

إشارة رقم : م ح / 144 / 2025
التاريخ : 13 / 04 / 2025

السادة هيئة الأوراق المالية المحترمين
السادة بورصة عمان المحترمين
عمان - الأردن

تحية طيبة وبعد،،

الموضوع: البيانات المالية المنتهية في 31/12/2024

بالإشارة الى الموضوع أعلاه نرفق طيه البيانات المالية كما في 31 كانون الأول 2024 وفقاً للمعيار الدولي لإعداد التقارير المالية رقم (17) باللغة الإنجليزية مدققة من قبل مدقق حسابات الشركة حسب الأصول وهي خاضعة لموافقة البنك المركزي الأردني.

مع وافر الاحترام والتقدير ،،،

المدير العام

د. منال جرار



National Insurance Company
(Public Limited Shareholding Company)
Amman – The Hashemite Kingdom of Jordan
Consolidated financial statements and Independent
Auditor's Report
For the Year Ended December 31, 2024

National Insurance Company
(Public Limited Shareholding Company)
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Table of Content

	<u>Page</u>
Independent Auditor's Report	1 - 3
Consolidated Statement of Financial Position As of December 31, 2024	4
Consolidated Statement of Profit or Loss For the year ended in December 31, 2024	5
Consolidated Statement of Profit or Loss – Life Insurance For the year ended in December 31, 2024	6
Consolidated Statement of Other Comprehensive Income For the year ended in December 31, 2024	7
Consolidated Statement of Changes in Shareholders' Equity For the year ended in December 31, 2024	8
Consolidated Statement of Cash Flows For the year ended in December 31, 2024	9
Notes to the Consolidated Financial Statements For the year ended in December 31, 2024	10-77

Independent Auditor's Report

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

Opinion

We have audited the consolidated financial statements of **National Insurance Company ("company")** which include the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss, the statement of comprehensive income, the consolidated statement of changes in shareholders' equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying Consolidated financial statements present fairly, in all material Aspects, the financial position as at 31 December 2024, and its financial performance and statements of changes in shareholders' equity, and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

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' International Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit for the financial statements, 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.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The management is responsible for the preparation and fair presentation of the Consolidated financial statements in accordance with International Financial Reporting Standards (IFRS). Additionally, the management is responsible for implementing internal control systems that it deems necessary to prepare Consolidated financial statements free from material misstatement, whether due to fraud or error.

When preparing the Consolidated financial statements, management is responsible for assessing the company's ability to continue as a going concern and for making appropriate disclosures regarding matters related to going concern and the use of the going concern basis unless management intends to liquidate the company or cease its operations, or there is no realistic alternative to do so.

The governance bodies are responsible for overseeing the process of preparing the financial reports in the company.

Key Audit Matters

The key audit matters are those matters that, in our professional judgment, have received the greatest attention in our audit of the Consolidated financial statements for the current year. These matters have been considered in the context of our audit of the financial statements as a whole, and when forming our opinion there on, rather than for the purpose of expressing a separate opinion on these matters.

Key Audit Matters (Continued)

Significant Audit Matter	Audit scope to meet the Significant audit matter
<p>1. <u>Assessment of incurred liabilities and Loss component.</u></p> <p>The estimation of liabilities related to incurred claims and the loss component involves a high degree of judgment. This requires estimating the present value of future cash flows and adjusting for non-financial risks (which are part of the incurred claims liabilities) and the loss component (which is part of the remaining coverage liabilities). Non-financial risk adjustments are applied to the estimated present value of future cash flows and reflect the compensation required by the company for bearing uncertainty about the amount and timing of cash flows from non-financial risks when settling its obligations under insurance contracts. The present value of future cash flows depends on the best estimate of the ultimate cost of all incurred claims, whether reported or not settled as of the reporting date. The loss component is recognized at any time during the coverage period if facts and circumstances indicate that a group of contracts is onerous. This loss component is remeasured at each reporting date as the difference between the cash flow amounts at specified settlement under the general measurement model related to future service and the carrying amount of the remaining coverage liabilities excluding the loss component.</p> <p>The Company engages an external actuarial expert, the "appointed actuarial expert," to assist in estimating these liabilities. The expert uses a range of methodologies to determine these liabilities based on a number of explicit or implicit assumptions regarding the expected settlement amount and settlement patterns of claims.</p> <p>As of December 31, 2024, the estimated present value of future cash flows and the risk adjustment for non-financial risks amount to 20 million Jordanian Dinars, as disclosed in Note 11 of the financial statements.</p> <p>We have considered this a key audit matter due to the inherent uncertainty in the estimation and the subjective judgments involved in assessing the estimated present value of future cash flows and the risk adjustment for non-financial risks arising from insurance contracts.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> - Understanding, evaluating, and testing key controls around claims processing operations and provisions determination. - Assessing the competence, capabilities, and objectivity of the appointed actuarial expert based on their professional qualifications, experience, and independence. - Conducting objective tests, on a sample basis, on recorded amounts of notified and paid claims, including comparing the outstanding claims amount with appropriate source documents to assess the adequacy of reserves. - Verifying the completeness of data used as inputs in actuarial assessments and testing, on a sample basis, the accuracy of core claims data used by the appointed actuarial expert in estimating the present value of future cash flows, adjusting non-financial risks, and assessing loss components by comparing them to accounting records and other records. - Engaging our own actuarial specialists to evaluate the company's actuarial practices, adequacy of reserves held, and obtaining confirmation regarding the report issued by the appointed actuarial expert. Our actuarial specialists performed the following: <ol style="list-style-type: none"> 1- Assessing whether the company's actuarial methodologies are generally consistent with accepted actuarial practices. 2- Evaluating the appropriateness of key actuarial accounting methods and assumptions used and conducting sensitivity analysis. 3- Providing independent forecasts of the present value of future cash flows, adjusting non-financial risks and loss components for significant lines of business for comparison with amounts recorded by management. 4- Assessing the adequacy and suitability of relevant disclosures in the financial statements.

Other Information included in the Company's 2024 Annual Report

The other information consists of the information included in the Group's annual report for the year 2024 other than the consolidated financial statements and the auditor's report. Management is responsible for the other information. We expect to be provided with the Group's annual report for the year 2024 later. The date of our report on the consolidated financial statements. Our opinion does not cover the other information and we do not express any form of assurance thereon. Our responsibility is to read the other information when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the audit of the consolidated financial statements.

Other Information included in the Company's 2024 Annual Report

The other information consists of the information included in the Group's annual report for the year 2024 other than the consolidated financial statements and the auditor's report. Management is responsible for the other information. We expect to be provided with the Group's annual report for the year 2024 later. The date of our report on the consolidated financial statements. Our opinion does not cover the other information and we do not express any form of assurance thereon. Our responsibility is to read the other information when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the audit of the consolidated financial statements

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements:

Our objectives are to obtain reasonable assurance about whether the Consolidated financial statements 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 guarantee that an audit conducted in accordance with the ISAs that are endorsed 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 based on those financial statements.

As part of an audit in accordance with International Standards on Auditing ("ISAs") that are endorsed, we exercise professional judgment and maintain professional skepticism throughout the audit. We are 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 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 Consolidated 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 Consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Management, 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 Management with a statement that we have compiled with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought bear on our independence, and where applicable, related safeguards.

We recommend the governing bodies to report those matters which were of significant importance during the audit of the Consolidated financial statements for the current year, considering them as key audit matters. We elucidate these matters in our report unless regulations and laws prohibit public disclosure, or in extremely rare circumstances, we deem it inappropriate to report due to the negative implications of disclosure, which reasonably align with the public interest in such reporting.

Report on Other Legal and Regulatory Requirements:

The National Insurance Public Limited Shareholding Company maintains properly organized accounting records as of December 31, 2024, which are in all material respects consistent with the accompanying financial statements. We recommend that the General Assembly approve them.

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

Date: 26 February 2025

Amman - Jordan



National Insurance Company
(Public Limited Shareholding Company)
Consolidated Statement of Financial Position
As of December 31, 2024
(Jordanian Dinars)

	Note	2024	2023
<u>Assets</u>			
Deposits at banks -net	6	12,200,907	12,005,003
Financial assets at fair value through other comprehensive income	7	4,375,246	4,349,319
Financial assets at amortized cost	8	8,329,072	7,456,369
Investment properties	9	395,540	413,147
Total investments		25,300,765	24,223,838
Cash on hand and at banks	10	208,729	108,617
Insurance contract assets	11	17,251	487,956
Reinsurance contract assets	12	6,061,237	3,727,455
Deferred tax assets	13	861,807	726,928
Property and equipment - net	14	531,440	535,452
Intangible assets- net	15	141,631	154,009
Other assets	16	273,271	486,063
Total Assets		33,396,131	30,450,318
<u>Liabilities and Shareholders' Equity</u>			
<u>Liabilities</u>			
Insurance contract liabilities (Premium Allocation Approach)	11	20,415,501	17,750,288
Reinsurance contract liabilities	12	255,267	124,421
Accrued expenses		63,075	135,809
Provision for income tax	13	214,580	395,379
Other provisions	17	55,136	44,715
Other liabilities	18	550,641	875,360
Total liabilities		21,554,200	19,325,972
<u>Shareholders' Equity</u>			
Authorized and paid-up share capital	19	8,000,000	8,000,000
Statutory reserve	20	1,993,678	1,894,515
Voluntary reserve	20	800,000	800,000
Fair value reserve	21	(186,630)	(113,659)
Retained earnings	22	1,234,883	543,490
Total Shareholders' Equity		11,841,931	11,124,346
Total Liabilities and Shareholders' Equity		33,396,131	30,450,318

The accompanying notes from 1 to 52 are an integral part of these Consolidated financial statements

National Insurance Company
(Public Limited Shareholding Company)
Consolidated Statement of Profit or Loss
For the year ended December 31, 2024
(Jordanian Dinars)

	Notes	2024	2023
Revenues:			
Insurance contract revenues	24	28,209,433	26,278,769
Less: Insurance contract expenses	25	(26,589,231)	(20,870,565)
Insurance contract operations results		1,620,202	5,408,204
Reinsurance contracts revenues	26	6,285,980	3,863,437
Reinsurance contracts expenses	27	(7,901,844)	(8,150,673)
Reinsurance contract operations results		(1,615,864)	(4,287,236)
Net insurance operations results		4,338	1,120,968
Finance revenues - insurance contracts	28	(379,355)	(322,276)
Finance expenses - reinsurance contracts	29	168,946	82,088
Net financing results of insurance and reinsurance contracts		(210,409)	(240,188)
Net results of operations and financing of insurance and reinsurance contracts		(206,071)	880,780
Credit Interest	30	1,198,440	1,004,451
Net profit from financial assets and investments	31	276,661	290,339
Other income	32	6,163	3,495
Total Revenue		1,481,264	1,298,285
Expected credit losses provision		-	185,000
Un distributed general and administrative expenses	35	271,134	228,530
Un distributed depreciation and amortization		12,429	9,675
Total expenses		283,563	423,205
Profit for the year before tax		991,630	1,755,860
(Less): Income tax and National contribution	13	(126,701)	(417,518)
Profit for the year after tax		864,929	1,338,342
		Fils/Dinar	Fils/Dinar
Earnings per share from profit for the year	36	0.108	0.167

The accompanying notes from 1 to 52 are an integral part of these Consolidated financial statements

National Insurance Company
(Public Limited Shareholding Company)
Consolidated Statement of Profit or Loss – Life Insurance
For the year ended December 31, 2024
(Jordanian Dinars)

	Note	2024	2023
Revenues:			
Insurance contract revenues	24	430,665	433,601
Less: Insurance contract expenses	25	(719,957)	(344,007)
Insurance contract operations results		(289,292)	89,594
Reinsurance contracts revenues	26	486,806	150,006
Reinsurance contracts expenses	27	(229,867)	(165,611)
Reinsurance contracts operations results		256,939	(15,605)
Net insurance and reinsurance contracts operations results		(32,353)	73,989
Finance revenues - insurance contracts	28	(8,796)	(6,996)
Expenses – reinsurance contracts	29	4,258	4,334
Net financing results of insurance and reinsurance contracts		(4,538)	(2,662)
Net results of operations and financing of insurance and reinsurance contracts		(36,891)	71,327
Total Revenue		-	-
Profit for the year before tax		(36,891)	71,327
(Less): Income tax and National contribution		-	-
Profit for the year after tax		(36,891)	71,327
		Fils/Dinar	Fils/Dinar
Earnings per share from profit for the year		(0.005)	0.008

The accompanying notes from 1 to 52 are an integral part of these Consolidated financial statements

National Insurance Company
(Public Limited Shareholding Company)
Consolidated Statement of Other Comprehensive Income
For the year ended December 31, 2024
(Jordanian Dinars)

		2024	2023
Profit for the year		864,929	1,338,342
Add: Other comprehensive income items			
Change in fair value reserve	21	(72,971)	(260,363)
Total comprehensive income for the year		<u>791,958</u>	<u>1,077,979</u>

The accompanying notes from 1 to 52 are an integral part of these Consolidated financial statements

National Insurance Company
(Public Limited Shareholding Company)
Consolidated Statement of Changes in Shareholders' Equity
For the year ended December 31, 2024
(Jordanian Dinars)

	<u>Share Capital</u>	<u>Statutory Reserve</u>	<u>voluntary Reserves</u>	<u>Change in fair value reserve</u>	<u>Retained (Loss)/ earnings</u>	<u>Total</u>
<u>2024</u>						
Balance as of January 1, 2024	8,000,000	1,894,515	800,000	(113,659)	543,490	11,124,346
Net profit for the year	-	-	-	-	864,929	864,929
Total Comprehensive Income for the Year	-	-	-	(72,971)	(74,373)	(147,344)
Transferred to Statutory Reserves	-	99,163	-	-	(99,163)	-
Total balance as of December 31, 2024	8,000,000	1,993,678	800,000	(186,630)	1,234,883	11,841,931
<u>2023</u>						
The balance as of January 1, 2023	8,000,000	1,718,918	800,000	146,704	236,402	10,902,024
Net profit for the year	-	-	-	-	1,338,342	1,338,342
Total Comprehensive Income for the Year	-	-	-	(260,363)	(55,657)	(316,020)
Transferred to Statuary Reserves	-	175,597	-	-	(175,597)	-
Dividends	-	-	-	-	(800,000)	(800,000)
Balance as of December 31, 2023	8,000,000	1,894,515	800,000	(113,659)	543,490	11,124,346

Retained earnings include an amount of 861,807 dinars as of December 31, 2024, compared to 726,928 dinars as of December 31, 2023, representing deferred tax assets that cannot be disposed of under the instructions of the Securities and Exchange Commission. Also, an amount of (186,630) dinars as of December 31, 2024, from retained earnings cannot be disposed of due to the negative value of the fair value reserve, compared to (113,659) dinars as of December 31, 2023

The accompanying notes from 1 to 52 are an integral part of these Consolidated financial statement

National Insurance Company
(Public Limited Shareholding Company)
Consolidated Statement of Cash Flows
For the year ended December 31, 2024
(Jordanian Dinars)

	<u>Note</u>	<u>2024</u>	<u>2023</u>
Cash flow Provided from/(used in) Operating Activities:			
Net profit for the year before National Contribution And income tax		991,630	1,755,860
Adjustments:			
Depreciation and amortization		82,863	64,502
Credit Interest		(1,198,440)	(1,004,451)
Dividends		(276,661)	(290,339)
Expected credit losses provision		-	185,000
(Gain) From sale of Property and equipment		-	(120)
Insurance Management Fees Provision		115,352	111,508
Amortization of discount and premium on financial assets		(6,670)	639
Life Policy Commission Provision		16,368	12,227
Cash flows (Used In)/Provided from operating activities before changes in working capital		(275,558)	834,826
Insurance contract assets,		470,705	(500,646)
Reinsurance contract held assets		(2,333,782)	877,552
Other assets		212,792	10,260
Insurance contract liabilities		2,665,213	1,112,440
Reinsurance contract held liabilities		130,846	-
Other provisions paid		(121,299)	(112,216)
Accrued Expenses		(72,734)	-
Other liabilities		(258,058)	620,539
Cash flows from operating activities before income tax paid		418,125	2,842,755
Income tax paid		(509,039)	(370,824)
Net cash flows (Used In)/provided from operating activities		(90,914)	2,471,931
<u>Cash flow from Investing Activities:</u>			
Deposits with banks maturing after three months		(9,475)	1,542,686
Purchase of Financial Assets at Amortized Cost		(866,033)	(1,287,753)
(Purchase)/Sale of property and equipment - net		(17,824)	(19,925)
(Purchase)/Sale intangible assets		(31,042)	(117,531)
(Purchase)/Sale investment properties		-	(84,344)
Purchase of Financial Assets at Fair Value		(991,446)	(27,970)
Sale of Financial Assets at Fair Value		818,174	65,904
Credit Interest Received		1,198,440	1,004,451
Dividends Received		276,661	290,339
Proceeds from Sale of Equipment and Property		-	140
Net cash flows provided from investing activities		377,455	1,365,997
<u>Cash flow from financing activities</u>			
Cash Dividend		-	(800,000)
Net cash flows (used in) financing activities		-	(800,000)
Net increase in cash and cash equivalent		286,541	3,037,928
Net cash and cash equivalent at beginning of the year		7,612,505	4,574,577
Net cash and cash equivalent at the end of the year	37	7,899,046	7,612,505

The accompanying notes from 1 to 52 are an integral part of these Consolidated financial statements

1- Legal Status and Activities

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

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

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

The consolidated financial statements attached were approved by the group's board of directors at its meeting on February 26, 2025, subject to the approval of the General Assembly of shareholders.

