



الرقم : Newton/ACC/2024/179

التاريخ : 2024/07/30

الساده هيئة الاوراق المالية – دائرة الافصاح المحترمين  
الساده بورصة عمان المحترمين  
عمان – الأردن

**الموضوع : البيانات المالية كما في 2024/03/31**  
**بموجب المعيار الدولي رقم (17)**

تحية وبعد ،،،

بالإشارة الى الموضوع أعلاه، نرفق لكم طياً البيانات المالية الربع سنوية باللغة الانجليزية،بموجب المعيار الدولي  
لاعداد التقارير المالية رقم (17) و ذلك كما في 2024/03/31 .  
علماً بأن الأرصدة الافتتاحية للبيانات المالية تخضع لموافقة البنك المركزي الأردني.

وتفضلوا بقبول فائق الاحترام والتقدير ،،،



**Jordan International Insurance Company**  
(Public Limited Shareholding Company)  
**Amman – The Hashemite Kingdom of Jordan**  
**Interim Condensed Financial Statements (Unaudited)**  
**and Independent Auditor's Report**  
**For the Three-Months Ended March 31, 2024**

**Jordan International Insurance Company**  
(Public Limited Shareholding Company)  
**Amman- The Hashemite kingdom of Jordan**  
**Interim Condensed Financial Statements (Unaudited) and Independent Auditor's Report**  
**For the Three-Months Ended March 31, 2024 (Unaudited)**

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## Independent Auditors' Report

**To, The Shareholders**  
**Jordan International Insurance Company**  
(Public Limited Shareholding Company)  
**Amman - the Hashemite Kingdom of Jordan**

### Introduction

We have reviewed the accompanying interim condensed Consolidated statement of financial position of **Jordan International Insurance Company ("the Company")** as of March 31, 2024 and the related interim condensed Consolidated statements of profit or loss, other comprehensive income, changes in shareholders' equity, and cash flows for the three months period then ended and a summary of significant accounting policies and other explanatory notes.

Management is responsible for the preparation and fair presentation of these interim condense Consolidated financial statements in accordance with International Accounting Standard ("IAS") 34, "Interim Financial Reporting as endorsed in the Hashemite Kingdom of Jordan and the instructions of Central Bank of Jordan. Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

### Scope of Review

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

### Qualified Conclusion Basis

The company has not obtained the approval of the Central Bank of Jordan on the Consolidated financial statements for the financial year ended December 31, 2023 to date.

### Qualified Conclusion

Based on our review, with the exception of the effect of what was mentioned in the qualified conclusion basis paragraph above, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial statements for the period ended March 31, 2024 are not prepared in all material respects, in accordance with IAS (34) "Interim Financial Reporting" as endorsed in the Hashemite Kingdom of Jordan.

The partner is in charge of the audit resulting in this auditor's report was Hasan Amin Othman; license number 674.

Date: June 30, 2024  
Amman - Jordan



**Jordan International Insurance Company**  
(Public Limited Shareholding Company)  
**Interim Condensed Consolidated statement of Financial Position**  
**As of March 31, 2024 (Unaudited)**  
(Jordanian Dinars)

	<b>Note</b>	<b>March 31, 2024 (Unaudited)</b>	<b>December 31, 2023 (Audited)</b>
<b><u>Assets</u></b>			
Deposits at banks, net	6	3,977,466	4,551,530
Financial assets at fair value through profit or loss statement	7	1,559,283	1,581,712
Financial assets at fair value through other comprehensive income	8	1,881,730	1,891,665
Real Estate Investments	9	7,371,432	7,395,313
<b>Total investments</b>		<b>14,789,911</b>	<b>15,420,220</b>
Cash on hand and at banks	10	296,912	526,414
Receivables	19	615,213	348,394
Insurance contract assets, net (Premium allocation approach)	12	60,679	141,875
Reinsurance contract assets held, net	13	24,648,023	25,761,349
Settlement Guarantee Fund Secretariats	14	26,174	89,319
Due from Related parties	15	126,242	127,527
Deferred tax assets	16	1,710,507	1,735,765
Property and equipment, net		1,950,218	1,972,383
Intangible assets, net	17	349,061	361,616
Other assets	18	1,787,832	1,753,882
<b>Total Assets</b>		<b>46,360,772</b>	<b>48,238,744</b>
<b><u>Liabilities and Shareholders' Equity</u></b>			
<b><u>Liabilities</u></b>			
Insurance contract liabilities-Net (Premium allocation approach)	12	25,468,000	27,344,664
<b>Total insurance contract liabilities</b>		<b>25,468,000</b>	<b>27,344,664</b>
Accounts payable		78,700	107,727
Reinsurance contract liabilities held, net	13	2,017	-
Provision for income tax	16	5,606	2,131
Other provisions	20	43,948	43,948
Trade settlement		79,905	-
Accrued expenses		33,375	13,250
Overdraft bank		869,743	791,621
Other liabilities	21	3,517,150	3,326,633
<b>Total liabilities</b>		<b>30,098,444</b>	<b>31,629,974</b>
<b><u>Shareholders' Equity</u></b>			
Authorized and paid-up share capital	22	18,150,000	18,150,000
Statutory reserve	23	2,768,119	2,768,119
Special reserve	23	2,225	2,225
Differences for purchase of non-controlling shares		351,302	351,302
Fair value reserve	26	(2,486,960)	(2,479,910)
Accumulated losses		(3,364,412)	(3,027,553)
Total equity attributable to the shareholders of a company		15,420,274	15,764,183
Non-controlling interests	27	842,054	844,587
<b>Total Shareholders' Equity</b>		<b>16,262,328</b>	<b>16,608,770</b>
<b>Total Liabilities and Shareholders' Equity</b>		<b>46,360,772</b>	<b>48,238,744</b>

The accompanying notes from 1 to 36 are an integral part of these Interim Condensed Consolidated financial statements

**Jordan International Insurance Company**  
(Public Limited Shareholding Company)  
**Interim Condensed Consolidated statement of Profit or Loss**  
**For the Three-Months Ended March 31, 2024 (Unaudited)**  
(Jordanian Dinars)

	Note	March 31, 2024 (Unaudited)	March 31, 2023 (Unaudited)
<b>Revenues:</b>			
Insurance contract revenues	28	3,388,697	4,115,633
Insurance contract expenses	29	(2,842,077)	(3,706,116)
<b>Insurance contract service result</b>		<b>546,620</b>	<b>409,517</b>
Reinsurance contracts expenses		(2,249,309)	(2,180,149)
Reinsurance contracts revenues		1,414,335	1,845,739
<b>Reinsurance contracts results</b>		<b>(834,974)</b>	<b>(334,410)</b>
<b>Net insurance operations results</b>		<b>(288,354)</b>	<b>75,107</b>
Finance (expenses) /revenue- insurance contracts	30	30,376	(599,440)
Finance revenues/ (expenses) – reinsurance contracts	31	(57,387)	517,818
<b>Net financing results of insurance operations</b>		<b>(27,011)</b>	<b>(81,622)</b>
Interest income	32	59,656	61,108
Profit from financial assets and investments	33	(12,496)	41,390
Other revenues	34	47,111	235,984
Rental revenues		2,725	1,500
<b>Net investment revenue</b>		<b>96,996</b>	<b>339,982</b>
<b>(Total losses)</b>		<b>(218,369)</b>	<b>333,467</b>
Expected credit losses provision		-	(200)
Undistributed Depreciation and amortization		3,838	3,975
Undistributed general and administrative expenses		84,710	115,358
Other Expenses		3,715	5,278
<b>Total expenses</b>		<b>92,263</b>	<b>124,411</b>
<b>(loss)/Profit for the period before income tax</b>		<b>(310,632)</b>	<b>209,056</b>
Income tax	16	28,760	52,799
<b>(loss)/Profit for the period after income tax</b>		<b>(339,392)</b>	<b>156,257</b>
It goes back to:			
Company shareholders		(336,859)	155,526
Non-controlling interests		(2,533)	731
		<b>(339,392)</b>	<b>156,257</b>
		<b>Fils/Dinar</b>	<b>Fils/Dinar</b>
<b>Earnings per share from (loss)/Profit for the period (basic and reduced)</b>	35	<b>(0.019)</b>	<b>0.01</b>

The accompanying notes from 1 to 36 are an integral part of these Interim Condensed Consolidated financial statements

**Jordan International Insurance Company**  
(Public Limited Shareholding Company)  
**Interim Condensed Consolidated statement of Other Comprehensive Income**  
**For the Three-Months Ended March 31, 2024 (Unaudited)**  
(Jordanian Dinars)

	<b>March 31, 2024</b> <b>(Unaudited)</b>	<b>March 31, 2023</b> <b>(Unaudited)</b>
(Loss)/Profit for the period	<u>(339,392)</u>	<u>156,257</u>
<b>Items of other comprehensive income that are not subsequently transferable to the consolidated statement of profit or loss</b>		
Change in fair value reserve	<u>(7,050)</u>	<u>3,710</u>
<b>Total comprehensive (loss)/profit for the year</b>	<u><b>(346,442)</b></u>	<u><b>159,967</b></u>
It goes back to:		
Company shareholders	<u>(342,978)</u>	<u>158,367</u>
Non-controlling interests	<u>(3,464)</u>	<u>1,600</u>
	<u><b>(346,442)</b></u>	<u><b>159,967</b></u>

The accompanying notes from 1 to 36 are an integral part of these Interim Condensed Consolidated financial statements

**Jordan International Insurance Company**  
(Public Limited Shareholding Company)  
**Interim Condensed Consolidated statement of Changes in Shareholders' Equity**  
**For the Three-Months Ended March 31, 2024 (Unaudited)**  
(Jordanian Dinars)

	Authorized and paid-up share capital	Statutory Reserve	Special Reserve	Differences for purchase of non-controlling shares	Fair value reserve	Retained earnings		Total equity attributable to the shareholders of a company	Non-controlling interests	Total equity
<b>For the Three-Months Ended March (31, 2023)(Unaudited)</b>										
Balance as of December 31, 2022 (Audited)	18,150,000	2,764,938	2,225	351,302	(2,468,333)	(3,128,631)	772,081	16,443,582	842,837	17,286,419
Profit for the period	-	-	-	-	-	205,793	(50,267)	155,526	731	156,257
Change in fair value reserve	-	-	-	-	3,710	-	-	3,710	-	3,710
Total comprehensive income for the period	-	-	-	-	3,710	205,793	(50,267)	159,236	731	159,967
The Balance as of March 31, 2024 (Unaudited)	18,150,000	2,764,938	2,225	351,302	(2,464,623)	(2,922,838)	721,814	16,602,818	843,568	17,446,386
<b>For the Three-Months Ended March (31, 2024 (Unaudited)</b>										
Balance as of December 31, 2023 (Audited)	18,150,000	2,768,119	2,225	351,302	(2,479,910)	(3,716,544)	688,991	15,764,183	844,587	16,608,770
Loss for the period	-	-	-	-	-	(278,381)	(58,478)	(336,859)	(2,533)	(339,392)
Change in fair value reserve	-	-	-	-	(7,050)	-	-	(7,050)	-	(7,050)
Total comprehensive income for the period	-	-	-	-	(7,050)	(278,381)	(58,478)	(343,909)	(2,533)	(346,442)
Balance as of March 31, 2024 (Unaudited)	18,150,000	2,768,119	2,225	351,302	(2,486,960)	(3,994,925)	630,513	15,420,274	842,054	16,262,328

