شركــة التأمــين الإسلاميــة

المساهمة العامة المحدودة

إشارتنا : ت إ/م/٣٠٥/٢٠٢٥

التاريخ : ٢٠٢٥/١١/٢٧

السادة / هيئة الأوراق المالية المحترمين

السادة / بورصة عمان المحترمين

الموضوع: البيانات المالية المنتهية في ٢٠٢٥/٠٩/٣٠

بالإشارة إلى الموضوع أعلاه ، يسرنا أن نرفق طياً البيانات المالية نصف السنوية كما هي في ٣٠ ايلول ٢٠٢٥، وفقاً للمعيار الدولي لإعداد التقارير المالية رقم (١٧) (باللغة الانجليزية) مراجعة من قبل مدقق حسابات الشركة السادة المهنيون العرب، حسب الأصول.

وتفضلوا بقبول فائق الاحترام،،،

عن/ شركة التأمين الإسلامية م.ع.م.

وسام حمدان

رئيس القطاع المالي والإداري

To: Jordan Securities Commission

To: Amman Stock Exchange

Subject:

Financial Statements as at 30/09/2025

Attached the Financial Statements of The Islamic Insurance Co. as at 30/09/2025

Kindly accept our highly appreciation and respect

The Islamic Insurance Co. Plc.

Wisam Hamdan

Chief Financial & Administrative Officer

شارع وصفي التل (الجاردنز) ـ مجمع التأمين الإسلامية (٩٤) ـ تلفون ٥٦٢٠١٥١ ـ ٠٦ فاكس : ٥٦٢١٤١٤ ـ ٠٦

ص.ب (٩٤١٠٠٠) عمان ١١١٩٤ ـ الأردن

The Islamic Insurance Company

Public Shareholding Company
Amman- Jordan

Condensed Interim Financial Statements (Unaudited)

30 September 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 30 September 2025, condensed interim statement of profit or loss (Policyholders), condensed interim statement of profit or loss (Shareholders), condensed interim statement of comprehensive income (Shareholders), 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 nine months period then ended and the notes about condensed interim financial statements. 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.

29 October 2025
Amman – Jordan

Arab Professionals Public Accountants

Arab Professionals
Ibrahim Hammoudeh
License No. (606)

The Islamic Insurance Company
Public Shareholding Company
Amman-Jordan
Condensed interim statement of financial position as at 30 September 2025

(In Jordanian Dinar)

	Note	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Assets			
Investments			
Bank deposits	3	31,530,192	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	9,682,843	8,803,967
Investment properties	6	233,669	380,034
Total Investments		**45,446,704**	**39,913,152**
Cash on hand and at banks	7	3,530,236	1,848,606
Insurance contract assets	8	-	-
Reinsurance contract assets	9	10,691,174	7,494,734
Property and equipment - net	11	2,411,848	2,301,261
Intangible assets - net	12	30,615	5,483
Other assets	13	1,029,615	545,149
Al Qard Al Hasan granted by shareholders to cover policyholders' deficit	20	-	-
Total Assets		**63,140,192**	**52,108,385**
Liabilities, Policyholders' Equity and Shareholders' Equity			
Liabilities			
Insurance contract liabilities	8	35,162,505	26,521,714
Reinsurance contract liabilities	9	32,339	62,326
Accounts payable	14	2,980	26,564
Income tax provision	10	550,133	489,126
Other provisions	15	1,343,770	1,228,433
Other liabilities	16	323,128	313,988
Al Qard Al Hasan granted by shareholders to cover policyholders' deficit	20	-	-
Total Liabilities		**37,414,855**	**28,642,151**
Policyholders' Equity			
Deficiency cover reserve (Emergency Provision)	17	31,113	7,106
Cumulative change in fair value	23	129,153	(166,866)
Non-demanded surplus	18	8	4,022
Accumulated surplus (deficit)	19	96,027	-
Total Policyholders' Equity		256,301	**(155,738)**
Shareholders' Equity			
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	-	-
Cumulative change in fair value	23	387,458	(500,598)
Profit for the period after tax	24	2,568,255	-
Retained earnings	24	1,759,348	3,368,595
Total Shareholders' Equity		**25,469,036**	**23,621,972**
Total Shareholders' and Policyholders' Equity		**25,725,337**	**23,466,234**
Total Liabilities, Policyholders' Equity and Shareholders' Equity		**63,140,192**	**52,108,385**

"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 30 September 2025

(In Jordanian Dinar)

	Note	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Assets			
Investments			
Bank deposits	3	15,518,115	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	2,418,672	2,198,952
Total Investments		**18,936,787**	**16,540,524**
Cash on hand and at bank	7	2,819,584	-
Reinsurance contract assets	9	10,691,174	7,494,734
Other assets	13	329,002	354,833
Income tax provision	10	93,523	93,523
Amount due from Shareholders		2,817,345	3,240,783
Total Assets		35,687,415	**27,724,397**
Liabilities and Policyholders' Equity			
Liabilities			
Insurance contract liabilities	8	35,162,505	26,521,714
Reinsurance contract liabilities	9	32,339	62,326
Cash on hand and at banks (overdrawn accounts)	7	-	1,209,215
Other liabilities	16	236,270	86,880
Al Qard Al Hasan granted by shareholders to cover policyholders' deficit	20	-	-
Total Liabilities		**35,431,114**	**27,880,135**
Policyholders' Equity			
Deficiency cover reserve (Emergency Provision)	17	31,113	7,106
Cumulative change in fair value	23	129,153	(166,866)
Non-demanded surplus	18	8	4,022
Accumulated surplus	19	96,027	-
Total Policyholders' Equity		**256,301**	**(155,738)**
Total Liabilities and Policyholders' Equity		**35,687,415**	**27,724,397**

"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 30 September 2025

(In Jordanian Dinar)

	Note	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Assets			
Investments			
Bank deposits	3	16,012,077	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	7,264,171	6,605,015
Investment properties	6	233,669	380,034
Total Investments		**26,509,917**	**23,372,628**
Cash on hand and at bank	7	710,652	3,057,821
Property and equipment - net	11	2,411,848	2,301,261
Intangible assets - net	12	30,615	5,483
Other assets	13	700,613	190,316
Al Qard Al Hasan granted by shareholders to cover policyholders' deficit	20	-	-
Total Assets		**30,363,645**	**28,927,509**
Liabilities and Shareholders' Equity			
Liabilities			
Accounts payable	14	2,980	26,564
Income tax provision	10	643,656	582,649
Other provisions	15	1,343,770	1,228,433
Other liabilities	16	86,858	227,108
Amounts due to policyholders		2,817,345	3,240,783
Total Liabilities		**4,894,609**	**5,305,537**
Shareholders' Equity			
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	-	-
Cumulative change in fair value	23	387,458	(500,598)
Profit for the period after tax	24	2,568,255	-
Retained earnings	24	1,759,348	3,368,595
Total Shareholders' Equity		**25,469,036**	**23,621,972**
Total Liabilities and Shareholders' Equity		**30,363,645**	**28,927,509**

"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 nine months ended at 30 September 2025 (Unaudited)

(In Jordanian Dinar)

	Note	For the three months ended 30 September 2025	For the three months ended 30 September 2024	For the nine months ended 30 September 2025	For the nine months ended 30 September 2024
Revenues					
Insurance contracts revenues	25	10,913,561	9,695,109	31,209,996	27,840,697
Insurance contracts expenses	26	(10,609,977)	(7,645,097)	(27,943,556)	(24,416,499)
Insurance contracts service results		**303,584**	**2,050,012**	**3,266,440**	**3,424,198**
Reinsurance contracts held expenses	27	(3,461,413)	(3,509,934)	(10,237,227)	(10,000,166)
Reinsurance contracts held revenues	28	3,840,847	2,105,511	9,201,828	7,426,470
Reinsurance contracts service results		**379,434**	**(1,404,423)**	**(1,035,399)**	**(2,573,696)**
Net insurance service results		**683,018**	**645,589**	**2,231,041**	**850,502**
Finance expenses from insurance contracts	29	(178,853)	(222,515)	(773,141)	(720,564)
Finance revenues from reinsurance contracts	30	52,989	85,912	239,634	218,674
Net insurance financing results		**(125,864)**	**(136,603)**	**(533,507)**	**(501,890)**
Net insurance contracts service and financing results		**557,154**	**508,986**	**1,697,534**	**348,612**
Other revenues (takaful)		-	18,750	-	18,750
Policyholders' share of investment returns	31	113,434	(55,807)	570,798	556,250
Policyholders' share of the profits from financial assets and investments	32	-	-	124,173	97,005
Less: Shareholders' share against managing the investment portfolio	33	(28,359)	13,951	(173,743)	(163,314)
Total revenues		**642,229**	**485,880**	**2,218,762**	**857,303**
Shareholders' share against takaful operation management (unallocated)	33	(187,040)	(124,696)	(2,085,270)	(1,659,136)
Provision for expected credit losses (deposits)	3	9,301	-	(27,042)	(36,917)
Total expenses		**(177,739)**	**(124,696)**	**(2,112,312)**	**(1,696,053)**
Policyholders' surplus (deficit) before income tax		464,490	361,184	106,450	(838,750)
Income tax expense for the period	10	-	-	-	-
Policyholders' surplus (deficit) after income tax		**464,490**	**361,184**	**106,450**	**(838,750)**

