Jordan French Insurance Company

(Public Limited Shareholding Company)

Amman – The Hashemite Kingdom of Jordan

Interim Condensed Financial Statements (Unaudited) and the Independent Auditor's Report

for the nine months period ended September 30, 2023

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(Public Limited Shareholding Company)
Amman-Hashemite kingdom of Jordan
Interim Condensed Financial Statements (Unaudited)
For the nine months period ended September 30, 2023

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Independent Auditor's Report

To, The Shareholders
Jordan French Insurance Company
(Public Limited Shareholding Company)
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Introduction

We have reviewed the accompanying interim condensed statement of financial position of **Jordan French Insurance Company ("the Company")** as of September 30, 2023 and the related interim condensed statements of profit or loss, other comprehensive income, changes in shareholders' equity, and cash flows for the nine months period then ended and a summary of significant accounting policies and other explanatory notes.

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

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial statements for the period ended September 30, 2023 are not prepared in all material respects, in accordance with IAS (34) "Interim Financial Reporting" as endorsed in the Hashemite Kingdom of Jordan.

Date: October 30, 2023

Hassan Othman and Partner Company
(Independent Member of Moore Global)

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Hassan Amin Othman
(License No. 674)

Jordan French Insurance Company
(Public Limited Shareholding Company)
Interim Condensed Statements of financial position (Unaudited)
As of September 30, 2023
(Jordanian Dinars)

	Note	September 30,2023 (Unaudited)	December31,2022 (Audited) (Adjusted)	January 01,2022 (Audited) (Adjusted)
Assets				
Deposits at banks-net	6	**10,815,553**	8,146,137	7,052,055
Financial assets at fair value through profit or loss	7	**306,419**	225,075	93,837
Financial assets at fair value through other comprehensive income	8	**2,261,759**	2,217,624	1,987,979
Financial assets at amortized cost	9	**75,000**	75,000	75,000
Investments in associates	10	**570,067**	666,629	678,099
Investment properties	11	**2,345,768**	2,354,180	2,365,398
Right of use assets		**3,638**	14,553	29,107
Total investments		**16,378,204**	13,699,198	12,281,475
Cash on hands and at banks	12	**2,330,862**	2,590,371	1,289,928
Reinsurance contract assets, net	13	**3,298,613**	4,413,714	5,894,472
Deferred tax assets	15	**1,998,469**	1,754,689	1,576,790
Property and equipment, net		**1,308,265**	1,318,019	1,312,021
Intangible assets-net		**9,142**	197	320
Other assets		**288,604**	303,170	557,339
Total Assets		**25,612,159**	24,079,358	22,912,345
Liabilities and Shareholders' Equity				
Liabilities				
Insurance contract liabilities	14	**8,878,802**	8,349,602	4,329,268
Total insurance contract liabilities		**8,878,802**	8,349,602	4,329,268
Banks facilities		-	307,095	1,303,509
Accounts payable		**4,216,535**	4,132,302	4,516,361
End of service provision		-	-	47,870
Lease liabilities		**21,100**	27,577	40,071
Income tax provision	15	**119,852**	-	298,274
Deferred tax liabilities	15	**48,795**	46,535	40,074
Other liabilities		**335,562**	245,370	185,235
Total liabilities		**13,620,646**	13,108,481	10,760,662
Owner Equity				
Authorized and paid share capital	16	**9,100,000**	9,100,000	9,100,000
Statutory reserve	17	**2,275,000**	2,275,000	2,275,000
Fair value reserve		**241,676**	194,691	(13,182)
Retained earnings (Accumulated loss)		**374,837**	(598,814)	789,865
Total Shareholder's Equity		**11,991,513**	10,970,877	12,151,683
Total Liabilities and Shareholders' Equity		**25,612,159**	24,079,358	22,912,345

The accompanying notes from 1 to 27 are integral part of these interim condensed financial statements

Jordan French Insurance Company
(Public Limited Shareholding Company)
Interim Condensed Statements of Profit or Loss (Unaudited)
For the nine months period ended September 30, 2023
(Jordanian Dinars)

	Note	For the nine months period from January 1 to September 30 2023	2022
Revenues:			
Insurance contract revenue	20	**31,065,009**	26,123,289
Insurance contract expenses	21	**(27,496,138)**	(25,212,321)
Insurance contracts service result		**3,568,871**	910,968
Reinsurance contracts Results		**(2,342,013)**	(3,437,678)
Reinsurance contracts Recoveries		**596,829**	2,075,009
Reinsurance contracts results		**(1,745,184)**	(1,362,669)
Net insurance business results		**1,823,687**	(451,701)
Financing (expenses)– insurance contract	22	**(741,034)**	(395,763)
Financing income – reinsurance contract	23	**96,381**	116,185
Net results of financing insurance business		**(644,653)**	(279,578)
Interest income		**330,088**	176,843
Company's share of results from investments in associates		**(96,562)**	(8,160)
Net income from financial assets and investments	24	**166,706**	127,973
Other revenues		**11,647**	68,273
Total revenues		**411,879**	364,929
Unallocated administrative and general expenses		**(526,963)**	(557,537)
Net profit / (loss) for the period before tax		**1,063,950**	(923,887)
Income tax expense		**(312,672)**	(435)
Amortization/ (recognition) of deferred tax assets		**222,373**	252,163
Profit for the period after tax		**973,651**	(672,159)
Earnings/ (loss) per share	25	**0.107**	(000.074)

The accompanying notes from 1 to 27 are integral part of these interim condensed financial statements

Jordan French Insurance Company
(Public Limited Shareholding Company)
Interim Condensed Statement of Comprehensive Income (Unaudited)
For the nine months period ended September 30, 2023
(Jordanian Dinars)

		For the nine months period from January 1 to September 30	
	Note	**2023**	**2022**
Profit/ (loss) for the period		**973,651**	(672,159)
Add: Other comprehensive income items			
Change in fair value reserve	26	**46,985**	113,320
Total comprehensive income/ (loss) for the period		**1,020,636**	(558,839)

The accompanying notes from 1 to 27 are an integral part of these interim condensed financial statements

Jordan French Insurance Company
(Public Limited Shareholding Company)
Interim Condensed Statement of Changes in Shareholders' Equity (Unaudited)
For the nine months period ended September 30, 2023
(Jordanian Dinars)

