



إشارتنا : ت /م/ ٢٠٢٦/٧١
التاريخ : ٢٠٢٦/٠٣/٠٤

To: Jordan Securities Commission

السادة / هيئة الأوراق المالية المحترمين

To: Amman Stock Exchange

السادة / بورصة عمان المحترمين

Subject:

Financial Statements as at
31/12/2025

الموضوع: البيانات المالية المنتهية في
٢٠٢٥/١٢/٣١

Attached the Financial Statements
of The Islamic Insurance Co. as at
31/12/2025.

The financial statements are
subject to the approval from the
Central Bank of Jordan

بالإشارة إلى الموضوع أعلاه ، يسرنا أن
نرفق طياً البيانات المالية كما هي
في ٣١ كانون الاول ٢٠٢٥ ، وفقاً
للمعيار الدولي لإعداد التقارير المالية رقم
(١٧) (باللغة الانجليزية) مراجعة من قبل
مدقق حسابات الشركة السادة المهنيون
العرب، حسب الأصول، وهي خاضعة
لموافقة البنك المركزي الاردني.

Kindly accept our highly
appreciation and respect

وتفضلوا بقبول فائق الاحترام،،،

The Islamic Insurance Co. Plc.

عن/ شركة التأمين الإسلامية م.ع.م.


Wisam Hamdan
Chief Financial & Administrative Officer

وسام حمدان
رئيس القطاع المالي والإداري

The Islamic Insurance Company
Public Shareholding Company
Amman - Jordan
Financial Statements
for the Year Ended 31 December 2025
Together with the Independent Auditor's Report

**The Islamic Insurance Company
Public Shareholding Company**

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INDEPENDENT AUDITOR'S REPORT

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

Opinion

We have audited the financial statements of **The Islamic Insurance Company (PLC)**, which comprise the statement of financial position as at 31 December 2025, statement of profit or loss (Policyholders), statement of profit or loss (Shareholders), statement of comprehensive income (Shareholders), statement of changes in shareholders' equity, statement of changes in policyholders' equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with Islamic shari'a rules and principles as determined by the Shari'a Supervisory Board of the Company and in accordance with Financial Accounting Standards for Islamic Financial Institutions as issued by the Accounting and Auditing Organization for Islamic Financial Institutions.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in the Hashemite Kingdom of Jordan, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Insurance Contracts Liabilities

The accompanying financial statements, as at the end of the year 2025, include insurance contracts liabilities amounting to JOD (30,437,492). Measuring insurance contracts liabilities includes a degree of material judgment and is based on many assumptions and estimates and requires the adjustment for non-financial risks that the Company needs to take into account for uncertainty about the amount and timing of cash flows from non-financial risks while the company fulfils insurance contracts. In addition to estimating the present value of future cash flows, which is based on the best estimate of the ultimate cost of all incurred claims, but not yet settled at the reporting date, whether reported or not, along with related claims handling costs and the measurement of onerous contracts. Given the uncertainty inherent in the estimation process and the objectivity associated with measuring insurance contracts liabilities, ensuring the accurate measurement and completeness of insurance contract liabilities is considered one of the key audit matters to us. Our audit procedures regarding the measurement and completeness of insurance contract liabilities included an understanding, evaluating and testing the key controls related to claims processing and provisions recording procedures. We performed substantive tests on recorded amounts for a sample of reported and paid claims, including, comparing outstanding claims amounts with appropriate documentation and payments in subsequent periods. We assessed the completeness of the data used as inputs in the actuarial evaluations and tested the accuracy of the basic claims data used by the actuary appointed by the company's management in estimating the present value of future cash flows and the risk adjustment for non-financial risks by comparing them with other accounting records. We also evaluated the competence, capabilities, and objectivity of the actuary appointed by the company's management based on their professional qualifications and experience. We involved our internal actuarial specialists to assess the company's methods and assumptions and evaluate the company's actuarial practices and provisions.



Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Islamic shari'a rules and principles as determined by the Shari'a Supervisory Board of the Company and in accordance with Financial Accounting Standards for Islamic Financial Institutions as issued by the Accounting and Auditing Organization for Islamic Financial Institutions, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:


- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

The Islamic Insurance Company PLC as at 31 December 2025 maintains proper accounting records and the accompanying financial statements are in agreement therewith and with the financial data presented in the Board of Director's report, and we recommend the general assembly to approve it.

10 February 2026
Amman – Jordan


Arab Professionals
Ibrahim Hammoudeh
License No. (606)



The Islamic Insurance Company
Public Shareholding Company
Amman-Jordan
Statement of financial position as at 31 December 2025
(In Jordanian Dinar)

	<u>Note</u>	<u>2025</u>	<u>2024</u>
Assets			
Investments			
Bank deposits	3	30,216,721	26,729,151
Financial assets at fair value through profit or loss (Policyholders)	4	1,000,000	1,000,000
Financial assets at fair value through profit or loss (Shareholders)	4	3,000,000	3,000,000
Financial assets at fair value through other comprehensive income	5	10,863,794	8,803,967
Investment properties	6	232,394	380,034
Total Investments		45,312,909	39,913,152
Cash on hand and at banks	7	3,650,041	1,848,606
Insurance contract assets - net	8	-	-
Reinsurance contract assets - net	9	8,929,002	7,494,734
Property and equipment - net	11	2,409,763	2,301,261
Intangible assets - net	12	26,456	5,483
Other assets	13	1,164,114	545,149
Al Qard Al Hasan granted by shareholders to cover policyholders' deficit	20	-	-
Total Assets		61,492,285	52,108,385
Liabilities, Shareholders' Equity and Policyholders' Equity			
Liabilities			
Insurance contract liabilities	8	30,437,492	26,521,714
Reinsurance contract liabilities	9	158,721	62,326
Accounts payable	14	2,650	26,564
Income tax provision	10	951,382	489,126
Other provisions	15	1,117,428	1,228,433
Other liabilities	16	371,788	313,988
Al Qard Al Hasan granted by shareholders to cover policyholders' deficit	20	-	-
Total Liabilities		33,039,461	28,642,151
Policyholders' Equity			
Deficiency cover reserve (Emergency Provision)	17	310,214	7,106
Cumulative change in fair value	23	424,391	(166,866)
Non-demanded surplus	18	8	4,022
Accumulated surplus	19	882,784	-
Total Policyholders' Equity		1,617,397	(155,738)
Shareholders' Equity			
Paid-in capital	21	16,500,000	16,500,000
Statutory reserve	22	4,681,392	4,248,059
Voluntary reserve	22	5,916	5,916
Al Qard Al Hasan granted by shareholders to cover policyholders' deficit	20	-	-
Cumulative change in fair value	23	1,273,172	(500,598)
Retained earnings	24	4,374,947	3,368,595
Total Shareholders' Equity		26,835,427	23,621,972
Total Shareholders' and Policyholders' Equity		28,452,824	23,466,234
Total Liabilities, Policyholders' Equity and Shareholders' Equity		61,492,285	52,108,385

"The attached notes from (1) to (55) are an integral part of these financial statements and should be read with external auditor's report"

The Islamic Insurance Company
Public Shareholding Company
Amman-Jordan
Statement of financial position (Policyholders) as at 31 December 2025
(In Jordanian Dinar)

	<u>Note</u>	<u>2025</u>	<u>2024</u>
Assets			
Investments			
Bank deposits	3	14,093,652	13,341,572
Financial assets at fair value through profit or loss (Policyholders)	4	1,000,000	1,000,000
Financial assets at fair value through other comprehensive income	5	2,713,909	2,198,952
Total Investments		17,807,561	16,540,524
Cash on hand and at banks	7	2,410,521	-
Insurance contract assets - net	8	-	-
Reinsurance contract assets - net	9	8,929,002	7,494,734
Other assets	13	490,500	354,833
Income tax provision	10	-	93,523
Amounts due from shareholders		2,952,003	3,240,783
Total Assets		32,589,587	27,724,397
Liabilities and Policyholders' Equity			
Liabilities			
Insurance contract liabilities	8	30,437,492	26,521,714
Reinsurance contract liabilities	9	158,721	62,326
Cash on hand and at banks (overdrawn accounts)	7	-	1,209,215
Other liabilities	16	201,112	86,880
Income tax provision	10	174,865	-
Al Qard Al Hasan granted by shareholders to cover policyholders' deficit	20	-	-
Total Liabilities		30,972,190	27,880,135
Policyholders' Equity			
Deficiency cover reserve (Emergency Provision)	17	310,214	7,106
Cumulative change in fair value	23	424,391	(166,866)
Non-demanded surplus	18	8	4,022
Accumulated surplus	19	882,784	-
Total Policyholders' Equity		1,617,397	(155,738)
Total Liabilities and Policyholders' Equity		32,589,587	27,724,397

"The attached notes from (1) to (55) are an integral part of these financial statements and should be read with external auditor's report"

The Islamic Insurance Company
Public Shareholding Company
Amman-Jordan
Statement of financial position (Shareholders) as at 31 December 2025
(In Jordanian Dinar)

	<u>Note</u>	<u>2025</u>	<u>2024</u>
Assets			
Investments			
Bank deposits	3	16,123,069	13,387,579
Financial assets at fair value through profit or loss (Shareholders)	4	3,000,000	3,000,000
Financial assets at fair value through other comprehensive income	5	8,149,885	6,605,015
Investment properties	6	232,394	380,034
Total Investments		27,505,348	23,372,628
Cash on hand and at banks	7	1,239,520	3,057,821
Property and equipment - net	11	2,409,763	2,301,261
Intangible assets - net	12	26,456	5,483
Other assets	13	673,614	190,316
Al Qard Al Hasan granted by shareholders to cover policyholders' deficit	20	-	-
Total Assets		31,854,701	28,927,509
Liabilities and Shareholders' Equity			
Liabilities			
Accounts payable	14	2,650	26,564
Income tax provision	10	776,517	582,649
Other provisions	15	1,117,428	1,228,433
Other liabilities	16	170,676	227,108
Amounts due to policyholders		2,952,003	3,240,783
Total Liabilities		5,019,274	5,305,537
Shareholders' Equity			
Paid-in capital	21	16,500,000	16,500,000
Statutory reserve	22	4,681,392	4,248,059
Voluntary reserve	22	5,916	5,916
Al Qard Al Hasan granted by shareholders to cover policyholders' deficit	20	-	-
Cumulative change in fair value	23	1,273,172	(500,598)
Retained earnings	24	4,374,947	3,368,595
Total Shareholders' Equity		26,835,427	23,621,972
Total Liabilities and Shareholders' Equity		31,854,701	28,927,509

"The attached notes from (1) to (55) are an integral part of these financial statements and should be read with external auditor's report"

The Islamic Insurance Company
Public Shareholding Company
Amman-Jordan
Statement of profit or loss (policyholders) for the year ended 31 December 2025
(In Jordanian Dinar)

	<u>Note</u>	<u>2025</u>	<u>2024</u>
Revenues			
Insurance contracts revenues	25	42,197,747	37,340,289
Insurance contracts expenses	26	(35,610,129)	(32,097,564)
Insurance contract service results		6,587,618	5,242,725
Reinsurance contracts held expenses	27	(13,656,265)	(13,396,708)
Reinsurance contracts held revenues	28	11,268,517	9,325,009
Reinsurance contracts service results		(2,387,748)	(4,071,699)
Net insurance contract service results		4,199,870	1,171,026
Finance (expenses) revenues from insurance contracts	29	(1,082,881)	(671,105)
Finance revenues (expenses) from reinsurance contracts	30	307,659	282,459
Net insurance financing results		(775,222)	(388,646)
Net insurance contracts service and financing results		3,424,648	782,380
Policyholders' share of investment returns	31	816,378	937,078
Policyholders' share of net profits from financial assets and investments	32	124,173	97,005
Less : Shareholders' share against managing the investment portfolio	33	(235,138)	(258,521)
Total revenues		4,130,061	1,557,942
Shareholders' share against takaful operation management (not-allocated)	33	(2,626,527)	(2,030,591)
Provision for expected credit losses (deposits)	3	(1,578)	(10,347)
Total expenses		(2,628,105)	(2,040,938)
Policyholders' surplus (deficit) before income tax		1,501,956	(482,996)
Prior years income tax	10	(93,523)	-
Income tax provision	10	(236,125)	-
Policyholders' surplus (deficit) after income tax		1,172,308	(482,996)

"The attached notes from (1) to (55) are an integral part of these financial statements and should be read with external auditor's report"

The Islamic Insurance Company
Public Shareholding Company
Amman-Jordan
Statement of profit or loss (Shareholders) for the year ended 31 December 2025
(In Jordanian Dinar)

	Note	2025	2024
Revenues			
Shareholders' share against takaful operation management	33	7,460,964	6,372,583
Shareholders' share against managing the investment portfolio	33	235,138	258,521
Shareholders' share of investment returns	31	1,369,134	974,198
Shareholders' share of net profits from financial assets and investments	32	397,519	324,879
Other revenues		-	-
Total revenues		9,462,755	7,930,181
Employees expenses	34	3,832,818	3,507,552
Al Qard Al Hasan granted to policyholders expense	20	-	-
Administrative and general expenses	36	1,001,245	865,702
Other expenses	37	55,000	55,000
Other provisions	38	67,340	441,907
Depreciation & amortization		221,594	188,874
Unneeded (provision) for expected credit losses (deposits)	3	6,425	(4,980)
Total expenses		5,184,422	5,054,055
Profit for the year before income tax		4,278,333	2,876,126
Prior years income tax	10	(119,329)	-
Income tax expense for the year	10	(1,110,072)	(815,697)
Profit for the year		3,048,932	2,060,429
Earnings per Share	39	0.185	0.125

"The attached notes from (1) to (55) are an integral part of these financial statements and should be read with external auditor's report"

The Islamic Insurance Company
Public Shareholding Company
Amman-Jordan
Statement of profit or loss (Policyholders) - Takaful
for the year ended 31 December 2025
(In Jordanian Dinar)