The accompanying notes from 1 to 36 are an integral part of these Interim Condensed Consolidated financial statements

**Jordan International Insurance Company**  
(Public Limited Shareholding Company)  
**Interim Condensed Consolidated statement of Cash Flows**  
**For the Three-Months Ended March 31, 2024 (Unaudited)**  
(Jordanian Dinars)

	Note	March 31, 2024 (Unaudited)	March 31, 2023 (Unaudited)
<b><u>Cash flow from Operating Activities:</u></b>			
(Loss) /profit for the year before income tax		(310,632)	209,056
Adjustments to reconcile net profit before income tax to net cash flow provided by operating activities:			
Depreciation and amortization		44,274	39,165
Net change in fair value of financial assets through profit or loss statement		58,478	50,267
Gain on the valuation of financial assets at fair value through the income statement		(37,277)	(80,186)
		<u>(245,157)</u>	<u>218,302</u>
<b>Changes in working capital</b>			
Insurance contract assets		81,196	(81,493)
Accounts receivables		(266,819)	(133,761)
Reinsurance contract assets		1,113,326	(171,844)
Insurance contract liabilities		(1,876,664)	(447,054)
Due from related party		1,285	(2,913)
Adjustment guarantees deposits		63,145	5,491
Other assets		(33,950)	(24,236)
Accounts payable		(29,027)	(31,148)
Accrued expenses		20,125	3,250
Reinsurance contract liabilities		2,017	(12,688)
Other liabilities		190,517	112,391
Income tax paid		(27)	(10,557)
<b>Net cash flows (used in) /provided by operating activities</b>		<u>(980,033)</u>	<u>(576,260)</u>
<b><u>Cash flow from Investing Activities:</u></b>			
Sale of financial assets at fair value through profit or loss statement		1,228	24,225
Sale of financial assets at fair value through other comprehensive income		2,885	-
Purchase of property and equipment		-	(1,243)
Purchase intangible assets		-	-
Proceeds from the sale of property and equipment		14,327	-
<b>Net cash flows provided by/ (used in) investing activities</b>		<u>18,440</u>	<u>22,982</u>
<b><u>Cash flow from Financing Activities</u></b>			
overdraft bank		78,122	(14,913)
Trade settlement		79,905	-
<b>Cash flows provided by financing activities</b>		<u>158,027</u>	<u>(14,913)</u>
<b>Net cash used during the year</b>		<u>(803,566)</u>	<u>(568,191)</u>
Cash and cash equivalent at beginning of the year		3,824,847	5,626,865
<b>Cash and cash equivalent at the end of the year</b>	36	<u><u>3,021,281</u></u>	<u><u>5,058,674</u></u>

The accompanying notes from 1 to 36 are an integral part of these Interim Condensed Consolidated financial statements

**Jordan International Insurance Company**  
(Public Limited Shareholding Company)  
**Notes to the Interim Condensed Consolidated Financial Statements**  
**For the Three-Months Ended March 31, 2024 (Unaudited)**

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**1. Legal Status and Activities**

The Jordan International Insurance Company was established in 1996 under the Jordanian Corporate Law and its amendments under No. (301) as a Public Joint-Stock Limited Company. As a Several amendments were made to the capital, the latest was during 2010, so that the authorized and paid-up capital amounted to JD 18,150,000 divided into 18,150,000 shares, with a nominal value of JD 1 per share.

The Company's address is at Amman - Sixth Circle, P.O. Box (3253), Amman 11181, Jordan.

The Company aims to practice all types of insurance, including the field of life insurance.

The financial statements were approved by the Board of Directors' decision held on June 30, 2024.

**2. Basis of Preparation**

The interim condensed consolidated financial statements for the three months ended March 31, 2024 have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting", and central bank of Jordan instructions.

The interim condensed consolidated financial statements do not contain all information and notes required for annual financial statements prepared in accordance with International Financial Reporting Standards, and should be read in conjunction with the Company's financial statements as at December 31, 2023. In addition, the results for the three months ended March 31, 2024 are not necessarily indicative of the results that may be expected for the financial year ending December 31, 2024.

**Functional and presentation currency**

These interim financial statements are presented in Jordanian dinars, which is the functional currency and the presentation currency of the company.

**Basis of consolidation of financial statements**

The most important financial information for the subsidiaries for the three months ending March 31, 2024 (unaudited) is as follows:

<u>Company Name</u>	<u>Total assets</u>	<u>Total liabilities</u>	<u>Total revenue</u>	<u>Total expenses</u>
Ibdaa Company for Financial Investments	2,821,138	129,821	34,714	38,449
Jordan International Investment Company	8,972,107	46,475	(7,951)	20,814
Tilal Salem Real Estate Company	303,646	995	699	147

**3. Application of international accounting standards for preparing new and amended financial reports**

The accounting policies followed in preparing the financial statements are consistent with those followed in preparing the financial statements for the three months ending March 31, 2024 (unaudited), except that the Company applied the following amendments as of January 1, 2023, if any:

**A. New and amended IFRS Standards that are effective for the current year:**

- Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements - Disclosure of Accounting Policies.
- Amendments to IAS 12 Income Taxes - Deferred Tax related to Assets and Liabilities arising from a Single Transaction.
- Amendments to IAS 12 Income Taxes - International Tax Reform - Pillar Two Approach Rules.
- Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates.
- IFRS 17 Insurance Contracts (including the June 2020 and December 2021 Amendments to IFRS 17)

#### **4. Use of Estimates and Assumptions**

Preparing financial statements and applying accounting policies requires the Company's management to make estimates and judgments that affect the amounts of financial assets and financial liabilities and the disclosure of potential liabilities. These estimates and judgments also affect revenues, expenses, and allocations, as well as changes in the fair value that appear in the profit or loss statement and in shareholders' equity. In particular, it requires the Company's management to issue important judgments and judgments to estimate the amounts and times of future cash flows. The aforementioned estimates are necessarily based on multiple assumptions and factors that have varying degrees of estimation and uncertainty, and that the actual results may differ from the estimates as a result of changes resulting from the conditions and circumstances of those estimates in the future.

The nature and extent of the changes in the estimates of the amounts contained in the reports of previous financial years do not have a material impact on the current data. Our estimates in the financial statements are reasonable and detailed as follows:

##### **Expected Credit Loss**

The Company applies the simplified approach imposed by International Financial Reporting Standard No. (9) to recognize impairment by measuring expected credit losses over the life of receivables and contractual assets based on the historical cash flow ratio for collection.

Expected loss rates are based on the Company's historical credit losses experienced during the prior three-year period up to the end of the current period, and historical loss rates are then adjusted for current information. Since the Company is based on historical cash flow ratios without including economic factors, Standard No. 9 does not require including these factors.

##### **Impairment in the value of financial assets**

The Company reviews the values recorded of the financial assets at the date of the financial statements to determine whether there are indications of impairment in their value individually or in the form of a Company, and in the event of such indications, the fair value is estimated in order to determine the impairment loss.

##### **Income Tax**

The financial year was charged with its income tax expense in accordance with the regulations, laws and international financial reporting standards as follows:

##### **1- Accrued Tax**

Income tax was estimated in accordance with International Financial Reporting Standard No. 17, noting that the income and sales tax law had not been amended as of the date of preparing the financial statements.

Taxes are calculated according to the tax rates established under the laws, regulations and instructions in the Hashemite Kingdom of Jordan.

##### **2- Deferred Tax**

Deferred taxes are the taxes expected to be paid or recovered as a result of temporary time differences between the value of assets or liabilities in the financial statements and the value on which the tax profit is calculated. Taxes are calculated using the compliance method in the financial statements. Deferred taxes are calculated according to the tax rates that are expected to be applied upon settlement. Tax liability or realization of deferred tax assets.

The balance of deferred tax assets is reviewed at the date of the financial statements and reduced in the event that it is expected that it will not be possible to benefit from those tax assets, partially or completely, or to settle the tax liability or select the need for it.

##### **Property, equipment and intangible assets**

The management periodically reassesses the useful lives of tangible and intangible assets for the purpose of calculating annual depreciation and amortization depending on the assets and the estimated useful lives expected on the general situation in the future. Impairment loss, if any, is recorded in the profit and loss statement.

#### **4. Use of Estimates and Assumptions( continued)**

##### **The present value of future cash flows**

Flows are defined as all amounts expected to be collected and expected to be paid within the limits of the insurance contract / reinsurance contract held after adjusting them to reflect the timing and uncertainty of those amounts, based on actuarial assumptions and the Company's experience in insurance contracts and reinsurance contracts held.

Future cash flows are recognized at the current value of insurance contracts, using historical cash flows and the local rate of return on local bonds issued by the Central Bank of Jordan, as they are closest to the Company's reality. The income or expense from discounting cash flows is treated through the statement of profit or loss. Or for reinsurance contracts, the percentage of illiquidity risks is deducted.

The Company will not calculate a present value for future cash flows on insurance and reinsurance premiums whose duration is less than 12 months.

When developing assumptions regarding estimating flows for groups of insurance contracts, the Company must take into account the following:

- Inherent risks.
- Aggregation level.
- The possibility of natural disasters.
- The possibility of liquidating the contract before the expiration date of insurance coverage, and other practices expected from the insurance contract holder.
- Factors that will affect estimates, and sources of information for these factors.

##### **Non-insurance Components**

The Company discloses the following aspects:

- Defining the insurance risks.
- Defining the insurance contract, and defining the written insurance contracts that are consistent with the definition.
- Determining the contracts issued by the Company that are consistent with the definition of the insurance contract.
- The mechanism for separating the non-insurance components (investment component, service component, etc.) from the insurance contract, and if they exist, the most specialized standard that will be applied to address those components is mentioned.
- Mechanism for determining the materiality of the risks of the insurance contract.

##### **Fair Value Levels**

Fair value is the value that is expected to be received when selling an asset, or paid to transfer any liability in regular transactions between market participants on the measurement date under prevailing market conditions, regardless of whether that price is directly observable or estimated using another valuation method. The fair value measurement is based on the assumption that the asset or liability will be sold either:

- Through the main market for the assets or liabilities, or
- Through the most advantageous market for assets or liabilities in the absence of a primary market.

The main or most advantageous market must be accessible to the Company.

Fair value is measured using the assumptions used by market participants when pricing assets or liabilities, assuming that market participants act in a way that achieves the best economic benefits for them.

Measuring the fair value of non-financial assets takes into account the ability of market participants to provide economic benefits by using the assets in a way that achieves the best benefit from them or by selling them to another market participant to use them in a way that achieves the best benefit from them. The Company uses valuation methods that are appropriate to the existing circumstances and conditions and has sufficient data to measure fair value, makes greater use of relevant observable data, and reduces the use of unobservable data to the greatest extent.