2- Basis of Preparation

- The financial statements of the Company have been prepared in accordance with the standards issued by the International Accounting Standards Board ("IASB") and in accordance with the applicable local laws and according to the forms set by the Central Bank of Jordan ("CBJ").
- The Consolidated financial statements have been prepared according to the historical cost principle, with the exception of financial assets at fair value through Consolidated Statement of other comprehensive income, details of which appear in their accounting policies.
- The Jordanian Dinar is the currency of showing the financial statements, which represents the main currency of the Company.
- The most important accounting policies used in the preparation of the Consolidated financial statements, have been applied on a consistent basis for all the years presented, unless otherwise stated.
- The preparation of the Consolidated financial statements in accordance with International Financial Reporting Standards ("IFRS") requires the use of significant and specific accounting estimates, and also requires management to use its own estimates in the process of applying the Company's accounting policies.

2-1 Principles of Consolidated Financial Statements

- The consolidated financial statements of the company have been prepared in accordance with the International Financial Reporting Standards issued by the International Accounting Standards Board (IASB).
- The consolidated financial statements have been prepared based on the historical cost principle, except for financial assets valued at fair value, which are included in other comprehensive income at their fair value as of the date of the consolidated financial statements.
- The Jordanian Dinar is the presentation currency for the consolidated financial statements, representing the primary currency of the group.
- The Consolidated financial statements of subsidiary companies are consolidated from the date control is acquired until control ceases. The revenues and expenses of subsidiary companies are included in the consolidated comprehensive income statement from the date the group gains control over the subsidiary until control ceases.

2- Basis of Preparation (Continued)

2-1 Principles of Consolidated financial statements (Continued)

- Profits, losses, and other comprehensive income items are allocated to equity holders of the parent company and non-controlling interests, even if this results in a deficit in the non-controlling interests' balance. If necessary, the Consolidated financial statements of subsidiaries are adjusted to align their accounting policies with those of the group. Transactions between the group and subsidiary companies are eliminated from the consolidated financial statements, including assets, liabilities, equity, revenues, expenses, profits, and losses

The consolidated financial statements include the financial statements of National Insurance Company PLC (the parent company) and its subsidiaries (referred to collectively as "the Group") as of December 31, 2024.

Company Name	Legal status	Country of establishment	Ownership percentage	
			2024	2023
Nai Real-estate Investments*	Limited liability company	Jordan	%100	%100

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

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

The accounting policies followed in preparing the Consolidated financial statements are consistent with those followed in preparing the Consolidated financial statements for the fiscal year ending on December 31, 2023, except that the Company applied the following amendments as of January 1, 2024. These standards had no material effect on the amounts or disclosures in the financial information for the current or prior periods, but may affect the accounting treatments of future transactions and arrangements if any:

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

1. Lease Liabilities in Sale and Leaseback Transactions:

International Financial Reporting Standard (IFRS) 16.

2. Presentation of Financial Statements and Classification of Liabilities:

Amendments to International Accounting Standard IAS (1) regarding the classification of liabilities as current or non-current.

Amendments to IAS (1) concerning non-current liabilities with covenants.

3. Statement of Cash Flows and Financial Instruments Disclosures:

Amendments to IAS 7 and IFRS 7 related to supplier financing arrangements.

4. Sustainability and Climate-Related Disclosures:

IFRS S1: General Requirements for Disclosure of Sustainability-Related Financial Information.

IFRS S2: Climate-Related Disclosures.

*The application of these standards is subject to regulatory approval in the jurisdictions where the company operates, and no official guidance has been issued as of the date of preparing this financial information.

Accounting Standards Issued but Not Yet Effective:

The Company has not early adopted the following standards, which have not yet come into effect. Management is currently assessing their impact.

3- Application of international accounting standards for preparing new and amended financial reports (Continued)

A. New and amended IFRS Standards that are effective for the current year (Continued):

• **Effective for periods beginning on or after January 1, 2025:**

Amendments to IAS (21) regarding the currency non-convertibility.

• **Effective on January 1, 2027:**

IFRS (18) relating to the presentation and disclosures in financial statements.

• **Indefinitely postponed:**

Amendments to IFRS (10) and IAS (28) regarding the accounting treatment of the sale or contribution of assets by an investor.

Changes in Classification and Measurement

International Financial Reporting Standard 17 sets out specific principles for recognizing issued insurance contracts and reinsurance contracts held by the group and how to measure them.

The key principles of IFRS 17 are as follows:

- Identification of Insurance Contracts: Contracts accepted by the group where the group accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder.
- Separation of Embedded Derivatives: Specific embedded derivatives and distinct investment components and distinct goods or services other than insurance services are separated from insurance contracts and accounted for under other standards.
- Segmentation of Insurance Contracts and Reinsurance: Insurance contracts and reinsurance are divided into groups for recognition and measurement.

Recognition of Insurance Contract Groups and Measurement as follows:

- Modified Present Value of Future Cash Flows (Cash Flows for Fulfilling Obligations): This involves discounting future cash flows (cash flows for fulfilling obligations) at the adjusted present value based on all available information about cash flows for fulfilling obligations in a manner consistent with observable market information..

Additionally:

- An amount representing the unearned profit in the contract group (contractual service margin).
- Recognition of profit from a group of insurance contracts during each period in which the group provides insurance services, where the group is relieved of risk. If a group of contracts is expected to be onerous (i.e., loss-making) during the remaining coverage period, the group recognizes the loss immediately.
- Recognition of the asset representing cash flows arising from holding insurance contracts concerning cash flows paid or incurred before recognition of the related insurance contract group. This asset is derecognized when cash flows arising from holding insurance contracts are included in the measurement of the related insurance contract group.

Under IFRS 17, issued insurance contracts and reinsurance contracts held by the group qualify for measurement using either the premium allocation approach or the variable fee approach. The premium allocation approach simplifies the measurement of insurance contracts compared to the general model in IFRS 17.

The measurement principles in the premium allocation approach differ from the "earned premium approach" used by the group under IFRS 4 in the following key aspects:

The liability for remaining coverage reflects premiums received, net of deferred cash flows for holding insurance contracts, and less the amounts recognized in revenue for services provided.

For the general model and the variable fee approach, the liability for remaining coverage involves an explicit assessment of the non-financial risks when a group of contracts is onerous for recognizing the loss (previously part of the unexpired risk reserve).

Measurement of the liability for incurred claims (claims unpaid as of the reporting date and incurred but not reported reserves) is based on the expected discounted cash flow value with explicit adjustment for non-financial

3- Application of international accounting standards for preparing new and amended financial reports (Continued)

Changes in Classification and Measurement (Continued):

risks. This includes the group's obligation to pay other incurred insurance expenses.

The measurement of the asset related to remaining coverage (reflecting the reinsured premiums paid for reinsured contracts retained) is adjusted to include the expected loss recovery for onerous contracts when these insurance contracts are reinsured in directly onerous contracts.

The group decided that the majority of its insurance contracts qualify for the premium allocation approach. As a result, the group has chosen its policy for recognizing its insurance contracts under the premium allocation approach if they qualify.

The application of the premium allocation approach is optional. This means that if certain eligibility criteria for a group of insurance contracts are met, a company can choose to measure this group of contracts either under the general model or under the premium allocation approach.

The group determined that contracts qualify for the premium allocation approach if their coverage period is one year or less (Standard 1), or if the liability for remaining coverage does not substantially differ from the liability for remaining coverage under the general model in any of the specified financial statement periods (Standard 2), or if the historical variability in expectations is low, meaning expectations are stable over time (Standard 3).

The variable fee approach will be applied to all life insurance contracts where a related component can be identified.

Changes in presentation and disclosure

For the presentation in the consolidated financial statements, the group combines issued insurance and reinsurance contracts along with retained reinsurance contracts and displays them as follows:

- Portfolio of issued insurance and reinsurance contracts representing assets.
- Portfolio of issued insurance and reinsurance contracts representing liabilities.
- Portfolio of retained reinsurance contracts representing assets.
- Portfolio of retained reinsurance contracts representing liabilities.

The above-mentioned portfolios are those established at initial recognition according to the requirements of International Financial Reporting Standard 17.

The portfolio of issued insurance contracts includes any assets related to cash flows associated with holding insurance contracts.

Significant changes have been made to the details of individual items in the consolidated income statement compared to the previous year.

4- Use of Estimates and Assumptions

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

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

4- Use of Estimates and Assumptions (Continued):

Expected Credit Loss

The group applies the simplified approach mandated by International Financial Reporting Standard IFRS (9) to recognize expected credit loss impairments over the lifetime of receivables and contractual assets based on the historical cash flow collection ratio.

Expected loss rates are based on the company's historical credit losses incurred over the previous three years up to the end of the current period. These historical loss rates are then adjusted for current information, considering that the company relies on historical cash flow ratios. It's noteworthy that historical loss rates include economic factors in their calculation.

Impairment in the value of financial assets

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

Income Tax

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

1- Accrued Tax

Tax expenses are calculated based on taxable profits, which may differ from the profits reported in the income statement because reported profits include revenues not subject to tax, or expenses not deductible in the current fiscal year but in subsequent years, or acceptable tax-deductible accumulated losses, or items not subject to or acceptable for tax deduction purposes.

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

2- Deferred Tax

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

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

Property, equipment and intangible assets

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

The present value of future cash flows

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

Future cash flows are recognized at the current value of insurance contracts, using historical cash flows and

4- Use of Estimates and Assumptions (Continued):
The present value of future cash flows (Continued)

the local rate of return on local bonds issued by the Central Bank of Jordan, as they are closest to the Group reality. The income or expense from discounting cash flows is treated through the statement of profit or loss. Or for reinsurance contracts, the percentage of illiquidity risks is deducted.

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

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

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

Adjustments for non-financial risks

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

The cost rates for adjustments for non-financial risks have been determined as follows:

- 1- Third-party liability insurance: 5%
- 2- insurance Of Complex: 5%
- 3- Comprehensive insurance: 5%
- 4- Medical insurance: 6%
- 5- Life insurance: 7%
- 6- Fire insurance: 22%
- 7- Engineering insurance: 22%
- 8- Liability insurance: 22%
- 9- Marine insurance: 22%

Non-insurance Components

The Company discloses the following aspects:

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

4- Use of Estimates and Assumptions (Continued)

Lawsuits Against the group

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

Fair Value Levels

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

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

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

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

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

Measure fair value, makes greater use of relevant observable data, and reduces the use of unobservable data to the greatest extent.

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

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

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

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

5-Significant Accounting Policies

A. Segments Information

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

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

B. Goodwill

The company does not record the value of goodwill.

5-Significant Accounting Policies (Continued)

C. Insurance contracts

Definition of insurance contract

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

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

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

Company's products

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

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

5-Significant Accounting Policies (Continued)

Direct participating feature

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

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

Types of direct participating feature

Investment contracts

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

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

Self-insurance

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

The Group issues the following contracts that are classified according to IFRS (15) as follows:

- Medical insurance contract for employees of the National Insurance Company Public Limited Shareholding.
- Life insurance contract for employees of the National Insurance Company Public Limited Shareholding.
- Vehicle insurance contracts owned by the National Insurance Company Public Limited Shareholding.
- All-risk insurance contracts for buildings owned by the National Insurance Company Public Limited Shareholding.

Separation of non-insurance components

The investment component

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

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

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

- 1- The Group was unable to measure one component without looking at the other. Therefore, if the value of one component varies according to the value of the other component, the Group must apply IFRS (17) to calculate the co-investment and insurance component.
- 2- The policyholder cannot benefit from one of the components unless the other is also present. Therefore, if the lapse or maturity of one component of a contract causes the lapse or maturity of the other, the Group must apply IFRS (17) to account for the investment component and the combined insurance component.
- 3- The group does not have any products containing an investment component.

5- Significant Accounting Policies (continued)

Components of services and goods

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

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

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

- A- The cash flows and risks associated with the good or service are closely related to the cash flows and risks associated with the insurance components of the contract.
- B- The Group provides an important service in linking the commodity or service with the components of the insurance.

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

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

Materiality:

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

Acquisition cost

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

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

The Group did not Choose the mentioned exception and all revenues and expense were amortized over contract Year.

5- Significate Accounting Policies (continued)

Recognition of the insurance contract

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

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

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

Reinsurance Contracts Held

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

Reinsurance contracts held are established:

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

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

Liabilities for Remaining Coverage

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

Liabilities versus claims incurred

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

Contractual service margin

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

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

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

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

Contracts measurement approach

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

1- Premium allocation approach

It applies to the group of insurance contracts shown below:

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

2- General approach

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

5- Significate Accounting Policies (continued)

Contracts measurement approach (Continued)

3- Variable cost approach

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

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

Measurement approaches

Premium allocation approach

1- Initial proof of insurance contracts

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

2- Subsequent measurement/installment allocation approach

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

- Add the insurance premiums received for the year.
- Subtract cash flows for the acquisition of insurance contracts.
- Add any amounts related to the exhaustion of cash flows to acquire established insurance contracts as an expense.
- Add emergency amendments to the financing component.
- Subtract the amount proven as insurance revenue for the coverage provided in that year.
- Subtract any paid or transferred investment component of the liability for claims incurred.

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

3 - Liabilities for claims incurred

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

Modification of Insurance Contracts

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

Derecognition of Insurance Contracts

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

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

5-Significate Accounting Policies (continued)

Expected Loss Insurance Contracts

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

Summary of Measurement Approaches

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

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

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

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

Aggregation Level

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

5-Significant Accounting Policies (continued)

The present value of future cash flows

Cash flows are defined as all amounts expected to be collected and expected to be paid within the limits of the insurance/reinsurance contract held after adjusting to reflect the timing and uncertainty of those amounts, based on actuarial assumptions and the company's experience in managing the insurance/reinsurance contract portfolio, such as:

- Inherent risks.
- Aggregation level.
- Probability of natural disasters.
- Probability of contract settlement before the expiration date of insurance coverage, and other expected practices of the insurance contract holder.
- Factors affecting estimates, and sources of information for these factors.

A bottom-up approach is applied to determine discount rates for various products. The ascending approach is used to derive the discount rate for cash flows that do not change based on returns from underlying items in participating contracts (except for investment contracts without discretionary participation features not within the scope of International Financial Reporting Standard 17).