	Note	2025	2024
Revenues			
Insurance contracts revenues	25	12,994,304	11,756,487
Insurance contracts expenses	26	(6,977,915)	(4,148,224)
Insurance contract service results		6,016,389	7,608,263
Reinsurance contracts held expenses	27	(5,324,859)	(5,389,429)
Reinsurance contracts held revenues	28	4,524,464	2,463,721
Reinsurance contracts service results		(800,395)	(2,925,708)
Net insurance contract service results		5,215,994	4,682,555
Finance (expenses) from insurance contracts	29	(125,865)	(157,799)
Finance revenues from reinsurance contracts	30	79,547	92,379
Net insurance financing results		(46,318)	(65,420)
Policyholders' share of investment returns	31	244,913	421,685
Policyholders' share of net profits from financial assets and investments	32	37,252	43,652
Less : Shareholders' share against managing the investment portfolio	33	(70,541)	(116,333)
Total revenues		5,381,300	4,966,139
Shareholders' share against takaful operation management (not-allocated)	33	(1,578,093)	(1,487,697)
Provision for expected credit losses (deposits)		(473)	(4,656)
Total expenses		(1,578,566)	(1,492,353)
Policyholders' surplus before income tax		3,802,734	3,473,786
Prior years income tax	10	(28,057)	-
Income tax provision	10	(70,838)	-
Policyholders' surplus after income tax		3,703,839	3,473,786

"The attached notes from (1) to (55) are an integral part of these financial statements and should be read with external auditor's report"

The Islamic Insurance Company
Public Shareholding Company
Amman-Jordan
Statement of other comprehensive income (Shareholders) for the year ended 31 December 2025
(In Jordanian Dinar)

	<u>2025</u>	<u>2024</u>
Profit for the year	3,048,932	2,060,429
Other comprehensive income items:		
Shareholders' share from change in fair value	<u>1,814,523</u>	<u>(61,278)</u>
Total comprehensive income for the year	<u>4,863,455</u>	<u>1,999,151</u>

"The attached notes from (1) to (55) are an integral part of these financial statements and should be read with external auditor's report"

The Islamic Insurance Company
Public Shareholding Company
Amman-Jordan
Statement of changes in shareholders' equity for the year ended 31 December 2025
(In Jordanian Dinar)

	<u>Paid-in Capital</u>	<u>Statutory Reserve</u>	<u>Voluntary Reserve</u>	<u>Cumulative Change in Fair Value</u>	<u>Retained Earnings</u>	<u>Total Shareholders' Equity</u>
Balance at 1 January 2025	16,500,000	4,248,059	5,916	(500,598)	3,368,595	23,621,972
Profit for the year	-	-	-	-	3,048,932	3,048,932
Shareholders' share from change in fair value	-	-	-	1,814,523	-	1,814,523
Shareholders' share from profit of sale of financial assets at fair through other comprehensive income	-	-	-	(40,753)	40,753	-
Transfer to reserves	-	433,333	-	-	(433,333)	-
Al Qard Al Hasan granted by shareholders to cover policyholders' deficit	-	-	-	-	-	-
Paid dividends	-	-	-	-	(1,650,000)	(1,650,000)
Balance at 31 December 2025	<u>16,500,000</u>	<u>4,681,392</u>	<u>5,916</u>	<u>1,273,172</u>	<u>4,374,947</u>	<u>26,835,427</u>
Balance at 1 January 2024	15,000,000	3,954,946	1,505,916	(439,320)	3,101,279	23,122,821
Profit for the year	-	-	-	-	2,060,429	2,060,429
Shareholders' share from change in fair value	-	-	-	(61,278)	-	(61,278)
Transfer to reserves	-	293,113	-	-	(293,113)	-
Transfer from the voluntary reserve to increase capital	1,500,000	-	(1,500,000)	-	-	-
Al Qard Al Hasan granted by shareholders to cover policyholders' deficit	-	-	-	-	-	-
Paid dividends	-	-	-	-	(1,500,000)	(1,500,000)
Balance at 31 December 2024	<u>16,500,000</u>	<u>4,248,059</u>	<u>5,916</u>	<u>(500,598)</u>	<u>3,368,595</u>	<u>23,621,972</u>

“The attached notes from (1) to (55) are an integral part of these financial statements and should be read with external auditor's report”

The Islamic Insurance Company
Public Shareholding Company
Amman-Jordan
Statement of changes in policyholders' equity for the year ended 31 December 2025
(In Jordanian Dinar)

	Deficiency Cover Reserve (Emergency Provision)*	Cumulative Change in Fair Value	Non- Demanded Surplus	Accumulated Surplus (Deficit)	Total Policyholders' Equity
Balance at 1 January 2025	7,106	(166,866)	4,022	-	(155,738)
Policyholders' surplus for the year	-	-	-	1,172,308	1,172,308
Transferred from surplus cover reserve to cover the deficit	-	-	-	-	-
Policyholders' share from net change in fair value	-	604,841	-	-	604,841
Policyholders' share from profit of sale of financial assets through other comprehensive income	-	(13,584)	-	13,584	-
Change in non-demanded surplus	-	-	(4,014)	-	(4,014)
Transfer to deficiency cover reserve	303,108	-	-	(303,108)	-
Balance at 31 December 2025	310,214	424,391	8	882,784	1,617,397
Balance at 1 January 2024	490,102	(146,440)	17,793	-	361,455
Policyholders' (deficit) for the year	-	-	-	(482,996)	(482,996)
Transferred from deficiency cover reserve to cover the deficit	(482,996)	-	-	482,996	-
Policyholders' share from change in fair value of financial assets through other comprehensive income	-	(20,426)	-	-	(20,426)
Change in non-demanded surplus	-	-	(13,771)	-	(13,771)
Balance at 31 December 2024	7,106	(166,866)	4,022	-	(155,738)

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

"The attached notes from (1) to (55) are an integral part of these financial statements and should be read with external auditor's report"

The Islamic Insurance Company
Public Shareholding Company
Amman-Jordan
Statement of cash flows for the year ended as at 31 December 2025
(In Jordanian Dinar)

	Note	2025	2024
Cash Flows from Operating Activities			
Profit for the year before income tax		5,780,289	2,393,130
Adjustments			
Depreciation & amortization		221,594	188,874
Provision against end of service indemnity		83,271	56,048
Unallocated loss adjustment expense (ULAE)		67,340	111,934
Profits from deposits		(1,983,512)	(1,703,276)
Dividends income		(648,192)	(596,884)
Provision for expected credit losses (Deposits)		8,214	6,179
Provision for expected credit losses (Accounts receivables)		126,788	-
Provision for expected credit losses (Reinsurance contract held assets)		23,212	-
Provision for expected credit losses (cheques under collection)		4,091	-
Cash flows from operating activities before changes in working capital items		3,683,095	456,005
Insurance contract assets –Net		-	-
Reinsurance contract assets –Net		(1,434,268)	(2,562,922)
Other assets		(33,567)	(22,579)
Insurance contract liabilities		3,761,687	3,839,087
Reinsurance contract liabilities		96,395	38,435
Accounts payable		(23,914)	(181)
Other provisions		(261,615)	(1,395)
Other liabilities		57,800	(5,555)
Non-demanded surplus		(4,014)	(13,771)
Net cash flows from operating activities before paid income tax		5,841,599	1,727,124
Income tax paid		(1,096,793)	(1,057,251)
Net cash flows from operating activities		4,744,806	669,873
Cash Flows from Investing Activities			
Bank deposits		(3,854,826)	(3,096,174)
Purchase of financial assets at fair value through other comprehensive income		-	-
Sale of financial assets at fair value through other comprehensive income		359,536	-
Received profits from deposits		1,398,114	1,258,174
Received dividends income		648,192	596,884
Purchase of property and equipment		(172,970)	(351,504)
Purchase of intangible assets		(30,460)	(3,500)
Net cash flows used in investing activities		(1,652,414)	(1,596,120)
Cash Flows from Financing Activities			
Paid dividends		(1,650,000)	(1,500,000)
Net cash flows used in financing activities		(1,650,000)	(1,500,000)
Net increase (decrease) in cash and cash equivalents		1,442,392	(2,426,247)
Cash and cash equivalents, beginning of year		2,863,651	5,289,898
Cash and cash equivalents, end of year	40	4,306,043	2,863,651

“The attached notes from (1) to (55) are an integral part of these financial statements and should be read with external auditor's report”

The Islamic Insurance Company
Public Shareholding Company
Amman-Jordan
Notes to the financial statements
31 December 2025

1. General

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

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

The accompanying financial statements were approved by the Board of Directors' in their meeting held on 10 February 2026, and its subject to General Assemble approval.

The Company's financial statements as of 31 December 2025 were reviewed by the Company's Sharia Supervisory Board, which issued its Sharia report thereon.

2.1 Basis of Preparation

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

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

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

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

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

2.2 Changes in accounting policies

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

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

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

2.3 Use of Estimates

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

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

A) Expected credit losses

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

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

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

B) Impairment in the value of financial assets.

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

C) Income tax

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

1) Accrued income tax

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

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

2) Deferred taxes

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

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

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

D) Property & equipment

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

E) The present value of future cash flows

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

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

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

E.1) Discount rates

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

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

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

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

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

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

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

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

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

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

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

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

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

F) Adjustments for non-financial risk

Represents an amount against the uncertainty of the amount and timing of cash flows arising from non-financial risks based on actuarial assumptions and the company's experience in managing the portfolio of insurance/reinsurance contracts held.

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

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

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

G) Non-insurance components

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

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

Separation of non-insurance components

1- The investment component:

The Company must separate the distinct investment component from the main insurance contract when the investment element is distinct, and only if the following two conditions are met:

- The investment component and the insurance component are not significantly interrelated.
- The contract is sold under equivalent terms, or can be sold, separately in the same market or jurisdiction, either by entities issuing insurance contracts or by other parties.

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

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

2-Components of services and goods

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

- Separate the inflows between the insurance component and any promises to deliver distinct goods or services other than insurance contract services.
- Separate the outflows between the insurance component and any promised goods or services other than insurance contract services, so that:
 1. The outflows directly related to each component are attributed to that component.
 2. Any outflows are attributed on a consistent and rational basis, reflecting the outflows that the entity expects to arise as if this component were a separate contract.

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

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

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

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

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

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

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

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

Significant Accounting Policies

A) Business Segments

The business sector represents a set of assets and operations that jointly provide products and service subject to risks and returns different from those of other business sector which is measured based on the reports used by the top management of the Company.

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

B) Definition of insurance contract

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

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

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

C) Reinsurance contracts held

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

Reinsurance contracts held are recognized:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

H) Modification of insurance contracts

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

I) Derecognition of insurance contracts

The company derecognizes insurance contracts in the following cases:

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

J) Onerous Insurance contracts (PAA)

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

K) Liability for the remaining coverage

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

L) Liability for incurred claims.

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

M) Contractual service margin.

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

N) A summary of measurement approaches.

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

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

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

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

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

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

O) **Aggregation level.**

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

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

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

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

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

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

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

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

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

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

P) Profitability level

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

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

Q) Financial assets

Financial assets at amortized cost

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

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

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

Financial Assets at Fair Value through Profit or Loss

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

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

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

Reclassification

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

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

Financial Assets at Fair Value through Other Comprehensive Income

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

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

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

These assets are not subject to impairment testing.

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

Q) Investment properties

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

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

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

R) Property and equipment

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

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

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

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

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

S) Intangible assets

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

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

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

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

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

T) Cash and cash equivalents

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

U) Offsetting

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

V) Recognition of financial assets

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

W) Fair value

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

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

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

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

X) Financial liabilities

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

- Payables and reinsurance contracts liability.

Payables and reinsurance contracts liability are initially recognized at fair value, subsequently measured at amortized cost using the effective interest rate method.

- Credit facilities

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

Y) Insurance Contract Liabilities

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

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

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

- Allowance for doubtful debts and expected credit loss

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

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

- Provision for end of service indemnity

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

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

Z) Foreign currency

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

AA) Revenue recognition

A. Dividend and Deposits revenue

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

Deposits revenues are recorded when it booked by bank.

B. Rent revenues

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

BB) Insurance acquisition cost

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

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

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

DD) Deficiency cover reserve (Emergency provision)

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

In case of liquidation, the Deficiency coverage reserve (Emergency provision) is distributed to charity after the settlement of Al Qard Al Hasan if present.

EE) Basis for determining the insurance surplus

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

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

FF) Basis for Distributing the insurance surplus

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

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

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

In case of liquidation, the insurance surplus for the period is allocated to policyholders while non - demanded surplus of prior periods (if any) will be distributed to charity after the settlement of Al Qard Al Hasan.

GG) Methods of covering policyholders' fund deficit

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

HH) Non-compliant Sharia' transactions

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

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

II) Policyholders and shareholders' financial investments

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

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

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

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

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

25% Company share from surplus Investment revenue as mudhareb

While the applied percentage, as approved by the Board of Directors with the consent of the Shari'a supervisory Committee for the year 2025, is as follows:

17% Company share from Gross written contributions as Wakala Fees against mange Takaful operation to cover administrative expenditures.

25% Company share from surplus Investment revenue as mudhareb.

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

3. Bank Deposits

	31 December 2025						31 December 2024			
	Deposits mature within (1) month		Deposits mature after (1) month to (3) months		Deposits mature after (3) months to (12) months		Total		Total	
	Policyholders	Shareholders	Policyholders	Shareholders	Policyholders	Shareholders	Policyholders	Shareholders	Policyholders	Shareholders
Inside Jordan										
Jordan Islamic Bank	300,000	-	-	-	2,000,000	8,177,609	2,300,000	8,177,609	3,000,000	6,180,340
Islamic international Arab Bank	320,000	-	-	-	-	8,000,000	320,000	8,000,000	-	7,255,354
Safwa Islamic Bank	36,384	-	-	-	5,465,559	-	5,501,943	-	5,368,285	-
AlRajhi Bank	-	-	-	-	6,000,000	-	6,000,000	-	5,000,000	-
Total Bank Deposits Inside Jordan	656,384	-	-	-	13,465,559	16,177,609	14,121,943	16,177,609	13,368,285	13,435,694
Outside Jordan										
Al Baraka Islamic Bank - Bahrain	-	-	-	-	-	-	-	-	-	-
Total Bank Deposits Outside Jordan	-	-	-	-	-	-	-	-	-	-
Total	656,384	-	-	-	13,465,559	16,177,609	14,121,943	16,177,609	13,368,285	13,435,694
Provision for expected credit losses *	(382)	-	-	-	(27,909)	(54,540)	(28,291)	(54,540)	(26,713)	(48,115)
Net	656,002	-	-	-	13,437,650	16,123,069	14,093,652	16,123,069	13,341,572	13,387,579

- There is no fixed profit rate on deposit balances with banks, as profits are linked to the investment outcomes of banks based on the principles and rules of Sharia-compliant trading. The profit rate ranged from 3% to 5.45% for bank deposits for the year ended 31/12/2025.
- Deposits pledged to the favor of the Governor of the Central Bank of Jordan amounted to JOD (800,000) as at 31 /12/2025 at Jordan Islamic Bank.