"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 (Shareholders)
for the nine months ended at 30 September 2025 (Unaudited)

(In Jordanian Dinar)

		For the three months ended		For the nine months ended	
	Note	30 September 2025	30 September 2024	30 September 2025	30 September 2024
Revenues					
Shareholders' share against takaful operation management	33	1,333,414	1,169,588	5,628,882	4,924,336
Shareholders' share against managing the investment portfolio	33	28,359	(13,951)	173,743	163,314
Shareholders' share of investment returns	31	130,139	(154,215)	1,003,127	733,036
Shareholders' share of the profits from financial assets and investments	32	6,250	8,250	391,269	316,629
Total revenues		**1,498,162**	**1,009,672**	**7,197,021**	**6,137,315**
Employees expenses	34	922,214	826,719	2,804,033	2,598,208
Provision against Al Qard Al Hasan granted to policyholders	20	(350,934)	(361,184)	-	348,648
Administrative and general expenses	36	207,762	198,534	758,978	709,595
Other provisions	37	68,019	16,542	115,337	460,930
Depreciation & amortization		55,091	49,803	161,016	137,088
Provision for expected credit losses (deposits)	3	31,023	-	26,418	8,184
Total expenses		**933,175**	**730,414**	**3,865,782**	**4,262,653**
Profit for the period before income tax		**564,987**	**279,258**	**3,331,239**	**1,874,662**
Income tax for the period	10	(126,803)	14,085	(762,984)	(443,546)
Profit for the period		**438,184**	**293,343**	**2,568,255**	**1,431,116**
Basic and diluted earnings per share for the period	38	**0.027**	**0.018**	**0.156**	**0.087**

"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) - Takaful
for the nine months ended at 30 September 2025 (Unaudited)

(In Jordanian Dinar)

	Note	For the three months ended 30 September 2025	For the three months ended 30 September 2024	For the nine months ended 30 September 2025	For the nine months ended 30 September 2024
Revenues					
Insurance contracts revenues	25	3,408,733	3,065,718	9,736,450	8,778,941
Insurance contracts expenses	26	(2,499,549)	(899,387)	(5,668,988)	(4,306,459)
Insurance contract service results		**909,184**	**2,166,331**	**4,067,462**	**4,472,482**
Reinsurance contracts held expenses	27	(1,392,162)	(1,346,143)	(4,014,268)	(4,060,011)
Reinsurance contracts held revenues	28	1,537,794	752,114	3,866,233	2,745,302
Reinsurance contracts service results		**145,632**	**(594,029)**	**(148,035)**	**(1,314,709)**
Net insurance contract service results		**1,054,816**	**1,572,302**	**3,919,427**	**3,157,773**
Finance (expenses) revenues from insurance contracts	29	(22,293)	(64,290)	(109,214)	(133,484)
Finance revenues (expenses) from reinsurance contracts	30	14,179	48,178	69,135	80,806
Net insurance financing results		**(8,114)**	**(16,112)**	**(40,079)**	(52,678)
Others revenues takaful		-	18,750	-	18,750
Policyholders' share of investment returns	31	34,030	(16,742)	171,239	166,875
Policyholders' share of net profits from financial assets and investments	32	-	-	37,252	29,102
Less : Shareholders' share against managing the investment portfolio	33	(8,508)	4,186	(52,123)	(48,994)
Total revenues		**1,072,224**	**1,562,384**	**4,035,716**	**3,270,827**
Shareholders' share against takaful operation management (not-allocated)	33	(89,723)	(139,917)	(1,463,353)	(1,349,843)
Provision for expected credit losses (deposits)		2,790	-	(8,113)	(11,075)
Total expenses		**(86,933)**	**(139,917)**	**(1,471,466)**	**(1,360,918)**
Policyholders' surplus before income tax		985,291	1,422,467	2,564,251	1,909,909
Income tax expense for the period	10	-	-	-	-
Policyholders surplus after income tax		**985,291**	**1,422,467**	**2,564,251**	**1,909,909**

"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 nine months ended at 30 September 2025

(In Jordanian Dinar)

	For the three months ended		For the nine months ended	
	30 September 2025 (Unaudited)	30 September 2024 (Unaudited)	30 September 2025 (Unaudited)	30 September 2024 (Unaudited)
Profit for the period	438,184	293,343	2,568,255	1,431,116
Add: Other comprehensive income items:				
Shareholders' share from profit of sale of financial assets at fair value through other comprehensive income	40,753	-	40,753	-
Shareholders' share from change in fair value reserve	106,109	(36,259)	888,056	(140,444)
Total comprehensive income for the period	**585,046**	**257,084**	**3,497,064**	**1,290,672**

"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 nine months ended at 30 September 2025 (Unaudited)
(In Jordanian Dinar)

	Paid-in Capital	Statutory Reserve	Voluntary Reserve	Al Qard Al Hasan granted by shareholders' to cover policyholders' deficit	Cumulative Change in Fair Value	Retained Earnings	Total Shareholders' Equity
Balance at 1 January 2025	**16,500,000**	**4,248,059**	**5,916**	**-**	**(500,598)**	**3,368,595**	**23,621,972**
Net profit for the period	-	-	-	-	-	2,568,255	**2,568,255**
Shareholders' share from net change in fair value	-	-	-	-	888,056	-	**888,056**
Shareholders' share from profit of sale of financial assets at fair through other comprehensive income	-	-	-	-	-	40,753	**40,753**
Transfer from voluntary reserve to increase capital	-	-	-	-	-	-	**-**
Al Qard Al Hasan granted by shareholders to cover policyholders' deficit	-	-	-	-	-	-	**-**
Paid dividends	-	-	-	-	-	(1,650,000)	**(1,650,000)**
Balance at 30 September 2025	**16,500,000**	**4,248,059**	**5,916**	**-**	**387,458**	**4,327,603**	**25,469,036**
Balance at 1 January 2024	**15,000,000**	**3,954,946**	**1,505,916**	**-**	**(439,320)**	**3,101,279**	**23,122,821**
Net profit for the period	-	-	-	**-**	-	1,431,116	**1,431,116**
Shareholders' share from net change in fair value	-	-	-	-	(140,444)	-	**(140,444)**
Transfer from voluntary reserve to increase capital	1,500,000	-	(1,500,000)	-	-	-	**-**
Al Qard Al Hasan granted by shareholders to cover policyholders' deficit	-	-	-	348,648	-	-	**348,648**
Paid dividends	-	-	-	-	-	(1,500,000)	**(1,500,000)**
Balance at 30 September 2024	**16,500,000**	**3,954,946**	**5,916**	**348,648**	**(579,764)**	**3,032,395**	**23,262,141**

"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 nine months ended at 30 September 2025 (Unaudited)

(In Jordanian Dinar)

	Deficiency cover reserve* (Emergency Allowance)	Cumulative change in Fair Value	Non demanded surplus	Accumulated surplus (deficit)	Total policyholders' equity
Balance at 1 January 2025	**7,106**	**(166,866)**	**4,022**	**-**	**(155,738)**
Policyholders' surplus for the period	-	-	-	106,450	**106,450**
Transferred from deficiency cover reserve to cover the deficit	-	-	-	-	**-**
Policyholders' share from net change in fair value	-	296,019	-	-	**296,019**
Policyholders' share from profit of sale of financial assets of far through OCI	-	-	-	13,584	**13,584**
Change in non-demanded surplus	-	-	(4,014)	-	**(4,014)**
Transfer to deficiency cover reserve	24,007	-	-	(24,007)	**-**
Balance at 30 September 2025	31,113	**129,153**	**8**	**96,027**	**256,301**
Balance at 1 January 2024	**490,102**	**(146,440)**	**17,793**	**-**	**361,455**
Policyholders' deficit for the period	-	-	-	(838,750)	**(838,750)**
Transferred from deficiency cover reserve to cover the deficit	(490,102)	-	-	490,102	**-**
Policyholder' share from net change in fair value	-	(46,815)	-	-	**(46,815)**
Change in non-demanded surplus	-	-	(13,771)	-	**(13,771)**
Balance at 30 September 2024	-	**(193,255)**	**4,022**	**(348,648)**	**(537,881)**

