

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

National Insurance Company
(Public Limited Shareholding Company)
Interim Condensed Consolidated Financial Statements (Unaudited)
and Independent Auditor's Report
For the Three Months Period Ended March 31, 2024

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Independent Auditor's Report

To, The Respected Shareholders
National Insurance Company
(Public Shareholding Company)
Amman - the Hashemite Kingdom of Jordan

Introduction

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

The management is responsible for the preparation and presentation of these condensed interim consolidated financial statements in accordance with International Accounting Standard (IAS) 34, "Interim Financial Reporting," as adopted in the Hashemite Kingdom of Jordan. Our responsibility is to express a conclusion on these condensed interim consolidated financial statements based on our review.

Scope of Review:

We conducted our review in accordance with Review Engagement Standard (RES) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity," as adopted in the Hashemite Kingdom of Jordan. A review of condensed interim consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. The scope of a review is substantially less than that of 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 approval from the Central Bank of Jordan for the financial statements for the year ended December 31, 2023, to date.

Qualified Conclusion:

Based on our review, except for the matter described in the Basis for Qualified Conclusion paragraph above, nothing has come to our attention that causes us to believe that the accompanying condensed interim consolidated financial statements as of March 31, 2024, are not prepared, in all material respects, in accordance with International Accounting Standard (IAS) 34, "Interim Financial Reporting," as adopted 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



National Insurance Company
(Public Limited Shareholding Company)
Interim Condensed Consolidated Statement of Financial Position
As of March 31, 2024 (Unaudited)
(Jordanian Dinars)

	<u>Note</u>	<u>March 31, 2024</u> <u>(Unaudited)</u>	<u>December 31, 2023</u> <u>(Audited)</u>
<u>Assets</u>			
Deposits at banks, net	6	10,908,224	12,005,003
Financial assets at fair value through other comprehensive income	7	4,449,309	4,349,319
Financial assets at amortized cost	8	7,458,316	7,456,369
Investments property	9	408,745	413,147
Total investments		23,224,594	24,223,838
Cash on hands and at banks	10	291,592	108,617
Insurance contract assets, net	11	179,906	485,167
Reinsurance contract assets, net	12	5,688,594	5,252,899
Deferred tax assets	13	739,292	726,928
Property and equipment, net	14	530,496	535,452
Intangible assets	15	154,114	154,009
Other assets	16	459,224	486,063
Total assets		31,267,812	31,972,973
<u>Liabilities and Shareholders' Equity</u>			
<u>Liabilities:</u>			
Insurance contract liabilities (Premium allocation approach)	11	16,870,152	17,747,499
Reinsurance contract liabilities.	12	-	-
Provision for income tax	13	187,317	395,379
Other provisions	17	79,980	44,715
Other liabilities	18	2,669,269	2,661,034
Total liabilities		19,806,718	20,848,627
<u>Shareholders' Equity:</u>			
Authorized and paid-up share capital	19	8,000,000	8,000,000
Statutory reserve	20	1,894,515	1,894,515
Voluntary reserve	20	800,000	800,000
Fair value reserve	21	(127,491)	(113,659)
Retained earnings	22	894,070	543,490
Total shareholder's equity		11,461,094	11,124,346
Total liabilities and shareholders' equity		31,267,812	31,972,973

The accompanying notes from 1 to 35 are an integral part of these financial statements

National Insurance Company
(Public Limited Shareholding Company)
Interim Condensed Consolidated Statement of Profit or Loss
For the Three Months Period Ended March 31, 2024 (Unaudited)
(Jordanian Dinars)

		March 31, 2024	March 31, 2023
	Note	(Unaudited)	(Unaudited)
			(Adjusted)
Revenue:			
Insurance contract revenues	24	6,890,441	6,448,326
Less: Insurance contract expenses	25	6,015,587	5,428,852
Insurance contract service result		874,854	1,019,474
Reinsurance contracts revenues		1,367,536	987,141
Reinsurance contracts expenses		(2,033,142)	(1,894,793)
Reinsurance contracts results		(665,606)	(907,652)
Net insurance operations results		209,248	111,822
Finance revenues - insurance contracts	26	(86,382)	35,452
Reinsurance contracts - expenses	27	3,624	(33,330)
Net financing results of insurance operations		(82,758)	2,122
Interest income	28	295,083	230,905
Profit from financial assets and investments	29	106,791	225,595
Other revenues	30	5,800	181
Net Revenue		407,674	456,681
Other Expenses	31	(72,446)	(43,961)
Total expenses		(72,446)	(43,961)
Net profit for the period before income tax		461,718	526,664
Less: Income tax and National contribution	13	(65,418)	(151,392)
Net profit for the period after income tax		396,300	375,272
		Fils/Dinar	Fils/Dinar
Earnings per share from net profit for the year	32	0.050	0.047

The accompanying notes from 1 to 35 are an integral part of these financial statements

National Insurance Company
(Public Limited Shareholding Company)
Interim Condensed Consolidated Statement of Other Comprehensive Income
For the Three Months Period Ended March 31, 2024 (Unaudited)
(Jordanian Dinars)

	March 31, 2024 (Unaudited)	March 31, 2023 (Unaudited) (Adjusted)
Net profit for the period	<u>396,300</u>	<u>375,272</u>
Add: Other comprehensive income items:		
Change in fair value reserve	(13,832)	144,746
(Losses) Gains on the sale of financial assets at fair value through other comprehensive income"	<u>(45,720)</u>	<u>-</u>
Total comprehensive income for the period	<u>336,748</u>	<u>520,018</u>

The accompanying notes from 1 to 35 are an integral part of these financial statements

National Insurance Company
(Public Limited Shareholding Company)
Interim Condensed Consolidated Statement of Changes in Shareholders' Equity
For the Three Months Period Ended March 31, 2024 (Unaudited)
(Jordanian Dinars)

	share capital	Statutory reserve	Voluntary reserve	Fair value reserve	Retained earnings	Total
For the Three Months Period Ended						
<u>March 31, 2024 (Unaudited)</u>						
(Balance as of January 1, 2024 (Audited))	8,000,000	1,894,515	800,000	(113,659)	543,490	11,124,346
Net income for the period	-	-	-	-	396,300	396,300
Total comprehensive income for the period	-	-	-	(13,832)	(45,720)	(59,552)
Balance as of March 31, 2024 (Unaudited)	8,000,000	1,894,515	800,000	(127,491)	894,070	11,461,094
For the Three Months Period Ended						
<u>March 31, 2023</u>						
Balance as of January 1, 2023 (Adjusted)	8,000,000	1,718,918	800,000	146,704	236,402	10,902,024
Net income for the period	-	-	-	-	375,272	375,272
Total comprehensive income for the period	-	-	-	144,746	-	144,746
Balance as of March 31, 2023 (Unaudited)	8,000,000	1,718,918	800,000	291,450	611,674	11,422,042

