department.

**44. Analysis of Main Sectors**

**A – Background information on the Company's business segments**

For management purposes, the Company measures its insurance segments in accordance with the reports used by executive manager and the company's primary decision maker to include family takaful insurance and General insurance sector which comprise fire, accidents, marine, aviation medical, and motor insurance. This sector is the base used by the Company to disclose information related to key sectors, the mentioned sector also includes the Company's investments and cash management. The activities between the business sectors are performed based on commercial basis.

**B – Geographical distribution**

The following disclosure demonstrates geographical distribution of the Company's operations; the Company mainly conducts its operations in Jordan.

The following table shows the distribution of total revenues and capital expenditures based on their pertaining geographical distribution:

	<b>Inside Jordan</b>		<b>Outside Jordan</b>		<b>Total</b>	
	<b>Current Period</b>	<b>Previous Period</b>	<b>Current Period</b>	<b>Previous Period</b>	<b>Current Period</b>	<b>Previous Period</b>
Total revenues	10,789,395	9,859,004	-	-	10,789,395	9,859,004
Total assets	55,353,175	51,645,521	6,088,060	462,864	61,441,235	52,108,385
Capital expenditures	28,635	355,005	-	-	28,635	355,005

#### **45. Capital Management**

The subscribed and paid-up capital at the end of the period is (16.5) million dinars, distributed over (16.5) million shares with a nominal value of one Jordanian dinar per share. On March 21, 2007, the company's capital was increased from (3,600,000) dinars / shares as of December 31, 2005, by capitalizing (400) thousand dinars / shares from retained earnings and offering (4) million dinars / shares for public subscription. This was in accordance with the minimum capital requirement regulation for insurance companies issued by the Central Bank of Jordan / Insurance Supervision Department. On April 26, 2008, the company's capital was increased by capitalizing (2) million dinars / shares from the additional paid-in-capital, optional reserve, and retained earnings. On April 8, 2009, the company's capital was further increased by capitalizing (2) million dinars / shares from the optional reserve and retained earnings. Additionally, on April 4, 2017, the company's capital was raised by capitalizing (3) million dinars / shares from retained earnings. On July 23, 2024 the company's capital was increased by capitalizing (1.5) million dinars / shares from voluntary reserve. Consequently, the subscribed and paid-up capital became (16.5) million dinars / shares. In the opinion of the Board of Directors, the above-mentioned regulatory capital is considered sufficient.

	<b>31 March 2025 (Unaudited)</b>	<b>31 December 2024 (Audited)</b>
<b>Core capital items</b>		
Paid in Capital	16,500,000	16,500,000
Statutory reserve	4,248,059	4,248,059
Voluntary reserve	5,916	5,916
Al Qard Al Hasan granted by shareholders to cover policyholders' deficit	2,157,524	-
Retained earnings	3,588,766	3,368,595
Policyholders' equity	(2,136,169)	(155,738)
<b>Additional capital items</b>		
Cumulative change in fair value for financial assets through other comprehensive income	64,040	(500,598)
Solvency margin (According to the financial statements prepared in accordance with international financial reporting standard number 4 (IFRS 4))	<u><b>198%</b></u>	<u><b>246%</b></u>

#### **46. Lawsuits against the Company**

There are lawsuits filed against the Company mainly pertaining motor accidents, for which a full reserve has been taken against in the outstanding claims reserve as at 31 March 2025, in the opinion of the Company's management and its lawyer, the reserve amounting to JOD (3,314,595) considered sufficient as at 31 March 2025, (JOD (4,043,304) as at 31 December 2024).

#### **47. Contingent Liabilities**

There are no contingent liabilities that could arise after the date of financial statements.

#### **48. Subsequent Events**

No subsequent events have a material impact on the financial statements as at in 31/3/2025.

#### **49. Transaction that don't comply with the principle of Islamic sharia**

There is no transaction don't comply with the principle of Islamic sharia.

