

2024
27 TH ANNUAL REPORT

SHAPING THE FUTURE
GULF INSURANCE GROUP - JORDAN

The 27th Annual Report
For The Year Ended December 31.2024

2024

Gulf Insurance Group - Jordan The 27th Annual Report

For The Year Ended
December 31.2024







His Majesty King Abdullah II





Crown Prince Hussein Bin Abdullah II





Sheikh Mishal Al-Ahmad Al-Jaber Al- Sabah
Prince of Kuwait

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Board of Directors

Chairman

H.E Eng. Nasser Ahmad Abdul Kareem Lozi

Vice Chairman

Mr. Khaled Soud Abdul Aziz Al Hasan
Representative of Gulf Insurance Group

Member

Mr. Alaa Mohammad Ali Al Zoheiry
Representative of Gulf Insurance Group

Member

Mr. Bijan Khosrowshahi
Representative of Gulf Insurance Group

Member

Mr. Ali Kathem Abdul Aziz Al-Hendal
Representative of Gulf Insurance Group

Member until 17/07/2024

Mr. Tawfiq Abdul Qader Mohammad Mukahal
Representative of the Strategic Investment Company

Member until 17/07/2024

Ms. Hiyam Salim Yousef Habash
Representative of Jordan Kuwait Bank

Member

Mr. Mazen Ali Abdelghani Tabbalat

Member

Mr. Ahmad Adnan Ahmad Sallakh

Member Since 15/08/2024

Mr. Hanna Sami Hanna Sawalha

Member Since 15/08/2024

Mr. Daoud Adel Daoud Issa

CEO

Dr. Ali Adel Ahmad Al-Wazaney

CFO - Secretary of the Board of Directors

Mr. Saad Amin Tawfiq Farah

External Auditors

Messrs. PricewaterhouseCoopers - Jordan

Chairman's Letter

Dear Shareholders,

On behalf of the members of the Board of Directors and myself, I'm pleased to present to you the twenty-seventh annual report of the company for the financial year ended on December 31, 2024.

The Jordanian economy has shown resilience despite the ongoing regional and global challenges. GDP growth was estimated at 2.4%, slightly lower than in 2023. This growth was supported by sectors such as industry, finance, insurance, real estate, business services, and community services. As for inflation, it remained at low levels, with an average of 1.7% during the first seven months of the year, supported by favorable international commodity prices and proactive monetary policies.

Meanwhile, the unemployment rate remained one of the key challenges, reaching 21.4% in the first quarter of 2024, a slight improvement compared to 21.9% in the same quarter of the previous year. The highest unemployment rates were among youth and women, at 46% and 31%, respectively.

The government focused on economic reforms to address challenges such as fiscal deficits, unemployment, and regional instability, while promoting growth and sustainability with the goal of laying the foundation for economic stability and long-term growth. Key reforms included the economic program supported by the International Monetary Fund, financial and budget reforms, job creation, and inclusive growth.

(Source: World Bank Report)

As for the Jordanian insurance market, preliminary results as of December 31, 2024, showed an increase in written insurance premiums of 7.6%, as the gross written premiums reached 777 million dinars, compared to 722 million dinars as of December 31, 2023. On the claims side, the total claims paid as of December 31, 2024, increased to 524 million dinars, an increase of 8.8% compared to the same period in 2023, which recorded claims of 482 million dinars.

(Source: Jordan Insurance Federation—Preliminary Results)

Concerning your company's business results, the total insurance contracts revenues were 126.6 million dinars for the period ending on December 31, 2024, compared to 110.1 million dinars for the period ending on December 31, 2023, reflecting an increase of 13%. This was accompanied by an increase in the total insurance contracts expenses, reaching 99.2 million dinars for the year 2024 compared to 85.6 million dinars for the year 2023, with an increase of 16%.

As of December 31, 2024, the company's profit before tax was JD 11.39 million, an increase from JD 9.73 million as of 2023. The underwriting profit reached JD 7 million, representing 61% of the company's total profit before tax, and investment returns of JD 6.78 million, representing 60% of the company's total profit before tax. As of December 31, 2024, the company had net profit after taxes of JD 10.8 million, compared to JD 9.49 million at the end of the previous year.

The company's total assets increased by 14% from JD 121 million as of December 31, 2023, to JD 138 million as of December 31, 2024, including an increase in the Investments of JD 10.3 million to reach JD 100.5 million. This is despite paying JD 3.9 million in cash dividends.

When compared to the previous year, shareholders' equity increased from JD 49.3 million as of December 31, 2023, to JD 55.9 million as of December 31, 2024, which had a positive impact on book value per share, which rose from JD 1.9 to JD 2.15 per share.

As for the company's strategy for its term of 2022-2025, the company worked on the following pillars:

1. Balance between people and technology.

This pillar aims to establish a flexible work model where both employees and technology work together to enhance operational efficiency and improve customer services.

The team continued to work on the key initiatives to achieve the required objectives, which are:

The 1st initiative is Process Automation. In 2024, a comprehensive review of all company's processes was completed in collaboration with specialized teams to determine the required time for each task and assess automation possibilities. Priorities were aligned with the second strategic pillar, and automation of processes started accordingly.

The 2nd initiative is People. In 2024, the company introduced advanced courses in Excel, PMP, ICDL, and Power BI, alongside regular training programs like Grant Cardone the CII certification, which are held annually. Additionally, the Sales Booster School (SBS) was established to provide comprehensive training for the company's sales team, equipping them with in-depth knowledge of the insurance products offered by the company to enable informed and knowledge-based selling.

The 3rd initiative is Culture: In 2024, the company undertook several activities aligned with social responsibilities aimed at enhancing employees' engagement and contributing to building the corporate culture.

2. Rethinking Value Chain.

This pillar aims to enhance the overall customer experience and strengthen added-value activities through digital tools and channels. The company has successfully implemented several digital transformation projects and established strategic digital partnerships to increase revenue streams, improve operational efficiency, and enhance customer journey.

Among these achievements, the company launched the Medical Service Providers Portal, which streamlined the medical claims process, and introduced electronic medical visit requests, replacing traditional paper-based forms. These innovations have significantly accelerated the business processes, increased customer satisfaction, and reduced both time and operational costs. Additionally, the company's mobile application has further optimized these services, offering features such as digital medical cards, medical visit tracking, and real-time access to coverage details and exclusions for each policy. The Corporate Medical Contract Management Portal has also been upgraded to align with the company's broader digital transformation objectives.

Furthermore, a special portal and BI dashboards have been developed to automate and monitor the cross-selling activities conducted by the newly established cross-selling unit, which enabled the unit to exceed its targets.

Internally, the company has automated numerous processes and introduced several electronic portals, enabling employees to complete business tasks efficiently without relying on paper-based procedures. The company also enhanced its official WhatsApp channel, incorporating an automated welcome process for new medical insurance beneficiaries. This includes electronic identity verification and access to both individual and family medical cards.

Furthermore, the company has implemented digital customer surveys and collected feedback from various touchpoints and customer service interactions. This data-driven approach has contributed to a customer satisfaction index, allowing for continuous service improvement.

3. Smart Growth:

Wise Growth contributed to a 16% increase in the company's written premiums for 2024 compared to 2023, reaching over 126 million dinars. This growth was driven by innovative initiatives, including the expansion of the individual sales team, the establishment of cross-selling departments and SME (Small and Medium Enterprises) sales units, in addition to the growth of life insurance sales. The company also introduced bundled products such as life insurance combined with medical insurance, the 50/50 individual life insurance program, and the critical illness insurance product.

During the year, the company launched a licensed mobile branch, offering various insurance services across neighborhoods and cities, further contributing to enhancing insurance awareness among community members.

The company's diversified investment portfolio also played a vital role in boosting profits, achieving a record investment income exceeding 6.5 million dinars.

The journey continues with the creation of effective initiatives aimed at strengthening the company's position in the local insurance market and enhancing revenue streams through smart, strategic solutions.

In the end, allow me to congratulate all of you, the company's Board of Directors, and Gulf Insurance Group for the impressive results achieved. I would also like to thank the regulatory authorities represented by the Insurance Supervision Department in the Central Bank of Jordan, our external auditor, our partners in reinsurance, all our partners in success, insurance agents and brokers, and all company employees, and I look forward to the year 2024 with optimism to achieve better results and greater steps towards achieving our strategic goals for the coming years.

Chairman of the Board of Directors
Nasser Ahmad Lozi



Board of Directors Report:

First: Insurance Contracts Revenues

The total insurance contracts revenues for the year 2024 were JD 124,600,652 compared to JD 110,059,304 in 2023, with an increase of 13%, distributed as follows:

- Marine Insurance: The total insurance contracts revenues of marine insurance were JD 2,425,578 in 2024 compared to JD 1,815,415 in 2023, with an increase of 34%.
- Fire Insurance: The total insurance contracts revenues of fire insurance were JD 13,839,524 in 2024 compared to JD 10,822,542 in 2023, with an increase of 28%.
- Liability, Engineering and Other General lines: The total insurance contracts revenues of liability, engineering and other general lines were JD 7,813,031 in 2024 compared to JD 5,871,177 in 2023, with an increase of 33%.
- Motor Insurance: The total insurance contracts revenues of motor insurance were JD 28,885,877 in 2024 compared to JD 28,143,652 in 2023, with an increase of 3%.
- Life Insurance: The total insurance contracts revenues of life insurance were JD 6,360,698 in 2024 compared to JD 2,679,278 in 2023, with an increase of 137%.
- Medical Insurance: The total insurance contracts revenues of medical insurance were JD 65,275,944 in 2024 compared to JD 60,727,240 in 2023, with an increase of 7%.

Second: Insurance Contracts expenses

The total insurance contracts expenses in 2024 were JD 99,156,812 compared to JD 85,594,055 in 2023, with an increase of 16% distributed as follows:

- Marine Insurance: The total insurance contracts expenses for marine insurance in 2024 were JD 2,735,522 compared to JD 807,573 in 2023, with an increase of 239%.
- Fire Insurance: The total insurance contracts expenses for fire insurance in 2024 were JD 3,958,949 compared to JD 3,082,352 in 2023, with an increase of 28%.
- Liability, Engineering and Other General lines: The total insurance contracts expenses for liability, engineering and other general lines in 2024 were JD 4,679,172 compared to JD 2,429,401 in 2023, with an increase of 93%.
- Motor Insurance: The total insurance contracts expenses for motor insurance in 2024 were JD 24,320,542 compared to JD 22,675,737 in 2023, with an increase of 7%.
- Life Insurance: The total insurance contracts expenses for life insurance were JD 6,349,993 in 2024 compared to JD 2,582,971 in 2023, with an increase of 146%.
- Medical Insurance: The total insurance contracts expenses for medical insurance in 2024 were JD 57,112,634 compared to JD 54,016,021 in 2023, with an increase of 6%.

Third: Insurance and Reinsurance Assets & Liabilities.

- The total Insurance Contracts Liabilities at the end of 2024 were JD 70,993,191 compared to JD 64,773,537 in 2023, with an increase of 10%.
- The total Reinsurance Contracts Assets at the end of 2024 were JD 12,128,180 compared to JD 6,176,683 in 2023, with an increase of 96%.

Fourth: Investments

The company's investments were distributed as follows:

- The company achieved interest income of JD 4,797,704 in 2024 compared to JD 4,331,926 in 2023, with an increase of 11%.
- The value of financial investments as at 31/12/2024 were JD 79,282,509 of which JD 6,568,578 is financial assets at fair value through other comprehensive income, JD 60,801,553 is financial assets at amortized cost, and JD 11,912,378 is financial assets at fair value through the profit and loss, while the company's deposits at banks as at 31/12/2024 were JD 20,585,232 of which JD 814,140 is a restricted deposit in the name of the Governor of the Central Bank of Jordan as a legal requirement.

Fifth: Insurance and reinsurance Contracts results

The company's insurance and reinsurance results for 2024 were a profit of JD 6,960,565 compared to a profit of JD 7,995,772 in 2023, with a decrease of 13%, distributed as follows:

- Marine Insurance: Marine insurance and reinsurance contracts result in 2024 was a profit of JD 406,768 compared to a profit of JD 573,336 in 2023, with a decrease of 29%
- Fire Insurance: Fire insurance and reinsurance contracts result in 2024 was a profit of JD 458,107 compared to a profit of JD 874,547 in 2023, with a decrease of 48%.
- Liability, Engineering and Other General lines: Total liability, engineering and other general lines insurance and reinsurance contracts results in 2024 were profits of JD 629,430 compared to losses of JD 342,448 in 2023, with an increase of 284%.
- Motor Insurance: Motor insurance and reinsurance contracts result in 2024 was a profit of JD 375,171 compared to a profit of JD 2,112,696 in 2023, with a decrease of 82%.
- Life Insurance: Life insurance and reinsurance contracts result in 2024 was a loss of JD 249,369 compared to loss of JD 156,487 in 2023, with an increase of 59%.
- Medical Insurance: Medical insurance and reinsurance contracts result in 2024 was a profit of JD 5,340,458 compared to JD 4,934,128 in 2023, with an increase of 8%.
- The profit before tax and provisions for the year 2024 was JD 11,390,292 compared to JD 9,726,835 in 2023, with an increase of 17%.
- The company achieved a net profit after tax and provisions of JD 10,076,985 in 2024, compared to JD 9,488,655 in 2023, with an increase of 6%.
- The percentage of the net profit to the paid-up capital for the year 2024 was approximately 39% while in 2023 it was 36%.

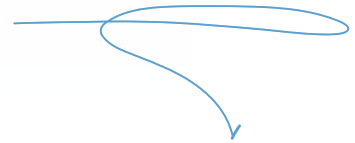
Board of Directors Recommendations:

1. Address the outcomes of the previous general assembly meeting which was held on 15/08/2024.
2. Listening to the External Auditor's report.
3. Discuss and ratify the Board of Directors' report and the Company's Future Plan
4. Discuss the Company's accounts and financial statements as of 31/12/2024 and approve it.
5. To Approve of the proposal of the Board of Directors at its meeting on 19/02/2025, concerning the distribution of cash dividends to shareholders at a rate of 20% of the company's capital for the year 2024 and to retain the remaining profits, provided the approval of the Central Bank of Jordan of this distribution.
6. Grant release of responsibilities to the Chairman and members of the Board of Directors for the year ended 31/12/2024.
7. Elect the Auditors for the year 2025 and authorize the Board of Directors to determine their fees.
8. Any other subjects addressed by the General Assembly according to law requirements.

In conclusion, I would like to express sincere thanks and gratitude to our esteemed clients for their support and confidence in our company and our services. I also would like to thank our shareholders for their confidence in and support to the board of directors and executive management. Further, I do thank our parent company "Gulf Insurance Group" for its permanent support to us and all parties that worked with us within the framework of outstanding strategic partnerships.

Finally, I wish more progress, advancement and security for our lovely Kingdom under the leadership of His Majesty King Abdullah II and his prudent government.

Chairman of the Board of Directors
Nasser Ahmad Lozi



Disclosure Statement

1. a) The company is licensed to underwrite all types of insurance while the company's capital is 26,000,000 Jordanian Dinars as of December 31, 2024.
- b) The company has fourteen branches: the first in Aqaba, the second in Mecca Street area, the third in Abdali area, the fourth in Prince Rashed Suburb (Medical City Street), which is the Motor Vehicles Claims Department, the fifth in Irbid city, the sixth in Marka area, the seventh in King Hussein Business Park, the eighth is Abdali Mall branch / Abdali area, the ninth is Galleria Mall branch / Sweifeh area, and the tenth is Amman Chamber of Commerce branch / Shmeisani area, the eleventh is in Shmeisani area / Shmeisani branch, the twelfth is in Abdoun Area / Taj Mall branch, thirteenth is the mobile branch, in addition to the headquarters located in Jabal Amman area, Amman city, with 466 employees as of December 31, 2024.

	Number of Employees
Aqaba	2
Mecca Street	16
Abdali	17
Prince Rashed Suburb	32
Irbid	4
Marka	1
King Hussein Business Park	7
Abdali Mall	4
Galleria Mall	4
Amman Chamber of Commerce	5
Shmeisani	17
Taj Mall	4
Mobile Branch	1
Headquarters	352
Total	466

The company has no branches outside the kingdom.

- c. The company's capital investment amounted to 7,882,439 Jordanian Dinars as of 12/31/2024, as shown in disclosure number (13) of the Financial Statements.

2. Subsidiary Companies:

Gulf Horizons for Administrative Consultations Company:

- Company Type: Limited Liability.
- Main Activity: Administrative Consultations.
- Company Capital: 1,000 Jordanian Dinars.
- Ownership Percentage of Gulf Insurance Group/Jordan:100%.
- Company Address: Amman.
- Management Committee: 3 Members.
- Number of Company Employees: No employees.
- The subsidiary company has no branches.

First Gulf Badia for Administrative Consultations Company:

- Company Type: Limited Liability.
- Main Activity: Administrative Consultations.
- Company Capital: 1,000 Jordanian Dinars.
- Ownership Percentage of Gulf Insurance Group/Jordan:100%.
- Company Address: Amman
- Management Committee: 3 Members.
- Number of Company Employees: No employees
- The subsidiary company has no branches.

3. a. Board of Directors Bio's.

HE. Mr. Nasser Lozi

Chairman of the Board of directors.

Date of Birth: 26/02/1957

Educational Qualification: Bachelor of Science in Civil Engineering - University of Texas at Arlington (USA)

Graduation Year: 1979

Professional Experience:

- Chairman of the Board of Directors of Jordan Kuwait Bank (2021 – February 2024).
- Chairman of the Board of Directors of King Abdullah Development Fund (2020 – 2024).
- Member of the Senate (2016-Present).
- Chairman of the Board of Directors of Gulf Insurance Group - Jordan (2013 – Present).
- Chief of the Royal Hashemite Court (2008 – 2011).
- Chairman of the Board of Directors of Gulf Insurance Group - Jordan (2000 – 2008).
- Minister of Transport (1999 – 2000).
- Minister of Information and Culture (1999).
- Minister of Public Works, Housing, and Transport (1998 – 1999).
- Minister of Public Works and Housing (1997 – 1998).
- Minister of Transport (1996 – 1997).
- Private Sector / Contracting and Consulting Engineering (1984 – 1996).
- Arcon Contracting (1984 – 1996).
- Consultant – Siemens (1984 – 1996).
- Director of Maintenance and Traffic Department – Ministry of Public Works and Housing (1983 – 1984).
- Resident Engineer - Queen Alia International Airport Road Project, Ministry of Public Works and Housing (1980 – 1983).

Membership of the Boards of Directors of Other Companies:

- Chairman of the Board of Directors of Royal Jordanian Airlines (2006 – 2014).
- Chairman of the Executive Committee of the Jordanian Privatization Corporation (2006 – 2009).
- Chairman of the Board of Directors of Jordan Investment Corporation (2006 – 2009).
- Board Member - Jordan Iron Company (2002 – 2008).
- Jordan Cables Company (2002 – 2008).
- Board Member - Jordan Kuwait Bank (2001 – 2008).

Other Memberships:

- Member of the Jordan Engineers Association.
- Member of the Alumni Club of the Islamic College.
- Member of the International Alumni Club - University of Texas at Arlington.

Honors:

- First class, Order of the Star of Jordan.
- Second class, Order of the Star of Jordan.
- Order of State Centennial

Mr. Khaled Al Hasan

Vice Chairman of the Board of Directors – Representative of Gulf Insurance Group.

Date of Birth: 16/03/1953

Educational Qualification: Bachelor's degree in economics and political science - Kuwait University

Year of Graduation: 1976

Professional Experience:

- Vice Chairman of the Board of Directors and CEO of Gulf Insurance Group, Kuwait.
- Chairman of the Board of Kuwait Insurance Federation – Kuwait.
- Board Member of Gulf Insurance Group Subsidiaries.
- Board Member of General Arab Insurance Federation.
- Board Member of Arab Reinsurance Company – Lebanon.

Mr. Alaa Al Zoheiry

Member of the Board of Directors- Representative of Gulf Insurance Group.

Date of Birth: 31/03/1964

Educational Qualifications: Diploma in General Insurance (excluding Life Insurance) - Cairo University, Egypt. Bachelor's degree in business administration from Sadat Academy for Management Sciences, Business Administration.

Year of Graduation: 1986

Professional Experience:

- Managing Director and Board Member - GIG Egypt (General Insurance Group) - Egypt.
- Board Member - Gulf Insurance Group - Jordan (since 2009).
- Former President of the Afro-Asian Insurance and Reinsurance Federation and current Vice Chairman.
- Chairman of the Egyptian Insurance Federation - Egypt (since 2017).
- Former President of the General Arab Insurance Federation (GAIF) in 2014 and Board Member of GAIF since 2008.
- Board Member - Sigorta Gulf - Turkey (since 2016).
- Vice Chairman of the Board of Directors - GIG Takaful Life Company (since 2011).
- Member of the American Chamber of Commerce in Egypt (since 2005), and the Chairman of the insurance committee (since 2015).
- Member of the Egyptian Lebanese Businessmen Association (since 2002).

Mr. Bijan Khosrowshahi

Member of the Board of Directors- Representative of Gulf Insurance Group.

Date of Birth: 23/07/1961

Education: MBA, 1986 and bachelor's degree in mechanical engineering, Drexel University, USA, 1983.

Professional Experience:

- President of Fairfax International, London.
- Chairman of the Board of Gulf Insurance Group (GIG), Kuwait.
- Chairman of the Board Gulf Insurance & Reinsurance Company (GIRI), Kuwait.
- Board Member of Arab Misr Insurance Group S.A.E., Egypt.
- Board Member of Gulf Insurance Group - Jordan.
- Chairman of the Board of Gulf Sigorta A.S., Turkey.
- Board Member of Alliance Insurance P.S.C., UAE.
- Board Member of Jordan Kuwait Bank, Jordan.
- Board Member of GIG Gulf, Bahrain.
- Vice Chairman of the Board of GIG Cooperative Insurance, KSA.
- Chairman of the Board of Colonnade Insurance S.A., Luxembourg.
- President of the Board of Directors of Southbridge Compañía de Seguros Generales S.A., Chile.
- Board Member of La Meridional Compañía Argentina de Seguros S.A., Argentina.
- Principle Member of the Board of SBS Seguros Colombia S.A., Colombia.

Mrs. Hiyam Habash

Member of the Board of Directors - Representative of Jordan Kuwait Bank until 17/07/2024.

Date of Birth: 13/06/1955

Educational Qualification: Bachelor's degree in applied sciences (Sophomore Degree) - Beirut University College (Currently Lebanese American University).

Year of Graduation: 1978

Professional Experience:

- Board Member of Gulf Insurance Group - Jordan until 17/07/2024.
- Chief Financial Officer at Jordan Kuwait Bank - Jordan (1999-2020).
- Chief Financial Officer - Middle East Travel Agency - Jerusalem (1997-1998).
- Financial Manager - Modern English Schools - Jordan (1992-1997).
- Financial Manager - Petra Bank - Jordan (1978-1989).

Mr. Ali Al Hendal

Member of the Board of Directors – Representative of Gulf Insurance Group.

Date of Birth: 12/05/1977

Educational Qualifications: Bachelor's degree in information technology / Master's degree in business administration / Advanced diploma in insurance

Year of Graduation: Bachelor's 2005 - Master's 2016

Professional Experience:

- Joined Gulf Insurance Group - Kuwait (2005).
- Board Member - Gulf Insurance Group - Jordan (2017 - present).
- Chief Executive Officer & Board member – Gulf Insurance Group /Kuwait – March 2024.
- Board Member – Gulf Insurance Group - Saudi since August 2024.
- Executive Board Member- Bahrain Kuwait Insurance Co.- Bahrain since March 2023.
- Board Member of Main Technical Committee - Gulf Insurance Federation – Kuwait since May 2024.
- Deputy CEO Operations, responsible to lead the technical affairs in GIG Kuwait since 2017.
- Assistant General Manager, responsible for leading the two divisions of life and health insurance and to develop short and long- term plans (2013 - 2016).
- Board member of ELTIC "Egyptian Life Takaful Insurance Company"- between 2013 until July 2017.
- Graduate of the second intake of the Management Development Program's Gulf Insurance group, which aims to develop the next generation of top management.

Mr. Tawfiq Mukahal

Member of the Board of Directors – Representative of Strategic Investments Company until 17/07/2024.

Date of Birth: 15/04/1951

Educational Qualification: High School Diploma 1969, Joined the Faculty of Economics and Trade Jordan University 1970-1971, Advanced Credit school of Citi Bank 1980-1981.

Professional Experience:

- Vice Chairman of the Board - Jordan Mortgage Refinance Company - Representative of Jordan Kuwait Bank.
- Board Member of Jordan Loan Guarantee Corporation - Representative of Jordan Kuwait Bank.
- Board Member at Gulf Insurance Group - Jordan - Independent Member (until 17/07/2024).
- Board Member of Strategic Investments Company – Jordan.
- Board Member of Jordan Iron Company - Representative of Jordan Kuwait Bank.
- Board Member of Kingdom Electricity Company - Representative of Jordan Kuwait Bank.
- Board Member of Trust Financial Investments Company - Representative of Jordan Kuwait Bank.
- Chairman of the Board of Arab Life and Accident Insurance Company (formerly).
- Deputy General Manager / Head of Banking Group at Jordan Kuwait Bank (since 1991 - 2021).
- Assistant General Manager / Facilities (1998 - 2007) at Jordan Kuwait Bank.
- Executive Director / Facilities Management (1993 - 1997) at Jordan Kuwait Bank.
- Credit and Marketing Unit Manager (1991 - 1993) at Jordan Kuwait Bank.
- Credit and Marketing Manager at National Bank of Kuwait - Kuwait (1974 - 1990).

Mr. Mazen Tabbalat
Member of the Board of Directors

Date of Birth: 26/05/1964

Educational Qualification: Bachelor's degree in accounting and master's degree in development and Peace Studies

Year of Graduation: Bachelor's 1986 / master's 2003

Professional Experience:

- Board Member of Gulf Insurance Group – Jordan (4/2023-Present).
- Chief Executive Officer of King Abdullah II Fund for Development (2023 - Present).
- Vice Chairman of the Board of Directors of Arab Life and Accident Insurance Company (2021).
- Ministerial-level position in the Royal Hashemite Court (2016).
- Director of the Office of the Chief of the Royal Hashemite Court (2007 - 2016).
- Assistant Master of Royal Protocols (2000 - 2005).
- Financial Advisor at Afkar Promosven Advertising Agency (1996 - 1998).
- Accountant - The Royal Hashemite Court and Royal Trips (1988 - 1996).

Honors:

- Order of Independence

Mr. Ahmad Sallakh
Member of the Board of Directors

Date of Birth: 11/05/1968

Educational Qualification: Bachelor's degree in mechanical engineering

Year of Graduation: 1991

Professional Experience:

- Chief Executive Officer of KBW Investments (Feb 2024- Present).
- Board Member Gulf Insurance Group-Jordan (4/2023-Present).
- Board Member Bindar Trading and Investment (5/2024 - Present).
- Chief Executive Officer of Al Nabil Food Industries Company (2016 – 2023).
- Chief Executive Officer of KADDB Investment Group – King Abdullah II Design and Development Bureau (2011 – 2016).
- Chief Executive Officer of Middle East Specialized Cables Company (2005 – 2011).
- Deputy Chief Executive Officer of Middle East Specialized Cables Company (2004 – 2005).
- Board Member of Jordan Vegetable Oils Company (2018 – Present).
- Board Member of Arab Life and Accident Insurance Company (2021).
- Investment Committee Member at the Jordanian Fund for Entrepreneurship (2019 - Present).
- Member of the Faculty Council of Engineering - Al Hussein Technical University (2023 - present).

Mr. Hanna Sawalha
Member of the Board of Directors from 15/08/2024

Date of Birth: 21/06/1961.

Education Qualification: Bachelor's degree in management and accounting, Ohio State University, Colombus, Ohio.

Year of Graduation: 1987.

Professional Experience:

- Chief Executive Officer Athar Tourism Investments (1993 - Present).
- Chief Financial Officer Grand Palace Hotels Company (2007-Present).
- Chief Financial Officer Liwan Hotel (2009-Present).
- Board Member of Jordan Investments and Transport Company (4/2010 to 3/2018) and (5/2018 to 8/2027).

Mr. Daoud Issa

Member of the Board of Directors from 15/08/2024

Date of Birth: 14/11/1973

Education Qualification: Bachelor's degree in economics, Yarmouk University, Jordan.

Year of Graduation: 1998

Professional Experience:

- Chief Operating and Support Officer Jordan Kuwait Bank (5/2021 – Present).
- Head of Human Resources Jordan Kuwait Bank (12/2021 – 5/2021).
- Leading HR roles at Qatar Petroleum (04/2004 – 07/2012)
- Project management and Administrative Roles in Construction Companies in Jordan and Qatar (1995-2004).
- Ejara Leasing Company from 07/2019 until 06/2021

b. Executive Management Team Bio's.