The accompanying notes from 1 to 35 are an integral part of these financial statements

National Insurance Company
(Public Limited Shareholding Company)
Interim Condensed Consolidated Statement of Cash Flows
For the Three Months Period Ended March 31, 2024 (Unaudited)
(Jordanian Dinars)

	March 31, 2024 (Unaudited)	March 31, 2023 (Unaudited) (Adjusted)
Cash flow from Operating Activities:		
Net profit for the period before income tax	461,718	526,664
Adjustments to reconcile net profit before income tax to net cash flow provided by/ (used in) operating activities:		
Depreciation and amortization	19,740	14,718
Expected credit losses provision	32,356	34,146
Amortization of discount and premium on financial assets	(1,947)	841
Life Policy Fees Provision	4,418	-
Cash flows from operating activities before changes in working capital	516,285	576,369
Insurance contract assets,	305,261	151,693
Reinsurance contract assets kept	(435,695)	(418,057)
Other assets	26,839	(128,333)
Insurance contract liabilities	(877,347)	154,737
Other provisions paid	(1,509)	5,229
Other liabilities	(68,620)	49,128
Cash flows provided by/ (used in) operating activities before income tax	(534,786)	389,709
Income tax paid	(208,989)	(173,953)
Net cash flows provided by / (used in) operating activities	(743,775)	215,756
<u>Cash flow from Investing Activities</u>		
Term deposits	(4,376,487)	(2,333,797)
(Purchase)/ Sale of property and equipment	(725)	(4,502)
(Purchase)/ Sale intangible assets	(9,762)	-
Purchase of Financial Assets at Fair Value	(368,328)	-
Sale of Financial Assets at Fair Value	208,787	-
Net cash flows provided by/ (used in) investing activities	(4,546,515)	(2,338,299)
<u>Cash flow from financing activities</u>		
Net increase/ (decrease) in cash and cash equivalent	(5,290,290)	(2,122,543)
Cash and cash equivalent at beginning of the year	7,612,505	4,574,577
Cash and cash equivalent at the end of the year	33 2,322,215	2,452,034

The accompanying notes from 1 to 35 are an integral part of these financial statements

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

1- Legal Status and Activities

The National Insurance Company was established as a result of the merger between the National Insurance Company (established in 1965) and Al-Ahliyya Insurance Company (Jordan) in 1986, in accordance with the provisions of the Companies Law of 1964 to engage in insurance activities. It was registered with the Companies Registrar at the Ministry of Industry and Trade as a Jordanian public shareholding company under number (199) on December 9, 1986. The group obtained a license to engage in life insurance activities on August 6, 1995, and the current authorized and paid-up capital of the company is 8,000,000 dinars divided into 8,000,000 shares with a par value of one Jordanian dinar each.

The company's name was amended to become National Insurance Company PLC instead of National Insurance Company Al-Ahliyya pursuant to the decision of the company's General Assembly at its extraordinary meeting on April 25, 2007.

The group engages in insurance activities of all types, including vehicles, marine, transportation, fire, other property damages, liability, medical, personal accidents, and life insurance. This is done through the company's headquarters located in Shmeisani - Saeed Qutob Street - next to the Embassy of the Kingdom of Bahrain. P.O. Box: 6156 - Amman 11118 - Telephone: 5681979 - Fax: 5684900, and through the group's agencies spread across the kingdom.

The consolidated financial statements attached were approved by the group's board of directors at its meeting on June 30, 2024, subject to the approval of the General Assembly of shareholders.

2- Basis of Preparation

The Statement of Compliance

The condensed interim financial statements for the three-month period ended March 31, 2024, have been prepared in accordance with International Accounting Standard (IAS) 34 "Interim Financial Reporting" and the instructions of the Central Bank of Jordan.

The condensed interim financial statements do not include all the information and disclosures required in the annual financial statements, and therefore should be read in conjunction with the company's financial statements for the fiscal year ended December 31, 2023. Additionally, the results of operations for the period ended March 31, 2024, do not necessarily indicate the results of operations for the year ending in December 31, 2024.

Functional and Presentation Currency

These condensed interim financial statements are presented in Jordanian Dinar, which is the company's functional and presentation currency.

2-1. Principles of Consolidated Financial Statements

- The condensed interim consolidated financial statements of the company have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).
- The consolidated financial statements have been prepared on the historical cost basis except for financial assets at fair value through other comprehensive income, which are measured at fair value as at the date of the consolidated financial statements.
- The Jordanian Dinar is the presentation currency of the consolidated financial statements and represents the group's primary currency.
- The condensed interim financial statements of the subsidiaries are consolidated from the date control is obtained until the date control ceases. The revenues and expenses of the subsidiaries are included in the consolidated statement of comprehensive income from the date the group gains control over the subsidiaries until the date control ceases.

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

2-1. Principles of Consolidated Financial Statements

-Profits and losses and each component of other comprehensive income are attributed to the equity holders of the parent company and to non-controlling interests, even if this results in a deficit balance in non-controlling interests. Where necessary, the financial statements of the subsidiaries are adjusted to align their accounting policies with those of the group. Assets, liabilities, equity, income, expenses, and gains and losses arising from intra-group transactions are eliminated in full on consolidation.

The consolidated financial statements include the financial statements of National Insurance Company PLC (the parent company) and its subsidiaries (referred to collectively as "the Group") as of December 31, 2023.

Company Name	Legal status	Country of establishment	Ownership percentage	
			2023	2022
	Limited liability			
Nai Real-estate Investments*	company	Jordan	%100	%100

The Nai Real Estate Investments Limited Liability Company was established with a capital of 60,000 dinars fully paid, and it was registered with the Ministry of Industry and Trade on December 16, 2008. It is wholly owned by the National Insurance Company Public Limited Company. On June 1, 2022, the Group's capital was increased to 1,250,000 dinars through the capitalization of 1,190,000 dinars from the Group's liability owed by the parent company (National Insurance Company).