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50 . Financial statements segmented by product type

Income Statement

31 March 2025	Motors	Marine	Fire	Engineering	Medical	Responsibility insurance	Other insurance	Takaful	Total
Insurance contracts revenues	4,133,170	268,100	502,243	27,401	1,780,295	53,903	196,993	3,171,482	10,133,587
Insurance contracts expenses	4,852,402	536,848	89,037	5,521	2,006,993	63,078	31,130	1,934,528	9,519,537
<b>Insurance contract service results</b>	<b>(719,232)</b>	<b>(268,748)</b>	<b>413,206</b>	<b>21,880</b>	<b>(226,698)</b>	<b>(9,175)</b>	<b>165,863</b>	<b>1,236,954</b>	<b>614,050</b>
Reinsurance contracts held expenses	(254,482)	(157,242)	(361,312)	(18,816)	(1,140,583)	(24,634)	(108,918)	(1,330,103)	(3,396,090)
Reinsurance contracts held revenues	285,223	386,137	(14,822)	(554)	1,021,738	31,779	(5,599)	1,023,128	2,727,030
<b>Reinsurance contracts service results</b>	<b>30,741</b>	<b>228,895</b>	<b>(376,134)</b>	<b>(19,370)</b>	<b>(118,845)</b>	<b>7,145</b>	<b>(114,517)</b>	<b>(306,975)</b>	<b>(669,060)</b>
<b>Net insurance contract service results</b>	<b>(688,491)</b>	<b>(39,853)</b>	<b>37,072</b>	<b>2,510</b>	<b>(345,543)</b>	<b>(2,030)</b>	<b>51,346</b>	<b>929,979</b>	<b>(55,010)</b>
Finance (expenses) revenues from insurance contracts	(166,939)	(2,898)	(23,520)	(1,623)	(27,381)	(2,230)	(1,213)	(63,012)	(288,816)
Finance (expenses) revenues from reinsurance contracts	35,383	4,913	23,686	1,456	21,811	912	1,878	39,774	129,812
<b>Net insurance financing results</b>	<b>(131,556)</b>	<b>2,014</b>	<b>166</b>	<b>(167)</b>	<b>(5,571)</b>	<b>(1,318)</b>	<b>665</b>	<b>(23,239)</b>	<b>(159,004)</b>
Policyholders' share of investment returns	4,506	1,127	2,253	451	5,633	901	901	6,760	22,532
Policyholders' share of net Profits from financial assets and investments	9,077	2,269	4,538	908	11,346	1,815	1,815	13,615	45,384
Less: Shareholders' share against managing the investment portfolio	(3,396)	(849)	(1,698)	(340)	(4,245)	(679)	(679)	(5,094)	(16,979)
<b>Total revenues</b>	<b>(809,860)</b>	<b>(35,292)</b>	<b>42,332</b>	<b>3,362</b>	<b>(338,380)</b>	<b>(1,310)</b>	<b>54,048</b>	<b>922,021</b>	<b>(163,077)</b>
Shareholders' share against takaful operation management (not allocated)	(189,039)	60,241	(100,903)	(4,822)	(255,683)	3,007	(85,508)	(1,389,929)	(1,962,636)
Provision for expected credit losses (deposits)	(7,783)	(1,946)	(3,892)	(778)	(9,729)	(1,557)	(1,557)	(11,675)	(38,917)
<b>Total expenses</b>	<b>(196,822)</b>	<b>58,295</b>	<b>(104,795)</b>	<b>(5,600)</b>	<b>(265,412)</b>	<b>1,450</b>	<b>(87,065)</b>	<b>(1,401,604)</b>	<b>(2,001,553)</b>
<b>Policyholder's surplus(deficit) before income tax</b>	<b>(1,006,682)</b>	<b>23,003</b>	<b>(62,463)</b>	<b>(2,239)</b>	<b>(603,792)</b>	<b>140</b>	<b>(33,016)</b>	<b>(479,583)</b>	<b>(2,164,630)</b>
Income tax for the year	-	-	-	-	-	-	-	-	-
<b>Policyholder's surplus(deficit) After income tax</b>	<b>(1,006,682)</b>	<b>23,003</b>	<b>(62,463)</b>	<b>(2,239)</b>	<b>(603,792)</b>	<b>140</b>	<b>(33,016)</b>	<b>(479,583)</b>	<b>(2,164,630)</b>