#### **4- Use of Estimates and Assumptions (continued)**

##### **Fair Value Levels (continued)**

All assets and liabilities that are measured at fair value or disclosed in the financial statements are classified within the hierarchy of fair value levels mentioned below and on the basis of the lowest level inputs that are significant to the fair value measurement as a whole:

- Level One: Prices traded in an active market for similar assets or liabilities.
- The second level: measurement methods that consider the lower-level inputs (important for measuring fair value) that are directly or indirectly observable.
- The third level: measurement methods that consider the lowest level inputs - that are significant to measuring fair value - to be unobservable.

The fair value measurement of available-for-sale financial assets, and non-recurring measurements, such as assets held for distribution in a discontinued operation, are evaluated on a periodic basis.

For the purpose of fair value disclosure, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as described above.

#### **5-Significant Accounting Policies**

##### **A. Segments Information**

The business segment represents a Company of assets and operations that jointly provide products or services that are subject to risks and returns that differ from those related to other segments, which are measured according to the reports that were used by the CEO and the main decision maker of the Company.

The geographical segment is related to providing products or services in a specific economic environment subject to risks and returns that differ from those related to sectors operating in other economic environments.

##### **B. Goodwill**

Goodwill is recorded at cost representing the increase in the cost of owning or purchasing a subsidiary or companies owned in partnership with other companies over the company's share in the net fair value of assets, liabilities and contingent liabilities of that company on the date of acquisition. Goodwill resulting from investing in subsidiaries is recorded in a separate item as an intangible asset.

Goodwill resulting from investing in affiliates appears as part of the affiliate's investment account, reducing the cost of goodwill with any impairment in the value of the investment.

Goodwill is distributed among the cash generating unit(s) for impairment testing purposes.

The value of goodwill decreases if the estimated recoverable value of the cash generating unit(s) to which the goodwill belongs is less than the value recorded in the books for the cash generating unit(s) and the impairment value is recorded in the profit and loss statement.

The loss of impairment of goodwill is not reversed in the subsequent period and in the case of the sale of the subsidiary or the company owned in partnership with other companies, the value of goodwill is taken into account when determining the amount of profit or loss from the sale

##### **C. Insurance contracts**

###### **Definition of insurance contract**

It is a contract whereby one party (the issuer) accepts a substantial insurance risk from another party (the contract holder), by agreeing to compensate the contract holder in case of the occurrence of a specific and uncertain future event (the insured event) such that this event, if it occurs, adversely affects the contract holder/beneficiary, the insurance contract is recognized according to the following deadlines, whichever is earlier:

- The beginning of the contract coverage period.
- The due date of the first contract installment.
- The date on which the insurance contract is considered a contract with an expected loss.

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**5- Significate Accounting Policies (continued)**

**Company's products**

All contracts issued by the Company meet the definition of an insurance contract. Below is a breakdown of the insurance contracts issued by the Company that meet the definition:

<b>Main Insurance Type</b>	<b>Sub-Insurance Type</b>
Medical Insurance	Group, Singles, Travel
Life Insurance – Individual	Fixed Timer, Profit Guaranteed Multiplier, Profit Guaranteed Education, Mixed Profit Guaranteed, Protection & Savings Program, Revolving Timer
Life Insurance – Group	accidents, group life, borrowers, critical illnesses
Motor Insurance –	Comprehensive, Supplementary, Quotas, Roadside Assistance
Motor Insurance – Third	Against Third Parties, Union Missions
Motor Insurance – Centers & Limits	Transit, against third parties Centers and limits, orange card
Motor Insurance – Bus	Bus complex against third parties / inclusive
Motor Insurance – Tenders	Bus complex against third parties / inclusive
Marine Insurance – Cargo	Marine cargo (open documents, floating)
Marine Insurance – Hull	Marine hulls, container hulls
Fire Insurance	Marine hulls, container hulls
Other General Insurance	Aviation, Personal Accident, Cash Insurance, Glass, Dishonesty, Political Risks, Pharmaceutical Studies, Maids, Home Insurance Help
General Insurance Liability	Third Party Civil Liability, Workers' Injury Compensation, Professional Liability, Comprehensive Bank Insurance, Employer's Liability, Medical Errors, Administrators and Executives Liability Insurance, Cybercrime & Commercial Crimes
Engineering Insurance	contractors' risks, contractors' machinery insurance, stock damage, machinery failure, installation hazards, boilers, electronic devices

**Direct participating feature**

The direct participation feature in IFRS 17 is defined as insurance contracts that have economic characteristics similar to an insurance contract (long term of coverage, frequent premiums and amount or timing of return at the discretion of the issuer) and are linked to a portfolio of assets. Contracts that contain this feature at the beginning of the contract, include:

- The contractual terms specify that the insurance contract holders participate in a share of the insurance contract portfolio.
- The Company expects to pay the contract holder a significant share of the fair value proceeds from the portfolio of insurance contracts.
- The Company expects that a significant proportion of any change in the amounts that will be paid to the contract holder will vary with the change in the fair value of the insurance contracts portfolio.

**Direct participating feature( continued)**

**Types of direct participating feature**

**Investment contracts:**

Investment contracts that have a legal form similar to an insurance contract but do not transfer significant insurance risk to the issuer and bear financial risks (embedded derivatives, change in the fair value of an instrument, change in interest rates, change in currency exchange rates, or credit rating) are classified as investment contract in accordance with IFRS (9).

Investment contracts that contain the feature of voluntary participation, which are investment contracts that have a legal form similar to an insurance contract, but do not transfer significant insurance risks to the issuer and do not meet the definition of an insurance contract, but are classified in accordance with International Financial Reporting Standard No (17).

## **5- Significate Accounting Policies (continued)**

### **Self-insurance:**

Self-insurance (keeping the risks that could have been covered by the insurance contract within the Company, there is no other party to the contract). For example, a Company issuing an insurance contract in the name of the Company or a fellow subsidiary, which is classified in accordance with IFRS 15.

The Company issues the following contracts that are classified according to IFRS 15:

- Medical insurance contract for employees of the Jordan International Insurance Company.
- Life insurance contract for employees of the Jordan International Insurance Company.
- Vehicle insurance contracts owned by the Jordan International Insurance Company.
- All-risk insurance contracts for buildings owned by the Jordan International Insurance Company.

### **Separation of non-insurance components**

#### **The investment component**

A Company is required to separate the distinct investment component distinct from the underlying insurance contract when the investment component is distinct if and only if the following two conditions are met:

- 1- The investment component and the insurance component are not closely related.
- 2- The contract is sold on equivalent terms, or may be sold, September separately in the same market or jurisdiction, either by the entities issuing the insurance contracts or by other parties.
- 3- Insurance contracts are issued or by other parties

The investment component and the insurance component are directly related if, and only if:

- 1- The Company was unable to measure one component without looking at the other. Therefore, if the value of one component varies according to the value of the other component, the Company must apply IFRS 17 to calculate the co-investment and insurance component
- 2- The policyholder cannot benefit from one of the components unless the other is also present. Therefore, if the lapse or maturity of one component of a contract causes the lapse or maturity of the other, the Company must apply IFRS 17 to account for the investment component and the combined insurance component.

The Company issues the following contracts, which are classified according to International Standard No. (15) as follows:

- Medical insurance contract for employees of Jordan International Insurance company.
- Life insurance contract for employees of Jordan International Insurance company.
- Vehicle insurance contracts owned by the Jordan International Insurance company.
- All-risk insurance contracts for buildings owned by Jordan International Insurance company.

### **Components of services and goods**

The Company shall September rate any undertaking to transfer distinct goods or services to the policyholder other than insurance contract services. And it must account for these commitments by applying International Financial Reporting Standard 15. Accordingly, it is:

- 1- Separate the cash inflows between the insurance component and any promises to provide distinct goods or services other than insurance contract services;
- 2- Separate the cash outflows between the insurance component and any promised goods or services other than insurance contract services, so that:
  - The cash outflows that relate directly to each component are attributable to that component; and
  - Any cash outflows are attributed on a systematic and logical basis, reflecting the cash outflows the entity expects to arise as if this component were a Separate contract.

## **5- Significate Accounting Policies (continued)**

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

1. 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 of the contract; and
2. The establishment provides an important service in linking the commodity or service with the components of the insurance.

The Company has the following service component that is not Separated from the insurance contract under item (a + b):

<b>Service / commodity</b>	<b>Insurance contract that includes the service / commodity</b>	<b>Related international standard</b>
Road assistance	Comprehensive/supplementary car insurance	IFRS 17
Transfer vehicle ownership	Motor vehicles	IFRS 17
Issuance fees service	All types	IFRS 17

### **Acquisition cost**

An entity shall allocate acquisition costs to the acquisition of the insurance contract to groups of insurance contracts and amortize them over the term of the contract, unless the entity elects to recognize them as an expense by applying paragraph 59 (a), which states:

When applying the premium allocation approach, the entity:

It may choose to recognize any cash flows from acquiring insurance as an expense when those costs are incurred, provided that the coverage period for each contract in the Company on initial recognition does not exceed one year.

### **Recognition of the insurance contract**

The Company shall recognize the Company of insurance contracts as of the following dates, whichever is earlier:

- The beginning of the coverage period.
- Eligibility for the first payment.
- The date on which the insurance contract is considered a contract with an expected loss.

When a group of contracts becomes burdensome, the Company adopts the contract registration date instead of the payment due date, as there is no data indicating that the payment due date precedes the contract registration date, which equals the beginning of the insurance coverage.

### **Amending Insurance Contracts**

The Company makes adjustments to the initial recognition of insurance contracts by dealing with the changes that occurred in the future cash flows to fulfill the contracts, unless the conditions for derecognition of insurance contracts apply to them.

### **Derecognition of insurance contracts**

The Company derecognizes insurance contracts in the following cases:

- Expiration of the contract. (Expiration, fulfillment or cancellation of the obligation specified in the Insurance contract).
- In case that the insurance contracts are amended so that the contract no longer meets the requirements of the standard, then the Company cancels the contract and recognizes a new one.

### **Liabilities versus remaining coverage**

The amount that the Company must reserve when recognizing insurance contracts, which relates to subsequent financial years as a result of valid insurance contracts.

### **Liabilities versus claims incurred**

It is the total value of the expected costs incurred by the Company as a result of risks covered by the insurance contract that occurred before the end of the fiscal year, and includes those reported and unreported claims, in addition to the expenses related to them.

## **5- Significant Accounting Policies (continued)**

### **Contractual service margin**

It is the unearned profit from remaining coverage that is expected to be profitable, and which is recognized in conjunction with the provision of insurance contract services.

### **Initial recognition of insurance contracts / general measurement approach / variable cost approach**

The Company of insurance contracts is measured upon initial recognition according to the following:

1. Cash flows to fulfill obligations arising from contracts, which include:
  - Estimates of future cash flows.
  - Adjustments for the time value of money and the financial risks associated with future cash flows by not including those financial risks in future cash flow estimates.
  - Non-financial risk adjustments.
2. Contractual service margin.

### **Contracts measurement approach**

The standard provides insurance companies with three approaches for measuring and processing insurance contracts and reinsurance contracts held by accounting, as follows:

#### **1- Premium allocation approach:**

It applies to the group of insurance contracts shown below:

- The duration of the insurance coverage does not exceed one year.
- In which the value of "Liabilities vs. Residual Coverage" does not substantially differ from its value when applying the requirements of the general approach.