	Paid- up Capital	Statutory Reserve	Fair Value Reserve	Retained Earnings	Total
For the nine-month period ended September 30, 2023					
Balance as of December 31, 2022 (audited)- before adjustments	9,100,000	2,275,000	**194,691**	**554,844**	**12,124,535**
The impact of the application of IFRS 17	-	-	-	**(1,153,658)**	**(1,153,658)**
Balance as of December 31, 2022 (After adjustment)	**9,100,000**	**2,275,000**	**194,691**	**(598,814)**	**10,970,877**
Total comprehensive income for the period	-	-	**46,985**	**973,651**	**1,020,636**
Balance as of September 30, 2023 (unaudited)	**9,100,000**	**2,275,000**	**241,676**	**374,837**	**11,991,513**
For the nine -months period ended September 30, 2022					
Balance as of January 1, 2021 (Audited) - before adjustments	9,100,000	2,275,000	(13,182)	1,584,445	12,946,263
The impact of the application of IFRS 17.	-	-	-	(794,580)	(794,580)
Balance as of January 1, 2022 (After adjustment)	9,100,000	2,275,000	(13,182)	789,865	12,151,683
Total comprehensive income for the period	-	-	113,320	(672,159)	(558,839)
Balance as of September 30, 2022 (unaudited)	9,100,000	2,275,000	100,138	117,706	11,592,844

The accompanying notes from 1 to 27 are an integral part of these interim condensed financial statements

Jordan French Insurance Company
(Public Limited Shareholding Company)
Interim Condensed Statement of Cash Flows (Unaudited)
For the nine months period ended September 30, 2023
(Jordanian Dinars)

	September 30, 2023 (Unaudited)	September 30, 2022 (Unaudited)
Cash flow from Operating Activities		
Net (loss)/ Profit for the period before tax	**1,063,950**	(923,887)
Adjustment for non-cash items		
Depreciation of investment properties	**8,412**	8,412
Depreciation of property and equipment	**44,739**	41,841
Amortization of intangible assets	**1,986**	240
Depreciation of right of use assets	**10,916**	10,916
Lease liabilities' interest	**810**	1,559
Interest income from financial assets at amortized cost	**(6,188)**	(6,188)
Gains on financial assets at fair value through profit or loss	**(81,344)**	(53,130)
Interest income	**(330,088)**	(176,843)
Gain on sale of property and equipment	**-**	(60,416)
Interest expense	**9,556**	51,556
Company's share from the associate income	**96,562**	8,160
Dividends income	**(47,035)**	(42,286)
Cash flows from operating activities before changes in working capital	**772,276**	(1,140,066)
Reinsurance contract assets, Net	**1,215,101**	521,166
Insurance contract liabilities	**529,200**	3,254,197
Accounts payable	**84,233**	(510,293)
Other assets	**120,706**	(120,257)
Other liabilities	**90,192**	131,199
Paid for end of service provision	**-**	(47,870)
Net cash flows provided from operating activities before tax	**2,811,708**	2,088,076
Income tax paid	**(192,821)**	(298,709)
Net cash flows used provided from operating activities	**2,618,887**	1,789,367
Cash flow from Investing Activities		
Interest received - financial asset at amortized cost	**6,188**	6,188
Bank deposits (mature after 3 months)	**(6,832,732)**	(3,676,571)
Purchasing property plant and equipment's	**(45,916)**	(104,305)
Dividends income received	**47,035**	42,286
Interest income received	**330,088**	176,843
Proceeds from sale of financial assets at fair value through other comprehensive income	**83,848**	-
Proceeds from Purchase of property and equipment	**-**	112,751
Net cash flows used in investing activities	**(6,411,489)**	(3,442,808)
Cash flow from financing activities		
Lease liabilities payment	**(6,477)**	(7,286)
Net change in bank overdraft	**(307,095)**	-
Paid interest expense	**(9,556)**	(51,556)
Net cash flows used in financing activities	**(323,128)**	(58,842)
Net cash and cash equivalent used during the period	**(4,115,730)**	(1,712,283)
Cash and cash equivalents at beginning of the period	**7,299,667**	3,978,742
Cash and cash equivalents at the end of the period	**3,183,937**	2,266,459

The accompanying notes from 1 to 27 are an integral part of these interim condensed financial statements

1- Legal Status and Activities

Jordan French Insurance Company was established in 1976, and it was registered as a public shareholding company limited by No. (101), and its headquarters is in Shmeisani - Amman, the Hashemite Kingdom of Jordan, P.O. P.O. Box 3272 Amman 11181 - Jordan, with an authorized and paid-up capital of 9,100,000 JD, divided into 9,100,000 shares, with a nominal value of one dinar per share.

The company offers all life and general insurance business (marine, transportation, motor, fire and other property damage, liability insurance, medical insurance, personal accident insurance and aviation insurance).

The condensed interim financial statements were approved by the Audit Committee on October 30, 2023

2-Basis of Preparation:

The interim condensed financial statements of the company have been prepared in accordance with the International Financial Reporting Standards (IFRS) and applicable local laws, as well as in accordance with the forms provided by the Central Bank of Jordan.

The financial statements have been prepared on a historical cost basis, except for financial assets measured at fair value, as disclosed in the statement of profit or loss or other comprehensive income, which details are provided in their respective accounting policies."

The Jordanian Dinar is the currency of showing the interim condensed financial statements, which represents the main currency of the company.

The most important accounting policies followed in preparing the interim condensed financial statements, as disclosed in Note (5), have been consistently applied for all the years presented unless stated otherwise
The preparation of interim condensed financial statements in accordance with International Financial Reporting Standards (IFRS) requires the use of significant and specific accounting estimates. It also requires management to apply its own estimates in the implementation of the company's accounting policies. The items where significant estimates have been used have been disclosed in Note 4.

The brief interim financial statements do not include all the information and clarifications required in the annual financial statements prepared in accordance with international financial reporting standards, and must be read with the company's financial statements as of December 31, 2022. Also, the business results for the nine months ending on September 30, 2023 do not necessarily represent an indicator. On the expected results for the year ending on December 31, 2023.

3- Changes in Accounting Policies

New standards, interpretations, and amendments effective from January 1, 2023

The company applied International Financial Reporting Standard No. 17 "Insurance Contracts", where it evaluated the impact of applying the standard and identified the gap between the previous situation and the requirements of the standard and prepared a risk assessment system through actuarial statistical models for various insurance contracts in addition to updating information technology systems to ensure the availability of all databases Necessary for applying actuarial models and preparing systems for estimating future cash flows for contracts, and determining the present value of money, in addition to updating accounting policies and procedures and updating other operational policies and procedures, which had an impact on the financial statements. The requirements of the standard as shown in the applied policies in Note No. (3).

The transitional provisions for applying the standard retrospectively require the company to follow one of the following approaches (full retrospective/modified retrospective/fair value) recognizing the cumulative effect of applying the standard as an adjustment to the opening balance of retained earnings (or other component of equity, if applicable) at the beginning of the year.