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

	31 December 2025		31 December 2024	
	Policyholders	Shareholders	Policyholders	Shareholders
Balance at beginning of the year	26,713	48,115	16,366	53,095
Additions	1,578	6,425	10,347	-
Disposals	-	-	-	(4,980)
Balance at end of the period	28,291	54,540	26,713	48,115

4 . Financial Assets at Fair Value Through Profit or Loss

	31 December 2025		31 December 2024	
	Policyholders	Shareholders	Policyholders	Shareholders
Inside Jordan				
Investment portfolios *	1,000,000	3,000,000	1,000,000	3,000,000
Total	1,000,000	3,000,000	1,000,000	3,000,000

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

5 . Financial Assets at Fair Value Through Other Comprehensive Income

	31 December 2025		31 December 2024	
	Policyholders	Shareholders	Policyholders	Shareholders
Inside Jordan				
Investments in quoted shares	2,634,233	7,902,699	2,137,102	6,411,308
Investments in unquoted shares	79,676	239,029	61,850	185,550
Total	2,713,909	8,141,728	2,198,952	6,596,858
	31 December 2025		31 December 2024	
	Policyholders	Shareholders	Policyholders	Shareholders
Outside Jordan				
Investments in quoted shares	-	-	-	-
Investments in unquoted shares*	-	8,157	-	8,157
Total	-	8,157	-	8,157
Grand total	2,713,909	8,149,885	2,198,952	6,605,015

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

6 . Investment properties

	31 December 2025	31 December 2024
Buildings	400,000	400,000
Transfer to property and equipment	(150,000)	-
Accumulated depreciation	(26,581)	(19,966)
Transfer to property and equipment accumulated depreciation	8,975	-
	232,394	380,034

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

7 . Cash on hand and at banks

	31 December 2025		31 December 2024	
	Policyholders	Shareholders	Policyholders	Shareholders
Cash on hand	24,648	-	9,401	-
Current banks accounts	2,385,873	4,479,993	(1,218,616)	6,298,294
Total	2,410,521	4,479,993	(1,209,215)	6,298,294
Provision for expected credit losses	-	(3,240,473)	-	(3,240,473)
Total Provision for expected credit losses	-	(3,240,473)	-	(3,240,473)
Total	2,410,521	1,239,520	(1,209,215)	3,057,821

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

	31 December 2025		31 December 2024	
	Policyholders	Shareholders	Policyholders	Shareholders
Balance at beginning of the year	-	3,240,473	-	2,910,500
Additions	-	-	-	329,973
Disposals	-	-	-	-
Balance at end of the year	-	3,240,473	-	3,240,473

8 . Insurance contract Assets /liabilities – Premium Allocation Approach

	Liabilities for remaining coverage				liabilities for incurred claims				Total	
	31/12/2025 Excluding loss component contracts	31/12/2024 Excluding loss component contracts	31/12/2025 Loss component	31/12/2024 Loss component	31/12/2025 Present value of future cash flows	31/12/2024 Present value of future cash flows	31/12/2025 non-financial Risk adjustments	31/12/2024 non-financial Risk adjustments	31/12/2025 Total	31/12/2024 Total
Insurance contracts liabilities at beginning of the year	4,970,686	4,383,014	1,822,967	1,090,569	18,629,118	16,087,444	1,098,943	1,121,600	26,521,714	22,682,627
Insurance contracts (assets) at beginning of the year	-	-	-	-	-	-	-	-	-	-
Net of insurance contracts liabilities (assets) at the beginning of the year	4,970,686	4,383,014	1,822,967	1,090,569	18,629,118	16,087,444	1,098,943	1,121,600	26,521,714	22,682,627
Insurance Contract revenues	(42,197,747)	(37,340,289)	-	-	-	-	-	-	(42,197,747)	(37,340,289)
Insurance Contract expenses	1,549,180	1,148,461	(899,821)	525,731	34,892,296	30,446,029	68,474	(22,657)	35,610,129	32,097,564
Incurred claims net of recoveries	-	-	-	-	30,305,895	29,135,782	-	-	30,305,895	29,135,782
Changes that relate to past service: changes related to LFIC	-	-	-	-	(248,036)	(3,031,745)	-	-	(248,036)	(3,031,745)
Changes in onerous contract	-	-	(899,821)	525,731	-	-	-	-	(899,821)	525,731
Changes in risk adjustment –insurance contract	-	-	-	-	-	-	68,474	(22,657)	68,474	(22,657)
Amortization of insurance acquisition cost	557,490	512,653	-	-	-	-	-	-	557,490	512,653
Other technical expenses	991,690	635,808	-	-	-	-	-	-	991,690	635,808
Employee Exp. (Sh. Takaful Operation Management)	-	-	-	-	3,778,430	3,457,571	-	-	3,778,430	3,457,571
Management Exp. (Sh. Takaful Operation Management)	-	-	-	-	1,056,007	884,421	-	-	1,056,007	884,421
Insurance Contract service results	(40,648,567)	(36,191,828)	(899,821)	525,731	34,892,296	30,446,029	68,474	(22,657)	(6,587,618)	(5,242,725)
Finance expenses from insurance contract	-	-	271,161	206,667	811,720	464,438	-	-	1,082,881	671,105
Net change – Other Comprehensive Income	(40,648,567)	(36,191,828)	(628,660)	732,398	35,704,016	30,910,467	68,474	(22,657)	(5,504,737)	(4,571,620)
Cash received from underwritten contracts	44,189,747	37,984,779	-	-	-	-	-	-	44,189,747	37,984,779
Paid claims	-	-	-	-	(28,345,159)	(24,026,801)	-	-	(28,345,159)	(24,026,801)
Paid acquisition cost	(597,946)	(569,471)	-	-	-	-	-	-	(597,946)	(569,471)
Paid other technical expenses	(991,690)	(635,808)	-	-	-	-	-	-	(991,690)	(635,808)
Paid Employee and management Exp (Sh. Takaful Operation Management)	-	-	-	-	(4,834,437)	(4,341,992)	-	-	(4,834,437)	(4,341,992)
Insurance contracts liabilities at the end of the year	6,922,230	4,970,686	1,194,307	1,822,967	21,153,538	18,629,118	1,167,417	1,098,943	30,437,492	26,521,714
Insurance contracts (assets) at the end of the year	-	-	-	-	-	-	-	-	-	-
Net of insurance contracts liabilities (assets) at the end of the year	6,922,230	4,970,686	1,194,307	1,822,967	21,153,538	18,629,118	1,167,417	1,098,943	30,437,492	26,521,714

8 . (A) Accounts Receivables – Insurance operations

	31 December 2025	31 December 2024
Policyholders receivables	4,781,066	4,411,094
Agents receivables	-	-
Brokers receivables	-	-
Employees receivables	11,095	11,330
Total	4,792,161	4,422,424
Less: Allowance for doubtful debts *	-	(51,042)
Less: Provision for expected credit losses **	(761,614)	(583,784)
Net Accounts Receivable	4,030,547	3,787,598

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

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

	31 December 2025	31 December 2024
Balance at beginning of the year	51,042	174,289
Additions	-	-
Disposals	(51,042)	(123,247)
Balance at end of the year	-	51,042

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

	31 December 2025	31 December 2024
Balance at beginning of the year	583,784	480,601
Additions	177,830	103,183
Disposals	-	-
Balance at end of the year	761,614	583,784

The aging of accounts receivables is as follows:

	31 December 2025	31 December 2024
Past due from 0-30 days	2,250,813	2,240,015
Past due from 31-90 days	1,006,417	1,020,175
Past due from 91-180 days	531,114	289,383
Past due from 181-365 days	427,399	369,193
Past due for more than one year	576,418	503,658
	4,792,161	4,422,424

8 . (B) Cheques under collection – Insurance Operations

	31 December 2025	31 December 2024
Cheques under collection *	1,586,669	1,513,064
Less: Provision for expected credit losses **	(11,913)	(7,822)
Net cheques under collection	1,574,756	1,505,242

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

	31 December 2025	31 December 2024
Balance at beginning of the year	7,822	7,822
Additions	4,091	-
Disposals	-	-
Balance at end of the year	11,913	7,822

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

The aging of cheques under collection is as follows:

	31 December 2025	31 December 2024
Past due from (0-6) months	1,130,641	1,045,466
Past due from (7-12) months	456,028	467,598
	1,586,669	1,513,064

8 . (C) Accounts Payable – Insurance Operations

	31 December 2025	31 December 2024
Individual	61,624	115,637
Companies payable	61,670	60,378
Institutions payable	1,303	2,811
Carag station & suppliers Co.	218,652	15,026
Other payables (Medical care, takaful, other)	95,727	94,835
Agents payables (Accrued commission)	135,139	113,429
Medical and pending cheques	81,846	59,458
Total	655,961	461,574

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

9. Reinsurance Contract Assets /Liabilities – Premium Allocation Approach

	Assets for remaining coverage				Assets against incurred claims				Total	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024	31/12/2025	31/12/2024	31/12/2025	31/12/2024	31/12/2025	31/12/2024
	Excluding loss recovery component	Excluding loss recovery component	Loss recovery component	Loss recovery component	Present value of future cash flows	Present value of future cash flows	non-financial Risk adjustments	non-financial Risk adjustments	Total	Total
Reinsurance contract liabilities at beginning of the year	62,326	117,062	-	-	-	(88,469)	-	(4,702)	62,326	23,891
Reinsurance contract (assets) at beginning of the year	1,989,565	4,006,803	(112,842)	(99,854)	(8,800,895)	(8,290,675)	(570,562)	(548,086)	(7,494,734)	(4,931,812)
Net of reinsurance contracts liabilities (assets) at the beginning of the year	2,051,891	4,123,865	(112,842)	(99,854)	(8,800,895)	(8,379,144)	(570,562)	(552,788)	(7,432,408)	(4,907,921)
Reinsurance contracts held expenses	13,656,265	13,396,708	-	-	-	-	-	-	13,656,265	13,396,708
Reinsurance contract held revenues	-	-	98,793	(12,988)	(11,366,862)	(9,294,247)	(448)	(17,774)	(11,268,517)	(9,325,009)
Recovered incurred claims from reinsurer	-	-	-	-	(10,578,812)	(8,928,499)	-	-	(10,578,812)	(8,928,499)
Change in loss recovery component	-	-	98,793	(12,988)	-	-	-	-	98,793	(12,988)
Changes in non-financial risk adjustment	-	-	-	-	-	-	(448)	(17,774)	(448)	(17,774)
Profit commission due from reinsurer	-	-	-	-	(788,050)	(365,748)	-	-	(788,050)	(365,748)
Insurance service results	13,656,265	13,396,708	98,793	(12,988)	(11,366,862)	(9,294,247)	(448)	(17,774)	2,387,748	4,071,699
Finance revenues from reinsurance contracts held	-	-	-	-	(307,659)	(282,459)	-	-	(307,659)	(282,459)
Net Change –Other Comprehensive Income	13,656,265	13,396,708	98,793	(12,988)	(11,674,521)	(9,576,706)	(448)	(17,774)	2,080,089	3,789,240
Paid reinsurers 'share from premium	(13,299,300)	(15,468,682)	-	-	-	-	-	-	(13,299,300)	(15,468,682)
Received claims recovery from reinsurer	-	-	-	-	9,093,288	8,789,207	-	-	9,093,288	8,789,207
Received profit Commission	-	-	-	-	788,050	365,748	-	-	788,050	365,748
Reinsurance contracts liabilities at the end of the year	158,721	62,326	-	-	-	-	-	-	158,721	62,326
Reinsurance contracts (assets) at the end of the year	2,250,135	1,989,565	(14,049)	(112,842)	(10,594,078)	(8,800,895)	(571,010)	(570,562)	(8,929,002)	(7,494,734)
Net of reinsurance contracts liabilities (assets) at the end of the year	2,408,856	2,051,891	(14,049)	(112,842)	(10,594,078)	(8,800,895)	(571,010)	(570,562)	(8,770,281)	(7,432,408)

9. (A) Receivables (Reinsurance contract held) - net

	31 December 2025	31 December 2024
Reinsurance contract held assets (Local)	168,927	197,713
Reinsurance contract held assets (Foreign)	2,062,427	454,573
Total Receivables related to reinsurance operation	2,231,354	652,286
Provision for performance risks*	(38,732)	(24,394)
Provision for expected credit losses**	(149,654)	(140,780)
Net receivables reinsurance operations	2,042,968	487,112

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

* Movements on the provision for performance risks is as follows:

	31 December 2025	31 December 2024
Balance at beginning of the year	24,394	24,394
Additions	14,338	-
Disposals	-	-
Balance at end of the year	38,732	24,394

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

	31 December 2025	31 December 2024
Balance at beginning of the year	140,780	142,859
Additions	8,874	-
Disposals	-	(2,079)
Balance at end of the year	149,654	140,780

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

	31 December 2025	31 December 2024
Past due from (31-90) days	2,103,977	513,844
Past due from (91-180) days	7,234	2,290
Past due from (181-365) days	616	3,650
Past due more than one year	119,527	132,502
Total	2,231,354	652,286

9. (B) Payables (Reinsurance contract held)

	31 December 2025	31 December 2024
Reinsurance contract held assets – (Local)	589,035	788,540
Reinsurance contract held assets – (Foreign)	3,798,778	3,166,587
Total	4,387,813	3,955,127

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

10. Income Tax

A- Income tax provision

The movement on income tax provision is as follow:

	31 December 2025		31 December 2024	
	Policyholders	Shareholders	Policyholders	Shareholders
Balance at beginning of the year	(93,523)	582,649	146,997	583,683
Income tax paid	(61,260)	(1,035,533)	(240,520)	(816,731)
Income tax expense for the year	329,648	1,229,401	-	815,697
Balance at end of the year	174,865	776,517	(93,523)	582,649

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

	31 December 2025		31 December 2024	
	Policyholders	Shareholders	Policyholders	Shareholders
Income tax expense related to prior years	93,523	119,329	-	-
Income tax expense for the year	236,125	1,110,072	-	815,697
Total	329,648	1,229,401	-	815,697

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

	31 December 2025		31 December 2024	
	Policyholders	Shareholders	Policyholders	Shareholders
Accounting profit (loss) (Policyholders and shareholders)	1,501,956	4,278,333	(482,996)	2,876,126
Nontaxable revenues	(3,104,559)	(297,026)	(3,085,570)	(36,820)
Nondeductible expenses	2,510,776	288,199	3,568,566	297,990
Taxable profit	908,173	4,269,506	-	3,137,296
Income tax of the year	236,125	1,110,072	-	815,697
Effective income tax rate	26%	26%	26%	26%

- The Company has settled its tax liability with Income Tax Department up to the year ended 2022, and based on the tax advisor opinion the income tax provision considered sufficient as of 31/12/2025.
- There is no deferred tax assets or liabilities related to the company as it calculates income tax based on taxable profit for the year.
- The income tax returns for the years 2023 and 2024 have been filed with the Income Tax Department but the Department has not reviewed the Company's records till the date of this report.
- The Income and National Contribution tax provision for the year 2025 was calculated in accordance with the Income Tax Law.