#### **2- General approach:**

It is applied to all insurance contracts, where it is required to measure the obligations of the insurance contract groups by deducting the future cash flows "incoming and outgoing", and then subtracting from them non-financial risk adjustments to reach the contractual service margin, which represents the unearned profit from the group of insurance contracts.

#### **3- Variable cost approach:**

It is the approach through which some requirements of the general approach are modified to deal with investment contracts that include the participation feature.

The Company applies the premium allocation approach to all insurance contracts and reinsurance contracts held, as the Company does not have products or reinsurance contracts held in which the coverage period exceeds one year, unlike travel and diminishing life insurance, as the coverage period for these contracts is more than one year, and since the premiums of these products combined are less than 100,000 JD and it is not of relative importance when applying premium allocation approach.

### **Measurement approaches**

#### **Premium allocation approach**

##### **1- Initial proof of insurance contracts:**

- Upon initial verification, the Company records the amount of the insurance premium received as a liability, from which the acquisition costs (commissions "if any") are subtracted and distributed throughout the year of coverage.
- The amount of insurance premium not received is not recognized upon initial recognition.

**5- Significate Accounting Policies (continued)**

**Measurement approaches**

**Premium allocation approach**

**2- Subsequent measurement/installment allocation approach:**

At the end of each subsequent year, the Company measures the carrying amount of the liability, taking into consideration the following adjustments to the liability balance:

- Add the insurance premiums received for the year.
- Subtract cash flows for the acquisition of insurance contracts.
- Add any amounts related to the exhaustion of cash flows to acquire established insurance contracts as an expense.

The Company recognizes insurance contract assets for insurance contracts for which service is provided but has not been collected. Expected credit losses for these assets are treated under IFRS No. (9).

**3 - Liabilities for claims incurred:**

Which is calculated according to the best estimate of future cash flows to pay claims plus adjustments for non-financial risks, taking into account the application of the discount rate to claims.

**Clustering level**

Insurance contract portfolios are grouped by year of subscription so that they group similar risk portfolios managed together.

**The present value of future cash flows**

Flows are defined as all amounts expected to be collected and expected to be paid within the limits of the insurance contract/reinsurance contract held after adjusting to reflect the timing and uncertainty of these amounts, based on actuarial assumptions and the Company's experience in managing a portfolio of contracts. Insurance/reinsurance contracts held are as follows:

- Inherent risks.
- Aggregation level.
- The possibility of natural disasters.
- The possibility of liquidating the contract before the expiration date of insurance coverage, and other practices expected from the insurance contract holder.
- Factors that will affect estimates, and sources of information for these factors.

A bottom-up approach has been applied in determining discount rates for different products. The bottom-up approach is used to derive the discount rate for cash flows that do not change based on the returns on the underlying terms in the participating contracts (except for non-DPL investment contracts that are not within the scope of IFRS 17). Under this approach, the discount rate is defined as the risk-free return adjusted for differences in liquidity characteristics between the financial assets used to derive the risk-free return and the cash flows of the related liabilities (known as the illiquidity premium). The risk-free return is derived using swap rates available in the market denominated in the same currency as the product being measured. When swap rates are not available, highly liquid sovereign bonds with a credit rating of AAA are used. Management uses judgment to evaluate the liquidity characteristics of the cash flows of liabilities. Direct participation contracts and investment contracts with the DPL are less liquid than the financial assets used to derive the risk-free return. For these contracts, the illiquidity premium is estimated based on the market-observed illiquidity premium in the financial assets adjusted to reflect the illiquidity characteristics of the cash flows of the liabilities. The top-down approach is used to derive discount rates for cash flows that do not change based on the returns on the underlying terms in all other contracts within the scope of IFRS 17. Under this approach, the discount rate is determined as the return implicit in the fair value of a reference portfolio adjusted for the differences between the reference portfolio of assets and the cash flows of the relevant liabilities. The reference portfolio consists of a mix of sovereign bonds and corporate bonds available in the markets, and assets are selected to match the cash flows of liabilities. The return from the reference portfolio is adjusted to remove expected and unforeseen credit risks and these adjustments are estimated using information from observed historical levels of credit default swaps and credit defaults related to the bonds included in the reference portfolio. For the unobservable year, the yield curve is approximated between the rate The final and last point can be observed using the Smith-Wilson method.

**5- Significate Accounting Policies (continued)**

**The present value of future cash flows (continued)**

The Company does not calculate a present value for future cash flows on insurance and reinsurance premiums whose duration is less than 12 months.

The Company calculates a present value of future cash flows on claims incurred, recoveries and liabilities from reinsurance contracts held based on the Company's assessment if payment or collection is expected after more than 12 months.

**To calculate the discount rate, a top-down approach will be used as follows:**

**A- Risk-free yield curve:**

The risk-free yield curve will be derived as follows:

- 1- European Insurance and Occupational Pensions Authority (eiopa) rates will be used for the purposes of determining the interest rate according to the required year.
- 2- An increase margin of (1.5%) will be added to the above interest rate for the purposes of equating the interest from the dollar to the dinar, since the Company's investments are in the Jordanian dinar.

**B- Market risk premium for credit risk:**

The market risk premium for credit risk will be removed from the yield curves to account for "default" in insurance contracts as follows:

Discount rate = risk-free rate - market risk premium for credit risk

**Non-financial risk adjustments**

A financial amount that the Company reserves for uncertainty in 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.

Non-financial risk adjustment is the compensation required for a Company to bear uncertainty about the amount and timing of cash flows that arise from non-financial risks in fulfilling an insurance contract. Because risk adjustment represents compensation for uncertainty, estimates of the degree of diversification benefits and expected favorable and unfavorable outcomes are made in a way that reflects the degree to which the firm reduces risk. The Company estimates an adjustment for non-financial risks separately from all other estimates. The risk adjustment is calculated at the issuer level and then distributed to each group of contracts according to their risk levels. The cost of capital method is used to derive the overall risk adjustment for non-financial risks. In the cost of capital method, the risk adjustment is determined by applying a cost rate to the present value of expected capital related to non-financial risks.

A confidence level of 75% is set and is expected to be in line with the run-off of the business and a diversification feature is included to reflect the diversity in contracts sold across geographies as this reflects the compensation required by the Company. The non-financial risk adjustments are re-evaluated annually by the actuary.

## **5- Significate Accounting Policies (continued)**

### **Reinsurance contracts held**

#### **Definition of reinsurance contracts held**

It is an insurance contract issued by a reinsurer to compensate another facility for claims arising from one or more insurance contracts issued by that other Company (the basic contracts).

#### **1- Proof of reinsurance contracts held:**

- If the reinsurance contracts held are proportional to a group of insurance contracts, the reinsurance contracts held are recognized at the beginning of the coverage year for the group of these contracts or at the initial confirmation of any of the base contracts, whichever is earlier.
- From the beginning of the coverage year for the group of reinsurance contracts held.

#### **2- Compilation of reinsurance contracts:**

The Company segments its reinsurance contract portfolios in accordance with paragraphs 14 to 24 of IFRS 17, except that references to onerous contracts in those paragraphs should be replaced with a reference to contracts for which there is a net gain on recognition. Initial. For some reinsurance contracts held, application of paragraphs 14 to 24 of IFRS 17 will result in a group consisting of a single contract.

The Company collects reinsurance contracts held into separate portfolios (Portfolio) to be classified and processed independently for the year of underwriting (Cohort) and then profitability (Group) at the portfolio level.

#### **A) Determine the portfolios of reinsurance contracts held:**

The Company determines the portfolios of reinsurance contracts held. The portfolio consists of contracts subject to similar risks and managed together (reinsurance portfolios held follow insurance contract portfolios).

#### **B) Proof of aggregation level (Cohort):**

The Company details the reinsurance contract portfolios held according to the above-mentioned classifications by year of subscription on an annual basis as follows:

- 1- A group of contracts that are unlikely to generate net profit.
- 2- A group of contracts that are likely to become net profit.
- 3- A group of other contracts.

The Company evaluates the profitability of the group of reinsurance contracts held based on the evaluation of insurance contracts.

Reinsurance contract commissions

#### **Reinsurance contract commissions**

The Company records the commission on reinsurance contracts as unaccrued income and is recovered over the contract term.

#### **Reinsurance contract assets**

When measuring the assets of reinsurance contracts, the risk allowance for the default of reinsurance companies (reinsurers) is calculated outside the framework of Standard No. (17), as they are considered credit risks that are treated under Standard No. (9).

#### **Profitability level**

The contract groups referred to in the previous level are classified into the classifications shown below, according to the net cash flows expected from the contract and the accounting approach used in treating the contract groups:

- Contracts for which there is no possibility of becoming lost upon initial recognition.
- Contracts expected to be lost.

#### **Financial assets**

Financial assets are classified upon initial recognition into one of the categories as follows:

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

## **5- Significant Accounting Policies (continued)**

### **A- Financial assets at amortized cost:**

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

- The purpose of holding these assets in the context of the business approach is to collect contractual cash flows.
- The cash flows under the contractual terms of these assets arise on specified dates and represent only payments of the principal amount of the assets and interest accrued on the principal of those assets.

Financial assets are recorded at amortized cost using the cost method upon purchase plus acquisition expenses. The premium/discount (if any) is amortized using the effective interest method to limit or calculate interest, and any provisions resulting from a decline in the value of these investments that lead to the inability to recover this investment are deducted. Part of it, and any decrease in its value is recorded in the profit and loss statement.

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

In rare cases, the standard allows these assets to be measured at fair value through the statement of profit or loss if this eliminates or significantly reduces the measurement inconsistency (sometimes called accounting mismatch) that arises from measuring the assets or liabilities or recognizing the gains and losses resulting from them on a different basis.

The value of financial assets is reduced at amortized cost by impairment losses, as interest income, gains and losses on foreign currency differences and impairment are recognized in the statement of profit or loss, and gains or losses resulting from the disposal of financial assets appear in the statement of profit or loss.

### **B- Financial assets at fair value through the statement of profit or loss:**

- The remaining financial assets that do not meet the conditions of financial assets at amortized cost are measured as financial assets at fair value.
- Financial assets at fair value through the statement of profit or loss represent investments in equity and debt instruments for trading purposes, and the purpose of keeping them is to generate profits from short-term market price fluctuations or trading profit margin.
- Financial assets are recorded through the statement of profit or loss at fair value upon purchase (acquisition expenses are recorded in the statement of profit or loss upon purchase) and are re-evaluated at the date of the financial statements at fair value, and subsequent changes in the fair value are recorded in the statement of profit or loss at the same time. The year the change occurred, including the change in fair value resulting from translation differences on non-monetary asset items in foreign transactions. Dividends or returns are recorded in the statement of profit or loss when they are realized. (Approved by the General Assembly of Shareholders).