Under this approach, the discount rate is determined as the risk-free rate adjusted for differences in liquidity characteristics between the financial assets used to derive the risk-free rate and the cash flows of the related liabilities (known as liquidity premium). The risk-free rate is derived using available market swap rates denominated in the same currency as the product being measured. When swap rates are not available, highly liquid sovereign bonds with AAA credit rating are used. Management exercises judgment to assess the liquidity characteristics of cash flows for liabilities, considering that direct participation contracts and investment contracts with discretionary participation features are less liquid than the financial assets used to derive the risk-free rate. For these contracts, the liquidity premium is estimated based on the significant liquidity premium in the market for financial assets adjusted to reflect the liquidity characteristics of the cash flows of the liabilities.

A top-down approach is used to derive discount rates for cash flows that do not change based on returns from underlying items in all other contracts within the scope of International Financial Reporting Standard 17. Under this approach: The discount rate is determined as the implied yield in the fair value of a modified reference portfolio adjusted for differences between the reference portfolio for assets and the cash flows of the related liabilities. The reference portfolio consists of a mix of sovereign bonds and corporate bonds available in the markets, and assets are selected to match the adjusted yield from the reference portfolio to remove expected and unexpected credit risks. These adjustments are estimated using information from significant historical levels of default swaps and credit default events related to bonds included in the reference portfolio. For the year not observable, the yield curve is approximated between the final rate and the last observable point using the Wilson-Smith method.

The company does not calculate the present value of future cash flows on insurance and reinsurance premiums with a duration of less than 12 months.

The company calculates the present value of future cash flows on incurred claims, recoveries, and receivables from retained reinsurance contracts based on the company's assessment when repayment or collection is expected after more than 12 months.

5-Significate Accounting Policies (continued)

The present value of future cash flows (continued)

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

A- Risk-free yield curve:

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

- 1- Interest rates will be used according to the required year (Eiopa).
- 2- An additional margin will be added to the above interest rate by (1.5%) for the purpose of converting interest from dollars to Jordanian dinars, as the company's investments are in Jordanian dinars.

B- Market Risk Premium for Credit Risks:

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

The discount rate = Risk-free rate - Market Risk Premium for Credit Risks.

Non-Financial Risk Adjustments:

The company sets aside a financial amount to cover the uncertainty regarding the amount and timing of cash flows arising from non-financial risks based on actuarial assumptions and the company's experience in managing the insurance/reinsurance contract portfolio.

Non-financial risk adjustment is the required compensation for the company to bear the uncertainty regarding the amount and timing of cash flows arising from non-financial risks when fulfilling an insurance contract. Since risk adjustment represents compensation for uncertainty, estimates are made regarding the degree of diversification benefits and expected positive and negative outcomes in a manner that reflects the extent of risk mitigation by the company. The company estimates non-financial risk adjustments separately from all other estimates, and the adjustment is calculated at the issuer level and then distributed to each group of contracts according to their specific risk levels. The cost of capital approach is used to derive the comprehensive non-financial risk adjustment. In the cost of capital approach, the risk adjustment is determined by applying the cost rate to the present value of the expected capital related to non-financial risks.

The present value of capital has been determined and the cost rate for non-financial risk adjustments has been determined based on the following ratios:

The cost rate for non-financial risk adjustments has been determined based on the following ratios:

1. Third-party liability insurance at a rate of (5%).
2. Collective insurance at a rate of (5%).
3. Comprehensive insurance at a rate of (8%).
4. Medical insurance at a rate of (6%).
5. Life insurance at a rate of (7%).
6. Fire insurance at a rate of (20%).
7. Engineering insurance at a rate of (20%).
8. Liability insurance at a rate of (20%).
9. Marine insurance at a rate of (20%).

The confidence level is set at 75%, and it is expected to align with the surface runoff of business activities. Diversification benefits are included to reflect the diversity in contracts sold across geographical regions, where this compensation is required by the company. Non-financial risk adjustments are to be reassessed annually by the actuary.

Profitability Level:

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

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

5- Significant Accounting Policies (continued)

Financial assets

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

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

A- Financial assets at amortized cost

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

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

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

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

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

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

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

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

5- Significant Accounting Policies (continued)

Financial Assets (continued)

Reclassification

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

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

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

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

Real estate investments

Real estate investments are shown at cost after subtracting accumulated depreciation (excluding lands). These investments are depreciated over their useful life at a rate of 4%. Any decline in their value is recorded in the statement of profit or loss. The operating revenues or expenses of these investments are also recorded in the statement of profit or loss.

Property and equipment

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

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

National Insurance Company
(Public Limited Shareholding Company)
Notes to the Consolidated Financial Statements
For the year ended December 31, 2024

5- Significate Accounting Policies (continued)

Property and equipment (continued)

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

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

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

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

Intangible assets

- Intangible assets obtained through the merger are recorded at fair value on the date of acquisition. Intangible assets that are acquired through a method other than a merger are recorded at cost.
- Other intangible assets are classified based on estimating their lifespan for a specific year or for specific periods. Intangible assets that have a specific lifespan are amortized during this life and are amortized in the statement of profit or loss.
- As for intangible assets whose useful life is indefinite, the decline in their value is reviewed at the date of the financial statements, and any decline in their value is recorded in the statement of profit or loss.
- Intangible assets generated internally in the Company are not capitalized and are recorded in the Consolidated Statement of Profit or Loss in the same current year.
- Any indications of impairment of the value of intangible assets at the date of the Consolidated financial statements are reviewed. The estimate of the chronological life of those assets is also reviewed and any adjustments are made for subsequent periods.
- Intangible assets include computer software with a specified useful life. The group estimates the useful life for each item, where these assets are depreciated using the straight-line method at a rate of 20% annually.

Cash and its equivalent

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

Offsetting

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

Date of recognition of financial assets

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

5- Significate Accounting Policies (continued)

Intangible assets(continued)

Fair value

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

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

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

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

Financial liabilities

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

1- Creditors and liabilities of reinsurance contracts

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

2- Credit banks

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

3- Insurance Contract Liabilities

Insurance contract liabilities are recognized when the group has obligations as of the financial statement date arising from prior events related to insurance contracts, and the settlement of these obligations is probable and can be measured reliably. Amounts recognized as insurance contract liabilities represent the best estimate of the amounts required to settle the obligations as of the financial statement date, taking into account the risks and uncertainties associated with insurance contract liabilities. When the liabilities are determined based on estimated cash flows to settle the current obligation, their carrying amount represents the present value of these cash flows.

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

4- End of service benefits provision:

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

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

5- Significate Accounting Policies (continued)

Foreign currency

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

Treasury stocks

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

Costs of issuing or purchasing insurance Company shares

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

Realize revenue

1- Dividend and interest income

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

2- Rental income

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

Insurance contract expenses

The Group distributes general administrative expenses and direct employee expenses to the insurance portfolios related to insurance contracts over groups of insurance contracts and includes them in calculating the profitability of the contract by distributing the direct expenses to each portfolio

Separately and adding the value of the undistributed expenses in proportion to the total portfolio production divided by the Company's total production. While administrative and general expenses and indirect employee expenses not related to insurance contracts are charged to the statement of profit or loss.

National Insurance Company
(Public Limited Shareholding Company)
Notes to the Consolidated Financial Statements
For the year ended December 31, 2024
(Jordanian Dinars)

5- Significate Accounting Policies (continued)

Acquisition costs

Acquisition costs incurred by the group for selling, subscribing, or initiating new insurance contracts are recognized immediately upon recognition of the insurance contract in the profit or loss statement. The group recognizes acquisition costs by extinguishing the costs incurred over the coverage period of the insurance contract in the financial position statement when applying the premium allocation approach. The company may choose to recognize any cash outflows for acquiring insurance as expenses when those costs are incurred, provided that the coverage period for each contract in the group does not exceed one year upon initial recognition. The Group has chosen the mentioned exception only for commission expenses.

Insurance Contract Expenses:

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

6- Deposits at Banks

	2024				2023
	Deposits due within a month	Deposits due from 1 to 3 months	Deposits due from 3 months to 1 year	Total	Total
Inside Jordan					
Al- Ahli bank	3,112,716	-	2,510,590	5,623,306	5,927,402
Investment Bank	2,500,000	-	2,000,000	4,500,000	2,000,000
Capital Bank of Jordan	2,077,601	-	-	2,077,601	2,077,601
Cairo Amman Bank	-	-	-	-	2,000,000
(Less): Expected credit loss provision	-	-	-	-	-
	<u>7,690,317</u>	<u>-</u>	<u>4,510,590</u>	<u>12,200,907</u>	<u>12,005,003</u>

- Interest rates on bank deposits balances in Jordanian Dinar ranges from 2.5% to 6.95% during the year ended December 31, 2024.
- Deposits pledged to the order of the Central Bank Governor amounted to JD 800,000 at the Jordan Al-Ahli bank as on December 31, 2024.

National Insurance Company
(Public Limited Shareholding Company)
Notes to the Consolidated Financial Statements
For the year ended December 31, 2024
(Jordanian Dinars)

7- Financial Assets at Fair Value through Other Comprehensive Income

	2024	2023
<u>Inside Jordan</u>		
Shares listed		
The National Portfolio for Securities	88,040	92,693
The Real Estate Investment Portfolio	101,060	104,399
Jordan Telecommunications	85,800	67,793
Arab Bank	564,165	507,337
Daman for Investment	77,000	95,000
Ready-Mix Concrete & Construction Supplies	-	76,020
Cairo Amman Bank	408,625	484,353
Jordan Phosphate Mines	721,500	481,050
Afaq for Energy	23,550	-
Bank of Jordan	131,400	117,300
Jordan Al -Ahli Bank	153,000	162,000
Jordan Capital Bank	624,000	652,800
Safwa Islamic Bank	111,600	154,242
Housing Bank	250,500	149,200
Arab Potash	134,330	131,956
Total	3,474,570	3,276,143
Shares un-listed		
Invest Money	1	4,235
Total	1	4,235
<u>Outside Jordan</u>		
Shares listed		
Palestine Telecommunications	694,750	845,250
Arkan For Real Estate	162,750	176,400
Asafa Bank	10,411	14,527
Total	867,911	1,036,177
Shares un-listed	32,764	32,764
Sub-total	32,764	32,764
Total	4,375,246	4,349,319

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

	2024	2023
<u>Outside Jordan</u>		
Arab reinsurance Company/Lebanon	32,331	32,331
Arab Insurance Institute /Syria	433	433
Total	32,764	32,764

National Insurance Company
(Public Limited Shareholding Company)
Notes to the Consolidated Financial Statements
For the year ended December 31, 2024
(Jordanian Dinars)

8- Financial Assets at Amortized Cost

	2024	2023
Treasury Bonds Foreign - USD / \$1.4 million - 26	1,001,583	1,008,929
Treasury Bonds Foreign - USD / \$1 million - 47	719,319	719,747
Treasury Bonds Foreign - USD / \$900,000 - 26	639,833	640,667
Treasury Bonds Foreign - USD / \$1.5 million - 26	1,065,232	1,065,463
Treasury Bonds Foreign - USD / \$1 million - 28	694,517	689,752
Treasury Bonds Foreign - USD / \$1 million - 28	672,945	663,681
Treasury Bonds Foreign - USD / \$400,000 - 29	282,491	282,136
Treasury Bonds Foreign - USD / \$500,000 - 29	346,899	344,994
Treasury Bonds Foreign - USD / \$700,000 - 29	505,281	-
Treasury Bonds Foreign - USD / \$500,000 - 29	359,972	-
Company Loans Capital Bank of Jordan- 24 Bonds	1,704,000	1,704,000
Capital Bank Foreign Bonds	354,500	354,500
Less: Provision for Credit Losses	(17,500)	(17,500)
Total	8,329,072	7,456,369

- 1- Treasury Bonds Foreign are due - USD, due on 29/1/2026, bearing an interest rate of 6.125% annually, payable in two equal installments on January 29 and July 29 until maturity.
- 2- Treasury Bonds Foreign are due - USD, due on 10/10/2047, with an interest rate of 7.375% annually, payable in two equal installments on October 10 and April 10 until maturity.
- 3- Treasury Bonds Foreign are due - USD, due on 29/1/2026, carrying an interest rate of 6.125% annually, payable in two equal installments on January 29 and July 29 until maturity.
- 4- Treasury Bonds Foreign are due - USD, due on 29/1/2026, with an interest rate of 6.125% annually, payable in two equal installments on January 29 and July 29 until maturity.
- 5- Treasury Bonds Foreign are due - USD, due on 15/1/2028, with an interest rate of 7.75% annually, payable in two equal installments on July 15 and January 15 until maturity.
- 6- Treasury Bonds Foreign are due - USD, due on 15/1/2028, bearing an interest rate of 7.75% annually, payable in two equal installments on July 15 and January 15 until maturity.
- 7- Treasury Bonds Foreign are due - USD, due on 13/1/2029, with an interest rate of 7.5% annually, payable in two equal installments on January 13 and July 13 until maturity.
- 8- Treasury Bonds Foreign are due - USD, due on 13/1/2029, carrying an interest rate of 7.5% annually, payable in two equal installments on January 13 and July 13 until maturity.
- 9- Treasury Bonds Foreign are due - USD, due on 13/1/2029, with an interest rate of 7.5% annually, payable in two equal installments on July 13 and January 13 until maturity.
- 10- Treasury Bonds Foreign are due - USD, due on 13/1/2029, with an interest rate of 7.5% annually, payable in two equal installments on July 13 and January 13 until maturity.
- 11- The bonds of the Jordanian Money Bank loan are due on 15/03/2026 ,with an interest rate of 7.5% annually, payable in two equal installments on March 15 and September 15 until maturity.
- 12- The bonds of the Jordanian Money Bank loan are due on 24/02/2027 ,with an interest rate of 7.5% annually, payable in two equal installments on February 24 and August 24 until maturity

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

	2024	2023
Balance at the beginning of the year	17,500	-
Increase during the year	-	17,500
Decrease during the year	-	-
Balance at the end of the year	17,500	17,500

National Insurance Company
(Public Limited Shareholding Company)
Notes to the Consolidated Financial Statements
For the year ended December 31, 2024
(Jordanian Dinars)

9- Investment Properties

	2024	2023
Buildings	440,174	440,174
Less: accumulated depreciation	151,646	134,039
Book value, net	288,528	306,135
Land	107,012	107,012
	395,540	413,147

- Investment buildings are depreciated at 4% annually and appears at net book value.
- The fair value of investment properties was estimated by real estate experts at JD 1,100,308 as of 31/12/2024 Market comparative pricing method.