The effect of adopting the standard and amendment on the opening balance of retained earnings is disclosed in the statement of changes in shareholders' equity.

The impact of the application is also disclosed, in addition to a summary of restatement items in the financial statements for the year ending as of December 31, 2023, in Note No. 3.

3- Changes in accounting policies (continued)

New standards, interpretations, and amendments effective from January 1, 2023

- Disclosure of accounting policies Classification of current and non-current liabilities (amendments to IAS (1) "Presentation of Financial Statements").
- Disclosure of accounting policies (amendments to IAS 1) "Presentation of Financial Statements" and Statement of Practice 2 of International Financial Reporting (Standards).
- Definition of accounting estimates (Amendments to IAS 8) "Accounting Policies, Changes in Accounting Estimates and Errors").
- Deferred taxes relating to assets and liabilities arising from a single transaction (amendments to IAS No. (12) "Income Taxes").

The company disclosed the accounting policies in line with the requirements of the International Accounting Standards Board and its amendments regarding the presentation of the financial statements "Practice Statement 2" under the framework of the requirements of the Central Bank of Jordan

4- Use of Estimates and Assumptions

The preparation of the interim condensed financial statements and the application of accounting policies require the company's management to make estimates and assumptions that affect the amounts of financial assets and liabilities and disclose contingent liabilities. Also, these estimates and assumptions affect revenues, expenses and provisions, as well as changes in the fair value that appear within equity. In particular, the company's management is required to issue significant judgments and judgments in estimating the amounts and times of future cash flows. The aforementioned estimates are necessarily based on assumptions and multiple factors that have varying degrees of estimation and uncertainty, and that the actual results may differ from the estimates as a result of the changes resulting from the conditions and circumstances of those estimates in the future.

The following are the details of the essential jurisprudence made by the management:

A- Expected Credit Loss

The company applies the simplified method for receivables and the general approach for other financial instruments in calculating the allowance for expected credit losses, which is imposed by International Financial Reporting Standard No. (9) in order to recognize impairment by measuring expected credit losses over the life of receivables and contractual assets based on credit risks and homogeneous lives.
Expected loss rates are based on a company's historical credit losses experienced during the prior three-year period up to the end date of the current period. Historical loss rates are then adjusted for current and future information on macroeconomic factors affecting a company's customers.

Impairment in the value of financial assets

The company reviews the carrying amounts of financial assets in the financial statements' date to determine whether there are indicators of individual or collective impairment. In the presence of such indicators, the fair value is estimated to determine the impairment loss.

B- Income Tax

The financial period has been charged with the related income tax expenses in accordance with the regulations, laws, and international financial reporting standards.

4- Use of Estimates and Assumptions (continued)

1- Deferred Taxes

The expenses of deferred taxes are calculated based on the profits subject to taxation, which differ from the profits reported in the income statement. The reported profits include revenues not subject to taxation, or expenses not deductible in the fiscal year but in future years, cumulative losses accepted for taxation purposes, or items that are neither subject to nor deductible for tax purposes. Taxes are calculated based on the tax rates specified by the laws, regulations, and instructions in the Hashemite Kingdom of Jordan.

2- Deferred Tax Liabilities

Deferred taxes represent the taxes expected to be paid or recovered due to temporary timing differences between the accounting value of assets or liabilities in the financial statements and the value on which taxable profit is based. The amount of deferred taxes is calculated using the expected tax rates applicable when settling tax obligations or realizing deferred tax assets. The balance of deferred tax assets is regularly reviewed and is reduced when it is expected that the company will not be able to fully or partially benefit from these deferred tax assets, whether through settling tax obligations or as a result of a reduced need for them.

C- The Present Value of Cash Flows, Both Current and Future

Cash flows are defined as all expected amounts to be received and expected payments to be made within the bounds of insurance or reinsurance contracts held after adjusting for the timing and uncertainty of these amounts. This is done under certain assumptions and the company's experience in insurance and reinsurance contracts held.

Cash flows are recognized at their present value. The assumptions used in estimating future cash flows, which have been considered, the method employed for discounting these flows, the discount rate, the discounting technique, and the yield curve used are all disclosed, in addition to the justifications for adopting the method used to calculate discount rates and the treatment of insurance finance income or expenses within the income statement.

When making assumptions related to estimating cash flows for groups of insurance contracts, the company must consider the following:

- Inherent risks.
- Aggregation level.
- Likelihood of natural disasters.
- Probability of contract settlement before the insurance coverage expiry date, and other
- Expected practices of the insurance contract holder.
- Factors that will impact the estimates and the sources of information for these factors

4- Use of Estimates and Assumptions (continued)

D- Non-Financial Risk Adjustments

The company sets aside a financial provision against the uncertainty of the amount and timing of cash flows arising from non-financial risks, based on certain assumptions and the company's experience in managing the portfolio of insurance and reinsurance contracts held.

E- Non-Insurance Components

The company discloses the following aspects:

- Definition of insurance risks.
- Definition of an insurance contract and identification of subscribed insurance contracts that align with the definition.
- Identification of contracts issued by the company that align with the definition of an insurance contract.
- A mechanism for separating non-insurance components (investment component, service component, etc.) from the insurance contract. If applicable, the most relevant standard to be applied for addressing these components is mentioned.
- A mechanism for determining the relative significance of insurance risks within the insurance contract.

F- Litigations Against the Company

A provision is recognized against litigations brought against the company based on a legal study prepared by the company's attorney, which determines potential future risks. These studies are periodically reviewed.

G- Fair Value Levels

The disclosure includes the hierarchy of fair value measurements that fully categorizes fair value measurements, and specific levels within International Financial Reporting Standards. The difference between Level 2 and Level 3 of fair value measurements is assessed to determine whether the information or inputs can be observed and the importance of observable inputs, necessitating a comprehensive analysis of the inputs used for fair value measurement, taking into account all factors related to assets or liabilities.

5- Significate Accounting Policies

A- Segment Information

The business segment represents a collection of assets and operations that collaborate in providing products or services subject to risks and returns that differ from those related to other sectors. These are measured according to reports used by the company's CEO and key decision-maker.

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

B- Insurance Contract Definition

An insurance contract is an agreement in which one party (the insurer) accepts essential insurance risks from another party (the policyholder) by agreeing to compensate the policyholder in the event of a specific and uncertain future event (the insured event) that adversely affects the policyholder. This definition applies to all contracts issued by the company.