*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 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 nine months ended at 30 September 2025 (Unaudited)

(In Jordanian Dinar)

	Note	30 September 2025	30 September 2024
Cash Flows from Operating Activities			
Profit for the period before income tax		3,437,689	1,035,912
Adjustments			
Depreciation & amortization		161,016	137,088
Unallocated loss adjustment expenses(ULAE)		115,337	130,882
Provision against Al Qard Al Hasan granted to policyholders		-	348,648
Provision for expected credit losses – deposits		52,795	45,408
Cash flows from operating activities before changes in working capital items		**3,766,837**	**1,697,938**
Reinsurance contract assets –net		(3,196,440)	(3,385,605)
Other assets		(484,466)	(300,705)
Insurance contract liabilities		8,640,791	6,649,522
Reinsurance contract liabilities		(29,987)	79,144
Accounts payable		(23,584)	(17,707)
Other liabilities		9,140	(36,050)
Non-demanded surplus		(4,014)	(13,771)
Net cash flows from operating activities before paid income tax		**8,678,277**	**4,672,766**
Income tax paid		(701,977)	(735,340)
Net cash flows from operating activities		**7,976,300**	**3,937,426**
Cash Flows from Investing Activities			
Bank deposits		(3,763,827)	(3,692,957)
Sale of financial assets at fair value through other comprehensive income		359,536	-
Purchase of property and equipment		(119,911)	(311,192)
Purchase of intangible assets		(30,460)	(3,500)
Net cash flows used in investing activities		**(3,554,662)**	**(4,007,649)**
Cash Flows from Financing Activities			
Paid dividends		(1,650,000)	(1,500,000)
Net cash flows used in financing activities		**(1,650,000)**	**(1,500,000)**
Net increase (Decrease) in cash and cash equivalents		2,771,638	(1,570,223)
Cash and cash equivalents, beginning of year		2,863,651	5,289,898
Cash and cash equivalents, end of period	39	**5,635,289**	**3,719,675**

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

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 JD 16,500,000 divided into 16,500,000 shares at JD 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 contactor'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 Company's Board of Directors in their meeting held on 29 October 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:

The New and Amended Standards and Interpretations:	Effective Date
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.

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 an active market for Jordanian government bonds, discount rates are determined based on the current risk-free discount rate (rate) in US dollars according to EIOPA, plus 1%. The additional 1% compensates 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. Although Jordanian government bonds are not traded publicly, their yields at issuance are published by the Central Bank of Jordan. Accordingly, we reviewed these yields against the risk-free rate in US dollars and confirmed the reliability of the additional 1% rate.

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 contactor'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 polices.

Separation of non-insurance components

1- The investment component:
The Company must separate the distinct investment component from the main insurance contract when the investment element is distinct, and only if the following two conditions are met:
- The investment component and the insurance component are not significantly interrelated.
- The contract is sold under equivalent terms, or can be sold, separately in the same market or jurisdiction, either by entities issuing insurance contracts or by other parties.

The investment component and the insurance component are directly linked, and only if:
- The entity is unable to measure one component without considering the other. Therefore, if the value of one component varies according to the value of the other component, the entity must apply IFRS 17 to account for the combined investment and insurance element.
- The policyholder cannot benefit from one component unless the other is also present. Therefore, if the expiration or maturity of one component of the contract causes the expiration or maturity of the other, the entity must apply IFRS 17 to account for the combined investment and insurance component.

2-Components of services and goods

The company must separate any promise to transfer distinct goods or services to the policyholder other than insurance contract services. It should account for these promises by applying IFRS 15. Accordingly:

- Separate the inflows between the insurance component and any promises to deliver distinct goods or services other than insurance contract services.
- Separate the outflows between the insurance component and any promised goods or services other than insurance contract services, so that:

1. The outflows directly related to each component are attributed to that component.

2. Any outflows are attributed on a consistent and rational basis, reflecting the outflows that the entity expects to arise as if this component were a separate contract.

A good or service other than the insurance contract promised to the policyholder is not distinct if:

- The cash flows and risks associated with the good or service are closely related to the cash flows and risks associated with the insurance components in the contract.
- The entity provides a significant service in integrating the good or service with the insurance components.

Classify contracts that have the legal form of insurance but do not transfer significant insurance risk and expose the company to financial risks as investment contracts and follow financial instrument accounting under IFRS 9, since the company does not issue any investment or savings insurance contracts.
The company defines an insurance contract with direct participation features as a contract that meets the following criteria at inception:

- The contractual terms specify that policyholders participate in a share of a clearly identified pool of underlying items.
- The company expects to pay the policyholder an amount equal to a substantial share of the returns from the fair value of the underlying items.
- The company expects that a substantial portion of any change in the amounts to be paid to the policyholder will vary with changes in the fair value of the underlying items.

All other insurance contracts issued by the company do not have direct participation features.

In the normal course of business, the company uses reinsurance to mitigate its risk exposure. A reinsurance contract transfers significant risk if it substantially transfers all insurance risks resulting from the reinsured portion of the underlying insurance contracts, even if it does not expose the reinsurer to the likelihood of significant loss.

All references to insurance contracts in these financial statements apply to issued insurance contracts and retained 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 circumcenters 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:

The portfolio	Contract classification	Measurement approach.
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:

The portfolio	Measurement approach.
Motors Insurance (Proportional treaty)	GMM eligible to PAA
Motors Insurance (Non-proportional treaty)	PAA
Marine Insurance (Proportional treaty)	GMM eligible to PAA
Marine Insurance (Non-proportional treaty)	PAA
Fire Insurance (Proportional treaty)	GMM eligible to PAA
Fire Insurance (Non-proportional treaty)	PAA
General Insurance (Proportional treaty)	GMM eligible to PAA
Engineering Insurance (Proportional treaty)	GMM eligible to PAA
Medical Insurance (Proportional treaty)	GMM eligible to PAA
Takaful Insurance (Proportional treaty)	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 contacts.

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 cumulative change in fair vlaue 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 local insurance company receivables balances have been taken, as its solvency margin 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 Al Qard Al Hasan 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 deficiency cover reserve (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 non-demand surplus of prior periods (if any) will be distributed to charity after the settlement of Al Qard Al Hasan.

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 Al Qard Al Hasan to cover all the shortage, and then company create full allowance against this Qrad.

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' supervisory 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' supervisory Committee, as follow:

30% Company share from Gross written contributions as Wakala Fees against mange Takaful operation to cover administrative expenditures.
25% Company share from surplus Investment revenue as mudhareb

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

16% Company share from Gross written contributions as Wakala Fees against mange Takaful operation to cover administrative expenditures.
25% Company share from surplus Investment revenue as mudhareb.

The mentioned percentage above have been applied in the condensed interim financial statement as of 30 September 2025.

3. Bank Deposits

	30 September 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
Inside Jordan										
Jordan Islamic Bank	950,000	-	-	-	2,000,000	8,086,610	**2,950,000**	**8,086,610**	**3,000,000**	**6,180,340**
Islamic international Arab Bank	1,120,000	-	-	-	-	8,000,000	**1,120,000**	**8,000,000**	**-**	**7,255,354**
Safwa Islamic Bank	36,311	-	-	-	5,465,559	-	**5,501,870**	**-**	**5,368,285**	**-**
AlRajhi Bank	-	-	-	-	6,000,000	-	**6,000,000**	**-**	**5,000,000**	**-**
Total Bank Deposits Inside Jordan	**2,106,311**	**-**	**-**	**-**	**13,465,559**	**16,086,610**	**15,571,870**	**16,086,610**	**13,368,285**	**13,435,694**
Outside Jordan										
Al Baraka Islamic Bank – Bahrain	-	-	-	-	-	-	**-**	**-**	**-**	**-**
Total Bank Deposits Outside Jordan	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**2,106,311**	**-**	**-**	**-**	**13,465,559**	**16,086,610**	**15,571,870**	**16,086,610**	**13,368,285**	**13,435,694**
Provision for expected credit losses *	(1,258)	-	-	-	(52,497)	(74,533)	**(53,755)**	**(74,533)**	**(26,713)**	**(48,115)**
Net	**2,105,053**	**-**	**-**	**-**	**13,413,062**	**16,012,077**	**15,518,115**	**16,012,077**	**13,341,572**	**13,387,579**

- 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 4% to 5.7% for bank deposits for the nine-month ended 30/9/2025.
- Deposits pledged to the favor of the Governor of the Central Bank of Jordan amounted to JOD (800,000) as at 30 September 2025 at Jordan Islamic Bank.