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31 March 2024	Motors	Marine	Fire	Engineering	Medical	Responsibility insurance	Other insurance	Takaful	Total
Insurance contracts revenues	3,552,040	193,029	445,626	26,612	1,802,900	54,468	197,104	2,885,882	9,157,661
Insurance contracts expenses	3,412,469	349,802	74,096	22,683	1,535,790	120,922	13,471	1,992,849	7,522,080
<b>Insurance contract service results</b>	<b>139,571</b>	<b>(156,773)</b>	<b>371,530</b>	<b>3,929</b>	<b>267,110</b>	<b>(66,454)</b>	<b>183,633</b>	<b>893,033</b>	<b>1,635,581</b>
Reinsurance contracts held expenses	(254,260)	(120,433)	(322,439)	(19,149)	(1,244,397)	(25,813)	(110,510)	(1,368,548)	(3,465,549)
Reinsurance contracts held revenues	240,038	263,393	27,690	(4,393)	788,012	9,540	(2,429)	1,135,079	2,456,930
<b>Reinsurance contracts service results</b>	<b>(14,222)</b>	<b>142,960</b>	<b>(294,749)</b>	<b>(23,542)</b>	<b>(456,385)</b>	<b>(16,273)</b>	<b>(112,939)</b>	<b>(233,469)</b>	<b>(1,008,619)</b>
<b>Net insurance contract service results</b>	<b>125,349</b>	<b>(13,813)</b>	<b>76,781</b>	<b>(19,613)</b>	<b>(189,275)</b>	<b>(82,727)</b>	<b>70,694</b>	<b>659,564</b>	<b>626,962</b>
Finance (expenses) revenues from insurance contracts	(84,450)	88	(27,167)	(2,395)	(31,329)	(995)	(182)	(59,330)	(205,760)
Finance (expenses) revenues from reinsurance contracts	16,440	(173)	25,321	2,178	18,994	474	48	36,042	99,324
<b>Net insurance financing results</b>	<b>(68,010)</b>	<b>(85)</b>	<b>(1,846)</b>	<b>(217)</b>	<b>(12,335)</b>	<b>(521)</b>	<b>(134)</b>	<b>(23,288)</b>	<b>(106,436)</b>
Policyholders' share of investment returns	23,929	5,982	11,965	2,393	29,911	4,786	4,786	35,894	119,645
Policyholders' share of net Profits from financial assets and investments	5,446	1,362	2,723	545	6,808	1,089	1,089	8,169	27,231
Less: Shareholders' share against managing the investment portfolio	(7,344)	(1,836)	(3,672)	(734)	(9,180)	(1,469)	(1,469)	(11,016)	(36,719)
<b>Total revenues</b>	<b>79,370</b>	<b>(8,390)</b>	<b>85,951</b>	<b>(17,627)</b>	<b>(174,071)</b>	<b>(78,842)</b>	<b>74,966</b>	<b>669,323</b>	<b>630,682</b>
Shareholders' share against takaful operation management (not allocated)	(73,059)	54,587	(112,007)	19,127	(280,465)	67,801	(92,220)	(1,246,115)	(1,662,351)
Provision for expected credit losses (deposits)	(7,383)	(1,846)	(3,692)	(738)	(9,229)	(1,477)	(1,477)	(11,075)	(36,917)
<b>Total expenses</b>	<b>(80,442)</b>	<b>52,741</b>	<b>(115,699)</b>	<b>18,389</b>	<b>(289,694)</b>	<b>66,324</b>	<b>(93,697)</b>	<b>(1,257,190)</b>	<b>(1,699,268)</b>
<b>Policyholder's surplus(deficit) before income tax</b>	<b>(1,072)</b>	<b>44,351</b>	<b>(29,748)</b>	<b>762</b>	<b>(463,765)</b>	<b>(12,517)</b>	<b>(18,730)</b>	<b>(587,867)</b>	<b>(1,068,585)</b>
Income tax for the year	-	-	-	-	-	-	-	-	0
<b>Policyholder's surplus(deficit) After income tax</b>	<b>(1,072)</b>	<b>44,351</b>	<b>(29,748)</b>	<b>762</b>	<b>(463,765)</b>	<b>(12,517)</b>	<b>(18,730)</b>	<b>(587,867)</b>	<b>(1,068,585)</b>