Dr. Ali Adel Ahmad Al-Wazaney

Job Title: CEO

Date of Birth: 10/11/1969.

Education: Education: PhD degree in Marketing (2010), MBA degree in Business Administration (1997), BSc degree in Accounting & Business Administration (1993), BSc degree in Law (2022).

Current Positions:

- CEO / Gulf Insurance Group - Jordan.

Previous Positions:

- CEO / Solidarity – First Insurance Company (2008-2018).
- Chairman / Jordan Insurance Federation and Board Member.
- Member Board of Directors - General Arab Insurance Federation- Cairo -Egypt (2015-2017).
- Chairman - Jordan Association for Medical Insurance (2013-2015, 2015-2017).
- Member – Board of Trustees - Educational Sciences and Arts (UNRWA) - Amman- Jordan.
- Member - Board of Directors and Executive Committee- Solidarity -Jordan, Solidarity Takaful -Saudi Arabia and Board of Directors and Executive Committee - Al Ahlia Insurance- Bahrain.
- Part time Lecturer - Amman Arab University - Faculty of Business (2014-2015), Full time Lecturer - Al-Zaytoonah University (1998-2000).
- Member - Board of Directors - Jordan Association for Medical Insurance (2011-2013).
- Deputy General Manager GIG – Jordan (2000-2007).

Mr. Saad Amin Tawfiq Farah

Job Title: CFO & Secretary of the Board of Directors.

Date of birth: 18/03/1978.

Education: BA in Banking and Finance (2001) / Yarmouk University, Certified Management Accountant (CMA) / The Institute of Management Accountants (IMA) USA, Certified Financial Manager (CFM) / The Institute of Management Accountants (IMA) USA, Association of Chartered Certified Accountant (ACCA).

Previous Positions:

- Deputy Chief Financial Officer - GIG - Jordan (2017-2018).
- Director - Corporate Finance - GIG - Jordan (2014-2017).
- Director - Group Head of Internal Audit - Al Sweilem Group - KSA (2011-2014).
- Member of the Board of Directors & Audit Committee Member - Injaz - Jordan (2023-to to present).
- Member of the Board of Directors & Audit Committee Member - The Mortgage Loans Insurance Co (Darkom) (2007).
- Director - Group Head of Internal Audit Department - United Arab Investors Company (2007-2011).
- AVP- Head of Internal Audit - Amwal Invest (2006-2007).
- Senior Manager - Internal Audit and Quality Control - GIG - Jordan (2002-2006).
- Accountant & Financial Analyst - Securities Depository Center (2002).
- Financial Analyst - Talal Abu Ghazaleh & Co. International (2001-2002).

Mr. Rami Kamal Oudeh Dababneh

Job Title: Director / Business Development and Marketing Department

Date of birth: 19/07/1979.

Education: BA in Business Administration (2001) / ACII

Previous Positions:

- Director - Key Accounts, General Claims, and Motor Claims Department at GIG - Jordan (2011-2018).
- Deputy General Manager of Business Development Department at Arab German Insurance Company (2010-2011).
- Director of Business Development Department at Arab German Insurance Company (2006-2010).
- Director of Business Development Department at GIG-Jordan (2005-2006).
- Accounts Director - Business Development Department at GIG-Jordan (2003-2005).
- Account Manager - Business Development Department at GIG-Jordan (2002-2003).
- Member of the Jordanian Canadian Business Association (JOCABA).

Mr. Suleiman Abed Al-Hafez Mohammad Dandis

Job Title: Director / Medical Division

Date of Birth: 24/03/1979.

Education: Master's degree in business administration (2023). BSc, English Literature (2001). LOMA / PMP

Previous Positions:

- Director - Medical Insurance Department at GIG - Jordan (2011-2017).
- Deputy Director - Medical Insurance Department at GIG - Jordan (2011-2017).
- Director of Medical Insurance Department at Trade Union Cooperative Insurance Company / Saudi Arabia (2010-2011).
- Medical Production and underwriting Manager at MedNet - Jordan (2006-2010).
- Assistant Manager of the Medical Network Department at MedNet - Jordan (2001-2006).
- Member of Medical and life Executive committee - Jordan Insurance Federation (2018).
- Vice chairman of the Life (Takaful) and Health Insurance Committee (since 2023).
- Member of the Board of Directors of the Association for Medical Insurance (since 2023).

Mr. Mohammad Ameen Mahmoud Suboh

Job Title: Director / Branches & Indirect Business Department

Date of Birth: 09/11/1975.

Education: BSc, Economics and Administrative Sciences (2000).

Previous Positions:

- CEO – Arab Life & Accidents Insurance Company (3/2023 -11/2023).
- Director - Branches & Indirect Business Department - GIG-Jordan (3/2018-2023).
- Deputy Director - Branches & Indirect Business Department and Bank Assurance GIG-Jordan (2011-2018).
- Director Customer Service / Direct Sales - Arab German Insurance Company (2007-2010).
- Manager Business Development - Customer service - Special Projects – GIG-Jordan (2006-2007).
- Officer - Customer Service – GIG-Jordan (2003-2006).
- Officer - General and Engineering underwriting department – Motor Underwriting department – Oasis Insurance (2001-2003).

Mrs. Bara' Kamel Nafiz Sharif

Title: Manager / Internal Audit Department

Date of Birth: 02/04/1992.

Education: BSc Accounting (2013), CPA, CII

Previous Positions:

- Team Leader - Internal Audit Department – GIG-Jordan (2021).
- Senior Officer - Internal Audit Department – GIG-Jordan (2019).
- Assistant Manager – Audit and Assurance – Deloitte & Touche (2013-2018).

Mr. Omar Ali Othman Al-Jailani

Title: Manager / Legal Department

Date of Birth: 08/04/1988.

Education: BSc, Law (2010).

Previous Positions:

- Manager Legal Department – GIG – Jordan from (2020).
- In charge of running and supervising Legal Department – GIG – Jordan (2018-2020).
- Lawyer / Legal Department – GIG-Jordan (2013).
- Jordanian Bar Association Member (2013).
- Legal Trainee - Itqan Law Firm (2012).

Note:

- According to Board Resolution No. 5 at its seventh meeting held on December 27, 2017, senior management with executive authority in the company was defined as employees holding the title of Executive Director or above.
- External law firms have been appointed, namely "Dajani & Partners Lawyers and Legal Consultants", "Al Hammouri & Partners for Law and Legal Consultations", "Law Office of Samer Al-Aqrabawi", "Law Office of Osama Al-Tarawneh", "Law Office of Mubdi Dell", "Law Office of Sharif Al-Zu'bi", "Saltus Lawyers and Legal Consultants", "Al-Faraya & Abu Al-Essam Office". The duties of these firms include representing the company in cases brought by or against the company in various courts of the kingdom.

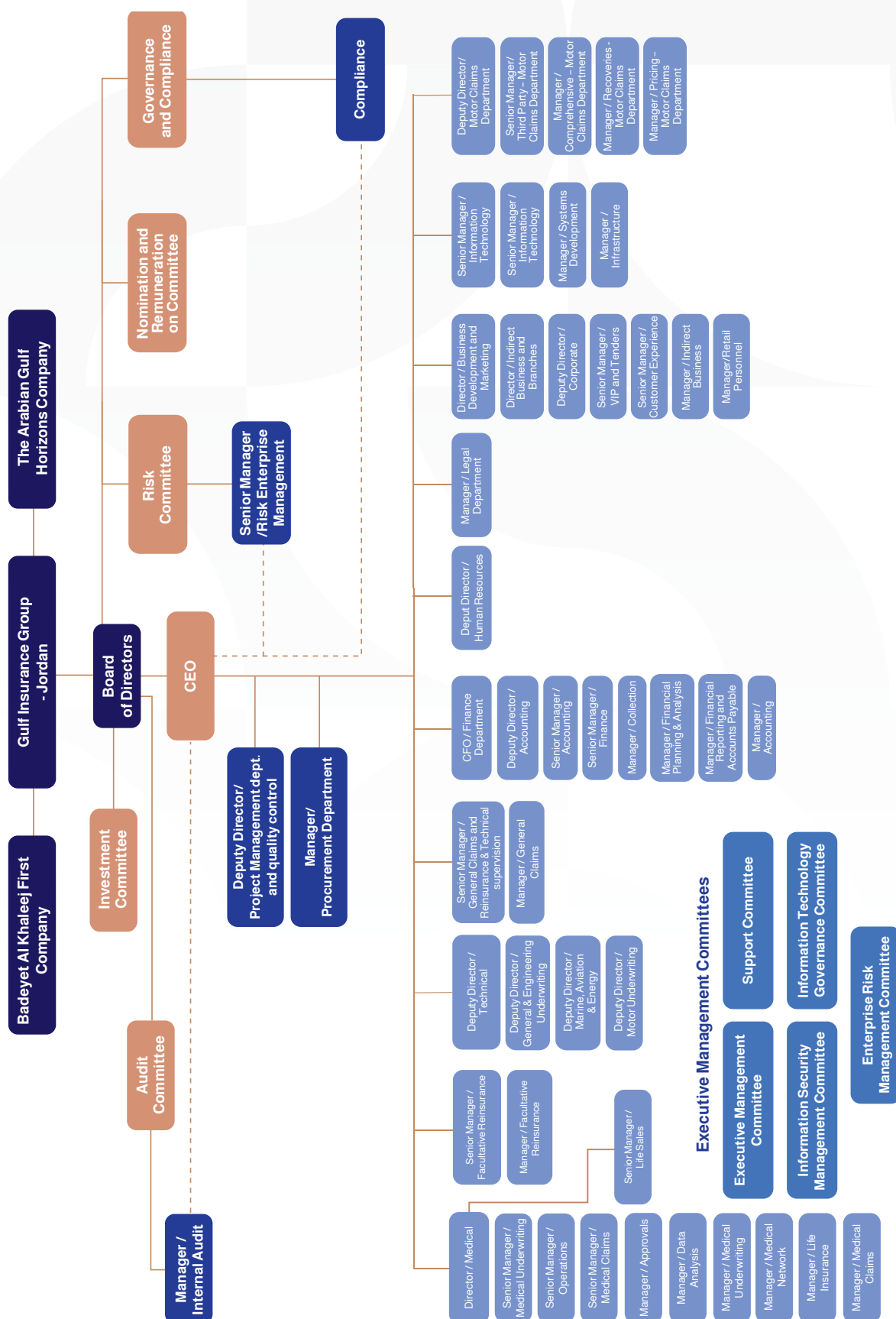
4. Major Shareholders with 5% or More:

Shareholder	2024		2023	
	Number of shares	% of Shares	Number of shares	% of Shares
Gulf Insurance Group	23,367,078	89.873%	23,367,078	89.873%
Omar Hamdi Badawi Elan	1,416,207	5.447%	1,416,207	5.447%

5. The company ranked first among local companies in terms of written premiums, which reached to 16.28% of the total written premiums in the market (source: Preliminary Insurance results bulletin / Jordan Insurance Federation), noting that the company only operates in Jordan.
6. There is no reliance on specific suppliers or major clients (locally or internationally) accounting for 10% or more of total purchases and/or sales.
7. a. Following the merger of Arab Life and Accidents Insurance Company into Gulf Insurance Group - Jordan on 16/11/2021, the company was granted the following exemptions for a period of three years that expired on 16/11/2024:
 - Exemption from income tax.
 - Exemption from fees imposed under the Insurance Law.
 Except for the above, the company does not have any governmental protection or privileges for any of its products under laws, regulations, or otherwise.
- b. The company does not hold any patents or franchise rights.
8. a. There are no decisions issued by the government, international organizations, or others that have a material impact on the company's operations, products, or competitiveness.
- b. International quality standards do not apply to the company, or the company does not adhere to international quality standards.

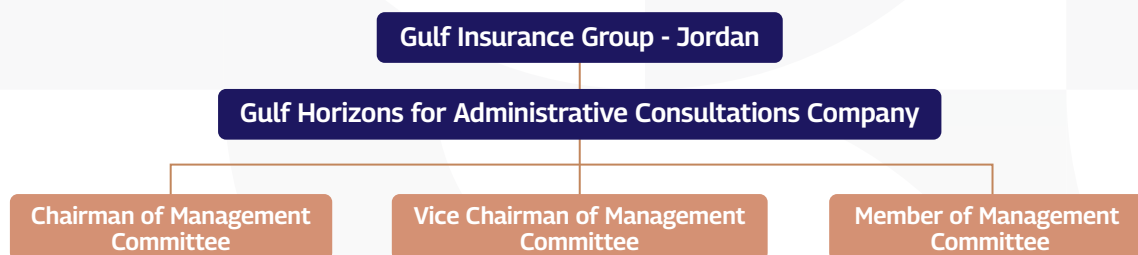
9. Company Employees and Training Courses:

a - 1 Organizational Chart:

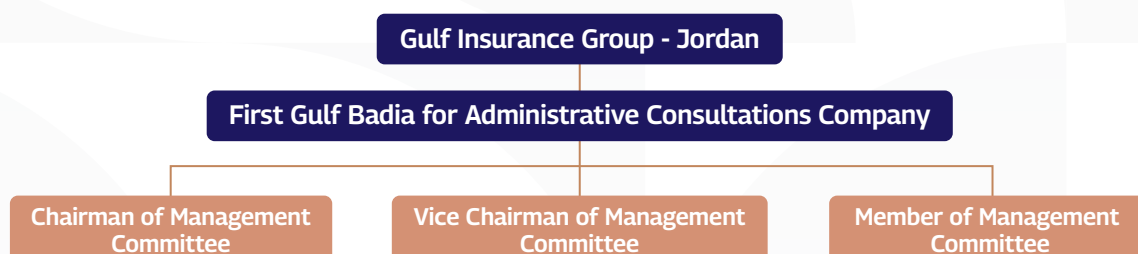


A-2 : Subsidiaries Organization Charts:

- Gulf Horizons for Administrative Consultations Company



- First Gulf Badia for Administrative Consultations Company



b. Company Employees: The company employs 466 employees as of 31/12/2024, the majority of whom hold high academic qualifications and extensive experience in addition to receiving specialized training courses.

Educational Attainment	Number of Employees as of 31/12/2024
PhD	2
Master's	20
Bachelor's	378
Diploma	27
General Secondary Education	28
Below General Secondary Education	11
Total	466

There are no employees in the company's subsidiaries

c. Training Courses: Many employees, both male and female, attended various internal training courses, in addition to participating in local and international conferences and seminars as outlined below.

Training Course	Number of Attendees
Logistics in Supply Chain	3
Business Etiquette Training	273
Group Compliance Conference 2024	3
Diversity and Inclusion	344
Enhancing the system for combating money laundering and terrorist financing in the financial sector.	3
Orientation Session - IMS Core System	142
Training ACOC	70
Individual Pricing Tool	33
Training AXA	25
Social Security law and regulations	2
Building the competitive advantage for the insurance sector using artificial intelligence.	2
Training Bupa	36
Training Marine Insurance	38
Training Home Assistance	50
Training-Cross-selling	48
Prevention and early detection of breast cancer and women's diseases	44
Electronic invoicing for the industrial sector	2
Certified Anti-Money Laundering Specialist (CAMS)	2
Advanced negotiation skills and deal-making strategies.	2
Fintech Jordan Conference 2024	3
Training- Life Insurance	31
The key divisions of the risk management department	2
Fire suppression systems course	2
SBS - Leadership training	41
SBS - Overview	111
SBS - Business Etiquette	25
Management of aviation insurance contracts, its accidents, and third-party claims	2
Power BI training	20
Workshop on the Personal Data Protection Law	4
Marine Insurance in the Middle East – Key Issues and Concerns'	2

Training Course	Number of Attendees
(PMP) Certification Exam Preparation Training Course	20
FinTech Exhibition and Conference	2
Practical applications of the IFRS17 accounting standard (Preparation of financial statements for insurance companies according to the requirements of the standard and regulatory bodies).	1
Workshop on 'Scope of Application of Anti-Money Laundering and Terrorist Financing Instructions'	4
The Arab Symposium - Emerging Issues and Applications in the Arab Insurance Industry.	2
Training workshop on climate and disaster risk financing	1
ICDL	37
Training Session - Fire & Allied Perils Insurance	62
Online Awareness Session - King Hussein Cancer Center Product	82
Cancer Care Insurance Program and the Cancer Situation in Jordan	139
Combating Cancer (Smoking Campaign)	158
Training program titled: 'Private Civil Liability Insurance.	2
Workplace Harassment	254
Orientation Session - Integration with the ISTD(Income Sales Tax Department)	141
Dealing with arbitration procedures in insurance dispute resolution	2
GIG REGIONAL INSURANCE SOLUTIONS (GRIS) & RULES OF ENGAGEMENT	1
Fourth Marine Insurance Open Day	2
Cyber Competent	1
Code of Conduct	259
The Dot Cyber Summit 2024 and ISO 27001 training.	1
Award in General Insurance	1
Principles of sustainability and their applications to insurance companies	2
COBIT19	1
Internal auditing and its interaction with other regulatory bodies and departments	2
Awareness lecture - Evacuation and firefighting.	31
Medical Insurance	2
Microinsurance and its marketing methods	2
PMP	21
Employee Financial Wellness Demo Session	34

Training Course	Number of Attendees
Next generation summit, AI and cloud strategies	2
Online Awareness Session - Cybersecurity Awareness Workshops	185
Certified Supply Chain Analyst	1
ICT summit	2
The Microsoft 365 Endpoint Administrator (Windows 11) training course	3
Awareness session - Prostate Cancer Day Event	171
Microsoft Azure Security Engineer	1
Risk Assessment	2
Awareness Session - Workplace Harassment	254
Training Workshop on Personal Data Protection Law No. 24 of 2023	4
Respect partnership: Awareness session	37
Respect services awareness session	32
Workshop on 'Recent Developments in Combating Money Laundering and Terrorist Financing (Cross-border Trade/Ransomware Programs)	2
Enhancing the System for Combating Money Laundering and Terrorist Financing in the Financial Sector	2
Awareness Session - Diversity in the Workplace	72
AIG Online Marine Academy	145
Official BSI- ISO 27001:2022 (ISMS) LI Training	1
Online Awareness Session - Fraud Awareness Session	216

10. The company follows financial policies to manage various risks within a specific strategy. Executive management oversees risk control and regulation through the Risk, Compliance, and Governance Department. The company optimally allocates assets and liabilities in the general budget, encompassing risks such as financial risks including interest rates, credit risks, foreign exchange risks, market risks, operational risks, compliance risks, insurance business risks, and reinsurance business risks.

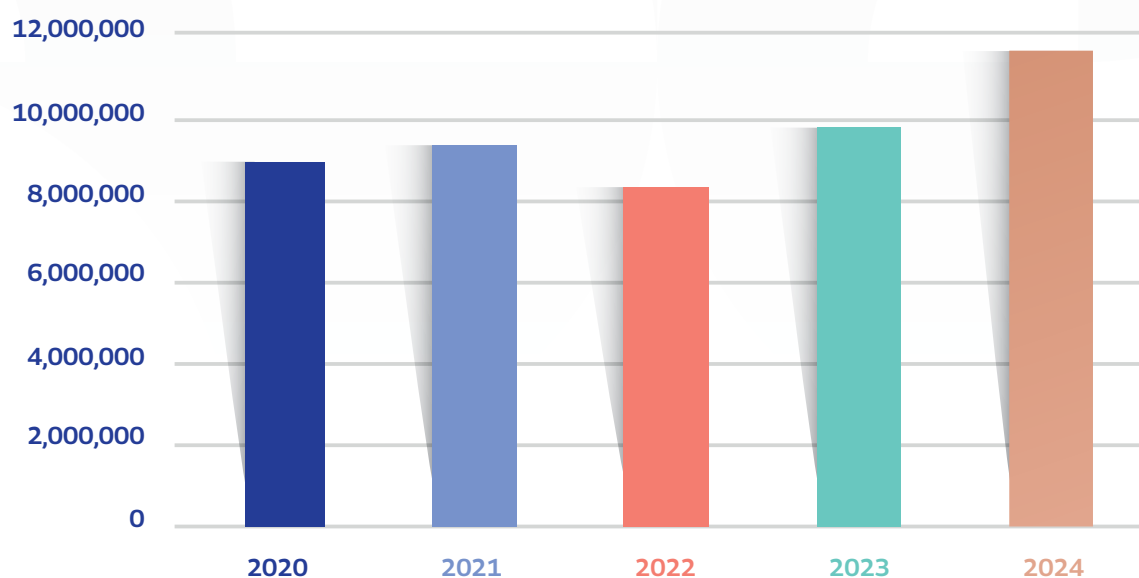
11. Gross written premiums were 126.5 million Jordanian Dinars. The global rating agency AM Best raised the long-term issuer credit rating of Gulf Insurance Group - Jordan from bbb+ (Good) to a- (Excellent) and raised the financial strength rating from B++ (Good) to A- (Excellent) with a stable future outlook for both ratings. This achievement makes Gulf Insurance Group - Jordan the highest-rated Jordanian insurance company in the local insurance sector, and the first company to reach this level of rating. During the year, the company focused on specialized types of insurance that require advanced technical knowledge and strong relationships with global reinsurers. The company made significant progress in information systems that streamline operations and developed several departments throughout.

12. There is no financial impact from non-recurring operations that occurred during the fiscal year and do not fall within the company's core activities.

13. Historically realized profits or losses, distributed profits, net shareholders' equity, and share prices.

Description	2020	2021	2022	2023	2024
Gross gains - (losses)	8,959,833	9,185,918	8,452,172	9,726,835	11,390,292
Cash Dividends	-	-	1,271,913	3,900,000	3,900,000
Stock Dividends	-	-	561,748	-	-
Net Equity	33,593,653	41,468,086	43,435,074	49,343,336	55,905,743
Net book value / Share JOD	1.57	1.63	1.67	1.90	2.15
Market value / Share JOD	1.17	1.55	2.00	1.78	1.76

Realized Profits



14. Financial Ratios and indicators:

Ratio	31/12/2024	31/12/2023
Liquidity Ratio	168%	169%
Cash Ratio	26%	31%
Working Capital	55,903,743	49,343,336
Return on Investments	6.75%	4.33%
Capital Adequacy	162.3%	159.8%
Net book Value per share / JOD	2.15	1.90
Assets turn over	0.98	0.93

15. Future Plans:

- Achieving a balance between people and technology to increase operational efficiency and enhance customer services.
- Investing in human resources through intensive training programs leading to globally accredited professional certifications.
- Increasing employee engagement and contributing to building the corporate culture.
- Achieving a growth rate in the company's business volume that is no less than the market growth for the year 2024 and maintaining the ability to generate appropriate returns for shareholders.
- Increasing income sources, improving operational efficiency, and positively enhancing the customer experience through technological development projects and digital partnerships.
- Continuously improving the customer satisfaction index.
- Providing the highest and best possible levels of service and service providers through various available service channels, whether electronically or through the company's advanced customer service center and branches.
- Developing individual life insurance products and creating cohesive packages of insurance products according to customer requirements.
- Creating balance in the insurance portfolio by focusing on attracting individual insurance and small to medium-sized business insurance..

16. Audit Fees for the Company:

The audit fees for the company's external auditors for 2024 was JD 77,000 JD 1,500 for Gulf Arab Horizons for Administrative Consultations Company and JD 1,500 for First Gulf Badia for Administrative Consultations Company. Additionally, there were JD 6,500 for the issuance of an Anti-Money Laundering and Counter-Terrorist Financing certificate and Reinsurance compliance certificate..

17. A. Securities Owned by Members of the Board of Directors and their Relatives as of 31/12/2024:

BOD Member	Title	Member Nationality	Representative Nationality	2024		2023		Other Controlled entities
				Number of shares	% of Share	Number of shares	% of Share	
H.E Nasser Lozi Spouse's and minor's Shares	Chairman	Jordanian	Jordanian	6900 0	0.0265% 0%	6900 0	0.0265% 0%	
Gulf Insurance Group represented by Mr. Khaled AL Hasan Spouse's and minor's Shares	Vice Chairman	Kuwaiti	Kuwaiti	23,367,078 0 0	89.8734% 0% 0%	23,367,078 0 0	89.8734% 0% 0%	Vice Chairman and CEO of Gulf Insurance Group
Gulf Insurance Group represented by Mr. Alaa AL Zoheiry Spouse's and minor's Shares	Member	Kuwaiti	Egyptian	23,367,078 0 0	89.8734% 0% 0%	23,367,078 0 0	89.8734% 0% 0%	
Gulf Insurance Group represented by Mr. Bijan Khosrowshahi Spouse's and minor's Shares	Member	Kuwaiti	American	23,367,078 0 0	89.8734% 0% 0%	23,367,078 0 0	89.8734% 0% 0%	Board Member of Jordan Kuwait Bank
Gulf Insurance Group represented by Mr. Ali AL Hindal Spouse's and minor's Shares	Member	Kuwaiti	Kuwaiti	23,367,078 0 0	89.8734% 0% 0%	23,367,078 0 0	89.8734% 0% 0%	
Strategic Investments Company represented by until 17/07/2024 Mr. Tawfiq Mukahal Spouse's and minor's Shares	Member	Jordanian	Jordanian	11,980 6027 0	0.0461% 0.0232% 0%	11,980 6027 0	0.0461% 0.0232% 0%	
Jordan Kuwait Bank represented by until 17/07/2024 Mrs. Hiyam Habash Spouse's and minor's Shares	Member	Jordanian	Jordanian	8,612 0 0	0.0331% 0% 0%	8,612 0 0	0.0331% 0% 0%	
Mr. Ahmad Sallakh Spouse's and minor's Shares	Member	Jordanian	Jordanian	5,010 0	0.0193% 0%	5010 0	0.0193% 0%	
Mr. Mazen Tabbalat Spouse's and minor's Shares	Member	Jordanian	Jordanian	5,010 0	0.0193% 0%	5010 0	0.0193% 0%	
Mr. Hanna Sawalha Spouse's and minor's Shares	Member	Jordanian	Jordanian	9,526 0	0.0366% 0%	9,526 0	0.0366% 0%	
Mr. Daoud Issa Spouse's and minor's Shares	Member	Jordanian	Jordanian	5,000 0	0.0192% 0	0 0	0.0192% 0	Chief Operating and Support Officer Jordan Kuwait

Apart from what has been mentioned above, there are no companies controlled by members of the board of directors and their relatives (spouses and minor children).

b. Securities owned by senior management personnel and their relatives as of 31/12/2024:

Name	Title	Nationality	2024		2023	
			Number of Shares	% of Shares	Number of Shares	% of Shares
Dr. Ali Al Wazaney	CEO	Jordanian	0	0%	0	0%
Spouse's and minor's Shares			0	0%	0	0%
Mr. Saad Farah	CFO	Jordanian	0	0%	0	0%
Spouse's and minor's Shares			0	0%	0	0%
Mr. Rami Dababneh	Director Business Development and Marketing	Jordanian	0	0%	0	0%
Spouse's and minor's Shares			0	0%	0	0%
Mr. Suleiman Dandis	Director Medical Division	Jordanian	0	0%	0	0%
Spouse's and minor's Shares			0	0%	0	0%
Mr. Mohammad Suboh	Director Branches & Indirect Business	Jordanian	0	0%	0	0%
Spouse's and minor's Shares			0	0%	0	0%
Mrs. Bara Sharif	Manager Internal Audit Department	Jordanian	0	0%	0	0%
Spouse's and minor's Shares			0	0%	0	0%
Mr. Omar Al Jilani	Manager Legal Department	Jordanian	0	0%	0	0%
Spouse's and minor's Shares			0	0%	0	0%

There are no companies controlled by senior management personnel and their relatives (spouses and minor children).

18. Summary of the company's bonus policy, outlining bonuses for board members and key employees.

The company awards incentives and increases according to specific conditions and after prior approval by the board of directors based on the company's financial and technical results, ensuring that the total annual incentive and increases do not exceed a certain percentage of the total salaries in the year. The company disburses an annual incentive to employees as a percentage of pre-tax technical profits for employees working in the company, except for employees receiving monthly financial incentives. The distribution of the annual incentive amount is based on employee performance evaluation. The company grants an inflation increase on employees' monthly wages based on inflation rates announced by the General Statistics Department, subject to prior approval by the board of directors. Additionally, employees are promoted based on annual performance evaluations and recommendations from the executive management committee members, provided there is a vacant position. Employees are granted promotion increases according to the company's salary scale and grades.