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 fiscal year ending on December 31, 2023, 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.
- International Financial Reporting Standard (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:

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

4- Use of Estimates and Assumptions (Continued)

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. 4, 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.

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.

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

4- Use of Estimates and Assumptions (Continued)

The present value of future cash flows (Continued)

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.

Adjustments for non-financial risks

The group sets aside a financial amount to cover the uncertainty regarding the amount and timing of cash flows arising from non-financial risks, based on actuarial assumptions and the group's experience in managing its portfolio of insurance and reinsurance contracts. A cost rate of 7.2% annually has been determined, representing the required return for compensating the exposure to non-financial risks. Capital has been allocated at a confidence level of 75%, expected to align with the business's surface flows. Diversification is included to reflect the diversity in contracts sold across geographical regions, reflecting the compensation demanded by the group. Adjustments for non-financial risks are reassessed annually by the actuary.

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.

Lawsuits Against the group

The provisions for legal claims against the group are established based on a legal study prepared by the group's legal counsel, which identifies potential risks in the future. These studies are periodically reviewed and revised.

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

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

4- Use of Estimates and Assumptions (Continued)

Fair Value Levels (Continued):

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.

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

The company does not record the value of goodwill.

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.

When a group of contracts becomes onerous, the group relies on the contract inception date instead of the payment due date, as there is no data indicating that the payment due date precedes the contract inception date.

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

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

5- Significant Accounting Policies (Continued)

<u>Main Insurance Type</u>	<u>Sub-Insurance Type</u>	
<u>Engineering Insurance</u>	Electronic devices insurance	Comprehensive installation risks insurance
	Boiler and machinery insurance	Comprehensive installation risks insurance
	Equipment breakdown insurance	Property damage insurance
<u>Fire</u>	Comprehensive Insurance	Fire and Allied Perils Insurance
	Jewelry Insurance	Home Insurance
<u>Liability Insurance</u>	Cybersecurity insurance	Directors and officers liability
	Employers' liability	Professional indemnity insurance
	Civil liability for airports	Event cancellation insurance
	Product liability	Work accidents
<u>Other general insurance</u>	Travel insurance	Glass panel insurance
	Financial loss insurance	Cybercrime insurance
	Comprehensive banking coverage insurance	Kidnapping and ransom insurance
	Personal accident insurance	Fidelity insurance
	Cash insurance	Aviation insurance
<u>Main types of insurance:</u>	<u>Subtypes of insurance:</u>	
<u>Marine insurance</u>	Hull insurance	Marine cargo insurance
<u>Car insurance</u>	Comprehensive insurance	Border crossing insurance
	Third-party insurance	The Orange Card
	Supplementary insurance	Bus insurance
<u>Medical</u>	Group medical insurance	Individual medical insurance
<u>Life insurance</u>	Group life insurance	Individual life insurance

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.

5- Significant Accounting Policies (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).

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 National Insurance Company.
- Life insurance contract for employees of the National Insurance Company.
- Vehicle insurance contracts owned by the National Insurance Company.
- All-risk insurance contracts for buildings owned by the National 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, separately in the same market or Jurisdiction, either by the entities issuing the insurance contracts 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.
- 3-The group does not have any products containing an investment component

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5- Significant Accounting Policies (Continued)

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
 - 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.

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

- A- 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.
- B-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):

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

Relative importance:

The relative importance in the group is 3.7% of the group's net profits. The feasibility of applying the premium allocation approach was tested for travel, life, and engineering insurance, where the coverage period for these policies exceeds one year, and the premiums from these products collectively amount to less than 50,000 Jordanian Dinars, which is not of relative importance when applying the premium allocation approach.

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

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5- Significant Accounting Policies (Continued)

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.

Reinsurance Contracts Held

These are contracts entered into with reinsurers to compensate the insurance company for claims arising from insurance contracts issued by it.

Reinsurance contracts held are established:

At the inception of the reinsurance contract or upon initial recognition of the insurance contract issued by the group if the reinsurance contract corresponds to a group of insurance contracts.

From the beginning of the coverage period of the group of reinsurance contracts held for other cases.

Liabilities for Remaining Coverage

The amount that the group must recognize upon initial recognition of insurance contracts, pertaining to subsequent financial years due to effective insurance contracts

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

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.

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5- Significant Accounting Policies (Continued)

1- 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.

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.
- Add emergency amendments to the financing component.
- Subtract the amount proven as insurance revenue for the coverage provided in that year.
- Subtract any paid or transferred investment component of the liability for claims incurred.

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.

Modification of Insurance Contracts

The group modifies insurance contracts by addressing expected changes in future cash flows resulting from changes in estimates of cash flows to fulfill the contracts, unless cancellation conditions for insurance contracts apply.

Derecognition of Insurance Contracts

The group cancels the recognition of insurance contracts in the following cases:

- Termination of the contract. (Expiration of the commitment specified in the insurance contract, or fulfillment or cancellation thereof)
- In the event of modification of the insurance contract and this modification does not meet the modification criteria according to the requirements of the standard, the group cancels the contract and recognizes a new contract.

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5- Significant Accounting Policies (Continued)

Expected Loss Insurance Contracts

The group recognizes insurance contracts as expected loss contracts if it is expected to incur a loss at the initial recognition date. The loss component is measured by comparing the expected cash flows to fulfill the contract's obligations or group of contracts with the cash flows received from this contract or group of contracts. The group discloses the loss component if the value of the contractual service margin equals zero.

Summary of Measurement Approaches

1- The group classifies insurance contracts according to the following criteria:

Portfolio	Contract classification	Measurement approach
Engineering	Insurance contracts	Premium allocation approach
General	Insurance contracts	Premium allocation approach
Motor	Insurance contracts	Premium allocation approach
	Roadside assistance service	International Financial Reporting Standard 15
Life	Insurance contracts	Premium allocation approach
Fire	Insurance contracts	Premium allocation approach
Marine	Insurance contracts	Premium allocation approach
Medical	Insurance contracts	Premium allocation approach
Travel	Insurance contracts	Premium allocation approach

2-The group classifies its retained reinsurance contracts according to the following:

Portfolio	Measurement approach
Engineering	Premium allocation approach
General	Premium allocation approach
Motor	Premium allocation approach
Life	Premium allocation approach
Fire	Premium allocation approach
Marine	Premium allocation approach
Medical	Premium allocation approach
Travel	Premium allocation approach

Aggregation Level:

Insurance contracts portfolios are categorized into groups based on the year of underwriting. This involves aggregating insurance contract portfolios with similar and managed risks together.