5 - Significant Accounting Policies (Continued)
B- Insurance Contract Definition (Continued)

For contracts that are not classified as insurance contracts, they include, for example:

- Investment contracts that have a legal form of an insurance contract but do not transfer essential insurance risks to the insurance company and bear financial risks. Examples include derivative instruments, changes in fair value of financial assets, changes in interest rates, changes in exchange rates, or credit ratings. These contracts are classified as investment contracts in accordance with International Financial Reporting Standard (IFRS) 9.
- Investment contracts that contain an optional participation feature, which have a legal form of an insurance contract but do not transfer essential insurance risks to the issuer and do not meet the definition of an insurance contract. These contracts are classified according to International Financial Reporting Standard (IFRS) 17.
- Self-insurance, where a company issues an insurance contract in its own name or in the name of a subsidiary or an affiliated company. They are classified according to International Financial Reporting Standard (IFRS) 15. When a company issues insurance contracts only for its employees and recognizes the contract costs as part of employee benefits, International Financial Reporting Standard 17 is not applied.

C- Reinsurance Contracts Held

Reinsurance contracts held are insurance contracts issued by the reinsurer to compensate the insurer for claims arising from insurance contracts issued by the reinsurer. Reinsurance contracts held are recognized:

- When reinsurance contracts held are closely related to a group of insurance contracts, they are recognized at the beginning of the coverage period for this group of contracts or upon initial recognition of any of the underlying contracts, whichever is earlier.
- At the start of the coverage period for a group of reinsurance contracts held.

D- Initial Recognition of Insurance Contracts/ Premium Allocation Approach

The company recognizes a group of insurance contracts from the earlier of the following dates:
A- The start of the coverage period.
B- The date of the first premium received.
C- When the group of contracts is onerous.
At initial recognition, the company records the carrying amount of the liability, which includes:

- Insurance premiums received at initial recognition.
- Deducting any costs paid for acquiring insurance contracts on that date.
- Adding or deducting any cash flows related to the costs of acquiring insurance contracts

E- Measurement of Insurance Contracts / Premium Allocation Approach

At the end of each subsequent reporting period, the company reevaluates the carrying amount of the liability, considering the following adjustments to the liability balance:

- Adding insurance premiums received for the period.
- Deducting cash flows related to the acquisition of insurance contracts.
- Adding any amounts related to the utilization of cash flows for the acquisition of insurance contracts recognized as expenses.

F- Modification of Insurance Contracts

The company makes modifications to the initial recognition of insurance contracts by addressing changes in future cash flows to fulfill contracts, unless the cancellation criteria for recognizing insurance contracts apply.

5- Significate Accounting Policies (continued)

Approaches to measuring contracts (continued)

Modification of insurance contracts
The company adjusts the initial recognition of insurance contracts by addressing changes that have occurred in the future cash flows required to fulfill the contracts unless the recognition cancellation conditions for insurance contracts apply.

Derecognition of insurance contracts
The company derecognizes insurance contracts in the following cases:

• Expiry of the contract (expiry, fulfillment or cancellation of the obligation specified in the insurance contract)

• In the event that insurance contracts are amended and this amendment does not meet the conditions for amendment according to the requirements of the standard, the company will cancel the contract and recognize a new contract.

Overburdened insurance contracts
The company classifies contracts as burdened contracts if the contract is expected to be lost on the date of initial recognition. Contracts are classified by measuring the loss component if the expected cash flows to fulfill the obligations of the contract or group of contracts exceed the cash flows generated from this contract or group of contracts. The company must disclose the loss component if the value of the contractual service margin is zero

C- Provision for obligations against valid contracts
The provision that the company must make when recognizing insurance contracts, which relates to subsequent financial periods as a result of valid insurance contracts.

D- Provision for liabilities against incurred claims
It is the total value of the expected costs incurred by the company as a result of risks covered by the insurance contract that occurred before the end of the financial period, and includes those reported and unreported claims, in addition to the expenses related to them.

1- Summary of the approved insurance contract measurement methodology:

Portfolio (level one)	Classification of contracts	Measurement Method
General insurances	Insurance contracts	Premium allocation approach
Vehicles – mandatory	Insurance contracts	Premium allocation approach
Vehicles - Supplementary	Insurance contracts	Premium allocation approach
Vehicles - bus complex	Insurance contracts	Premium allocation approach
Border complex vehicles	Insurance contracts	Premium allocation approach
life	Insurance contracts	Premium allocation approach
fire	Insurance contracts	Premium allocation approach
Marine	Insurance contracts	Premium allocation approach
medical	Insurance contracts	Premium allocation approach

5- Significate Accounting Policies (continued)

- Summary of the approved method for measuring held reinsurance contracts:

Portfolio	Measurement Method
Engineering	Premium allocation approach
General Insurance	Premium allocation approach
Vehicles	Premium allocation approach
Life	Premium allocation approach
Fire	Premium allocation approach
Marine	Premium allocation approach
Medical	Premium allocation approach

2- The level of profitability

The groups of contracts referred to in the previous level are classified into the following classifications, according to the expected net cash flows from the contract and the accounting methodology used in dealing with the groups of contracts:

- Contracts for which there is no possibility of becoming onerous upon initial recognition
- Onerous contracts.
- Other contracts - if any

Financial Assets

Financial assets are classified at initial recognition into one of the following categories:

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

A - Financial Assets at Amortized Cost:

The company classifies financial assets at amortized cost based on its business model for managing financial assets and the contractual cash flow characteristics of the financial assets. Two conditions must be met:

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

These assets are initially recorded at cost, including acquisition costs. Any premium/discount (if applicable) is amortized using the effective interest method, either as interest income or expense. Any allowances resulting from a decrease in the value of these investments that leads to an inability to recover the investment or a portion thereof are recognized in the income statement.

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

In rare cases, these assets may be measured at fair value through the income statement if it eliminates or significantly reduces an accounting mismatch resulting from the measurement of assets or recognition of income and losses on a different basis. Impairments due to fair value changes are recognized in the income statement.

B - Financial Assets at Fair Value through the Income Statement:

- Other financial assets that do not meet the criteria for amortized cost are measured at fair value.
- Financial assets at fair value through 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.

5- Significate Accounting Policies (continued)

B - Financial Assets at Fair Value through the Income Statement (Continued):
Financial assets are initially recorded at fair value on the date of acquisition (acquisition costs are expensed), and they are revalued at the reporting date at fair value. Subsequent changes in fair value are recognized in the income statement, including changes resulting from the translation of non-monetary items in foreign currencies. Profits or distributions are recognized in the income statement upon realization (as approved by the shareholders' general assembly).

Reclassification:
Reclassification from financial assets at amortized cost to financial assets at fair value through the income statement and vice versa is allowed only when the entity changes its business model for classifying those assets, considering:

- Previous profits, losses, or interest recognized cannot be reversed.
- 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 profits or losses.
- 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 Other Comprehensive Income:

- Initial recognition of investments in equity instruments not held for trading can be made at fair value with an irrevocable option to present all changes in the fair value of these investments individually within items of other comprehensive income (OCI). These changes cannot be reclassified to the profit or loss statement in the future. Dividend income received from these investments is recognized as part of investment income, except when it represents a clear partial recovery of all investments.

