



IIRA Reaffirms the Takaful Financial Strength Rating of the Islamic Insurance Company

Manama, Jun 03, 2026 —The Islamic International Rating Agency ('IIRA') has maintained the Takaful Financial Strength (TFS) rating of The Islamic Insurance Company PLC ('TIIC' or 'the Company'), Jordan at 'A+' (Single A Plus). The outlook on the assigned ratings remains 'Stable'. Islamic Insurance Company is the first takaful operator in the Hashemite Kingdom of Jordan ('Jordan' or 'the Country'). It is listed on the Amman Stock Exchange (ASE) and is licensed as a life and non-life takaful company. The Company has three branches countrywide and its gross written premium denotes 5.1% (2024: 4.8%) of the total contributions underwritten in the Jordanian market.

In response to the accelerating digitization of the insurance sector and the rise in cyber risks, the Company has implemented a proactive information security strategy centered on a newly established, independent Information Security Department, dedicated to the oversight of the cybersecurity ecosystem.

Favourable sector trends were seen in 2025 with total premiums growing by 10.2%, driven by the motor, medical and life insurance segments, which collectively dominate, accounting for 83.3% of sector premiums in 2025. Meanwhile, loss ratios fell for the year, mainly due to lower losses in Motor Third Party Liability segment underpinned by a revised pricing scheme for the same. Tough competitive dynamics constrain underwriting profitability. In a fragmented sector, momentum towards mergers has been noted in, of late. Driven by a motive to strengthen sector profitability, and in some cases due to regulatory solvency being below regulatory threshold of 150%, the merger activity is expected to maintain momentum with impetus from CBJ's incentives including tax exemptions.

TIIC's total contributions grew by 17.1% in 2025 given a 28.6% increase for the motor segment. On the other hand, family takaful and medical segments registered 10.9% and 5.7% respective growth. Over 90% of total business was driven by these three segments. For 2026, the management expects 8% growth excluding the MTPL segment for which business is allocated by a centrally administered system.

With growth, the Policyholders' Fund (PHF) achieved positive results, as there was significant improvement in combined ratio, driven by lower claims ratios for motor and medical segments. The TIIC has distributed 2% of the written premiums, i.e. JD877k, as Insurance Surplus to Policyholders during 2026 regarding the Insurance Surplus of FY 2025. On the other hand, strong investment returns and healthy business growth supported the profitability of Shareholders' Fund (SHF) also. The equity of PHF accordingly notched up to JD1.4mn, also supported by positive changes in fair value of securities, whereas the equity of SHF grew to JD27.5mn from JD24.2mn. Combined equity grew by a strong 21.1% on a YoY basis to JD28.9mn. As the growth of regulatory capital outpaced growth in required capital, TIIC's solvency ratio improved to 239% from 233%, while remaining well above the 150% CBJ requirement.

TIIC's risk profile is supported by sound reinsurance coverage provided by a diversified panel of reinsurers. The reinsurance panel is considered strong as all reinsurers are rated in the 'A' band. In 2026, there was no major change in ratings of reinsurers, nor in the capacities and limits under retakaful arrangements.

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The overall fiduciary score has been maintained in the range of '76-80', reflecting strong protection of the rights of various stakeholders. Board members have adequate experience, qualifications and expertise that are imperative for their role. There are 7 non-independent members and 4 independent members. The Company stringently complies with regulations and CBJ Governance directives. Since the induction of the new Manager in Q3'25, the Risk Management Department has been undergoing comprehensive overhaul of its risk infrastructure to ensure full alignment with international best practices and local regulatory governance requirements. By modernizing the risk management framework, TIIC aims to enhance resilience while maintaining strict compliance with evolving jurisdictional standards. Meanwhile, the apex controlling body for Shari'a governance remains the Shari'a Supervisory Board and Board Shari'a Control Committee. Under the direction of Shari'a Supervisory Board, control policies and procedures are laid down and monitored by Shari'a control committee.

Mr. Reda Amin Dahbour, who is associated with the Company since 1999, leads TIIC as the Chief Executive Officer (CEO). Under his leadership, TIIC has achieved profits for shareholders and distributed surplus to policyholders, while strengthening its position in the Jordanian insurance market, driving innovation, expanding product offerings, and maintaining competitiveness in a challenging environment. The Company streamlined its organizational structure in the year 2025 which is expected to help improve operational efficiency further. Accordingly, Mr. Yaser Altamimi is the Deputy Chief Executive Officer (DCEO) and Chief Financial & Administrative Officer (CFAO), Mr. Wisam Hamdan, Chief Operational Officer (COO), Mr. Shadi Abukhadra, and Chief Development & Support Services Officer (CDSO), Mr. Tareq Rashed report to DCEO. Thus, the Deputy CEO serves as the single point of convergence between three core pillars of business which should help keep the Company agile in a competitive Jordanian insurance market. The direct reporting of self-regulatory functions to the Board level control committees is in line with best practices.

The Company contributes to serving the local community through its various insurance activities in addition to developing and improving the insurance market in Jordan. A recent example of this was the agreement with King Hussein Cancer Foundation to provide care insurance to cover cancer treatment at the King Hussein Cancer Center and thus expanding the scope of cancer insurance coverage among the insurance products offered by TIIC to its customers. In 2025, the Company arranged several educational activities aiming to create awareness regarding the company and Islamic Cooperative Insurance Principles, both locally and abroad.

On the environmental front, TIIC sponsored the graduation ceremony for participants and recipients of the Environmental Impact Assessment Diploma. The ceremony, organized by the Jordanian Environment Society, was attended by a select group of environmental experts and stakeholders, as part of a national effort to enhance capacity in environmental protection and achieve sustainable development. This sponsorship was amongst the initiatives of TIIC to invest in specialized human resources capacity building in the field of environmental management and environmental impact assessment.

For further information on this rating announcement, please contact us at iira@iirating.com

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