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

	30 September 2025 (Unaudited)		31 December 2024 (Audited)	
	Policyholders	Shareholders	Policyholders	Shareholders
Balance at beginning of the year	26,713	48,115	16,366	53,095
Additions	27,042	26,418	10,347	-
Transfer to the provision for expected credit losses – Cash at bank	-	-	-	-
Disposals	-	-	-	(4,980)
Balance at end of the period	**53,755**	**74,533**	**26,713**	**48,115**

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

	30 September 2025 (Unaudited)		31 December 2024 (Audited)	
Inside Jordan	**Policyholders**	**Shareholders**	**Policyholders**	**Shareholders**
Investment portfolios *	1,000,000	3,000,000	1,000,000	3,000,000
Total	**1,000,000**	**3,000,000**	**1,000,000**	**3,000,000**

*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

	30 September 2025 (Unaudited)		31 December 2024 (Audited)	
Inside Jordan	**Policyholders**	**Shareholders**	**Policyholders**	**Shareholders**
Investments in quoted shares	2,363,762	7,091,284	2,137,102	6,411,308
Investments in unquoted shares*	54,910	164,730	61,850	185,550
Total	**2,418,672**	**7,256,014**	**2,198,952**	**6,596,858**

	30 September 2025 (Unaudited)		31 December 2024 (Audited)	
Outside Jordan	**Policyholders**	**Shareholders**	**Policyholders**	**Shareholders**
Investments in quoted shares	-	-	-	-
Investments in unquoted shares*	-	8,157	-	8,157
Total	-	8,157	-	8,157
Grand total	**2,418,672**	**7,264,171**	**2,198,952**	**6,605,015**

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

6 . Investment properties

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Buildings	400,000	400,000
Transferred to building - property and equipment	(150,000)	-
Accumulated depreciation	(16,331)	(19,966)
Net	**233,669**	**380,034**

The fair value of the investment properties as assessed by real estate appraiser equals to an amount of JOD (250,000) as at 31/12/2024 for the occupied space used for investment purposes after converting part of this space for use in the company’s core operations, according to instruction issued from central bank.

7 . Cash on hand and at banks

	30 September 2025 (Unaudited)		31 December 2024 (Audited)	
	Policyholders	**Shareholders**	**Policyholders**	**Shareholders**
Cash on hand	18,958	-	9,401	-
Current banks accounts	2,800,626	3,951,125	(1,218,616)	6,298,294
Total	**2,819,584**	**3,951,125**	**(1,209,215)**	**6,298,294**
Provision for expected credit losses	-	(3,240,473)	-	(3,240,473)
Total Provision for expected credit losses	**-**	**(3,240,473)**	**-**	**(3,240,473)**
Total	**2,819,584**	**710,652**	**(1,209,215)**	**3,057,821**

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

	30 September 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	-	-	-	-
Balance at end of the period	**-**	**3,240,473**	**-**	**3,240,473**

8 . Insurance contract Assets /liabilities – Premium Allocation Approach

	Liabilities for remaining coverage				liabilities for incurred claims				Total	
	30/9/2025	31/12/2024	30/9/2025	31/12/2024	30/9/2025	31/12/2024	30/9/2025	31/12/2024	30/9/2025	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	-	-	-	-	-	-	-	-	-	-
Net of insurance contracts liabilities (assets) at the 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 Contract revenues	**(31,209,996)**	**(37,340,289)**	**-**	**-**	**-**	**-**	**-**	**-**	**(31,209,996)**	**(37,340,289)**
Insurance Contract expenses	**1,264,552**	**1,148,461**	**(255,013)**	**525,731**	**26,665,335**	**30,446,029**	**268,682**	**(22,657)**	**27,943,556**	**32,097,564**
Incurred claims net of recoveries	-	-	-	-	22,985,401	29,135,782	-	-	**22,985,401**	**29,135,782**
Changes that relate to past service: changes related to LFIC	-	-		-	136,322	(3,031,745)	-	-	**136,322**	**(3,031,745)**
Changes in onerous contract	-	-	(255,013)	525,731	-	-	-	-	**(255,013)**	**525,731**
Changes in risk adjustment –insurance contract	-	-	-	-	-	-	268,682	(22,657)	**268,682**	**(22,657)**
Amortization of insurance acquisition cost	468,214	512,653	-	-	-	-	-	-	**468,214**	**512,653**
Other technical expenses	796,338	635,808	-	-	-	-	-	-	**796,338**	**635,808**
Employee Exp. (Sh. Takaful Operation Management)	-	-	-	-	2,765,462	3,457,571	-	-	**2,765,462**	**3,457,571**
Management Exp. (Sh. Takaful Operation Management)	-	-	-	-	778,150	884,421	-	-	**778,150**	**884,421**
Insurance Contract service results	**(29,945,444)**	**(36,191,828)**	**(255,013)**	**525,731**	**26,665,335**	**30,446,029**	**268,682**	**(22,657)**	**(3,266,440)**	**(5,242,725)**
Finance (expenses) from insurance contract	-	-	189,433	206,667	583,708	464,438	-	-	**773,141**	**671,105**
Net change – Other Comprehensive Income	**(29,945,444)**	**(36,191,828)**	**(65,580)**	**732,398**	**27,249,043**	**30,910,467**	**268,682**	**(22,657)**	**(2,493,299)**	**(4,571,620)**
Cash received from underwritten contracts	35,631,386	37,984,779	-	-	-	-	-	-	**35,631,386**	**37,984,779**
Paid claims	-	-	-	-	(19,693,930)	(24,026,801)	-	-	**(19,693,930)**	**(24,026,801)**
Paid acquisition cost	(463,416)	(569,471)	-	-	-	-	-	-	**(463,416)**	**(569,471)**
Paid other technical expenses	(796,338)	(635,808)		-	-	-	-	-	**(796,338)**	**(635,808)**
Paid Employee and management Exp (Sh. Takaful Operation Management)	**-**	**-**	**-**	**-**	(3,543,612)	(4,341,992)	-	**-**	**(3,543,612)**	**(4,341,992)**
Insurance contracts liabilities at the end of the period	**9,396,874**	**4,970,686**	**1,757,387**	**1,822,967**	**22,640,619**	**18,629,118**	**1,367,625**	**1,098,943**	**35,162,505**	**26,521,714**
Insurance contracts (assets) at the end of the period	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net of insurance contracts liabilities (assets) at the end of the period	**9,396,874**	**4,970,686**	**1,757,387**	**1,822,967**	**22,640,619**	**18,629,118**	**1,367,625**	**1,098,943**	**35,162,505**	**26,521,714**

8 . (A) Accounts Receivables – Insurance operations

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Policyholders receivables	4,979,999	4,411,094
Employees receivables	14,832	11,330
Total	**4,994,831**	**4,422,424**
Less: Allowance for doubtful debts *	-	(51,042)
Less: Provision for expected credit losses **	(759,747)	(583,784)
Net Accounts Receivable related to insurance operation	**4,235,084**	**3,787,598**

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:

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Balance at beginning of the year	51,042	174,289
Unneeded provision	(51,042)	(123,247)
Balance at end of the period	**-**	**51,042**

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

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Balance at beginning of the year	583,784	480,601
Additions	175,963	103,183
Balance at end of the period	**759,747**	**583,784**

The aging of accounts receivables is as follows:

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Past due from 0-30 days	2,427,312	2,240,015
Past due from 31-90 days	1,152,486	1,020,175
Past due from 91-180 days	402,228	289,383
Past due from 181-365 days	410,034	369,193
Past due for more than one year	602,771	503,658
Total	**4,994,831**	**4,422,424**

8 . (B) Cheques under collection – Insurance Operations

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Cheques under collection	1,211,084	1,513,064
Less: Provision for expected credit losses **	(5,049)	(7,822)
Net cheques under collection related insurance operation	**1,206,035**	**1,505,242**

This item represents cheques 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:

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Balance at beginning of the year	7,822	7,822
Additions	-	-
Disposals	(2,773)	
Balance at end of the period	**5,049**	**7,822**

The aging of cheques under collection is as follows:

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Past due from (0-6) months	936,253	1,045,466
Past due from (7-12) months	274,831	467,598
Past due for more than (12) months	-	-
Total	**1,211,084**	**1,513,064**

8 . (C) Accounts Payable – Insurance Operations

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Individual payable	58,914	115,637
Companies payable	46,681	60,378
Institutions payable	18,696	2,811
Garages station & suppliers Co. payable	181,813	15,026
Other payables (Medical care, takaful, other)	204,373	94,835
Agents payables (Accrued commission)	144,083	113,429
Medical and pending cheques	118,525	59,458
Total accounts payable related to insurance operation	**773,085**	**461,574**