10- Cash on Hand and at Banks

	2024	2023
Cash in hand	45,653	2,208
Cash at banks	163,076	106,409
	208,729	108,617

National Insurance Company
(Public Limited Shareholding Company)
Notes to the Consolidated Financial Statements
For the year ended December 31, 2024
(Jordanian Dinars)

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

	Liabilities for remaining coverage				Liabilities for Incurred Claims					
	2024	2024	2023	2023	2024	2023	2024	2023	2024	2023
	Excluding the loss component	Loss component	Excluding the loss component	Loss component	Present value of cashflow	Present value of cashflow	Risk adjustments	Risk adjustments-	Total	Total
Insurance contracts liabilities-beginning of the period	(5,374,889)	(788,573)	(3,782,232)	(879,799)	(10,866,938)	(11,270,521)	(719,888)	(702,508)	(17,750,288)	(16,635,060)
Insurance contracts assets-beginning of the period	1,849,681	(34,090)	367,000	-	(1,308,718)	(174,673)	(18,917)	(22,806)	487,956	169,521
Net insurance contracts (liabilities)/Assets – beginning of the period	(3,525,208)	(822,663)	(3,415,232)	(879,799)	(12,175,656)	(11,445,194)	(738,805)	(725,314)	(17,262,332)	(16,465,539)
Insurance contracts revenues	28,209,433	-	26,278,769	-	-	-	-	-	28,209,433	26,278,769
Insurance contracts expenses										
Compensations Incurred	-	-	-	-	21,985,719	17,176,568	386,998	13,491	22,372,717	17,190,059
Amortization of acquisition costs	2,053,550	-	1,867,058	-	-	-	-	-	2,053,550	1,867,058
Employees cost	-	-	-	-	411,849	401,769	-	-	411,849	401,769
Administrative cost	-	-	-	-	1,554,238	1,453,835	-	-	1,554,238	1,453,835
Other expenses	-	-	-	-	57,716	14,980	-	-	57,716	14,980
Losses resulting from contracts expected to be lost and the recovery of these losses	-	139,161	-	(57,136)	-	-	-	-	139,161	(57,136)
Insurance contracts expenses	2,053,550	139,161	1,867,058	(57,136)	24,009,522	19,047,152	386,998	13,491	26,589,231	20,870,565
Insurance Operation results	26,155,883	(139,161)	24,411,711	57,136	(24,009,522)	(19,047,152)	(386,998)	(13,491)	1,620,202	5,408,204
Finance expenses - from insurance contracts	-	-	-	-	(379,355)	(322,276)	-	-	(379,355)	(322,276)
Impact of market movements on exchange rates	-	-	-	-	-	-	-	-	-	-
Net change - other comprehensive income	26,155,883	(139,161)	24,411,711	57,136	(24,388,877)	(20,396,428)	(386,998)	(13,491)	1,240,847	5,085,928
Cash received from written contracts	28,283,244	-	27,919,060	-	-	-	-	-	28,283,244	27,919,060
Compensations Incurred	-	-	-	-	(21,904,539)	(19,944,694)	-	-	(21,904,539)	(19,944,694)
Paid from acquisition costs	(2,001,942)	-	(2,091,646)	-	-	-	-	-	(2,001,942)	(2,091,646)
Total cash flows	26,281,302	-	25,827,414	-	(21,904,539)	(19,944,694)	-	-	4,376,763	5,882,720
Insurance contracts liabilities-End of period	(3,698,661)	(961,824)	(5,374,889)	(788,573)	(14,634,881)	(10,866,938)	(1,120,135)	(719,888)	(20,415,501)	(17,750,288)
Insurance contracts assets- End of period	48,033	-	1,849,681	(34,090)	(25,114)	(1,308,718)	(5,668)	(18,917)	17,251	487,956
Net insurance contracts (liabilities)/Assets - End of period	(3,650,628)	(961,824)	(3,525,208)	(822,663)	(14,659,995)	(12,175,656)	(1,125,803)	(738,805)	(20,398,250)	(17,262,332)

National Insurance Company
(Public Limited Shareholding Company)
Notes to the Consolidated Financial Statements
For the year ended December 31, 2024
(Jordanian Dinars)

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

11- 1 Receivables Related to Insurance Operations

	2024	2023
Receivables from insurance contract holders	6,774,443	6,584,536
Agent receivables	608,580	188,571
Brokers receivables	879,595	880,045
Employee receivables	67,786	73,610
Other receivables*	88,823	-
Less: allowance for credit losses provision	(1,552,315)	(1,552,315)
Net value of receivables Related to Insurance Operations	6,866,912	6,174,447

Analysis of accounts receivable by time period

	2024	2023
Payable during 0-30 days	1,377,378	1,580,182
Payable during 31-90 days	1,793,803	1,752,798
Payable during 91-180 days	1,460,726	1,301,680
Payable during 181-365 days	1,522,687	1,194,407
Due for more than one year	2,264,633	1,897,695
Total	8,419,227	7,726,762

11-2 Cheques under collection

	2024	2023
The total value of Cheques under collection related to insurance operations	1,482,333	1,912,563
Less: allowance for credit losses provision	(13,970)	(13,970)
Net value of Cheques under collection related to insurance operations	1,468,363	1,898,593

Analysis of cheques under collection according to their time period:

	2024	2023 (Adjusted)
Payable during 0-6 months	978,760	1,348,075
Payable during 6-12 months	489,603	550,518
Payable during for more than 12 months	-	-
Total	1,468,363	1,898,593

11-3 Account Payable

	2024	2023
Total value of accounts payable related to insurance operations	2,326,735	2,288,700
Total value of accounts payable related to insurance operations	2,326,735	2,288,700

National Insurance Company
(Public Limited Shareholding Company)
Notes to the Consolidated Financial Statements
For the year ended December 31, 2024
(Jordanian Dinars)

12- Assets/(Liabilities) Reinsurance Contracts Held (Premium Allocation Approach):

Reinsurance Contracts	Assets for remaining coverage (ARC)						Assets for Incurred Claims (AIC)			
	2024	2024	2023	2023	2024	2023	2024	2023	2024	2023
	Excluding loss recovery component	Loss recovery Component	Excluding loss recovery component	Loss recovery component	Present value of cash flow	Present value of cash flow	Risk adjustments-	Risk adjustments-non financial	Total	Total
Insurance contracts liabilities-beginning of the period	(179,496)	-	-	-	39,174	-	15,901	-	(124,421)	-
Insurance contracts assets-beginning of the period	(203,656)	34,090	1,690,891	-	3,665,153	4,097,492	231,868	342,068	3,727,455	6,130,451
Net reinsurance contracts liabilities/(Assets) - beginning of the period	(383,152)	34,090	1,690,891	-	3,704,327	4,097,492	247,769	342,068	3,603,034	6,130,451
Reinsurance expenses	7,901,844	-	8,150,673	-	-	-	-	-	7,901,844	8,150,673
Reinsurance revenue										
Reinsurance recoveries	-	(14,090)	-	34,090	5,909,065	3,923,646	391,006	(94,299)	6,285,980	3,863,437
Reinsurance contracts revenues										
	-	(14,090)	-	34,090	5,909,065	3,923,646	391,006	(94,299)	6,285,980	3,863,437
Reinsurance Operation results	7,901,844	14,090	8,150,673	(34,090)	(5,909,065)	(3,923,646)	(391,006)	94,299	1,615,864	4,287,236
Finance expenses - from reinsurance contracts	-	-	-	-	(168,946)	(82,088)	-	-	(168,946)	(82,088)
Other changes	-	-	-	-	-	-	-	-	-	-
Net change - other comprehensive income	7,901,844	14,090	8,150,673	(34,090)	(6,078,011)	(4,005,734)	(391,006)	94,299	1,446,918	4,205,148
Cash received from written contracts paid to reinsurers	7,522,264	-	6,167,102	-	-	-	-	-	7,522,264	6,167,102
Incurred claims recovered from reinsurers	-	-	-	-	(3,730,789)	(4,398,899)	-	-	(3,730,789)	(4,398,899)
Recovered profit commission from reinsurers	(491,418)	-	(586,396)	-	-	-	-	-	(491,418)	(586,396)
Other Expense	349,798	-	495,924	-	-	-	-	-	349,798	495,924
Total cash flows	7,380,644	-	6,076,630	-	(3,730,789)	(4,398,899)	-	-	3,649,855	1,677,731
Reinsurance contracts liabilities- end of the period	(475,543)	-	(179,496)	-	203,134	39,174	17,142	15,901	(255,267)	(124,421)
Reinsurance contracts assets- end of the period	(428,808)	20,000	(203,656)	34,090	5,848,413	3,665,153	621,632	231,868	6,061,237	3,727,455
Net reinsurance contracts liabilities- end of the period	(904,351)	20,000	(383,152)	34,090	6,051,547	3,704,327	638,774	247,769	5,805,970	3,603,034

National Insurance Company
(Public Limited Shareholding Company)
Notes to the Consolidated Financial Statements
For the year ended December 31, 2023
(Jordanian Dinars)

12-1 Account Receivables (reinsurance contracts Held)

	2024	2023
Reinsurance asset contract held (Local)	1,063,020	871,762
Reinsurance asset contract held (Foreign)	1,536,127	1,163,854
Total value of account receivables related to insurance operations	2,599,147	2,035,616
less: allowance for expected credit losses	(199,342)	(199,342)
Net value of Account Receivable related to insurance operations	2,399,805	1,836,274

Analysis of account receivable balances by time period:

	2024	2023
Payable during 0-30 days	1,205,534	894,697
Payable during 31-90 days	245,455	79,520
Payable during 91-180 days	694,826	146,682
Payable during 181-365 days	45,730	105,241
Overdue for more than a year.	407,602	809,476
Total	2,599,147	2,035,616

12-2 Accounts Payable (Reinsurance contracts held):

	2024	2023
Reinsurance contracts asset held (Local)	186,750	163,754
Reinsurance contracts asset held (foreign)	877,393	871,060
Total value of accounts payable related to insurance operation	1,064,143	1,034,814

13- Deferred tax assets

A- Provision for Income Tax:

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

	2024	2023
Balance at beginning of the year	395,379	313,565
Income tax paid	(450,404)	(323,216)
Income tax expense for the year	328,241	452,638
Withholding tax on interest/ shares/national contribution	(58,636)	(47,608)
Balance at the end of the year	214,580	395,379

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

	2024	2023
Accrued income tax for profit of the year	328,241	452,638
Deferred tax assets	(852,077)	(718,212)
Deferred tax Assets/Liabilities amortization	717,198	649,436
Income tax deposits	(66,661)	33,656
Balance at the end of the year	126,701	417,518

National Insurance Company
(Public Limited Shareholding Company)
Notes to the Consolidated Financial Statements
For the year ended December 31, 2024
(Jordanian Dinars)

13- Deferred tax assets (Continued):

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

	2024	2023
Accounting profit	836,407	1,691,547
Non-taxable profits	(3,019,486)	(2,842,116)
Expenses that are not tax acceptable	3,534,813	2,958,614
Tax profit	1,351,734	1,808,045
income tax rate	26%	26%

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

D- Deferred Tax Assets/Liabilities

	2024					2023
	Beginning Balance	Released Amounts	Additions	Ending Balance	Deferred Tax	Deferred Tax
A- Deferred tax assets:						
Provision for unreported claims	2,750,125	2,750,125	3,260,851	3,260,851	847,821	715,033
Provision for end of service benefits	515	-	-	515	134	134
Provision for commission and profit-sharing schemes	16,236	8,327	16,368	24,277	6,312	4,221
Provision for contingent liabilities	29,000	-	-	29,000	7,540	7,540
	2,795,876	2,758,452	3,277,219	3,314,643	861,807	726,928

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

	Assets		Liabilities	
	2024	2023	2024	2023
Balance at the beginning of the year	726,928	658,152	-	-
Additions	852,077	718,212	-	-
Disposals	(717,198)	(649,436)	-	-
Balance at the end of the year	861,807	726,928	-	-

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

National Insurance Company
(Public Limited Shareholding Company)
Notes to the Consolidated Financial Statements
For the year ended December 31, 2024
(Jordanian Dinars)

14- Property and Equipment

	<u>Land</u>	<u>Building</u>	<u>Equipment, devices and furniture</u>	<u>Decorations</u>	<u>Transportation</u>	<u>Total</u>
<u>Cost</u>						
Balance at the beginning of the year	170,000	533,961	388,651	53,335	67,264	1,213,211
Additions	-	-	4,824	-	13,000	17,824
Disposals	-	-	-	-	-	-
Balance As of December 31, 2024	<u>170,000</u>	<u>533,961</u>	<u>393,475</u>	<u>53,335</u>	<u>80,264</u>	<u>1,231,035</u>
Less:						
<u>Accumulated depreciation</u>						
Balance at the beginning of the year	-	207,010	354,572	53,326	62,851	677,759
Depreciation of the period	-	10,709	10,311	-	816	21,836
Disposals	-	-	-	-	-	-
Balance As of December 31, 2024	<u>-</u>	<u>217,719</u>	<u>364,883</u>	<u>53,326</u>	<u>63,667</u>	<u>699,595</u>
<u>Net Book value:</u>						
Balance As of December 31, 2024	<u>170,000</u>	<u>316,242</u>	<u>28,592</u>	<u>9</u>	<u>16,597</u>	<u>531,440</u>
Balance as of December 31, 2023	<u>170,000</u>	<u>326,951</u>	<u>34,079</u>	<u>9</u>	<u>4,413</u>	<u>535,452</u>

- There are no liens, encumbrances, or restrictions on the ownership of the properties and equipment, and the value of related liabilities includes the nature and value of any pledged assets as collateral, if any.
- There are no leased assets and equipment that end in ownership.
- There is no impairment of the value of the properties and equipment, and no additional depreciation for that.
- There are no financial obligations to acquire properties and equipment.
- There are no compensations from third parties.
- The total cost of the fully depreciated properties and equipment is 469,897 dinars.

National Insurance Company
(Public Limited Shareholding Company)
Notes to the Consolidated Financial Statements
For the year ended December 31, 2024
(Jordanian Dinars)

15- Intangible Assets

	<u>2024</u>	<u>2023</u>
Computer systems and software		
Balance at the beginning of the period	154,009	55,379
Additions	31,042	117,531
Amortization	(43,420)	(18,901)
Balance at the end of the year	<u>141,631</u>	<u>154,009</u>

16- Other Assets

A-Other assets

	<u>2024</u>	<u>2023</u>
Accrued and unreceived revenues	232,408	201,682
Prepaid expenses	37,932	41,565
Refundable deposits	2,931	2,931
Advance payments on account of income tax and national contribution.	-	96,680
Total	<u>273,271</u>	<u>342,858</u>

B-Account receivable not related to insurance activities.

	<u>2024</u>	<u>3202</u>
Other receivables	-	143,205
Total of other Assets	<u>273,271</u>	<u>486,063</u>

17- Other Provisions

	<u>2024</u>	<u>2023</u>
Provision for end of service benefits	515	515
Insurance management fees provision	30,344	27,964
Commission Provision for Group Life Insurance Policies	24,277	16,236
	<u>55,136</u>	<u>44,715</u>

The following table shows the movement in the other provisions:

	Beginning balance	Additions during the year	Used during the year	Ending balance
Provision for end of service benefits	515	-	-	515
Insurance management fees provision	27,964	115,352	(112,972)	30,344
Commission Provision for Group Life Insurance Policies	16,236	16,368	(8,327)	24,277
	<u>44,715</u>	<u>131,720</u>	<u>(121,299)</u>	<u>55,136</u>

National Insurance Company
(Public Limited Shareholding Company)
Notes to the Consolidated Financial Statements
For the year ended December 31, 2024
(Jordanian Dinars)

18- Other Liabilities

A-Other Liabilities

	2024	2023
Sales tax deposits	20,460	123,530
Stamp deposits - Ministry of Finance	6,345	7,620
Social security deposits	14,149	13,251
Income tax deposits	195,910	262,570
Provision for contingencies liabilities	29,000	29,000
Other	27,430	12,755
Total	293,294	448,726

B- Accounts Payable unrelated to insurance operations

	2024	2023
Employees' payables	990	489
Shareholders' payables	199,815	250,299
Other payables	56,542	175,846
Total	257,347	426,634
Total other liabilities	550,641	875,360

19- Authorized and paid-up share capital

The Authorized and (paid-up) share capital at the end of the period amounted to 8,000,000 JD, divided into 8,000,000 shares, with a nominal value of one dinar per share, as on December 31, 2024 and 2023.

20- Reserves

-Statuary Reserve

The statutory reserve is formed in accordance with the provisions of the Jordanian Companies Law by deducting 10% of the annual net profit. The deduction stops when the accumulated reserve balance reaches 25% of the Company's authorized capital.

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

National Insurance Company
(Public Limited Shareholding Company)
Notes to the Consolidated Financial Statements
For the year ended December 31, 2024
(Jordanian Dinars)

20- Reserves (Continued):

-Voluntary reserve

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

21-Fair value reserve

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

	2024	2023
Balance at the beginning of the year	(113,659)	146,704
Change during the year	(72,971)	(260,363)
Balance at the end of the year	<u>(186,630)</u>	<u>(113,659)</u>

22-Retained Earnings

	2024	2023
Balance at the beginning of the year	543,490	236,402
Profit For the year	864,929	1,338,342
Transferred to statutory reserves	(99,163)	(175,597)
Dividends	-	(800,000)
(Losses) Gains on sale of assets at fair value	(74,373)	(55,657)
Balance at the end of the year	<u>1,234,883</u>	<u>543,490</u>

23- Proposed distributable profits

No dividends were distributed to shareholders for the fiscal year 2023 during the year 2024.