- When these assets or a portion of them is sold, the profits or losses resulting from the sale are transferred from the accumulated net change in fair value through OCI to retained earnings and not through the profit or loss statement.

1 - Real Estate Investments:
Real estate investments are shown at cost, net of accumulated depreciation (except for land). Depreciation is recognized over the expected useful life of the asset at a rate of 2% annually, and any impairment is recorded in the profit or loss statement. Operating income and expenses related to these investments are recorded in the profit or loss statement

5- Significate Accounting Policies (continued)

2 - 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. Depreciation expense is recorded in the statement of profit or loss.

Asset	Depreciation Rate %
Budling	2
Equipment, Devices and Furniture	12.5-20
Transportation Vehicles	15
Others	2

Depreciation of property and equipment is calculated when these assets are ready for use for the purposes for which they are intended. The full value of the depreciation expense for the period 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 profit and loss statement.

Property and equipment under construction for the Company's use are stated at cost and less 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 previously prepared estimates, the change in estimate is recorded for subsequent years as a change in estimates.

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

3- Intangible Assets:

- Intangible assets that are acquired through mergers are recorded at their fair value as of the acquisition date. Intangible assets acquired through methods other than mergers are recorded at cost.
- Other intangible assets are classified based on the estimated useful life for a specific period or periods. The impairment of intangible assets with specified useful lives during this period is recognized in the income statement. Intangible assets with an indefinite useful life are reviewed for impairment as of the financial statement date, and any impairment is recognized in the income statement.
- Internally generated intangible assets are not capitalized, and they are expensed in the current year's income statement.
- Any indicators of impairment of intangible assets are reviewed as of the financial statement date, and the estimated useful life of such assets is reassessed with any necessary adjustments made in subsequent periods.

5- Significate Accounting Policies (continued)

4- Cash and Its Equivalents:

This section discusses the accounting treatment of cash and cash equivalents, including cash in hand, bank balances, bank deposits exceeding three months after bank statements are reconciled, and restricted cash.

Settlement (Offsetting):

Settlement is carried out between financial assets and financial liabilities, and the net amount is presented only in the financial position statement when legally enforceable rights are available and when they are settled on a net basis or when both the assets and the liabilities are capable of being realized at the same time.

Recognition Date of Financial Assets:

Financial assets (e.g., purchases and sales of financial instruments) are recognized on the trade date, which is when the company commits to purchase or sell the financial assets.

Fair Value:

The fair value of financial assets is determined based on market prices (closing prices on the financial statement date) in active markets.
When market prices are not available or the market is not active, alternative methods for estimating fair value are considered, such as

- Comparing with similar financial instruments,
- Discounted cash flow analysis, or
- Pricing models options.

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

Financial Liabilities

The company classifies financial assets based on the purpose of creating these obligations. The accounting policy for financial assets is as follows:

Debtors and Reinsurance Contract Receivables

Initial recognition of debtors and reinsurance recoverable is at fair value, and subsequently measured at amortized cost using the effective interest rate method.

Bank facilities

They are initially recognized at fair value, net of costs associated with obtaining the facilities. Such interest-bearing liabilities are subsequently recognized 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.

Provisions

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

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

5- Significate Accounting Policies (continued)

End of Service Compensation Provision

The company calculates end-of-service compensation provision for employees in accordance with the company's policy in compliance with the Jordanian Labor Law. Accrued annual compensations for employees leaving the service are recorded as end-of-service compensation provision when paid, and the obligations resulting from end-of-service compensation for employees are taken into account in the statement of income and expenses.

Foreign Currencies

- Transactions in foreign currencies during the year are translated into the functional currency at exchange rates prevailing on the transaction dates.
- The translation of monetary items and receivables in foreign currencies is done at the prevailing middle exchange rates at the balance sheet date and announced by the Central Bank of Jordan.
- Exchange gains or losses resulting from foreign currency translation are recognized in a separate line within equity.
- In the event of the sale of any of these companies or branches, the exchange differences related to them are recorded in revenue or expenses in the statement of income.

Costs of Issuing or Purchasing Insurance Company Shares

The costs resulting from the issuance or purchase of insurance company shares of retained earnings are recorded, net of the tax effect of these costs if the issuance or purchase is not executed; otherwise, these costs are recognized as expenses in the income statement.

- Differences arising from the translation of non-monetary foreign currency items are included as part of the change in fair value.
- In the process of consolidating financial statements, assets and liabilities of foreign branches and subsidiaries are translated from the average exchange rates of the main (functional) currency on the date of the financial statements, following the rates declared by the Central Bank of Jordan.
- As for revenue and expenses items, they are translated based on the annual average exchange rate, and currency differences are presented as a separate item within equity. In the event of the sale of one of these companies or branches, the amount of currency translation differences related to them is recorded within revenue or expenses in the income statement.

Revenue Recognition

Dividend and Interest Income

Dividend income is recognized when a right to receive the dividend is established, as declared by the General Shareholders' Assembly. Interest income is recognized based on the accrual basis over time and the original amounts, using the effective interest rate.

Rental Income

Rental income from investment properties with operating leases is recognized on a straight-line basis over the terms of those leases, based on the accrual method.

5- Significate Accounting Policies (continued)

Acquisition Costs

Acquisition costs represent the expenses incurred by the company in connection with the sale, acquisition, or initiation of new insurance contracts. The company recognizes the full acquisition costs immediately upon recognizing the insurance contract in the income statement. However, the company records acquisition costs through amortization over the coverage period of the insurance contract in the financial statements, unless the entity chooses to recognize them as expenses based on the option available to the company that applies the premium allocation approach to all its products. The company recognizes all costs as period costs, except for commissions paid, which are amortized over the coverage period.

Insurance contract expenses

The company distributes general administrative expenses and direct employee expenses to insurance portfolios related to insurance contracts on groups of insurance contracts and includes them in calculating the profitability of the contract, while it distributes general and administrative expenses and indirect employee expenses not related to insurance contracts based on the cost center.

6- Deposits at Banks

This item consists of the following:

	September 30, 2023 (Unaudited)				December 31,2022 (Audited)
	Deposits due within a month	Deposits maturing from (1-3 months)	Deposits maturing after more than three months	Total	Total
Inside of Jordan	853,075	-	9,962,478	10,815,553	8,146,137
Expected credit loss	-	-	-	-	-
	853,075	-	9,962,478	10,815,553	8,146,137

The interest rates on deposits with banks in JD range from 6.25% to 6.75%, and on deposits in US Dollars, the range is from 4.65% to 4.85% during the period ended on September 30, 2023.

