

The Islamic Insurance Co.
Amman - Jordan
Interim Financial Statements
AS AT 31 March 2022

**The Islamic Insurance Co.
Amman - Jordan**

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Independent Auditor's Report of Interim Condensed Financial Statements

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

Introduction:

We have reviewed the accompanying interim condensed financial statements of **The Islamic Insurance Company (the "Company")** which comprise of the interim condensed statement of financial position as at 31 March 2022, the interim condensed statement of profit or loss, the interim condensed statement of comprehensive income, the interim condensed statement of changes in shareholders equity, and the interim condensed statement of cash flows for the nine months then ended and the summary of significant accounting policies and other explanatory information.

The management of the Company is responsible for the preparation and fair presentation of these interim condensed financial statements in accordance with the Financial Accounting Standards issued by Accounting and Auditing Organization for Islamic Financial Institutions ("AAOIFI"). Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

Scope of review:

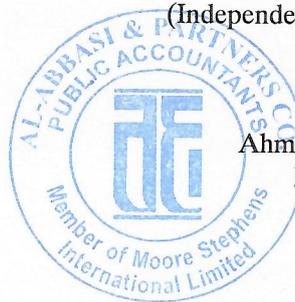
We conducted our review in accordance with International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". The review of the interim condensed financial information consists of making inquiries, primarily of persons responsible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

Conclusion:

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial statements are not prepared, in all material respects, in accordance with the financial accounting standards issued by AAOIFI.

Date: April 20, 2022

Al-Abbasi & Partners Company
(Independent Member of Moore Global)





Ahmad Mohammed Abbasi
License No. (710)

**The Islamic Insurance Co.
Amman - Jordan
Financial Position Statement
as at 31 March 2022**

Assets	Review 31-Mar-2022 JOD	Audit 31-Dec-2021 JOD
Investment Deposits	23,345,396	18,458,548
Fair Value Assets through Profit or Loss - FVTPL	4,000,000	4,000,000
Fair Value Assets through other Comprehensive Income - FVTOCI	9,127,717	9,182,554
Amortized Cost Assets	747,000	747,000
Total Investment	37,220,113	32,388,102
Cash on Hand and at Banks	3,219,883	2,265,349
Receipt Papers and Cheques under Collection	1,215,227	1,377,358
Accounts Receivable - net	3,637,070	2,928,063
Receivable from Reinsurance Companies	113,189	517,305
Property Plant & Equipment - net	614,795	610,139
Intangible Assets	38,599	7,342
Other Assets	1,059,149	813,275
Total Assets	47,118,025	40,906,933

**The Islamic Insurance Co.
Amman - Jordan
Financial Position Statement
as at 31 March 2022**

Liabilities, Shareholders' & Policyholders' Equity	Review 31-Mar-2022 JOD	Audit 31-Dec-2021 JOD
<u>Liabilities</u>		
Unearned Contributions - Net	8,203,411	4,937,185
Outstanding Claims Reserve - Net	7,586,561	7,573,416
Mathematical Reserve - Net	73,610	73,610
Total Insurance Contracts Liabilities	15,863,582	12,584,211
Accounts Payable	298,387	359,724
Payable to Reinsurance Companies	5,862,514	2,578,780
Other Provisions	441,073	441,073
Income Tax Provisions	655,047	561,459
Other Liabilities	447,975	418,547
Total Liabilities	23,568,578	16,943,794
<u>Policyholders' Equity</u>		
Deficiency Cover Reserve (Emergency Allowance)	714,704	1,300,837
Accumulative Changes in Fair Value of Securities	(99,727)	(86,017)
Non Demanded Surplus	70,417	89,617
Accumulated Surplus	11,180	11,180
Total Policyholders' Equity	696,574	1,315,617
<u>Shareholders' Equity</u>		
Paid in Capital	15,000,000	15,000,000
Compulsory Reserve	3,454,318	3,454,318
Voluntary Reserve	1,005,288	1,005,288
	(46,815)	(46,815)
Accumulative Changes in Fair Value of Securities	(299,179)	(258,051)
Net Profit after Tax	1,446,479	0
Retained Earnings	2,292,782	3,492,782
Total Shareholders' Equity	22,852,873	22,647,522
Total Shareholder's & Policyholders' Equity	23,549,447	23,963,139
Total Liabilities, Shareholders' & Policyholders' Equity	47,118,025	40,906,933