National Insurance Company
(Public Limited Shareholding Company)
Notes to the Consolidated Financial Statements
For the year ended December 31, 2024
(Jordanian Dinars)

24- Insurance Contracts Revenue

	Vehicles		General liability		Marine		Life		Engineering		Property and equipment		Fire		Medical insurance		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Changes in insurance contract liabilities – against remaining	15,957,578	14,104,311	304,220	193,913	1,112,840	889,063	428,106	406,235	198,763	152,337	-	-	2,432,921	3,247,483	6,646,125	6,119,504	27,080,553	25,112,846
Expected incurred claims	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Expected incurred expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Changes in non-financial risk adjustments - Contractual service margin	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash flows received for acquisitions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Insurance contract issuance fees	792,037	763,598	6,902	7,726	19,720	16,457	2,559	3,614	4,017	3,576	-	-	35,407	31,548	184,946	177,808	1,045,588	1,004,327
Allocation of a portion of premiums related to cash flows for acquiring insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other revenues	83,292	123,946	-	-	-	13,408	-	23,752	-	-	-	-	-	489	-	-	83,292	161,595
Total insurance contract revenues	16,832,907	14,991,855	311,122	201,639	1,132,560	918,928	430,665	433,601	202,780	155,913	-	-	2,468,328	3,279,520	6,831,071	6,297,312	28,209,433	26,278,769

National Insurance Company
(Public Limited Shareholding Company)
Notes to the Consolidated Financial Statements
For the year ended December 31, 2024
(Jordanian Dinars)

25-Insurance Contracts Expenses

	Vehicles		General liability		Marine		Life		Engineering		Property and equipment		Fire		Medical insurance		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Incurred insurance claims	13,760,731	11,580,756	(177,503)	24,076	734,239	17,328	604,437	274,158	291,238	6,185	-	-	1,411,268	(88,983)	5,361,309	5,363,155	21,985,719	17,176,675
Acquisition cost amortization	1,268,911	961,628	40,127	49,177	94,390	142,409	35,574	36,862	19,291	19,348	-	-	271,560	256,496	323,698	401,138	2,053,551	1,867,058
Employee expenses	314,215	246,048	333	7,578	9,151	75,354	14,164	17,505	1,120	622	-	-	7,877	21,725	64,989	32,937	411,849	401,769
Administrative expenses	769,198	621,644	817	7,858	21,395	73,622	41,517	24,725	2,961	1,138	-	-	22,126	31,805	696,224	692,935	1,554,238	1,453,727
Other expenses	4,096	45,893	(861)	(4,556)	20,003	(1,101)	2,311	(2,715)	321	(109)	-	-	34,907	(12,596)	(3,062)	(9,836)	57,715	14,980
Expected loss on Contracts	140,035	-	-	-	-	-	16,366	-	-	-	-	-	-	-	(17,240)	34,090	139,161	34,090
Recovery from expected loss on contracts	-	(91,226)	-	30,339	-	-	-	-	-	-	-	-	-	-	-	-	-	(60,887)
Non-financial risk adjustments	(17,546)	128,969	(33,715)	(7,786)	156,108	22	5,588	621	2,841	3,447	-	-	279,356	-	(5,634)	3,389	386,998	128,662
Non-financial adjustments recovered from risk modifications	-	(38,438)	-	-	-	(2,472)	-	(7,149)	-	(4,454)	-	-	-	(21,740)	-	(71,256)	-	(145,509)
Total insurance contract expenses	16,239,640	13,455,274	(170,802)	106,686	1,035,286	305,162	719,957	344,007	317,772	28,177	-	-	2,027,094	186,707	6,420,284	6,446,552	26,589,231	20,870,565

National Insurance Company
(Public Limited Shareholding Company)
Notes to the Consolidated Financial Statements
For the year ended December 31, 2024
(Jordanian Dinars)

26- Reinsurance contracts revenues

	Vehicles		General liability		Marine		Life		Engineering		Property and equipment		Fire		Medical insurance		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
□ Change In Insurance Contract Liabilities- Against Remaining																		
Expected incurred claims	(121,860)	445,243	(181,983)	36,964	678,791	17,857	481,804	159,068	249,873	5,426	-	-	1,402,539	(106,561)	3,399,901	3,365,649	5,909,065	3,923,646
Reinsurer's share of risk adjustments	12,585	3,403	(33,931)	5,607	140,594	-	1,853	-	2,808	524	-	-	270,505	-	(3,408)	-	391,006	9,534
Change in non-financial risk adjustments - Contractual service margin due	-	-	-	-	-	(10,210)	-	(9,062)	-	-	-	-	-	(49,579)	-	(34,982)	-	(103,833)
Recovery of cash flows for acquisition	-	-	-	-	-	-	3,148	-	-	-	-	-	-	-	(17,239)	34,090	(14,091)	34,090
Insurance contract issuance fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Allocation of part of the premiums related to recovery of cash flows for insurance acquisition	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total insurance contract revenues	(109,275)	448,646	(215,914)	42,571	819,385	7,647	486,805	150,006	252,681	5,950	-	-	1,673,044	(156,140)	3,379,254	3,364,757	6,285,980	3,863,437

National Insurance Company
(Public Limited Shareholding Company)
Notes to the Consolidated Financial Statements
For the year ended December 31, 2024
(Jordanian Dinars)

27- Reinsurance contracts expenses

	Vehicles		Limited liability		Marine		Life		Engineering		Property and equipment		Fire		Medical insurance		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Incurred insurance claims	1,004,950	991,789	190,107	207,764	864,304	666,364	239,766	163,374	172,851	129,701	-	-	2,276,268	2,989,823	3,454,140	3,235,539	8,202,386	8,384,353
Acquisition cost amortization	(72,376)	(27,297)	(17,737)	(30,704)	(251,369)	(128,498)	(9,899)	2,237	(33,742)	(34,390)	-	-	(227,197)	(224,122)	(38,020)	(286,830)	(650,340)	(729,604)
Premiums for loss surplus	201,298	366,924	-	-	30,000	24,500	-	-	-	-	-	-	118,500	104,500	-	-	349,798	495,924
Employee expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Administrative expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loss surplus expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Expected loss on contracts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Recovery from expected loss on contracts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-financial risk adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Supplementary non-financial risk adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total insurance contract expenses	1,133,872	1,331,416	172,370	177,060	642,935	562,366	229,867	165,611	139,109	95,311	-	-	2,167,571	2,870,200	3,416,120	2,948,709	7,901,844	8,150,673

National Insurance Company
(Public Limited Shareholding Company)
Notes to the Consolidated Financial Statements
For the year ended December 31, 2024
(Jordanian Dinars)

28- Financing Revenues– Insurance Contracts

	2024	2023
Financing revenues	<u>(379,355)</u>	<u>(322,276)</u>
	<u>(379,355)</u>	<u>(322,276)</u>

The group used discount rates ranging from 5.69% to 6.18% as of December 31, 2024 (December 31, 2023: 5.15% and 6.73%).

29-Reinsurance Contracts-Expenses

The group used discount rates ranging from 5.69% to 6.18% as of December 31, 2024 (December 31, 2023: 5.15% and 6.73%).

	2024	2023
Financing expenses	<u>168,946</u>	<u>82,088</u>
	<u>168,946</u>	<u>82,088</u>

30- Credit Interest

	2024	2023
Bank Interest	<u>657,600</u>	<u>560,571</u>
Interest on investments in financial assets at amortized cost	<u>540,840</u>	<u>443,880</u>
	<u>1,198,440</u>	<u>1,004,451</u>

31- Net Profit of Financial Assets and Investments

	2024	2023
Dividend Return	<u>276,661</u>	<u>290,339</u>
	<u>276,661</u>	<u>290,339</u>

32- Other Income

	2024	2023
Profit from the sale of Property and equipment	<u>-</u>	<u>120</u>
Legal Interest – Lawsuits	<u>363</u>	<u>3,375</u>
Rental income from investment property	<u>5,800</u>	<u>-</u>
	<u>6,163</u>	<u>3,495</u>

National Insurance Company
(Public Limited Shareholding Company)
Notes to the Consolidated Financial Statements
For the year ended December 31, 2024
(Jordanian Dinars)

33-Employee Expenses

	2024	2023
Salaries and Bonuses	1,013,261	957,548
Company's Share of Social Security	112,837	103,347
Employee Insurance Expenses	54,593	47,565
Training and Development Expenses	300	2,083
Total	1,180,991	1,110,543

34-General and Administrative Expenses

This item consists of the following:

	2024	2023
Rent	7,050	7,050
Stationery and Printings	34,314	29,215
Advertising and Promotion	41,192	33,247
Bank Fees	54,100	44,591
Water, Electricity, and Heating	25,025	26,951
Maintenance	58,299	56,949
Mail and Communications	12,870	11,803
Hospitality	20,368	11,955
Legal Fees and Expenses	178,627	134,263
Subscriptions	35,904	32,578
Tender Expenses	15,009	33,245
Insurance Management Fees	115,354	111,508
Government Fees and Other Fees	23,443	28,215
Donations	500	13,000
Travel and Transportation	61,648	43,955
Professional Fees	149,303	107,807
Board Members' Transportation Allowance	81,000	46,967
Non-refundable Sales Tax	35,200	33,784
Cleaning	17,723	16,548
Security	12,459	10,117
Collection Commissions	23,412	22,535
Insurance for Company Assets	1,304	2,965
Other Expenses	26,849	30,014
Sub-total	1,030,953	889,262
Total	2,211,944	1,999,805

National Insurance Company
(Public Limited Shareholding Company)
Notes to the Consolidated Financial Statements
For the year ended December 31, 2024
(Jordanian Dinars)

35- Unallocated General and Administrative Expenses

2024					2023				
	Attributable expenses	Attributable expenses	Non- attributed			Attributable expenses	Attributable expenses	Non- attributed	
Acquisition expenses	For contracts (direct)	For contracts (indirect)	expense to contracts	Total	Acquisition expenses	For contracts (direct)	For contracts (indirect)	expense to contracts	Total
-	-	-	271,134	271,134	-	-	-	228,530	228,530
-	-	-	271,134	271,134	-	-	-	228,530	228,530

36- Earnings per Share

	2024	2023
profit for the year	864,929	1,338,342
Weighted Average for Share numbers	8,000,000	8,000,000
Earnings per share from the year profit	0.108	0.167
Basic	0.108	0.167
Diluted	0.108	0.167

37-Cash and Cash equivalent

	2024	2023
Bank deposits due within three months	7,690,317	7,503,888
Cash in hand and at banks	208,729	108,617
Pledged deposits for the order of the competent authorities due within three months	-	-
Restricted deposits	-	-
Total	7,899,046	7,612,505

National Insurance Company
(Public Limited Shareholding Company)
Notes to the Consolidated Financial Statements
For the year ended December 31, 2024
(Jordanian Dinars)

38- Related Parties Transactions

The Group entered into transactions with members of the Board of Directors and senior management within the normal activities of the Company and using insurance premiums and commercial commissions. All receivables from related parties are considered working and no allocations have been taken for them as of December 31, 2024. The following is a summary of transactions with related parties during the year:

		2024		2023
	Major shareholders	Members of the Board of Directors	Total	Total
<u>Items of financial position statement</u>				
Insurance contract assets	-	826,675	826,675	694,096
Insurance contract liabilities	-	173,447	173,447	495,317
<u>Items of profit or loss statement</u>				
Insurance revenues	-	2,452,303	2,452,303	2,378,045
Travel and transportation expenses for members of the Board of Directors	-	81,000	81,000	46,967
Rewards and consultations	-	33,750	33,750	32,143

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

	2024	2023
Salaries and rewards	420,865	412,360
	420,865	412,360

39 - The Fair Value of Financial Assets and Liabilities that are not Stated at Fair Value

There are no significant differences between the book value and the fair value of assets and liabilities as of the end of 2024 and 2023.

40- Contracts expected to Be lost.

The group subscribes to contracts expected to incur losses due to regulations and instructions issued by governmental authorities regarding mandatory insurance contracts for vehicles. Meanwhile, the group subscribes to contracts expected to Be Lost in other branches due to owning profitable insurance portfolios for other branches and for the same clients.

41- Risk Management

First: Descriptive disclosures

Risk management is the process of measuring and evaluating risks and developing strategies to manage them. These strategies include transferring risks to another party, avoiding them, and reducing their negative effects on the group, in addition to accepting some or all of their consequences. Risk management is divided into four sections:

First: Physical risks, which include examples such as) natural disasters, fires, accidents, and other external risks unrelated to the group's activities) .

Second: Legal risks, which are risks arising from lawsuits or any risks resulting from laws and regulations issued by the insurance authority and non-compliance with them.

Third: Financially-driven risks, with examples including) interest rates, credit risks, foreign exchange rate risks, and market risks) .

Fourth: Intangible risks, which are difficult to identify. An example of this is knowledge risks among employees, which occur when applying incomplete knowledge. Also, relationship risks occur in the case of ineffective collaboration with clients. All these risks directly reduce employee productivity in knowledge and decrease the effectiveness of spending, profit, service, quality, reputation, and the quality of gains.

The risk management approach followed by the group depends on prioritizing risks, such that risks with significant losses and a high probability of occurrence are addressed first, while risks with lesser losses and a lower probability of occurrence are dealt with later.

Risk Management Policy

First: Planning and Preparation

A work scope plan and the foundations for adopting and assessing risks within the group have been established.

Second: Identifying Risks

The risks of any insurance contract are represented in the possibility of the insured event occurring. Therefore, it is essential to identify these incidents from their source. Once the event or its source is identified, the incidents that arise from this source may lead to new risks that can be addressed before they occur. There are several methods for identifying risks, including identification based on objectives. Each department within the group has specific goals it aims to achieve, and any event that limits the achievement of these goals is considered a risk. Based on this, the risk is studied and monitored. Additionally, there is a method of risk identification based on classification, which involves a comprehensive categorization of all potential sources of risks. Another method of identifying risks is looking at common risks, especially for similar companies.

Third: How to Deal with Risks

The group deals with potential risks in the following ways:

- Transfer: This is the process of shifting the risk to another party through contracts or financial safeguards.
- Avoidance: This is an effective process to prevent risks by avoiding actions that could lead to risk occurrence. Avoidance is the best prevention against risk, but this approach may prevent the group from engaging in some activities that could be profitable.
- Mitigation: This involves reducing the losses that can result from the occurrence of a risk.
- Acceptance: There must be a policy for accepting unavoidable risks. Accepting minor risks can be an effective strategy.

41- Risk Management (Continued)

Risk Management Policy (Continued)

Fourth: The Plan

A clear and easily implementable plan has been developed for dealing with risks through a pricing policy based on historical statistics to prevent losses in any branch of insurance, ensuring that the premium covers the cumulative potential risks.

Fifth: Implementation

The technical departments within the group execute the plan, mitigating the effects of risks and avoiding all avoidable risks.

Sixth: Plan Review and Evaluation

The risk department keeps pace with the group's development, continuously working on developing and updating the existing plan.

Arrangements for Risk Management

Determinants:

Priority is given to the risk department, affecting the productivity and profitability of the group. Therefore, the risk department's task is to distinguish between actual risk and uncertainty, prioritizing risks with significant losses and a high probability of occurrence for avoidance.

Responsibilities of Risk Management:

- Continuously updating the risk database.
- Predicting any potential risks.
- Collaborating with the executive management to address risks and reduce risk exposure.
- Continuously preparing plans and reports on risks to avoid potential risks or reduce their likelihood.

Risk Management Strategy

- Setting Group Objectives.
- Clarifying Strategies for Group Objectives.
- Identifying Risk
- Risk Assessment
- Developing Methods to Address and Avoid Risk

Second: Quantitative Disclosures:

1- Insurance Risks:

The risks associated with any insurance contract lie in the possibility of the insured event occurring and the uncertainty regarding the amount of the claim related to that event. Due to the fluctuating and unforeseeable nature of insurance contracts, the group faces risks where claims incurred and related payouts may exceed the book value of insurance liabilities. This may occur if the probability and severity of claims are greater than expected, as insurance events are not constant and vary from year to year, leading to estimations differing from related statistics.

Studies have shown that the more similar insurance contracts are, the closer the expectations are to the actual loss ratio. Furthermore, diversification in the risks covered by insurance leads to a reduction in the overall probabilities of insurance loss.