11. Property and equipment – net

	<u>Buildings</u>	<u>Equipment & Furniture</u>	<u>Vehicles</u>	<u>Computer Devices</u>	<u>Total</u>
Cost					
Balance as at 1/1/2025	2,474,274	795,285	233,101	537,809	4,040,469
Additions	-	97,886	-	74,484	172,370
Transfer from investment properties	141,025	-	-	-	141,025
Balance as at 31/12/2025	<u>2,615,299</u>	<u>893,171</u>	<u>233,101</u>	<u>612,293</u>	<u>4,353,864</u>
Accumulated depreciation					
Balance as at 1/1/2025	590,819	632,054	102,335	414,000	1,739,208
Depreciation	51,987	54,105	23,761	75,640	205,493
Disposals	-	(600)	-	-	(600)
Balance as at 31/12/2025	<u>642,806</u>	<u>685,559</u>	<u>126,096</u>	<u>489,640</u>	<u>1,944,101</u>
Net book value as at 31/12/2025	<u>1,972,493</u>	<u>207,612</u>	<u>107,005</u>	<u>122,653</u>	<u>2,409,763</u>
Cost					
Balance as at 1/1/2024	2,431,572	736,789	183,700	424,403	3,776,464
Additions	42,702	58,496	136,901	113,406	351,505
Disposals	-	-	(87,500)	-	(87,500)
Balance as at 31/12/2024	<u>2,474,274</u>	<u>795,285</u>	<u>233,101</u>	<u>537,809</u>	<u>4,040,469</u>
Accumulated depreciation					
Balance as at 1/1/2024	540,623	587,526	168,510	356,789	1,653,448
Depreciation	50,196	44,528	21,324	57,211	173,259
Disposals	-	-	(87,499)	-	(87,499)
Balance as at 31/12/2024	<u>590,819</u>	<u>632,054</u>	<u>102,335</u>	<u>414,000</u>	<u>1,739,208</u>
Net book value as at 31/12/2024	<u>1,883,455</u>	<u>163,231</u>	<u>130,766</u>	<u>123,809</u>	<u>2,301,261</u>

The cost of fully depreciated property and equipment amounted to JOD (1,044,183) as of 31/12/2025.

12. Intangible Assets - net

	<u>31 December 2025</u>	<u>31 December 2024</u>
	<u>Software</u>	<u>Software</u>
Balance at 1 January 2025	5,483	9,577
Additions	30,460	3,500
Amortization	(9,487)	(7,594)
Balance at 31 December 2025	<u>26,456</u>	<u>5,483</u>

13. Other Assets

	<u>31 December 2025</u>		<u>31 December 2024</u>	
	<u>Policyholders</u>	<u>Shareholders</u>	<u>Policyholders</u>	<u>Shareholders</u>
Prepaid expenses	-	95,029	-	73,266
Refundable deposit	-	22,505	-	15,531
Accrued revenues	490,500	540,000	354,833	90,269
Advance payments on account of electronic archiving	-	16,080	-	11,250
	<u>490,500</u>	<u>673,614</u>	<u>354,833</u>	<u>190,316</u>

14. Accounts Payable

	31 December 2025	31 December 2024
Other payables	2,650	26,564
Total	2,650	26,564

15. Other Provisions

	31 December 2025	31 December 2024
Employees vacation provision	233,801	229,625
Provision for end of service indemnity	198,539	381,060
Unallocated loss adjustment expense (ULAE)	685,088	617,748
Total	1,117,428	1,228,433

	Balance at beginning of the year	Addition during the year	Paid during the year	Balance at end of the year
Employees vacation provision	229,625	35,410	31,234	233,801
Provision for end of service indemnity	381,060	83,271	265,792	198,539
Unallocated loss adjustment expense (ULAE)	617,748	67,340	-	685,088
Total	1,228,433	186,021	297,026	1,117,428

16 . Other liabilities

	31 December 2025		31 December 2024	
	Policyholders	Shareholders	Policyholders	Shareholders
Ministry of finance deposits	68,887	443	51,802	438
Other dues	-	8,840	-	8,143
Health insurance fund	-	44,561	-	84,000
Shareholders dues	-	15,242	-	8,587
Board of directors' remunerations	-	57,969	-	57,491
Central bank dues	126,421	-	29,811	-
Deposited for the Policyholders' Guarantee Fund	5,804	-	5,267	-
Unearned rent revenues	-	-	-	25,000
Social security dues	-	43,621	-	43,449
	201,112	170,676	86,880	227,108

17 . Deficiency Cover Reserve (Emergency Provision)

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

	31 December 2025	31 December 2024
Balance at beginning of the year	7,106	490,102
Add: Transfer to deficiency cover reserve	303,108	-
Less: Transfer from deficiency cover reserve to cover the deficit	-	(482,996)
Balance at end of the year	310,214	7,106

18 . Non-Demanded Surplus

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

19 . Accumulated Surplus

	31 December 2025	31 December 2024
Balance at beginning of the year	-	-
Add: Surplus (Deficit) for the year for policyholders	1,172,308	(482,996)
Less: Transfer to deficiency cover reserve	(303,108)	-
Add: Transfer from deficiency cover reserve to cover the deficit	-	482,996
Add: Policyholders share of profit from sale of financial assets at value through other comprehensive income (FVOCI)	13,584	-
Balance at end of the year	882,784	-

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

	31 December 2025	31 December 2024
Balance at beginning of the year	-	-
Less: The amount settled from the policyholders' surplus for the year	-	-
Add: The loan granted to cover policyholders' deficit	-	-
Balance at end of the year	-	-

21. Paid-in Capital

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

22. Reserves

Statutory Reserve

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

Voluntary Reserve

The accumulated amounts in this account represent cumulative appropriations not exceeding 20% of net income before income tax.

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

23. Cumulative Change in Fair Value

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

	31 December 2025	31 December 2024
<u>Shareholders</u>		
Balance at beginning of the year	(500,598)	(439,320)
Profit from sale of financial assets through other comprehensive income – Retained earnings	(40,753)	-
Change in fair value during the year	1,814,523	(61,278)
Balance at end of the year	1,273,172	(500,598)
<u>Policyholders</u>		
Balance at beginning of the year	(166,866)	(146,440)
Profit from sale of financial assets through other comprehensive income – accumulated surplus	(13,584)	
Change in fair value during the year	604,841	(20,426)
Balance at end of the year	424,391	(166,866)

The cumulative change in fair value as 31 December 2025 & 2024 amounted to JOD 1,697,563 and JOD (667,464) respectively.

24. Retained Earnings

	31 December 2025	31 December 2024
Balance at beginning of the year	3,368,595	3,101,279
Less: Paid dividends	(1,650,000)	(1,500,000)
Add: Profit for the year	3,048,932	2,060,429
Add: shareholders share of profit from sale of financial assets through other comprehensive income	40,753	-
Less: Transferred to reserves	(433,333)	(293,113)
Balance at end of the year	4,374,947	3,368,595

25. Insurance Contracts Revenues

	Motors		Marine		Fire		Engineering		Medical		Responsibility insurance		Other insurance		Takaful		Total	
	31/12	31/12	31/12	31/12	31/12	31/12	31/12	31/12	31/12	31/12	31/12	31/12	31/12	31/12	31/12	31/12	31/12	31/12
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Change in insurance contract liabilities against the remaining coverage	17,655,592	14,405,540	1,113,301	897,667	1,907,612	1,742,559	103,056	109,493	6,742,872	6,776,242	213,276	208,694	762,718	784,792	12,864,402	11,637,960	41,362,829	36,562,947
Policy issuance fees	459,196	415,190	25,337	22,175	44,753	42,836	2,488	2,671	143,162	146,299	10,232	9,385	19,848	20,259	129,902	118,527	834,918	777,342
Other revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Insurance Contracts Revenues	18,114,788	14,820,730	1,138,638	919,842	1,952,365	1,785,395	105,544	112,164	6,886,034	6,922,541	223,508	218,079	782,566	805,051	12,994,304	11,756,487	42,197,747	37,340,289

The Islamic Insurance Company PLC
Notes to the Financial Statements (Continued)
31 December 2025

26. Insurance Contracts Expenses

	Motors		Marine		Fire		Engineering		Medical		Responsibility insurance		Other Insurance		Takaful		Total	
	31/12	31/12	31/12	31/12	31/12	31/12	31/12	31/12	31/12	31/12	31/12	31/12	31/12	31/12	31/12	31/12	31/12	31/12
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Incurred claims net of recoveries	16,463,800	14,922,502	1,308,358	192,990	53,517	248,374	10,044	16,591	5,858,381	7,024,031	140,136	100,325	110,962	72,650	6,112,661	3,526,574	30,057,859	26,104,037
Amortization of insurance acquisition cost	475,308	445,636	20,230	15,094	39,620	30,568	777	886	16,025	14,580	5,250	5,567	280	322	-	-	557,490	512,653
Loss of onerous contracts	964,690	1,462,741	-	-	-	-	-	-	229,617	360,226	-	-	-	-	-	-	1,194,307	1,822,967
Recovered amount from Onerous Contracts loss	(1,733,902)	(819,650)	-	-	-	-	-	-	(360,226)	(477,586)	-	-	-	-	-	-	(2,094,128)	(1,297,236)
Non-financial risk adjustment	564,980	505,763	15,038	25,565	208,348	205,896	14,214	13,235	111,607	123,049	19,068	18,556	13,250	11,085	220,912	195,794	1,167,417	1,098,943
Recovered amount from Non-financial risk adjustments	(505,763)	(472,819)	(25,565)	(5,259)	(205,896)	(244,057)	(13,235)	(19,444)	(123,049)	(126,510)	(18,556)	(21,110)	(11,085)	(3,213)	(195,794)	(229,188)	(1,098,943)	(1,121,600)
Employee Exp. (Shareholders' share against Takaful Operation Management-distributed)	1,378,842	1,312,859	312,130	271,309	282,022	233,229	15,664	15,027	1,201,448	1,143,777	45,545	20,543	70,569	76,415	472,210	384,412	3,778,430	3,457,571
Management Exp. (Shareholders' share against Takaful Operation Management - distributed)	399,126	343,952	74,925	60,201	67,572	51,506	3,822	3,369	343,425	301,506	12,584	4,940	17,775	18,456	136,778	100,491	1,056,007	884,421
Other technical expenses	591,159	409,121	14,051	8,463	25,980	14,359	982	870	117,013	27,910	2,750	1,040	8,607	3,904	231,148	170,141	991,690	635,808
Total insurance contracts expenses	18,598,240	18,110,105	1,719,167	568,363	471,163	539,875	32,268	30,534	7,394,241	8,390,983	206,777	129,861	210,358	179,619	6,977,915	4,148,224	35,610,129	32,097,564

27. Reinsurance Contracts held Expenses

	Motors		Marine		Fire		Engineering		Medical		Responsibility insurance		Other insurance		Takaful		Total	
	31/12	31/12	31/12	31/12	31/12	31/12	31/12	31/12	31/12	31/12	31/12	31/12	31/12	31/12	31/12	31/12	31/12	31/12
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Change in reinsurance contract liabilities against the remaining coverage and issuance fees	(1,053,951)	(1,018,071)	(685,776)	(563,026)	(1,436,544)	(1,322,733)	(72,463)	(77,172)	(4,543,554)	(4,472,748)	(105,821)	(102,543)	(433,297)	(450,986)	(5,324,859)	(5,389,429)	(13,656,265)	(13,396,708)
Other expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total reinsurance contracts expenses	(1,053,951)	(1,018,071)	(685,776)	(563,026)	(1,436,544)	(1,322,733)	(72,463)	(77,172)	(4,543,554)	(4,472,748)	(105,821)	(102,543)	(433,297)	(450,986)	(5,324,859)	(5,389,429)	(13,656,265)	(13,396,708)

28. Reinsurance Contracts held Revenues

	Motors		Marine		Fire		Engineering		Medical		Responsibility insurance		Other insurance		Takaful		Total	
	31 /12	31 /12	31 /12	31 /12	31 /12	31 /12	31 /12	31 /12	31 /12	31 /12	31 /12	31 /12	31 /12	31 /12	31 /12	31 /12	31 /12	31 /12
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Recovered incurred claims from reinsurance	1,074,678	1,275,574	1,243,105	210,997	35,547	186,014	9,607	10,324	4,068,911	4,590,978	97,543	109,679	109,544	65,284	3,939,877	2,479,649	10,578,812	8,928,499
Loss of onerous contracts	-	-	-	-	-	-	-	-	14,049	112,842	-	-	-	-	-	-	14,049	112,842
Recovered amount from Onerous Contracts loss	-	-	-	-	-	-	-	-	(112,842)	(99,854)	-	-	-	-	-	-	(112,842)	(99,854)
Non-financial risk adjustment	105,292	104,892	14,179	24,843	204,722	202,071	14,094	13,161	78,046	86,100	8,085	7,249	11,498	8,776	135,094	123,470	571,010	570,562
Recovered amount from Non-financial risk adjustments	(104,893)	(66,946)	(24,843)	(4,702)	(202,071)	(237,734)	(13,161)	(19,121)	(86,100)	(75,906)	(7,249)	(7,940)	(8,776)	(1,041)	(123,469)	(139,398)	(570,562)	(552,788)
Other revenues	-	-	28,114	186,731	141,874	124,219	7,802	5,310	-	-	-	-	37,298	49,488	572,962	-	788,050	365,748
Total reinsurance contracts revenues	1,075,077	1,313,520	1,260,555	417,869	180,072	274,570	18,342	9,674	3,962,064	4,614,160	98,379	108,988	149,564	122,507	4,524,464	2,463,721	11,268,517	9,325,009

29. Finance Revenues (Expenses) From Insurance Contracts

	31 December 2025	31 December 2024
Finance revenues (expenses)	(1,082,881)	(671,105)
Total	(1,082,881)	(671,105)

The bottom-up approach was used to derive the discount rate for cash flows. Under this approach, the discount rate is determined as the risk-adjusted risk-free rate in US Dollar (EIOPA) plus 1%. The company used discount rate from (4.8% - 4.31%) for the year of 2025, compared to (5.55%- 4.35%) for the year of 2024.