The pledged deposits with the Central Bank amounted to 800,000 JD at the Investment Bank, in addition to 250,000 at the Jordan Kuwait Bank as of September 30, 2023 (December 31, 2022: 800,000 at the Investment Bank).

The deposits collateralized against credit facilities amounted to zero Jordanian Dinars as of September 30, 2023 (December 31, 2022: 307,095 Jordanian Dinars) at Housing Bank for Trade and Finance.

The following is the distribution of the company's deposits to banks:

	September 30, 2023 (Unaudited)	December 31,2022 (Audited)
Jordan Kuwait Bank	3,934,826	2,960,000
The Commercial Bank of Jordan	2,600,000	1,600,000
Housing Bank for Trade and Finance	2,224,336	1,529,746
The Investment Bank	2,056,391	2,056,391
Total	10,815,553	8,146,137

7- Financial Assets at Fair Value through Profit or Loss

	September 30,2023 (Unaudited)	December 31, 2022 (Audited)
Out of Jordan		
Listed Stock	**306,419**	225,075

8- Financial Assets at Fair Value through Other Comprehensive Income

	September 30, 2023 (Unaudited)	December 31,2022 (Audited)
Inside Jordan		
Listed stocks	**827,134**	823,098
Unlisted stocks	**603,923**	728,736
	1,431,057	1,551,834
Out of Jordan		
Listed stocks	**830,702**	665,790
Total	**2,261,759**	2,217,624

9- Financial Assets at Amortized Cost

This item represents the company's investment in bonds issued by Ithmaar Investment and Financial Consultations Company, with a nominal value of 5,000 JD per bond, with a total number of 15 bonds, with a fixed interest rate of 8.25% annually, paid on the interest due date every six months on the interest due date, which falls on April 9 and October 9 of each year, from the date of issue on October 9, 2018 until the maturity date on October 9, 2023.

10- Investments in Associate

This item represents the value of the company's investment in Darkroom Investment Company, a public shareholding company with 25% of its capital amounting to 2,810,000 JD as of September 30, 2023. The investment in the affiliate company is shown according to the equity method in the financial statements.

The details of the movement on the investment item in the affiliate company are as follows:

	Country	Ownership percentage		Investment amount	
		September 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022
Darkroom Investment co. (Public Limited Shareholding company)	Jordan	% 25	%25	**570,067**	666,629

	30 September 2023 (Unaudited)				
	Balance at the beginning of the period	The company's share of the subsidiary business results	The company's share of other comprehensive income	Dividends	Balance at the end of year
Darkroom Investment Co.	666,629	**(96,562)**	**-**	**-**	**570,067**

11- Investment Properties

This item represents the company's investments in real estate, which includes the commercial complex building in the Shmeisani region, in addition to lands in the Shmeisani, Mafraq and Giza regions, in order to rent them and take advantage of the price changes in those real estates. The depreciation expense for real estate investments for the nine months ending on September 30, 2023 was 8,412 JD (September 30, 2022: JD 8,412).

The fair value of real estate investments amounted to 3,720,382 dinars as of December 31, 2022. On that date, the company estimated the fair value of real estate investments by an independent valuer. In the opinion of the management, the fair value of the real estate investments as of September 30, 2023 exceeds the book value, and that the results of the evaluation carried out by the management on December 31, 2022 are still valid.

12- Cash on hands and at Banks

	September 30, 2023 (Unaudited)	December 31,2022 (Audited)
Cash on hand	**10,726**	21,821
Cash at Bank	**2,320,136**	2,568,550
	2,330,862	2,590,371

13 -Reinsurance Contract Assets

	September 30, 2023 (Unaudited)	December 31,2022 (Audited)
Reinsurance Contract Assets- Local	**1,022,429**	962,940
Reinsurance Contract Assets- Forigen	**2,276,184**	3,450,774
	3,298,613	4,413,714

14- Insurance Contract Liabilities (Instalment allocation approach)

30 September 2023	Liabilities for Remaining Coverage		Liabilities for Incurred Claims		
	Non-Onerous Contracts	Onerous Contracts	Present Value of Cash Flows	Risk Adjustments Non-Financial	Total
Insurance Contract Liabilities- beginning of the period	-	-	(12,191,975)	(470,539)	(12,662,514)
Insurance Contract Assets-beginning of the period	946,943	3,365,969	-	-	4,312,912
Net Insurance Contract (Liabilities) / Assets at the beginning of the period	946,943	3,365,969	(12,191,975)	(470,539)	(8,349,602)
Insurance Contract Revenues	7,439,146	23,625,863	-	-	31,065,009
Insurance contract Expenses					
Compensation incurred	-	-	(23,832,117)	(40,760)	(23,872,877)
Amortization of acquisition cost	(637,611)	(1,513,265)	-	-	(2,150,876)
Administrative Costs	-	-	(1,472,385)	-	(1,472,385)
Insurance Service Results	6,801,535	22,112,598	(25,304,502)	(40,760)	3,568,871
Finance Costs - from Insurance Contracts	-	-	(711,723)	(29,311)	(741,034)
Net Change - Other Comprehensive Income	-	-	-	-	-
Cash Received from Written Contracts	-	(28,753,649)	-	-	(28,753,649)
Compensation paid and other direct expenses	-	-	25,514,899	-	25,514,899
Paid from Acquisition Costs	-	-	-	-	-
Transferred to Liabilities for Incurred Claims	-	-	(118,287)	-	(118,287)
Net Insurance Contract Liabilities-Ending of the Period	7,748,478	(3,275,082)	(12,811,588)	(540,610)	(8,878,802)

14- Insurance Contract Liabilities (Instalment allocation approach) (continued)