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

9 . Reinsurance contract Assets /liabilities – Premium Allocation Approach

	Liabilities for remaining coverage				liabilities for incurred claims				Total	
	30/9/2025	31/12/2024	30/9/2025	31/12/2024	30/9/2025	31/12/2024	30/9/2025	31/12/2024	30/9/2025	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)**
Net of reinsurance contracts liabilities (assets) at the beginning of the period	**2,051,891**	**4,123,865**	**(112,842)**	**(99,854)**	**(8,800,895)**	**(8,379,144)**	**(570,562)**	**(552,788)**	**(7,432,408)**	**(4,907,921)**
Reinsurance Contract held expenses	**10,237,227**	**13,396,708**	**-**	**-**	**-**	**-**	**-**	**-**	**10,237,227**	**13,396,708**
Reinsurance Contract held revenues	**-**	**-**	**(417)**	**(12,988)**	**(9,012,863)**	**(9,294,247)**	**(188,548)**	**(17,774)**	**(9,201,828)**	**(9,325,009)**
Recovered incurred claims from reinsurer	-	-	-	-	(8,411,787)	(8,928,499)	-	-	**(8,411,787)**	**(8,928,499)**
Change in loss recovery component	-	-	(417)	(12,988)	-	-	-	-	**(417)**	**(12,988)**
Changes in non-financial risk adjustment	-	-	-	-	-	-	(188,548)	(17,774)	**(188,548)**	**(17,774)**
Profit commission due from reinsurer	-	-	-	-	(601,076)	(365,748)	-	-	**(601,076)**	**(365,748)**
Insurance service results	**10,237,227**	**13,396,708**	**(417)**	**(12,988)**	**(9,012,863)**	**(9,294,247)**	**(188,548)**	**(17,774)**	**1,035,399**	**4,071,699**
Finance (revenues) from insurance contracts held	-	-	-	-	(239,634)	(282,459)	-	-	**(239,634)**	**(282,459)**
Net change- Other Comprehensive Income	**10,237,227**	**13,396,708**	**(417)**	**(12,988)**	**(9,252,497)**	**(9,576,706)**	**(188,548)**	**(17,774)**	**795,765**	**3,789,240**
Paid reinsurers' share from premium	(11,689,819)	(15,468,682)	-	-	-	-	-	-	**(11,689,819)**	**(15,468,682)**
Received claims recovery from reinsurer	-	-	-	-	7,066,551	8,789,207	-	-	**7,066,551**	**8,789,207**
Received profit commission	-	-	-	-	601,076	365,748	-	-	**601,076**	**365,748**
Reinsurance contracts liabilities at the end of the period	**32,339**	**62,326**	**-**	**-**	**-**	**-**	**-**	**-**	**32,339**	**62,326**
Reinsurance contracts (assets) at the end of the period	**566,960**	**1,989,565**	**(113,259)**	**(112,842)**	**(10,385,765)**	**(8,800,895)**	**(759,110)**	**(570,562)**	**(10,691,174)**	**(7,494,734)**
Net of reinsurance contracts (assets) liabilities at the end of the period	**599,299**	**2,051,891**	**(113,259)**	**(112,842)**	**(10,385,765)**	**(8,800,895)**	**(759,110)**	**(570,562)**	**(10,658,835)**	**(7,432,408)**

9 . (A) Accounts Receivables (Reinsurance contract held)

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Reinsurance contract held assets (Local)	213,015	197,713
Reinsurance contract held assets (Foreign)	31,424	454,573
Total Receivables related to reinsurance operation	**244,439**	**652,286**
Provision for performance risks	(24,394)	(24,394)
Provision for expected credit losses**	(117,105)	(140,780)
Net receivables related to reinsurance operations	**102,940**	**487,112**

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 on the provision for performance risks is as follows:

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Balance at beginning of the year	24,394	24,394
Additions	-	-
Disposal	-	-
Balance at end of the period	**24,394**	**24,394**

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

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Balance at beginning of the year	140,780	142,859
Additions	-	-
Disposal	(23,675)	(2,079)
Balance at end of the period	**117,105**	**140,780**

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

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Past due from 31-90 days	109,134	513,844
Past due from 91-180 days	15,690	2,290
Past due from 181-365 days	5,810	3,650
Past due for more than one year	113,805	132,502
Total	**244,439**	**652,286**

9 . (B) Accounts payable (Reinsurance contract held)

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Reinsurance contract held assets – (Local)	411,092	788,540
Reinsurance contract held assets – (Foreign)	3,954,699	3,166,587
Total accounts payable related to reinsurance operation	**4,365,791**	**3,955,127**

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

Income tax provision

The movement on income tax provision is as follow:

	30 September 2025 (Unaudited)		31 December 2024 (Audited)	
	Policyholders	Shareholders	Policyholders	Shareholders
Balance at beginning of the year	(93,523)	582,649	146,997	583,683
Income tax paid	-	(701,977)	(240,520)	(816,731)
Income tax expense for the period	-	762,984	-	815,697
Balance at end of the period	**(93,523)**	**643,656**	**(93,523)**	**582,649**

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

	30 September 2025 (Unaudited)		31 December 2024 (Audited)	
	Policyholders	Shareholders	Policyholders	Shareholders
Income tax expense for the period	-	762,984	-	815,697
Total	**-**	**762,984**	**-**	**815,697**

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

	30 September 2025 (Unaudited)		31 December 2024 (Audited)	
	Policyholders	Shareholders	Policyholders	Shareholders
Accounting (loss) profit (Policyholders and shareholders)	106,450	3,331,239	(482,996)	2,876,126
Non-taxable revenues	(2,695,174)	(500,650)	(3,085,570)	(36,820)
Non-deductible expenses	2,588,724	103,965	3,568,566	297,990
Taxable profit	**-**	**2,934,554**	**-**	**3,137,296**
Income tax of the period	**-**	**762,984**	**-**	**815,697**
Effective income tax rate	**26%**	**26%**	**26%**	**26%**

- 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 30/9/2025.
- 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 2024 and 2023 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 nine months ended 30 September 2025 was calculated in accordance with the Income Tax Law.

11. Property and equipment – net

	Buildings	Equipment and Furniture	Vehicles	Computer Devices	Total
Cost					
Balance as at 1/1/2025	2,474,274	795,285	233,101	537,809	**4,040,469**
Additions	141,025	74,514	-	44,796	**260,335**
Disposals	-	-	-	-	**-**
Balance as at 30/9/2025	2,615,299	869,799	233,101	582,605	**4,300,804**
Accumulated depreciation					
Balance as at 1/1/2025	590,819	632,054	102,335	414,000	**1,739,208**
Depreciation for the period	37,909	38,659	17,772	55,408	**149,748**
Disposals	-	-	-	-	**-**
Balance as at 30/9/2025	628,728	670,713	120,107	469,408	**1,888,956**
Net book value as at 30/9/2025	**1,986,571**	**199,086**	**112,994**	**113,197**	**2,411,848**
Cost					
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**
Accumulated depreciation					
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**
Net book value as at 31/12/2024	**1,883,455**	**163,231**	**130,766**	**123,809**	**2,301,261**

12. Intangible Assets

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
	Software	Software
Balance at the beginning of the year	5,483	9,577
Additions	30,460	3,500
Amortization	(5,328)	(7,594)
Balance at the end of the period	**30,615**	**5,483**

13. Other Assets

	30 September 2025 (Unaudited)		31 December 2024 (Audited)	
	Policyholders	Shareholders	Policyholders	Shareholders
Prepaid expenses	-	37,531	-	73,266
Prepaid income tax	59,002	319,515	-	-
Refundable deposit	-	13,567	-	15,531
Accrued revenues	270,000	330,000	354,833	90,269
Advance payments on account of electronic archiving	-	-	-	11,250
Total	**329,002**	**700,613**	**354,833**	**190,316**

14. Accounts Payable

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Advertising and other payables	2,980	26,564
Total	**2,980**	**26,564**

15. Other Provisions

	30 September 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)	733,085	617,748
Total	**1,343,770**	**1,228,433**

The following table presents the movement in the various provisions.

	Balance at beginning of the year	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	115,337	-	**733,085**
Total	**1,228,433**	**115,337**	**-**	**1,343,770**

16. Other liabilities

	30 September 2025 (Unaudited)		31 December 2024 (Audited)	
	Policyholders	**Shareholders**	**Policyholders**	**Shareholders**
Ministry of finance deposits	130,140	21,799	51,802	438
Others dues	-	8,697	-	8,143
Health insurance fund	-	(3,418)	-	84,000
Shareholders dues	-	8,247	-	8,587
Board of directors' remunerations	-	2,969	-	57,491
Central bank dues	100,976	-	29,811	-
Deposit for the policyholders Guarantee fund	5,154	-	5,267	-
Unearned rent revenues	-	6,250	-	25,000
Social security dues	-	42,314	-	43,449
Total	**236,270**	**86,858**	**86,880**	**227,108**

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.