### **Reclassification**

It is permissible to reclassify from financial assets at amortized cost to financial assets at fair value through profit or loss and vice versa only when the Company changes the business approach on the basis of which it classified those assets as mentioned above, taking into account the following:

- It is not permissible to recover any profits, losses or interests that were previously recognized.
- When financial assets are reclassified so that they are measured at fair value, their fair value is determined on the date of reclassification, and any profits or losses resulting from differences between the previously recorded value and the fair value are recorded in the statement of profit or loss.
- When financial assets are reclassified to be measured at amortized cost, they are recorded at their fair value as of the date of reclassification.

## **5- Significate Accounting Policies (continued)**

### **Financial assets (continued)**

#### **C- Financial assets at fair value through the statement of other comprehensive income:**

- Upon initial recognition of investments in equity instruments that are not held for the purpose of trading, it is permitted to adopt an irrevocable option to present all changes in the fair value of these investments on an individual basis (each share separately) within the items of other comprehensive income, and it is not possible under any circumstances to In the event that at a later date, the amounts of these changes recognized in other comprehensive income are reclassified to the statement of profit or loss, while the dividends received from these investments are recognized in net investment income, unless these distributions clearly represent a partial recovery of all investments.
- In the event that these assets or part of them are sold, the profits or losses resulting from the sale are transferred from the balance of the accumulated net change in fair value through other comprehensive income to retained profits or losses and not through the statement of profit or loss.

#### **Real estate investments**

Real estate investments are shown at cost after subtracting accumulated depreciation (excluding lands). These investments are depreciated over their useful life at a rate of 2%. Any decline in their value is recorded in the statement of profit or loss. The operating revenues or expenses of these investments are also recorded in the statement of profit or loss.

#### **Property and equipment**

Property and equipment are stated at cost after deducting accumulated depreciation and any accumulated impairment losses. Property and equipment (except land) are depreciated when they are ready for use on a straight-line basis over their expected life using the following annual percentages. The depreciation expense is recorded in the statement of profit or loss.

<b>Asset</b>	<b>Depreciation Rate (%)</b>
Furniture & fixtures	10%-15%
Computers	10%-15%
Transportation	15%
Equipment and tools	10%-15%
Buildings	2%

Depreciation of property and equipment is calculated when these assets are ready for use for their intended use.

The full value of the depreciation expense for the year is shown from the item allocated for that purpose in the statement of profit or loss. When the recoverable amount of any property and equipment is less than its net book value, its value is reduced to the recoverable amount and the impairment value is recorded in the statement of profit or loss.

Property and equipment under construction for the Company's use are stated at cost and after deducting any impairment losses. The useful life of property and equipment is reviewed at the end of each year. If the useful life expectations differ from the previously prepared estimates, the change in estimate is recorded for subsequent years as a change in estimates.

Gains or losses resulting from the exclusion or write-off of any property and equipment, which represent the difference between the amount received from the sale and the book value of the asset, appear in the statement of profit or loss. Property and equipment are eliminated when they are disposed of or when no future benefits are expected from their use.

## **5- Significant Accounting Policies (continued)**

### **Intangible assets**

- Intangible assets obtained through the merger are recorded at fair value on the date of acquisition. Intangible assets that are acquired through a method other than a merger are recorded at cost.
- Other intangible assets are classified based on estimating their lifespan for a specific year or for specific periods. Intangible assets that have a specific lifespan are amortized during this life and are amortized in the statement of profit or loss.
- As for intangible assets whose useful life is indefinite, the decline in their value is reviewed at the date of the financial statements, and any decline in their value is recorded in the statement of profit or loss.
- Intangible assets generated internally in the Company are not capitalized and are recorded in the statement of profit or loss in the same current year.
- Any indications of impairment of the value of intangible assets at the date of the financial statements are reviewed. The estimate of the chronological life of those assets is also reviewed and any adjustments are made for subsequent periods.

### **Cash and its equivalent**

Cash and cash equivalents represent cash on hand, balances with banks, deposits with banks, and maturities exceeding three months after deducting bank accounts payable and restricted balances.

### **Offsetting**

Offsetting is carried out between financial assets and financial liabilities, and the net amount is shown in the statement of financial position only when binding legal rights are available, as well as when they are settled on the basis of offsetting, or the assets are accrued and the liabilities are settled at the same time.

### **Date of recognition of financial assets**

Purchases and sales of financial assets are recognized on the trade date (the date the Company commits to buying or selling the financial assets).

### **Fair value**

The closing prices (buying assets/selling liabilities) on the date of the financial statements in active markets represent the fair value of financial instruments that have market prices.

In the event that announced prices are not available, there is no active trading in some financial instruments, or there is no market activity, their fair value is estimated in several ways, including:

- Comparing it with the current market value of a financial instrument that is very similar to it.
- Analyze future cash flows and discount the expected cash flows by a rate used in a similar financial instrument.
- Options pricing approaches.

Valuation methods aim to obtain a fair value that reflects market expectations. Market factors and any expected risks or benefits are taken into account when estimating the value of financial instruments. In the event that there are financial instruments whose fair value cannot be measured reliably, they are shown at cost after deducting any decline in their value.

**5- Significate Accounting Policies (continued)**

**Financial liabilities**

The Company classifies financial liabilities based on the purpose for which this liability arises. The accounting policy for financial liabilities is as follows:

**1- Creditors and liabilities of reinsurance contracts:**

Accounts payable and reinsurance payables are initially recognized at fair value and subsequently stated at amortized cost using the effective interest rate method.

**2- Creditor banks:**

They are initially recognized at fair value, net of costs associated with obtaining the facilities. Such interest-bearing liabilities are subsequently carried at amortized cost using the effective interest rate method. The financing cost includes the initial costs and the premium paid upon settlement, in addition to the interest that accrues during the life of the obligation.

**3- Allocations:**

Provisions are recognized when the Company has obligations at the date of the financial statements arising from past events, and the settlement of the obligations is probable and their value can be measured reliably. The amounts recognized as provisions represent the best estimate of the amounts required to settle the obligation as of the date of the financial statements, taking into account the risks and uncertainty associated with commitment. When the value of the provision is determined on the basis of the estimated cash flows to settle the current obligation, its book value represents the present value of these cash flows.

When it is expected that some or all of the economic benefits required from other parties will be recovered to settle a provision, the receivable is recognized as an asset if the actual receipt of compensation is certain and its value can be measured reliably.

**4- End of service benefits provision:**

The provision for employees' end-of-service benefits calculated in accordance with the Company's policy, which is consistent with the Jordanian Labor Law.

The annual benefits incurred for employees who leave the service is recorded at the expense of the end-of-service benefits provision when paid, and the provision for the obligations incurred by the Company for the end-of-service benefits for employees is taken in the statement of profit or loss.

**Foreign currency**

- Transactions that occur in foreign currencies during the current year are recorded at the exchange rates prevailing on the date of the transactions.
- The balances of financial assets and financial liabilities are translated at the average foreign currency rates prevailing on the date of the statement of financial position and announced by the Central Bank of Jordan.
- Non-financial assets and non-financial liabilities denominated in foreign currencies and shown at fair value is translated on the date their fair value is determined.
- Gains and losses resulting from foreign currency translation are recorded in the statement of profit or loss.
- Translation differences for items of assets and liabilities denominated in non-monetary foreign currencies are recorded as part of the change in fair value.
- When consolidating the financial statements, the assets and liabilities of branches and subsidiaries abroad are translated from the average currency rates on the date of the financial statements, the main (base) currency, to the reporting currency according to that announced by the Central Bank of Jordan. As for the revenue and expense items, they are translated on the basis of the average price during the year, and the resulting currency differences appear in a separate item within equity. In the event that one of these companies or branches is sold, the amount of foreign currency translation differences related to it will be recorded within the revenues/expenses in the statement of profit or loss.

**5- Significate Accounting Policies (continued)**

**Treasury stocks**

Treasury shares are stated at cost. These shares do not have any right to dividends distributed to shareholders, and do not have the right to participate. Or voting in the Company's general assembly meetings. The profits or losses resulting from the sale of treasury shares are not recognized in the profit or loss statement. Rather, the profit is shown in equity under the share issue premium item, while the loss is recorded in retained earnings in the event that the stock issue premium balance is exhausted.

**Costs of issuing or purchasing insurance Company shares**

Any costs resulting from the issuance or purchase of insurance Company shares are recorded in retained earnings (net after the tax impact of these costs). If the issuance or purchase process does not take place, these costs are recorded as expenses in the statement of profits or losses.

**Realize revenue**

**1- Dividend and interest income:**

Dividend income from investments is verified when the right of shareholders to receive dividend payments is established upon approval by the General Assembly of Shareholders. Interest income is calculated according to the accrual basis based on the time periods due, the original amounts and the interest rate earned.

**2- Rental income:**

Rental income from real estate investments under operating lease contracts is recognized on a straight-line basis over the term of those contracts and on an accrual basis.

**Insurance contract expenses**

The Company distributes general administrative expenses and direct employee expenses to the insurance portfolios related to insurance contracts over groups of insurance contracts and includes them in calculating the profitability of the contract by distributing the direct expenses to each portfolio separately and adding the value of the undistributed expenses in proportion to the total portfolio production divided by the Company's total production. While administrative and general expenses and indirect employee expenses not related to insurance contracts are charged to the statement of profit or loss.

**Acquisition costs**

The acquisition costs incurred by the Company in exchange for selling, subscribing, or starting new insurance contracts represent acquisition costs, as the Company recognizes all acquisition costs directly when the insurance contract is recognized in the statement of profit or loss, while the Company recognizes acquisition costs by amortizing the costs incurred over a period of time. Coverage of the insurance contract in the statement of financial position. When applying the premium allocation approach, the Company may elect to recognize any insurance acquisition cash flows as expenses when those costs are incurred, provided that the coverage period for each contract in the group at initial recognition does not exceed one year. The Company has chosen the aforementioned exception only for commission expenses.

**Insurance contracts with expected loss**

The Company recognizes insurance contracts as loss-expected contracts if the contract is expected to be lost on the date of initial recognition. The loss component is measured by comparing the cash flows expected to meet the obligations of the contract or group of contracts with the cash flows generated from this contract or group of contracts. The Company has disclosed the loss component if the value of the contractual service margin is zero (applies only to the general measurement approach and the variable cost approach).

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**6- Deposits at Banks**

This item consists of the following:

	<b>March 31, 2024 (Unaudited)</b>				<b>December 31, 2023 (Audited)</b>
	<b>Deposits due within a month</b>	<b>Deposits due from 1 to 3 months</b>	<b>Deposits due from 3 months to 1 year</b>	<b>Total</b>	<b>Total</b>
Deposits inside Jordan	39,414	3,484,955	460,000	3,984,369	4,558,433
Less:					
Expected credit loss provision	(330)	(6,573)	-	(6,903)	(6,903)
	<u>39,084</u>	<u>3,478,382</u>	<u>460,000</u>	<u>3,977,466</u>	<u>4,551,530</u>

- This item includes cash insurance amounting to 460,000 JOD for guarantees in favor of the Securities and Depository Center at Creativity Financial Intermediation Company (a subsidiary) at the Investment Bank.
- Interest rates on bank deposits balances in Jordanian Dinar ranges from 1% to 6.75%.
- The pledged deposits under the custody of the Central Bank Governor, in addition to his position, amounted to (800,000) JOD as of March 31, 2024, compared to 800,000 JOD as of December 31, 2023, at the Investment Bank.