	Liabilities for Remaining Coverage		Liabilities for Incurred Claims		
31 December 2022	**Non-Onerous Contracts**	**Onerous Contracts**	**Present Value of Cash Flows**	**Risk Adjustments Non-Financial**	**Total**
Insurance Contract Liabilities- beginning of the period	-	-	(9,597,975)	(569,253)	(10,167,228)
Insurance Contract Assets-beginning of the period	888,542	4,949,418	-	-	5,837,960
Net Insurance Contract (Liabilities) /Assets at the beginning of the period	888,542	4,949,418	(9,597,975)	(569,253)	(4,329,268)
Insurance Contract Revenues	4,633,155	21,490,134	-	-	26,123,289
Insurance contract Expenses					
Compensation incurred	-	-	(21,995,237)	129,336	(21,865,901)
Amortization of acquisition cost	(378,765)	(1,363,720)	-	-	(1,742,485)
Administrative Costs	-	-	(1,603,936)	-	(1,603,936)
Insurance Service Results	4,254,391	20,126,413	(23,599,173)	129,336	910,967
Finance Costs - from Insurance Contracts	-	-	(375,519)	(20,244)	(395,763)
Net Change - Other Comprehensive Income	-	-	-	-	-
Cash Received from Written Contracts	(4,812,846)	(20,730,347)	-	-	(25,543,193)
Cash Paid for Incurred Claims	-	-	22,527,037	-	22,527,037
Paid from Acquisition Costs	-	-	-	-	-
Transferred to Liabilities for Incurred Claims	-	-	(753,246)	-	(753,247)
Net Insurance Contract Liabilities-Ending of the Period	330,087	4,345,484	(11,798,876)	(460,161)	(7,583,466)

15- Income Tax

A- Provision for Income Tax

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

	September 30, 2023 (Unaudited)	December31,2022 (Audited)
Balance at beginning of the period / year	-	298,274
Income tax paid	(192,821)	(298,969)
Provided during the period/ year	312,673	695
Balance at the end of the period/ year	119,852	-

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

	September 30, 2023 (Unaudited)	September 30, 2022 (Unaudited)
Income tax for the income of the period	312,672	-
Deferred tax assets amortization/ (recognition)	(222,373)	(252,163)
End of year balance	90,299	(252,163)

The summary of the reconciliation between the accounting profit and taxable profit is as follows:

	September 30, 2023 (Unaudited)	September 30, 2022 (Unaudited)
Accounting (loss)/ profit	1,063,950	(1,938,929)
Non - taxable income	(4,114,357)	(2,435,416)
Non - deductible expenses	4,251,613	3,425,634
Taxable profit	1,201,206	(948,711)
Accrued income tax	312,672	-
Legal tax rate (includes national contribution at 2%)	26%	26%

The provision for income tax for September 30, 2023 and 2022 was calculated in accordance with the Income Tax Law No. (34) Of 2014 and its amendments.

A final settlement was reached with the Income Tax Department until the year of 2020.

The Company has submitted its income tax return for the year 2022 and 2021 and it is still not reviewed by the Income Tax Department until the date of these financial statements, and in the opinion of the management and the tax consultant the provision is adequate

General sales tax

A final settlement has been reached with the Sales Tax Department until the end of December 2020

15-Income Tax (continued)
B- Deferred Tax Assets – Liabilities

	September 30, 2023 (Unaudited)					December 31,2022 (Audited)
	Balance at the beginning of the year	**Released**	**Additions**	**Balance at the end of the period**	**Deferred tax**	**Deferred tax**
A-Deferred Tax Assets						
Incurred but unreported claims reserve	**2,905,000**	**-**	**790,000**	**3,695,000**	**960,700**	755,300
Impairment losses provisions	**3,350,000**	**-**	**-**	**3,350,000**	**871,000**	871,000
Unrealized losses from financial assets at fair value through profit or loss	**172,223**	**81,344**	**-**	**90,879**	**9,088**	17,222
Unrealized losses from financial assets at fair value through other comprehensive income	**137,701**	**18,168**	**89,326**	**208,859**	**54,303**	32,896
Unrealized losses from investment in associate	**301,044**	**-**	**96,562**	**397,606**	**103,378**	78,271
	6,865,968	**99,512**	**975,888**	**7,742,344**	**1,998,469**	1,754,689

	30 September, 2023 (Unaudited)					December 31,2022 (Audited)
B. Deferred Tax Labilities	**Balance at the beginning of the year**	**Released**	**Additions**	**Balance at the end of the year**	**Deferred tax**	**Deferred tax**
Unrealized gains on financial assets through other comprehensive income	**346,032**	**47,745**	**146,744**	**445,031**	**48,795**	46,535
	346,032	**47,745**	**146,744**	**445,031**	**48,795**	46,535

15- Income Tax (continued)

D- Deferred Tax Assets – Liabilities (continued)

Movement on deferred tax assets and liabilities is as follows:

	Liabilities		Assets	
	September 30, 2023 (Unaudited)	December 31, 2022 (Audited)	September 30, 2023 (Unaudited)	December 31,2022 (Audited)
Balance at the beginning of the year	**46,535**	40,074	**1,754,689**	1,576,790
Additions	**14,674**	8,732	**245,596**	221,552
Released	**(12,414)**	(2,271)	**(1,816)**	(43,653)
Balance at the end of the period/ year	**48,795**	46,535	**1,998,469**	1,754,689

The tax rate on which the calculation of deferred tax liabilities and assets is based is 26% (24% corporate tax rate and 2% national contribution), and there is a rate of 10% on foreign investments.

16- Authorized and Paid Capital

The authorized and paid-up capital as of September 30, 2023, and December 31, 2022, amounted to 9,100,000 dinars divided into 9,100,000 shares, with a nominal value of one dinar per share.

17- Statutory Reserve

This item represents the accumulated amounts that were deducted from the annual profits before taxes at a rate of 10% in previous years, noting that the company has reached the upper limit in accordance with the Companies Law of 25% of the paid-up capital, which is not distributable to shareholders.

18- Lawsuits Raised by and Against the Company

The company appears as a defendant in several cases amounted to 2,746,018 JD as of September 30, 2023 (December 31, 2022: 3,236,785 JD). The company has established sufficient provisions to address the obligations arising from these claims, and in the opinion of the company and its legal advisor, the provisions made are sufficient to cover the liabilities related to these claims.

The value of cases brought by the company against others amounted to 2,790,271 JD as of September 30, 2023 (December 31, 2022: 3,471,479 JD). These are represented by outstanding dues owed to the company and returned checks resulting from the company's normal business activities.

19- Contingent Liabilities

As of the date of the interim condensed financial statements, the company has contingent liabilities in the form of bank guarantees amounting to 4,682,550 JD, again to 3,364,173 JD as of September 30, 2023, and December 31, 2022, respectively.