The Islamic Insurance Co.
Amman - Jordan
Policyholders Revenues & Expenses Statement
for the Period Ended 31 March 2022

	Review 31-Mar-2022 JOD	Review 31-Mar-2021 JOD
<u>Revenues</u>		
Gross Underwriting Contributions	13,906,568	11,701,909
Less: Reinsurers' Share	(5,871,843)	(4,222,515)
Net Underwriting Contributions	8,034,725	7,479,394
Net Change in Unearned contributions Reserve	(3,266,226)	(3,000,086)
Net Change in Mathematical Reserve	0	0
Net Earned contributions	4,768,499	4,479,308
Policy and Survey Fees	287,370	249,840
Policyholder's Share in the Investment Returns	65,427	61,786
Policyholder's Share in the Financial Assets Profit	22,625	0
Shareholder's Share against Investment Portfolio Management	(22,013)	(15,447)
Total Revenues	5,121,908	4,775,487
<u>Expenses</u>		
Paid Claims	4,794,127	4,530,100
Less : Recoveries	(291,507)	(241,397)
Less : Reinsurers' Share	(1,635,782)	(1,515,394)
Net Paid Claims	2,866,838	2,773,309
Net Change in Outstanding Claims Reserve	13,145	(536,933)
Shareholder's Share against Takaful Operation Management	2,503,182	2,340,382
Excess of Loss Contributions	100,500	108,718
Policies Acquisition Cost	87,936	61,784
Other Underwriting Expenses	136,440	136,313
Net Claims	5,708,041	4,883,573
Policyholders' Deficit Befor Tax	(586,133)	(108,086)
Income Tax Provision	0	0
Policyholders' Deficit	(586,133)	(108,086)

The Islamic Insurance Co. plc
Amman - Jordan
Income Statement
for the Period Ended 31 March 2022

	Review 31-Mar-2022 JOD	Review 31-Mar-2021 JOD
Shareholder's Share against Takaful Operation Management	2,503,182	2,340,382
Shareholder's Share against Investment Portfolio Management	22,013	15,447
Shareholder's Share in the Investment Returns	211,435	183,546
Shareholder's Share in the Financial Assets Profit	68,839	0
Total Revenues	2,805,469	2,539,375
Employees Expenditures	852,573	770,196
General & Administrative Expenses	263,055	252,494
Depreciation and Amortization	24,830	28,931
Total Expenses	1,140,458	1,051,621
Net Profit before Tax	1,665,011	1,487,754
Less :		
Income Tax Provision	(218,532)	(280,365)
Net Profit	1,446,479	1,207,389
Earnings Per Share		0.080

**The Islamic Insurance Co.
Amman - Jordan
Comprehensive Income Statement - Shareholders
for the Period Ended 31 March 2022**

	Review 31-Mar-2022 JOD	Review 31-Mar-2021 JOD
<u>Profit for the period</u>	1,446,479	1,207,389
<u>Add : Other Comprehensive Income Items</u>		
Shareholders' share from Change in fair Value	(41,128)	246,119
Shareholders' share from Loss sale of Financial Assets through	0	0
Other Comprehensive Income		
shareholder's share from decreasing in financial assets through other comprehensive Income	0	0
Total of Other Comprehensive income items	(41,128)	246,119
Total of Comprehensive Income for the period	1,405,351	1,453,508

The Islamic Insurance Co.
Amman - Jordan
Statement of changes of Shareholders equity
for the Period Ended 31 March 2022