The movement on the Deficiency Cover Reserve (Emergency Provision) is as follow:

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Balance at beginning of the year	7,106	490,102
Add: transfer to deficiency cover reserve	24,007	
Less: Transfer from deficiency cover reserve to cover the deficit	-	(482,996)
Balance at end of the period	**31,113**	**7,106**

18. Non-Demanded Surplus

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Balance at beginning of the year	4,022	17,793
Less: Distributions to charity	(4,014)	(13,771)
Balance at end of the period	**8**	**4,022**

19. Accumulated Surplus (Deficit)

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Balance at beginning of the year	-	-
Add: Surplus (deficit) of the period for the Takaful policyholders'	106,450	(482,996)
Less: Transfer to deficiency cover reserve	(24,007)	-
Add: Transfer from deficiency cover reserve to cover the deficit	-	482,996
Add: policyholders' share from profit of sale of financial assets at fair value through other comprehensive income	13,584	-
Balance at end of the period	**96,027**	**-**

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

	30 September 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	-	-
Balance at end of the period	**-**	**-**

21. Paid-in Capital

The Company's authorized, subscribed and paid-in capital at the end of the period is JOD (16,500,000) divided equally into (16,500,000) shares with a par value of JOD (1) each.

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. This reserve is available for distribution to shareholders, it's used for purposes determined by the Board of Director and General Assembly has the right to distribute it as dividend 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:

Shareholders	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Balance at beginning of the year	(500,598)	(439,320)
Net change in fair value during the period	888,056	(61,278)
Balance at end of the period	**387,458**	**(500,598)**

Policyholders	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Balance at beginning of the year	(166,866)	(146,440)
Net change in fair value during the period	296,019	(20,426)
Balance at end of the period	**129,153**	**(166,866)**

The cumulative change in fair value as 30 September 2025 and 31 December 2024 amounted to JOD 516,611 and JOD (667,464) respectively.

24. Retained Earnings

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Balance at beginning of the year	3,368,595	3,101,279
Less: Paid dividends	(1,650,000)	(1,500,000)
Add: Profit for the period	2,568,255	2,060,429
Add: shareholder share from profit of sale of financial assets at fair value through other comprehensive income	40,753	-
Less: Transferred to reserves	-	(293,113)
Balance at end of the period	**4,327,603**	**3,368,595**

25. Insurance Contracts Revenues

	Motors (Unaudited)		**Marine (Unaudited)**		**Fire (Unaudited)**		**Engineering (Unaudited)**		**Medical (Unaudited)**		**Responsibility Insurance (Unaudited)**		**Other Insurance (Unaudited)**		**Takaful (Unaudited)**		**Total (Unaudited)**	
	30 /9/2025	**30 /9/2024**	**30 /9/2025**	**30 /9/2024**	**30 /9/2025**	**30 /9/2024**	**30 /9/2025**	**30 /9/2024**	**30 /9/2025**	**30 /9/2024**	**30 /9/2025**	**30 /9/2024**	**30 /9/2025**	**30 /9/2024**	**30 /9/2025**	**30 /9/2024**	**30 /9/2025**	**30 /9/2024**
Change in insurance contract liabilities against the remaining coverage	12,850,061	10,624,077	823,707	641,922	1,403,022	1,319,313	77,496	81,995	5,070,864	5,164,485	161,948	155,805	574,258	588,503	9,639,489	8,690,297	**30,600,845**	**27,266,397**
Policy issuance fees	327,521	300,237	18,498	15,628	33,379	32,112	1,870	2,002	108,707	113,320	7,350	7,194	14,865	15,163	96,961	88,644	**609,151**	**574,300**
Total Insurance Contracts Revenues	**13,177,582**	**10,924,314**	**842,205**	**657,550**	**1,436,401**	**1,351,425**	**79,366**	**83,997**	**5,179,571**	**5,277,805**	**169,298**	**162,999**	**589,123**	**603,666**	**9,736,450**	**8,778,941**	**31,209,996**	**27,840,697**

26. Insurance Contracts Expenses

	Motors (Unaudited)		Marine (Unaudited)		Fire (Unaudited)		Engineering (Unaudited)		Medical (Unaudited)		Responsibility Insurance (Unaudited)		Other Insurance (Unaudited)		Takaful (Unaudited)		Total (Unaudited)	
	30 /9/2025	30 /9/2024	30 /9/2025	30 /9/2024	30 /9/2025	30 /9/2024	30 /9/2025	30 /9/2024	30 /9/2025	30 /9/2024	30 /9/2025	30 /9/2024	30 /9/2025	30 /9/2024	30 /9/2025	30 /9/2024	30 /9/2025	30 /9/2024
Incurred claims net of recoveries	12,382,493	10,592,950	1,481,693	300,245	48,216	110,905	6,206	(2,986)	4,013,356	5,069,621	125,322	148,716	113,720	56,582	4,950,717	3,740,365	**23,121,723**	**20,016,398**
Amortization of insurance acquisition cost	408,304	327,779	15,270	10,148	29,373	21,418	572	706	10,649	10,969	3,823	4,283	223	238	-	-	**468,214**	**375,541**
Loss onerous contract	1,360,050	728,266	-	-	-	-	-	-	397,337	575,893	-	-	-	-	-	-	**1,757,387**	**1,304,159**
Recovered amount from Onerous Contracts loss	(1,652,174)	(815,503)	-	-	-	-	-	-	(360,226)	(477,586)	-	-	-	-	-	-	**(2,012,400)**	**(1,293,089)**
Non-financial risk adjustment	570,945	647,851	176,156	44,982	205,454	230,549	13,416	15,964	113,843	116,184	27,728	18,055	7,358	9,836	252,725	264,967	**1,367,625**	**1,348,388**
Recovered amount from Non-financial risk adjustments	(505,763)	(472,819)	(25,565)	(5,259)	(205,896)	(244,057)	(13,235)	(19,444)	(123,049)	(126,510)	(18,556)	(21,110)	(11,085)	(3,213)	(195,794)	(229,188)	**(1,098,943)**	**(1,121,600)**
Employee Exp. (Shareholders' share against Takaful Operation Management-allocated)	1,000,415	986,489	228,859	204,633	204,703	176,351	11,663	9,941	878,828	814,770	31,618	14,242	52,821	58,793	356,555	293,986	**2,765,462**	**2,559,205**
Management Exp. (Shareholders' share against Takaful Operation Management - allocated)	288,924	274,956	54,457	47,952	49,202	42,212	2,844	3,778	252,731	229,408	8,860	5,181	13,502	15,880	107,630	86,628	**778,150**	**705,995**
Other technical expenses	438,511	293,700	10,088	3,612	22,399	12,373	936	771	116,370	56,608	2,336	903	8,543	3,834	197,155	149,701	**796,338**	**521,502**
Total insurance contracts expenses	**14,291,705**	**12,563,669**	**1,940,958**	**606,313**	**353,451**	**349,751**	**22,402**	**8,730**	**5,299,839**	**6,269,357**	**181,131**	**170,270**	**185,082**	**141,950**	**5,668,988**	**4,306,459**	**27,943,556**	**24,416,499**

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)	
	30 /9/2025	30 /9/2024	30 /9/2025	30 /9/2024	30 /9/2025	30 /9/2024	30 /9/2025	30 /9/2024	30 /9/2025	30 /9/2024	30 /9/2025	30 /9/2024	30 /9/2025	30 /9/2024	30 /9/2025	30 /9/2024	30 /9/2025	30 /9/2024
Change in reinsurance contract liabilities against the remaining coverage and issuance fee	(796,613)	(757,468)	(508,977)	(376,972)	(1,068,116)	(981,779)	(54,498)	(57,835)	(3,390,895)	(3,350,512)	(77,515)	(77,393)	(326,345)	(338,196)	(4,014,268)	(4,060,011)	**(10,237,227)**	**(10,000,166)**
Other expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**	**-**
Total reinsurance contracts expenses	**(796,613)**	**(757,468)**	**(508,977)**	**(376,972)**	**(1,068,116)**	**(981,779)**	**(54,498)**	**(57,835)**	**(3,390,895)**	**(3,350,512)**	**(77,515)**	**(77,393)**	**(326,345)**	**(338,196)**	**(4,014,268)**	**(4,060,011)**	**(10,237,227)**	**(10,000,166)**