A. Board of Directors' bonuses amounted to JD 45,000, in addition to a sum of JD 139,800 for transportation allowances, and a sum of JD 15,600 for committee fees distributed among them as follows:

Name	Title	Remuneration	Transportation	Committees fees	Total
H.E Nasser Lozi	Chairman	5,000	82,200	2,800	90,000
Mr. Khaled Al Hasan	Vice Chairman	5,000	7,200	2,000	14,200
Mr. Tawfiq Mukahal until 17/07/2024	Member	2,917	4,200	1,400	8,517
Mr. Ali Al-Hendal	Member	5,000	7,200	1,200	13,400
Mr. Alaa Al Zoheiry	Member	5,000	7,200	1,200	13,400
Mr. Bijan Khosrowshahi	Member	5,000	7,200	600	12,800
Mrs. Hiyam Habash until 17/07/2024	Member	2,917	4,200	1,000	8,117
Mr. Ahmad Sallakh	Member	5,000	7,200	2,000	14,200
Mr. Mazen Tabbalat	Member	5,000	7,200	1,800	14,000
Mr. Hanna Sawalha from 15/08/2024	Member	2,083	3,000	1,000	6,083
Mr. Daoud Issa from 15/08/2024	Member	2,083	3,000	600	5,683
Total		45,000	139,800	15,600	200,400

There is a car registered under the name of Gulf Horizons for Administrative Consulting (subsidiary of GIG-Jordan) for the use of the Chairman of the Board.

B. The salaries of senior management employees amounted to JD 889,392, in addition to JD 35,200 for the internal audit manager's salary and JD 24,496 for the legal department manager salary. Furthermore, the bonuses for senior management employees amounted to JD 465,346, in addition to JD 7,700 for the internal audit manager's bonus and JD 5,359 for the legal department manager bonus. The total remuneration for BOD committees' was JD 8,800, secretary of the BOD fees was JD 3,000. The total travel expenses amounted to JD 9,450, making the overall total JD 1,448,743 during the year 2024, distributed according to the following table:

Name	Title	Annual Salary	Bonus	Committees' fees	Secretary of the BOD fees	Travel expenses	Total
Dr. Ali Al Wazaney	CEO	400,800	325,025	7,800	-	5,200	738,825
Mr. Saad Farah	CFO	148,496	55,236	200	3,000	2,350	209,282
Mr. Rami Dababneh	Director Business Development & Marketing	128,656	24,695	--	--	--	153,351
Mr. Suleiman Dandis	Director Medical Division	115,500	39,600	--	--	1,600	156,400
Mr. Mohammad Suboh	Director Branches & Indirect Business	96,240	20,790	--	--	--	117,030
Mrs. Bara Sharif	Manager Internal Audit Department	35,200	7,700	800	--	300	44,000
Mr. Omar Al Jilani	Manager Legal Department	24,496	5,359	--	--	--	29,855
Total		949,088	478,405	8,800	3,000	9,450	1,448,743

There is a car registered under the name of Gulf Horizons for Administrative Consulting (subsidiary of GIG-Jordan) for the use of the CEO.

19.Donations: The Company has donated the total amount of JD 25,554 in 2024 as follows:

Donated to	Amount
Mrs. Sabah Hussein Mahmoud	300
Jordan Hashemite Charity Organization	16,000
Al Malath foundation for palliative care	4,000
SOS Children's Village	4,470
Prince Ali ibn Al Hussein Club for Deaf	300
Others	375
Total	25,554

20. Contracts, projects, and engagements entered by the company with its subsidiaries, affiliates, or related companies, the Chairman of the Board, board members, the General Manager, or any employee of the company or their relatives.

The company has entered into the following transactions with these following parties, which fall within the company's main business activities:

	Jordan Kuwait Bank *	
	JD	JD
	2024	2023
Balance Sheet Items:		
Bank Deposits	2,568,719	3,218,563
Overdraft Accounts	78,567	168,992
Current Bank Accounts	234,851	242,845
Bank Guarantee deposits	489,215	393,278
Financial assets at fair value through other comprehensive income	3,575,652	2,594,492
Off Balance sheet items		
Bank Guarantees	4,892,150	3,932,780
Income Statement Items		
Interest revenue	128,898	423,530

* Jordan Kuwait Bank member of the Board of Directors to 17/07/2024.

	Al Haya for printing and publishing *	
	JD	JD
	2024	2023
Income Statement Items		
Advertisements services agreement	6,000	6,000

* A partner in the company mentioned above is a current employee of Gulf Insurance Group / Jordan.

Except for what has been mentioned above, there are no contracts, projects, or engagements entered by the company with its subsidiaries, affiliates, or related companies, the Chairman of the Board, board members, the General Manager, or any employee of the company or their relatives, except for insurance or reinsurance contracts, which fall within the company's main activities.

21. A. Company's Contribution to Environmental Protection:

In line with the company's commitment to playing its role in environmental protection, the following initiatives were undertaken during the year 2024:

- The company continued to implement the recycling program established in 2023, where employees continued to sort their waste. A recycling company collects, sorts, safely disposes of, and recycles the waste into raw materials for reuse in the production of other materials. Additionally, the company continued to collect and safely dispose of damaged electronic waste.

- The company continued to maintain a smoke-free work environment in compliance with the certifications it obtained earlier.
- The company reduced the use of plastic water bottles within the office, replacing them with glass bottles, and stopped purchasing paper napkins for employees as part of its commitment to environmental protection.
- The company continued to reuse envelopes for internal mail, using them multiple times.
- Employees were instructed not to print colored paper unless necessary, to print internally on both sides of the paper, and not to use email signature formats when replying to incoming emails.
- The company worked on reducing plastic usage within the office to minimize waste by identifying the types of plastic tools used and their location.
- The company continued to purchase eco-friendly bags distributed to clients and employees as part of an environmental recycling initiative.
- The Environmental, Social, and Corporate Governance (ESG) Committee held several meetings in 2024 to review proposals and ideas that support energy conservation, promote the use of clean energy, and encourage initiatives and campaigns aimed at reducing carbon emissions and toxic emissions, such as the tree planting and maintenance initiative in the nearby Al-Karama Park.
- The company planted approximately 150 forest trees in the Dibein Reserve as part of the Environmental, Social, and Governance (ESG) Committee's vision.
- The Human Resources Department held a special awareness session on the "Combating Cancer (Smoking Campaign)" for all employees, which covered vital topics on the health risks of smoking, prevention methods, and providing useful information on how to enhance overall health and prevent smoking-related diseases.
- Proposals were obtained for a project to use alternative energy through solar panels for the main building and all branches.

B. Based on the social responsibility pursued by the company each year, it has contributed to supporting several different community entities, including educational, health, humanitarian, and sports activities, as well as supporting community projects, including:

- Workplace Policies: The company continued to implement several measures aligned with social responsibilities such as health and safety, code of conduct, employment, etc.
- The company continued to award the Best Achievements Award to encourage positive employee behavior. The "Employee of the Month" award is given when a colleague notices an employee doing something positive, while the Best Achievements Award is given for creative and unique accomplishments.
- The company invited several of its accredited medical providers to hold a free medical day for employees to conduct medical and laboratory tests, which was met with great enthusiasm and participation.
- The company invited volunteers from the King Hussein Cancer Center to conduct early medical checks for female employees to ensure they were free from breast cancer.
- The company invited staff members from the King Hussein Cancer Foundation to give awareness lectures on cancer prevention and treatment methods.
- Many employees joined the INJAZ Foundation's volunteer programs over the past year, where they visited several public schools and delivered awareness lectures to students in various subjects, which received positive feedback from both students and teachers.
- Empowering Women: The company continued its work with the Arab Women Organization to support women in the community with their small businesses. The Arab Women Organization participated in a long-term initiative to enhance the position of Jordanian women as equal and active partners in development.
- The company signed several cooperation agreements with female entrepreneurs from the community under the "Big Sister Little Sister" program. This program aims to empower female employees by providing consultations and support from successful female entrepreneurs in the local community. The project seeks to enhance the personal and professional skills of employees by giving them the opportunity to directly communicate with experienced businesswomen and benefit from their expertise.

How the program works:

- Guidance and advice: An employee is assigned to each businesswoman (or “big sister”), where the businesswoman acts as a mentor or advisor to assist the employee (“little sister”) in her personal and professional development.
 - Monthly meetings: Both parties meet monthly for a full year. During these meetings, various issues related to work, personal development, work-life balance, and leadership skills are discussed.
 - Leveraging experience: The program helps employees benefit from the experiences of businesswomen in overcoming professional challenges and understanding how to make important decisions in their careers.
 - Personal development: In addition to developing professional skills, the program focuses on personal development aspects such as building self-confidence, managing stress, and achieving success in both professional and personal life.
 - Program outcomes: By the end of the year, employees are expected to have gained new skills in leadership or in managing their professional and personal lives in balance. This program also contributes to improving the work environment within the company, as employees feel supported and continuously guided.
 - The project encourages the creation of a professional network of relationships that can be valuable for employees' future, helping them improve their career opportunities and personal success.
- The company continued to sign a Memorandum of Understanding with the German Jordanian University to provide internships for university students during the summer vacation each year and throughout their academic studies.
 - The company hosted female students from Amman National Schools during the mid-year vacation for a one-week training session in various company departments.
 - Installed air saturation devices and flow restrictors on taps, in addition to air dryers placed in bathrooms and kitchens to reduce paper and water consumption.
 - Issued a directive to employees to promote healthy living habits, working with several gyms to offer InBody tests, Body Mass Index (BMI) measurements, and covering the gym membership fees for eligible employees.
 - Organized a weekly sports activity for employees outside working hours to practice effective physical sports such as badminton.
 - Continued cooperation with the Aman Association for Orphan's Future by providing financial support through monthly deductions from employees' accounts to the association's account.
 - Maintained the agreement with the Charity Clothing Bank by placing a donation box inside the company where employees could donate clothes or items they no longer needed.
 - Launched a donation campaign for employees during Ramadan for the “For You, Gaza” initiative by Tkiyet Um Ali, through electronic donation boxes placed in the main building (ground floor) and the Vehicle Compensation Center.
 - Organized activities with the Jordanian Children's Villages Association.
 - Organized an iced coffee day for employees.
 - Organized a volunteer day for employees to distribute heaters and fuel to underprivileged families outside the capital.
 - Launched a marketing campaign on 24/04/2024 to promote individual insurance programs by offering a 24% discount on all individual products, except for (maids' insurance policies), ensuring the minimum premium limits.
 - Some employees participated in the blood donation campaign initiative and set up a portfolio in the name of the Jordanian Insurance Companies Union at the blood bank.
 - Fairfax Company signed a partnership agreement with Cleveland Clinic to provide health awareness lectures via video conferencing on mental and psychological health for employees.
 - The HR Department held several awareness lectures on Diversity and Inclusion, as well as Workplace Harassment.
 - The HR Department organized several sessions on the Code of Conduct and work ethics.
 - The HR Department conducted many specialized professional courses to enable company employees to obtain global certifications such as PMP, Power BI, TOT, and ICDL.
 - The company established a library in the HR Department, where employees contribute books, they own for their colleagues to borrow and read.
 - The HR Department launched an awareness program for employees' children during their summer vacation, allowing employees to bring their children to participate in their work for two days.

- The company honored employees' children and their first-degree relatives who obtained their high school certificate for the year 2024.
- The company launched an internal training academy in 2024, specifically designed for sales employees, in its first phase, to provide them with the latest knowledge, skills, and sales techniques to increase their effectiveness and enhance their sales performance.

Declarations

1. The board of directors of Gulf Insurance Group - Jordan acknowledges that there are no material matters that may affect the company's continuity during the next financial year.
2. The board of directors of Gulf Insurance Group - Jordan acknowledges its responsibility for preparing the financial statements and providing an effective control system within the company.
3. The board of directors of Gulf Insurance Group - Jordan acknowledges that they did not receive any financial or in-kind benefits during their tenure at the company, which were not disclosed, whether personal or for any related parties, for the year 2024.

HE. Nasser Lozi
Chairman of the Board



Mr. Khaled Al Hasan
Vice Chairman



Mr. Bijan Khosrowshahi
Member



Mr. Alaa Al Zoheiry
Member



Mr. Ali Al Hendal
Member



Mr. Mazen Tabbalat
Member



Mr. Ahmad Sallakh
Member



Mr. Hanna Sawalha
Member



Mr. Daoud Issa
Member



4. Gulf Insurance Group - Jordan affirms the accuracy and completeness of the information and data contained in the annual report for the fiscal year ended on 31/12/2024.

Mr. Saad Farah
CFO



Dr. Ali Al Wazaney
CEO



HE. Nasser Lozi
Chairman of the Board.



Company's achievements since establishment:

Year	Gross written premiums	Net written premiums	Total Assets	Net Equity	Net profit (loss) before taxes
1997	371,204	360,851	1,302,631	1,070,566	77,290
1998	2,294,858	2,213,654	2,435,462	907,876	(170,044)
1999	2,358,746	2,255,697	3,993,622	2,029,272	136,083
2000	2,155,871	1,856,694	4,143,534	2,129,615	146,785
2001	4,314,450	2,940,156	5,329,804	2,270,161	132,483
2002	6,553,051	3,778,417	6,991,192	2,923,781	836,355
2003	11,228,137	7,181,127	10,813,198	3,441,571	450,376
2004	12,447,517	7,876,479	12,346,901	4,642,303	1,440,497
2005	18,229,371	10,148,395	15,862,468	5,729,486	2,009,271
2006	22,136,637	10,297,478	23,855,858	12,071,669	1,878,259
2007	25,824,460	11,891,273	27,830,337	12,598,127	1,869,051
2008	32,221,120	14,161,664	33,234,488	14,445,018	2,794,985
2009	44,588,661	18,327,853	41,570,361	16,985,020	3,145,120
2010	53,267,129	25,537,833	51,528,036	19,957,697	4,014,750
2011	66,102,873	29,190,482	60,125,256	23,115,107	4,163,187
2012	77,585,752	37,752,314	70,992,812	25,584,447	4,437,381
2013	86,019,536	41,989,922	83,614,187	28,357,096	5,370,951
2014	94,949,636	43,429,568	94,036,218	31,981,959	6,369,301
2015	102,671,190	46,072,339	103,157,538	34,214,079	5,670,764
2016	110,205,059	37,155,121	110,513,441	33,810,770	1,446,279
2017	95,427,353	36,540,841	105,999,076	22,727,786	(14,478,875)
2018	85,232,935	38,804,672	100,146,509	23,604,192	4,245,952
2019	85,695,019	40,582,312	109,037,871	27,810,700	7,180,047
2020	82,191,649	38,185,700	117,701,760	33,593,653	8,959,833
2021	92,094,085	45,310,357	108,472,543	38,952,959	9,185,918
2022	99,860,910	50,066,792	115,121,472	44,935,074	8,452,172
2023	109,066,971	48,175,471	120,622,729	49,343,336	9,726,835
2024	126,495,380	50,967,069	137,558,964	55,905,743	11,390,292

Development of the company's key financial indicators 2012- 2024

(*) In Thousands JOD

Indicator	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Assets*	70,992	83,614	94,036	103,158	110,513	105,999	100,147	109,038	117,702	108,473	115,121	120,663	137,559
Equity*	25,584	28,357	31,982	34,214	33,811	22,728	23,604	27,811	33,594	35,953	43,435	49,343	55,906
Paid in Capital*	18,725	20,035	21,438	21,438	21,438	21,438	21,438	21,438	21,438	25,438	26,000	26,000	26,000
Net Book value per share	1.37	1.42	1.49	1.60	1.58	1.06	1.10	1.30	1.57	1.63	1.86	1.90	2.15
Technical Profit*	6,330	6,280	7,268	9,739	4,389	(11,784)	6,179	7,595	10,569	10,620	7,996	6,503	6,961
Number of Employees*	257	266	278	311	346	356	330	353	370	417	391	436	466
Cash and Bank Deposits*	26,631	32,236	41,003	38,764	36,192	43,936	49,565	58,294	55,464	60,902	67,726	22,428	21,605
Other Investments*	1,646	4,430	5,167	6,510	7,575	9,868	7,523	5,960	15,696	17,422	17,323	68,788	79,453

Company Branches:

Main Branch

Amman / Jabal Amman
Phone: +(962) 6-5654550
Fax: +(962) 6-5654551
P.O. Box: 213590 Amman 11121 Jordan.

Aqaba Branch

Branch Manager: Mr. Tareq Abo Fares.
Aqaba / Jordan
Phone: +(962) 3-2030406
Fax: +(962) 3-2012014
P.O. Box: 1777 Aqaba 77110 Jordan

Irbid Branch

Branch Manager: Mr. Murad Al Muhur
Irbid / Jordan
Phone: +(962) 2-7255090
Fax: +(962) 2-7255092

Motor Claims Department Branch

Manager: Mr. Bashir Badarin
Amman / Prince Rashid Suburb
Phone: +(962) 6-5812128
Fax: +(962) 6-5829966

Mecca Street Branch

Branch Manager: Mr. Modar Mukahal
Amman / Mecca Street
Phone: +(962) 6-5544399
Fax: +(962) 6-5544398

Abdali Branch

Branch Manager: Mr. Rafat Khawaja
Amman / Abdali
Phone: +(962) 6-5669260
Fax: +(962) 6-5669263

Marka Branch

Branch Manager: Mr. Rami Saboh
Amman / DVLD Marka
Phone: +(962) 6-4872599
Fax: +(962) 6-4872599

King Hussein Business Park Branch

Manager: Mr. Munther Feddah
Amman / King Hussein Business Park
Phone: +(962) 6-5804477
Fax: +(962) 6-5804480

Abdali Mall Branch

Branch Manager: Mr. Rami Issa
Amman / Abdali
Phone: +(962) 6-5609888
Fax: +(962) 6-5654551

Galleria Mall Branch

Branch Manager: Mr. Mohammad Suboh
Amman / Galleria Mall
Phone: +(962) 6-5609888
Fax: +(962) 6-5654551

Amman Chamber of Commerce Branch

Branch Manager: Mr. Mohammad Suboh
Amman / Shmeisani
Phone: +(962) 6-5666151 - 1409

Shmeisani Branch

Branch Manager: Reem Al Badri
Amman / Shmeisani
Phone: +(962) 6-5007800

Taj Mall Branch

Manager: Mrs. Aya Al Barayseh
Abdoun / Taj Mall
Phone: +(962) 6-5654550 - 879

Mobile Branch

Manager: Ahmad Budair

Company Agents:

Agents Name	Phone number
Ghaith Basem Jeries Farraj	0776888880
Alaa Zaid Ahmad Al Hmoud	0795663662
Maher Mohamad Natheer Al Khateeb	0799692236
Hanady Faraj Rasheed Hasan	0795652224
Mohammad Ahmad Naim Al Faouri	0796999958
Fouad Fathi Mohamad Mizher	0798766449
Faiqa Bassam Mohammad Ammoura	0792881412
Lina Zaid Mohammad Al Hijawi	0797738127
Faisal Ghazi Fouad Hasan	0790834171



Financial Statements

31 December 2024

Independent auditor's report

To The Shareholders of Gulf Insurance Group/Jordan (Public Shareholding Company)
Amman – Jordan

Report on the Audit of the Consolidated Financial Statements

Our opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Gulf Insurance Group/Jordan (the "Company") and its subsidiaries (together the "Group") as at 31 December 2024, and their consolidated financial performance and their consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as modified by the Central Bank of Jordan.

What we have audited

The Group's consolidated financial statements comprise:

- the consolidated statement of financial position as of 31 December 2024.
- the consolidated statement of income for the year then ended.
- the consolidated statement of income - Life insurance for the year then ended.
- the consolidated statement of comprehensive income for the year then ended.
- the consolidated statement of changes in equity for the year then ended.
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

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 consolidated financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) and the ethical requirements that are relevant to our audit of the consolidated financial statements in the Hashemite Kingdom of Jordan. We have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Our audit approach

Overview

Key Audit Matter

Measurement of Insurance contracts liabilities

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated financial statements. In particular, we considered where the directors made subjective judgments; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We have designed the scope of the audit to perform sufficient procedures that enable us to express an opinion on the consolidated financial statements as a whole, taking into account the Groups structure, accounting processes, controls and business segments.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p>Measurement of Insurance Contract Liabilities. The liabilities of insurance contracts mentioned in Note (10) amounted to 70,995,479 JD as of 31 December 2024 (2023: 64,773,537 JD)</p> <p>The measurement of insurance contract liabilities is a key auditing matter because the group applies important provisions and makes several assumptions about measuring the present value of cash flows, risk adjustments, the measurement of onerous contracts, the discount rate, and the contractual service margin, in addition to using complex actuarial methods to estimate contractual cash flows, especially final claims projections and their development patterns.</p> <p>The group recognizes insurance contract liabilities when the group has obligations at the consolidated financial statement date arising from past events related to insurance contracts, and the settlement of these obligations is probable and can be reliably measured. The amounts recognized as insurance contract liabilities represent the best estimate of the amounts required to settle the obligation as of the consolidated financial statement date, considering the risks and uncertainties associated with insurance contract liabilities. When the liability is determined based on estimated cash flows to settle the current obligation, its book value represents the present value of these cash flows.</p> <p>The accounting policy has been presented in accordance with International Financial Reporting Standard (IFRS) No. 17, as amended by the Central Bank of Jordan, in Note (2) regarding these consolidated financial statements.</p>	<p>We performed the following audit procedures when measuring the insurance contract liabilities in the consolidated financial statements of the group for the year ending December 31, 2024:</p> <ul style="list-style-type: none"> • We assessed the group's methodology for calculating insurance contract liabilities in accordance with IFRS Accounting Standard 17, as amended by the Central Bank of Jordan. • We tested the accuracy and completeness of the data used to measure the insurance contract liabilities by tracing a sample of the data for the underlying contracts and reconciling the data to the accounting records. • We obtained from internal and independent external experts the estimate of incurred but not reported (IBNR) claims and the supporting estimates and assumptions. • We assessed the adequacy and appropriateness of the related disclosures in the consolidated financial statements in accordance with IFRS Accounting Standard 17, as amended by the Central Bank of Jordan. • We tested the accuracy of the claims reserves by examining samples of claims reserves and comparing the estimated reserve amounts with appropriate documentation and amounts paid in subsequent periods. • We performed analytical procedures on the liabilities accounts by business activity and recalculated the unearned revenue and issuance costs that form the liability for remaining coverage reserve for each business activity using data extracted from the group's systems. • We assessed the competence and objectivity of the actuarial expert appointed by the group. • We consulted with our internal specialists to assess the following aspects: <ul style="list-style-type: none"> - The conceptual framework used in evaluating the group's methodology for calculating insurance contract liabilities in the context of its compliance with IFRS No. 17, as amended by the Central Bank of Jordan. - The calculation methodology and the model used, including claims ratios and their development patterns. - The reasonableness of the assumptions used, such as loss ratios, claims development factors, and discount rates.

Other information

Management is responsible for the other information. The other information comprises all the other information included in the Group's annual report (but does not include the consolidated financial statements and our auditor's report therein), which is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the other information not yet received, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as modified by the Central Bank of Jordan, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Group's consolidated financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group'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 Group'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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

The Group maintains proper accounting records which are consistent, in all material aspects, with the accompanying consolidated financial statements. We recommend the General Assembly to approve them.

For and on behalf of PricewaterhouseCoopers "Jordan"



حازم سبابا

Hazem Sababa
License No. (802)

Amman, Jordan
24 February 2025

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As At 31 December 2024

	Note	31 December 2024	31 December 2023
		JD	JD
Assets			
Investments			
Deposits at banks	3	20,585,232	21,272,263
Financial assets at fair value through profit or loss	4	11,912,378	5,179,512
Financial assets at fair value through other comprehensive income	5	6,568,578	5,682,672
Financial assets at amortized cost	6	60,801,553	57,755,525
Investment property	7	170,464	170,464
Right of use assets	8	501,027	203,491
Total Investments		100,539,232	90,263,927
Cash on hand and at banks	9	1,020,257	1,155,421
Insurance contract assets	10	2,558	-
Re-insurance contracts assets	11-12	12,128,180	6,176,683
Deferred tax assets	12	3,715,826	4,274,201
Property and equipment	13	7,882,439	7,425,908
Intangible assets	14	5,662,695	5,488,992
Other assets	15	5,813,449	5,048,642
Discontinued operations' assets		794,328	788,955
Total Assets		137,558,964	120,622,729
Liabilities and Equity			
Liabilities			
Insurance contracts liabilities	10	70,995,479	64,773,537
Re-insurance contracts liabilities	10-11	2,710,701	358,857
Accrued expenses		2,729,081	1,846,267
Lease liabilities	8	480,608	232,848
Income tax provision	12	816,371	212,697
Other provisions	16	3,025,526	2,887,598
Other liabilities	17	672,011	723,373
Discontinued operations' liabilities		223,444	244,216
Total Liabilities		81,653,221	71,279,393
Equity			
Authorized and paid-in capital	18	26,000,000	26,000,000
Statutory reserve	19	6,500,000	6,500,000
Fair value reserve	20	(927,315)	(1,509,165)
Change in actuarial assumption		(120,000)	(120,000)
Retained earnings		24,453,058	18,472,501
Equity		55,905,743	49,343,336
Total Liabilities and Equity		137,558,964	120,622,729

The attached notes 1 to 49 integral part of these consolidated financial statements.

Chairman of the Board of Directors



Chief Executive Officer



CONSOLIDATED STATEMENT OF INCOME

As At 31 December 2024

	Note	31 December 2024	31 December 2023
		JD	JD
Revenues			
Insurance contracts revenues	23	124,600,652	110,059,304
Less: Insurance contracts expenses	24	(99,156,812)	(85,594,055)
Insurance contracts services results		25,443,840	24,465,249
Re-insurance contracts expenses	25	(61,554,192)	(47,338,624)
Re-insurance contracts recoveries	26	45,490,674	33,537,529
Re-insurance contracts services results	33	(16,063,518)	(13,801,095)
Net insurance and re-insurance contracts results		9,380,322	10,664,154
Finance expense insurance contracts	27	(2,773,253)	(3,446,278)
Finance (expense) - insurance contracts	28	353,496	777,896
Net insurance and re- insurance contracts results		6,960,565	7,995,772
Interest income	29	4,797,704	4,331,926
Gain (Loss) from financial assets and investments - net	30	1,991,050	(419,562)
Total revenues		13,749,319	11,908,136
Unallocated general and administrative expenses		2,134,626	1,922,005
Unallocated depreciation and amortization		-	83,533
Expected credit losses	3	200,000	200,000
(Gains) losses from sale of property and equipment		24,401	(24,237)
Total expenses		2,359,027	2,181,301
Profit for the year from continuing operations before income tax		11,390,292	9,726,835
Income tax expense	12	(1,308,758)	(199,943)
Profit for the year from continuing operations		10,081,534	9,526,892
(Loss) profit for the year after tax from discontinued operations		(4,549)	(38,237)
Profit for the year		10,076,985	9,488,655
Earnings per share from the profit of the year	33	0.388	0.365

The attached notes 1 to 49 integral part of these consolidated financial statements.

Chairman of the Board of Directors



Chief Executive Officer



CONSOLIDATED STATEMENT OF INCOME - LIFE INSURANCE

As At 31 December 2024

	Note	31 December 2024	31 December 2023
		JD	JD
Revenues			
Insurance contracts revenues	23	6,360,698	2,679,278
Insurance contracts expenses	24	(6,349,993)	(2,582,971)
Insurance contracts services results		10,705	96,307
Re-insurance contracts expenses	25	(4,742,511)	(1,439,036)
Re-insurance contracts recoveries	26	4,584,887	1,147,456
Re-insurance contracts services results		(157,624)	(291,580)
Net insurance and re-insurance contracts results		(146,919)	(195,273)
Finance (expense) insurance contracts	27	(125,880)	(82,355)
Finance income - re-insurance contracts	28	23,430	121,141
Net insurance and re- insurance finance results		(102,450)	38,786
Net insurance and re- insurance contracts results		(249,369)	(156,487)
Interest income	29	213,590	141,717
Total revenues		213,590	141,717
Loss for the year before income tax		(35,779)	(14,770)
income tax expense		-	-
Loss for the year		(35,779)	(14,770)
Earnings per share from the loss of the year	33	(0.001)	(0.001)

The attached notes 1 to 49 integral part of these consolidated financial statements.

Chairman of the Board of Directors



Chief Executive Officer



CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

As At 31 December 2024

	Note	31 December 2024	31 December 2023
		JD	JD
Profit for the year		10,076,985	9,488,655
Add other comprehensive income items:			
Items that will not be reclassified to the consolidated income statement in subsequent periods:			
Change in fair value of financial assets through other comprehensive income	5	385,422	439,607
Change in actuarial assumptions		-	(120,000)
Total comprehensive income for the year		10,462,407	9,808,262

The attached notes 1 to 49 integral part of these consolidated financial statements.