30. Finance Revenues (Expenses) From Reinsurance Contracts

	31 December 2025	31 December 2024
Finance revenues (expenses)	307,659	282,459
Total	307,659	282,459

The bottom-up approach was used to derive the discount rate for cash flows. Under this approach, the discount rate is determined as the risk-adjusted risk-free rate in US Dollar (EIOPA) plus1%. The company used discount rate from (4.8% - 4.31%) for the year of 2025, compared to (5.55 %- 4.35%) for the year of 2024.

31. Investment Returns

	31 December 2025		31 December 2024	
	Policyholders	Shareholders	Policyholders	Shareholders
Profits from deposits	765,878	1,217,634	885,078	818,198
Gain from financial assets at fair value through profit or loss	50,500	151,500	52,000	156,000
Total	816,378	1,369,134	937,078	974,198

32. Net Profits from Financial Assets and Investments

	31 December 2025		31 December 2024	
	Policyholders	Shareholders	Policyholders	Shareholders
Dividends Income	124,173	372,519	97,005	291,879
Rent revenues	-	25,000	-	33,000
Total	124,173	397,519	97,005	324,879

33. Shareholders' Share against Takaful Operation Management

A- This item consist of the following:

2025					2024				
Acquisition costs	Expenses attributed to contracts (Direct)	Expenses attributed to contracts (Indirect)	Expenses not attributed to contracts	Total	Acquisition costs	Expenses attributed to contracts (Direct)	Expenses attributed to contracts (Indirect)	Expenses not attributed to contracts	Total
1,855,044	2,291,533	687,860	2,626,527	7,460,964	1,587,292	2,156,055	598,645	2,030,591	6,372,583
<u>1,855,044</u>	<u>2,291,533</u>	<u>687,860</u>	<u>2,626,527</u>	<u>7,460,964</u>	<u>1,587,292</u>	<u>2,156,055</u>	<u>598,645</u>	<u>2,030,591</u>	<u>6,372,583</u>

The company allocates direct and related administrative and general employee expenses to insurance contract groups and includes them in the profitability calculation of the contract through their direct relationship with insurance portfolios. In addition the company allocates indirect and unrelated administrative and general expenses and employee-expenses based on a number of cost centers used for allocation. These include the total underwritten insurance premiums cost center for insurance portfolios, the paid claims and outstanding claims cost center, and the number of employees cost center.

B- Shareholders' Share against Takaful Operation Management

- The shareholders invest surplus fund from the policyholders account against known share from investment revenues as Mudaraba at a rate of (25%) for the current period compared to a rate of (25%) for the previous period.
- Shareholders bear all administrative expenses and manage insurance operations on behalf of policyholders under an agreement (contract) based on a known Wakala fee at a rate of (17%) for the period ended 31 December 2025 compared to a rate of (17%) for the period ended 31 December 2024.

The shareholders' share are as follow:

	31 December 2025	31 December 2024
Shareholders' share against Takaful Operation Management - allocated (Insurance Contracts Expenses)	4,834,437	4,341,992
Shareholders' share against Takaful Operation Management - not-allocated (Statement of Profit or Loss (Policyholders))	2,626,527	2,030,591
Total	7,460,964	6,372,583

34. Employees Expenses

	31 December 2025	31 December 2024
Salaries and bonuses	3,166,598	2,943,197
End of services indemnity	83,271	56,048
Company's contribution in social security	331,791	307,521
Medical expenses	204,185	189,340
Employee training and development	5,183	7,468
Travel and transportation	6,380	5,373
Employee vacation	35,410	(1,395)
Total	3,832,818	3,507,552

35. Related Party Transactions

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

The total contributions value of the underwritten insurance policies by the Jordan Islamic Bank (a major shareholder) during the years 2025 and 2024 amounted to JOD (5,458,450) and JOD (5,655,328), respectively and the contributions value underwritten for the Takaful insurance fund by the Jordan Islamic Bank during the years 2025 and 2024 amounted to JOD (9,031,453) and JOD (7,954,428), respectively.

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

	31 December 2025	31 December 2024
Salaries and bonuses	846,836	450,093
Transportation expenses	2,950	1,260
Total	849,786	451,353

36. General and Administrative Expenses

	31 December 2025	31 December 2024
Rent	9,970	9,972
Stationery and printing	30,987	27,571
Advertisements	66,314	38,693
Water, electricity and heating	42,918	52,729
Maintenance	67,622	66,592
Postage and telecommunications	11,590	12,200
Hospitality	30,820	28,882
Lawyer and legal consultancy fees	121,358	107,164
Board of director transportation	155,980	98,112
Subscriptions	71,962	58,556
Governmental and other fees	97,951	75,014
Company classification expense	7,899	7,899
Virtual conference and meetings expense	19,500	38,664
Professional fees	65,250	30,500
Actuary expert fee	34,800	43,000
Media and Marketing consultancy fees	12,634	15,600
Cleaning	73,833	63,630
Insurance	5,388	6,512
Others	59,233	51,275
ISO certification expense	1,816	1,182
Expense for implementing (IFRS 17)	13,420	31,955
Total	1,001,245	865,702

37. Other Expenses

	31 December 2025	31 December 2024
Board of directors' remunerations	55,000	55,000
	55,000	55,000

38. Other Provisions

	31 December 2025	31 December 2024
Provision for expected credit loss – Cash at Al Baraka Bank - Lebanon	-	329,973
Unallocated loss adjustment expense (ULAE)	67,340	111,934
Total	67,340	441,907

39. Earnings Per Share

Earnings per share were calculated by dividing the profit for the year by weighted average number of shares during the period as follows:

	31 December 2025	31 December 2024
Profit for the year after tax	3,048,932	2,060,429
Weighted average number of shares	16,500,000	16,500,000
Basic and diluted earnings per share	0.185	0.125

40. Cash and Cash Equivalents

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

	31 December 2025	31 December 2024
Cash on hand and at banks	3,650,041	1,848,606
Add: Deposits at banks mature within (3) months	656,002	1,015,045
Net Cash and Cash Equivalents	4,306,043	2,863,651

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

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

42. Onerous Contracts

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

43. Fair Value Levels:

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

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

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

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

31/12/2025	Level One	Level Two	Level Three	Total
Financial assets at fair value through profit or loss	-	-	4,000,000	4,000,000
Financial assets at fair value through other comprehensive income	10,536,932	318,705	8,157	10,863,794
Total	10,536,932	318,705	4,008,157	14,863,794

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

44. Risks management

First: Descriptive Disclosures

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

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

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

Enterprise Risk Management (ERM) Process

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

Insurance Risks: Insurance risks represent the most significant risks faced by the company. Additionally, the company accepts risks associated with insurance and various activities arising from them, including various technical insurance coverages such as property insurance, vehicle insurance, marine insurance, and others. Based on this, insurance-related risks can be identified, including risks related to business mix, risks related to the development of insurance products, pricing risks, estimation risks of loss provisions, claims settlement risks, accumulation risks, credit risks, and others.

Investment Risks: The investments made by the company for both policy holders and shareholders are subject to regulatory constraints imposed by regulatory authorities and are based on the investment guidelines issued by the Central Bank of Jordan - Insurance Supervision Department. These guidelines require the distribution of investments across various asset classes. Moreover, there is a specific investment policy approved by the Board of Directors, outlining the investment mechanism, instruments, and methods. This policy serves as a reference for managing the company's investments. There are risks associated with investments for the cash surplus held by the company, including credit risks from the parties investing in it, market risks, and liquidity risks.

Operational and Other Risks: This category encompasses operational risks, legal and regulatory risks, governance risks, information technology risks, and others.

Second: Quantitative Disclosures

1 - Takaful Insurance Risks

Risks of any insurance policy represent the probability of occurrence of the insured accident and the uncertainty of the related claim amount due to the nature of the insurance policy whereby the risks are volatile and unexpected in connection with insurance policies of a certain insurance class. As regards the application of the probability theory on pricing and the reserve, the primary risks facing the Company are that incurred claims and the related payments may exceed the book value of the insurance obligations. This may happen if the probability and risk of claims are greater than expected. As insurance accidents are unstable and vary from one year to another, estimates may differ from the related statistics.

Studies have shown that the more similar the insurance policies are, the nearer the expectations are to the actual loss. Moreover, diversifying the types of insurance risks covered decreases the probability of the overall insurance loss.

2 - Claims Development

The schedules below show the actual claims (based on management's estimates at year- end) compared to the expectations for the past four years based on the year in which the accident occurred

Gross-Motors						
The accident year	2021& before	2022	2023	2024	2025	Total
At the end of the year	906,465,615	8,868,263	16,680,679	7,474,835	17,464,064	956,953,456
After one year	107,260,728	7,796,847	16,680,679	11,122,972	-	142,861,225
After two years	106,914,480	7,796,847	15,331,416	-	-	130,042,743
After three years	108,173,762	7,329,922	-	-	-	115,503,684
After four years	107,691,505	-	-	-	-	107,691,505
Gross estimates of maximum undiscounting claims	107,691,505	7,329,922	15,331,416	11,122,972	16,912,148	158,387,963
Cumulative gross claims year	105,640,284	6,735,847	14,154,811	9,273,477	10,203,250	146,007,669
Gross liabilities against years of accidents	2,051,221	594,075	1,176,605	1,849,495	6,708,898	12,380,294
Effect of discounting	(116,400)	(40,780)	(82,185)	(156,211)	(224,284)	(619,860)
Gross liabilities for incurred claims	1,934,821	553,295	1,094,420	1,693,284	6,484,614	11,760,434

Gross-Takaful						
The accident year	2021& before	2022	2023	2024	2025	Total
At the end of the year	145,726,729	5,379,147	5,437,381	5,594,702	6,765,670	168,903,629
After one year	29,127,301	5,923,281	4,660,254	5,131,426	-	44,842,262
After two years	25,613,481	5,150,408	4,599,404	-	-	35,363,293
After three years	27,424,201	5,181,884	-	-	-	32,606,085
After four years	27,385,247	-	-	-	-	27,385,247
Gross estimates of maximum undiscounting claims	27,385,247	5,181,884	4,599,404	5,131,426	6,765,670	49,063,631
Cumulative gross claims paid	27,113,222	4,970,861	3,875,501	3,925,007	4,013,509	43,898,100
Gross liabilities against years of accidents	272,025	211,023	723,903	1,206,419	2,752,161	5,165,531
Effect of discounting	(6,529)	(6,315)	(16,610)	(31,268)	(69,239)	(129,961)
Gross liabilities for incurred claims	265,496	204,708	707,293	1,175,151	2,682,922	5,035,570

Gross-Medical						
The accident year	2021& before	2022	2023	2024	2025	Total
At the end of the year	463,974,062	4,776,642	5,220,789	5,161,738	4,892,640	484,025,871
After one year	69,270,591	6,711,606	7,031,654	6,240,229	-	89,254,080
After two years	64,303,056	6,741,995	6,949,272	-	-	77,994,323
After three years	69,330,881	6,741,195	-	-	-	76,072,076
After four years	69,330,881	-	-	-	-	69,330,881
Gross estimates of maximum undiscounting claims	69,330,881	6,741,195	6,949,272	6,240,229	4,892,640	94,154,217
Cumulative gross claims paid	69,330,881	6,741,195	6,949,272	6,111,417	3,160,205	92,292,970
Gross liabilities against years of accidents	-	-	-	128,812	1,732,435	1,861,247
Effect of discounting	-	-	-	(1,261)	(23,272)	(24,533)
Gross liabilities for incurred claims	-	-	-	127,551	1,709,163	1,836,714

Gross-Marine						
The accident year	2021& before	2022	2023	2024	2025	Total
At the end of the year	30,914,128	690,074	68,384	216,330	1,378,570	33,267,486
After one year	2,468,016	674,820	46,567	183,958	-	3,373,361
After two years	2,368,551	674,043	41,275	-	-	3,083,869
After three years	2,388,742	674,043	-	-	-	3,062,785
After four years	2,390,821	-	-	-	-	2,390,821
Gross estimates of maximum undiscounting claims	2,390,821	674,043	41,275	183,958	1,378,570	4,668,667
Cumulative gross claims paid	2,388,367	672,761	41,275	150,731	1,290,716	4,543,850
Gross liabilities against years of accidents	2,454	1,282	-	33,227	87,854	124,817
Effect of discounting	(37)	(19)	-	(1,130)	(679)	(1,865)
Gross liabilities for incurred claims	2,417	1,263	-	32,097	87,175	122,952