	Paid in Capital	Compulsory Reserve	Voluntary Reserve		Accumulative changes in Fair value	Retaind Earning	Total Shareholders Equity
	JOD	JOD	JOD		JOD	JOD	JOD
Review 2021							
Balance at Beginning of the year 1/1/2020	15,000,000	3,185,704	736,674		(1,111,098)	3,380,175	21,191,455
Profit for the period	0	0	0		0	1,207,389	1,207,389
Shareholders Share from Net Change in fair Value	0	0	0		246,119	0	246,119
Shareholders share from Loss sale of financial assets through other comprehensive income	0	0	0		0	0	0
Shareholder's share from decreasing in financial assets through other comprehensive Income	0	0	0		0	0	0
Total of Comprehensive income for the period	0	0	0		246,119	1,207,389	1,453,508
Transferred to reserves	0	0	0		0	0	0
Cash dividends	0	0	0		0	0	0
Balance at the ending of the period 31/03/2020	15,000,000	3,185,704	736,674		(864,979)	4,587,564	22,644,963
Review 2022							
Balance at Beginning of the year 1/1/2022	15,000,000	3,454,318	1,005,288	(46,815)	(258,051)	3,492,782	22,647,522
Profit for the period	0	0	0		0	1,446,479	1,446,479
Shareholders Share from Net Change in fair Value	0	0	0		(41,128)	0	(41,128)
Shareholders share from loss sale of financial assets through other comprehensive income	0	0	0		0	0	0
Shareholder's share from decreasing in financial assets through other comprehensive Income	0	0	0		0	0	0
Total of Comprehensive income for the period	0	0	0		(41,128)	1,446,479	1,405,351
Transferred to reserves	0	0	0		0	0	0
Cash dividends	0	0	0		0	(1,200,000)	(1,200,000)
Balance at the ending of the period 31/03/2022	15,000,000	3,454,318	1,005,288	(46,815)	(299,179)	3,739,261	22,852,873

The Islamic Insurance Co.
Amman - Jordan
Statement of changes of policyholders equity
for the Period Ended 31 March 2022

	Deficiency coverage reserve (Emergency Allowance)	Accumulative changes in fair Value	Non Demand Surplus	Accumulated Surplus	Total Policyholders Equity
Review	JOD	JOD	JOD	JOD	JOD
2021					
Balance at the beginning of the year 1/1/2020	1,258,516	(400,205)	0	369,821	1,228,132
Distribution to policy holders (from Accumulated Surplus)	0	0	0	0	0
Change in non Demand Surplus	0	0	(600)	0	(600)
Policy holders deficit for the current period	0	0	0	(108,086)	(108,086)
Transferred from Deficiency Coverage Reserve to cover the deficit	0	0	0	0	0
Transferred from non - profitable loan to cover the deficit	0	0	0	0	0
policy holders share from net change of fair value	0	102,962	0	0	102,962
policy holders share from Loss sale of financial assets through other comprehensive income	0	0	0	0	0
shareholder's share from decreasing in financial assets through other comprehensive Income	0	0	0	0	0
transferred to Defficiency coverage reserve	-600	0	600	0	0
transferred to No Demand Surplus	0	0	0	0	0
Balance at the ending of the period 31/03/2020	1,257,916	(297,243)	0	261,735	1,222,408
Review					
2022					
Balance at the beginning of the year 1/1/2022	1,300,837	(86,017)	89,617	11,180	1,315,617
Distribution to policy holders (from Accumulated Surplus)	0	0	0	0	0
Change in non Demand Surplus	0	0	(19,200)	0	(19,200)
policy holders deficit for the current period	0	0	0	(586,133)	(586,133)
Transferred from Deficiency Coverage Reserve to cover the deficit	(586,133)	0	0	586,133	0
Transferred from non - profitable loan to cover the deficit	0	0	0	0	0
policy holders share from net change of fair value	0	(13,710)	0	0	(13,710)
policy holders share from loss sale of financial assets through other comprehensive income	0	0	0	0	0
shareholder's share from decreasing in financial assets through other comprehensive Income	0	0	0	0	0
transferred from Defficiency coverage reserve to non Demand Surplus	0	0	0	0	0
transferred to Defficiency coverage reserve	0	0	0	0	0
transferred to No Demand Surplus	0	0	0	0	0
Balance at the ending of the period 31/03/2022	714,704	(99,727)	70,417	11,180	696,574

The Deficiency coverage reserve is calculated as 20% from policyholder surplus for the period and policyholders share from profit sale of financial assets through other comprehensive income.