The following is the distribution of the Company's deposits at banks:

	<b>March 31, 2024 (Unaudited)</b>	<b>December 31, 2023 (Audited)</b>
Investment Bank	1,365,414	1,444,317
Capital Bank of Jordan	1,511,242	1,511,168
Egyptian Arab Land Bank	7,713	502,948
Housing Bank	1,100,000	1,100,000
	<u>3,984,369</u>	<u>4,558,433</u>

The following is a summary of the movement in the provision for expected credit losses for the balance of deposits with banks:

	<b>March 31, 2024 (Unaudited)</b>	<b>December 31, 2023 (Audited)</b>
Balance at the beginning of the period/year	6,903	6,903
Provision during the period/year	-	-
<b>Balance at the end of the period/year</b>	<u>6,903</u>	<u>6,903</u>

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**7- Financial Assets at Fair Value through Profit or Loss Statement**

	<b>March 31, 2024</b> <b>(Unaudited)</b>	<b>December 31, 2023</b> <b>(Audited)</b>
<b><u>Inside Jordan</u></b>		
Shares listed	<b>1,491,290</b>	1,512,856
Shares un-listed	<b>67,993</b>	68,037
<b>Sub-total</b>	<b>1,559,283</b>	1,580,893
<b><u>Outside Jordan</u></b>		
Shares listed	-	819
<b>Sub-total</b>	-	819
<b>Total</b>	<b>1,559,283</b>	1,581,712

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

	<b>March 31, 2024</b> <b>(Unaudited)</b>	<b>December 31, 2023</b> <b>(Audited)</b>
<b><u>Inside Jordan</u></b>		
Shares listed	<b>114,948</b>	121,998
Shares un-listed	<b>1,717,082</b>	1,719,967
Bank al Etihad Bonds	<b>49,700</b>	49,700
<b>Sub-total</b>	<b>1,881,730</b>	1,891,665

**9- Investment Properties**

	<b>March 31, 2024</b> <b>(Unaudited)</b>	<b>December 31, 2023</b> <b>(Audited)</b>
Land	<b>6,919,163</b>	6,933,490
Building	<b>467,119</b>	467,119
Apartments	<b>120,697</b>	120,697
Wadi Saqra Office	<b>88,433</b>	88,433
	<b>7,595,412</b>	7,609,739
Less:		
Accumulated Depreciation	<b>(217,854)</b>	(208,300)
Impairment of fair value for Investment	<b>(6,126)</b>	(6,126)
	<b>7,371,432</b>	7,395,313

- Investment buildings are depreciated at %2 annually and appears at net book value.

- The fair value of real estate investments was appraised by real estate experts at 8,400,746 dinars as of March 31, 2024 (8,400,746 dinars as of December 31, 2023).

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**10- Cash on Hand and at Banks**

	<b>March 31, 2024</b> <b>(Unaudited)</b>	<b>December 31, 2023</b> <b>(Audited)</b>
Cash on hand	3,762	12,710
Cash at banks	293,150	513,704
	<b>296,912</b>	<b>526,414</b>

**11- Receivables Related to Insurance Operations\***

	<b>March 31, 2024</b> <b>(Unaudited)</b>	<b>December 31, 2023</b> <b>(Audited)</b>
The total value of receivables related to insurance operations	9,689,900	6,889,252
Less: allowance for expected credit losses provision	(950,525)	(950,525)
Net value of receivables related to insurance operations	<b>8,739,375</b>	<b>5,938,727</b>

\*Details of receivables related to insurance operations, which were taken into account in calculating the included assets/liabilities, are disclosed in note 12

**Analysis of receivables according to their time period:**

	<b>March 31, 2024</b> <b>(Unaudited)</b>	<b>December 31, 2023</b> <b>(Audited)</b>
Payable during 0-30 days	7,065,941	3,676,574
Payable during 31-90 days	381,835	262,144
Payable during 91-180 days	159,785	550,930
Payable during 181-365 days	1,173,025	1,460,677
Repayable for more than a year	909,314	938,927
<b>Total</b>	<b>9,689,900</b>	<b>6,889,252</b>

**Cheques under collection\*:**

	<b>March 31, 2024</b> <b>(Unaudited)</b>	<b>December 31, 2023</b> <b>(Audited)</b>
The total value of Cheques under collection related to insurance operations	512,752	692,158
Less: allowance for expected credit losses provision	(6,581)	(6,581)
Net value of Cheques under collection related to insurance operations	<b>506,171</b>	<b>685,577</b>

**Analysis of cheques under collection according to their time period:**

	<b>March 31, 2024</b> <b>(Unaudited)</b>	<b>December 31, 2023</b> <b>(Audited)</b>
Payable during 0-6 months	471,732	637,297
Payable during 6-12 months	41,020	54,861
Payable during for more than 12 months	-	-
<b>Total</b>	<b>512,752</b>	<b>692,158</b>

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**11- Receivables Related to Insurance Operations\* (Continued )**

<b><u>Receivables Related to Insurance Operations (By Type)</u></b>	<b>March 31, 2024 (Unaudited)</b>	<b>December 31, 2023 (Audited)</b>
Receivables from insurance contract holders	7,995,115	5,324,975
Agents' receivables	30,076	30,076
Brokers' receivables	497,660	344,125
Companies' receivables	30,249	85,623
Lawsuits receivables	1,021,250	981,775
Other receivables*	115,550	122,678
<b>Total receivables</b>	<b>9,689,900</b>	<b>6,889,252</b>
Less: allowance for expected credit losses provision	(950,525)	(950,525)
<b>Receivables, Net</b>	<b>8,739,375</b>	<b>5,938,727</b>

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

	<b>March 31, 2024 (Unaudited)</b>	<b>December 31, 2023 (Audited)</b>
Balance at the beginning of the Period/year	950,525	1,003,779
Disposals	-	(53,254)
<b>Balance at the end of the Period/year</b>	<b>950,525</b>	<b>950,525</b>

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**12- (Liabilities) / Assets Insurance Contracts (Premium Allocation Approach)**

	Liabilities for remaining coverage				Liabilities for Incurred Claims			
	March 31, 2024 (Unaudited)	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)	December 31, 2023 (Audited)	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)
	Excluding component	Loss component	Excluding the loss component	Loss component	Present value of cashflow	Present value of cashflow	Risk adjustments Non-financial	Risk adjustments Non-financial
							Total	Total
Insurance contracts liabilities-beginning	(1,678,223)	247,327	(1,824,254)	221,804	28,129,153	26,174,219	1,141,061	2,095,202
Insurance contracts assets-beginning	(313,683)	-	(2,027)	-	163,441	-	8,367	-
Net insurance contracts (liabilities)/Assets - beginning	(2,486,560)	247,327	(1,826,281)	221,804	28,292,594	26,174,219	1,149,428	2,095,202
Insurance contracts revenues	(3,388,697)	-	(15,412,295)	-	-	-	-	-
Claims incurred	-	-	-	-	2,502,398	12,410,154	33,370	66,931
Change in onerous contracts	-	-	-	25,523	-	-	-	-
Acquisition cost	250,644	-	1,064,639	-	-	-	-	-
Change in insurance contract liabilities against obligations incurred	-	-	-	-	168,291	3,169,293	(112,986)	(1,012,705)
Losses resulting from contracts expected to be lost and the recovery of these losses	-	-	-	-	-	-	-	-
Insurance contracts expense	250,644	-	1,064,639	25,523	2,670,689	15,579,447	(79,256)	(945,774)
Insurance service results	(3,138,053)	-	(14,347,656)	25,523	2,670,689	15,579,447	(79,256)	(945,774)
Finance costs – from insurance contracts	-	-	-	-	30,376	1,634,778	-	-
Net change – other comprehensive income	(3,183,053)	-	(14,347,656)	25,523	2,701,065	17,214,225	(79,256)	(945,774)
Cash received from written contracts	3,043,542	-	14,720,826	-	-	-	-	-
Claims incurred	-	-	-	-	(4,024,048)	(15,095,852)	-	-
Paid from acquisition costs	(237,967)	-	(1,033,448)	-	-	-	-	-
Total cashflows	2,805,575	-	13,687,378	-	(4,024,048)	(15,095,852)	-	-
Transferred to liabilities against claims incurred	(2,819,036)	247,327	(2,486,560)	247,327	26,908,858	28,292,594	1,070,172	1,149,428
Insurance contracts liabilities-Ending	(2,665,961)	247,327	(2,172,877)	247,327	26,820,296	28,129,153	1,066,338	1,141,061
Insurance contracts assets-Ending	(153,075)	-	(313,683)	-	88,562	163,441	3,834	8,367
Net insurance contracts (liabilities)/Assets – Ending	(2,819,036)	247,327	(2,486,560)	247,327	26,908,858	28,292,594	1,070,172	1,149,428
							25,407,321	27,202,789

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### 13- (Liabilities) / Assets Reinsurance Contracts Held

	Liabilities for remaining coverage (ARC)				Liabilities for Incurred Claims (AIC)					
	March 31, 2024 (Unaudited)	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)	December 31, 2023 (Audited)	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)
Reinsurance contracts liabilities-beginning	-	-	(12,688)	-	-	-	-	-	-	(12,688)
Reinsurance contracts assets-beginning	2,424,082	2,180	3,080,423	130,376	22,357,574	19,937,913	977,513	1,743,422	25,761,349	24,892,134
Net insurance contracts liabilities/(Assets) – beginning	2,424,082	2,180	3,198,111	130,376	22,357,574	19,937,913	977,513	1,743,422	25,761,349	24,879,446
Reinsurance payments	(2,588,875)	-	(9,957,532)	-	-	-	-	-	(2,588,875)	(9,957,532)
Commissions received	339,567	-	797,977	-	-	-	-	-	339,567	797,977
Losses resulting from onerous contracts and refunds from these losses	-	-	-	-	-	-	-	-	-	-
Reinsurance recoveries	-	-	-	-	1,462,515	6,412,003	24,326	46,871	1,486,841	6,458,874
Distributed expenses	-	-	-	-	-	-	-	-	-	-
Change in reinsurance contracts against obligations incurred	-	-	-	-	(12,098)	2,774,280	(60,408)	(812,780)	(72,506)	1,961,500
Change in onerous contracts	-	-	-	(128,196)	-	-	-	-	-	(128,196)
Reinsurance contracts revenues	-	-	-	(128,196)	1,450,417	9,186,283	(36,082)	(765,909)	1,414,335	8,292,178
Reinsurance service contracts results	(2,249,308)	-	(9,159,555)	(128,196)	1,450,417	9,186,283	(36,082)	(765,909)	834,974	(867,377)
Finance cost - from reinsurance contracts	-	-	-	-	57,387	1,447,123	-	-	57,387	1,447,123
Net change - other comprehensive income	(2,249,308)	-	(9,159,555)	(128,196)	-	10,633,406	(36,082)	(765,909)	892,361	579,746
Cash received from written contracts paid to reinsurers	2,229,626	-	8,515,903	-	-	-	-	-	2,229,626	8,515,903
Incurrd claims recovered from reinsurers	-	-	-	-	(2,452,608)	(8,213,745)	-	-	(2,452,608)	(8,213,745)
Total cashflows	2,229,626	-	8,515,903	(128,196)	(2,452,608)	(8,213,745)	-	-	(222,983)	302,158
Reinsurance contracts liabilities-Ending	(2,017)	-	-	-	-	-	-	-	(2,017)	-
Reinsurance contracts assets-Ending	2,406,417	2,180	2,424,082	2,180	21,297,995	22,357,574	941,431	977,513	24,648,023	25,761,349
Net reinsurance contracts liabilities/(Assets)	2,404,400	2,180	2,424,082	2,180	21,297,995	22,357,574	941,431	977,513	24,646,006	25,761,349

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**14-Settlement Guarantee Fund Manat**

This item represents the balance of Ebdaa Financial Investments Company (a subsidiary) in the Settlement Guarantee Fund based on the provisions of Article (90) of the Securities Law No. (76) of 2002 and the Internal Regulations of the Settlement Guarantee Fund of 2004.