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31 December 2025

Gross- Fire						
The accident year	2021& before	2022	2023	2024	2025	Total
At the end of the year	82,415,409	1,622,860	363,354	159,237	160,208	84,721,068
After one year	10,384,888	2,027,815	237,318	50,985	-	12,701,006
After two years	10,130,142	2,178,812	227,622	-	-	12,536,576
After three years	10,383,484	2,217,982	-	-	-	12,601,466
After four years	10,383,583	-	-	-	-	10,383,583
Gross estimates of maximum undiscounting claims	10,383,583	2,217,982	227,622	50,985	160,208	13,040,380
Cumulative gross claims paid	10,366,553	714,140	199,178	39,197	17,586	11,336,654
Gross liabilities against years of accidents	17,030	1,503,842	28,444	11,788	142,622	1,703,726
Effect of discounting	(226)	(19,975)	(416)	(296)	(1,709)	(22,622)
Gross liabilities for incurred claims	16,804	1,483,867	28,028	11,492	140,913	1,681,104

Gross- Engineering						
The accident year	2021& before	2022	2023	2024	2025	Total
At the end of the year	8,684,402	65,856	65,850	18,677	24,412	8,859,197
After one year	1,146,278	17,896	56,790	6,383	-	1,227,347
After two years	1,137,434	15,102	56,890	-	-	1,209,426
After three years	1,036,473	15,002	-	-	-	1,051,475
After four years	1,036,472	-	-	-	-	1,036,472
Gross estimates of maximum undiscounting claims	1,036,472	15,002	56,890	6,383	24,412	1,139,159
Cumulative gross claims paid	936,685	15,002	54,535	6,383	2,675	1,015,280
Gross liabilities against years of accidents	99,787	-	2,355	-	21,737	123,879
Effect of discounting	(1,399)	-	-	-	(335)	(1,734)
Gross liabilities for incurred claims	98,388	-	2,355	-	21,402	122,145

Gross- Others						
The accident year	2021& before	2022	2023	2024	2025	Total
At the end of the year	8,826,248	81,625	118,243	124,597	258,394	9,409,107
After one year	1,179,547	122,211	216,366	164,874	-	1,682,998
After two years	1,209,033	116,196	177,957	-	-	1,503,186
After three years	1,095,625	128,282	-	-	-	1,223,907
After four years	1,088,857	-	-	-	-	1,088,857
Gross estimates of maximum undiscounting claims	1,088,857	128,282	177,957	164,874	258,394	1,818,364
Cumulative gross claims paid	1,031,678	113,473	170,888	92,387	153,647	1,562,073
Gross liabilities against years of accidents	57,179	14,809	7,069	72,487	104,747	256,291
Effect of discounting	(1,301)	(53)	(194)	(976)	(1,693)	(4,217)
Gross liabilities for incurred claims	55,878	14,756	6,875	71,511	103,054	252,074

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Notes to the Financial Statements (Continued)
31 December 2025

Net Motors						
The accident year	2021& before	2022	2023	2024	2025	Total
At the end of the year	900,247,127	8,784,128	16,680,679	6,430,986	18,051,968	950,194,888
After one year	103,747,777	7,554,938	15,651,673	7,937,582	-	134,891,970
After two years	103,294,896	6,734,870	13,401,495	-	-	123,431,261
After three years	102,459,371	5,908,329	-	-	-	108,367,700
After four years	101,732,842	-	-	-	-	101,732,842
Net estimates of maximum undiscounting claims	101,732,842	5,908,329	13,401,495	7,937,582	18,051,968	147,032,216
Cumulative net claims paid	100,310,035	5,573,185	12,491,476	6,657,640	11,956,744	136,989,080
Net liabilities against years of accidents	1,422,807	335,144	910,019	1,279,942	6,095,224	10,043,136
Effect of discounting	(80,064)	(23,732)	(62,639)	(124,656)	(208,894)	(499,985)
Net liabilities for incurred claims	1,342,743	311,412	847,380	1,155,286	5,886,330	9,543,151

Net Takaful						
The accident year	2021& before	2022	2023	2024	2025	Total
At the end of the year	117,495,084	3,522,947	3,571,670	1,889,872	1,659,300	128,138,873
After one year	12,076,109	3,478,014	1,693,004	1,680,943	-	18,928,070
After two years	11,983,176	4,998,294	2,010,763	-	-	18,992,233
After three years	18,097,173	5,347,865	-	-	-	23,445,038
After four years	18,186,093	-	-	-	-	18,186,093
Net estimates of maximum undiscounting claims	18,186,093	5,347,865	2,010,763	1,680,943	1,659,300	28,884,964
Cumulative net claims paid	18,038,365	5,183,723	1,830,208	1,270,588	555,150	26,878,034
Net liabilities against years of accidents	147,728	164,142	180,555	410,355	1,104,150	2,006,930
Effect of discounting	(2,807)	(2,780)	(6,876)	(10,874)	(27,413)	(50,750)
Net liabilities for incurred claims	144,921	161,362	173,679	399,481	1,076,737	1,956,180

Net Medical						
The accident year	2021& before	2022	2023	2024	2025	Total
At the end of the year	377,332,725	2,866,232	3,142,748	2,252,956	1,902,202	387,496,863
After one year	21,791,510	3,730,435	3,005,387	1,497,395	-	30,024,727
After two years	20,410,647	2,696,940	2,870,312	-	-	25,977,899
After three years	21,770,282	2,696,460	-	-	-	24,466,742
After four years	21,770,282	-	-	-	-	21,770,282
Net estimates of maximum undiscounting claims	21,770,282	2,696,460	2,870,312	1,497,395	1,902,202	30,736,651
Cumulative net claims paid	21,770,282	2,696,460	2,870,312	1,475,007	1,364,899	30,176,960
Net liabilities against years of accidents	-	-	-	22,388	537,303	559,691
Effect of discounting	-	-	-	(381)	(6,996)	(7,377)
Net liabilities for incurred claims	-	-	-	22,007	530,307	552,314

Net Marine						
The accident year	2021& before	2022	2023	2024	2025	Total
At the end of the year	26,975,959	663,491	68,384	3,663	72,622	27,784,119
After one year	444,804	674,820	16,676	1,629	-	1,137,929
After two years	394,796	84,496	16,003	-	-	495,295
After three years	310,712	84,496	-	-	-	395,208
After four years	311,511	-	-	-	-	311,511
Net estimates of maximum undiscounting claims	311,511	84,496	16,003	1,629	72,622	486,261
Cumulative net claims paid	310,497	84,096	16,003	79	63,043	473,718
Net liabilities against years of accidents	1,014	400	-	1,550	9,579	12,543
Effect of discounting	(15)	(6)	-	(55)	(112)	(188)
Net liabilities for incurred claims	999	394	-	1,495	9,467	12,355

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31 December 2025

Net Fire						
The accident year	2021& before	2022	2023	2024	2025	Total
At the end of the year	31,705,609	132,860	63,354	64,490	64,475	32,030,788
After one year	984,888	127,815	49,637	5,036	-	1,167,376
After two years	930,142	107,988	48,954	-	-	1,087,084
After three years	933,347	108,225	-	-	-	1,041,572
After four years	933,368	-	-	-	-	933,368
Net estimates of maximum undiscounting claims	933,368	108,225	48,954	5,036	64,475	1,160,058
Cumulative net claims paid	931,261	92,258	45,605	3,970	1,494	1,074,588
Net liabilities against years of accidents	2,107	15,967	3,349	1,066	62,981	85,470
Effect of discounting	(28)	(214)	(47)	(32)	(814)	(1,135)
Net liabilities for incurred claims	2,079	15,753	3,302	1,034	62,167	84,335

Net Engineering						
The accident year	2021& before	2022	2023	2024	2025	Total
At the end of the year	8,159,402	15,856	5,850	11,359	12,120	8,204,587
After one year	646,278	17,896	5,136	113	-	669,423
After two years	873,810	15,007	5,141	-	-	893,958
After three years	657,255	15,002	-	-	-	672,257
After four years	657,256	-	-	-	-	657,256
Net estimates of maximum undiscounting claims	657,256	15,002	5,141	113	12,120	689,632
Cumulative net claims paid	656,969	15,002	5,023	113	134	677,241
Net liabilities against years of accidents	287	-	118	-	11,986	12,391
Effect of discounting	(4)	-	(2)	-	(167)	(173)
Net liabilities for incurred claims	283	-	116	-	11,819	12,218

Net Others						
The accident year	2021& before	2022	2023	2024	2025	Total
At the end of the year	8,317,311	77,168	118,243	42,383	52,055	8,607,160
After one year	882,353	102,528	102,917	32,842	-	1,120,639
After two years	929,312	76,438	104,102	-	-	1,109,852
After three years	767,825	88,649	-	-	-	856,474
After four years	761,057	-	-	-	-	761,057
Net estimates of maximum undiscounting claims	761,057	88,649	104,102	32,842	52,055	1,038,705
Cumulative net claims paid	716,787	73,840	97,158	23,666	26,047	937,498
Net liabilities against years of accidents	44,270	14,809	6,944	9,176	26,008	101,207
Effect of discounting	(1,239)	(51)	(190)	64	(459)	(1,875)
Net liabilities for incurred claims	43,031	14,758	6,754	9,240	25,549	99,332

3 - Insurance Risk Concentrations

Below are schedules demonstrate gross and net risk concentration based on insurance type:

Insurance portfolio	2025		2024	
	Gross Liabilities	Net Liabilities	Gross Liabilities	Net Liabilities
	(Thousands of Dinars)	(Thousands of Dinars)	(Thousands of Dinars)	(Thousands of Dinars)
Motors	20,958	18,807	18,128	15,541
Marine	221	356	264	212
Fire	1,827	108	1,851	60
Engineering	120	15	117	13
Others	288	272	193	37
Medical	1,787	171	1,979	(826)
Takaful	5,238	1,939	3,989	4,051
Total	30,437	21,667	26,522	19,089

Assets, liabilities, and off-balance sheet items are concentrated according to geographic and sectoral distribution as follows:

	2025					2024				
	Assets	Liabilities	Reinsurance Assets	Reinsurance Liabilities	Off-balance sheet items	Assets	Liabilities	Reinsurance Assets	Reinsurance Liabilities	Off-balance sheet items
A- According to geographical area:										
Inside Jordan	-	30,437,492	1,785,800	31,744	-	-	26,521,714	1,498,947	12,465	-
Other middle east countries	-	-	892,900	15,872	-	-	-	749,473	6,233	-
Europe	-	-	6,250,301	111,105	-	-	-	5,246,314	43,628	-
Asia *	-	-	-	-	-	-	-	-	-	-
Africa*	-	-	-	-	-	-	-	-	-	-
America	-	-	-	-	-	-	-	-	-	-
Other countries	-	-	-	-	-	-	-	-	-	-
Total	-	30,437,492	8,929,002	158,721	-	-	26,521,714	7,494,734	62,326	-

* Except Middle East countries

	2025			2024		
	Assets	Liabilities	Off-balance sheet items	Assets	Liabilities	Off-balance sheet items
B- According to sector						
Public sector	-	-	-	-	-	-
Private sector	-	-	-	-	-	-
Companies and institutions	-	24,349,994	-	-	21,217,371	-
Individuals	-	6,087,498	-	-	5,304,343	-
Total	-	30,437,492	-	-	26,521,714	-

4 - Reinsurance Risk

As other insurance Companies, and for the purpose of reducing the exposure to financial risks that may arise from major insurance claims, the Company, within the normal course of its operations, enters into reinsurance contracts with other parties.

In order to reduce its exposure to major losses arising from the insolvency of reinsurance companies, the Company evaluates the financial position of the reinsurance companies it deals with while monitoring credit risks concentrations coming from geographic areas and activities or economic components similar to those companies. Moreover, the reinsurance policies issued do not exempt the Company from its obligations towards policy holders. As a result, the Company remains committed to the reinsured claims balance in case the reinsurers are unable to meet their obligations according to the reinsurance contracts.

5 - Sensitivity of Takaful Insurance risk

2025	Change rate	Profit / Loss		Impact on Policyholders' equity		Impact on shareholders' equity	
		Gross	Net	Gross	Net	Gross	Net
Death rate	5% +	-	-	1,617,397	1,617,397	26,835,427	26,835,427
Death rate	5% -	-	-	1,617,397	1,617,397	26,835,427	26,835,427
Morbidity	5% +	-	-	1,617,397	1,617,397	26,835,427	26,835,427
Morbidity	5% -	-	-	1,617,397	1,617,397	26,835,427	26,835,427
Longevity rate	5% +	-	-	1,617,397	1,617,397	26,835,427	26,835,427
Longevity rate	5% -	-	-	1,617,397	1,617,397	26,835,427	26,835,427
Expense	5% +	(52,489)	(52,489)	1,564,908	1,564,908	26,835,427	26,835,427
Expense	5% -	52,489	52,489	1,669,886	1,669,886	26,835,427	26,835,427
Lapse rate	5% +	(91,278)	(91,149)	1,526,119	1,526,248	26,835,427	26,835,427
Lapse rate	5% -	91,278	91,149	1,708,675	1,708,546	26,835,427	26,835,427
Total loss rate	5% +	(563,444)	(510,946)	1,053,953	1,106,451	26,835,427	26,835,427
Total loss rate	5% -	563,444	510,946	2,180,841	2,128,343	26,835,427	26,835,427

2024	Change rate	Profit / Loss		Impact on Policyholders' equity		Impact on shareholders' equity	
		Gross	Net	Gross	Net	Gross	Net
Death rate	5% +	-	-	(155,738)	(155,738)	23,621,972	23,621,972
Death rate	5% -	-	-	(155,738)	(155,738)	23,621,972	23,621,972
Morbidity	5% +	-	-	(155,738)	(155,738)	23,621,972	23,621,972
Morbidity	5% -	-	-	(155,738)	(155,738)	23,621,972	23,621,972
Longevity rate	5% +	-	-	(155,738)	(155,738)	23,621,972	23,621,972
Longevity rate	5% -	-	-	(155,738)	(155,738)	23,621,972	23,621,972
Expense	5% +	(47,883)	(47,883)	(203,621)	(203,621)	23,621,972	23,621,972
Expense	5% -	47,883	47,883	(107,855)	(107,855)	23,621,972	23,621,972
Lapse rate	5% +	(116,704)	(123,607)	(272,442)	(279,345)	23,621,972	23,621,972
Lapse rate	5% -	116,704	123,607	(39,034)	(32,131)	23,621,972	23,621,972
Total loss rate	5% +	(513,670)	(457,263)	(669,408)	(613,001)	23,621,972	23,621,972
Total loss rate	5% -	513,670	457,263	357,932	301,525	23,621,972	23,621,972

B- Financial Risks

The Company follows financial policies to manage several risks within a specified strategy. The Company's management observes and controls the risk and determines the most suitable strategic risk distribution procedures for each of the financial assets and liabilities. This risk includes market risk, credit risk and foreign currencies risk.