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)	
	30 /9/2025	30 /9/2024	30 /9/2025	30 /9/2024	30 /9/2025	30 /9/2024	30 /9/2025	30 /9/2024	30 /9/2025	30 /9/2024	30 /9/2025	30 /9/2024	30 /9/2025	30 /9/2024	30 /9/2025	30 /9/2024	30 /9/2025	30 /9/2024
Recovered incurred claims from reinsurance	758,663	760,441	1,340,013	297,414	53,223	135,862	4,718	(701)	2,798,119	3,210,790	91,833	107,342	107,899	53,776	3,257,319	2,711,819	**8,411,787**	**7,276,743**
Loss of onerous contracts	-	-	-	-	-	-	-	-	113,259	172,050	-	-	-	-	-	-	**113,259**	**172,050**
Recovered amount from Onerous Contracts loss	-	-	-	-	-	-	-	-	(112,842)	(99,854)	-	-	-	-	-	-	**(112,842)**	**(99,854)**
Non-financial risk adjustment	116,029	82,393	166,917	43,840	201,879	219,022	13,327	14,368	79,604	79,834	8,717	9,751	13,216	8,230	159,421	172,881	**759,110**	**630,319**
Recovered amount from Non-financial risk adjustments	(104,893)	(66,946)	(24,843)	(4,702)	(202,071)	(237,734)	(13,161)	(19,121)	(86,100)	(75,906)	(7,249)	(7,940)	(8,776)	(1,041)	(123,469)	(139,398)	**(570,562)**	**(552,788)**
Other revenues	-	-	28,114	-	-	-	-	-	-	-	-	-	-	-	572,962	-	**601,076**	**-**
Total reinsurance contracts revenues	**769,799**	**775,888**	**1,510,201**	**336,552**	**53,031**	**117,150**	**4,884**	**(5,454)**	**2,792,040**	**3,286,914**	**93,301**	**109,153**	**112,339**	**60,965**	**3,866,233**	**2,745,302**	**9,201,828**	**7,426,470**

29. Finance Revenues (Expenses) From Insurance Contracts

	30 September 2025 (Unaudited)	30 September 2024 (Unaudited)
Finance revenues (expenses)	(773,141)	(720,564)
Total	**(773,141)**	**(720,564)**

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 (4.25% - 5.04%) for the period ending 30/9/2025, compared to (4.36% - 5.25%) for the period ending 30/9/2024.

30. Finance Revenues (Expenses) From Reinsurance Contracts

	30 September 2025 (Unaudited)	30 September 2024 (Unaudited)
Finance revenues (expenses)	239,634	218,674
Total	**239,634**	**218,674**

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 (4.25% - 5.04%) for the period ending 30/9/2025, compared to (4.36% - 5.25%) for period ending 30/9/2024.

31. Investment Returns

	30 September 2025 (Unaudited)		30 September 2024 (Unaudited)	
	Policyholders	Shareholders	Policyholders	Shareholders
Profits from deposits	545,298	926,627	530,000	654,286
Gain from financial assets at fair value through profit or loss	25,500	76,500	26,250	78,750
Total	**570,798**	**1,003,127**	**556,250**	**733,036**

32. Net Profit from Financial Assets and Investments

	30 September 2025 (Unaudited)		30 September 2024 (Unaudited)	
	Policyholders	Shareholders	Policyholders	Shareholders
Dividends income	124,173	372,519	97,005	291,879
Rent revenues	-	18,750	-	24,750
Total	**124,173**	**391,269**	**97,005**	**316,629**

33. Shareholders' Share against Takaful Operation Management

A. This item consists of the following:

(Unaudited) 30 September 2025					(Unaudited) 30 September 2024				
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
1,366,013	1,673,879	503,720	2,085,270	5,628,882	1,196,311	1,589,775	479,114	1,659,136	4,924,336
1,366,013	**1,673,879**	**503,720**	**2,085,270**	**5,628,882**	**1,196,311**	**1,589,775**	**479,114**	**1,659,136**	**4,924,336**

- The company allocates direct and related administrative and general expenses and employee expenses to insurance contract groups and includes them in the calculation of contract profitability through direct association with the insurance portfolios. Meanwhile, the company allocates indirect and unrelated administrative and general expenses and employee expenses based on several approved cost centers for distribution, including the total underwritten insurance premiums cost center, the paid claims and outstanding claims cost center, and the number of employees cost center.

B. Shareholder's share against takaful operation management

- The shareholders invest surplus fund from the policyholders account against known share from investment revenues as Mudaraba, 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 16% for the period ended 30 September 2025. Compared to a rate of 16% for the period ended 30 September 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:

	30 September 2025 (Unaudited)	30 September 2024 (Unaudited)
Shareholders' share against Takaful Operation Management – allocated (Insurance Contracts Expenses).	3,543,612	3,265,200
Shareholders' share against Takaful Operation Management – unallocated (Statement of Profit or Loss (Policyholders)).	2,085,270	1,659,136
	5,628,882	**4,924,336**

34. Employees Expenses

	30 September 2025 (Unaudited)	30 September 2024 (Unaudited)
Salaries and bonuses	2,396,198	2,218,419
Company's contribution in social security	247,367	227,721
Medical expenses	153,289	140,970
Employees training and development	2,736	7,004
Travel and transportation	4,443	4,094
Total	**2,804,033**	**2,598,208**

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 polices, 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 nine months ended at 30/9/2025 and 2024 amounted to JOD (5,439,527) and JOD (5,564,369) respectively, and the contributions value underwritten for the Takaful insurance fund of the Jordan Islamic Bank during the nine months ended at 30/9/2025 and 2024 amounted to JOD (9,037,547) and JOD (7,957,831) respectively.

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

	30 September 2025 (Unaudited)	30 September 2024 (Unaudited)
Salaries and bonuses	365,204	343,454
Transportation expenses	945	945
Total	**366,149**	**344,399**

36. General and Administrative Expenses

	30 September 2025 (Unaudited)	30 September 2024 (Unaudited)
Rent	9,970	9,972
Stationery and printing	23,749	21,022
Advertisements	57,150	31,035
Water, electricity and heating	34,597	45,710
Maintenance	46,290	51,101
Postage and telecommunications	8,540	9,226
Hospitality	21,499	22,672
Lawyer and legal consultancy fees	94,815	83,403
Board of director transportation	105,909	69,918
Subscriptions	63,238	53,194
Governmental and other fees	76,905	72,175
Company classification expense	7,899	7,899
Virtual conference and meetings expense	18,548	28,043
Professional fee	14,000	18,500
Actuary expert fee	34,000	41,000
Media and Marketing consultancy fees	11,950	12,000
Cleaning	56,575	48,166
Insurance	5,388	6,261
Others	54,536	45,752
ISO certification expense	-	591
Expense for implementing (IFRS 17)	13,420	31,955
Total	**758,978**	**709,595**

37. Other Provisions

	30 September 2025 (Unaudited)	30 September 2024 (Unaudited)
Provision for expected credit loss – Cash at Al Baraka Bank - Lebanon	-	330,048
Unallocated loss adjustment expense (ULAE)	115,337	130,882
Total	**115,337**	**460,930**

38. Earnings per Share for the period

	30 September 2025 (Unaudited)	30 September 2024 (Unaudited)
Net profit for the period after tax	2,568,255	1,431,116
Weighted average number of shares	16,500,000	16,500,000
Basic and diluted earnings per share for the period	**0.156**	**0.087**

39. Cash and Cash Equivalents

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

	30 September 2025 (Unaudited)	30 September 2024 (Unaudited)
Cash on hand and at banks	3,530,236	2,050,865
Add: Deposits at banks mature within (3) months	2,105,053	1,668,810
Net Cash and Cash Equivalents	**5,635,289**	**3,719,675**

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

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 onerous 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).

30/9/2025	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	9,455,046	219,640	8,157	**9,682,843**
Total	**9,455,046**	**219,640**	**4,008,157**	**13,682,843**

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**
Total	**8,548,410**	**247,400**	**4,008,157**	**12,803,967**

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 Risk:

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, total assets and capital expenditures based on their pertaining geographical distribution:

	Inside Jordan		Outside Jordan		Total	
	Current Period	Previous Period	Current Period	Previous Period	Current Period	Previous Period
Total revenues	33,299,363	29,543,617	-	-	**33,299,363**	**29,543,617**
Total assets	63,115,661	50,429,645	24,531	1,678,740	**63,140,192**	**52,108,385**
Capital expenditures	150,371	355,005	-	-	**150,371**	**355,005**

45. Capital Management

The subscribed and paid-up capital at the end of the period is JOD (16.5) million, 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) JOD / shares as of December 31, 2005, by capitalizing (400) thousand JOD / shares from retained earnings and offering (4) million JOD / 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 JOD / shares from the additional paid-in-capital, voluntary reserve, and retained earnings. On April 8, 2009, the company's capital was further increased by capitalizing (2) million JOD / shares from the voluntary reserve and retained earnings. Additionally, on April 4, 2017, the company's capital was raised by capitalizing (3) million JOD / shares from retained earnings. Consequently, the subscribed and paid-up capital became (15) million JOD / shares. On 23 July 2024, the company’s capital was increased by capitalizing JOD (1,500,000) from the voluntary reserve, resulting in a total subscribed and paid in capital of (16,500,000) JOD/ share.