41- Risk Management (Continued)

1- Insurance Risks (Continued)

Monitoring risk status in both internal and external environments is the key driver for selecting the appropriate strategy to manage risks. While the company may need to accept some level of risk even when it's at critical/high levels due to external, regulatory, and legal constraints, enhancing risk monitoring will enable the company to adjust and improve controls once they become available.

Risk management strategies in products primarily depend on two key elements: uncertainty and risk exposure/volume. According to the following:

1-Risk Acceptance: In cases of reduced uncertainty/low exposure when marketing the product.

2-Control Implementation: For risks with reduced exposure/high exposure, the company implemented relevant controls by establishing appropriate measures to limit risks.

3-Risk Transfer: For risks with reduced exposure/high uncertainty, the company transferred these risks to a third party through reinsurance arrangements, ensuring the management of risks from external parties involved in risk-bearing.

4-Emergency Plans: Suitable emergency plans were adopted to manage high exposure risks/high uncertainty risks, avoiding high-exposure/high-uncertainty risks wherever possible.

These risks were managed by the risk management department, ensuring that periodic reports related to all company risks were sent to the risk management committee for high exposure/high uncertainty risks whenever possible. These were then discussed, and recommendations were sent to the executive management for implementation in the company.

5-The Company did not face any insurance risks during the reporting period that did not reflect its actual exposure.

6-The Company does not have any co-insurance features in its insurance contracts, and there are no limitations on the company's discretion.

7-The Company does not have any contingent liabilities with the government or any other entities.

When discussing quantitative data related to insurance risks, the company disclosed the methods used, strengths, determinants in these methods, assumptions, the impact of reinsurance, contract holder participation, and all other mitigating factors within the tables below.

Steps Followed in Assumptions Identification

These steps rely on internal data derived from quarterly claims reports and sorting of executed insurance contracts as documented in the Consolidated Financial Statements. The goal is to extract existing insurance contracts. The selection of applicable results for each type of insurance incident for the year is based on evaluating the most suitable mechanism for observing historical developments.

National Insurance Company
(Public Limited Shareholding Company)
Notes to the Consolidated Financial Statements
For the year ended December 31, 2024
(Jordanian Dinars)

41- Risk Management (Continued)

Second: Quantitative Disclosures

2-Claims Development

The tables below present information on the total development of claims over the past 10 years from the reporting year. The incurred claims displayed in the table correspond to the total carrying amount of insurance contract groups.

Fire

<u>Estimates of gross undiscounted maximum claims*</u>	<u>Earlier period</u>	2021	2022	2023	2024	Total
As at the end of the year	614,384	363,107	591,631	274,817	349,602	349,602
After 1 year	842,732	263,445	520,699	253,672	-	253,672
After 2 years	723,252	263,445	522,049	-	-	522,049
After 3 years	475,252	263,445	-	-	-	263,445
After 4 years	487,330	-	-	-	-	487,330
Total	487,330	263,445	522,049	253,672	349,602	1,876,098
Net accumulative claims paid	456,009	62,695	453,812	249,167	10,706	1,232,389
Discount effect	-	-	-	-	(15,555)	(15,555)
Net liabilities versus claims incurred	31,321	200,750	68,237	4,505	323,341	628,155

<u>Estimates of total undiscounted maximum claims*</u>	<u>Earlier period</u>	2021	2022	2023	2024	Total
As in the end of the year	19,705	11,646	30,028	46,545	34,215	142,138
After 1 year	27,029	8,449	26,428	42,963	-	104,869
After 2 years	23,197	8,449	26,496	-	-	58,142
After 3 years	15,243	8,449	-	-	-	23,692
After 4 years	15,630	-	-	-	-	-
After 5 years	-	-	-	-	-	-
After 6 years	-	-	-	-	-	-
After 7 years	-	-	-	-	-	-
After 8 years	-	-	-	-	-	-
After 9 years	-	-	-	-	-	-
After 10 years	-	-	-	-	-	-
Total	15,630	8,449	26,496	42,963	34,215	127,754
Paid	14,625	2,011	23,033	42,200	1,048	82,917
Net	1,005	6,439	3,463	763	33,167	82,917

*The estimates represent reported and unreported claims.

Maximum Claims = Claims Under Settlement + Claims Paid + Claims Incurred but Not Reported (IBNR)

National Insurance Company
(Public Limited Shareholding Company)
Notes to the Consolidated Financial Statements
For the year ended December 31, 2024
(Jordanian Dinars)

41- Risk Management (Continued)

Second: Quantitative Disclosures

2- Claims Development (Continued)

Engineering

Estimates of gross undiscounted maximum claims	Earlier period	2021	2022	2023	2024	Total
As in the End of The Year	12,978	5,109	6,320	9,488	302,772	302,772
After 1 year	6,728	11,179	5,889	9,305	-	9,305
After 2 years	6,728	11,179	5,889	-	-	5,889
After 3 years	6,728	11,179	-	-	-	11,179
After 4 years	3,828	-	-	-	-	3,828
Total	3,828	11,179	5,889	9,305	302,772	332,973
Total accumulative claims paid	3,728	11,179	5,889	9,305	281,372	311,473
Discount effect	-	-	-	-	228	228
Total liabilities versus claims incurred	100	-	-	-	21,172	21,172

Estimates of total undiscounted maximum claims	Earlier period	2021	2022	2023	2024	Total
As in the End of The Year	416	164	321	1,607	29,632	32,139
After 1 year	216	359	299	1,576	-	2,449
After 2 years	216	359	299	-	-	873
After 3 years	216	359	-	-	-	574
After 4 years	123	-	-	-	-	123
After 5 years	-	-	-	-	-	-
After 6 years	-	-	-	-	-	-
After 7 years	-	-	-	-	-	-
After 8 years	-	-	-	-	-	-
After 9 years	-	-	-	-	-	-
After 10 years	-	-	-	-	-	-
Total	123	359	299	1,576	29,632	31,988
Paid	120	359	299	1,576	27,537	29,890
Net	3	-	-	-	2,094	29,890

National Insurance Company
(Public Limited Shareholding Company)
Notes to the Consolidated Financial Statements
For the year ended December 31, 2024
(Jordanian Dinars)

41- Risk Management (Continued)
Second: Quantitative Disclosures
2- Claims Development (Continued)

Marine

Estimates of gross undiscounted maximum claims	Earlier period	2021	2022	2023	2024	Total
As at the end of the year	108,892	88,090	124,147	30,736	260,698	260,698
After 1 year	108,402	80,320	124,097	35,657	-	35,657
After 2 years	81,707	76,670	126,438	-	-	126,438
After 3 years	81,707	76,888	-	-	-	76,888
After 4 years	81,707	-	-	-	-	81,707
Total	81,707	76,888	126,438	35,657	260,698	581,388
Total accumulative claims paid	44,107	75,487	107,160	15,273	59,109	301,136
Discount effect	-	-	-	-	(15,667)	(15,667)
Total liabilities versus claims incurred	37,600	1,401	19,278	20,384	185,922	264,585

Estimates of total undiscounted maximum claims

	2020	2021	2022	2023	2024	Total
As at the End of The Year	6,471	5,235	19,716	1,041	24,495	56,957
After 1 year	6,442	4,773	19,708	1,207	-	32,130
After 2 years	4,855	4,556	20,080	-	-	29,491
After 3 years	4,855	4,569	-	-	-	9,424
After 4 years	4,855	-	-	-	-	4,855
After 5 years	-	-	-	-	-	-
After 6 years	-	-	-	-	-	-
After 7 years	-	-	-	-	-	-
After 8 years	-	-	-	-	-	-
After 9 years	-	-	-	-	-	-
After 10 years	-	-	-	-	-	-
Total	4,855	4,569	20,080	1,207	24,495	55,206
Paid	2,621	4,486	17,018	517	5,554	30,196
Net	2,234	83	3,062	690	18,941	30,196

National Insurance Company
(Public Limited Shareholding Company)
Notes to the Consolidated Financial Statements
For the year ended December 31, 2024
(Jordanian Dinars)

41- Risk Management (Continued)

Second: Quantitative Disclosures

2- Claims Development (Continued)

Life

Estimates of gross undiscounted maximum claims

	Earlier period	2021	2022	2023	2024	Total
As at the End of The Year	316,714	303,912	305,361	227,667	498,105	498,105
After 1 year	342,523	339,982	320,022	306,437	-	306,437
After 2 years	352,911	341,682	321,209	-	-	321,209
After 3 years	351,661	340,432	-	-	-	340,432
After 4 years	352,911	-	-	-	-	352,911
Total	352,911	340,432	321,209	306,437	498,105	1,819,094
Total accumulative claims paid	325,161	326,314	317,248	275,175	475,044	1,718,942
Discount effect	-	-	-	-	(586)	(586)
Net liabilities versus claims incurred	27,750	14,118	3,961	31,261	22,475	99,565

Estimates of total undiscounted maximum claims

	2020	2021	2022	2023	2024	Total
As in the End of The Year	10,158	9,747	15,498	38,559	48,748	122,711
After 1 year	10,986	10,904	16,243	51,900		90,032
After 2 years	11,319	10,959	16,303			38,580
After 3 years	11,279	10,919				22,197
After 4 years	11,319					11,319
Total	11,319	10,919	16,303	51,900	48,748	139,188
Paid	10,429	10,466	16,102	46,605	46,491	130,093
Net liabilities versus claims incurred	890	453	201	5,295	2,257	9,095

National Insurance Company
(Public Limited Shareholding Company)
Notes to the Consolidated Financial Statements
For the year ended December 31, 2024
(Jordanian Dinars)

41- Risk Management (Continued)

Second: Quantitative Disclosures

2- Claims Development (Continued)

Medical

Estimates of gross undiscounted maximum claims	Earlier period	2021	2022	2023	2024	Total
As at the end of the year	34,153,113	4,779,635	5,636,101	5,737,934	5,517,935	55,824,718
After 1 year	-	-	-	-	-	-
After 2 years	-	-	-	-	-	-
After 3 years	-	-	-	-	-	-
After 4 years	-	-	-	-	-	-
After 5 years	-	-	-	-	-	-
After 6 years	-	-	-	-	-	-
After 7 years	-	-	-	-	-	-
After 8 years	-	-	-	-	-	-
After 9 years	-	-	-	-	-	-
	-	-	-	-	-	-
Total accumulative claims paid	34,153,113	4,779,635	5,636,101	5,737,934	5,517,935	55,824,718
Discount effect	-	-	-	-	-	-
Total liabilities versus claims incurred	-	644,881	639,959	317,692	211,427	1,813,959

Estimates of total undiscounted maximum claims	2020	2021	2022	2023	2024	Total
As at the End of The Year	11,885,113	1,861,999	2,357,598	2,151,490	2,008,231	20,264,431
After 1 year	-	-	-	-	-	-
After 2 years	-	-	-	-	-	-
After 3 years	-	-	-	-	-	-
After 4 years	-	-	-	-	-	-
After 5 years	-	-	-	-	-	-
After 6 years	-	-	-	-	-	-
After 7 years	-	-	-	-	-	-
After 8 years	-	-	-	-	-	-
After 9 years	-	-	-	-	-	-
After 10 years	-	-	-	-	-	-
After 11 years	-	-	-	-	-	-
After 12 years	-	-	-	-	-	-
Net accumulative claims paid	11,885,113	1,861,999	2,357,598	2,151,490	2,008,231	20,264,431
Discount effect	-	-	-	-	-	-
Net liabilities versus claims incurred	-	215,274	271,059	127,077	84,595	698,005

National Insurance Company
(Public Limited Shareholding Company)
Notes to the Consolidated Financial Statements
For the year ended December 31, 2024
(Jordanian Dinars)

41- Risk Management (Continued)

Second: Quantitative Disclosures

2- Claims Development (Continued)

Third-party Insurance

Estimates of total undiscounted maximum claims	Earlier period	2021	2022	2023	2024	Total
As at the end of the year	3,087,984	3,692,574	5,115,230	6,698,782	7,248,066	7,248,066
After 1 year	4,166,828	5,093,022	6,800,115	8,886,860	-	8,886,860
After 2 years	4,389,685	5,510,818	7,308,107	-	-	7,308,107
After 3 years	4,593,048	5,618,507	-	-	-	5,618,507
After 4 years	4,570,121	-	-	-	-	4,570,121
After 5 years	-	-	-	-	-	-
After 6 years	-	-	-	-	-	-
After 7 years	-	-	-	-	-	-
After 8 years	-	-	-	-	-	-
After 9 years	-	-	-	-	-	-
After 10 years	-	-	-	-	-	-
Total	4,570,121	5,618,507	7,308,107	8,886,860	7,248,066	33,631,661
Total accumulative claims paid	4,509,243	5,467,418	6,978,987	8,149,141	5,073,241	30,178,030
Discount effect	-	-	-	-	(73,111)	(73,111)
Total liabilities versus claims incurred	60,878	151,089	329,120	737,719	2,101,714	3,380,520

Estimates of total undiscounted maximum claims	2020	2021	2022	2023	2024	Total
As in the End of The Year	2,665,348	3,187,192	4,271,167	5,937,515	6,568,805	22,630,027
After 1 year	3,596,537	4,395,968	5,678,030	7,876,934	-	21,547,469
After 2 years	3,788,893	4,756,582	6,102,199	-	-	14,647,674
After 3 years	3,964,422	4,849,533	-	-	-	8,813,955
After 4 years	3,944,633	-	-	-	-	3,944,633
After 5 years	-	-	-	-	-	-
After 6 years	-	-	-	-	-	-
After 7 years	-	-	-	-	-	-
After 8 years	-	-	-	-	-	-
After 9 years	-	-	-	-	-	-
After 10 years	-	-	-	-	-	-
Total	3,944,633	4,849,533	6,102,199	7,876,934	6,568,805	29,342,104
Paid	3,892,087	4,719,123	5,827,386	7,223,051	4,597,796	26,259,443
Net	52,546	130,410	274,813	653,883	1,971,009	26,259,443

National Insurance Company
(Public Limited Shareholding Company)
Notes to the Consolidated Financial Statements
For the year ended December 31, 2024
(Jordanian Dinars)

41- Risk Management (Continued)
Second: Quantitative Disclosures
2- Claims Development (Continued)

Comprehensive Insurance

Estimates of gross undiscounted maximum claims	Earlier period	2021	2022	2023	2024	Total
As at the end of the year	3,027,511	3,594,550	4,966,234	6,508,822	7,138,963	7,138,963
After 1 year	4,079,997	4,963,618	6,608,984	8,612,773	-	8,612,773
After 2 years	4,301,654	5,376,658	7,109,672	-	-	7,109,672
After 3 years	4,489,114	5,477,926	-	-	-	5,477,926
After 4 years	4,458,288	-	-	-	-	4,458,288
After 5 years	-	-	-	-	-	-
After 6 years	-	-	-	-	-	-
After 7 years	-	-	-	-	-	-
After 8 years	-	-	-	-	-	-
After 9 years	-	-	-	-	-	-
After 10 years	-	-	-	-	-	-
Total	4,458,288	5,477,926	7,109,672	8,612,773	7,138,963	32,797,622
Total accumulative claims paid	4,509,243	5,467,418	6,978,987	8,149,141	5,073,241	30,178,030
Discount effect	-	-	-	-	(73,111)	(73,111)
Total liabilities versus claims incurred	(50,955)	10,507	130,685	463,632	1,992,612	2,546,481

Estimates of total undiscounted maximum claims	2020	2021	2022	2023	2024	Total
As in the End of The Year	1,875,057	2,226,246	2,522,741	3,490,281	4,772,654	14,886,980
After 1 year	2,526,902	3,074,164	3,357,223	4,618,501	-	13,576,790
After 2 years	2,664,183	3,329,976	3,611,562	-	-	9,605,721
After 3 years	2,780,285	3,392,695	-	-	-	6,172,980
After 4 years	2,761,193	-	-	-	-	2,761,193
After 5 years	-	-	-	-	-	-
After 6 years	-	-	-	-	-	-
After 7 years	-	-	-	-	-	-
After 8 years	-	-	-	-	-	-
After 9 years	-	-	-	-	-	-
After 10 years	-	-	-	-	-	-
Total	2,761,193	3,392,695	3,611,562	4,618,501	4,772,654	19,156,605
Paid	3,892,087	4,719,123	5,827,386	7,223,051	4,597,796	26,259,443
Net	52,546	130,410	274,813	653,883	1,971,009	26,259,443

National Insurance Company
(Public Limited Shareholding Company)
Notes to the Consolidated Financial Statements
For the year ended December 31, 2024
(Jordanian Dinars)

41- Risk Management (Continued)

Second: Quantitative Disclosures

3. Concentration of insurance risks

The Company must disclose the concentration of insurance risks, including a description of how management determined this concentration and an explanation of the common characteristics of each concentration, such as the type of insured, geographic region, or currency.