The Company follows a hedging policy for each of its assets and liabilities when required; the hedging policy is related to future expected risks.

Rate of return risk

The yield rate risk relates to the risks associated with changes in the return on fixed deposits held in banks. There is no fixed yield rate on balances of fixed deposits at Islamic banks, as returns are tied to the results of the banks' investments based on Sharia-Compliant Principles and Rules of Islamic Finance. The realized yield at Islamic banks ranged between 3% to 5.45% annually during 2025.

In order to mitigate the risk of fluctuations in the yield rate on fixed deposits, such as a decrease in the deposit yield prompting the company to withdraw deposits and reduce its investments, which could have a negative impact on the company's future cash flows. The company maintains fixed deposits with multiple Islamic banking institutions that have good financial solvency and appropriate credit within the Kingdom and abroad. This is aimed at diversifying investments in bank deposits and reducing exposure to the risk of changes in the return rate on fixed deposits in the event of a rate change (return decrease) on fixed deposits with a specific bank.

The company also follows a policy of retaining deposits with Islamic banking institutions with a maturity date not exceeding one year, providing adequate liquidity for the company to meet short-term obligations.

The table below illustrates the sensitivity analysis of interest rates on the liabilities/assets of insurance contracts and reinsurance contracts, and how it affects profit or loss, as well as the rights of insurance policy holders and shareholders in the event of a change in the related risk variable that was reasonably possible at the financial statement date, while keeping all other influencing variables constant, as follows:

2025	Change rate	Impact on gross insurance contract liabilities	Impact on gross reinsurance contract assets	Impact on policyholders' equity	Impact on shareholders' equity
		Gross	Gross	Net	Net
Discount rate	+0.5%	(656,080)	386,996	(424,822)	23,621,972
Discount rate	-0.5%	(228,934)	272,350	(112,322)	23,621,972

Foreign Currencies Risk

The foreign currencies risks are the risks relating to the change in the value of the financial instruments due to the change in the foreign currencies exchange rates. Moreover, the Jordanian Dinar is considered the Company's functional currency. Additionally, the foreign currencies positions are monitored daily. Strategies are adopted to ensure that the positions of foreign currencies are maintained within the approved limits.

Most of the Company's assets and liabilities are funded in Jordanian Dinar or US Dollar. The exchange rate of the US Dollar to Jordanian Dinar is fixed at (0.710) and the probability of this risk is very minimal.

The following is the net position of the Company's major foreign currencies:

Currency type	Foreign Currency		Equivalent in Jordanian dinar	
	2025	2024	2025	2024
US Dollar	3,125,939	642,124	2,219,416	455,908
Yemeni Rial	2,500,000	2,500,000	8,157	8,157

Credit Risk

These are the risks that may arise from the failure of one party to a financial instrument to meet a certain obligation, causing the other party to incur a financial loss. In order to mitigate such risks, the company can:

1. The company retains balances and deposits with banking institutions that have appropriate credit ratings, such as the Jordan Islamic Bank, the International Arab Islamic Bank, and Al Baraka Bank in Bahrain, all of which are banking institutions with a good credit standing.
2. Scheduling some debts involves immediate repayment upon issuance of insurance documents, with the policy being cancelled if the remaining instalments are not paid, subject to the client's approval.
3. Monthly monitoring of customer debts, especially those exceeding three months, is conducted.
4. Requesting approval from the Jordan Islamic Bank for the repayment of pledged installments for the bank's clients.

Market Risks

Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices such as interest rates, currency prices and stock prices.

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Financial risk sensitivity

The following sensitivity analysis show the impact on profit /loss and equity in event of change in the relevant risk factor that was reasonably possible at financial statement date.

Following is the sensitivity analysis table for both risk (10% decrease in market price, 5% decrease in deposit interest rate).

Statement of Profit or Loss (Policyholders and Shareholders) & Shareholders equity for the year ended 31 December 2025

	Base Year 2025	Reducing deposit interest rate by 5% 2025	Reducing market price by 10% 2025
Revenues			
Insurance contracts revenues	42,197,747	42,197,747	42,197,747
Insurance contracts expenses	(35,610,129)	(35,610,129)	(35,610,129)
Insurance Contract service results	6,587,618	6,587,618	6,587,618
Reinsurance contracts held expenses	(13,656,265)	(13,656,265)	(13,656,265)
Reinsurance contracts held revenues	11,268,517	11,268,517	11,268,517
Reinsurance contracts service results	(2,387,748)	(2,387,748)	(2,387,748)
Net insurance Contract service results	4,199,870	4,199,870	4,199,870
Finance (expenses) revenues from insurance contracts	(1,082,881)	(1,082,881)	(1,082,881)
Finance revenues (expenses) from reinsurance contracts	307,659	307,659	307,659
Net insurance financing results	(775,222)	(775,222)	(775,222)
Policyholders' share of investment returns	816,378	775,559	816,378
Policyholders' share of net profits from financial assets and investments	124,173	124,173	111,756
Less: Shareholders' share against managing the investment portfolio	(235,138)	(224,933)	(232,033)
Total revenues	4,130,061	4,099,447	4,120,748
Shareholders' share against takaful operation management (not allocated)	(2,626,527)	(2,626,527)	(2,626,527)
Provision for expected credit losses (deposits)	(1,578)	(1,578)	(1,578)
Total expenses	(2,628,105)	(2,628,105)	(2,628,105)
Policyholders' surplus before income tax	1,501,956	1,471,342	1,492,643
Prior years income tax	(93,523)	(93,523)	(93,523)
Income tax provision	(236,125)	(228,165)	(233,704)
Policyholders' surplus after income tax	1,172,308	1,149,654	1,165,417
Shareholders' share against takaful operation management	7,460,964	7,460,964	7,460,964
Shareholders' share against managing the investment portfolio	235,138	224,933	232,033
Shareholders' share of investment returns	1,369,134	1,300,677	1,369,134
Shareholders' share of net profits from financial assets and investments	397,519	397,519	357,767
Total revenues	9,462,755	9,384,093	9,419,899
Employees expenses	3,832,818	3,832,818	3,832,818
Administrative and general expenses	1,001,245	1,001,245	1,001,245
Other expenses	55,000	55,000	55,000
Other provisions	67,340	67,340	67,340
Depreciation & amortization	221,594	221,594	221,594
Provision for expected credit losses (deposits)	6,425	6,425	6,425
Total expenses	5,184,422	5,184,422	5,184,422
Profit for the year before income tax	4,278,333	4,199,671	4,235,477
Prior years income tax	(119,329)	(119,329)	(119,329)
Income tax for the year	(1,110,072)	(1,089,620)	(1,098,929)
Profit for the year	3,048,932	2,990,722	3,017,218
Total Shareholder's Equity	26,835,427	26,777,217	26,803,713

Currency exchange risk

Currency exchange risk refer to the risk arising from the fluctuation in the value of financial instruments due to changes in exchange rates. The risks associated with financial instruments denominated in the US dollar are low due to the stability of the exchange rate of the Jordanian Dinar against the US dollar. It is worth noting that all insurance documents are in Jordanian Dinar, and agreements with reinsurers are also in Jordanian Dinar.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they fall due. To limit this risk, management has arranged diversified funding sources, manages assets and liabilities, and monitors liquidity on a daily basis and maintains sufficient amount of cash and cash equivalents and quoted securities.

The Company applies a suitable system to manage its short-term and long-term funding risk and maintains sufficient reserves through monitoring the expected cash flows and comparing the maturities of assets with to the maturities of liabilities and technical obligations.

The table below summarizes the maturity profile of the Company's financial liabilities based on remaining period profits maturity from the financial statements date:

2025								
	Less than month	1 month to 3 months	3 months to 6 months	6 months to 1 year	1 year to 3 years	More than 3 years	Without due date	Total
Assets:								
Total assets	4,306,043	25,766,677	7,597,328	17,131,119	-	-	6,691,118	61,492,285
Liabilities:								
Insurance contract liabilities	1,521,875	7,609,373	9,131,248	3,043,749	5,478,749	3,652,499	-	30,437,492
Reinsurance contract liabilities	19,047	28,570	47,616	15,872	28,570	19,047	-	158,721
Accounts payable	2,650	-	-	-	-	-	-	2,650
Income tax provision	-	951,382	-	-	-	-	-	951,382
Other provisions	-	-	-	432,340	-	-	685,088	1,117,428
Other liabilities	74,358	130,126	55,768	111,536	-	-	-	371,788
Total Liabilities	1,617,929	8,719,451	9,234,632	3,603,498	5,507,318	3,671,546	685,088	33,039,461
Net	2,688,114	17,047,226	(1,637,304)	13,527,622	(5,507,318)	(3,671,546)	6,006,030	28,452,824

2024								
	Less than month	1 month to 3 months	3 months to 6 months	6 months to 1 year	1 year to 3 years	More than 3 years	Without due date	Total
Assets:								
Total assets	2,863,651	9,858,442	2,510,625	30,173,358	-	-	6,702,310	52,108,385
Liabilities:								
Insurance contract liabilities	1,326,086	6,630,429	7,956,514	2,652,171	4,773,909	3,182,606	-	26,521,714
Reinsurance contract liabilities	7,479	11,219	18,698	6,233	11,219	7,479	-	62,326
Accounts payable	26,564	-	-	-	-	-	-	26,564
Income tax provision	-	489,126	-	-	-	-	-	489,126
Other provisions	-	-	-	610,685	-	-	617,748	1,228,433
Other liabilities	62,798	109,896	47,098	94,196	-	-	-	313,988
Total Liabilities	1,422,926	7,240,669	8,022,310	3,363,285	4,785,127	3,190,085	617,748	28,642,151
Net	1,440,725	2,617,773	(5,511,685)	26,810,073	(4,785,127)	(3,190,085)	6,084,562	23,466,234

C- Operational risks:

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

D- Legal Risk:

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

45. Analysis of Main Sectors

A – Background information on the Company's business segments

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

B – Geographical distribution

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

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

	Inside Jordan		Outside Jordan		Total	
	2025	2024	2025	2024	2025	2024
Total revenues	44,904,951	39,673,449	-	-	44,904,951	39,673,449
Total assets	59,490,308	51,645,521	2,001,977	462,864	61,492,285	52,108,385
Capital expenditures	203,430	355,004	-	-	203,430	355,004

46. Capital Management

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

	31 December 2025	31 December 2024
Core capital items		
Paid in Capital	16,500,000	16,500,000
Statutory reserve	4,681,392	4,248,059
Voluntary reserve	5,916	5,916
Retained earnings	4,374,947	3,368,595
Policyholders' equity	1,617,397	(155,738)
	31 December 2025	31 December 2024
Additional capital items		
Cumulative change in fair value	1,273,172	(500,598)
Solvency margin (According to the financial statements prepared in accordance with international financial reporting standard number 4 (IFRS 4))	241%	233%

47. Maturity Analysis of Assets and Liabilities:

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled:

2025	Up to one year	More than one year	Total
Assets			
Bank deposits	30,216,721	-	30,216,721
Financial assets at fair value through other comprehensive income	10,863,794	-	10,863,794
Financial assets at fair value through profit or loss	-	4,000,000	4,000,000
Investment properties	-	232,394	232,394
Cash on hand and at banks	3,650,041	-	3,650,041
Insurance contract assets - net	-	-	-
Reinsurance contract assets - net	8,929,002	-	8,929,002
Property and equipment - net	-	2,409,763	2,409,763
Intangible assets	-	26,456	26,456
Other assets	1,141,609	22,505	1,164,114
Total assets	54,801,167	6,691,118	61,492,285
Liabilities			
Insurance contract liabilities	21,306,244	9,131,248	30,437,492
Reinsurance contract liabilities	111,105	47,616	158,721
Accounts payable	2,650	-	2,650
Income tax provision	951,382	-	951,382
Other provisions	432,340	685,088	1,117,428
Other liabilities	371,788	-	371,788
Total Liabilities	23,175,509	9,863,952	33,039,461
Net	31,625,658	(3,172,834)	28,452,824

2024	Up to one year	More than one year	Total
Assets			
Bank deposits	26,729,151	-	26,729,151
Financial assets at fair value through other comprehensive income	8,803,967	-	8,803,967
Financial assets at fair value through profit or loss	-	4,000,000	4,000,000
Investment properties	-	380,034	380,034
Cash on hand and at banks	1,848,606	-	1,848,606
Insurance contract assets - net	-	-	-
Reinsurance contract assets - net	7,494,734	-	7,494,734
Property and equipment - net	-	2,301,261	2,301,261
Intangible assets	-	5,483	5,483
Other assets	529,618	15,531	545,149
Total assets	45,406,076	6,702,309	52,108,385
Liabilities			
Insurance contract liabilities	18,565,200	7,956,514	26,521,714
Reinsurance contract liabilities	43,628	18,698	62,326
Accounts payable	26,564	-	26,564
Income tax provision	489,126	-	489,126
Other provisions	610,685	617,748	1,228,433
Other liabilities	313,988	-	313,988
Total Liabilities	20,049,191	8,592,960	28,642,151
Net	25,356,885	(1,890,651)	23,466,234

48. Lawsuits against the Company

There are lawsuits filed against the Company mainly pertaining motor accidents, for which a full reserve has been taken against in the insurance contract liabilities as at 31/12/2025, in the opinion of the Company's management and its lawyer the reserve amounting to JOD (4,673,222) considered sufficient, compared to JOD (4,043,304) as at 31 December 2024.