Chairman of the Board of Directors



Chief Executive Officer



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Period Ended 31 December 2024

2024	Authorized and paid-in capital	Statutory reserve	Change in actuarial assumptions -provision	Fair value reserve	Retained earnings*	Net Equity
	JD	JD		JD	JD	JD
Balance as at 1 January 2024	26,000,000	6,500,000	(120,000)	(1,509,165)	18,472,501	49,343,336
Profit after tax	-	-	-	-	10,076,985	10,076,985
Change in fair value through other comprehensive income	-	-	-	385,422	-	385,422
Total comprehensive income for the year	-	-	-	385,422	10,076,985	10,462,407
Loss from sale of financial assets through other comprehensive income	-	-	-	196,428	(196,428)	-
Dividends distribution (Note 21)	-	-	-	-	(3,900,000)	(3,900,000)
Balance at 31 December 2024	26,000,000	6,500,000	(120,000)	(927,315)	24,453,058	55,905,743

2023	Authorized and paid-in capital	Statutory reserve	Change in actuarial assumptions -provision	Fair value reserve	Retained earnings*	Net Equity
	JD	JD		JD	JD	JD
Balance as at 1 January 2023	26,000,000	6,500,000	-	(1,684,308)	12,619,382	43,435,074
Profit after tax	-	-	-	-	9,488,655	9,488,655
Change in fair value through other comprehensive income	-	-	-	439,607	-	439,607
Change in actuarial assumptions	-	-	(120,000)	-	-	(120,000)
Total comprehensive income for the year	-	-	(120,000)	439,607	9,488,655	9,808,262
Loss from sale of financial assets through other comprehensive income	-	-	-	(264,464)	264,464	-
Dividends distribution (Note 21)	-	-	-	-	(3,900,000)	(3,900,000)
Balance at 31 December 2023	26,000,000	6,500,000	(120,000)	(1,509,165)	18,472,501	49,343,336

* Retained earnings include an amount of JD 3,715,827 as at 31 December 2024 (2023: JD 4,274,201) representing deferred tax assets that is restricted from use in accordance with the Jordan Securities Commission instructions. Furthermore, the amount of JD 1,047,315 as at 31 December 2024 (2023: JD 1,629,165) of the retained earnings is restricted from use which represents the negative balance of the fair value reserve. It is also not possible to dispose of an amount of JD 1,180,719 as of 31 December 2024 (2023: 746,799) which represents unrealized gains on financial assets at fair value through the income statement.

The attached notes 1 to 49 integral part of these consolidated financial statements.

Chairman of the Board of Directors

Chief Executive Officer




CONSOLIDATED STATEMENT OF CASH FLOWS

For the Period Ended 31 December 2024

	31 December 2024	31 December 2023
	JD	JD
Cash Flow From Operating Activities		
Profit for the year from continuing operations before tax	11,390,292	9,726,835
Loss from discontinued operations after tax	(4,549)	(38,237)
Adjustments:		
Depreciation and amortization	710,093	645,455
Interest income	(4,797,704)	(4,331,926)
Impairment loss on intangible assets	-	400,000
Depreciation of right-of-use assets	140,639	220,880
Lease contract financing costs	41,945	23,256
End-of-service benefit expense	611,763	722,877
Gains (losses) on disposal of property and equipment	24,401	(24,237)
Change in fair value of financial assets through other comprehensive income	196,428	(264,464)
Expected credit losses on financial assets at amortized cost	-	200,000
Expected credit losses on bank deposits	200,000	-
Expected credit losses	-	150,002
Expected credit losses on reinsurance contracts assets	350,000	100,002
Unrealized (Gains) losses on financial assets at fair value through profit or loss	(1,180,719)	746,799
Dividends income from financial assets at fair value through other comprehensive income	(810,331)	(327,237)
Amortization of financial assets at amortized cost	(175,110)	-
Changes in working capital:	6,697,148	7,950,005
Insurance contract assets	(2,558)	-
Re- reinsurance contract assets (Held)	(6,301,497)	1,615,229
Other assets	(764,760)	(710,765)
Insurance contract liabilities	6,221,942	1,158,651
Retained reinsurance contract liabilities (Held)	2,351,844	(399,899)
Other liabilities	(72,134)	(268,814)
Accrued expenses	882,814	56,949
Other provisions	(247,048)	69,085
Net cash flows from operating activities before payments for provisions and income tax	8,765,751	9,470,441

	31 December 2024	31 December 2023
	JD	JD
Paid from end-of-service provision	(226,787)	(250,357)
Income tax paid	(146,709)	(341,262)
Net cash flows from operating activities	8,392,255	8,878,822
Cash Flow From Investing Activities		
Deposits at banks maturing after three months	1,487,031	45,650,299
Purchase of property and equipment	(944,315)	(614,946)
Purchase of intangible assets	(431,128)	(357,052)
Proceeds from sale of property and equipment	10,715	26,594
Purchase of financial assets at fair value through profit or loss	(5,552,147)	(5,926,311)
Purchase of financial assets at amortized cost	(7,479,418)	(45,505,166)
Dividends Received	810,331	327,237
Interest income received	4,797,704	2,914,242
Purchase of financial assets at fair value through other comprehensive income	(984,459)	(802,272)
Proceeds from matured bonds at amortized cost	4,608,500	-
Proceeds from the sale of financial assets through other comprehensive income	287,547	1,383,854
Net cash flows used in investing activities	(3,389,639)	(2,903,521)
Cash Flow From Financing Activities		
Repayment of subordinated loan	-	(1,500,000)
Paid distributed dividends	(3,900,000)	(3,900,000)
Lease payments	(232,360)	(207,679)
Net cash flow used in financing activities	(4,132,360)	(5,607,679)
Net increase (decrease) in cash and cash equivalents	870,256	367,622
Cash and cash equivalents at the beginning of the year	1,924,323	1,556,701
Cash and cash equivalents at the end of the year	2,794,579	1,924,323

The attached notes 1 to 49 integral part of these consolidated financial statements.

Chairman of the Board of Directors



Chief Executive Officer



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 DECEMBER 2024

(1) General

Gulf Insurance Group Company/Jordan Public Shareholding Company was established in 1996 and registered under No. (309), with a paid in capital of JD 2,000,000 divided into 2,000,000 shares with a par value of JD 1 each. The paid in capital increased several times; the last of which was during 2022, the authorized and paid in capital became JD 26,000,000 divided into 26,000,000 shares with a par value of JD 1 each.

The Group is engaged in insurance business against fire, accidents, marine and transportation, motor insurance, liability, aviation, medical insurance and life insurance through its main branch located at Jabal Amman 3rd circle in Amman, and other branches at Marca "licensing services center", Mecca Street, 8th Circle, Business Park, Abdali in Amman city, Aqaba branch in Aqaba City and in Irbid branch in Irbid city.

The General Assembly decided in its meeting held on 31 May 2022 to change the legal name of the company from (Arab Orient Insurance Company) to (Gulf Insurance Group Company / Jordan). Legal procedures were completed during the third quarter of 2022.

Gulf Insurance Group Company/ Jordan Public Shareholding Company is 89.91% owned by Gulf Insurance Company (parent Company) as of 31 December 2024. The Company's financial statements are consolidated with the parent Company.

The consolidated financial statements were approved by the Board of Directors in its meeting held on 24 February 2025.

(2) Material Accounting Policy Information

(2-1) Basis of Preparation Consolidated Financial Statements

The consolidated financial statements of the Company and its subsidiaries have been prepared in accordance with the International Financial Reporting Standards issued by the International Accounting Standards Board as amended by the Central Bank of Jordan.

The main differences between the applicable International Financial Reporting Standards and the models issued by the Central Bank of Jordan are as follows:

- The method of presenting the financial statements, where according to International Accounting Standard No. (1) "Presentation of Financial Statements", the items of the statement of financial position are classified based on liquidity within one category only. While, according to the models of the Central Bank of Jordan, the items of the statement of financial position are required to be presented within two categories "Assets" and "Investments".
- The Central Bank of Jordan models include the income statement for life insurance separately, while it does not require its presentation according to International Accounting Standard No. (1).
- The method of calculating the expected credit loss provision, as any exposures to the Jordanian government or its guarantee are excluded, and no expected credit loss provision is calculated on them, which does not comply with International Financial Reporting Standard No. 9.
- Some items are classified and presented in the consolidated statement of financial position, consolidated income statement, consolidated statement of cash flows and related disclosures such as insurance contract assets, reinsurance contract assets, insurance contract liabilities, reinsurance contract liabilities, insurance contract revenues, insurance contract expenses, fair value levels, segment classification, risk-related disclosures, etc., and disclosed in accordance with the requirements of the Central Bank of Jordan and its circular instructions and guidelines, which may not include all the requirements of the International Financial Reporting Standards for Accounting such as International Financial Reporting Standards No. 7, 8, 13 and 17.

The consolidated financial statements have been prepared under the historical cost convention except for financial assets at fair value through income or other comprehensive income, details of which are disclosed in their accounting policies.

The Jordanian Dinar is the presentation currency of the consolidated financial statements, which is the functional currency of the Group.

The significant accounting policies adopted in the preparation of the consolidated financial statements, which have been disclosed, have been applied consistently for all the years presented unless otherwise stated.

The preparation of consolidated financial statements in accordance with International Financial Reporting Standards requires the use of certain critical accounting estimates and also requires management to use its own judgment in the process of applying the Company's accounting policies.

The consolidated statement of financial position is not presented using a current/non-current classification. However, the following balances are generally classified as current: cash and cash equivalents, financial assets at fair value through profit or loss, other assets, accrued expenses, other liabilities and income tax provision. The following balances are generally classified as non-current: financial assets at amortized cost, financial assets at fair value through other comprehensive income, property and equipment, right-of-use assets, investment properties, deferred tax assets and intangible assets. Mixed balances by nature, i.e. they include both current and non-current parts, include deposits with banks, insurance contract liabilities, reinsurance contract liabilities, reinsurance contract assets, insurance contract assets, lease contract liabilities and various provisions.

(2-2) Basis of Consolidation for the Consolidated Financial Statements

The financial statements of subsidiaries are consolidated from the date on which the Group gains control until such control ceases. The expenses and revenues of subsidiaries are consolidated in the consolidated income statement from the date on which the Group gains control over the subsidiaries until such control ceases.

The consolidated financial statements include the financial statements of Gulf Insurance Group/Jordan Public Shareholding Company Limited (the Company) and the following subsidiaries (together referred to as the Group) as at 31 December 2024.

Name of Company	Legal Status	Country	Ownership percentage
Badeyet al Khaleej First Company for Management Consulting *	Limited liability	Jordan	100%
The Arabian Gulf Horizons Company for Management Consulting **	Limited liability	Jordan	100%

* Badeyet Al Khaleej First Company for Management Consulting, a limited liability Company, was established and registered at the Ministry of Industry and Trade on 29 December 2020 with a paid in capital of JD 1,000 and is fully owned by the Gulf Insurance Group/ Jordan (Public Shareholding Company). The Company's main objectives are to acquire, sell and mortgage movable and immovable assets to achieve the Company's objectives.

** The Arabian Gulf Horizons Company for Management Consulting, a limited liability Company, was established and registered at the Ministry of Industry and Trade on 29 December 2020, with a paid in capital of JD 1,000 and is fully owned by the Gulf Insurance Group/ Jordan (Public Shareholding Company). The Company's main objectives are to acquire, sell and mortgage movable and immovable assets to achieve the Company's objectives.

The Group reassesses whether it controls the investee and whether facts or circumstances indicate changes to one or more of the three elements of control.

Profit and loss and each component of other comprehensive income are attributed to equity holders of the parent and to non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, the financial statements of subsidiaries are adjusted to bring their accounting policies into line with the Group's accounting policies. Assets, liabilities, equity, income, expenses, gains and losses relating to transactions between the Group and subsidiaries are eliminated.

The effect of a change in ownership in a subsidiary that does not result in a loss of control is recorded in equity. When the Group loses control over a subsidiary, the Group:

- Derecognizes the assets (including goodwill) and liabilities of the subsidiary
- Derecognizes non-controlling interests
- Derecognizes the foreign currency translation reserve recorded in equity
- Recognizes the fair value of the consideration received
- Recognizes the fair value of the investment retained in the subsidiary
- Recognizes the gain or loss resulting from the loss of control
- Reclassifies the share of the Company previously recorded in other comprehensive income to profit or loss or retained earnings if the Group has directly disposed of its assets or liabilities.

The financial statements of the Company and its subsidiaries are prepared for the same financial year and using consistent accounting policies.

(2-3) Changes in Accounting Policies and Disclosures

A. New and amended standards and interpretations issued and adopted by the company in the financial year beginning on 1 January 2024:

Lease Liability in a Sale and Leaseback – Amendments to IFRS 16: In September 2022, the IASB finalized narrow-scope amendments to the requirements for sale and leaseback transactions in IFRS 16 Leases which explain how an entity accounts for a sale and leaseback after the date of the transaction.	1 January 2024
Supplier finance arrangements – Amendments to IAS 7 and IFRS 7 On 25 May 2023, the IASB issued amendments to IAS 7 and IFRS 7 to require specific disclosures about supplier finance arrangements (SFAs). The amendments respond to the investors' need for more information about SFAs to be able to assess how these arrangements affect an entity's liabilities, cash flows and liquidity risk.	1 January 2024
Classification of Liabilities as Current or Non-current – Amendments to IAS 1 Non-current Liabilities with Covenants Amendments made to IAS 1 Presentation of Financial Statements in 2020 and 2022 clarified that liabilities are classified as either current or noncurrent, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the entity's expectations or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant). Covenants of loan arrangements will not affect classification of a liability as current or non-current at the reporting date if the entity must only comply with the covenants after the reporting date. However, if the entity must comply with a covenant either on or before the reporting date, this needs to be considered in the classification as current or non-current even if the covenant is only tested for compliance after the reporting date.	1 January 2024

The implementation of the above standards did not have a material impact on the interim condensed financial statements.

b. The Company has not yet applied the following new standards, amendments and interpretations that have been issued but are not yet effective:

<p>Amendments to IAS 21 – Lack of Exchangeability</p> <p>An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.</p>	<p>Annual periods beginning on or after 1 January 2025</p>
<p>Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7</p> <p>On 30 May 2024, the IASB issued targeted amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities.</p>	<p>1 January 2026</p>
<p>IFRS 18, 'Presentation and Disclosure in Financial Statements'</p> <p>On 9 April 2024, the IASB issued a new standard – IFRS 18, 'Presentation and Disclosure in Financial Statements' – in response to investors' concerns about the comparability and transparency of entities' performance reporting. The new requirements introduced in IFRS 18 will help to achieve comparability of the financial performance of similar entities, especially related to how 'operating profit or loss' is defined. The new disclosures required for some management-defined performance measures will also enhance transparency.</p> <p>This new standard replaces the previous IAS 1 and is specific on matters related to presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss to meet the matters mentioned above.</p>	<p>1 January 2027 (early adoption is permitted)</p>
<p>IFRS 19, 'Subsidiaries without Public Accountability: Disclosures'</p> <p>This new standard works alongside other IFRS Accounting Standards. An eligible subsidiary applies the requirements in other IFRS Accounting Standards except for the disclosure requirements; and it applies instead the reduced disclosure requirements in IFRS 19. IFRS 19's reduced disclosure requirements balance the information needs of the users of eligible subsidiaries' financial statements with cost savings for preparers. IFRS 19 is a voluntary standard for eligible subsidiaries.</p> <p>A subsidiary is eligible if:</p> <ul style="list-style-type: none"> • it does not have public accountability; and • it has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards. 	<p>1 January 2027</p>

The management is still in the process of evaluating the impact of these new amendments on the Group's consolidated financial statements, and it believes that there will be no significant impact on the consolidated financial statements when they are implemented.

There are no other standards that are not yet effective and that would be expected to have a material impact on the Group in the current year starting 1 January 2024 or future reporting periods and on foreseeable future transactions.

2-4 Use of estimates and assumptions

Preparing the consolidated financial statements and applying accounting policies requires the Group's management to make estimates and assumptions that affect the amounts of financial assets and financial liabilities and the disclosure of potential obligations. These estimates and assumptions also affect revenues, expenses and provisions, as well as changes in fair value that appear in the income statement and within shareholders' equity. In particular, the Company's management is required to issue significant judgments and assumptions to estimate the amounts and timing of future cash flows. The estimates mentioned are necessarily based on multiple assumptions and factors that have varying degrees of judgment and uncertainty, and actual results may differ from the estimates due to changes resulting from the conditions and circumstances of those estimates in the future.

Our estimates in the consolidated financial statements are reasonable and detailed as follows:

2-4-1 Expected credit losses

The Group has applied the simplified method of International Financial Reporting Standard No. (9) (Financial Instruments) to record expected credit losses on debtors and checks under collection and calculate expected credit losses over the entire life of debtors and checks under collection. The Group has prepared a study based on historical experience of credit loss, considering future factors and the economic environment.

2-4-2 Impairment in the value of financial assets

The Group reviews the values recorded in the records of financial assets at the date of the consolidated financial statements to determine whether there are indicators of impairment in their value individually or as a group, and in the event of such indicators, the recoverable value is estimated in order to determine the impairment loss.

The amount of impairment is determined as follows:

- Impairment of financial assets shown at amortized cost: represents the difference between the value recorded in the records and the present value of the expected cash flows discounted at the original effective interest rate.

The impairment is recorded in the consolidated income statement and any surplus in the subsequent year resulting from the previous impairment of financial assets is recorded in the consolidated income statement.

2-4-3 Income Tax

The fiscal year is charged with its income tax expense in accordance with the regulations, laws and international financial reporting standards for accounting.

- Taxes due

Tax expenses due are calculated on the basis of taxable profits, and taxable profits differ from the profits declared in the consolidated income statement because the declared profits include non-taxable revenues or expenses that cannot be deducted in the fiscal year but in subsequent years or accumulated losses that are acceptable for tax or items that are not subject to or acceptable for deduction for tax purposes.

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

- Deferred Taxes

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

Taxes are calculated using the liability method in the consolidated statement of financial position and deferred taxes are calculated according to the tax rates expected to be applied when settling the tax liability or realizing the deferred tax assets.

The balance of deferred tax assets is reviewed at the date of the consolidated financial statements and is reduced in the event that it is expected that those tax assets will not be able to be utilized in part or in full or by settling the tax liability or no longer needed.

2-4-4 Property, equipment and intangible assets

The management periodically re-estimates the useful lives of tangible and intangible assets for the purpose of calculating annual depreciation and amortization based on the general condition of those assets and the estimates of expected future useful lives, and the impairment loss (if any) is recorded in the income statement.

The useful lives of property and equipment are reviewed at the end of each year. If the expected useful lives differ from the previously prepared estimates, the change in the estimate for subsequent years is recorded as a change in estimates.

Intangible assets are classified based on their estimated useful lives for a specific period or an indefinite period. Intangible assets with a specific useful life are amortized over this life and the amortization is recorded in the consolidated income statement. As for intangible assets with an indefinite useful life, their value is reviewed for impairment at the date of the financial statements and any impairment in their value is recorded in the consolidated income statement.

2-4-5 Right to use leased assets / operating lease obligations

Extension and termination options in leases

Extension and termination options are included in a number of leases. These provisions are used to increase operational flexibility in terms of contract management. Most of the extension and termination options held are renewable by both the Company and the lessor

Determining the lease term

In determining the lease term, management takes into account all facts and circumstances that create an economic incentive to extend, or not to terminate. Extension options (or periods following termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The assessment is reviewed in the event of a significant event or significant change in circumstances that affects this assessment and that is within the control of the lessee.

Discounting of lease payments

Lease payments are discounted using the incremental borrowing rate. Management has applied judgment and estimates to determine the incremental borrowing rate at the inception of the lease and has referred to interest rates prevailing in the Jordanian market to finance similar assets.

2-4-6 End of service provision

The Group establishes end of service provision in accordance with its internal policies in this regard. These estimates require significant judgment from management in calculating these provisions.

The assumptions used in determining the costs of employees' end of service obligations include discount rate, employee turnover rate, mortality rate and expected future salary increments. Any change in these assumptions will affect the amounts of end of service obligations. The Group determines the appropriate discount rate at the end of each year, and this discount rate must be used in determining the present value of the estimated and expected future cash outflows to settle the end of service obligations (Note 16).

2-4-7 Present value of future cash flows

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

Free cash flow is the current estimate of future cash flows within the contract limits for a group of contracts that the Group expects to collect from premiums, claims payments, benefits and expenses, adjusted to reflect the timing and uncertainty of those amounts.

Estimates of future cash flows:

- a) Are based on a probability-weighted average of the full range of possible outcomes.
- b) Are determined from the Group's perspective, provided that the estimates are consistent with observable market prices for market variables, and
- c) Reflect the conditions existing at the measurement date.

The adjustment for non-financial risks is estimated separately from other estimates. For contracts measured under the premium allocation approach, unless the contracts are onerous, an explicit risk adjustment for non-financial risks is estimated only to measure the liability for incurred claims.

Estimates of future cash flows are adjusted using current discount rates to reflect the time value of money and the financial risks associated with those cash flows, to the extent that they are not included in the cash flow estimates. Discount rates reflect the characteristics of the cash flows arising from groups of insurance contracts, including the timing, currency and liquidity of the cash flows. Determining a discount rate that reflects the cash flow characteristics and liquidity characteristics of the insurance contracts requires significant judgment and estimation.

The Group's non-performance risk is not included in the measurement of groups of insurance contracts issued.

When measuring reinsurance contracts held, probability-weighted estimates of the present value of future cash flows include potential credit losses and other disputes to the reinsurer to reflect the reinsurer's non-performance risk.

The Group estimates certain free cash flows at a portfolio level or higher and then allocates these estimates to groups of contracts. The Group uses consistent assumptions to measure the estimates of the present value of future cash flows for the group of reinsurance contracts held and those estimates for groups of insurance contracts.

Liability adequacy test

The adequacy and appropriateness of insurance liabilities is assessed at each reporting date by calculating the present value of future cash flows for existing insurance contracts.

If the assessment shows that the present value of insurance liabilities is inadequate compared to the expected future cash flows, then the full amount of the deficiency is recognised in the consolidated statement of income.

2-4-8 Non-financial risk adjustments

A financial amount that the company reserves for uncertainty about the amount and timing of cash flows arising from non-financial risks based on actuarial assumptions and the company's experience in managing the group of insurance contracts / reinsurance contracts held.

The risk adjustment for non-financial risks is applied to the present value of estimated future cash flows, and reflects the compensation that the group needs to bear the uncertainty about the amount and timing of cash flows from non-financial risks during the implementation of the group's insurance contracts. For reinsurance contracts held, the risk adjustment for non-financial risks represents the amount of risk transferred by the group to the reinsurer.

2-4-9 Lawsuits filed against the group

A provision is made for lawsuits filed against the group based on a legal study prepared by the group's lawyers, according to which the risks likely to occur in the future are identified, and these studies are reviewed periodically.

2-4-10 Fair value levels

The different levels of fair value for financial instruments recorded at fair value are defined based on the valuation method as follows:

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

Level (2): Information other than the quoted price included in Level (1) that is observable for the asset or liability, whether directly (such as prices) or indirectly (i.e. derived from prices);

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

The difference between Level 2 and Level 3 for fair value measurements represents an assessment of whether the information or inputs can be observed and the significance of the unobservable information, which requires making judgments and careful analysis of the inputs used to measure the fair value, including taking into account all factors specific to the assets or liabilities.

2-5 Segment Information

A business segment represents a group of assets and operations that together provide products or services subject to risks and returns that are different from those of other business segments and that are measured according to reports used by the Group's chief executive officer and chief decision maker.

A geographical segment is associated with providing products or services in a specific economic environment that are subject to risks and returns that are different from those of business segments in other economic environments.

2-6 Goodwill

Goodwill is recorded at cost, which represents the excess of the cost of acquiring or purchasing a subsidiary or companies owned in partnership with other companies over the company's share in the net fair value of the contingent assets and liabilities of that company at the date of acquisition.

Goodwill is allocated to the cash-generating unit/units for the purposes of testing for impairment.

A test of the value of goodwill is conducted at the date of each financial statement and the value of goodwill is reduced if there is an indication that the value of goodwill has declined in the event that the estimated recoverable value of the cash-generating unit/units to which the goodwill belongs is less than the value recorded in the books of the cash-generating unit/units and the impairment value is recorded in the income statement.

The impairment loss for goodwill is not reversed in the subsequent period. - In the event of selling the subsidiary or the company owned in partnership with other companies, the value of goodwill is taken into account when determining the amount of profit or loss from the sale.

2-7 Definition of Insurance Contract

A contract under which the insurance company accepts significant insurance risks from the insured, and agrees to compensate the insured/beneficiary in the event of a specific and uncertain future event (the subject of the insurance) that negatively affects the insured/beneficiary, whereby the insurance contract is recognized according to the following terms, whichever is earlier:

- Beginning of the coverage period of the contract.
- Due date of the first premium of the contract.
- Date of considering the insurance contract as an expected loss contract.

As for insurance contracts that contain a direct participation feature and that have economic characteristics similar to the insurance contract (long coverage period, recurring premiums and the amount or timing of the return according to the issuer's discretion) and are linked to the same assets or participation in the performance of insurance contracts, contracts that contain this feature at the beginning of the contract include the following:

- Participation of the insured/beneficiaries in a share of the insurance contracts portfolio.
- The possibility of the company paying the insured/beneficiaries a large share of the fair value returns of the investments associated with the group of insurance contracts.
- There is a high probability that the amounts paid to the insured/beneficiaries will change due to a change in the fair value of the investments associated with the group of insurance contracts.

As for contracts that are not classified as insurance contracts, they are, for example, the following:

- Investment contracts that have a legal form similar to an insurance contract, but do not transfer significant insurance risks to the insurance company and include financial risks such as embedded derivatives or changes in the fair value of a financial instrument, or changes in interest rates, or changes in currency exchange rates, or credit ratings, so that they are classified as investment contracts according to International Financial Reporting Standard No. (9).
- Investment contracts that contain an optional participation feature, which are investment contracts with 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 according to International Financial Reporting Standard No. (17).
- Self-insurance (i.e. keeping the risks that could have been covered by the insurance contract within the company, i.e. there is no other party to the contract) such as the company issuing an insurance contract in the name of the company or a subsidiary or associate company, is classified according to International Financial Reporting Standard No. (15).

2-8 Reinsurance contracts held

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

Reinsurance contracts held are recognized:

- The beginning of the coverage period of the reinsurance contract or upon initial recognition of the insurance contract issued by the company if the reinsurance contract is proportionate to the group of insurance contracts.
- From the beginning of the coverage period of the group of reinsurance contracts held for other cases.

2-9 Liabilities for remaining coverage

The amount that the company must record when recognizing insurance contracts that relate to subsequent financial periods as a result of valid insurance contracts.

2-10 Liabilities for claims incurred

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 claims reported and not reported, in addition to related expenses.

2-11 Contractual service margin

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

2-12 Initial recognition of insurance contracts / General measurement model

1. Cash flows to satisfy obligations arising from the contracts, which include:

- Estimates of future cash flows
- Adjustments for the time value of money and financial risks associated with future cash flows, by not including those financial risks in the estimates of future cash flows.
- Adjustments for non-financial risks

2. Contractual service margin

2-13 Subsequent measurement of insurance contracts / General measurement model

The company recognizes the carrying amount of any group of insurance contracts at the end of each period, which is the sum of the following:

1. Liabilities for remaining coverage, which includes the net value of cash inflows and outflows (after applying the discount rate), plus non-financial risk adjustments and the contractual service margin.
2. Liabilities for claims incurred, which is calculated according to the best estimate of future cash flows to pay claims, plus non-financial risk adjustments, taking into account the application of the discount rate to claims expected to be paid after more than one year.

2-14 Initial recognition of insurance contracts / Premium allocation approach

A group of insurance contracts is measured upon initial recognition according to the following:

- Insurance premiums received upon initial recognition.
- Less any costs paid to acquire the insurance contracts at that date.
- Plus or minus any amount arising from cash flows related to the costs of acquiring the insurance contracts.

2-15 Subsequent measurement/premium allocation approach

1. The Company shall, at the end of each subsequent period, record the carrying amount of the liability, taking into account the following adjustments to the liability balance:

- Add insurance premiums received for the period.
- Deduct cash flows for the acquisition of insurance contracts.
- Add any amounts related to the amortization of cash flows for the acquisition of insurance contracts recognized as an expense.
- Add contingent adjustments to the financing component.
- Deduct the amount recognized as insurance revenue for coverage provided in that period.
- Deduct any investment component paid or transferred for liabilities related to claims incurred.