	2024	2024	2023	2023
	Net	Grand Total	Net	Grand Total
Vehicles	17,660,926	19,610,276	16,361,531	18,642,405
Marine and transportation	66,788	965,153	25,236	217,007
Fire and Other Property Damage Insurance	89,396	2,676,279	216,354	1,928,096
Civil Liability	43,330	115,681	34,436	221,908
Medical	1,108,206	2,325,521	1,156,787	2,499,061
Life	137,124	256,692	84,928	175,854
Total	19,105,770	25,949,602	17,879,272	23,684,331

- Assets and liabilities are concentrated according to geographical and sectoral distribution as follows:

A- According to Geographical region

	2024				2023			
	Assets	Liabilities	Reinsurance assets	Reinsurance liabilities	Assets	Liabilities	Reinsurance assets	Reinsurance liabilities
Inside Kingdom	6,843,832	25,949,602	-	-	5,805,059	23,684,332	-	-
Middle eastern countries	-	-	2,527,513	-	-	-	1,554,335	-
Europe	-	-	3,533,724	255,267	-	-	2,173,120	124,421

National Insurance Company
(Public Limited Shareholding Company)
Notes to the Consolidated Financial Statements
For the year ended December 31, 2024
(Jordanian Dinars)

41- Risk Management (Continued)

Second: Quantitative Disclosures

3. Concentration of insurance risks (Continued)

B- By Sector

	2024			2023		
	Assets	Liabilities	Items outside financial position statement	Assets	Liabilities	Items outside financial position statement
Public sector	1,792,673	6,782,279	-	1,520,577	6,190,220	-
Private sector	-	-	-	-	-	-
Companies and Establishments	4,205,308	15,345,431	-	3,567,016	14,005,852	-
Individuals	845,851	3,821,892	-	717,466	3,488,260	-
Total	6,843,832	25,949,602	-	5,805,059	23,684,332	-

4. Reinsurance risks

As part of its normal business, the Company enters into reinsurance agreements with other parties. In order to reduce its exposure to significant losses as a result of the insolvency of reinsurance companies, the Company evaluates the financial position of the reinsurance companies with which it deals and monitors concentrations of credit risks resulting from geographic regions and activities or economic components similar to those companies. The reinsurance contracts issued do not relieve the Company of its obligations towards insurance policyholders, and as a result the Company remains committed to the balance of reinsured claims in the event that the reinsurers are unable to fulfill their obligations in accordance with the reinsurance contracts.

5. Insurance risk sensitivity

The company discloses the sensitivity of insurance risks and conducts sensitivity analysis showing how profit or loss and equity would be affected in the event of a change in a relevant risk variable as of the financial statement date.

The company adopted the One at a Time (OAT) approach to sensitivity analysis to determine its impact on the outcome. This approach is logical because any change observed in the outcome will undoubtedly be due to a change in a single factor. Furthermore, by changing one factor at a time, one can keep other factors constant in their central or base values. This increases the comparability of results.

There are no changes from the previous year in the methods and assumptions adopted by the company in its sensitivity analysis approach.

There are no provisions or conditions in the insurance contracts that have a material impact on the amount, timing, or uncertainty of the company's future cash flows.

Below is a table illustrating the potential reasonable impact of changes in underwriting premium rates on the income statement and equity, while keeping all other influencing variables constant.

National Insurance Company
(Public Limited Shareholding Company)
Notes to the Consolidated Financial Statements
For the year ended December 31, 2024
(Jordanian Dinars)

41- Risk Management (Continued)

Second: Quantitative Disclosures

5. Insurance risk sensitivity (Continued)

<u>2024</u>	Change ratio	Contractual	Contractual	Profit or loss		Impact on owners'	Impact on owners'
		service margin	service margin	Profit or loss	Profit or loss	equity	equity
		Total	Net	Total	Net	Total	Net
Death rate	5%	-	-	(26,643)	(6,661)	(26,643)	(6,661)
	-5%	-	-	26,643	6,661	26,643	6,661
Morbidity	5%	-	-	(851)	(145)	(581)	(145)
	-5%	-	-	851	145	581	145
Long life	5%	-	-	26,643	2,924	10,610	2,924
	-5%	-	-	26,643	(6,661)	(26,643)	(6,661)
Motor	5%	-	-	37,465	7,328	37,465	7,328
	-5%	-	-	(37,465)	(7,328)	(37,465)	(7,328)
Marine	5%	-	-	15,150	2,967	15,150	2,967
	-5%	-	-	(15,170)	(2,967)	(15,170)	(2,967)
fire	5%	-	-	3,983	779	3,983	779
	-5%	-	-	(3,983)	(779)	(3,983)	(779)
Liability	5%	-	-	1,582	309	1,582	309
	-5%	-	-	(1,582)	(309)	(1,582)	(309)
medical	5%	-	-	8,209	1,617	8,209	1,617
	-5%	-	-	(8,209)	(1,617)	(8,209)	(1,617)

National Insurance Company
(Public Limited Shareholding Company)
Notes to the Consolidated Financial Statements
For the year ended December 31, 2024
(Jordanian Dinars)

41- Risk Management (Continued)
Second: Quantitative Disclosures
5. Insurance risk sensitivity (Continued)

<u>2023</u>	Change ratio	Contractual	Contractual	Profit or loss	Profit or loss	Impact on owners'	Impact on owners'
		service margin	service margin			equity	equity
		Total	Net	Total	Net	Total	Net
Death rate	5%	-	-	(10,610)	(2,924)	(10,610)	(2,924)
	-5%	-	-	10,610	2,924	10,610	2,924
Morbidity	5%	-	-	(677)	(187)	(677)	(677)
	-5%	-	-	677	187	677	677
Long life	5%	-	-	10,610	2,924	10,610	2,924
	-5%	-	-	(10,610)	(2,924)	(10,610)	(2,924)
Expenses	5%	-	-	(2,541)	(2,541)	(2,541)	(2,541)
	-5%	-	-	2,541	2,541	2,541	2,541
Expiry rate	5%	-	-	(10,610)	(2,924)	(10,610)	(2,924)
	-5%	-	-	10,610	2,924	10,610	2,924
Gross loss rate	5%	-	-	(7,467)	(4,293)	(7,467)	(4,293)
	-5%	-	-	7,840	4,508	7,840	4,508
Motor	5%	-	-	6,855	1,782	6,855	1,782
	-5%	-	-	(6,855)	(1,782)	(6,855)	(1,782)
Marine	5%	-	-	12,962	3,370	12,962	3,370
	-5%	-	-	(12,962)	(3,370)	(12,962)	(3,370)
fire	5%	-	-	8,757	2,277	8,757	2,277
	-5%	-	-	(8,757)	(2,277)	(8,757)	(2,277)
Liability	5%	-	-	1,141	297	1,141	297
	-5%	-	-	(1,141)	(297)	(1,141)	(297)
medical	5%	-	-	15,210	3,954	15,210	3,954
	-5%	-	-	(15,210)	(3,954)	(15,210)	(3,954)

41- Risk Management (Continued)

Second: Quantitative Disclosures

5. Insurance risk sensitivity (Continued)

Financial risks

The risks to which the Company is exposed revolve around the possibility that the collection of premiums and the return on investments will be insufficient to finance the obligations arising from insurance contracts and investments.

The Company follows financial policies to manage various risks within a specific strategy. The Company's management is responsible for monitoring and controlling risks and making the optimal strategic distribution of both financial assets and financial liabilities. The risks include interest rates, credit risks, foreign exchange rate risks and market risks. The Company follows a financial hedging policy for both financial assets and financial liabilities whenever necessary, which is hedging related to expected future risks.

1- Market risk

It is the risk of fluctuation in the fair value or cash flows of financial instruments as a result of changes in market prices such as interest rates, currency rates, and stock prices. Market risks arise as a result of the presence of open positions in interest rates, currencies, and investments in stocks. These risks are monitored in accordance with specific policies and procedures and through specialized committees. And the relevant business centers. Market risks include interest rate risks, exchange rate risks, and the risks of changes in stock prices.

If the company does not use the value-at-risk approach to measure market risks, it must disclose, when conducting sensitivity analysis, each type of market risk separately (interest rate risk, foreign exchange risk, price risk), along with the impact on profits, losses, and equity resulting from reasonable changes in the variables affecting the size of the related risks.

A- Interest rate risk

Interest rate risk relates to interest rates on fixed deposits with banks and overdrafts. As of December 31, 2024 the interest rate on bank deposits is from 2.5% to 6.95% annually (from 3.5% to 6.9% annually: 2023).

The above-mentioned matters are general, and the Company's policy for managing these risks must be disclosed, provided that the disclosure includes, as a minimum, the following: -

- Risk mitigation.
- Balancing the maturity dates of assets with liabilities.
- Return gaps.

B- Foreign currency risks

Foreign Currency Risks arise from fluctuations in the value of financial instruments due to changes in foreign currency exchange rates. The majority of the group's assets and liabilities are denominated in either Jordanian Dinar or US Dollar. The exchange rate between the Jordanian Dinar and the US Dollar is fixed at a rate of %709 The likelihood of this risk is considered low.

Therefore, the group does not hedge against foreign currency risks for the following reasons:

- The exchange rate of the US Dollar remains stable between 0.708 and 0.710, both in buying and selling, as set by the Central Bank of Jordan.
- All accounts of the group with various entities, including reinsurers, are in Jordanian Dinar.
- There are no accounts in other foreign currencies, although the group continuously monitors currency exchange rate fluctuations.

Foreign currency risks involve changes in the value of financial instruments due to fluctuations in foreign exchange rates. The Jordanian Dinar is the group's base currency. The Board of Directors sets financial limits for each currency within the group. Foreign currency positions are monitored daily, and strategies are followed to ensure that foreign currency positions are within approved limits.

The management believes that foreign currency risks and their impact on Consolidated financial statements are immaterial.

National Insurance Company
(Public Limited Shareholding Company)
Notes to the Consolidated Financial Statements
For the year ended December 31, 2024
(Jordanian Dinars)

41- Risk Management (Continued)

Second: Quantitative Disclosures

5. Insurance risk sensitivity (Continued)

Financial risks (Continued)

The Company's net concentration of major foreign currencies is as follows:

Currency Type	In Foreign currency		Equivalent to Jordanian Dinars	
	2024	2023	2024	2023
US Dollar	11,755,735	10,501,928	8,346,572	7,456,369

C- Stock Price Risks

Stock price risks arise from changes in the fair value of stock. The company manages these risks by diversifying its investments across multiple geographical regions and economic sectors.

The company also links deposits for a one-year term with a fixed interest rate to avoid risks associated with interest rate fluctuations. This is done by monitoring changes in market interest rates, balancing the total maturity of assets and liabilities, and periodically monitoring yield gaps.

2- Credit Risk

These are the risks that may result from the failure of one party to the financial department to fulfill an obligation and cause the other party to bear a financial loss.

3- Liquidity Risk

The management follows an appropriate system for managing risks related to both short-term and long-term financing. This is achieved by maintaining adequate reserves, actively monitoring expected cash flows, and comparing the maturity of assets on one hand with financial liabilities and technical obligations on the other.

Liquidity risk refers to the group's inability to secure the necessary funding to meet its obligations as they become due. To mitigate this risk, management diversifies funding sources, manages assets and liabilities by aligning their maturities, and maintains a sufficient balance of cash, cash equivalents, and marketable securities.

	Less than one month	From 1 to 3 months	From 3 to 6 months	From 6 to 12 months	More than one year	Total
December 31, 2024						
Insurance liabilities	2,592,769	6,063,404	5,205,953	3,470,635	3,082,741	20,415,501
Reinsurance contract liabilities	5,747	13,402	11,487	7,658	216,973	255,267
Accrued expenses	63,075	-	-	-	-	63,075
Income tax provision	85,832	-	128,748	-	-	214,580
Different Provisions	55,136	-	-	-	-	55,136
Other Liabilities	550,641	-	-	-	-	550,641
Total insurance liabilities	3,353,200	6,076,805	5,346,188	3,478,293	3,299,714	21,554,200
Total insurance assets	2,170,749	1,135,468	2,838,671	4,040,932	23,210,311	33,396,131
December 31, 2023						
Insurance liabilities	2,254,287	5,289,586	4,526,323	3,017,549	2,662,543	17,750,288
Reinsurance contract liabilities	2,986	6,470	5,475	3,733	105,758	124,421
Income tax provision	158,152	-	237,227	-	-	395,379
Accrued expenses	135,809	-	-	-	-	135,809
Different Provisions	44,715	-	-	-	-	44,715
Other Liabilities	875,360	-	-	-	-	875,360
Total insurance liabilities	3,471,309	5,296,056	4,769,025	3,021,282	2,768,302	19,325,972

National Insurance Company
(Public Limited Shareholding Company)
Notes to the Consolidated Financial Statements
For the year ended December 31, 2024
(Jordanian Dinars)

41- Risk Management (Continued)

Second: Quantitative Disclosures

5. Insurance risk sensitivity (Continued)

4- Operational Risk

These are the risks resulting from systems failure or could result from any intentional or unintentional human error.

These risks can affect the Company's reputation, as they can lead to financial loss. Such dangers can be avoided by separating duties and establishing the necessary procedures to obtain any information from the systems used in the Company, and through educating and training group staff.

5- Legal Risk

This type of danger results from legal claims against the Group. To avoid these dangers, the Group has established an independent legal department to follow up on the Company's work in accordance with the law regulating insurance business and the instructions of the Insurance Authority.

42 - Analysis Of Main Sectors

• **Information about the group's business sectors**

For administrative purposes, the Company has been organized to include two business sectors, the general insurance sector, which includes (Vehicles insurance, Marine insurance, Transportation, Fire and other damage to property, medical insurance and other branches) and the life insurance sector, which includes (Individual and group insurance) These two segments form the basis that the Company uses to show information regarding its major segments. The above two segments also include investments and cash management for the Company's own account. Transactions between business segments are carried out on the basis of estimated market prices and on the same terms as those dealt with other parties.

• **Geographic distribution information:**

This clarification represents the geographical distribution of the group's operations. The group primarily operates in the local market, which represents domestic activities, and also conducts international activities through its branches in the Middle East, Europe, Asia, America, and the Middle East, where transactions are carried out with third parties.

Below is the distribution of the group's revenues, assets, and capital expenditures by geographical sector:

Particulars	Inside Kingdom		Outside Kingdom		Total	
	2024	2023	2024	2023	2024	2023
Total revenues	28,209,433	26,278,769	-	-	28,209,433	26,278,769
Total assets	27,334,894	26,722,863	6,061,237	3,727,455	33,396,131	30,450,318
Capital expenditures	17,824	19,92	-	-	17,824	19,925

43 – Share Capital Management

Capital management objectives in managing its capital are as follows:

- Compliance with the minimum capital requirements set forth by the Insurance Regulation Law.
- Ensuring the company's continuity, thereby providing the group with the ability to offer shareholders appropriate returns on their capital.
- Providing adequate returns to shareholders through pricing insurance contracts commensurate with the risks associated with those contracts.
- Adherence to the insurance management instructions regarding solvency margins.