49. Contingent Liabilities

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

50. Subsequent Events

No subsequent events have a material impact on the financial statement as at 31 December 2025.

51. Transaction that don't comply with the principle of Islamic sharia

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

52 – Financial statements segmented by product type

A - Statement of financial position

2025	Motors	Marine	Fire	Engineering	Medical	Responsibility insurance	Other insurance	Takaful	Total
Investments	3,205,361	534,227	1,246,529	178,076	3,561,512	712,302	356,151	8,013,402	17,807,561
Cash on hand and at banks	433,894	72,316	168,736	24,105	482,104	96,421	48,210	1,084,734	2,410,521
Insurance contract assets - net	-	-	-	-	-	-	-	-	-
Reinsurance contract assets - net	2,150,470	-	1,718,807	109,342	1,615,620	10,862	4,591	3,319,310	8,929,002
Other assets	88,290	14,715	34,335	4,905	98,100	19,620	9,810	220,725	490,500
Amounts due from shareholders	531,361	88,560	206,640	29,520	590,401	118,080	59,040	1,328,401	2,952,003
Total assets	6,409,375	709,818	3,375,048	345,948	6,347,737	957,285	477,803	13,966,573	32,589,587
Insurance contract liabilities	20,957,562	220,622	1,826,690	120,464	1,786,708	164,549	123,169	5,237,728	30,437,492
Reinsurance contract liabilities	-	134,894	-	3,582	-	-	-	20,245	158,721
Accounts payable	-	-	-	-	-	-	-	-	-
Other provisions	-	-	-	-	-	-	-	-	-
Other liabilities	36,200	6,033	14,078	2,011	40,222	8,044	4,022	90,500	201,112
Income tax provision	31,476	5,246	12,241	1,749	34,973	6,995	3,497	78,689	174,865
Total Liabilities	21,025,238	366,795	1,853,008	127,806	1,861,903	179,588	130,689	5,427,163	30,972,190

2024	Motors	Marine	Fire	Engineering	Medical	Responsibility insurance	Other insurance	Takaful	Total
Investments	2,977,294	496,216	1,157,837	165,405	3,308,105	661,621	330,810	7,443,236	16,540,524
Cash on hand and at banks	-	-	-	-	-	-	-	-	-
Insurance contract assets - net	-	-	-	-	-	-	-	-	-
Reinsurance contract assets - net	1,821,542	345,910	1,664,456	103,026	2,799,510	57,632	71,336	631,322	7,494,734
Other assets	63,870	10,645	24,838	3,548	70,967	14,193	7,097	159,675	354,833
Income tax provision	16,834	2,806	6,547	935	18,705	3,741	1,870	42,085	93,523
Amounts due from shareholders	583,341	97,223	226,855	32,408	648,157	129,631	64,816	1,458,352	3,240,783
Total assets	5,462,881	952,800	3,080,532	305,323	6,845,443	866,819	475,929	9,734,670	27,724,397
Insurance contract liabilities	18,128,355	263,969	1,851,066	117,485	1,978,924	92,611	100,621	3,988,683	26,521,714
Reinsurance contract liabilities	-	-	-	-	-	-	-	62,326	62,326
Cash on hand and at banks (overdrawn accounts)	217,659	36,276	84,645	12,092	241,843	48,369	24,184	544,147	1,209,215
Accounts payable	-	-	-	-	-	-	-	-	-
Other provisions	-	-	-	-	-	-	-	-	-
Other liabilities	15,638	2,606	6,082	869	17,376	3,475	1,738	39,096	86,880
Total Liabilities	18,361,652	302,852	1,941,793	130,446	2,238,143	144,455	126,543	4,634,252	27,880,135

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B – Income Statement

2025	Motors	Marine	Fire	Engineering	Medical	Responsibility insurance	Other insurance	Takaful	Total
Insurance contracts revenues	18,114,788	1,138,638	1,952,365	105,544	6,886,034	223,508	782,566	12,994,304	42,197,747
Insurance contracts expenses	(18,598,240)	(1,719,167)	(471,163)	(32,268)	(7,394,241)	(206,777)	(210,358)	(6,977,915)	(35,610,129)
Insurance contract service results	(483,452)	(580,529)	1,481,202	73,276	(508,207)	16,731	572,208	6,016,389	6,587,618
Reinsurance contracts held expenses	(1,053,951)	(685,776)	(1,436,544)	(72,463)	(4,543,554)	(105,821)	(433,297)	(5,324,859)	(13,656,265)
Reinsurance contracts held revenues	1,075,077	1,260,555	180,072	18,342	3,962,064	98,379	149,564	4,524,464	11,268,517
Reinsurance contracts service results	21,126	574,779	(1,256,472)	(54,121)	(581,490)	(7,442)	(283,733)	(800,395)	(2,387,748)
Net insurance contract service results	(462,326)	(5,750)	224,730	19,155	(1,089,697)	9,289	288,475	5,215,994	4,199,870
Finance (expenses) revenues from insurance contracts	(873,616)	(2,761)	(34,892)	(2,728)	(34,138)	(3,366)	(5,515)	(125,865)	(1,082,881)
Finance (expenses) revenues from reinsurance contracts	128,019	11,280	38,627	2,436	34,713	4,207	8,830	79,547	307,659
Net insurance financing results	(745,597)	8,519	3,735	(292)	575	841	3,315	(46,318)	(775,222)
Policyholders' share of investment returns	163,276	40,819	81,638	16,328	204,095	32,655	32,655	244,913	816,378
Policyholders' share of net Profits from financial assets and investments	24,835	6,209	12,417	2,483	31,043	4,967	4,967	37,252	124,173
Less: Shareholders' share against managing the investment portfolio	(47,028)	(11,757)	(23,514)	(4,703)	(58,785)	(9,406)	(9,406)	(70,541)	(235,138)
Total revenues	(1,066,840)	38,040	299,006	32,971	(912,769)	38,347	320,007	5,381,300	4,130,061
Shareholders' share against takaful operation management (not allocated)	(1,609,449)	188,270	14,027	2,210	380,738	17,492	(41,722)	(1,578,093)	(2,626,527)
Provision for expected credit losses (deposits)	(316)	(79)	(158)	(32)	(395)	(63)	(63)	(473)	(1,578)
Total expenses	(1,609,765)	188,191	13,869	2,179	380,344	17,428	(41,785)	(1,578,566)	(2,628,105)
Policyholders' surplus(deficit) before income tax	(2,676,605)	226,231	312,875	35,150	(532,425)	55,775	278,222	3,802,734	1,501,956
Prior years income tax	(18,705)	(4,676)	(9,352)	(1,870)	(23,381)	(3,741)	(3,741)	(28,057)	(93,523)
Income tax for the year	(47,225)	(11,806)	(23,613)	(4,723)	(59,031)	(9,445)	(9,445)	(70,838)	(236,125)
Policyholders' surplus(deficit) After income tax	(2,742,535)	209,748	279,911	28,557	(614,837)	42,589	265,036	3,703,839	1,172,308

The Islamic Insurance Company PLC
Notes to the Financial Statements (Continued)
31 December 2025

2024	Motors	Marine	Fire	Engineering	Medical	Responsibility insurance	Other insurance	Takaful	Total
Insurance contracts revenues	14,820,730	919,842	1,785,395	112,164	6,922,541	218,079	805,051	11,756,487	37,340,289
Insurance contracts expenses	18,110,105	568,363	539,875	30,534	8,390,983	129,861	179,619	4,148,224	32,097,564
Insurance contract service results	(3,289,375)	351,479	1,245,520	81,630	(1,468,442)	88,218	625,432	7,608,263	5,242,725
Reinsurance contracts held expenses	(1,018,071)	(563,026)	(1,322,733)	(77,172)	(4,472,748)	(102,543)	(450,986)	(5,389,429)	(13,396,708)
Reinsurance contracts held revenues	1,313,520	417,869	274,570	9,674	4,614,160	108,988	122,507	2,463,721	9,325,009
Reinsurance contracts service results	295,449	(145,157)	(1,048,163)	(67,498)	141,412	6,445	(328,479)	(2,925,708)	(4,071,699)
Net insurance contract service results	(2,993,926)	206,322	197,357	14,132	(1,327,030)	94,663	296,953	4,682,555	1,171,026
Finance (expenses) revenues from insurance contracts	(412,300)	(1,182)	(56,287)	(4,164)	(32,520)	(6,327)	(526)	(157,799)	(671,105)
Finance (expenses) revenues from reinsurance contracts	55,053	4,285	60,107	5,509	55,165	9,231	730	92,379	282,459
Net insurance financing results	(357,247)	3,103	3,820	1,345	22,645	2,904	204	(65,420)	(388,646)
Policyholders' share of investment returns	168,674	28,112	65,595	9,371	187,416	37,483	18,742	421,685	937,078
Policyholders' share of net Profits from financial assets and investments	17,461	2,910	6,790	970	19,401	3,880	1,940	43,652	97,005
Less: Shareholders' share against managing the investment portfolio	(46,535)	(7,756)	(18,096)	(2,585)	(51,704)	(10,341)	(5,170)	(116,333)	(258,521)
Total revenues	(3,211,573)	232,692	255,466	23,233	(1,149,273)	128,589	312,668	4,966,139	1,557,942
Shareholders' share against takaful operation management (not allocated)	(977,560)	164,472	(25,851)	(415)	344,091	(7,412)	(40,218)	(1,487,697)	(2,030,591)
Provision for expected credit losses (cheques under collection)	-	-	-	-	-	-	-	-	-
Provision for expected credit losses (deposits)	(1,862)	(310)	(724)	(103)	(2,069)	(414)	(207)	(4,656)	(10,347)
Total expenses	(979,423)	164,161	(26,576)	(518)	342,022	(7,826)	(40,425)	(1,492,353)	(2,040,938)
Policyholders' surplus(deficit) before income tax	(4,190,995)	396,853	228,891	22,714	(807,251)	120,764	272,243	3,473,786	(482,996)
Income tax for the year	-	-	-	-	-	-	-	-	-
Policyholders' surplus(deficit) After income tax	(4,190,995)	396,853	228,891	22,714	(807,251)	120,764	272,243	3,473,786	(482,996)

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53 – Written Premiums Based on Insurance Type:

	Motors		Marine		Fire		Engineering		Medical		Responsibility insurance		Other insurance		Takaful		Total	
	31 /12 2025	31 /12 2024	31 /12 2025	31 /12 2024	31 /12 2025	31 /12 2024	31 /12 2025	31 /12 2024	31 /12 2025	31 /12 2024	31 /12 2025	31 /12 2024	31 /12 2025	31 /12 2024	31 /12 2025	31 /12 2024	31 /12 2025	31 /12 2024
Written Premiums:																		
Direct premiums	17,486,736	13,964,862	1,169,236	980,295	1,779,803	1,654,180	95,350	103,639	6,847,853	6,477,594	239,044	205,047	764,348	781,864	12,865,177	11,603,496	41,247,547	35,770,977
Facultative inward reinsurance	2,439,254	1,531,462	88	2,290	194,121	172,811	6,271	7,012	-	-	-	-	745	1,233	-	-	2,640,479	1,714,808
Total written premiums	19,925,990	15,496,324	1,169,324	982,585	1,973,924	1,826,991	101,621	110,651	6,847,853	6,477,594	239,044	205,047	765,093	783,097	12,865,177	11,603,496	43,888,026	37,485,785
Less:																		
Local reinsurers' share	(342,586)	(385,185)	(14,448)	(1,101)	(79,279)	(85,228)	(2,312)	(3,531)	-	-	-	-	-	-	-	-	(438,625)	(475,045)
Foreign reinsurers' share	(205,882)	(170,198)	(650,831)	(396,396)	(1,170,845)	(1,079,156)	(61,330)	(69,100)	(4,559,377)	(4,304,891)	(112,696)	(100,299)	(396,725)	(400,502)	(4,738,542)	(5,354,171)	(11,896,228)	(11,874,713)
Net written premiums:	19,377,522	14,940,941	504,045	585,088	723,800	662,607	37,979	38,020	2,288,476	2,172,703	126,348	104,748	368,368	382,595	8,126,635	6,249,325	31,553,173	25,136,027

54- Amortization of Acquisition Costs for Insurance Contract Assets

31 December 2025	Issued insurance policy								Total
	Motors	Marine	Fire	Engineering	Medical	Responsibility insurance	Other insurance	Takaful	
The number of years expected to amortize deferred acquisition costs									
One year	286,485	6,384	17,584	355	13,855	4,076	129	-	328,868
Two years	-	-	-	-	-	-	-	-	-
Total	286,485	6,384	17,584	355	13,855	4,076	129	-	328,868

31 December 2024	Issued insurance policy								Total
	Motors	Marine	Fire	Engineering	Medical	Responsibility insurance	Other insurance	Takaful	
The number of years expected to amortize deferred acquisition costs									
One year	235,281	4,782	15,217	469	7,372	3,391	190	-	266,702
Two years	-	-	-	-	-	-	-	-	-
Total	235,281	4,782	15,217	469	7,372	3,391	190	-	266,702

55 – Account Receivables Analysis

	31/12/2025			31/12/2024		
	Accounts receivables	Provision for expected credit losses	Net	Accounts receivables	Provision for expected credit losses	Net
	JOD			JOD		
Motors	2,167,945	(248,009)	1,919,936	1,439,874	(185,113)	1,254,761
Marine	173,170	(5,337)	167,833	192,962	(5,337)	187,625
Fire	351,370	(39,411)	311,959	309,932	(36,586)	273,346
Engineering	29,366	(1,419)	27,947	25,904	(1,419)	24,485
Medical	1,681,574	(401,137)	1,280,437	1,540,915	(355,879)	1,185,036
Responsibility Insurance	90,556	(12,174)	78,382	114,936	(4,174)	110,762
Other insurance	14,193	(548)	13,645	11,558	(548)	11,010
Takaful	283,987	(53,579)	230,408	786,343	(45,770)	740,573
Total	4,792,161	(761,614)	4,030,547	4,422,424	(634,826)	3,787,598