**15-Related Parties Transactions**

The Company entered into transactions with members of the Board of Directors and senior management within the normal activities of the Company and using insurance premiums and commercial commissions. All receivables from related parties are considered working and no allocations have been taken for them as of December 31

The following is a summary of transactions with related parties during the year:

	March 31, 2024 (Unaudited)			December 31, 2023 (Audited)
	Major shareholders	Members of the Board of Directors	Total	Total
<b>Items of financial position statement</b>				
Due from Related parties (United Management & Consulting Group)	-	126,242	126,242	127,527

	March 31, 2024 (Unaudited)			March 31, 2023(Unaudited)
	Major shareholders	Members of the Board of Directors	Total	Total
<b>Items of profit or loss statement</b>				
Fees of the Chairman of the Board	-	45,000	45,000	-
Travel and transportation expenses for members of the Board of Directors	-	13,500	13,500	12,250
Medical expenses for board members	-	1,264	1,264	1,869

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**16- Income Tax**

**A- Provision for Income Tax:**

	<b>March 31, 2024</b> <b>(Unaudited)</b>	<b>December 31, 2023</b> <b>(Audited)</b>
Balance at beginning of the Period/year	<b>2,131</b>	22,412
Income tax paid	(27)	(25,496)
Income tax expense for the Period/year	<b>3,502</b>	5,215
<b>Balance at the end of the Period/year</b>	<b>5,606</b>	2,131

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

	<b>March 31, 2024</b> <b>(Unaudited)</b>	<b>March 31, 2023</b> <b>(Unaudited )</b>
Deferred tax assets	<b>10,323</b>	9,069
Deferred tax assets / liabilities amortization	(35,581)	(57,874)
Income tax expense	<b>(3,502)</b>	(3,994)
<b>Balance at the end of the year</b>	<b>(28,760)</b>	(52,799)

- A final settlement was reached with the Income Tax Department for the year 2020.and the income tax return for the fiscal year 2023,2022,2021 was submitted to Jordan International Insurance Company (the parent company) within the legal period and was not audited by the Income and Sales Tax Department and no final decision was issued on it.
- A final settlement was made with the Income and Sales Tax Department until the end of the year 2021 for Jordan International Investment Company (a subsidiary), and the income tax return for the fiscal year 2023, 2022 was submitted within the legal period and was not audited by the Income and Sales Tax Department and no final decision was issued on it.
- A final settlement was made with the Income and Sales Tax Department until the end of the year 2022 for Ibdaa Financial Investment Company (a subsidiary), except for the years 2021, 2020, 2019, where the income tax return for those years was submitted within the legal period and was not audited by the Income and Sales Tax Department and no final decision was issued on it.
- Clearance was made with the Income and Sales Tax Department of Talal Salem Company (subsidiary) until the end of the year
- In the opinion of the management and tax advisor of the Group, the provisions taken within the condensed interim consolidated financial information are sufficient to meet any tax liability.

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**16- Income Tax (continue)**

**Deferred Tax Assets/Liabilities**

	<b>March 31, 2024 (Unaudited)</b>					<b>December 31, 2023 (Audited)</b>
	<b>Beginning Balance</b>	<b>Reversal</b>	<b>Additions</b>	<b>Ending Balance</b>	<b>Deferred Tax</b>	<b>Deferred Tax</b>
<b>Deferred tax assets:</b>						
Expected credit loss provision	1,858,216	-	-	1,858,216	490,626	490,626
Provision for end of service benefits	38,500	-	-	38,500	10,012	10,012
Impairment of financial assets through profit and loss statement	961,809	-	46,116	1,007,925	232,297	221,974
Impairment of financial assets through other comprehensive income statement	1,514,693	-	-	1,514,693	393,223	393,223
Impairment in real estate investments	6,126	-	-	6,126	1,286	1,286
Lawsuits provisions	5,448	-	-	5,448	1,176	1,176
Provision for contingent liabilities	250,000	-	-	250,000	65,000	65,000
Unreported claims	617,633	(136,851)	-	480,782	124,604	160,185
Provision for premium deficiency	182,000	-	-	182,000	47,320	47,320
Tax-Deductible Accumulated Loss	1,315,099	-	-	1,315,099	341,926	341,926
Other items	11,674	-	-	11,674	3,037	3,037
	<b>6,761,198</b>	<b>(136,851)</b>	<b>46,116</b>	<b>6,670,463</b>	<b>1,710,507</b>	<b>1,735,765</b>

**The Movement of Deferred Tax Assets through period/Year as below:**

	<b>March 31, 2024 (Unaudited)</b>	<b>December 31, 2023 (Audited)</b>
The Beginning balance period/year	1,735,765	1,745,557
Add through period /year	10,323	48,568
Amortized through period/year	(35,581)	(58,360)
	<b>1,710,507</b>	<b>1,735,765</b>

**17- Intangible Assets**

	<b>March 31, 2024 (Unaudited)</b>	<b>December 31, 2023 (Audited)</b>
<b><u>Cost</u></b>		
Balance at the beginning of the year	765,134	629,034
Additions	-	136,100
<b>Balance at the end of the year</b>	<b>765,134</b>	<b>765,134</b>
<b><u>Accumulated depreciation</u></b>		
Balance at the beginning of the year	403,518	384,066
Amortization	12,555	19,452
<b>Balance at the end of the year</b>	<b>416,073</b>	<b>403,518</b>
<b>Ner Book Value</b>	<b>349,061</b>	<b>361,616</b>

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**18- Other Assets**

	<b>March 31, 2024 (Unaudited)</b>	<b>December 31, 2023 (Audited)</b>
Refundable Insurances	109,665	112,125
Prepaid expenses	105,182	35,710
Secretariats of the Arab Fund for War Risks Insurance / Bahrain	1,233,958	1,233,958
Unreceived accrued revenue	47,144	78,223
Assets deposited with the Housing Bank (SIPC)*	167,926	178,023
Income tax deposits prepaid interest	110,226	101,830
Other	13,731	14,013
	<b>1,787,832</b>	<b>1,753,882</b>

**19- Account Receivable**

	<b>March 31, 2024 (Unaudited)</b>	<b>December 31, 2023 (Audited)</b>
Receivables of brokerage clients	1,138,778	876,755
Trade receivables	70,642	65,846
<b>Total</b>	<b>1,209,420</b>	<b>942,601</b>
Less: Provision for expected credit losses*	(594,207)	(594,207)
	<b>615,213</b>	<b>348,394</b>

The movement in the allowance for expected credit losses was as follows:

	<b>March 31, 2024 (Unaudited)</b>	<b>December 31, 2023 (Audited)</b>
Balance at the beginning of the period/year	(594,207)	(594,407)
Additions	-	-
Disposal	-	200
<b>Balance at the end of the period/year</b>	<b>(594,207)</b>	<b>(594,207)</b>

**20- Other provision**

	<b>March 31, 2024 (Unaudited)</b>	<b>December 31, 2023 (Audited)</b>
End of Service Gratuity for Legal Affairs	38,500	38,500
Contingent liabilities provision	5,448	5,448
	<b>43,948</b>	<b>43,948</b>

The following table shows the movement on the other provisions

	<b>Balance at the beginning of the period</b>	<b>Charge during the period</b>	<b>used during the period</b>	<b>Refunded from revenues</b>	<b>Balance at the end of the period</b>
End of Service Gratuity for Legal Affairs	38,500	-	-	-	<b>38,500</b>
Contingent liabilities provision	5,448	-	-	-	<b>5,448</b>
	<b>43,948</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>43,948</b>

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**21- Other Liabilities**

	<b>March 31, 2024 (Unaudited)</b>	<b>December 31, 2023 (Audited)</b>
Reinsurers deposits	2,962,720	2,963,457
Claims under settlement deposits	23,339	23,339
Other deposits	389,555	197,943
Outstanding Checks	141,536	141,894
	<b>3,517,150</b>	<b>3,326,633</b>

**22- Authorized and paid-up share capital**

The Authorized and paid-up share capital at the end of the period amounted to JD 18,150,000, divided into 18,150,000 shares, with a nominal value of one dinar per share, as on March 31, 2024 (unaudited) and March 31, 2023 (unaudited).

**23- Reserves**

**Statutory Reserve**

The amounts accumulated in this account represent the transferred annual profits before tax by 10% in accordance with the Companies Law and is not distributable to shareholders, provided that the value of the amounts collected in this account does not exceed 25% of the capital of the company.

**Special Reserve**

This item represents the increase in the value of the assets of the merged company that formed Jordan International Investment Company (a subsidiary) over the capital of the company after the merger according to the merger report approved by the General Controller of Companies.

**Non-controlling rights purchase teams**

During the year 2022 and 2021, a company purchased part of the non-controlling stake in Jordan International Investment Company, and the difference between the value paid and the share of these shares of the net assets purchased for the years since 2011 until the end of the period was recorded directly within the shareholders' equity in line with Standard No. 3 for business merger.