Profitability Level:

The groups of contracts referred to in the previous level are classified into the following categories, based on the expected net cash flows from the contract and the accounting method used in processing contract groups:

- Contracts with no expectation of becoming loss-making upon initial recognition.
- Contracts expected to incur losses.
- Other contracts, if any.

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5- Significant Accounting Policies (Continued)

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.

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 Consolidated 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 Consolidated 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 Consolidated Statement of Profit or Loss at fair value upon purchase (acquisition expenses are recorded in the Consolidated 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 Consolidated 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 Consolidated Statement of Profit or Loss when they are realized. (Approved by the General Assembly of Shareholders)

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5- Significant Accounting Policies (Continued)

Reclassification

Reclassification from financial assets at amortized cost to financial assets at fair value through profit or loss, and vice versa, is only permitted when the entity changes the business model under which those assets are held, subject to the following considerations

- 1- There should be no retrospective recognition of any previously recognized gains, losses, or benefits
- 2- When reclassifying financial assets at fair value, their fair value is determined at the date of reclassification, and any gains or losses arising from differences between the previously recorded value and the fair value are recognized in profit or loss
- 3- When reclassifying financial assets at amortized cost, they are recorded at their fair value as of the date of reclassification

C-Financial Assets at Fair Value through Other Comprehensive Income

- Upon initial recognition of investments in equity instruments that are not held for trading purposes, an irrevocable option is allowed to present all changes in the fair value of these investments on an individual basis (each share separately) within items of other comprehensive income. Under no circumstances can these changes recognized in other comprehensive income be reclassified to profit or loss at a later date, while any income distributions received from these investments are recognized within the net investment income, unless such distributions represent a clear partial return of all investments.
- In the event of selling these assets or a portion thereof, any profits or losses resulting from the sale are transferred from the cumulative net change in fair value through other comprehensive income to retained earnings, not through the statement of profit or loss.

Investment property

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 4%. 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.

Asset	Depreciation Rate (%)
Buildings	2%
Equipment and furniture	15%-35%
Transportation	15%
Decoration	15%

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5- Significant Accounting Policies (Continued)

Property and equipment (Continued)

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.

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 Consolidated 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 Consolidated 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.

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5- Significant Accounting Policies (Continued)

Fair value (Continued):

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.

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 Consolidated Statement of Financial Position and announced by the Central Bank of Jordan.

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5- Significant Accounting Policies (Continued)

Foreign currency (Continued)

- Non-financial assets and non-financial liabilities denominated in foreign currencies and shown at fair Value are 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.

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.

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5- Significant Accounting Policies (Continued)

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 Contract Expenses:

The group distributes general administrative expenses and direct employee expenses to insurance portfolios related to insurance contracts, entering them into the calculation of contract profitability by distributing direct expenses for each portfolio separately. The value of undistributed expenses is then added as a percentage of the total portfolio production divided by the total group production. Meanwhile, administrative and general expenses and indirect employee expenses not related to insurance contracts are charged to the profit and loss statement.

6- Deposits at Banks

	March 31, 2024 (Unaudited)				December 31, 2023 (Audited)
	Deposits due within a month	Deposits due from 1 to 3 months	Deposits due from 3 months to 1 year	Total	Total
Deposits inside Jordan	2,030,623	800,000	8,077,601	10,908,224	12,005,003
	2,030,623	800,000	8,077,601	10,908,224	12,005,003
- Interest rates on bank deposits balances in Jordanian Dinar ranges from 3.5% to 6.95% as of march 31, 2024.					
- Deposits pledged to the order of the Central Bank Governor amounted to JD 800,000 as on march 31, 2024.					
	March 31, 2024 (Unaudited)				December 31, 2023 (Audited)
Investment bank	2,500,000				2,000,000
Capital bank	2,077,601				2,077,601
Alahli bank	4,330,623				5,927,402
Cairo Amman bank	2,000,000				2,000,000
Total	10,908,224				12,005,003

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7- Financial asset at fair value through other comprehensive income

	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)
<u>Inside Jordan</u>		
Shares listed on the Amman Stock Exchange	3,394,271	3,276,143
Shares un-listed on the Amman Stock Exchange	4,235	4,235
Total	3,398,506	3,280,378
<u>Outside Jordan</u>		
Shares listed on the Amman Stock Exchange	1,018,039	1,036,177
Shares un-listed on the Amman Stock Exchange	32,764	32,764
Sub-total	1,050,803	1,068,941
Total	4,449,309	4,349,319

Financial assets at fair value through other comprehensive income (unlisted) outside Jordan at cost are as follows:

	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)
<u>Outside Jordan</u>		
Arab reinsurance Company/Lebanon	32,331	32,331
Arab Insurance Institute /Syria	433	433
Total	32,764	32,764

8- Financial Assets at Amortized Cost

	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)
(1) Treasury Bonds - USD / \$1.4 million - 26	1,007,117	1,008,929
(2) Treasury Bonds - USD / \$1 million - 47	719,640	719,747
(3) Treasury Bonds - USD / \$900,000 - 26	640,459	640,667
(4) Treasury Bonds - USD / \$1.5 million - 26	1,065,405	1,065,463
(5) Treasury Bonds - USD / \$1 million - 28	691,003	689,752
(6) Treasury Bonds - USD / \$1 million - 28	665,997	663,681
(7) Treasury Bonds - USD / \$400,000 - 29	282,225	282,136
(8) Treasury Bonds - USD / \$500,000 - 29	345,470	344,994
(9) Jordan Bank of Finance Loans - 24 Bonds	1,704,000	1,704,000
(10) Capital Bank Foreign Bonds	354,500	354,500
Less: Provision for Credit Losses	(17,500)	(17,500)
Total	7,458,316	7,456,369

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8- Financial Assets at Amortized Cost (Continued)