National Insurance Company
(Public Limited Shareholding Company)
Notes to the Consolidated Financial Statements
For the year ended December 31, 2024
(Jordanian Dinars)

43 – Share Capital Management (continued)

The table below shows a summary of the group retained capital and the minimum required capital:

	2024	2023
Paid-up capital	8,000,000	8,000,000
The minimum capital requirement under the Insurance Business Regulation Law	8,000,000	8,000,000
	2024	2023
Core Items of Share Capital:		
Paid-up capital	8,000,000	8,000,000
Statuary reserve	1,978,155	1,894,515
Voluntary reserve	800,000	800,000
Retained earnings	2,427,374	1,875,681
Total basic capital	13,205,529	12,570,196
	2024	2023
Additional Share Capital		
Accumulated Change in Fair Value	(186,630)	(113,659)
Increase in Property Investments	704,768	544,386
Total Additional Capital	518,138	430,727
	2024	2023
Total Regulatory Capital (A)	13,723,667	13,000,923
Total Required Capital (B)	8,272,366	8,513,222
Solvency Margin Ratio A/B	166%	%153

National Insurance Company
(Public Limited Shareholding Company)
Notes to the Consolidated Financial Statements
For the year ended December 31, 2024
(Jordanian Dinars)

44 - Maturity Analysis of Current and Non-Current Assets and Liabilities

<u>December 31, 2024</u>	<u>Up to one year</u>	<u>More than one year</u>	<u>Total</u>
Assets:			
Deposits with banks	12,200,907	-	12,200,907
Financial assets at fair value through other comprehensive income	-	4,375,246	4,375,246
Financial assets at amortized cost	-	8,329,072	8,329,072
Investment property	-	395,540	395,540
Cash on hand and at banks	-	208,729	208,729
Insurance Contract assets	17,251	-	17,251
Reinsurance assets held	5,455,113	606,124	6,061,237
Deferred tax assets	-	861,807	861,807
Property and equipment, Net	-	531,440	531,440
Intangible assets, Net	-	141,631	141,631
Other assets	-	273,271	273,271
	<u>17,673,271</u>	<u>15,722,860</u>	<u>33,396,131</u>
Liabilities:			
Insurance Liabilities	11,228,526	9,186,975	20,415,501
Reinsurance contract liabilities	140,397	114,870	255,267
Accrued expenses	63,075	-	63,075
Income tax payable	214,580	-	214,580
Different provisions	55,136	-	55,136
Other liabilities	550,641	-	550,641
	<u>12,252,355</u>	<u>9,301,845</u>	<u>21,554,200</u>
Net	<u>5,420,917</u>	<u>6,421,014</u>	<u>11,841,931</u>

National Insurance Company
(Public Limited Shareholding Company)
Notes to the Consolidated Financial Statements
For the year ended December 31, 2024
(Jordanian Dinars)

44 - Maturity Analysis of Current and Non-Current Assets and Liabilities (Continued)

December 31, 2023	Up to one year	More than one year	Total
Assets:			
Deposits with banks	12,005,003	-	12,005,003
Financial assets at fair value through other comprehensive income	-	4,349,319	4,349,319
Financial assets at amortized cost	-	7,456,369	7,456,369
Investment property	-	413,147	413,147
Cash on hand and at banks	-	108,617	108,617
Insurance Contract assets	487,956		487,956
Reinsurance assets held	3,354,710	372,746	3,727,455
Deferred tax assets	-	726,928	726,928
Property and equipment, Net	-	535,452	535,452
Intangible assets, Net	-	154,009	154,009
Other assets	-	486,062	486,063
	<u>15,847,669</u>	<u>14,602,649</u>	<u>30,450,318</u>
Liabilities:			
Insurance Contract Liabilities	9,762,658	7,987,630	17,750,288
Reinsurance contract liabilities	68,432	55,989	124,421
Accrued expenses	135,809	-	135,809
Income tax payable	395,379	-	395,379
Other provisions	44,715	-	44,715
Other liabilities	875,360	-	875,360
	<u>11,282,353</u>	<u>8,043,619</u>	<u>19,325,972</u>
The Net	<u>4,565,316</u>	<u>6,559,030</u>	<u>11,124,346</u>

45- Cases Filed Against the Company

The Group appears as a defendant in cases with a total amount of 2,742,038 JD, and in the view of the Group's management, sufficient provisions have been taken Amounted At 2,742,038 JD to meet any obligations related to these cases. According to the Group's legal advisor, the provisions taken are sufficient to cover the liabilities related to these lawsuits as of December 31, 2024.

46 - Obligations That May Arise

As of the date of the financial statements, the Group may incur contingent liabilities represented by bank guarantees amounting to 1,459,908JD as of December 31, 2024 Against an amount of 1,281,107 JD as of December 31, 2023.

47 - Subsequent Events

There are no subsequent events that have a material impact on the Group's financial results or its continuity.

48 - Comparative Figures

Some comparative figures for the year 2023 have been reclassified to align with the classification figures for the year 2024.

National Insurance Company
(Public Limited Shareholding Company)
Notes to the Consolidated Financial statements
For the year ended December 31, 2024
(Jordanian Dinars)

49- Distribution of the Financial Data According to Type of Products

1- Financial position items

	<u>Vehicles</u>	<u>Public liabilities</u>	<u>Marine</u>	<u>Engineering</u>	<u>Property and equipment</u>	<u>Fire</u>	<u>life</u>	<u>Medical insurance</u>	<u>Other</u>	<u>Total</u>
2024										
Insurance contracts assets	-	-		17,251	-		338,737	349,233	-	17,251
Reinsurance contracts	1,659,685	131,134	1,045,414	8,013	-	2,529,021	-	-	-	6,061,237
Accounts receivables	-	-	-	-	-	-	-	-	-	-
Financial assets	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-	-
Total assets	1,659,685	131,134	1,045,414	25,264	-	2,529,021	338,737	349,233	-	6,078,488
Insurance contracts liabilities	(16,778,271)	(183,307)	(755,596)	(20,095)	-	(1,934,187)	(342,533)	(401,512)	-	(20,415,501)
Reinsurance contracts liabilities	(167,912)	(10,077)	-	(77,278)	-	-	-	-	-	(255,267)
Accounts payable	-	-	-	-	-	-	-	-	-	-
Other provisions	-	-	-	-	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-	-	-	-	-
Total liabilities	(16,946,183)	(193,384)	(755,596)	(97,373)	-	(1,934,187)	(342,533)	(401,512)	-	(20,670,768)

National Insurance Company
(Public Limited Shareholding Company)
Notes to the Consolidated Financial Statements
For the year ended December 31, 2024
(Jordanian Dinars)

49-Distribution of The Financial Data According to Type of Products (continued)

1- Financial position items (continued)

	<u>Vehicles</u>	<u>Public liabilities</u>	<u>Marine</u>	<u>Engineering</u>	<u>Property and equipment</u>	<u>Fire</u>	<u>life</u>	<u>Medical insurance</u>	<u>Other</u>	<u>Total</u>
<u>2023</u>										
Insurance contracts assets	-	-	950	-	-	-	1,830	485,176	-	487,956
Reinsurance contracts	1,353,809	264,229	288,086	39,601	-	1,242,440	121,364	417,926	-	3,727,455
Accounts receivables	-	-	-	-	-	-	-	-	-	-
Financial assets	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-	-
Total assets	<u>1,353,809</u>	<u>264,229</u>	<u>289,036</u>	<u>39,601</u>	<u>-</u>	<u>1,242,440</u>	<u>123,194</u>	<u>903,102</u>	<u>-</u>	<u>4,215,411</u>
Insurance contracts liabilities	15,745,751	533,856	174,867	125,978	-	1,044,704	125,132	-	-	17,750,288
Reinsurance contracts liabilities	-	-	57,060	67,361	-	-	-	-	-	124,421
Accounts payable	-	-	-	-	-	-	-	-	-	-
Other provisions	-	-	-	-	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-	-	-	-	-
Total liabilities	<u>15,745,751</u>	<u>533,856</u>	<u>231,927</u>	<u>193,339</u>	<u>-</u>	<u>1,044,704</u>	<u>125,132</u>	<u>-</u>	<u>-</u>	<u>17,874,709</u>

National Insurance Company
(Public Limited Shareholding Company)
Notes to the Consolidated Financial Statements
For the year ended December 31, 2024
(Jordanian Dinars)

49- Distribution of the Financial Data According to Type of Products

2- Income statement items

2024	Vehicles	Public liabilities	Marine	Engineering	Property and equipment	Fire	life	Medical insurance	Total
Insurance contracts revenues	16,832,907	311,122	1,132,560	202,780	-	2,468,328	430,665	6,831,071	28,209,433
Insurance contracts expenses	(16,239,755)	170,802	(1,035,286)	(317,772)	-	(2,026,979)	(719,957)	(6,420,284)	(26,589,231)
Insurance contracts Operation results	593,152	481,924	97,274	(114,992)	-	441,349	(289,292)	410,787	1,620,202
Reinsurance contracts expenses	(1,133,872)	(172,370)	(642,935)	(139,109)	-	(2,167,571)	(229,867)	(3,416,120)	(7,901,844)
Reinsurance contracts revenues	(109,275)	(215,914)	819,385	252,681	-	1,673,044	486,805	3,379,254	6,285,980
Reinsurance contracts Operation results	(1,243,147)	(388,284)	176,450	113,572	-	(494,527)	256,938	(36,866)	(1,615,864)
Net insurance contracts results	(649,995)	93,640	273,724	(1,420)	-	(53,178)	(32,354)	373,921	4,338
Finance (expenses)/revenues- Insurance contracts	(229,210)	(15,298)	(33,213)	(1,550)	-	(81,346)	(8,796)	(9,942)	(379,355)
Finance (expenses)/revenues- Reinsurance contracts	39,442	13,037	31,727	1,372	-	76,997	4,258	2,113	168,946
Net insurance finance operations results	(189,768)	(2,261)	(1,486)	(178)	-	(4,349)	(4,538)	(7,829)	(210,409)
Credit Interest	-	-	-	-	-	-	-	-	1,198,440
Net profit/(loss) of financial assets and investments	-	-	-	-	-	-	-	-	276,661
Other revenues	-	-	-	-	-	-	-	-	6,163
Total revenues	-	-	-	-	-	-	-	-	1,481,264
Expected credit loss provision	-	-	-	-	-	-	-	-	-
Company's share from operations results of subsidiaries/Separate entities	-	-	-	-	-	-	-	-	-
Company's share from operations results of associates	-	-	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-	-	283,563
Total expenses	-	-	-	-	-	-	-	-	283,563

National Insurance Company
(Public Limited Shareholding Company)
Notes to the Consolidated Financial Statements
For the year ended December 31, 2024
(Jordanian Dinars)

49- Distribution of the Financial Data According to Type of Products (continued)

2- Income statement items (continued)

2023	Vehicles	Public liabilities	Marine	Engineering	Property and equipment	Fire	life	Medical insurance	Total
Insurance contracts revenues	14,991,855	201,639	918,928	155,913	-	3,279,521	433,601	6,297,312	26,278,769
Insurance contracts expenses	(13,453,340)	(111,023)	(304,328)	(28,163)	-	(185,318)	(344,007)	(6,444,386)	(20,870,565)
Insurance contracts Operation results	1,538,515	90,616	614,600	127,750	-	3,094,203	89,594	(147,074)	5,408,204
Reinsurance contracts expenses	(1,331,416)	(177,060)	(562,366)	(95,311)	-	(287,201)	(165,611)	(2,948,708)	(8,150,673)
Reinsurance contracts revenues	448,646	42,571	7,647	5,950	-	(156,140)	150,006	3,364,757	3,863,437
Reinsurance contracts Operation results	(882,770)	(134,489)	(554,719)	(89,361)	-	(3,026,341)	15,605	416,049	(4,287,236)
Net insurance contracts results	655,744	(43,873)	59,881	38,389	-	67,862	73,989	268,975	1,120,968
Finance (expenses)/revenues- Insurance contracts	(238,789)	(13,938)	(6,547)	(1,084)	-	(46,786)	(6,996)	(8,136)	(322,276)
Finance (expenses)/revenues- Reinsurance contracts	19,375	11,393	5,364	617	-	39,326	4,334	1,679	82,088
Net insurance finance operations results	(219,414)	(2,545)	(1,183)	(467)	-	(7,460)	(2,662)	(6,457)	(240,188)
Credit Interest	-	-	-	-	-	-	-	-	1,004,451
Net profit/(loss) of financial assets and investments	-	-	-	-	-	-	-	-	290,339
Other revenues	-	-	-	-	-	-	-	-	3,495
Total revenues	-	-	-	-	-	-	-	-	1,298,285
Expected credit loss provision	-	-	-	-	-	-	-	-	185,000
Company's share from operations results of subsidiaries/ Separate entities	-	-	-	-	-	-	-	-	-
Company's share from operations results of associates	-	-	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-	-	238,205
Total expenses	-	-	-	-	-	-	-	-	423,205

National Insurance Company
(Public Limited Shareholding Company)
Notes to the Consolidated Financial Statements
For the year ended December 31, 2024
(Jordanian Dinars)

50- Written Premiums - Insurance Branch

	Vehicles		Public liabilities		Marine		Engineering		Fire		life		Medical insurance		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Written premiums																
Direct premiums																
Received	15,083,074	13,693,554	99,110	141,243	1,000,073	770,504	114,745	140,421	2,213,938	2,015,145	381,019	371,651	6,574,421	6,644,888	25,466,380	23,777,406
installments	1,745,506	1,564,985	65,480	100	152,253	122,813	-	25,784	-	959,673	46,491	48,733	-	-	2,009,730	2,722,088
Total premiums																
Written	16,828,580	15,258,539	164,590	141,343	1,152,326	893,317	114,745	166,205	2,213,938	2,974,818	427,510	420,384	6,574,421	6,644,888	27,476,110	26,499,494
Less:																
Local reinsurer share	752,105	803,270	-	-	79,676	101,301	-	1,546	31,044	276,434	-	-	-	-	862,825	1,182,551
Foreign reinsurer share	246,240	222,127	77,265	117,043	837,128	566,405	104,574	142,940	2,105,757	2,406,678	240,511	232,726	3,391,089	3,601,835	7,006,564	7,289,754
Net written premiums	15,830,235	14,233,142	87,325	24,300	235,522	225,611	10,171	21,719	77,137	291,706	186,999	187,658	3,183,332	3,043,053	19,610,721	18,027,189

National Insurance Company
(Public Limited Shareholding Company)
Notes to the Consolidated Financial Statements
For the year ended December 31, 2024
(Jordanian Dinars)

51. Amortization Of Acquisition Cost for Insurance Contract Assets

		Insurance contracts issued							
		Vehicles	Liability	Marine	Engineering	Fire	Life	Medical insurance	Total
<u>2024</u>									
No. of expected years to amortize acquisition cost to insurance contracts assets									
1 year		1,268,911	40,127	94,390	19,290	271,560	35,574	323,698	2,053,550
Total		1,268,911	40,127	94,390	19,290	271,560	35,574	323,698	2,053,550
		Insurance contracts issued							
		Vehicles	Liability	Marine	Engineering	Fire	Life	Medical insurance	Total
<u>2023</u>									
No. of expected years to amortize acquisition cost to insurance contracts assets									
1 year		961,628	49,177	142,409	19,348	256,496	36,862	401,138	1,867,058
Total		961,628	49,177	142,409	19,348	256,496	36,862	401,138	1,867,058

National Insurance Company
(Public Limited Shareholding Company)
Notes to the Consolidated Financial Statements
For the year ended December 31, 2024
(Jordanian Dinars)

52- Receivables Analysis

	2024			2023		
	Receivables	Expected credit losses provision	Net	Receivables	Expected credit losses provision	Net
Vehicles	3,809,100	(699,707)	3,109,393	3,465,790	(699,707)	2,766,083
General liability	71,532	(248)	71,284	1,265	(248)	1,017
Marine	413,372	(16,161)	397,211	82,282	(16,161)	66,121
Engineering	56,283	(1,098)	55,185	5,593	(1,098)	4,495
Fire	1,227,005	(181,183)	1,045,822	903,587	(181,183)	722,404
Life	181,548	(29,330)	152,218	106,375	(29,330)	77,045
Medical insurance	2,660,387	(624,588)	2,035,799	3,161,870	(624,588)	2,537,282
Other	-	-	-	143,140	-	143,140
Total	8,419,227	(1,522,315)	6,866,912	7,869,902	(1,522,315)	6,317,587