**The Islamic Insurance Co.
Amman - Jordan
Cash Flows Statement
for the Period Ended 31 March 2022**

	Review 31-Mar-2022 JOD	Review 31-Mar-2021 JOD
<u>Cash Flows From Operating Activities</u>		
Net Profit Before Tax	1,078,878	1,379,668
<u>Adjustments for non-cash Items</u>		
Depreciation & Amortization	24,830	28,931
Changes in Unearned Contributions Reserve	3,266,226	3,000,086
Changes in Outstanding Claims Reserve	13,145	(536,933)
Net Cash Flows from Operating Activities before Working Capital Changes	4,383,079	3,871,752
Decrease (Increase) in Cheques Under Collection	162,131	252,758
Decrease (Increase) in Accounts Receivable	(709,007)	(345,701)
Decrease (Increase) in Receivable from Insurance Companies	404,116	620,070
Decrease (Increase) in Other Assets	(245,874)	(281,568)
Increase (Decrease) in Accounts Payable	(61,337)	(107,748)
Increase (Decrease) in Payable To Reinsurance Companies	3,283,734	1,858,534
Increase (Decrease) in Other Liabilities	29,428	24,596
Increase (Decrease) in non-demanded Surplus	(19,200)	(600)
Net Cash Flows from Operating Activities before Tax	7,227,070	5,892,093
Income Tax Paid	(124,944)	(141,831)
Net Cash Flows from Operating Activities	7,102,126	5,750,262
<u>Cash Flows From Investing Activities</u>		
Decrease(Increase) in Investment Deposits	(3,627,015)	(2,352,224)
(Purchase) Fair Value Assets through other Comprehensive Income - FVTOCI		(125,776)
Sale Fair Value Assets through other Comprehensive Income - FVTOCI		0
Decrease in Fair Value Assets through other comprehensive incom - FVTOCI		0
(Purchase) Fair Value Assets through Profit or Loss - FVTPL		0
Sale Fair Value Assets through Profit or Loss - FVTPL		0
Purchases of Property, Plant & Equipment	(21,338)	(11,367)
(Purchase) of Intangible Assets	(39,405)	0
Net Cash Flows used in Investing Activities	(3,687,758)	(2,489,367)
<u>Cash Flows used in Financing Activities</u>		
Cash Dividened Paid	(1,200,000)	
Net increase in Cash	2,214,368	3,260,895
Cash & cash equivalents - at the Beginning of the Year	2,862,926	1,002,607
Cash & cash equivalents - at the End of the period	5,077,294	4,263,502

The Islamic Insurance Co.
Amman - Jordan
Underwriting Revenues Account for Family Takaful Business (Life)
for the Period Ended 31 March 2022

	Review 31-Mar-2022 JOD	Review 31-Mar-2021 JOD
Written Contributions		
Direct Contributions	7,052,923	5,654,984
Gross Written Contributions	7,052,923	5,654,984
<u>Less:</u>		
Foreign Reinsurers' Contributions	(3,395,419)	(1,905,732)
Net Written Contributions	3,657,504	3,749,252
<u>Add:</u>		
Beg Balance		
Unearned Contributions Reserve	87,515	78,644
Less: Reinsurers' Share	(44,333)	(39,670)
Unearned Contributions Reserve - Net	43,182	38,974
Mathematical Reserve	83,473	89,961
Less: Reinsurers' Share	(9,863)	(9,471)
Mathematical Reserve - Net	73,610	80,490
<u>Less:</u>		
End Balance		
Unearned Contributions Reserve	4,979,346	4,277,167
Less: Reinsurers' Share	(2,265,580)	(1,444,469)
Unearned Contributions Reserve - Net	2,713,766	2,832,698
Mathematical Reserve	83,473	89,961
Less: Reinsurers' Share	(9,863)	(9,471)
Mathematical Reserve - Net	73,610	80,490
Net Earned revenues from underwriting Contributions	986,920	955,528