- 1- Treasury Bonds - USD, due on 29/1/2026, bearing an interest rate of 6.125% annually, payable in two equal installments on January 29 and July 29 until maturity.
- 2- Treasury Bonds - USD, due on 10/10/2047, with an interest rate of 7.375% annually, payable in two equal installments on October 10 and April 10 until maturity.
- 3- Treasury Bonds - USD, due on 29/1/2026, carrying an interest rate of 6.125% annually, payable in two equal installments on January 29 and July 29 until maturity.
- 4- Treasury Bonds - USD, due on 29/1/2026, with an interest rate of 6.125% annually, payable in two equal installments on January 29 and July 29 until maturity.
- 5- Treasury Bonds - USD, due on 15/1/2028, with an interest rate of 7.75% annually, payable in two equal installments on July 15 and January 15 until maturity.
- 6- Treasury Bonds - USD, due on 15/1/2028, bearing an interest rate of 7.75% annually, payable in two equal installments on July 15 and January 15 until maturity.
- 7- Treasury Bonds - USD, due on 13/1/2029, with an interest rate of 7.5% annually, payable in two equal installments on January 13 and July 13 until maturity.
- 8- Treasury Bonds - USD, due on 13/1/2029, carrying an interest rate of 7.5% annually, payable in two equal installments on January 13 and July 13 until maturity.
- 9- Jordan Bank of Finance Loans, due on 15/3/2026, with an interest rate of 7% annually, payable in two equal installments on March 15 and September 15 until maturity.
- 10- Jordan Bank of Finance Loans, due on 24/2/2027, bearing an interest rate of 7% annually, payable in two equal installments on February 24 and August 24 until maturity.

The following is a summary of the movement in the provision for expected credit losses for the balance of financial assets at amortized cost:

	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)
Balance at the beginning of the year	17,500	17,500
Increase during the year	-	-
Decrease during the year	-	-
Balance at the end of the year	17,500	17,500

9- Investment Properties

	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)
Buildings	440,174	440,174
Less: accumulated depreciation	138,441	134,039
Buildings, net	301,733	306,135
Land	107,012	107,012
Total	408,745	413,147

- Investment buildings are depreciated at 4% annually and appears at net book value.

- The fair value of investment properties was estimated by real estate experts at JD 957,533 as of as of march 31,2024 in accordance with the legislation in force.

10- Cash on Hand and at Banks

	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)
Cash on hand	48,552	2,208
Cash at banks	243,040	106,409
	291,592	108,617

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11 - (Liabilities) / Assets Insurance Contracts (Premium Allocation Approach)

	Liabilities for remaining coverage				Liabilities for Incurred Claims				Total	
	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)
Insurance contracts liabilities-beginning										
Insurance contracts assets-beginning	1,894,425	(34,090)	367,000	(879,799)	(11,004,597)	(11,270,521)	(719,910)	(702,508)	(17,747,499)	(16,635,060)
					(1,356,273)	(174,673)	(18,895)	(22,806)	485,167	169,521
Net insurance contracts (liabilities)/Assets - beginning	(3,339,994)	(822,663)	(3,415,232)	(879,799)	(12,360,870)	(11,445,194)	(738,805)	(725,314)	(17,262,332)	(16,465,539)
Insurance contracts revenues	6,890,441	-	26,680,531	-	-	-	-	-	6,890,441	26,680,531
Insurance contracts expenses										
Compensations Incurred	-	-	-	-	4,945,441	18,044,974	4,399	(13,490)	(4,941,042)	(18,058,465)
Amortization of acquisition costs	(323,129)	-	(963,093)	-		-	-	-	(323,129)	(963,093)
Employees cost	-	-	-	-	255,398	1,108,459	-	-	(255,398)	(1,108,459)
Administrative cost	-	-	-	-	501,126	1,651,111	-	-	(501,126)	(1,651,111)
Other expenses	-	-	-	-	54,680	510,904	-	-	54,680	(510,904)
Losses resulting from contracts expected to be lost and the recovery of these losses	-	59,788	-	57,136	-	-	-	-	59,788	57,136
Insurance contracts expenses	(323,129)	59,788	(963,093)	57,136	5,756,645	21,315,448	4,399	(13,490)	6,015,587	22,224,895
Insurance service results	6,567,312	59,788	25,717,438	57,136	(5,756,645)	(21,315,448)	4,399	(13,490)	874,854	4,445,636
Finance costs - from insurance contracts			-	-	(86,382)	144,368	-	-	(86,382)	144,368
Net change - other comprehensive income	6,567,312	59,788	25,717,438	57,136	(5,843,027)	(21,171,080)	4,399	(13,490)	788,473	4,590,004
Cash received from written contracts	6,234,403	-	26,830,580	-	-	-	-	-	6,234,403	26,830,580
Compensations Incurred	-	-	-	-	(5,643,022)	(19,759,480)	-	-	(5,643,022)	(19,759,480)
Paid from acquisition costs	(374,997)	-	1,188,380	-	-	-	-	-	(374,997)	1,188,380
Other expenses	-	-	-	-	-	(495,924)	-	-	-	(495,924)
Total cash flows	5,859,406	-	28,018,960	-	(5,643,022)	(20,255,404)	-	-	216,384	7,763,556
Insurance contracts liabilities-Ending	(4,444,136)	(762,875)	(5,234,419)	(788,573)	10,966,556	(11,004,597)	(696,585)	(719,910)	(16,870,152)	(17,747,499)
Insurance contracts assets-Ending	1,812,046	-	1,894,425	(34,090)	(1,594,319)	(1,356,273)	(37,821)	(18,895)	179,906	485,167
Net insurance contracts (liabilities)/Assets - Ending	(2,632,090)	(762,875)	(3,339,994)	(822,663)	(12,560,875)	(12,360,870)	(734,406)	(738,805)	(16,690,246)	(17,262,332)

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11- (Liabilities) / Assets Insurance Contracts (Premium Allocation Approach) (Continued)

11- 1 Receivables Related to Insurance Operations

	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)
The total value of receivables related to insurance operations	10,486,511	7,726,762
Less: allowance for expected credit losses provision	(1,552,315)	(1,552,315)
Net value of receivables related to insurance operations	8,934,196	6,174,447

* Analysis of accounts receivable by time period

	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)
Payable during 0-30 days	1,525,701	1,580,182
Payable during 31-90 days	3,540,054	1,752,798
Payable during 91-180 days	2,124,665	1,301,680
Payable during 181-365 days	1,451,366	1,194,407
Due for more than one year	1,844,725	1,897,695
Total	10,486,511	7,726,762

11-2 Cheques under collection*:

	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)
The total value of Cheques under collection related to insurance operations	1,297,957	1,912,563
Less: allowance for expected credit losses provision	(13,970)	(13,970)
Net value of Cheques under collection related to insurance operations	1,283,987	1,898,593

Analysis of cheques under collection according to their time period:

	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)
Payable during 0-6 months	634,155	1,348,075
Payable during 6-12 months	649,832	550,518
Payable during for more than 12 months	-	-
Total	1,283,987	1,898,593

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11- (Liabilities) / Assets Insurance Contracts (Premium Allocation Approach) (Continued)

11-3 Receivables Related to Insurance Operations (By Type)

	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)
Receivables from insurance contract holders	6,237,026	5,815,679
Government receivables	996,466	842,467
Agents' receivables	492,085	188,571
Brokers' receivables	2,609,217	899,951
Other receivables*	211,116	123,234
Total receivables	10,545,910	7,869,902
Less: allowance for expected credit losses provision	(1,552,315)	(1,552,315)
Total receivables	8,993,595	6,317,587

11-4 Account Payable

	March 31, 2024 (Audited)	December 31, 2023 (Unaudited)
Total value of accounts payable related to insurance operations	2,972,851	2,288,700
Total value of accounts payable related to insurance operations	2,972,851	2,288,700

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12- (Liabilities) / Assets Reinsurance Contracts Held:

	Liabilities for remaining coverage				Liabilities for Incurred Claims				Total	
	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)
Insurance contracts liabilities-beginning										
Insurance contracts assets-beginning	1,266,714	34,090	1,690,891	-	3,704,326	4,097,492	247,769	342,068	5,252,899	6,130,451
Net reinsurance contracts liabilities/(Assets) - beginning	1,266,714	34,090	1,690,891	-	3,704,326	4,097,492	247,769	342,068	5,252,899	6,130,451
Reinsurance expenses	2,033,142	-	8,384,354	-	-	-	-	-	2,033,142	-
Reinsurance revenue	-	34,090	-	34,090	(1,066,318)	4,042,053	(26,904)	(94,299)	(1,059,132)	3,981,844
Reinsurance recoveries	(308,404)	-	729,605	-	-	-	-	-	(308,404)	729,605
Commission income	(308,404)	34,090	729,605	34,090	(1,066,318)	4,042,053	(26,904)	(94,299)	(1,367,536)	4,711,449
Reinsurance contracts revenues	1,724,738	34,090	7,654,749	(34,090)	(1,066,318)	(4,042,053)	(26,904)	94,299	665,606	3,672,905
Finance cost - from reinsurance contracts	-	-	-	-	(3,624)	36,318	-	-	(3,624)	36,318
Other changes	-	-	-	-	-	-	-	-	-	-
Net change - other comprehensive income	1,724,738	34,090	7,654,749	(34,090)	(1,069,942)	(4,005,735)	(26,904)	94,299	661,982	3,709,223
Cash received from written contracts paid to reinsurers	2,949,086	-	7,816,968	-	-	-	-	-	2,949,086	7,816,968
Incurred claims recovered from reinsurers	-	-	-	-	(1,653,265)	(4,398,899)	-	-	(1,653,265)	(4,398,899)
Recovered profit commission from reinsurers	(198,144)	-	(586,396)	-	-	-	-	-	(198,144)	(586,396)
Other recovered amounts	-	-	-	-	-	-	-	-	-	-
Total cash flows	2,750,942	-	7,230,572	-	(1,653,265)	(4,398,899)	-	-	1,097,677	2,831,673
Reinsurance contracts liabilities-Ending	-	-	-	-	-	-	-	-	-	-
Reinsurance contracts assets-Ending	2,292,918	-	1,266,714	34,090	3,121,003	3,704,326	274,673	247,769	5,688,594	5,252,899
Net reinsurance contracts liabilities/(Assets) - Ending	2,292,918	-	1,266,714	34,090	3,121,003	3,704,326	274,673	247,769	5,688,594	5,252,899

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12-1 outstanding balances (retained reinsurance contracts)

	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)
Reinsurance asset contract held (Local)	494,276	485,619
Reinsurance asset contract held (International)	590,853	1,164,418
Total value of outstanding balances related to insurance operations	1,085,129	1,650,037
less: Credit loss allowance	(199,342)	(199,342)
Net value of outstanding balances related to insurance operations	885,787	1,450,695

	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)
Analysis of account receivable balances by time period:		
Payable during 0-30 days	509,103	971,116
Payable during 31-90 days	98,709	79,520
Payable during 91-180 days	41,323	146,682
Payable during 181-365 days	54,569	105,241
Overdue for more than a year.	381,425	347,478
Total	1,085,129	1,650,037

12-2 Accounts Payable (Reinsurance contracts held):

	March 31, 2024 (Audited)	December 31, 2023 (Unaudited)
Reinsurance contracts asset held (Local)	293,863	163,754
Reinsurance contracts asset held (foreign)	1,062,727	871,060
Total value of accounts payable related to insurance operation	1,356,590	1,034,814

13- Deferred tax assets

A- Provision for Income Tax:

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

	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)
Balance at beginning of the year	395,379	313,565
Income tax paid	(195,069)	(323,216)
Income tax expense for the year	927	452,638
Withholding tax on interest/ shares/national contribution	(13,920)	(47,608)
Balance at the end of the year	187,317	395,379

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

	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)
Accrued income tax for profit of the year	927	125,040
Deferred tax assets	(727,788)	(650,616)
Deferred tax assets / liabilities amortization	715,425	648,640
Income tax deposits	76,854	28,328
Balance at the end of the year	65,418	151,392

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13- Deferred tax assets (Continued):

C - Summary of reconciliation of accounting profit with tax profit:

	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)
Accounting profit	396,698	656,663
Non-taxable profits	(3,109,107)	(2,684,309)
Expenses that are not tax acceptable	2,799,185	2,502,369
Tax profit	86,776	474,723
Actual income tax rate	26%	26%

*A final settlement for the group's income tax has been made until the end of 2020. According to the group's tax advisor and management, the provision for income tax accrued for the period ending on December 31, 2024 (Unaudited) is deemed sufficient.