The Group applies the premium allocation approach to all insurance contracts it issues and reinsurance contracts it holds that have a coverage period of less than one year. For other contracts issued and held where the coverage period is more than one year, the Group performs a premium allocation approach eligibility test to confirm whether the premium allocation approach can be applied. Subject to passing the premium allocation approach eligibility test, the Group applied the premium allocation approach to the contracts issued and the reinsurance contracts that passed the test. In accordance with the last test conducted, the general measurement model was applied to the individual life portfolio.

2. Liabilities for claims incurred, which is calculated based on the best estimate of future cash flows to pay claims plus adjustments for non-financial risks, taking into account the application of a discount rate to claims.

2-16 Amendment of insurance contracts

The Company amends insurance contracts by treating the expected changes in future cash flows resulting from changes in the estimates of cash flows to meet the contracts unless the conditions for derecognition of insurance contracts apply.

2-17 Cancellation of recognition of insurance contracts

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

- The contract expires. (The obligation specified in the insurance contract expires, is fulfilled or is cancelled)
- In the event that the insurance contract is modified and this modification does not meet the conditions for modification according to the requirements of the standard, the company cancels the contract and recognizes a new contract.

2-18 Expected Loss Insurance Contracts

The Company recognizes insurance contracts as expected loss contracts if the contract is expected to lose at the date of initial recognition and the loss component is measured by comparing the cash flows expected to meet the liabilities of the contract or group of contracts with the cash flows generated from this contract or group of contracts. The Company shall disclose the loss component if the value of the contractual service margin is equal to zero (applies only to the general measurement model).

2-19 Summary of measurement approaches

Insurance contract		Reinsurance contract	
Portfolio Name	Measurement approach	Portfolio Name	Measurement approach
Engineering	Premium Allocation Approach	Engineering (Facultative)	Premium Allocation Approach
General Accidents	Premium Allocation Approach	Engineering (Proportional)	Premium Allocation Approach
General Liability	Premium Allocation Approach	General Accidents (Facultative)	Premium Allocation Approach
Marine & Aviation	Premium Allocation Approach	General Accidents (Proportional)	Premium Allocation Approach
Motor Comprehensive	Premium Allocation Approach	Liability (Facultative)	Premium Allocation Approach
Motor Third Party Liability	Premium Allocation Approach	Marine & Aviation (Facultative)	Premium Allocation Approach
Property	Premium Allocation Approach	Marine & Aviation (Non-Proportional)	Premium Allocation Approach
Motor Pools (Buses & Borders)	Premium Allocation Approach	Marine & Aviation (Proportional)	Premium Allocation Approach
Aviation	Premium Allocation Approach	Marine AWRIS (Proportional)	Premium Allocation Approach
Medical Group	Premium Allocation Approach	Motor & Liability (Non-Proportional)	Premium Allocation Approach
Medical Individual	Premium Allocation Approach	Motor (Facultative)	Premium Allocation Approach
Group Life	Premium Allocation Approach	Motor Pools (Buses & Borders) Facultative	Premium Allocation Approach
Individual Endowment	General Measurement Model	Non-Marine (Non-Proportional)	Premium Allocation Approach
Individual Term	General Measurement Model	Property (Facultative)	Premium Allocation Approach
		Property (Proportional)	Premium Allocation Approach
		Aviation (FAC)	Premium Allocation Approach
		Medical Fronting (Prop)	Premium Allocation Approach
		Medical Group (Prop)	Premium Allocation Approach
		Medical Individual (Prop)	Premium Allocation Approach
		Group Life (Facultative)	Premium Allocation Approach
		Group Life (Proportional)	Premium Allocation Approach
		Individual Endowment	General Measurement Model
		Individual Term	General Measurement Model

The Group classifies insurance and reinsurance contracts according to the following:

2-20 Level of aggregation

The insurance contract portfolios are broken down into groups by underwriting year so as to aggregate portfolios of insurance contracts with similar risks that are managed together.

The level of aggregation for the Group is determined first by dividing the underwritten business into portfolios. The portfolios consist of groups of contracts with similar risks that are managed together.

The Group has adopted the full retrospective application method to move to IFRS 17 under the premium allocation method. The portfolios are further divided by year of issue and profitability for recognition and measurement purposes. Accordingly, the contract portfolios are divided during each year of issue into three groups, as follows:

- Any contracts that are adverse at initial recognition.
- Any contracts that, at initial recognition, are not significantly likely to become adverse at a later date;
- Any contracts remaining in the portfolio.

2-21 Profitability level

The groups of contracts referred to in the previous level are classified into the categories shown below, according to the expected net cash flows from the contract and the accounting approach followed in treating the groups of contracts:

- Contracts that are not likely to become expected to lose at initial recognition.
- Contracts that are expected to lose.
- Other contracts - if any-

The profitability of groups of contracts is assessed through actuarial valuation models that take into account existing and new business. The Group assumes that there are no unfair contracts in the portfolio at initial recognition unless facts and circumstances indicate otherwise. For non-fair contracts, the Group estimates, at initial recognition, that there is no significant possibility that they will become unfair at a later date by assessing the likelihood of changes in relevant facts and circumstances. The Group considers the facts and circumstances to determine whether a group of contracts is unfair based on the following:

- Pricing information
- Historical information
- Results of similar contracts that have been recognized
- Environmental factors, such as changes in market experience or regulations

2-22 Financial assets

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

- At amortized cost
- At fair value through income statement
- At fair value through other comprehensive income

Financial assets at amortized cost

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

- The purpose of holding these assets in the context of the business model is to generate contractual cash flows.
- The cash flows under the contractual terms of these assets arise at specified dates and represent only payments of principal and interest calculated on the principal amount of the asset.

Financial assets are carried at amortized cost at acquisition cost plus acquisition expenses, the premium/discount (if any) is amortized using the effective interest method as a charge to interest or to interest expense and any resulting impairment allowance that results in all or part of the investment being irrecoverable is recognized in the income statement.

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

In rare cases, the standard allows these assets to be measured at fair value through the income statement if doing so eliminates or substantially reduces the measurement inconsistency (sometimes called an accounting mismatch) that arises from measuring assets or liabilities or recognizing gains and losses arising from them on different bases.

Financial assets at fair value through profit and loss

- Other financial assets that do not meet the criteria for financial assets at amortized cost are measured as financial assets at fair value.
- Financial assets at fair value through the consolidated income statement represent investments in equity and debt instruments for trading purposes and are held for the purpose of generating profits from short-term market price fluctuations or trading margins.
- Financial assets are recorded at fair value through the income statement at fair value at acquisition (acquisition expenses are charged to the income statement at acquisition) and are revalued at the date of the financial statements at fair value. Subsequent changes in fair value are recorded in the consolidated income statement in the same period in which the change occurs, including changes in fair value resulting from translation differences of non-monetary assets denominated in foreign currencies. Dividends or returns are recorded in the income statement when realized (approved by the general assembly of shareholders).

Reclassification

Financial assets may be reclassified from amortized cost to financial assets at fair value through the income statement and vice versa only when an entity changes the business model on the basis of which it classified those assets as mentioned above, taking into account the following:

- Any previously recognized gains, losses or benefits may not be reversed.
 - When financial assets are reclassified to be measured at fair value, their fair value is determined at the date of reclassification, and any gains or losses arising from differences between the previously recorded value and the fair value are recognized in the income statement.
 - When financial assets are reclassified to be measured at amortized cost, they are recorded at their fair value as at the date of reclassification.
- Financial assets at fair value through other comprehensive income
 - On initial recognition of investments in equity instruments that are not held for trading, an irrevocable election is made to present all changes in the fair value of these investments on an individual basis (on a share-by-share basis) in other comprehensive income and in no case at a later date can the amounts of these changes recognized in other comprehensive income be reclassified to profit or loss, while dividends received from these investments are recognized in net investment income, unless such dividends clearly represent a partial redemption of the entire investment.
 - In the event of the sale of all or part of these assets, the gain or loss on sale is transferred from the balance of the net valuation reserve through other comprehensive income to retained profit or loss and not through the consolidated statement of income.

2-22 Investment Property

Property investments are shown at cost less accumulated depreciation (excluding land). Any impairment is recognized in the consolidated income statement. Operating income or expenses for these investments are recognized in the consolidated income statement.

Real estate investments are valued in accordance with decisions made by the insurance management and their fair value is disclosed in the statement of real estate investments

2-23 Property and equipment

Property and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. Property and equipment (excluding land) are depreciated when ready for use on the straight-line method over their expected useful lives using the following percentages, and depreciation expense is recognized in the consolidated income statement:

	%
Buildings	2
Computers	20
Decorations	15-20
Tools and equipment	15
Furniture	10
Vehicles	15

Property and equipment are depreciated when they are ready for use for the purposes for which they are intended.

Property and equipment under construction for the Group's use is shown at cost less any impairment losses.

When the recoverable amount of any property and equipment is less than its net book value, it is written down to its recoverable amount and the amount of impairment is recognized in the consolidated income statement.

The useful lives of property and equipment are reviewed at the end of each year, and if the estimated useful lives differ from previously prepared estimates, the change in estimate is recognized in subsequent years as a change in estimate.

The gain or loss on disposal of property and equipment, which represents the difference between the amount realized on sale and the carrying amount of the asset, is recognized in the consolidated statement of income.

Property and equipment are disposed of when they are disposed of or when there are no longer any expected future benefits from their use or disposal.

2-24 Intangible assets

Intangible assets acquired through a merger are recognized at fair value at the date of acquisition. Intangible assets acquired through a method other than a merger are recognized at cost.

Intangible assets are classified on the basis of their estimated useful lives over a finite or indefinite period. Intangible assets with a finite life are amortized over that life and the amortization is recognized in the consolidated income statement. Intangible assets with indefinite lives are reviewed for impairment at the balance sheet date and any impairment is recognized in the consolidated income statement.

Any indications of impairment of intangible assets that do not have a definite useful life are reviewed at the date of the consolidated financial statements. The estimation of the useful lives of these assets is reviewed and any adjustments are made in subsequent periods.

Intangible assets with finite lives include computer software and the Group estimates the useful life of each item, which is amortized on a straight-line basis at 20% per annum.

2.25 Right-of-use assets

The Group recognizes right-of-use assets at the date the lease commences (i.e., the date on which the asset is capable of being used). A right-of-use asset is recognized at cost, net of accumulated depreciation and impairment losses, and the value is adjusted when the lease obligations are revalued.

The cost of a right-of-use asset includes the value of the recognized lease liability, initial direct costs incurred and lease payments made on or before the commencement date of the lease, less any incentives received in relation to the lease. If the Group is not certain of obtaining ownership of the leased asset at the end of the lease term, the recognized right-of-use asset is amortized on a straight-line basis over the shorter of the useful life of the asset or the lease term. Right-of-use assets are subject to impairment testing.

2.26 Cash and cash equivalents

Cash and cash equivalents represent cash on hand, balances with banks and deposits with banks with maturities not exceeding three months, net of bank accounts payable and restricted balances.

2.27 Offsetting

Financial assets and financial liabilities are offset and the net amount shown in the consolidated statement of financial position only when legally enforceable rights exist and when they are settled on a net basis or the assets are realized and the liabilities are settled at the same time.

2-28 Date of recognition of financial assets

The purchase and sale of financial assets are recognized on the trade date (the date on which the Company commits to sell or buy the financial asset).

2-29 Fair value

Closing prices (purchase of assets/sale of liabilities) at the date of the financial statements in active markets represent the fair value of financial instruments that have market prices.

In the absence of quoted prices, active trading of certain financial instruments or market inactivity, their fair value is estimated by several methods, including

- Comparing it to the current market value of a substantially similar financial instrument.
- Analyzing future cash flows and discounting the expected cash flows by a ratio used in a similar instrument.
- Option pricing models.

The 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, and in the case of financial instruments whose fair value cannot be reliably measured, they are shown at cost less any impairment.

2-30 Insurance contract liabilities

Insurance contract liabilities are recognized when the Company has a liability at the date of the consolidated financial statements arising from past events related to insurance contracts, and the settlement of the liability is probable and can be reliably measured.

The amounts recognized as insurance contract liabilities represent the best estimate of the amounts required to settle the obligation as at the date of the consolidated financial statements, taking into account the risks and uncertainties associated with insurance contract liabilities. Where liabilities are valued based on the estimated cash flows to settle the present obligation, their carrying amount represents the present value of those cash flows.

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

2.31 End of Service Provision

Provision for severance pay for employees is calculated in accordance with the Company's policy which is in compliance with the Jordanian Labour Law.

Annual indemnities incurred for employees who leave service are charged to the severance provision when paid, and a provision for the Company's liability for employee severance is recognized in the income statement.

The liability for these plans is determined by an actuary. Provision is made for the liability and pension costs based on the estimated incremental unit method. The estimated incremental unit method recognizes that each period of employee service increases the obligation and each unit is determined separately to arrive at the final obligation.

Service expenses for prior years are recognized as profit or loss on the earlier of the date the plan is amended or the date the related expense is recognized. Actuarial gains and losses are recognized in other comprehensive income on the date they occur. Gains and losses on modifications or payments of retirement benefits are recognized as they occur. The early retirement obligation is recognized based on the present value of the estimated cash flows using an interest rate similar to that of government bonds.

2-32 Foreign currencies

Transactions in foreign currencies during the year are recognized at the exchange rates prevailing at the date of the transactions.

Balances of financial assets and financial liabilities are translated at the average foreign currency rates prevailing at the date of the consolidated financial statements and published by the Central Bank of Jordan. Non-financial assets and non-financial liabilities denominated in foreign currencies and carried at fair value are translated at the date their fair value is determined.

Foreign currency translation gains and losses are recognized in the consolidated statement of income.

Translation differences for non-monetary foreign currency assets and liabilities are recognized as part of the change in fair value.

2-33 Revenue recognition

Dividend and interest income

Dividend income from investments is recognized when a right arises for shareholders to receive payment of dividends when approved by the general meeting of shareholders.

Interest income is recognized on an accrual basis, based on accrued time periods, principal amounts and the interest rate earned.

2-34 Acquisition costs

Acquisition costs represent the costs incurred by the Company for underwriting a new or renewing a group of insurance contracts. The Company may either recognize the full acquisition costs directly when the insurance contract is recognized in the income statement, or the Company may recognize the acquisition costs by amortizing the costs incurred over the term of the insurance contract in the statement of financial position.

The Group identifies expenses that are directly attributable to the acquisition of insurance contracts (acquisition costs) and the fulfilment/maintenance (other allocated expenses) of such contracts and those expenses that are not directly attributable to the contracts (unallocated expenses). Acquisition costs, such as underwriting costs including other expenses excluding initial commission paid, are no longer recognized in the income statement when incurred and instead are spread over the life of the contract group based on the passage of time.

Other attributable expenses are allocated to the contract groups using an allocation mechanism that considers activity-based costing principles. The Group has identified costs directly attributable to contract groups, as well as costs where a court judgement has been applied to determine the share of expenses, as an accepted liability for reimbursement for that group.

2-35 Insurance contract expenses

The Company allocates general administrative expenses and direct personnel expenses to insurance contract groups and includes them in the calculation of contract profitability, while general administrative expenses and indirect and non-insurance contract related personnel expenses are allocated based on the cost center.

Non-directly attributable expenses and overheads are recognized in the consolidated income statement as they are incurred. The ratio of directly attributable and non-directly attributable costs will initially change the pattern in which expenses are recognized.

(3) Bank Deposits

	2024				2023
	Deposits maturing in 1 month	Deposits maturing in 1 month to 3 months	Deposits maturing in 3 months to one year	Total	Total
	JD	JD	JD	JD	JD
Inside Jordan:					
Jordan Kuwait Bank	-	1,000,000	1,568,719	2,568,719	3,218,563
Capital Bank of Jordan	-	-	5,000,000	5,000,000	3,228,072
Arab Banking Corporation Bank	-	-	2,848,436	2,848,436	2,848,436
Cairo Amman Bank	-	-	5,204,861	5,204,861	2,642,124
Housing Bank	-	-	3,263,216	3,263,216	3,085,068
Arab Bank	-	-	2,000,000	2,000,000	-
Invest Bank	-	-	-	-	3,250,000
Etihad Bank	-	-	-	-	3,100,000
	-	1,000,000	19,885,232	20,885,232	21,372,263
Provision for expected credit losses	-	(14,364)	(285,636)	(300,000)	(100,000)
	-	985,636	19,599,596	20,585,232	21,272,263

Interest rates on bank deposits balances range between 5.6% to 6.75% during 2024 compared to 6% to 6.8% during 2023.

Deposits pledged in favor of the Central Bank of Jordan Governor amounted to JD 814,140 as of 31 December 2024 (31 December 2023: JD 814,140).

There are restricted balances for withdrawal:

- Deposits pledged in favor of the Central Bank's portfolio - in addition to its function.
- Amounts withheld for current overdraft accounts and bank guarantees, totaling 1,454,174 dinars (as of December 31, 2023: 1,438,907 dinars).

The movement on the provision of expected credit losses for the year is as follows :

	2024	2023
	JD	JD
Beginning balance	100,000	100,000
Increase during the period	200,000	
Balance at the end of the year	300,000	100,000

(4) Financial Assets at Fair Value Through Profit or Loss

Inside Jordan:	2024	2023	2024	2023
	Number of Shares	Number of Shares	JD	JD
Listed shares:				
Jordan Phosphate Mining Company	398,000	162,000	5,743,140	1,731,780
Arab Potash Company	94,260	57,100	2,507,316	1,492,024
National Petroleum Refinery Company	515,000	167,000	2,575,000	784,900
			10,825,456	4,008,704
Outside Jordan:				
Listed shares:				
Riyad Bank	102,400	102,400	552,503	551,425
Saudi National Bank	84,814	84,814	534,419	619,383
			1,086,922	1,170,808
Total financial assets at fair value through profit or loss			11,912,378	5,179,512

the movement of financial assets at fair value through profit or loss during the year is as follows :

	2024	2023
	JD	JD
Balance at the beginning of the year	5,179,512	-
Purchase of financial assets at fair value through profit or loss	5,552,148	5,926,311
Change in the fair value of financial assets at fair value through profit or loss	1,180,718	(746,799)
Balance at the end of the year	11,912,378	5,179,512

(5) Financial Assets At Fair Value Through Other Comprehensive Income

Inside Jordan:	2024	2023	2024	2023
	Number of Shares	Number of Shares	JD	JD
Listed shares:				
Afaq for Energy	724,937	724,937	1,138,151	1,362,881
Afaq for Investment and Real Estate Development	1,541,500	1,541,500	1,032,805	816,995
Cairo Amman Bank	79,081	113,000	86,198	153,680
Jordan Kuwait Bank	1,241,546	1,009,530	3,575,652	2,594,492
			5,832,806	4,928,048
Unlisted shares:				
Saraya Aqaba Real Estate Development Company	500,000	500,000	117,484	154,880
Al-Motarabetah Investment Company	29,851	29,851	4,053	9,579
			121,537	164,459
Outside Jordan:				
Listed shares:				
Gulf Warehousing Company	-	685,000	-	414,555
SafaBank/ Palestine owned by Cairo Amman Bank	6,647	9,562	3,299	4,610
Agility global PLC	1,740,000	-	439,936	-
			443,235	419,165
Unlisted shares:				
Iraq International Insurance Company	548,136,473	548,136,473	171,000	171,000
Financial assets at fair value through other comprehensive income			6,568,578	5,682,672

the movement of financial assets at fair value through other comprehensive income during the year is as follows :

	2024	2023
	JD	JD
Balance at the beginning of the year	5,682,672	5,560,183
Purchase of financial assets at fair value through other comprehensive income	984,459	802,272
Sale of financial assets through other comprehensive income	(483,975)	(1,119,390)
Change in the fair value through other comprehensive income	385,422	439,607
Balance at the end of the year	6,568,578	5,682,672

The Group classified all investments in equity instruments that are not held for trading as financial assets at fair value through other comprehensive income for the years ended December 31, 2024, and 2023. The Group sold equity investments held at fair value through other comprehensive income with a fair value of 483,975 dinars at the end of the year ended December 31, 2024 (December 31, 2023: 1,119,390 dinars), which no longer align with the Group's investment strategy. The losses amounted to 196,428 dinars for the year ended December 31, 2024, and the gains amounted to 264,464 dinars for the year ended December 31, 2024, which were transferred to retained earnings.

(6) Financial Assets at Amortized Cost

Inside Jordan	2024	2023	2024	2023
	Number of bonds	Number of bonds	JD	JD
Unlisted Bonds in financial market				
Arab Real Estate Development Company*	120	120	1,200,000	1,200,000
Listed bonds in financial markets				
Treasury Bond/ the Hashemite Kingdom of Jordan 2026 **	4,000	4,000	2,842,365	2,847,909
**Treasury Bond/ the Hashemite Kingdom of Jordan 2027 **	8,830	8,830	6,271,161	6,275,950
Treasury Bond/ the Hashemite Kingdom of Jordan 2028**	13,800	9,800	9,884,601	7,012,580
Treasury Bond/ the Hashemite Kingdom of Jordan 2029**	16,500	10,000	11,657,344	7,065,036
Total financial assets at amortized cost inside Jordan			31,855,471	24,401,475
Outside Jordan	2024	2023	2024	2023
	Number of bonds	Number of bonds	JD	JD
Treasury Bonds / Arab Republic of Egypt***	-	4,000	-	2,745,080
Saudi International Bond****	12,000	12,000	8,311,282	8,254,873
Saudi Electricity Global****	5,000	5,000	3,602,795	3,616,755
Public Investment Fund / Saudi Arabia****	8,000	8,000	5,737,780	5,759,467
SA Global Sukuk Limited (Saudi Aramco) ****	3,000	3,000	2,039,252	1,982,558
Al Maamoura Diversified Global Holding*****	8,000	8,000	5,692,587	5,697,391
Abu Dhabi Commercial Bank*****	2,800	2,800	1,966,489	1,961,862
Abu Dhabi National Energy Company*****	1,000	1,000	699,568	693,592
Ooredoo International Finance-Qatar Telecom*****	3,500	3,500	2,395,329	2,370,157
First Abu Dhabi Bank*****	-	2,500	-	1,771,315
Total financial assets at amortized cost outside Jordan			30,445,082	34,853,050
			62,300,553	59,254,525
Provision for impairment of financial assets at amortized cost*			(1,499,000)	(1,499,000)
			60,801,553	57,755,525

- * Following the decision of the General Assembly of the Bonds owners in its meeting held on 26 October 2011 the Housing Bank for Trade and Finance, as the trustee, initiated legal proceedings against Arab Real Estate Development Company (Arab Corp) and filed a lawsuit under number (3460/2011) at the First Instance Court of Amman to demand the rights of the Bonds owners, therefore Arab Real Estate Development Company Bonds are stated at cost less impairment loss for an amount of JD 1,199,000 during previous years.
- ** Maturity dates of Treasury Bonds / the Hashemite Kingdom of Jordan range between 29 January 2026 to 13 January 2029, bear interest rate between 5.75% to 7.75% and are repayable in equal semi - annual installments.
- *** Maturity date of Treasury bonds/ Egypt is on 29 May 2024 and bear interest rate of 5.75% and are repayable in equal semi - annual installments.
- **** Maturity date of Treasury bonds/ Kingdom of Saudi Arabia range between 17 June 2026 to 27 September 2028 and bear interest rate between 1.6% to 5% and are repayable in equal semi - annual installments.
- ***** Diversified Global Holding's Treasury/Maamoura bond matures on 7 November 2028 and carries an interest rate of 4.5% and is payable in two equal instalments per year.
- ***** Maturity date of Abu Dhabi Commercial Bank bonds is on 18 July 2028 and bear interest rate of 5.375% and are repayable in equal semi - annual installments
- ***** Maturity date of The Abu Dhabi National Energy Company bonds is on 22 June 2026 and bear interest rate of 4.375% and are repayable in equal semi - annual installments.
- ***** Maturity date of Ooredoo bonds/Qatar is on 31 January 2028 and bear interest rate of 3.875% and are repayable in equal semi - annual installments.
- ***** Maturity date of First Abu Dhabi Bank is on 22 January 2026 and bear interest rate of 4.375% and are repayable in equal semi - annual installments.

The movement on Financial Assets at Amortized Cost is as follows:

	2024	2023
	JD	JD
Balance at the beginning of the year	59,254,525	12,879,213
Purchase of financial assets at amortized cost	7,479,418	45,505,166
Maturity of financial assets at amortized cost	(4,608,500)	-
Amortization	175,110	870,146
Balance at the end of the year	62,300,553	59,254,525

The movement on the provision for impairment on financial assets at amortized cost provision is as follows:

	2024	2023
	JD	JD
Balance at the beginning of the year	1,499,000	1,299,000
Expected Credit Losses	-	200,000
Balance at the end of the year	1,499,000	1,499,000

The geographic distribution of financial assets at amortized cost for the years 2023 and 2024:

31 December 2024	Jordan	Gulf Countries	Europe	America	Africa	Asia
Bonds	31,855,471	30,445,082	-	-	-	-
31 December 2023	Jordan	Gulf Countries	Europe	America	Africa	Asia
Bonds	24,401,475	32,107,970	-	-	2,745,080	-

(7) Investment Property

This item consists of land which was acquired in exchange of a receivable balance from a client who was not able to make payment. The land was valued and recorded at its fair value in exchange for a portion of the receivable balance. There are no material differences between the book value and the fair value as at 31 December 2024 and 2023.