20-Insurance contract revenue

30 September, 2023	Motor-Comprehensive	Motor-Compulsive	Bus Complex	Borders Complex	Marine and Transportation	Aviation	Fire and Property	Civil Liability	Credibility and Warranty	Medical	Other	Life	Total
Change in Insurance Contract Liabilities for Remaining Coverage	4,352,305	7,439,146	532,230	631,459	735,284	385,773	1,125,568	123,869	140,256	14,990,327	-	608,793	31,065,009
Other revenue	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Insurance	**4,352,305**	**7,439,146**	**532,230**	**631,459**	**735,284**	**385,773**	**1,125,568**	**123,869**	**140,256**	**14,990,327**	**-**	**608,793**	**31,065,009**

30 September, 2022	Motor-Comprehensive	Motor-Compulsive	Bus Complex	Borders Complex	Marine and Transportation	Aviation	Fire and Property	Civil Liability	Credibility and Warranty	Medical	Other	Life	Total
Change in Insurance Contract Liabilities for Remaining Coverage	4,916,496	4,633,156	471,800	799,215	743,457	173,501	1,775,350	163,553	124,282	11,932,935	15,724	373,820	26,123,289
Other revenue	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Insurance Contracts revenue	**4,916,496**	**4,633,156**	**471,800**	**799,215**	**743,457**	**173,501**	**1,775,350**	**163,553**	**124,282**	**11,932,935**	**15,724**	**373,820**	**26,123,289**

21-Insurance contract expenses

September 30, 2023	Motor-Comprehensive	Motor-Compulsive	Bus Complex	Borders Complex	Marine and transportation	Aviation	Fire and Property	Civil Liability	Credibility and Warranty	Medical	Other	Life	Total
Incurred Insurance Claims	(2,089,308)	(7,490,361)	(12,119)	(43,604)	81,977	6,030	(157,073)	(62,018)	1,332	(13,750,237)	2,246	(318,983)	(23,832,118)
Amortization of Acquisition Costs	(594,238)	(637,611)	(50,040)	(45,395)	(65,623)	(10,297)	(149,753)	(19,792)	(32,933)	(523,280)	-	(21,913)	(2,150,875)
Administrative Expenses	(213,072)	(361,611)	(27,830)	(25,653)	(30,622)	(2,782)	(63,705)	(11,822)	(15,801)	(660,874)	-	(58,613)	(1,472,385)
Recovered from Onerous Contract Losses	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-Financial Risk	(25,754)	(83,891)	199	327	-	-	(22,980)	-	-	(262,310)	-	(73,567)	(467,976)
Additional Non-Financial Risk Adjustments	48,212	77,046	1,456	493	5,771	-	14,886	-	-	234,211	-	45,142	427,216
Total Expenses of Insurance Contracts	**(2,874,160)**	**(8,496,428)**	**(88,334)**	**(113,833)**	**(8,497)**	**(7,049)**	**(378,625)**	**(93,632)**	**(47,402)**	**(14,962,490)**	**2,246**	**(427,934)**	**(27,496,138)**

September 30, 2022	Motor-Comprehensive	Motor-Compulsive	Bus Complex	Borders Complex	Marine and transportation	Aviation	Fire and Property	Civil Liability	Credibility and Warranty	Medical	Other	Life	Total
Incurred Insurance	(2,897,830)	(7,598,202)	55,378	(121,416)	282,821	3,664	(898,387)	13,285	59,417	(10,603,736)	(16,621)	(273,610)	(21,995,236)
Amortization of Acquisition Costs	(344,245)	(378,765)	(63,117)	(38,238)	(71,306)	(11,189)	(176,815)	(19,952)	(35,785)	(577,289)	-	(25,782)	(1,742,485)
Administrative Expenses	(283,345)	(334,930)	(52,866)	(31,847)	(25,915)	(3,023)	(66,440)	(6,604)	(17,169)	(718,108)	-	(63,689)	(1,603,936)
Recovered from Onerous Contract	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-Financial Risk Adjustments	(39,187)	(72,146)	(1,480)	271	(4,128)	-	(78,424)	-	-	(187,982)	-	(139,489)	(522,564)
Additional Non-Financial Risk	29,288	30,110	4,519	482	17,704	-	153,923	-	-	186,644	-	229,228	651,899
Total Expenses of Insurance Contracts	(3,535,318)	(8,353,931)	(57,565)	(190,748)	199,176	(10,548)	(1,066,143)	(13,271)	6,462	(11,900,471)	(16,621)	(273,343)	(25,212,321)

22- Financing (Expenses)/ Income – Insurance Contracts

	September 30, 2023 (Unaudited)	September 30, 2022 (Unaudited)
Finance Expenses	**(741,034)**	(395,763)

The company has utilized discount rates ranging from 11.7% to 13.8% as of June 30, 2023 (June 30, 2022: 8.48% and 15%).

23-Financing (Expenses)/ Income –Reinsurance Contracts

	September 30, 2023 (Unaudited)	September 30, 2022 (Unaudited)
Finance Revenues	**96,381**	116,185

The company has utilized discount rates ranging from 11.7% to 13.8% as of September 30, 2023 (September 30, 2022: 8.48% and 15%).

24-Net Income from Financial Assets and Investments

The details of this item are as follows:

	September 30, 2023 (Unaudited)	September 30, 2022 (Unaudited)
Dividend income from financial assets at fair value through other comprehensive income	**47,035**	36,098
Interest Income from financial asset at amortized cost	**6,188**	6,188
Unrealized losses (gains) on financial assets at fair value through the income statement	**81,344**	53,130
Rental revenues	**32,139**	32,557
	166,706	127,973

25-Earnings per Share

Profit (loss) per share is calculated by dividing the profit (loss) for the period by the weighted average number of shares during the period and stated as follows:

	September 30, 2023 (Unaudited)	September 30, 2022 (Unaudited)
Profit/ (Loss) of the Period/ JD	**973,651**	(672,159)
Weighted Average Number of Shares	**9,100,000**	9,100,000
	(Fils/ JD)	(Fils/ JD)
Basic and diluted earnings per share (Fils/ JD)	**0.107**	(0.074)

The basic share of profit for the period is equal to the diluted share of profit for the period.

26- Fair Value Reserve

	September 30, 2023 (Unaudited)	December 31,2022 (Audited)
Beginning balance of the year	**194,691**	(13,182)
Changes during the period/ year	**52,493**	194,234
Deferred tax liability	**48,795**	46,535
Deferred tax assets	**(54,303)**	(32,896)
Ending balance for the period/ year	**241,676**	194,691

27-Cash and Cash Equivalent

The cash and its equivalents shown in the interim condensed cash flow statement as follows:

	September 30, 2023 (Unaudited)	September 30, 2022 (Unaudited)
Cash on hands and at banks	**2,330,862**	2,344,504
Add: Deposits at banks maturing within three months	**853,075**	327,184
Less: Bank overdrafts	**-**	(405,229)
	3,183,937	2,266,459

*This item represents the amount utilized from the bank facilities granted to the company by Jordan Kuwait Bank with a limit of 2,250,000 JD, and these facilities are unsecured. Additionally, during the year 2021, the company obtained facilities from Housing Bank for Trade and Finance with a limit of 800,000 JD. The remaining amount of these facilities as of September 30, 2023, was zero.