The Islamic Insurance Co.
Amman - Jordan
Claims Cost Account for Family Takaful Business (Life)
for the Period Ended 31 March 2022

	Review 31-Mar-2022 JOD	Review 31-Mar-2021 JOD
Paid Claims	905,460	1,028,206
Less:		
Foreign Reinsurers' Share	(560,301)	(610,244)
Net Paid Claims	345,159	417,962
Add:		
Outstanding Claims Reserve - End		
Reported	2,988,512	2,024,027
Not Reported	150,000	150,000
Less: Reinsurers' Share	(1,839,443)	(1,216,636)
Net Outstanding Claims Reserve - End	1,299,069	957,391
Less:		
Outstanding Claims Reserve - Beg		
Reported	2,531,104	1,987,013
Not Reported	200,000	150,000
Less: Reinsurers' Share	(1,495,839)	(1,184,993)
Net Outstanding Claims Reserve - Beg	1,235,265	952,020
Net Cost of Claims	408,963	423,333

The Islamic Insurance Co.
Amman - Jordan
Underwriting Profit (Loss) Account for Family Takaful Business (Life)
for the Period Ended 31 March 2022

	Review 31-Mar-2022 JOD	Review 31-Mar-2021 JOD
Net Earned revenues from underwriting Contributions	986,920	955,528
Less:		
Net Cost of Claims	(408,963)	(423,333)
Add:		
Policy and Survey Fees	70,595	56,413
Total Revenues	70,595	56,413
Less:		
Excess of Loss Contributions	3,125	3,468
Shareholder's Share Against Takaful Operation Management	1,269,526	1,130,997
Other Expenses	27,819	20,859
Total Expenses	1,300,470	1,155,324
Underwriting Profit	(651,918)	(566,716)

The Islamic Insurance Co.
Amman - Jordan
Underwriting Revenues Account for General Takaful Business
for the Period Ended 31 March 2022

	Motor		Marine & Transportation		Fire & Engenering		Medical		Others		Total	
	Review 31-Mar-2022 JOD	Review 31-Mar-2021 JOD	Review 31-Mar-2022 JOD	Review 31-Mar-2021 JOD	Review 31-Mar-2022 JOD	Review 31-Mar-2021 JOD	Review 31-Mar-2022 JOD	Review 31-Mar-2021 JOD	Review 31-Mar-2022 JOD	Review 31-Mar-2021 JOD	Review 31-Mar-2022 JOD	Review 31-Mar-2021 JOD
Written Contributions												
Direct Contributions	2,055,432	1,765,623	176,615	158,165	1,132,608	973,536	2,475,111	2,390,891	839,976	663,547	6,679,742	5,951,762
Facultative Incoming Reinsurance	157,972	79,132	0	0	15,927	16,031	0	0	4	0	173,903	95,163
Gross Contributions	2,213,404	1,844,755	176,615	158,165	1,148,535	989,567	2,475,111	2,390,891	839,980	663,547	6,853,645	6,046,925
Less:												
Domestic Reinsurers' Contributions	(44,338)	(36,610)	0	(27)	(56,507)	(29,470)	0	0	(10,542)	(6,311)	(111,387)	(72,418)
Foreign Reinsurers' Contributions	(28,835)	(20,814)	(37,447)	(27,522)	(539,462)	(528,346)	(1,365,891)	(1,334,555)	(393,402)	(333,128)	(2,365,037)	(2,244,365)
Net Contributions	2,140,231	1,787,331	139,168	130,616	552,566	431,751	1,109,220	1,056,336	436,036	324,108	4,377,221	3,730,142
Add:												
Beg. Balance												
Unearned Contributions Reserve	4,334,626	4,234,882	188,923	166,415	290,733	421,311	1,627,190	1,428,937	71,736	72,346	6,513,208	6,323,891
Less: Reinsurers' Share	(332,262)	(263,924)	(94,447)	(83,597)	(205,142)	(271,981)	(973,729)	(846,366)	(13,625)	(9,933)	(1,619,205)	(1,475,801)
Unearned Contributions - Net	4,002,364	3,970,958	94,476	82,818	85,591	149,330	653,461	582,571	58,111	62,413	4,894,003	4,848,090
Less:												
End. Balance												
Unearned Contributions Reserve	4,338,256	4,019,705	176,615	158,165	1,035,341	996,426	2,497,847	2,323,146	681,362	547,885	8,729,421	8,045,327
Less: Reinsurers' Share	(297,475)	(284,102)	(143,258)	(126,084)	(840,847)	(814,719)	(1,420,905)	(1,321,365)	(537,291)	(444,605)	(3,239,776)	(2,990,875)
Unearned Contributions - Net	4,040,781	3,735,603	33,357	32,081	194,494	181,707	1,076,942	1,001,781	144,071	103,280	5,489,645	5,054,452
Net Earned revenues from Und. Cont.	2,101,814	2,022,686	200,287	181,353	443,663	399,374	685,739	637,126	350,076	283,241	3,781,579	3,523,780