	2024	2023
	JD	JD
Land	170,464	170,464

(8) Right of Use Assets/ lease liabilities

A. Right of Use Assets

	2024	2023
	JD	JD
Balance at the beginning of the year	203,491	401,387
Depreciation on right of use assets	(140,639)	(220,880)
Additions	438,175	22,984
Balance at the end of the year	501,027	203,491

B- Lease contracts liabilities

The table below shows the book value for lease contract liabilities and the movement during the year ended:

	2024	2023
	JD	JD
Balance at the beginning of the year	232,848	394,287
Additions	438,175	22,984
Finance cost on lease liabilities	41,945	23,256
Paid during the year	(232,360)	(207,679)
Balance at the end of the year	480,608	232,848

* Lease contracts liabilities details are as follows:

31 December 2024			31 December 2023		
Short term	Long term	Total	Short term	Long term	Total
JD	JD	JD	JD	JD	JD
117,670	362,938	480,608	137,038	95,810	232,848

(9) Cash And Cash Equivalents

	2024	2023
	JD	JD
Cash on hand	27,774	21,935
Bank balances	992,483	1,133,486
	1,020,257	1,155,421

(10) Insurance Contracts Assets/Liabilities

(10-1) Insurance Contracts Assets/Liabilities – Premium Allocation Approach-DISCLOSURE (100)

	Liability for remaining coverage				Liability for incurred claims				Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	Non- onerous contracts	Non- onerous contracts	Onerous contracts	Onerous contracts	Present value of future cash flows	Present value of future cash flows	Risk adjustment - non- financial	Risk adjustment - non- financial	Total	Total
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Insurance contracts liabilities – Beginning of the year	9,896,747	12,094,163	2,002,000	2,529,000	49,546,982	44,979,874	3,450,440	64,172,736	63,053,477	
Insurance contracts assets – Beginning of the year	-	-	-	-	-	-	-	-	-	-
Net Insurance contracts liabilities (Assets) – Beginning of the year	9,896,747	12,094,163	2,002,000	2,529,000	49,546,982	44,979,874	3,450,440	64,172,736	63,053,477	
Insurance contracts revenue	(124,577,484)	(110,041,472)	-	-	-	-	-	(124,577,484)	(110,041,472)	
Insurance contracts expenses	-	-	-	-	-	-	-	-	-	-
Incurred claims and other directly attributable expenses	-	-	(1,991,137)	2,515,593	84,947,012	78,343,186	1,806,904	1,272,694	84,762,779	82,131,473
Changes that relate to past service-changes in FCF relating to LIC	-	-	-	-	(6,437,875)	(7,927,782)	(1,013,664)	(2,409,794)	(7,451,539)	(10,337,576)
Staff expenses	3,967,600	3,192,785	-	-	7,540,114	6,440,966	-	11,507,714	9,633,751	
Acquisition expenses	3,378,016	3,549,686	-	-	-	-	-	3,378,016	3,549,686	
Administrative expenses	-	-	-	-	3,953,610	3,605,358	-	3,953,610	3,605,358	
Other expenses	-	-	-	-	-	-	-	-	-	-
Losses on onerous contracts	-	-	3,075,137	(3,042,593)	-	-	-	3,075,137	(3,042,593)	
Insurance services results	(117,231,868)	(103,299,001)	1,084,000	(527,000)	90,002,861	80,461,728	793,240	(1,137,100)	(25,351,767)	(24,501,373)
Finance expenses from insurance contracts issued	-	-	-	-	2,691,124	2,958,442	-	413,667	2,691,124	3,372,109
Impact of exchange rate movements	-	-	-	-	-	-	-	-	-	-
Components of investment	-	-	-	-	-	-	-	-	-	-
Net change - recognized in the statement of income	(117,231,868)	(103,299,001)	1,084,000	(527,000)	92,693,985	83,420,170	793,240	(723,433)	(22,660,643)	(21,129,264)
Premiums received	124,981,836	107,697,156	-	-	-	-	-	-	124,981,836	107,697,156
Claims and other directly attributable expenses paid	-	-	-	-	(88,662,879)	(78,853,062)	-	-	(88,662,879)	(78,853,062)
Insurance contracts acquisition cash flows	(7,578,186)	(6,595,571)	-	-	-	-	-	-	(7,578,186)	(6,595,571)
Other expenses	-	-	-	-	-	-	-	-	-	-
Total cash flows	117,403,650	101,101,585	-	-	(88,662,879)	(78,853,062)	-	-	28,740,771	22,248,523
Insurance contracts liabilities – end of the year	10,070,969	9,896,747	3,086,000	2,002,000	53,578,088	49,546,982	3,520,365	70,255,422	64,172,736	
Insurance contracts assets – end of the year	(2,440)	-	-	-	-	-	(118)	-	(2,558)	-
Insurance contracts liabilities – end of the year	10,068,529	9,896,747	3,086,000	2,002,000	53,578,088	49,546,982	3,520,247	70,252,864	64,172,736	

(10-2) Insurance Contracts Assets/Liabilities – General Approach – Disclosure (100)

	Liability for remaining coverage				Liability for incurred claims					Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2023
	Non-onerous contracts	Non-onerous contracts	Onerous contracts	Onerous contracts	Present value of future cash flows	Present value of future cash flows	Risk adjustment - non-financial	Risk adjustment - non-financial	Total	Total	
Insurance contracts liabilities – Beginning of the year	(37,691)	(164,941)	638,492	676,350	-	-	-	-	600,801	511,409	
Insurance contracts assets – Beginning of the year	-	-	-	-	-	-	-	-	-	-	
Insurance contracts liabilities (Assets) – Beginning of the year	(37,691)	(164,941)	638,492	676,350	-	-	-	-	600,801	511,409	
Insurance revenue	(23,168)	(17,832)	-	-	-	-	-	-	(23,168)	(17,832)	
Insurance contracts expenses	-	-	-	-	-	-	-	-	-	-	
Incurred claims and other directly attributable expenses	-	-	(86,435)	-	30,000	95,216	-	-	(56,435)	95,216	
Changes that relate to past service-changes in FCF relating to LIC	-	-	-	-	-	-	-	-	-	-	
Staff expenses	-	-	-	-	-	-	-	-	-	-	
Acquisition expenses	3,502	4,500	-	-	9	-	-	-	3,511	4,500	
Administrative expenses	-	-	-	-	-	-	-	-	-	-	
Other expenses	-	-	-	-	-	-	-	-	-	-	
Losses on onerous contracts	-	-	(15,981)	(45,761)	-	-	-	-	(15,981)	(45,761)	
Insurance services results	(19,666)	(13,332)	(102,416)	(45,761)	30,009	95,216	-	-	(92,073)	36,123	
Finance expenses from insurance contracts issued	55,169	66,267	26,960	7,903	-	-	-	-	82,129	74,170	
Impact of exchange rate movements	-	-	-	-	-	-	-	-	-	-	
Components of investment	-	-	-	-	-	-	-	-	-	-	
Net change - recognized in the statement of income	35,503	52,935	(75,456)	(37,858)	30,009	95,216	-	-	(9,944)	110,293	
Premiums received	179,209	74,315	-	-	-	-	-	-	179,209	74,315	
Claims and other directly attributable expenses paid	-	-	-	-	(30,000)	(95,216)	-	-	(30,000)	(95,216)	
Insurance contracts acquisition cash flows	-	-	-	-	(9)	-	-	-	(9)	-	
Other expenses	-	-	-	-	-	-	-	-	-	-	
Total cash flows	179,209	74,315	-	-	(30,009)	(95,216)	-	-	149,200	(20,901)	
Insurance contracts liabilities – End of the year	177,021	(37,691)	563,036	638,492	-	-	-	-	740,057	600,801	
Insurance contracts assets – End of the year	-	-	-	-	-	-	-	-	-	-	
Insurance contracts liabilities (Assets) – End of the year	177,021	(37,691)	638,492	638,492	-	-	-	-	740,057	600,801	

(10-3) Insurance Contracts Assets/Liabilities- disclosure (101)

	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	Present value of future cash flows JD	Present value of future cash flows JD	Risk adjustment - non-financial JD	Risk adjustment - non-financial JD	CSM JD	CSM JD	Total JD	Total JD	Total JD	Total JD
Insurance contracts liabilities – Beginning of the year	520,844	501,463	15,431	9,946	64,526	-	600,801	511,409		
Insurance contracts assets – Beginning of the year	-	-	-	-	-	-	-	-		
Insurance contracts liabilities – Beginning of the year	520,844	501,463	15,431	9,946	64,526	-	600,801	511,409		
Changes related to current service:	-	-	-	-	-	-	-	-		
Release of Contractual Service Margin (CSM)	-	-	-	-	(12,434)	-	(12,434)	-		
Experience adjustments-relating to insurance services expenses	(70,469)	75,873	-	-	-	-	(70,469)	75,873		
Changes in the risk adjustment for non-financial risk for the risk expired	-	-	6,811	6,011	-	-	6,811	6,011		
Changes in Future Service Obligations	(109,761)	-	-	-	109,761	-	-	-		
Changes in estimate that results in onerous contract losses or reversal of such losses	(63,294)	(60,238)	-	-	63,294	60,238	-	-		
Changes in estimates that adjust the CSM	58,995	80,973	14,739	(64,626)	(52,911)	(311)	20,823	16,036		
Experience adjustments-arising from premiums received in the period that relate to future service	(20,037)	(125,079)	(16,766)	63,283	-	-	(36,803)	(61,796)		
Changes relating to past service	-	-	-	-	-	-	-	-		
Changes in liabilities versus incurred claims	-	-	-	-	-	-	-	-		
Insurance services results	(204,566)	(28,471)	4,784	4,668	107,710	59,927	(92,072)	36,124		
Finance expenses from insurance contracts issued	66,765	68,753	2,654	817	12,709	4,599	82,128	74,169		
Impact of exchange rate movements	-	-	-	-	-	-	-	-		
Total amounts recognised in the statement of income	(137,801)	40,282	7,438	5,485	120,419	64,526	(9,944)	110,293		
Cash flows:	179,209	-	-	-	-	-	179,209	-		
Incurred claims	(30,000)	-	-	-	-	-	(30,000)	-		
Claims and other directly attributable expenses paid	(9)	(95,216)	-	-	-	-	(9)	(95,216)		
Other expenses	-	74,315	-	-	-	-	-	74,315		
Total Cash flows	149,200	(20,901)	-	-	-	-	149,200	(20,901)		
Insurance contracts liabilities – end of the year	532,243	520,844	22,869	15,431	184,945	64,526	740,057	600,801		
Insurance contracts assets – end of the year	-	-	-	-	-	-	-	-		
Insurance contracts liabilities (Assets) – end of the year	532,243	520,844	22,869	15,431	184,945	64,526	740,057	600,801		

Checks Under Collection related to insurance operations

This item represents checks under collection related to insurance operations, which were taken into account in calculating the insurance contracts assets and liabilities.

	2024	2023
	JD	JD
Checks under collection due within six months	5,652,592	5,481,895
Checks under collection due within more than six months up to one year	650,498	720,408
	6,303,090	6,202,303
Less: Provision for expected credit losses*	(505,133)	(504,469)
	5,797,957	5,697,834

* Movements on provision for expected credit losses during the year were as follows:

	2024	2023
	JD	JD
Balance at the beginning of the year	504,469	504,469
Transferred to provision for doubtful re-insurance receivables	664	-
Balance at the end of the year	505,133	504,469

Accounts Receivable related to insurance operations

This item represents receivables related to insurance operations that were taken into account in the calculation of insurance contracts assets and liabilities.

	2024	2023
	JD	JD
Policyholders *	40,929,525	35,905,464
Brokers & agents receivables	2,246,766	2,290,264
Staff receivables	150,588	142,899
Other receivables	814,506	634,253
	44,141,385	38,972,880
Less: Provision for expected credit losses **	(9,217,082)	(9,303,341)
	34,924,303	29,669,539

The details of the aging of receivables are as follows:

	Undue receivables	0-90 days	91-180 days	181-365 days	More than 365 days	Total
	JD	JD	JD	JD	JD	JD
31 December 2024	21,677,154	7,129,446	3,643,288	1,839,360	635,055	34,924,303
31 December 2023	20,504,684	6,027,248	2,032,850	906,016	198,741	29,669,539

* Policy holders receivables includes scheduled payments in the amount of 21,677,154 JD as at 31 December 2024 (JD 20,504,684 as at 31 December 2023).

** Movement on the provision for expected credit losses during the year were as follows:

	2024	2023
	JD	JD
Balance at the beginning of the year	9,303,341	9,271,339
Provision for expected credit losses for the year	350,000	50,000
Additions during the year	(436,259)	(17,998)
Balance at the end of the year	9,217,082	9,303,341

Account Payables related to insurance operations

This item represents the payables related to insurance operations that were taken into account in the calculation of insurance contracts assets and liabilities.

	2024	2023
	JD	JD
Trade and Companies' payables	3,001,628	3,798,030
Medical network payables	1,817,411	2,264,277
Agents' payables	716,894	729,179
Garages' payables and vehicle's parts	339,798	456,299
Employees' payables	42,117	32,855
	5,917,848	7,280,640

(11) Re-insurance Contracts Assets/ Liabilities – Premium Allocation Approach-Disclosure (100)

	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	Non-onerous contracts	Non-onerous contracts	Onerous contracts	Onerous contracts	Present value of future cash flows	Present value of future cash flows	Risk adjustment - non-financial	Risk adjustment - non-financial	Total	Total
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Re-insurance contracts liabilities – Beginning of the year	(395,666)	(1,404,596)	-	-	44,679	674,646	1,732	86,647	(349,255)	(643,303)
Re-insurance contracts assets – Beginning of the year	(14,527,352)	(10,773,795)	-	-	19,673,279	17,691,933	1,030,756	1,073,778	6,176,683	7,991,916
Re-insurance contracts liabilities – Beginning of the year	(14,923,018)	(12,178,391)	-	-	19,717,958	18,366,579	1,032,488	1,160,425	5,827,428	7,348,613
Re-insurance expenses	(61,549,984)	(47,329,411)	-	-	-	-	-	-	(61,549,984)	(47,329,411)
Re-insurance revenues	-	-	-	-	44,165,931	44,047,196	791,265	540,690	44,957,196	44,587,886
Changes that relate to past service investment components	-	-	-	-	1,150,245	(10,038,790)	(348,411)	(798,437)	801,834	(10,837,227)
Re-insurance services results	(61,549,984)	(47,329,411)	-	-	45,316,176	34,008,406	442,854	(257,747)	(15,790,954)	(13,578,752)
Finance income from re-insurance contracts held	-	-	-	-	354,673	533,020	-	129,810	354,673	662,830
Other changes	-	-	-	-	(292,364)	(234,137)	-	-	(292,364)	(234,137)
Total amounts recognised in the statement of income	(61,549,984)	(47,329,411)	-	-	45,378,485	34,307,289	442,854	(127,937)	(15,728,645)	(13,150,059)
Cash from underwritten contracts paid to the reinsurer	58,785,678	44,584,784	-	-	-	-	-	-	58,785,678	44,584,784
Recoveries from re-insurance	-	-	-	-	(39,487,895)	(32,955,910)	-	-	(39,487,895)	(32,955,910)
Profit commission recoverable from reinsurer	-	-	-	-	-	-	-	-	-	-
Other recoverable amounts	-	-	-	-	-	-	-	-	-	-
Total cash flows	58,785,678	44,584,784	-	-	(39,487,895)	(32,955,910)	-	-	19,297,783	11,628,874
Re-insurance contracts liabilities – End of the year	(13,614,762)	(395,666)	-	-	10,460,331	44,679	443,730	1,732	(2,710,701)	(349,255)
Re-insurance contracts assets – End of the year	(4,072,562)	(14,527,352)	-	-	15,148,217	19,673,279	1,031,612	1,030,756	12,107,267	6,176,683
Re-insurance contracts liabilities (Assets) – End of the year	(17,687,324)	(14,923,018)	-	-	25,608,548	19,717,958	1,475,342	1,032,488	9,396,566	5,827,428

(11-1) Re-insurance Contracts Assets/ Liabilities – General Approach-Disclosure (100)

	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	Non-onerous contracts	Non-onerous contracts	Onerous contracts	Onerous contracts	Present value of future cash flows	Present value of future cash flows	Risk adjustment - non-financial	Risk adjustment - non-financial	Total	Total	2024	2023
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Re-insurance contracts liabilities - Beginning of the year	(9,602)	(115,453)	-	-	-	-	-	-	(9,602)	(115,453)		
Re-insurance contracts assets - Beginning of the year	-	-	-	-	-	-	-	-	-	-		
Re-insurance contracts liabilities - Beginning of the year	(9,602)	(115,453)	-	-	-	-	-	-	(9,602)	(115,453)		
Re-insurance expenses	(4,208)	(9,215)	-	-	-	-	-	-	(4,208)	(9,215)		
Re-insurance revenues	-	-	-	-	24,009	21,009	-	-	24,009	21,009		
Investments components	-	-	-	-	-	-	-	-	-	-		
Re-insurance services results	(4,208)	(9,215)	-	-	24,009	21,009	-	-	19,801	11,794		
Finance income from re-insurance contracts held	(1,177)	-	-	-	-	-	-	-	(1,177)	-		
The impact of movements in exchange rates	-	115,066	-	-	-	-	-	-	-	115,066		
Other changes	-	-	-	-	-	-	-	-	-	-		
Total amounts recognized in the statement of income	(5,385)	105,851	-	-	24,009	21,009	-	-	18,624	126,860		
Cash from underwritten contracts paid to the reinsurer	35,897	-	-	-	-	-	-	-	35,897	-		
Recoveries from re-insurance	-	-	-	-	(24,009)	(21,009)	-	-	(24,009)	(21,009)		
Profit commission recoverable from reinsurer	-	-	-	-	-	-	-	-	-	-		
Other recoverable amounts	3	-	-	-	-	-	-	-	3	-		
Total cash flows	35,900	-	-	-	(24,009)	(21,009)	-	-	11,891	(21,009)		
Re-insurance contracts liabilities - end of the year	-	(9,602)	-	-	-	-	-	-	-	(9,602)		
Re-insurance contracts assets - end of the year	20,913	-	-	-	-	-	-	-	20,913	-		
Re-insurance contracts liabilities (Assets) - end of the year	20,913	(9,602)	-	-	-	-	-	-	20,913	(9,602)		

(11-2) RE-insurance Contracts Assets/ Liabilities – General Approach-Disclosure (101)

	2024		2023		2024		2023		2024		2023		2024		2023	
	Present value of future cash flows		Present value of future cash flows		Risk adjustment - non-financial		Risk adjustment - non-financial		CSM		CSM		Total		Total	
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Re-insurance contracts liabilities – Beginning of the year	(3)	295,812	-	-	-	-	-	-	(9,599)	(411,265)	(411,265)	(9,602)	(9,602)	(115,453)	(115,453)	-
Re-insurance contracts assets – Beginning of the year	(3)	-	-	-	-	-	-	-	-	-	-	(3)	(3)	-	-	-
Re-insurance contracts liabilities – Beginning of the year	(6)	295,812	-	-	-	-	-	-	(9,599)	(411,265)	(411,265)	(9,605)	(9,605)	(115,453)	(115,453)	-
Changes related to current service:	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Release of Contractual Service Margin (CSM)	-	-	-	-	-	-	-	-	(4,208)	-	-	(4,208)	-	-	-	-
Experience adjustments	24,009	6,247	-	-	-	-	-	-	-	-	-	24,009	24,009	6,247	6,247	-
Changes in the risk adjustment for non-financial risk for the risk expired	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Changes relating to future service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contracts initially recognized in period	-	8,415	-	-	-	-	-	-	-	(8,415)	-	-	-	-	-	-
Changes in estimates that adjust the CSM	(35,897)	(413,894)	-	-	-	-	(5,547)	-	35,897	419,441	-	-	-	-	-	-
Changes in estimate that results in onerous contract losses or reversal of such losses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Experience adjustments – arising from ceded premiums paid in the period that relate to future service	-	8,258	-	-	-	-	-	-	-	(8,258)	-	-	-	-	-	-
Changes relating to past service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Changes in recoverable amounts resulting from changes in liabilities for incurred claims	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance expenses from insurance contracts issued	-	116,168	-	-	-	-	-	-	(1,177)	(1,102)	-	(1,177)	(1,177)	115,066	115,066	-
The impact of changes in non-performance risk (default risk) of reinsurers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
The impact of movements in exchange rates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total amounts recognized in the statement of income	(11,888)	(274,806)	-	-	-	-	-	-	30,512	401,666	18,624	18,624	126,860	126,860	126,860	-
Cash paid to reinsurers from underwritten contracts	35,897	-	-	-	-	-	-	-	-	-	-	35,897	35,897	-	-	-
Claims and other directly attributable expenses paid	(24,003)	(21,009)	-	-	-	-	-	-	-	-	-	(24,003)	(24,003)	(21,009)	(21,009)	-
Profit commission recovered from reinsurers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other recoverable amounts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash flows	11,894	(21,009)	-	-	-	-	-	-	-	-	-	11,894	11,894	(21,009)	(21,009)	-
Re-Insurance contracts liabilities – End of the year	-	-	-	-	-	-	-	-	-	(9,599)	-	-	-	(9,599)	(9,599)	-
Re-Insurance contracts assets – End of the year	-	(3)	-	-	-	-	-	-	20,913	-	-	20,913	20,913	(3)	(3)	-
Re-insurance contracts liabilities (Assets) – end of the year	-	(3)	-	-	-	-	-	-	20,913	(9,599)	-	20,913	20,913	(9,602)	(9,602)	-

Accounts Receivable related to re-insurance operations

This item represents receivables related to reinsurance operations that have been taken into account in the calculation of reinsurance contracts assets and liabilities.

	2024	2023
	JD	JD
Re-insurance contract assets (local)	2,330,784	2,078,243
Re-insurance contract assets (foreign)	938,877	485,599
	3,269,661	2,563,842
Less: Provision for expected credit losses *	(1,705,263)	(1,269,004)
	1,564,398	1,294,838

* Movements on provision for expected credit losses during the year:

	2024	2023
	JD	JD
Balance at the beginning of the year	1,269,004	1,151,004
Provision for expected credit losses for the year	-	100,002
Transferred to provision for expected credit losses on accounts receivable	436,259	17,998
Balance at end of the year	1,705,263	1,269,004

The details of the aging of the reinsurance receivables are as follows:

	Undue receivables	0-90 days	91-180 days	181-365 days	More than 365 days	Total
	JD	JD	JD	JD	JD	JD
31 December 2024	-	795,769	405,036	173,970	189,623	1,564,398
31 December 2023	19,118	513,301	164,759	597,660	-	1,294,838

Account Payables related to re-insurance operations

This item represents payables related to reinsurance operations that were taken into account in the calculation of reinsurance contracts assets and liabilities.

	2024	2023
	JD	JD
Foreign reinsurance Companies	30,465,628	27,005,017
Local insurance Companies	178,198	234,096
	30,643,826	27,239,113

(12) Income Tax

(12-1) Income tax provision

Movements on the income tax provision were as follows:

	2024	2023
	JD	JD
Balance at the beginning of the year	212,697	216,755
Provision for the Year	330,823	-
Recoverable Tax Deposits	143,552	
National contribution tax	223,612	216,895
Taxes on the investments outside Jordan	195,948	120,309
Income tax paid*	(290,261)	(341,262)
Balance at the end of the year	816,371	212,697

(12-2) The income tax expense appears in the consolidated statement of income

The income tax expense appears in the consolidated statement of income represents the following:

	2024	2023
	JD	JD
Taxes on the investments outside Jordan	195,948	120,309
Income tax from 16/11 to 31/12/2024	330,823	-
National contribution tax	223,612	216,895
Deferred tax assets	558,375	(137,261)
	1,308,758	199,943

(12-3) Summary of the reconciliation between accounting profit and taxable profit

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

	2024	2023
	JD	JD
Accounting profit	11,390,292	9,726,835
Non-taxable profits	(4,099,622)	(1,437,489)
Non-deductible expenses	3,889,937	2,436,062
Gain on sale of financial assets through other comprehensive income	-	119,346
Taxable profit	11,180,607	10,844,754
Income tax expense	330,823	-
National contribution tax	223,612	216,895
Effective income tax and national contribution rate	4.87%	2%
Statutory income tax rate	26%	2%

Gulf Insurance Group has been exempted from income tax as of November 17, 2021, for a period of three years due to the merger with Arab Life and Accident Insurance Company, in accordance with Cabinet Decision No. (12583) dated November 19, 2015, based on the provisions of Article (8/B) of the Investment Law No. 30 of 2014.

The income tax provision for the year ended 31 December 2024 and 2023 has been calculated in accordance with the Income Tax Law No. 38 of 2018, as amended. Under this law, the statutory tax rate is 24% and 2% national contribution tax. The income tax expense has been calculated from 16 November 2024 to 31 December 2024.

A final settlement was reached with the Income and Sales Tax Department for the year 2020.

The sales tax position has been finally settled until 31/12/2021.

Income tax returns for the years 2021 2022, and 2023 have been submitted, but the Income and Sales Tax Department has not yet reviewed the records as of the date of preparation of the consolidated interim financial statements. In the opinion of management and the group's tax consultant, the income tax provision is sufficient to meet any tax liabilities.

(12-4) Deferred tax assets

	2024					2023
	Balance at the beginning of the year	Additions	Released Amounts	Balance at the end of the year	Deferred Tax	Deferred Tax
	JD	JD	JD	JD	JD	JD
Deferred tax assets:						
Provision for expected credit losses on accounts receivable and provision for doubtful debt for re-insurance receivable	3,321,298	-	-	3,321,298	863,537	863,537
Impairment loss on financial liabilities	1,199,000	-	-	1,199,000	311,740	311,740
Insurance contracts liabilities	8,879,708	-	2,466,726	6,412,982	1,667,375	2,308,724
Provision for end of service indemnity	3,039,231	611,763	292,633	3,358,361	873,174	790,200
	16,439,237	611,763	2,759,359	14,291,641	3,715,826	4,274,201

Movements on deferred tax assets were as follows:

	2024	2023
	JD	JD
Balance at the beginning of the period/year	4,274,201	4,136,940
(Released) addition, net	(558,375)	137,261
Balance at the end of the period/year	3,715,826	4,274,201

- The tax rate used in calculating the deferred tax value is 26%, inclusive of the national contribution of 2%.

(13) Property and Equipment

2024	Land	Building	Computers	Decorations	Tools, equipment and furniture	Vehicles	Projects under progress*	Total
	JD	JD	JD	JD	JD	JD	JD	JD
Cost								
Balance at the beginning of the year	3,532,896	3,716,205	1,798,582	1,915,750	2,257,054	384,104	210,583	13,815,174
Additions	140,875	31,552	138,262	308,724	135,815	70,532	118,555	944,315
Disposals	-	-	(180,908)	(280,714)	(760,826)	(78,879)	-	(1,301,327)
Balance at the end of the year	3,673,771	3,747,757	1,755,936	1,943,760	1,632,043	375,757	329,138	13,458,162
Accumulated Depreciation:								
Balance at the beginning of the year	-	1,166,321	1,455,184	1,620,652	1,933,499	213,610	-	6,389,266
Depreciation for the year**	-	74,692	149,918	107,888	83,841	36,389	-	452,728
Disposals	-	-	(175,431)	(260,319)	(755,396)	(75,125)	-	(1,266,271)
Balance at the end of the year	-	1,241,013	1,429,671	1,468,221	1,261,944	174,874	-	5,575,723
Net book value at of 31 December 2024	3,673,771	2,506,744	326,265	475,539	370,099	200,883	329,138	7,882,439

* The property and equipment include fully depreciated assets amounting to 4,519,470 Jordanian Dinars as of December 31, 2024, compared to 4,358,889 Jordanian Dinars as of December 31, 2023, and these assets are still in use to date.

2023	Land	Building	Computers	Decorations	Tools, equipment and furniture	Vehicles	Projects under progress*	Total
	JD	JD	JD	JD	JD	JD	JD	JD
Cost								
Balance at the beginning of the year	3,532,896	3,716,205	1,668,805	1,835,051	2,216,924	329,104	-	13,298,985
Additions	-	-	147,095	84,100	68,168	105,000	210,583	614,946
Disposals	-	-	(17,318)	(3,401)	(28,038)	(50,000)	-	(98,757)
Balance at the end of the year	3,532,896	3,716,205	1,798,582	1,915,750	2,257,054	384,104	210,583	13,815,174
Accumulated Depreciation:								
Balance at the beginning of the year	-	1,091,997	1,320,926	1,514,194	1,883,408	230,010	-	6,040,535
Depreciation for the year**	-	74,324	150,864	109,337	77,007	33,599	-	445,131
Disposals	-	-	(16,606)	(2,879)	(26,916)	(49,999)	-	(96,400)
Balance at the end of the year	-	1,166,321	1,455,184	1,620,652	1,933,499	213,610	-	6,389,266
Net book value at of 31 December 2023	3,532,896	2,549,884	343,398	295,098	323,555	170,494	210,583	7,425,908

* This item represents the costs incurred for the expansion and improvement project of the second floor of the company's main building, as well as the costs incurred for purchasing computer hardware. The project is expected to be completed during the first quarter of 2025, with a total cost of 339,824 Jordanian Dinars.

(14) Intangible Assets

2024	Life insurance license	Programs and computer systems	Projects under progress*	Total
	JD	JD	JD	JD
Cost:				
Balance at the beginning of the year	5,199,149	2,873,589	25,093	8,097,831
Additions	-	408,893	22,235	431,128
Disposals	-	(729,255)	-	(729,255)
Balance at the end of the year	5,199,149	2,553,227	47,328	7,799,704
Accumulated Amortization:				
Balance at the beginning of the year	-	2,208,839	-	2,208,839
Amortization for the year**	-	257,365	-	257,365
Disposals	-	(729,195)	-	(729,195)
Balance at the end of the year	-	1,737,009	-	1,737,009
Less: impairment provision for the year***	(400,000)	-	-	(400,000)
Net book value at the end of the year	4,799,149	816,218	47,328	5,662,695
2023	Life insurance license	Programs and computer systems	Projects under progress*	Total
	JD	JD	JD	JD
Cost:				
Balance at the beginning of the year	5,199,149	2,543,230	-	7,742,379
Additions	-	331,959	25,093	335,052
Disposals	-	(1,600)	-	(1,600)
Balance at the end of the year	5,199,149	2,873,589	25,093	8,097,831
Accumulated Amortization:				
Balance at the beginning of the year	-	2,010,115	-	2,010,115
Amortization for the year**	-	200,324	-	200,324
Disposals	-	(1,600)	-	(1,600)
Balance at the end of the year	-	2,208,839	-	2,208,839
Less: impairment provision for the year***	(400,000)	-	-	(400,000)
Net book value at the end of the year	4,799,149	664,750	25,093	5,488,992

(15) Other Assets

	2024	2023
	JD	JD
Accrued interest revenues	1,935,820	1,770,805
Tax receivable	2,334,260	2,100,406
Refundable deposits	586,823	466,802
Income tax paid on interest income	550,023	440,842
Prepaid expenses	399,379	262,645
Income tax deposits	4,343	4,342
Others	2,801	2,800
	5,813,449	5,048,642

(16) Other provisions

	2024	2023
	JD	JD
End of service provision *	3,017,689	2,632,713
Contingent liabilities provision **	-	249,884
Others	7,837	5,001
	3,025,526	2,887,598

*Movements on end of service provision during the year were as follows:

	2024	2023
	JD	JD
Balance at the beginning of the year	2,632,713	2,040,193
Provision for the year	611,763	722,877
Paid during the year	(226,787)	(250,357)
Actuarial losses resulted from changes in assumptions	-	120,000
Balance at the end of the year	3,017,689	2,632,713

The actuarial assumptions used in determining the value of employees' end of service provision are as follows:

	2024	2023
Discount rate	5%	5%
Mortality rate	0.080%	0.060%
Annual salaries increments rate	1%	1%
Resignation rate	7.50%	7.4%

**Movements on contingent liability provision during the year were as follows:

	2024	2023
	JD	JD
Balance at the beginning of the year	249,884	180,425
Provision for the year	-	69,459
Paid during the year	(249,884)	-
Balance at the end of the year	-	249,884

(17) Other Liabilities

	2024	2023
	JD	JD
Social security deposits and governmental fees	127,065	330,112
Income tax withholdings	162,754	122,725
Stamps	116,544	140,552
Sales tax withholdings	83,372	43,453
Due to shareholders - subscription refunds	56,650	56,918
Others	125,626	29,613
	672,011	723,373

(18) Authorized And Paid In Capital

The general assembly decided in its meeting held on 31 May 2022 to increase the authorized and paid-in capital from 25,438,252 divided into 25,438,252 shares with a par value of JD 1 each to become JD 26,000,000 through distributing of free shares to the Company's shareholders, from the special reserve balance within the shareholders' equity with an amount of JD 40,221 and from retained earnings balance with an amount of JD 521,527 as of 31 December 2021. Legal procedures have been completed during the third quarter of 2022.