D- Deferred Tax Assets/ Liabilities

	March 31, 2024 (Unaudited)				December 31, 2023 (Audited)	
	Beginning Balance	Reversal	Additions	Ending Balance	Deferred Tax	Deferred Tax
A- Deferred tax assets:						
Provision for unreported claims	2,750,125	(2,750,125)	2,794,767	2,794,767	726,640	715,033
Provision for end of service benefits	515	-	-	515	134	134
Provision for commission and profit-sharing schemes	16,236	(1,509)	4,418	19,145	4,978	4,221
Provision for contingent liabilities	29,000	-	-	29,000	7,540	7,540
	<u>2,795,876</u>	<u>(2,751,634)</u>	<u>2,799,185</u>	<u>2,843,427</u>	<u>739,292</u>	<u>726,928</u>

The movement on the deferred tax assets and liabilities account is as follows:

	Assets		Liabilities	
	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)
Balance at the beginning of the year	726,928	658,152	-	-
Additions	727,789	718,212	-	-
Disposals	(715,425)	(649,436)	-	-
Balance at the end of the year	739,292	726,928	-	-

The tax rate used in calculating the deferred tax is 26%, and its realization in the future is estimated at 100% for items that result in deferred tax assets, as they are included in the income tax law and contribute to the taxable income when calculating the group's income tax.

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14- Property and Equipment

	<u>Land</u>	<u>Building</u>	<u>Equipment, devices and furniture</u>	<u>Decorations</u>	<u>Transportation</u>	<u>Total</u>
Cost						
Balance as of December 31, 2023 (Audited)	170,000	533,961	388,651	53,335	67,264	1,213,211
Additions	-	-	725	-	-	725
Disposals	-	-	-	-	-	-
Balance As of March 31, 2024 (Unaudited)	170,000	533,961	389,376	53,335	67,264	1,213,936
Less						
Accumulated depreciation						
Balance as of December 31, 2023 (Audited)	-	207,010	354,572	53,326	62,851	677,759
Charge for the year	-	2,663	2,608		410	5,681
Balance As of March 31, 2024 (Unaudited)	-	209,673	357,180	53,326	63,261	683,440
Net Book value:						
Balance As of March 31, 2024 (Unaudited)	170,000	324,288	32,196	9	4,003	530,496
Balance as of December 31, 2023 (Audited)	170,000	326,951	34,079	9	4,913	535,452

- There are no liens, encumbrances, or restrictions on the ownership of the properties and equipment, and the value of related liabilities includes the nature and value of any pledged assets as collateral, if any.
- There are no leased assets and equipment that revert to ownership.
- There is no impairment of the value of the properties and equipment, and no additional depreciation for that.
- There are no financial obligations to acquire properties and equipment.
- There are no compensations from third parties.
- The total cost of the fully depreciated properties and equipment is 451,341 dinars.

15- Intangible Assets

	<u>March 31, 2024 (Unaudited)</u>	<u>December 31, 2023 (Audited)</u>
Computer systems and software		
Balance at the beginning of the period	154,009	55,379
Additions	9,762	117,531
Amortization	(9,657)	(18,901)
Balance at the end of the year	154,114	154,009

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16- Other Assets

A-Other assets

	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)
Accrued and undeceived revenues	199,361	201,682
Prepaid expenses	181,059	41,565
Refundable deposits	2,931	2,931
Advance payments on account of Standard 17	-	96,680
Advance payments on account of income tax and national contribution.	503	-
Others	15,971	-
	399,825	342,858

B-Account receivable not related to insurance activities.

	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)
Other receivables	59,399	143,205
Total of other receivables	59,399	143,205

17- Different Provisions

	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)
Provision for end of service benefits	515	515
Insurance management fees provision	60,320	27,964
Life bonus commission provision	19,145	16,236
	79,980	44,715

The following table shows the movement in the other provisions:

	Beginning period Balance	Additions during the period	Used during the period	Ending Period balance
Provision for end of service benefits	515	-	-	515
Insurance management fees provision	27,964	32,356	-	60,320
Life bonus commission provision	16,236	4,418	(1,509)	19,145
	44,715	36,774	(1,509)	79,980

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18- Other Liabilities

A-Other Liabilities

	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)
Amounts held from reinsurers	1,225,435	1,210,133
Sales tax deposits	46,333	123,530
Stamp duty deposits - Ministry of Finance	10,433	7,620
Compensation fund for victims of vehicle accidents	-	20,975
Social security deposits	14,151	13,251
Income tax deposits	339,425	262,570
Deposits from external reinsurers	468,757	418,757
Provision for contingencies	29,000	29,000
Accrued expenses	164,788	135,809
Other	32,540	12,755
Total	2,330,862	2,234,400

B- Accounts Payable unrelated to insurance operations

	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)
Employees' payables	-	489
Shareholders' payables	250,299	250,299
Other payables	88,108	175,846
Total	338,407	426,634

19- Authorized and paid-up share capital

The capital at the end of the year amounted to JD 8,000,000, divided into 8,000,000 shares, with a nominal value of one dinar per share, as on December 31, 2023 and 2022.

20- Reserves

Statutory Reserve

The statutory reserve is formed in accordance with the provisions of the Jordanian Companies Law by deducting 10% of the annual net profit. The deduction stops when the accumulated reserve balance reaches 25% of the Company's authorized capital. However, it is permissible, with the approval of the Company's general assembly, to continue deducting this percentage until it reaches the balance of this reserve is equivalent to the amount of the Company's authorized capital.

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

Voluntary reserve

The amounts accumulated in this item represent what has been transferred from the annual profits before income tax, up to a maximum of 20%. These funds are distributable to shareholders. The optional reserve is used for purposes determined by the board of directors, and the general assembly has the right to distribute it in full or in part as dividends to the shareholders.

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21-Fair value reserve

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

	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)
Balance at the beginning of the Period/year	(113,659)	146,704
Change during the Period/year	(13,832)	(260,363)
Balance at the end of the Period/year	(127,491)	(113,659)

22-Retained Earnings

	March 31, 2024 (Unaudited)	December 31, 2023 (Audited)
Balance at the beginning of the Period/year	543,490	236,402
Net income of the period/year	396,300	1,338,342
Transferred to statutory reserves	-	(175,597)
Dividends	-	(800,000)
(Losses) Gains on sale of assets at fair value	(45,720)	(55,657)
Balance at the end of the Period/year	894,070	543,490

23- Proposed distributable profits

No dividend distribution to shareholders was approved for the year 2023

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24- Insurance Contracts Revenue