In the opinion of the Board of Directors, the above mentioned regulatory capital is considered sufficient.

	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Core capital items		
Paid in Capital	16,500,000	16,500,000
Statutory reserve	4,248,059	4,248,059
Voluntary reserve	5,916	5,916
Retained earnings	4,327,603	3,368,595
Policyholders’ equity	256,301	(155,738)

	30 September 2025	31 December 2024
Additional capital items		
Cumulative change in fair value	387,458	(500,598)
Solvency margin (According to the financial statements prepared in accordance with international financial reporting standard (No.4)	**222%**	**233%**

46. Lawsuits against the Company

There are lawsuits filed against the Company mainly pertaining motor accidents, for which a full reserve has been included in the insurance contract liabilities as at 30/9/2025, in the opinion of the Company’s management and its lawyer, the reserve amounting to JOD (4,444,934) considered sufficient as at 30/9/2025. against JOD (3,762,114) as at 30/9/2024.

47. Contingent Liabilities

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

48. Subsequent Events

No subsequent events have a material impact on the financial statement as at in 30/9/2025.

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.

50 . Financial statements segmented by product type

Income Statement

30 September 2025	Motors	Marine	Fire	Engineering	Medical	Responsibility insurance	Other insurance	Takaful	Total
Insurance contracts revenues	13,177,582	842,205	1,436,401	79,366	5,179,571	169,298	589,123	9,736,450	**31,209,996**
Insurance contracts expenses	(14,291,705)	(1,940,958)	(353,451)	(22,402)	(5,299,839)	(181,131)	(185,082)	(5,668,988)	**(27,943,556)**
Insurance contract service results	**(1,114,123)**	**(1,098,753)**	**1,082,950**	**56,964**	**(120,268)**	**(11,833)**	**404,041**	**4,067,462**	**3,266,440**
Reinsurance contracts held expenses	(796,613)	(508,977)	(1,068,116)	(54,498)	(3,390,895)	(77,515)	(326,345)	(4,014,268)	**(10,237,227)**
Reinsurance contracts held revenues	769,799	1,510,201	53,031	4,884	2,792,040	93,301	112,339	3,866,233	**9,201,828**
Reinsurance contracts service results	(26,814)	1,001,224	(1,015,085)	(49,614)	(598,855)	15,786	(214,006)	(148,035)	**(1,035,399)**
Net insurance contract service results	**(1,140,937)**	**(97,529)**	**67,865**	**7,350**	**(719,123)**	**3,953**	**190,035**	**3,919,427**	**2,231,041**
Finance (expenses) revenues from insurance contracts	(589,739)	(4,710)	(29,361)	(2,178)	(33,418)	(7,583)	3,062	(109,214)	**(773,141)**
Finance (expenses) revenues from reinsurance contracts	87,549	10,841	31,974	1,944	31,448	1,924	4,819	69,135	**239,634**
Net insurance financing results	**(502,190)**	**6,131**	**2,613**	**(234)**	**(1,970)**	**(5,659)**	**7,881**	**(40,079)**	**(533,507)**
Policyholders' share of investment returns	114,160	28,540	57,080	11,416	142,700	22,832	22,832	171,239	**570,798**
Policyholders' share of net Profits from financial assets and investments	24,835	6,209	12,417	2,483	31,043	4,967	4,967	37,252	**124,173**
Less: Shareholders' share against managing the investment portfolio	(34,749)	(8,687)	(17,374)	(3,475)	(43,436)	(6,950)	(6,950)	(52,123)	**(173,743)**
Total revenues	**(1,538,881)**	**(65,337)**	**122,601**	**17,541**	**(590,786)**	**19,143**	**218,765**	**4,035,716**	**2,218,762**
Shareholders' share against takaful operation management (not allocated)	(894,441)	147,034	(33,325)	(917)	206,673	7,464	(54,405)	(1,463,353)	**(2,085,270)**
Provision for expected credit losses (deposits)	(5,408)	(1,352)	(2,704)	(541)	(6,761)	(1,082)	(1,082)	(8,113)	**(27,042)**
Total expenses	(899,849)	145,682	(36,029)	(1,458)	199,913	6,382	(55,487)	(1,471,466)	**(2,112,312)**
Policyholder's surplus(deficit) before income tax	(2,438,731)	80,345	86,572	16,083	(390,874)	25,525	163,278	2,564,251	**106,450**
Income tax	-	-	-	-	-	-	-	-	**-**
Policyholder's surplus(deficit) After income tax	**(2,438,731)**	**80,345**	**86,572**	**16,083**	**(390,874)**	**25,525**	**163,278**	**2,564,251**	**106,450**

30 September 2024	Motors	Marine	Fire	Engineering	Medical	Responsibility insurance	Other insurance	Takaful	Total
Insurance contracts revenues	10,924,314	657,550	1,351,425	83,997	5,277,805	162,999	603,666	8,778,941	**27,840,697**
Insurance contracts expenses	(12,563,669)	(606,313)	(349,751)	(8,730)	(6,269,357)	(170,270)	(141,950)	(4,306,459)	**(24,416,499)**
Insurance contract service results	**(1,639,355)**	**51,237**	**1,001,674**	**75,267**	**(991,552)**	**(7,271)**	**461,716**	**4,472,482**	**3,424,198**
Reinsurance contracts held expenses	(757,468)	(376,972)	(981,779)	(57,835)	(3,350,512)	(77,393)	(338,196)	(4,060,011)	**(10,000,166)**
Reinsurance contracts held revenues	775,888	336,552	117,150	(5,454)	3,286,914	109,153	60,965	2,745,302	**7,426,470**
Reinsurance contracts service results	18,420	(40,420)	(864,629)	(63,289)	(63,598)	31,760	(277,231)	(1,314,709)	**(2,573,696)**
Net insurance contract service results	**(1,620,935)**	**10,817**	**137,045**	**11,978**	**(1,055,150)**	**24,489**	**184,485**	**3,157,773**	**850,502**
Finance (expenses) revenues from insurance contracts	(503,627)	(629)	(42,041)	(3,290)	(34,823)	(2,407)	(263)	(133,484)	**(720,564)**
Finance (expenses) revenues from reinsurance contracts	73,306	487	38,964	2,960	21,311	833	7	80,806	**218,674**
Net insurance financing results	**(430,321)**	**(142)**	**(3,077)**	**(330)**	**(13,512)**	**(1,574)**	**(256)**	**(52,678)**	**(501,890)**
Others revenues takaful	-	-	-	-	-	-	-	18,750	**18,750**
Policyholders’ share of investment returns	111,250	27,813	55,625	11,125	139,063	22,250	22,250	166,875	**556,250**
Policyholders’ share of net Profits from financial assets and investments	19,401	4,850	9,701	1,940	24,251	3,880	3,880	29,102	**97,005**
Less: Shareholders’ share against managing the investment portfolio	(32,663)	(8,166)	(16,331)	(3,266)	(40,829)	(6,533)	(6,533)	(48,994)	**(163,314)**
Total revenues	**(1,953,268)**	**35,172**	**182,962**	**21,447**	**(946,177)**	**42,513**	**203,827**	**3,270,827**	**857,303**
Shareholders’ share against takaful operation management (not allocated)	(494,232)	136,838	(50,064)	(3,010)	158,439	(9,423)	(47,841)	(1,349,843)	**(1,659,136)**
Provision for expected credit losses (deposits)	(7,383)	(1,846)	(3,692)	(738)	(9,229)	(1,477)	(1,477)	(11,075)	**(36,917)**
Total expenses	(501,615)	134,992	(53,756)	(3,748)	149,210	(10,900)	(49,318)	(1,360,918)	**(1,696,053)**
Policyholder’s surplus(deficit) before income tax	(2,454,883)	170,164	129,206	17,698	(796,967)	31,613	154,509	1,909,909	**(838,750)**
Income tax	-	-	-	-	-	-	-	-	**-**
Policyholder’s surplus(deficit) After income tax	**(2,454,883)**	**170,164**	**129,206**	**17,698**	**(796,967)**	**31,613**	**154,509**	**1,909,909**	**(838,750)**