**24- Accounts Receivable\* (Reinsurance Contracts Held)**

	<b>March 31, 2024 (Unaudited)</b>	<b>December 31, 2023 (Audited)</b>
Assets reinsurance contracts held (Internal)	197,671	226,614
Assets reinsurance contracts held (External)	866,886	1,113,163
<b>Total accounts receivable value related to insurance operations</b>	<b>1,064,557</b>	<b>1,339,777</b>
Less: Expected credit losses provision	(300,000)	(300,000)
<b>Net accounts receivable value related to insurance operations</b>	<b>764,557</b>	<b>1,039,777</b>

\* Details of accounts receivable related to reinsurance operations, which were taken into account in calculating the assets/liabilities included in the note

<b>Analysis of accounts receivable according to their time period:</b>	<b>March 31, 2024 (Unaudited)</b>	<b>December 31, 2023 (Audited)</b>
Payable during 0-30 days	288,458	452,800
Payable during 31-90 days	71,932	50,748
Payable during 91-180 days	67,650	68,614
Payable during 181-365 days	347,398	468,424
Payable during for more than one year	289,119	299,191
<b>Total</b>	<b>1,064,557</b>	<b>1,339,777</b>

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**25- Accounts Payable\* (Reinsurance Contracts Held)**

	<b>March 31, 2024</b> <b>(Unaudited)</b>	<b>December 31, 2023</b> <b>(Audited)</b>
Liabilities reinsurance contracts held (Internal)	<b>270,459</b>	205,466
Liabilities reinsurance contracts held (External)	<b>1,456,440</b>	424,054
<b>Total accounts payable value related to insurance operations</b>	<b>1,726,899</b>	629,520

**26- The Fair Value of Financial Assets and Liabilities That are not Stated at Fair Value**

This amount represents the increase in the fair value of financial assets at fair value through other comprehensive income and is as follows

	<b>March 31, 2024</b> <b>(Unaudited)</b>	<b>December 31, 2023</b> <b>(Audited)</b>
Balance at the beginning of the year	<b>(2,479,910)</b>	(2,468,333)
Change during the year	<b>(7,050)</b>	(11,577)
Change in deferred tax assets	-	-
Balance at the end of the year	<b>(2,486,960)</b>	(2,479,910)

**27- Non-controlling interests**

This clause represents the non-owned portion of the Company's equity in the subsidiary (Jordan International Investment Company)

	<b>Contribution</b> <b>Percentage</b>	<b>paid-up</b> <b>share</b> <b>capital</b>	<b>Statutory</b> <b>Reserve</b>	<b>Special</b> <b>Reserve</b>	<b>Accumulated</b> <b>losses</b>	<b>Profit(loss)</b>	<b>Non-</b> <b>controlling</b> <b>interests</b>	<b>Share of</b> <b>non-</b> <b>controlling</b> <b>interest</b> <b>from</b> <b>profit(loss)</b>
March 31, 2024	91,02	10,000,000	50,015	2,225	(789,722)	(28,199)	842,054	(2,533)
March 31, 2024	91,02	10,000,000	50,015	2,225	(761,523)	19,468	844,587	1,748

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**28- Insurance Contracts Revenue**

March 31, 2024 (Unaudited)													
	Vehicles- Comprehensive	Vehicles- Third party liability	Vehicles- Pool	Life Group	Life individual	Medical	marine goods	marine ship hulls	Fire	General Insurance	Public liabilities	Engineering	Total
Insurance contracts revenue	-	-	167	59,256	75	4,002,892	210,064	-	1,025,513	109,271	16,903	48,992	5,473,133
Change in insurance contracts liabilities against remaining coverage	(1)	-	1	(4,924)	12,923	(1,710,980)	27,072	61,323	(760,108)	(19,149)	22,079	95,677	(2,276,087)
Insurance contracts issuance fees	-	-	-	1,974	2	114,935	4,664	-	61,579	3,813	719	2,942	190,629
Other income	-	-	1,022	-	-	-	-	-	-	-	-	-	1,022
Total insurance contracts revenue	(1)	-	1,189	56,306	13,001	2,406,848	241,801	61,323	326,984	93,935	39,701	147,611	3,388,697
March 31 2023 (Unaudited)													
	Vehicles- Comprehensive	Vehicles- Third party liability	Vehicles- Pool	Life Group	Life individual	Medical	marine goods	marine ship hulls	Fire	General Insurance	Public liabilities	Engineering	Total
Insurance contracts revenue	(560)	-	100	91,228	157	3,724,514	171,031	46,626	1,438,265	113,586	19,652	52,794	5,657,393
Change in insurance contracts liabilities against remaining coverage	41,453	21,301	1,510	(5,664)	62,152	(770,631)	(6,434)	(40,101)	(1,153,007)	3,234	101,216	27,421	(1,717,551)
Insurance contracts issuance fees	-	-	-	3,192	6	109,380	2,838	774	49,776	3,106	4,150	1,827	175,049
Other income	904	-	(162)	-	-	-	-	-	-	-	-	-	742
Total insurance contracts revenue	41,798	21,301	1,448	88,756	62,315	3,063,263	167,435	7,299	335,034	119,925	125,018	82,042	4,115,633

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**29- Insurance Contracts Expenses**

<b>March 31, 2024 (Unaudited)</b>	<b>Vehicles- Comprehensive</b>		<b>Vehicles- Third party liability</b>		<b>Vehicles- Pool</b>		<b>Life Group</b>		<b>Life individual</b>		<b>Medical</b>		<b>marine goods</b>		<b>marine ship hulls</b>		<b>Fire</b>		<b>General Insurance</b>		<b>Public liabilities</b>		<b>Engineering</b>		<b>Total</b>	
Insurance claims incurred	24,035		211,004		36,726		21,311		-		2,154,518		46,958		-		312,241		281,246		735,402		26,740		3,850,181	
Amortization of acquisition costs	-		-		-		732		-		(10,651)		3,909		-		(7,101)		2,159		(1,725)		-		(12,677)	
Administrative expenses	11,445		56,865		4,159		11,723		-		488,489		25,377		-		116,294		14,599		7,118		3,373		739,442	
Recovered from the loss of onerous contracts	-		-		-		-		-		-		-		-		-		-		-		-		-	
Adjustments - non-financial risk	65		(6,486)		(203)		(8)		-		(7,730)		(561)		(2,039)		(12,625)		(12,603)		(32,382)		(4,683)		(79,255)	
The summary of risk adjustments - non-financial	(394)		4,176		373		(115)		-		1,935		666		1,314		(43,441)		15,490		47,673		5,692		33,368	
Change in insurance contract liabilities for insurance coverage	(2,978)		(163,435)		(3,820)		(1,277)		-		(158,728)		(20,219)		(45,701)		(160,574)		(285,731)		(739,672)		(106,844)		(1,688,981)	
<b>Total insurance contracts expenses</b>	<b>32,173</b>		<b>102,125</b>		<b>37,235</b>		<b>32,367</b>		<b>-</b>		<b>2,467,832</b>		<b>56,129</b>		<b>(46,427)</b>		<b>204,794</b>		<b>15,160</b>		<b>16,414</b>		<b>(75,722)</b>		<b>2,842,077</b>	

  

<b>March 31, 2024 (Unaudited)</b>	<b>Vehicles- Comprehensive</b>		<b>Vehicles- Third party liability</b>		<b>Vehicles- Pool</b>		<b>Life Group</b>		<b>Life individual</b>		<b>Medical</b>		<b>marine goods</b>		<b>marine ship hulls</b>		<b>Fire</b>		<b>General Insurance</b>		<b>Public liabilities</b>		<b>Engineering</b>		<b>Total</b>	
Insurance claims incurred	81,842		470,897		6,498		47,021		-		2,710,259		7,983		-		719,019		107,223		73,217		95,600		4,319,559	
Amortization of acquisition costs	-		-		-		(574)		-		(4,305)		4,927		-		20,446		(1,143)		(3,117)		-		16,235	
Administrative expenses	11,255		57,021		3,773		9,072		-		529,005		25,647		-		117,361		11,439		6,548		4,559		775,680	
Recovered from the loss of onerous contracts	-		-		-		-		-		-		-		-		-		-		-		-		-	
Adjustments - non-financial risk	(19,683)		(17,683)		(1,815)		(2,209)		-		(8,698)		(18,515)		(1,585)		14,149		48,176		(48,140)		2,071		(53,933)	
The summary of risk adjustments - non-financial	6,666		19,762		1,156		4,680		-		2,401		20,563		3,100		700,363		(66,992)		169,199		18,387		879,286	
Change in insurance contract liabilities for insurance coverage	(155,241)		(379,197)		(23,038)		(37,319)		-		(184,480)		(223,942)		(21,074)		(1,039,693)		546,593		(706,665)		(6,655)		(2,230,711)	
<b>Total insurance contracts expenses</b>	<b>(75,160)</b>		<b>150,799</b>		<b>(13,425)</b>		<b>20,671</b>		<b>-</b>		<b>3,044,182</b>		<b>(183,338)</b>		<b>(19,558)</b>		<b>531,646</b>		<b>645,296</b>		<b>(508,958)</b>		<b>113,961</b>		<b>3,706,116</b>	

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**30- Financing (Expenses) Revenues– Insurance Contracts**

	<b>March 31, 2024</b> <b>(Unaudited)</b>	<b>March 31, 2023</b> <b>(Unaudited)</b>
Financing (expenses) /revenues– Insurance contracts	<u>30,376</u>	<u>(599,440)</u>
	<u>30,376</u>	<u>(599,440)</u>

**31- Financing Revenues/(Expenses) – Reinsurance Contracts**

	<b>March 31, 2024</b> <b>(Unaudited)</b>	<b>March 31, 2023</b> <b>(Unaudited)</b>
Financing revenues/(expenses) – Reinsurance contracts	<u>(57,387)</u>	<u>517,818</u>
	<u>(57,387)</u>	<u>517,818</u>

**32- Interest payable**

	<b>March 31, 2024</b> <b>(Unaudited)</b>	<b>March 31, 2023</b> <b>(Unaudited)</b>
Bank Interest	<u>59,656</u>	<u>61,108</u>
	<u>59,656</u>	<u>61,108</u>

**33- Net Profit of Financial Assets and Investments**

	<b>March 31, 2024</b> <b>(Unaudited)</b>	<b>March 31, 2023</b> <b>(Unaudited)</b>
Cash dividend returns (through profit or loss statement)	<u>8,705</u>	<u>11,471</u>
Profit from selling financial assets at fair value through the statement of profit or loss	<u>37,277</u>	<u>80,186</u>
Net change in the fair value of financial assets through profit or loss statement	<u>(58,478)</u>	<u>(50,267)</u>
	<u>(12,496)</u>	<u>41,390</u>

**34- Other Income**

This amount represents the fair value of the financial assets through other comprehensive income and is stated as follows:

	<b>March 31, 2024</b> <b>(Unaudited)</b>	<b>March 31, 2023</b> <b>(Unaudited)</b>
Brokerage commission revenues	<u>18,706</u>	<u>23,353</u>
Margin financing commissions	<u>687</u>	<u>228</u>
Profit from sales investments properties	<u>14,548</u>	<u>-</u>
Other Medical - net	<u>-</u>	<u>93,415</u>
Medical Brochure Advertisements	<u>-</u>	<u>94,730</u>
Other	<u>13,170</u>	<u>24,258</u>
	<u>47,111</u>	<u>235,984</u>

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**35- Earnings per share for the year**

	<b>March 31, 2024</b> <b>(Unaudited)</b>	<b>March 31, 2023</b> <b>(Unaudited)</b>
Net profit for the year	(336,859)	155,528
Weighted Average for Share	<b>18,150,000</b>	18,150,000
Earnings per share for the year	(0.019)	0.01
<b>Basic</b>	<b>(0.019)</b>	<b>0.01</b>

**36- Cash and cash equivalent**

	<b>March 31, 2024</b> <b>(Unaudited)</b>	<b>March 31, 2023</b> <b>(Unaudited)</b>
Cash on hand and at bank	296,912	773,140
Bank deposit	3,984,369	5,545,534
Restricted Deposits	(800,000)	(800,000)
Less: Deposits (cash deposits in exchange for guarantees)	(460,000)	(460,000)
	<b>3,021,281</b>	<b>5,058,674</b>