March 31, 2024 (Unaudited)	Motor	Limited liability	Marine	Life	Engineering	Property and equipment	Fire	Medical	Total									
Changes in insurance contract liabilities – against remaining coverage	3,813,964	3,328,452	59,446	55,133	238,693	188,043	106,545	98,004	58,568	42,402	-	-	649,345	776,656	1,642,617	1,494,361	6,569,178	5,983,051
Insurance contract issuance fees	173,729	265,534	(5,861)	2,652	7,438	4,207	303	774	(7,752)	975	-	-	(25,367)	6,753	47,005	31,876	189,495	312,771
Other revenues	40,864	13,401	-	-	-	-	-	2,367	-	-	-	-	-	-	90,904	136,736	131,768	152,504
Total insurance contract revenues	4,028,557	3,607,387	53,585	57,785	246,131	192,250	106,848	101,145	50,816	43,377	-	-	623,978	783,409	1,780,526	1,662,973	6,890,441	6,448,326

25- Insurance contracts Expenses

March 31, 2023 (Unaudited)	Motor	Limited liability	Marine	Life	Engineering	Property and equipment	Fire	Medical	Total									
Incurred insurance claims	3,144,506	2,869,080	(12,168)	11,363	19,054	(12,350)	129,679	58,244	271,473	6,539	-	-	(76,743)	(70,333)	1,469,639	1,450,213	4,945,440	4,312,756
Amortization of acquisition costs	245,411	176,354	4,983	8,874	7,669	4,190	2,039	1,364	5,193	(310)	-	-	26,177	47,828	31,658	33,537	323,130	271,837
Employee expenses	141,458	123,205	4,797	3,301	27,383	30,296	8,944	7,737	1,532	1,604	-	-	30,634	29,675	40,650	38,046	255,398	233,864
Administrative expenses	161,723	140,028	3,644	3,065	36,482	30,822	11,215	10,259	1,387	1,325	-	-	27,402	25,817	259,273	258,253	501,126	469,569
Other expenses	(9,013)	54,598	(266)	(175)	321	(830)	640	(2,363)	7,885	(40)	-	-	(2,544)	(6,976)	(1,661)	(7,874)	(4,638)	36,340
Excess loss expense	22,193	32,429	-	-	7,500	6,125	-	-	-	-	-	-	29,625	26,125	-	-	59,318	64,679
Loss on onerous contracts	(25,698)	-	-	-	-	-	-	-	-	-	-	-	-	-	(34,090)	-	(59,788)	-
Recovered from loss on onerous contracts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-financial risk adjustments	(38,921)	54,583	(2,468)	22,209	2,178	5,186	-	-	53,994	1,486	-	-	-	-	-	-	14,783	83,464
Recovered from non-financial risk adjustments	-	-	-	-	-	-	1,540	(5,415)	-	-	-	-	(17,114)	28,067	(3,608)	(66,309)	(19,182)	(43,657)
Total insurance contract expenses	3,641,659	3,450,277	(1,478)	48,637	100,587	63,439	154,057	69,826	341,464	10,604	-	-	17,437	80,203	1,761,861	1,705,866	6,015,587	5,428,852

National Insurance Company
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26- Financing Revenues– Insurance Contracts

	March 31, 2024 (Unaudited)	March 31, 2023 (Unaudited)
Financing revenues	(86,382)	35,452
	(86,382)	35,452

The group used discount rates ranging from 5.15% to 6.73% as of March 31, 2023 (Unaudited) (March 31, 2023: 2.8% and 6.81%).

27- Reinsurance Contracts-Expenses

The group used discount rates ranging from 5.15% to 6.73% as of March 31, 2024 (March 31, 2023: 2.8% and 6.81%).

	March 31, 2024 (Unaudited)	March 31, 2023 (Unaudited)
Financing expenses	3,624	(33,330)
	3,624	(33,330)

28- Interest Income

	March 31, 2024 (Unaudited)	March 31, 2023 (Unaudited)
Bank Interest	152,437	126,455
Interest on investments in financial assets at amortized cost	142,646	104,450
	295,083	230,905

29- Net Profit of Financial Assets and Investments

	March 31, 2024 (Unaudited)	March 31, 2023 (Unaudited)
Dividend yields	106,791	225,595
	106,791	225,595

30- Other Income

	March 31, 2024 (Unaudited)	March 31, 2023 (Unaudited)
Profit from the sale of Property and equipment	-	181
Rental income from investment property	5,800	-
	5,800	181

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31- Other Expenses

March 31, 2024 (Unaudited)					March 31, 2023 (Unaudited)				
Acquisition expenses	Attributable expenses For contracts (direct)	Attributable expenses For contracts (indirect)	Non-attributed expense to contracts	Total	Acquisition expenses	Attributable expenses For contracts (direct)	Attributable expenses For contracts (indirect)	Non-attributed expense to contracts	Total
-	-	-	72,446	72,446	-	-	43,961	-	43,961
-	-	-	72,446	72,446	-	-	43,961	-	43,961

32- Earnings per Share

	March 31, 2024 (Unaudited)	March 31, 2023 (Unaudited)
Net profit for the year	396,300	375,272
Weighted Average for Share	8,000,000	8,000,000
Earnings per share for the year	0.050	0.047
Basic	0.050	0.047
Diluted	0.050	0.047

33-Cash and Cash equivalent

	March 31, 2023 (Unaudited)	March 31, 2024 (Unaudited)
Bank deposits due within three months		
Cash in hand and at banks	2,830,623	2,858,079
Pledged deposits for the order of the competent authorities due within three months	291,592	393,955
Restricted deposits	(800,000)	(800,000)
Total	2,322,215	2,452,034

34- 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, 2023.

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

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34- Related Parties Transactions (Continued)

	March 31, 2024 (Unaudited)			December 31, 2023 (Audited)
	Major shareholders	Members of the Board of Directors	Total	Total
<u>Items of financial position statement</u>				
Insurance contract assets	-	304,862	304,862	694,096
Insurance contract liabilities	-	1,690,574	1,690,574	495,317

	March 31, 2024 (Unaudited)			December 31, 2023 (Unaudited)
	Major shareholders	Members of the Board of Directors	Total	Total
<u>Items of profit or loss statement</u>				
Insurance revenues	-	790,456	790,456	2,701,250
Travel and transportation expenses for members of the Board of Directors	-	20,250	20,250	42,000
Rewards and consultations	-	-	-	32,143

The following is a summary of the benefits (salaries, bonuses, and other benefits) of the Company's senior executive management:

	March 31, 2024 (Unaudited)	March 31, 2024 (Unaudited)
Salaries and rewards	88,096	79,791
	88,096	79,791

35- Comparative figures

The first quarter profits for the year 2023 have been recalculated in accordance with the application of IFRS 17.