The Islamic Insurance Co.
Amman - Jordan
Underwriting Profit (Loss) Account of General Takaful Business
for the Period Ended 31 March 2022

	Motor		Marine & Transportation		Fire & Engineering		Medical		Others		Total	
	Review 31-Mar-2022 JOD	Review 31-Mar-2021 JOD	Review 31-Mar-2022 JOD	Review 31-Mar-2021 JOD	Review 31-Mar-2022 JOD	Review 31-Mar-2021 JOD	Review 31-Mar-2022 JOD	Review 31-Mar-2021 JOD	Review 31-Mar-2022 JOD	Review 31-Mar-2021 JOD	Review 31-Mar-2022 JOD	Review 31-Mar-2021 JOD

Net Earned revenues from underwriting Cont. 2,101,814 2,022,686 200,287 181,353 443,663 399,374 685,739 637,126 350,076 283,241 3,781,579 3,523,780

Less: Net Cost OF Claims (1,946,017) (1,335,222) 3,224 (13,217) 9,161 34,103 (513,440) (485,742) (23,948) (12,965) (2,471,020) (1,813,043)

Add: Policy and Survey Fees 66,303 54,030 4,974 4,565 28,994 25,670 94,775 91,795 21,729 17,367 216,775 193,427

Total Revenues 66,303 54,030 4,974 4,565 28,994 25,670 94,775 91,795 21,729 17,367 216,775 193,427

Less: Policies Acquisition Cost (79,954) (53,536) (1,811) (1,091) (5,690) (5,244) (330) (1,825) (151) (88) (87,936) (61,784)

Excess of Loss Contributions (76,500) (84,375) (4,125) (4,125) (16,750) (16,750) 0 0 0 0 (97,375) (105,250)

Shareholder's Share Against Takaful Operation Management (398,413) (368,951) (31,791) (31,633) (206,736) (197,913) (445,520) (478,178) (151,196) (132,710) (1,233,656) (1,209,385)

Other Expenses (67,465) (73,077) (474) (1,497) (5,542) (9,958) (31,692) (24,805) (3,448) (6,117) (108,621) (115,454)

Total Expenses (622,332) (579,939) (38,201) (38,346) (234,718) (229,865) (477,542) (504,808) (154,795) (138,915) (1,527,588) (1,491,873)

Underwriting Profit (Loss) (400,232) 161,555 170,284 134,355 247,100 229,282 (210,468) (261,629) 193,062 148,728 (254) 412,291