The authorized and paid in capital is JD 26,000,000 divided into 26,000,000 shares at par value of JD 1 each as at 31 December 2024.

(19) Legal Reserves

Statutory Reserve

This amount represents appropriations at 10% of net income before income tax during this year and prior years, this reserve is not available for distribution to shareholders. The transfer of the statutory reserve should not be stopped before its balance reaches 25% of the authorized capital. However, with the approval of the company's general assembly, the transfer may continue until the balance of the statutory reserve reaches 100% of the Company's authorized capital.

(20) Fair Value Reserve

Movements on the fair value reserve were as follows:

	2024	2023
	JD	JD
Balance at the beginning of the year	(1,509,165)	(1,684,308)
Change in fair value of financial assets through other comprehensive income	385,422	439,607
Realized gains from sale of financial assets at fair value through other comprehensive income	196,428	(264,464)
Balance at the end of the year	(927,315)	(1,509,165)

(21) Retained Earnings

Movements on retained earnings during the year were as follows:

	2024	2023
	JD	JD
Balances at the beginning of the year	18,472,501	12,619,383
Profit for the year	10,076,985	9,488,654
Less:		
Cash dividends*	(3,900,000)	(3,900,000)
Gain (losses) on sale of financial assets through other comprehensive income	(196,428)	264,464
Balance at the end of the year	24,453,058	18,472,501

* The General Assembly of the Company decided in its extraordinary meeting held on 15 August 2024 to distribute 15% of the capital as cash dividends to the shareholders equivalent to JD 3,900,000.

* The General Assembly of the Company decided in its extraordinary meeting held on 27 April 2023 to distribute 5% of the capital as cash dividends to the shareholders equivalent to JD 3,900,000.

(22) Dividend suggested to be distributed

The Board of Directors will submit in its meeting to be held during 2025 the recommendation to the General Assembly of the Group to distribute cash dividends of JD 5,200,000 to shareholders, which equals to 20% of the company's capital as at 31 December 2024.

(23) Insurance Contracts Revenues

2024	Vehicles	Fire	Engineering	Social liability	Marine	Medical	General accidents	Life	Total
	JD	JD	JD	JD	JD	JD	JD	JD	JD
Change in Insurance Contract Liabilities - Against Remaining Coverage									
Expected Incurred Claims	-	-	-	-	-	-	-	7,346	7,346
Expected Incurred Expenses	-	-	-	-	-	-	-	7,426	7,426
Change in Non-Financial Risk Adjustments	-	-	-	-	-	-	-	(7,540)	(7,540)
Contractual Service Margin (CSM) due	-	-	-	-	-	-	-	12,434	12,434
Recovery of Acquisition Cash Flows	-	-	-	-	-	-	-	-	-
Insurance Contract Issuance Fees	365,085	169,377	51,072	20,100	58,466	2,588,562	175,964	115,750	3,544,376
Allocation of a portion of the premiums related to the recovery of cash flows for the acquisition of insurance									
Other Revenues	28,520,792	13,670,147	1,936,169	1,595,709	2,367,112	62,687,382	4,034,017	6,221,780	121,033,108
Total Insurance contract revenue	28,885,877	13,839,524	1,987,241	1,615,809	2,425,578	65,275,944	4,209,981	6,360,698	124,600,652
2023	Vehicles	Fire	Engineering	Social liability	Marine	Medical	General accidents	Life	Total
	JD	JD	JD	JD	JD	JD	JD	JD	JD
Change in Insurance Contract Liabilities - Against Remaining Coverage									
Expected Incurred Claims	-	-	-	-	-	-	-	17,251	17,251
Expected Incurred Expenses	-	-	-	-	-	-	-	2,092	2,092
Change in Non-Financial Risk Adjustments	-	-	-	-	-	-	-	(6,011)	(6,011)
Contractual Service Margin (CSM) due	-	-	-	-	-	-	-	-	-
Recovery of Acquisition Cash Flows	-	-	-	-	-	-	-	-	-
Insurance Contract Issuance Fees	318,042	158,550	25,884	21,119	57,580	2,553,193	237,436	60,123	3,431,927
Allocation of a portion of the premiums related to the recovery of cash flows for the acquisition of insurance									
Other Revenues	27,825,611	10,663,992	633,765	1,518,469	1,757,835	58,174,047	3,434,503	2,601,323	106,609,545
Total Insurance contract revenue	28,143,653	10,822,542	659,649	1,539,588	1,815,415	60,727,240	3,671,939	2,679,278	110,059,304

(24) Insurance Contracts Expenses

2024	Vehicles	Fire		Engineering		Social liability		Marine		Medical		General accidents		Life		Total	
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Incurred insurance claims	(17,974,277)	(1,871,133)		(1,032,627)		(1,684,349)		(2,400,200)		(46,832,321)		(311,352)		(5,332,788)		(77,439,047)	
Amortization of acquisition costs	(759,544)	(355,980)		(61,197)		(50,315)		(52,682)		(1,724,602)		(214,829)		(158,869)		(3,378,018)	
Employee Expenses	(2,903,671)	(1,161,583)		(208,915)		(147,517)		(134,370)		(5,948,202)		(459,965)		(543,491)		(11,507,714)	
Administrative expenses	(1,054,749)	(389,834)		(71,855)		(46,362)		(38,011)		(2,056,787)		(108,873)		(187,138)		(3,953,609)	
Loss from onerous contracts	(3,075,137)	-		-		-		-		-		-		15,981		(3,059,156)	
Recovered from loss from onerous Contracts	1,991,137	-		-		-		-		-		-		-		1,991,137	
Risk adjustments - non-financial	(544,303)	(180,419)		(24,205)		(213,057)		(110,258)		(550,722)		(43,753)		(140,186)		(1,806,903)	
Reversal of Non-Financial Risk Adjustments	-	-		-		-		-		-		-		-		-	
Accident Exemptions	-	-		-		-		-		-		-		-		-	
Transfer from Amortization costs	-	-		-		-		-		-		-		(3,502)		(3,502)	
Total Insurance expenses	(24,320,544)	(3,958,949)		(1,398,799)		(2,141,600)		(2,735,521)		(57,112,634)		(1,138,772)		(6,349,993)		(99,156,812)	
2023	Vehicles	Fire		Engineering		Social liability		Marine		Medical		General accidents		Life		Total	
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Incurred insurance claims	(18,556,416)	(1,434,986)		(402,713)		(507,021)		(522,142)		(44,631,677)		(392,256)		(1,653,614)		(68,100,825)	
Amortization of acquisition costs	(870,422)	(333,239)		(29,225)		(57,684)		(56,378)		(1,861,971)		(224,603)		(116,165)		(3,549,687)	
Employee Expenses	(2,402,102)	(859,120)		(70,927)		(137,976)		(143,294)		(5,098,874)		(373,769)		(547,689)		(9,633,751)	
Administrative expenses	(906,351)	(313,119)		(24,988)		(48,190)		(51,825)		(1,916,660)		(96,138)		(248,083)		(3,605,354)	
Loss from onerous contracts	(2,515,594)	-		-		-		-		-		-		45,761		(2,469,833)	
Recovered from loss from onerous contracts	3,042,593	-		-		-		-		-		-		-		3,042,593	
Risk adjustments- non-financial	(467,444)	(141,888)		(21,463)		(21,429)		(33,935)		(506,839)		(21,019)		(58,681)		(1,272,698)	
Reversal of Non-Financial Risk Adjustments	-	-		-		-		-		-		-		-		-	
Accident Exemptions	-	-		-		-		-		-		-		-		-	
Transfer from Amortization costs	-	-		-		-		-		-		-		(4,500)		(4,500)	
Total Insurance expenses	(22,675,736)	(3,082,352)		(549,316)		(772,300)		(807,574)		(54,016,021)		1,439,036		(2,582,971)		(85,594,055)	

(25) reinsurance contract expenses

2024	Vehicles	Fire	Engineering	Social liability	Marine	Medical	General accidents	Life	others	Total
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Change in Re-Insurance Contract Liabilities - Against Remaining Coverage:										
Expected Incurred Claims	-	-	-	-	-	-	-	-	-	-
Expected Incurred Expenses	-	-	-	-	-	-	-	-	-	-
Change in Non-Financial Risk Adjustments	-	-	-	-	-	-	-	-	-	-
Contractual Service Margin (CSM) due	-	-	-	-	-	-	-	(4,208)	-	(4,208)
Recovery of Acquisition Cash Flows	-	-	-	-	-	-	-	-	-	-
Insurance Contract Issuance Fees	-	-	-	-	-	-	-	-	-	-
Allocation of a portion of the premiums related to the recovery of cash flows for the acquisition of insurance	-	-	-	-	-	-	-	-	-	-
Other Revenues	(1,851,335)	(10,172,522)	(1,356,312)	(1,203,320)	(1,113,861)	(38,205,821)	(2,086,986)	(4,738,303)	(821,524)	(61,549,984)
Total Re-Insurance contract Expenses	(1,851,335)	(10,172,522)	(1,356,312)	(1,203,320)	(1,113,861)	(38,205,821)	(2,086,986)	(4,742,511)	(821,524)	(61,554,192)
2023	Vehicles	Fire	Engineering	Social liability	Marine	Medical	General accidents	Life	others	Total
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Change in Re-Insurance Contract Liabilities - Against Remaining Coverage :										
Expected Incurred Claims	-	-	-	-	-	-	-	(14,760)	-	(14,760)
Expected Incurred Expenses	-	-	-	-	-	-	-	-	-	-
Change in Non-Financial Risk Adjustments	-	-	-	-	-	-	-	5,547	-	5,547
Contractual Service Margin (CSM) due	-	-	-	-	-	-	-	-	-	-
Recovery of Acquisition Cash Flows	-	-	-	-	-	-	-	-	-	-
Insurance Contract Issuance Fees	-	-	-	-	-	-	-	-	-	-
Allocation of a portion of the premiums related to the recovery of cash flows for the acquisition of insurance	-	-	-	-	-	-	-	-	-	-
Other Revenues	(1,708,475)	(7,632,529)	(427,630)	(1,161,959)	(520,685)	(31,981,794)	(1,503,141)	(1,429,823)	(963,375)	(47,329,411)
Total Re- Insurance Contract Expenses	(1,708,475)	(7,632,529)	(427,630)	(1,161,959)	(520,685)	(31,981,794)	(1,503,141)	(1,439,036)	(963,375)	(47,338,624)

(26)reinsurance contract Revenues

2024	Vehicles	Fire	Engineering	Social liability	Marine	Medical	General accidents	Life	others	Total
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Incurred insurance claims	(140,778)	1,454,473	869,371	1,177,867	2,043,826	35,458,905	235,936	4,683,438	-	45,783,038
Amortization of acquisition costs	-	-	-	-	-	-	-	-	-	-
Employee Expenses	-	-	-	-	-	-	-	-	-	-
Administrative expenses	-	-	-	-	-	-	-	-	-	-
Loss from onerous contracts	-	-	-	-	-	-	-	-	-	-
Recoveries from loss from onerous Contracts	-	-	-	-	-	-	-	-	-	-
Risk adjustments - non-financial	67,691	(6,808)	(22,761)	(63,166)	(94,828)	(75,936)	1,995	(98,551)	-	(292,364)
Reversal of Non-Financial Risk Adjustments	-	-	-	-	-	-	-	-	-	-
Accident Exemptions	-	-	-	-	-	-	-	-	-	-
Transfer from Amortization costs	-	-	-	-	-	-	-	-	-	-
Total Re-Insurance contracts revenues	(73,087)	1,447,665	846,610	1,114,701	1,948,998	35,382,969	237,931	4,584,887	-	45,490,674
2023	Vehicles	Fire	Engineering	Social liability	Marine	Medical	General accidents	Life	others	Total
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Incurred insurance claims	1,024,146	789,210	198,321	(64,788)	234,440	30,404,507	(7,118)	1,184,317	8,631	33,771,666
Amortization of acquisition costs	-	-	-	-	-	-	-	-	-	-
Employee Expenses	-	-	-	-	-	-	-	-	-	-
Administrative expenses	-	-	-	-	-	-	-	-	-	-
Loss from onerous contracts	-	-	-	-	-	-	-	-	-	-
Recoveries from loss from onerous Contracts	-	-	-	-	-	-	-	-	-	-
Risk adjustments - non-financial	(34,856)	25,821	(6,414)	833	2,643	(199,804)	14,501	(36,861)	-	(234,137)
Reversal of Non-Financial Risk Adjustments	-	-	-	-	-	-	-	-	-	-
Accident Exemptions	-	-	-	-	-	-	-	-	-	-
Transfer from Amortization costs	-	-	-	-	-	-	-	-	-	-
Total Re-Insurance Revenues	989,290	815,031	191,907	(63,955)	237,083	30,204,703	7,383	1,147,456	8,631	33,537,529

(27) Finance Expense – Insurance Contracts

	2024	2023
	JD	JD
Finance expense	(2,773,253)	(3,446,278)

The Group used discount rates that ranged between 9.02% and 10.32% as at 31 December 2024 (31 December 2023: 10.34% and 11.26%).

(28) Finance Income– Re-insurance Contracts

	2024	2023
	JD	JD
Finance income	353,496	777,896

The Group used discount rates that ranged between 9.02% and 10.32% as at 31 December 2024 (31 December 2023: 10.34% and 11.26%).

(29) Interest Income

	2024	2023
	JD	JD
Interest on bank deposits	1,366,281	1,975,951
Interest on financial assets at amortized cost	3,431,423	2,355,975
	4,797,704	4,331,926

(30) Net (Loss) Gain from Financial Assets and Investments

This item consists of the following:

	2024	2023
	JD	JD
Dividends income from financial assets at fair value through other comprehensive income	810,331	327,237
Unrealized gains on financial assets at fair value through profit or loss	1,180,719	(746,799)
	1,991,050	(419,562)

(31) Employees Expenses

	2024	2023
	JD	JD
Salaries and Bonuses	10,223,601	8,380,868
End-of-Service Benefits	611,763	722,877
Company's Social Security Contribution	1,019,839	877,951
Training and Development Expenses	34,011	21,935
Medical Expenses	648,206	556,389
Travel and Transportation	221,039	162,248
Total	12,758,459	10,722,268

(32) General and Administrative Expenses

	2024	2023
	JD	JD
Legal Fees and Expenses	765,530	842,985
Consultation and Technical Advisory Fees	645,171	477,547
Government Fees and Other Charges	536,147	369,642
Advertising and Publicity	418,602	319,136
Subscriptions	325,450	163,255
Stationery and Printing	245,360	217,665
Maintenance	243,940	252,687
Insurance Commission Fees	236,220	62,012
Postage, Communications, and Stamps	229,748	244,763
Tender Expenses	180,657	129,901
Rent Expenses	155,758	73,801
Depreciation Expense for Right-of-Use Assets	140,636	220,884
Bank Charges	139,849	237,021
Board of Directors' Transportation and Allowances	139,800	136,200
Water, Electricity, and Heating	122,811	106,118
Collection and Recovery Expenses	111,785	114,321
Hospitality Expenses	93,540	82,059
Professional Fees	80,000	106,156
Cleaning Expenses	74,464	75,720
Insurance Expenses	72,515	88,045
Interest Expense on lease liability	41,942	23,256
Donations	25,445	136,408
Board Committee Fees	15,600	13,400
Company Vehicle Expenses	15,181	9,992
Company Building Management Expenses	14,870	16,510
Other Expenses	327,937	336,133
Total	5,398,958	4,855,617

(33) Earnings Per Share from Profit for the period

The profit per share is calculated by dividing the profit for the year by the weighted average number of shares during the year as the following:

	2024	2023
	JD	JD
Profit for the period (JD)	10,076,985	9,488,655
Weighted average number of shares (shares)	26,000,000	26,000,000
	JD/Fils	JD/Fils
Earnings per share for the year	0/388	0/365

(34) Cash and cash equivalents

	2024	2023
	JD	JD
Cash on hand and at banks	1,020,257	1,155,421
Add: Deposits at banks	20,885,232	21,272,263
Less: Deposits at banks with original maturity date more than three months	(19,071,092)	(20,458,123)
Less: Restricted deposits to the favor of the Governor of the Central Bank of Jordan	(814,140)	(814,140)
Add: Cash related to discontinued operations' assets	774,322	768,902
Net cash and cash equivalents at the end of the year	2,794,579	1,924,323

(35) Related Party Transactions and Balances

The Group entered into transactions with major shareholders, board members and directors within the normal activities of the Company using insurance premium and commercial commission. All related parties' balances are considered performing and no provision has been taken against them as at 31 December 2024.

Below is a summary of related parties balances and transactions during the year:

	Related parties			Total	Total
	Major Shareholders	Board of Directors Members	Afak Gulf Arab and Badia Gulf First Management Consulting	2024	2023
	JD	JD	JD	JD	JD
Consolidated statement of financial position items:					
Insurance contracts liabilities	-	134,205	-	134,205	100,237
Consolidated Statement of comprehensive income Items:					
Insurance revenues	-	3,722,435	-	3,722,435	3,214,900
Transportation for members of the Board of Directors	-	139,800	-	139,800	136,200
Bonuses for members of the Board of Directors	-	60,600	-	60,600	58,400
Consultation fees	121,793	-	-	121,793	51,224

Top Executive management (salaries, bonuses, and other benefits) are as follows:

	2024	2023
	JD	JD
Salaries and bonuses	1,439,293	1,411,905
Travel expenses	9,450	8,800
Contribution to Short-Term Benefits	60,006	95,023
Contribution to long -Term Benefits	1,218,447	884,027
	2,727,196	2,399,755

** Discontinued Operations

The Board of Directors of Arab Life and Accidents Insurance Company (the merged Company) decided on a previous date, to close Palestine's branches and, therefore, Palestine's branches' assets were classified as discontinued operations' assets and its obligations as liabilities related to discontinued operations' assets as at 31 December 2024. In additions, the results of these branches were presented in the consolidated statement of income within discontinued operations for the year ended 31 December 2024.

(36) The fair value of financial assets and liabilities not presented at fair value in the financial statements

There are no material differences between the carrying value and the fair value of financial assets and liabilities as of 31 December 2024 and 31 December 2023.

(37) Onerous Contracts

The Group recognizes insurance contracts as onerous if, at initial recognition, the contract is expected to be loss-making. The loss component is measured by comparing the expected cash outflows required to fulfill the contractual obligations with the expected cash inflows from the contract or group of contracts.

The Group discloses the loss component when the Contractual Service Margin (CSM) is zero, which applies only under the General Measurement Model (GMM) or the Variable Fee Approach (VFA).

(38) Risk Management

Explanatory Disclosures:

Risk management is the evaluation of the risk process of measurement and development of strategies to manage it. These strategies include the transfer of risks to another party, avoiding and mitigating their adverse effect on the Group, in addition to accepting the related consequences partially or wholly, Risk management can be divided into four sections:

First: Material risks such as (natural catastrophes, fires, accidents, and other external risks not relating to the Group's operations).

Second: Legal risks resulting from legal claims or any risks arising from the laws and regulations issued by the Insurance Commission and the related non-compliance.

Third: Risks arising from financial matters such as (interest rate, credit risk, foreign currencies risks, and market risk).

Fourth: Intangible risks that are difficult to identify such as knowledge risk that occurs upon the application of inadequate knowledge by employees, Moreover, relationships risks occur when there is inefficient cooperation with clients. All these risks reduce the employee's productivity in knowledge and lessen the effectiveness of expenditures, profit, service, quality, reputation, and the quality of gains.

Management of risks adopted by the Group relies on prioritizing so that risks with huge losses and high probability are treated first while risks with lower losses and lesser probability are treated later on.

Risk Management Policy

First: Planning and Preparation

The work scope plan and criteria for adopting and evaluating risks at the Group have been set through creating the Institutional Development and Quality Department that monitors this performance.

Second: Identification of Risks

Risks represent events that create problems upon their occurrence. Therefore, these problems should be identified at their origin, When the problem or its origin is identified, the related accident may lead to new risks that can be treated prior to their occurrence. There are many ways to identify risks such as identification based on objectives as each of the Group's sections has certain objectives it endeavors to achieve. Any event that threatens the achievement of these objectives is considered a risk. Based on this, risks are studied and pursued. Moreover, there is a type of risk identification based on a comprehensive classification of all probable sources of risk. Still another type of risk identification is common risks especially for similar companies.

Third: Risk Treatment Method

The Group deals with probable risks by means of the following methods:

- **Transfer:** This represents the process of transferring the risk to another party through contracts or financial protection.
- **Avoidance:** This is an active process to ward off risk through avoiding works that lead to risks. Avoidance is the best preventive method against risk. This may deprive the Group from conducting certain activities profitable for the Group.
- **Reduction:** This is the process of decreasing the loss arising from the occurrence of risk.
- **Acceptance:** There should be a policy to accept unavoidable risks as acceptance of small risks is an effective strategy.

Fourth: Plan

An easy and clear plan has been set to deal with risks through a pricing policy that relies on historical statistics to avoid the occurrence of risks from any insurance branch so that the premium covers the probable cumulative risks.

Fifth: Execution

The Group's technical departments execute the plan so that the risk effects are mitigated. Moreover, all avoidable risks are avoided.

Sixth: Plan Review and Evaluation

The Risks Department follows up on the Group's development and constantly and continuously develops and upgrades the plan in effect.

Risk Management Arrangements

Determinants

Top priority is given to the Risks Department, This affects the Group's productivity and profitability, Moreover, the Risks Department distinguishes between actual risk and doubt, priorities are given to risks with huge losses and high probability so as to avoid them.

Risks Management Responsibilities

- Upgrading the risk data base constantly and continuously.
- Predicting any probable risk.
- Cooperating with executive management to treat risks and mitigate risk.
- Preparing plans and risk reports continuously in order to avoid the probable risk or reduce the probability of its occurrence.

Risk Treatment Strategy

- Determining the Group's objectives.
- Clarifying strategies for the Group's objectives.
- Distinguishing risk.
- Assessing risk.
- Identifying methods to avoid and treat risk.

Second: Quantitative Disclosures:

A - Insurance Risk

1. Insurance Risk

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

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

The Group is engaged in insurance business against fire, accidents, marine and transportation, and motor insurance, public liability, aviation and medical insurance through its main branch located in Jabal Amman, 3rd circle in Amman and its branches in Marka "licensing services center", 8th circle, Al Abdali and Abdali- Boulevard in Amman, Aqaba branch in Aqaba city and Irbid Branch in Irbid city.

Through its personnel consisting of professionals and administrative staff, the Group provides the best service to its clients. Moreover, a plan has been set to protect it against probable risks whether natural or unnatural. This requires that the necessary provisions as well as the necessary technical equipment be made available to maintain the Group's continuity and viability, hence, the necessity to set the risk management strategy.

PS in Determining Assumptions

These steps rely on the internal data derived from the quarterly claims reports and the sorting of the executed insurance policies as of the statement of financial position date to identify the outstanding insurance policies. The effective results for the year's accidents are selected for each type of insurance based on the evaluation of the most appropriate mechanism for observing the historical development.

2-Claims Development

The schedules below show the actual claims (based on management's estimates at year- end) compared to the expectations for the past four years based on the year in which the vehicles insurance claims were reported and on the year in which underwriting of the other general insurance types was executed as follows:

Motor Insurance:
Gross:

The accident year	2024	2023	2022	2021	2020	2019 and before	Total
	JD	JD	JD	JD	JD	JD	JD
At the end of the year	30,461,340	21,497,082	18,944,804	19,549,760	14,878,117	98,578,324	203,909,427
After one year	-	24,048,553	19,735,075	20,666,459	18,150,725	116,233,291	198,834,103
After two years	-	-	20,868,454	21,371,943	19,056,400	126,291,722	187,588,519
After three years	-	-	-	22,003,833	19,331,822	131,136,993	172,472,648
After four years	-	-	-	-	19,273,360	132,935,074	152,208,434
After five years	-	-	-	-	-	128,637,961	128,637,961
Total accumulated claims paid	13,606,300	17,710,452	16,946,692	18,763,225	17,458,183	124,716,615	209,201,467
Total liabilities	30,461,340	24,048,553	20,868,454	22,003,833	19,273,360	128,637,961	245,293,501
Discounting effect	-	-	-	-	-	-	3,052,960
Total liabilities for incurred claims	16,855,039	6,338,101	3,921,761	3,240,608	1,815,176	3,921,346	36,092,034

Net:

The accident year	2024	2023	2022	2021	2020	2019 and before	Total
	JD	JD	JD	JD	JD	JD	JD
At the end of the year	29,337,603	20,253,334	17,790,551	18,523,093	13,938,170	95,100,022	194,942,773
After one year	-	23,085,832	18,595,724	19,672,261	17,165,020	112,791,252	191,310,089
After two years	-	-	19,666,241	20,365,306	18,040,744	122,266,113	180,338,404
After three years	-	-	-	20,999,110	18,339,792	126,764,954	166,103,856
After four years	-	-	-	-	18,278,407	128,254,898	146,533,305
After five years	-	-	-	-	-	123,734,289	123,734,289
Total accumulated claims paid	13,220,537	17,184,490	16,044,462	17,912,870	16,490,202	120,252,398	201,104,959
Total liabilities	29,337,603	23,085,832	19,666,241	20,999,110	18,278,407	123,734,289	235,101,482
Discounting effect	-	-	-	-	-	-	2,946,923
Total liabilities for incurred claims	16,117,066	5,901,342	3,621,779	3,086,240	1,788,205	3,481,891	33,996,523

Marine:
Gross:

The accident year	2024	2023	2022	2021	2020	2019 and before	Total
	JD	JD	JD	JD	JD	JD	JD
At the end of the year	1,036,827	614,347	587,357	250,092	359,380	1,822,806	4,670,809
After one year	-	698,546	583,863	309,261	398,501	2,092,620	4,082,791
After two years	-	-	588,297	309,261	392,887	2,091,363	3,381,808
After three years	-	-	-	309,264	392,887	2,090,734	2,792,885
After four years	-	-	-	-	394,014	2,080,932	2,474,946
After five years	-	-	-	-	-	3,748,919	3,748,919
Total accumulated claims paid	193,913	688,306	571,204	309,243	385,887	1,427,135	3,575,688
Total liabilities	1,036,827	698,546	588,297	309,264	394,014	3,748,919	6,775,867
Discounting effect	-	-	-	-	-	-	44,053
Total liabilities for incurred claims	842,914	10,240	17,092	21	8,127	2,321,784	3,200,179

Net:

The accident year	2024	2023	2022	2021	2020	2019 and before	Total
	JD	JD	JD	JD	JD	JD	JD
At the end of the year	599,147	231,611	245,154	134,350	153,520	438,701	1,802,483
After one year	-	268,421	279,800	167,722	171,700	607,868	1,495,511
After two years	-	-	282,397	167,722	171,007	613,816	1,234,942
After three years	-	-	-	167,724	171,007	613,502	952,233
After four years	-	-	-	-	171,754	608,600	780,354
After five years	-	-	-	-	-	712,143	712,143
Total accumulated claims paid	84,104	262,770	273,531	167,713	167,507	530,789	1,486,414
Total liabilities	599,147	268,421	282,397	167,724	171,754	712,143	2,201,586
Discounting effect	-	-	-	-	-	-	12,307
Total liabilities for incurred claims	515,043	5,651	8,866	11	4,247	181,354	715,172

Fire:
Gross:

The accident year	2024	2023	2022	2021	2020	2019 and before	Total
	JD	JD	JD	JD	JD	JD	JD
At the end of the year	2,008,233	1,136,566	3,175,216	980,350	4,309,684	20,142,337	31,752,386
After one year	-	1,656,649	3,339,166	958,547	3,813,311	17,106,108	26,873,781
After two years	-	-	3,431,050	946,803	3,454,392	17,427,969	25,260,214
After three years	-	-	-	1,168,010	3,341,027	17,424,444	21,933,481
After four years	-	-	-	-	3,353,170	17,512,542	20,865,712
After five years	-	-	-	-	-	17,273,619	17,273,619
Total accumulated claims paid	592,957	1,118,890	3,297,759	755,488	3,267,961	16,333,235	25,366,290
Total liabilities	2,008,233	1,656,649	3,431,050	1,168,010	3,353,170	17,273,619	28,890,731
Discounting effect	-	-	-	-	-	-	75,913
Total liabilities for incurred claims	1,415,276	537,759	133,291	412,522	85,209	940,384	3,524,441

Net:

The accident year	2024	2023	2022	2021	2020	2019 and before	Total
	JD	JD	JD	JD	JD	JD	JD
At the end of the year	451,154	368,032	911,839	315,389	1,508,419	2,157,508	5,712,341
After one year	-	601,088	968,677	319,447	1,059,932	1,882,936	4,832,080
After two years	-	-	988,028	313,769	701,943	1,903,744	3,907,484
After three years	-	-	-	430,379	679,352	1,894,956	3,004,687
After four years	-	-	-	-	685,290	2,039,903	2,725,193
After five years		-	-	-	-	2,032,975	2,032,975
Total accumulated claims paid	137,535	332,654	925,927	263,303	660,019	1,884,463	4,203,901
Total liabilities	451,154	601,088	988,028	430,379	685,290	2,032,975	5,188,914
Discounting effect	-	-	-	-	-	-	35,083
Total liabilities for incurred claims	313,619	268,434	62,101	167,076	25,271	148,512	985,013

Social liability:

Gross:

The accident year	2024	2023	2022	2021	2020	2019 and before	Total
	JD	JD	JD	JD	JD	JD	JD
At the end of the year	2,251,059	423,139	303,911	81,814	586,909	5,584,451	9,231,283
After one year	-	481,054	798,301	485,509	1,270,926	7,080,970	10,116,760
After two years	-	-	915,593	517,125	1,285,296	7,494,239	10,212,253
After three years	-	-	-	532,636	1,283,547	8,026,842	9,843,025
After four years	-	-	-	-	1,904,981	9,132,039	11,037,020
After five years	-	-	-	-	-	9,320,915	9,320,915
Total accumulated claims paid	278,199	401,665	494,605	412,112	1,285,195	8,016,908	10,888,684
Total liabilities	2,251,059	481,054	915,593	532,636	1,904,981	9,320,915	15,406,238
Discounting effect	-	-	-	-	-	-	92,488
Total liabilities for incurred claims	1,972,860	79,389	420,988	120,524	619,786	1,304,007	4,517,554

Net:

The accident year	2024	2023	2022	2021	2020	2019 and before	Total
	JD	JD	JD	JD	JD	JD	JD
At the end of the year	1,017,720	324,794	136,524	(42,863)	311,936	1,791,231	3,539,342
After one year	-	378,586	600,385	385,677	395,815	1,969,292	3,729,755
After two years	-	-	730,317	405,540	418,765	1,757,594	3,312,216
After three years	-	-	-	418,394	417,017	1,830,198	2,665,609
After four years	-	-	-	-	495,462	1,889,854	2,385,316
After five years	-	-	-	-	-	2,376,466	2,376,466
Total accumulated claims paid	231,574	325,218	383,100	350,064	435,678	2,004,560	3,730,194
Total liabilities	1,017,720	378,586	730,317	418,394	495,462	2,376,466	5,416,945
Discounting effect	-	-	-	-	-	-	33,379
Total liabilities for incurred claims	786,146	53,368	347,217	68,330	59,784	371,906	1,686,751

Medical:

Gross:

The accident year	2024	2023	2022	2021	2020	2019 and before	Total
	JD	JD	JD	JD	JD	JD	JD
At the end of the year	51,608,477	43,221,079	41,326,029	37,982,075	31,789,137	192,856,872	398,783,669
After one year	-	44,754,108	43,067,489	39,684,611	33,173,473	221,116,353	381,796,034
After two years	-	-	43,039,566	39,687,767	33,192,614	221,215,249	337,135,196
After three years	-	-	-	39,692,468	33,191,944	221,215,242	294,099,654
After four years	-	-	-	-	33,191,953	221,233,637	254,425,590
After five years	-	-	-	-	-	221,235,488	221,235,488
Total accumulated claims paid	41,964,386	44,760,741	43,021,803	39,635,003	33,191,953	221,215,255	423,789,141
Total liabilities	51,608,477	44,754,108	43,039,566	39,692,468	33,191,953	221,235,488	433,522,060
Discounting effect	-	-	-	-	-	-	103,088
Total liabilities for incurred claims	9,644,091	(6,633)	17,763	57,465	-	20,233	9,732,919

Net:

The accident year	2024	2023	2022	2021	2020	2019 and before	Total
	JD	JD	JD	JD	JD	JD	JD
At the end of the year	6,153,904	13,957,642	16,090,366	14,462,030	11,245,298	65,823,604	127,732,844
After one year	-	14,444,344	16,852,253	15,235,276	11,863,068	75,721,575	134,116,516
After two years	-	-	16,841,890	15,236,555	11,881,472	75,743,134	119,703,051
After three years	-	-	-	15,235,538	11,881,238	75,743,132	102,859,908
After four years	-	-	-	-	11,881,241	75,749,570	87,630,811
After five years	-	-	-	-	-	75,749,279	75,749,279
Total accumulated claims paid	10,565,780	14,444,938	16,836,496	15,218,087	11,881,241	75,743,135	144,689,677
Total liabilities	6,153,904	14,444,344	16,841,890	15,235,538	11,881,241	75,749,279	140,306,196
Discounting effect	-	-	-	-	-	-	(40,810)
Total liabilities for incurred claims	(4,411,876)	(594)	5,394	17,451	-	6,144	(4,383,481)

Others:

Gross:

The accident year	2024	2023	2022	2021	2020	2019 and before	Total
	JD	JD	JD	JD	JD	JD	JD
At the end of the year	324,465	330,433	251,959	369,001	1,857,034	4,116,492	7,249,384
After one year	-	1,274,581	303,148	395,827	1,205,941	4,359,987	7,539,484
After two years	-	-	303,168	395,827	1,204,403	4,190,868	6,094,266
After three years	-	-	-	415,328	1,204,403	4,003,835	5,623,566
After four years	-	-	-	-	1,204,818	4,037,919	5,242,737
After five years	-	-	-	-	-	4,181,643	4,181,643
Total accumulated claims paid	139,727	727,501	240,593	275,435	1,201,903	3,789,622	6,374,781
Total liabilities	324,465	1,274,581	303,168	415,328	1,204,818	4,181,643	7,704,003
Discounting effect	-	-	-	-	-	-	20,142
Total liabilities for incurred claims	184,738	547,080	62,575	139,893	2,915	392,021	1,329,222

Net:

The accident year	2024	2023	2022	2021	2020	2019 and before	Total
	JD	JD	JD	JD	JD	JD	JD
At the end of the year	32,917	129,353	92,479	57,329	557,689	634,148	1,503,915
After one year	-	269,712	117,896	79,040	576,083	572,737	1,615,468
After two years	-	-	117,906	79,040	575,627	506,443	1,279,016
After three years	-	-	-	91,141	575,627	533,116	1,199,884
After four years	-	-	-	-	575,836	538,335	1,114,171
After five years	-	-	-	-	-	676,722	676,722
Total accumulated claims paid	32,491	228,620	101,704	30,829	575,070	549,348	1,518,062
Total liabilities	32,917	269,712	117,906	91,141	575,836	676,722	1,764,234
Discounting effect	-	-	-	-	-	-	7,562
Total liabilities for incurred claims	426	41,092	16,202	60,312	766	127,374	246,172

Life:

Gross:

The accident year	2024	2023	2022	2021	2020	2019 and before	Total
	JD	JD	JD	JD	JD	JD	JD
At the end of the year	5,798,689	1,208,222	299,842	30,000	-	-	7,336,753
After one year	-	1,648,269	383,575	33,629	-	-	2,065,473
After two years	-	-	379,615	33,629	-	18,723	431,967
After three years	-	-	-	33,629	-	(491)	33,138
After four years	-	-	-	-	-	31,385	31,385
After five years	-	-	-	-	-	65,407	65,407
Total accumulated claims paid	3,942,169	1,465,286	379,395	33,629	-	64,194	5,884,673
Total liabilities	5,798,689	1,648,269	379,615	33,629	-	65,407	7,925,609
Discounting effect	-	-	-	-	-	-	33,736
Total liabilities for incurred claims	1,856,520	182,983	220	-	-	1,213	2,040,936

Net:

The accident year	2024	2023	2022	2021	2020	2019 and before	Total
	JD	JD	JD	JD	JD	JD	JD
At the end of the year	279,530	330,979	104,628	11,392	-	-	726,529
After one year	-	353,300	193,313	11,573	-	-	558,186
After two years	-	-	189,353	11,573	-	1,872	202,798
After three years	-	-	-	11,573	-	(17,342)	(5,769)
After four years	-	-	-	-	-	(7,783)	(7,783)
After five years	-	-	-	-	-	16,130	16,130
Total accumulated claims paid	607,937	329,612	189,132	11,573	-	14,916	1,153,170
Total liabilities	279,530	353,300	189,353	11,573	-	16,130	849,886
Discounting effect	-	-	-	-	-	-	960
Total liabilities for incurred claims	(328,407)	23,688	221	-	-	1,214	(303,284)

3. Insurance Risk Concentrations

Below are schedules presenting risk concentration based on insurance types and the geographical distribution: Insurance liabilities are concentrated based on insurance type as follows:

Insurance types	2024		2023	
	Net	Gross	Net	Gross
	JD	JD	JD	JD
Motor	29,749,392	31,629,824	29,477,602	32,236,283
Marine	604,362	3,132,927	273,353	955,096
Fire and properties	997,428	3,378,703	667,833	2,240,604
Social liability	1,300,938	2,890,872	926,977	1,325,630
Medical	1,882,043	6,415,266	2,028,778	5,840,991
Life	318,921	1,697,107	115,357	659,349
Others	461,800	2,752,680	608,306	2,381,820
Total	35,314,884	51,897,379	34,098,206	45,639,773

The Group covers all its activities by proportional and non- proportional reinsurance treaties, facultative and excess of loss treaties, in addition to treaties that cover the Group's retention under the name of catastrophe risk treaties.

Assets, liabilities and off consolidated statement of financial position items are concentrated based on geographical distribution and sectors as follows:

	2024			
	Assets	Liabilities	Re-insurance assets	Re-insurance liabilities
	JD	JD	JD	JD
A- According to geographical area				
Inside Jordan	109,697,571	58,329,844	8,657,786	83,634
Other Middle East Countries	27,675,801	1,686,471	1,736,781	171,622
Europe	100,461	20,276,246	938,404	2,301,032
Asia *	30,123	5,972	281,377	678
Africa *	100	45,904	935	5,209
United states of America	54,908	1,308,784	512,897	148,526
Total	137,558,964	81,653,221	12,128,180	2,710,701
	2023			
	Assets	Liabilities	Re-insurance assets	Re-insurance liabilities
	JD	JD	JD	JD
A- According to geographical area				
Inside Jordan	90,738,588	51,663,237	4,646,417	260,099
Other Middle East Countries	27,535,480	2,903,262	1,409,999	14,617
Europe	111,607	15,501,560	5,715	78,043
Asia *	68,985	5,116	3,533	26
Africa *	2,168,069	44,218	111,019	223
United states of America	-	1,162,000	-	5,849
Total	120,622,729	71,279,393	6,176,683	358,857

* Excluding Middle East countries.

	2024			2023		
	Assets	Liabilities	Off- Consolidated Statement of Financial Position	Assets	Liabilities	Off- Consolidated Statement of Financial Position
	JD	JD	JD	JD	JD	JD
B- According to Sector						
Public sector	37,118,951	6,300,975	3,182,502	27,083,991	1,411,311	2,831,762
Private Sector:						
Companies and corporations	96,182,175	69,881,319	1,709,648	90,969,238	65,056,743	1,198,940
Individuals	4,257,838	5,470,927	-	2,569,500	4,811,339	-
Total	137,558,964	81,653,221	4,892,150	120,622,729	71,279,393	4,030,702

4- Reinsurance Risk

As is the case with insurance companies, in order to reduce its exposure to major losses that may arise from major insurance claims, the Group, within the normal course of its business, enters into reinsurance agreements with other parties.

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

In order to reduce its exposure to major losses that may arise from major insurance claims, the Group, within the normal course of its business, enters into reinsurance agreements with other parties.

The Group applies the treaty and facultative reinsurance agreements terms upon underwriting for all types of insurance regardless of the size.

The Group completes the reinsurance coverage for each risk assigned to it before the issuance of the insurance policy in case of insurance policies exceeding the relative agreements limits.

If the Group decides to assign more than 30% of any insurance contract, it provides a facultative reinsurance cover by at least 60% of that of contract to a reinsurance Company that is classified as first and second class in accordance with the instructions of the solvency margin.

The Group reinsures on a facultative basis 100% of risks excluded from treaties to a reinsurance company (companies) classified as 1st or 2nd class according to the solvency margin instructions.

The Group follows up on the treaty and facultative reinsurance Companies monthly to ensure that the classification is not downgraded below 1st and 2nd class.

(5) Insurance Risk Sensitivity

The table below shows the effect of the possible reasonable change in underwriting premium rates on the consolidated statement of income and equity keeping all other affecting variables fixed.

2024		CSM		Effect on the current year pre-tax profit		Effect on equity*	
	Change	Gross	Net	Gross	Net	Gross	Net
	%	JD	JD	JD	JD	JD	JD
Mortality rate	5	(4,224)	(4,225)	(668)	(669)	(668)	(669)
Disability	5	(1,415)	(1,415)	15	15	15	15
Age expectancy	5	-	-	-	-	-	-
Expenses	5	(1,268)	(1,268)	(266)	(266)	(266)	(266)
Expiration rate	5	(1,033)	(1,054)	2,109	2,089	2,109	2,089

2024		CSM		Effect on the current year pre-tax profit		Effect on equity*	
	Change	Gross	Net	Gross	Net	Gross	Net
	%	JD	JD	JD	JD	JD	JD
Mortality rate	(5)	3,416	3,417	214	214	214	214
Disability	(5)	1,417	1,417	(16)	(16)	(16)	(16)
Age expectancy	(5)	-	-	-	-	-	-
Expenses	(5)	1,276	1,277	267	267	267	267
Expiration rate	(5)	1,058	1,078	(2,115)	(2,095)	(2,115)	(2,095)

2023		CSM		Effect on the current year pre-tax profit		Effect on equity*	
	Change	Gross	Net	Gross	Net	Gross	Net
	%	JD	JD	JD	JD	JD	JD
Mortality rate	5	(3,226)	(2,746)	(5,515)	(829)	(5,404)	(812)
Disability	5	(968)	(824)	(1,654)	(249)	(1,621)	(244)
Age expectancy	5	(645)	(549)	(1,103)	(166)	(1,081)	(162)
Expenses	5	(323)	(275)	(551)	(83)	(540)	(81)
Expiration rate	5	(484)	(412)	(827)	(124)	(811)	(122)

2023		CSM		Effect on the current year pre-tax profit		Effect on equity*	
	Change	Gross	Net	Gross	Net	Gross	Net
	%	JD	JD	JD	JD	JD	JD
Mortality rate	(5)	3,226	2,746	5,515	829	5,404	812
Disability	(5)	968	824	1,654	249	1,621	244
Age expectancy	(5)	645	549	1,103	166	1,081	162
Expenses	(5)	323	275	551	83	540	81
Expiration rate	(5)	484	412	827	124	811	122

If there is a negative change the effect equals and is opposite to the change above.

B- Financial Risks

The risks that the group face revolve around the possibility of insufficient return on investments to fund the obligations arising from insurance contracts and investments.

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

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

1- Market Risks

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices such as interest rates, currency prices and stock prices. These risks are monitored according to specific policies and procedures and through specialized committees and business units, Market risk and its related controls are measured through sensitivity analysis.

- Interest Rate Risk

Interest rate risks relate to long term bank deposits, development bonds, and other deposits, Moreover, the Group always aims to mitigate these risks through monitoring the changes in interest rates in the market. Interest rate risks relate to fixed deposits at banks and overdraft accounts, as of 31 December 2024. The interest rate on bank deposits range between 5.6% to 6.75% annually on Jordanian Dinar deposits.

The following table illustrates the sensitivity of exposure to interest rate at the date of the financial statements, Moreover, the analysis below has been prepared assuming that the amount of deposits outstanding at the consolidated statement of financial position date was outstanding for the whole financial year, An increase / decrease of 0.5% (half percent) is used representing the Group's assessment of the probable and acceptable change of interest rates.

	+ 0.5%		- 0.5%	
	For the Year Ended 31 December			
	2024	2023	2024	2023
	JD	JD	JD	JD
Increase (decrease) in profit for the year	104,426	106,361	(104,426)	(106,361)
Shareholders' equity	104,426	106,361	(104,426)	(106,361)

The table below shows the sensitivity of exposure to interest rates on the sovereign bonds of Egypt, the Government of the Hashemite Kingdom of Jordan, Kingdom of Saudi Arabia, Qatar bonds, United Arab of Emirates bonds and other bonds as at 31 December 2023. Sovereign bonds of Egypt and the Government of the Hashemite Kingdom of Jordan as at 31 December 2022, Moreover, the analysis below has been prepared assuming that the amount of bonds outstanding of financial position date was outstanding for the whole financial year. An increase/ decrease of 0.5% (half percent) is used representing the Group's assessment of the probable and acceptable change of interest rates.

	+ 0,5%		- 0,5%	
	For the Year Ended 31 December			
	2024	2023	2024	2023
	JD	JD	JD	JD
Increase (decrease) in profit for the year	311,503	296,273	(311,503)	(296,273)
Shareholders' equity	311,503	296,273	(311,503)	(296,273)

- Foreign Currencies Risks

Foreign currencies risks are the risks resulting from the fluctuations in the value of the financial instruments due to the changes in the exchange rates of foreign currencies. Most of the Group's assets and liabilities are funded in Jordanian Dinar or US Dollar. The exchange rate of the US Dollar to Jordanian Dinar is fixed at 0.709 and the probability of this risk is very minimal, Consequently, the Group does not hedge for the foreign currencies risk due to the following reasons:

- The US Dollar exchange rate is fixed within a range from 0.708 to 0.710 selling and buying by the Central Bank of Jordan.
- All of the Group's accounts with the various parties including reinsurers are in Jordanian Dinar.
- There are no other foreign currencies denominated accounts. However, the Group monitors the fluctuation in the foreign currency exchange rate continuously.

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

The Group's management believes that the foreign currencies risks and their impact on the consolidated financial statements are immaterial.

2- Insurance Risk

This risk arises from the other parties' inability to meet their obligations. These risks arise from the following:

- Reinsurers.
- Policyholders.
- Insurance agents.

To mitigate insurance risks, the Group performs the following:

- Sets credit limits for agents and brokers.
- Controls accounts receivable.
- Sets reinsurance policies at other financially solvent parties.
- Maintains the Group's cash balances at local and international banks.
- The Group's management believes that the foreign currencies risks and their impact on the consolidated financial statements are immaterial.

3- Liquidity Risk

The Management applies a suitable system to manage its short- and long-term funding risk and maintains sufficient reserves through monitoring the expected cash flows and comparing the maturity of assets with the maturity of financial and technical liabilities on the other hand.

Liquidity risk is the risk that the Group will not be able to meet its obligations associated as they fall due. To limit this risk, management arranges diversified funding sources, manages assets and liabilities, and monitors liquidity daily and maintains sufficient amount of cash and cash equivalents and these traded instruments.

The table below summarizes the maturity profile of financial liabilities (based on the remaining maturity period from the date of the consolidated financial statements).

2024	Less than month	1 month to 3 months	3-6 months	6 months to 1 year	1-3 years	Without maturity	Total
	JD	JD	JD	JD	JD	JD	JD
Liabilities							
Insurance contracts liabilities	5,141,953	10,283,906	15,425,859	30,851,728	9,292,033	-	70,995,479
Re-insurance contracts liabilities	192,022	384,044	576,066	1,152,134	406,435	-	2,710,701
Accrued expenses	-	2,054,560	-	-	674,521	-	2,729,081
Income tax provision	-	-	-	-	816,371	-	816,371
Lease contracts liabilities	71,219	8,642	22,503	15,306	362,938	-	480,608
Other provisions	-	-	-	-	-	3,025,526	3,025,526
Other liabilities	435,700	129,014	-	-	107,297	-	672,011
Liabilities related to discontinued operations' assets	-	-	-	-	-	223,444	223,444
Total	5,840,894	12,860,166	16,024,428	32,019,168	11,659,595	3,248,970	81,653,221
Total Assets	3,420,351	7,530,744	9,383,694	18,750,003	61,406,245	37,067,927	137,558,964
2023	Less than month	1 month to 3 months	3-6 months	6 months to 1 year	1-3 years	Without maturity	Total
	JD	JD	JD	JD	JD	JD	JD
Liabilities							
Insurance contracts liabilities	8,258,626	19,270,127	16,517,252	11,011,501	7,772,824	1,943,207	64,773,537
Re-insurance contracts liabilities	8,074	18,840	16,149	10,766	244,023	61,005	358,857
Accrued expenses	206,222	1,263,050	142,597	-	-	234,398	1,846,267
Income tax provision	84,211	-	128,486	-	-	-	212,697
Lease contracts liabilities	60,998	17,747	23,941	34,352	95,810	-	232,848
Other provisions	349,814	-	-	-	-	2,537,784	2,887,598
Other liabilities	584,430	39,872	42,153	-	-	56,918	723,373
Liabilities related to discontinued operations' assets	-	-	-	-	-	244,216	244,216
Total	9,552,375	20,609,636	16,870,578	11,056,619	8,112,657	5,077,528	71,279,393
Total Assets	7,862,784	4,171,257	10,281,838	14,678,928	60,725,083	22,902,839	120,622,729

4- Operational Risks

Operational risks relate to systems downtime or may result from any intentional or unintentional human error. These risks may affect the Group's reputation as they may lead to financial losses. These risks may be avoided through segregating duties, setting the necessary procedures to obtain any information from the Group's systems, and making aware and training the Group's personnel.

5- Legal Risks

These risks relate to the lawsuits against the Group. In order to avoid these risks, the Group set up an independent legal department to follow up on the Group's operations in a manner that complies with the Insurance Law and the Insurance Commission's Regulations.

6- Share Price Risk

The following table shows the sensitivity of the consolidated statement of income (for financial assets at fair value through the profit or loss) and the cumulative change in fair value (for financial assets through other comprehensive income) as a result of reasonably possible changes in share prices, while remaining all other variables are fixed.

The change in the stock exchange index as at the consolidated financial statements date was +5% or - 5%, The following is the impact of the change on the Group's shareholders' equity:

2024	Change in Index	Impact on Shareholders' equity	Impact on the consolidated statement of income
		JD	JD
Stock Exchange	5% Increase	313,802	595,619
Stock Exchange	5% Decrease	(313,802)	(595,619)
2023			
Stock Exchange	5% Increase	267,361	258,976
Stock Exchange	5% Decrease	(267,361)	(258,976)

(39) Analysis Of Main Sectors

- Background for the Group business sectors

For administrative purposes as explained in insurance contract revenues (note 24) and insurance contract expenses (note 10), the Group is organized to include the general insurance sector and includes (motor insurance, marine and transportation insurance, fire and other property damage insurance, liability insurance, medical insurance, life insurance, and others). This sector forms the basis used by the Group to show information related to key sectors. The above segment also includes investments and cash management for the company's own account. Transactions between business sectors are carried out on the basis of estimated market prices and on the same terms as those dealing with third parties.

- Geographic concentration of risk

This disclosure illustrates the geographic distribution of the Group's operations, the Group mainly operates in Jordan, which represents domestic operations, Also, the Group exercises international activities through its allies in the Middle East, Europe, Asia, America and the Near East, which represent international business,

The following table represents the distribution of revenues and assets of the Group and capital expenditure by geographic region:

	Inside the Kingdom		Outside the Kingdom		Total	
	2024	2023	2024	2023	2024	2023
	JD	JD	JD	JD	JD	JD
Total assets	109,697,571	90,738,586	27,861,393	29,884,143	137,558,964	120,622,729
	2024	2023	2024	2023	2024	2023
	JD	JD	JD	JD	JD	JD
Capital expenditures	1,158,384	971,998	-	-	1,158,384	971,998
Insurance contracts revenues	124,600,652	82,792,238	-	27,267,066	124,600,652	110,059,304

(40) Capital Management

The Group's objectives as to the management of capital are as follows:

- To adhere to the Group's minimum capital issued by the Insurance Law. Moreover, the Group's minimum capital prior to the enforcement of the law according to which it was licensed to practice general insurance in all of its branches, jointly and severally, is JD 4 million.
- To secure the continuity of the Group, and consequently, the Group's ability to provide the shareholders with good returns on capital.
- To make available the proper return to shareholders through pricing insurance policies in a manner compatible with the risks associated with those policies.
- To comply with the Insurance Commission instructions associated with the solvency margin.

The below table shows the summary of the Group's capital and the minimum required capital:

	2024	2023
	JD	JD
Paid in Capital	26,000,000	26,000,000
Minimum Capital According to the Insurance Law	16,000,000	16,000,000

The following table shows the amount contributed to capital by the Group and the net solvency margin ratio as of 31 December 2024 and 31 December 2023:

	2024	2023
	JD	JD
Core capital:		
Paid-in capital	26,000,000	26,000,000
Statutory reserve	6,500,000	6,500,000
Profit for the year net of deductions	10,501,894	9,152,671
Retained earnings	19,033,459	13,974,018
Paid distributed dividends	(5,200,000)	(3,900,000)
Loss from Change in actuarial assumptions	(120,000)	(120,000)
Total core capital	56,715,353	51,606,689
Supplementary capital:		
Cumulative change in fair value	(927,315)	(1,509,165)
Subordinated loan – over 5 years	-	-
Total Supplementary Capital	(1,423,970)	(1,629,165)
Total regulatory capital (a)	55,788,038	50,097,524
Total required capital (b)	34,369,080	31,352,302
Solvency margin (a) / (b)	162,3%	159.8%

In the opinion of the Group's management, the regulatory capital is compatible with and adequate to the size of capital and nature of risks to which the Group is exposed.

(41) Maturity Analysis of Assets and Liabilities

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

2024	Within 1 year	More than 1 year	Total
	JD	JD	JD
Assets			
Banks deposits	20,585,232	-	20,585,232
Financial assets at fair value through profit or loss	-	11,912,378	11,912,378
Financial assets at fair value through other comprehensive income	-	6,568,578	6,568,578
Financial assets at amortized cost	-	60,801,553	60,801,553
Insurance contracts assets	2,558	-	2,558
Investment property		170,464	170,464
Cash and cash equivalent	1,020,257	-	1,020,257
Re-insurance assets	11,938,557	189,623	12,128,180
Deferred tax assets	-	3,715,826	3,715,826
Property and equipment	-	7,882,439	7,882,439
Intangible assets	-	5,662,695	5,662,695
Right of use assets	374,837	126,190	501,027
Other assets	5,163,351	650,098	5,813,449
Discontinued operations' assets	-	794,328	794,328
Total Assets	39,084,792	98,474,172	137,558,964
Liabilities			
Insurance contracts liabilities	61,703,446	9,292,033	70,995,479
Accrued expenses	2,054,560	674,521	2,729,081
Re-insurance contracts liabilities	2,304,266	406,435	2,710,701
Lease contracts liabilities	117,670	362,938	480,608
Other provisions	-	3,025,526	3,025,526
Income tax provision	-	816,371	816,371
Other liabilities	564,714	107,297	672,011
Liabilities related to discontinued operations' assets	-	223,444	223,444
Total Liabilities	66,744,656	14,908,565	81,653,221
Net	(27,659,864)	83,565,607	55,905,743

2023	Within 1 year	More than 1 year	Total
	JD	JD	JD
Assets			
Banks deposits	21,272,263	-	21,272,263
Financial assets at fair value through other comprehensive income	-	5,682,672	5,682,672
Financial assets at fair value through profit or loss	5,179,512	-	5,179,512
Financial assets at amortized cost	4,516,395	53,239,130	57,755,525
Investment property	-	170,464	170,464
Cash and cash equivalents	1,155,421	-	1,155,421
Re-insurance assets	5,250,180	926,503	6,176,683
Deferred tax assets	-	4,274,201	4,274,201
Property and equipment	-	7,425,908	7,425,908
Intangible assets	-	5,488,992	5,488,992
Right of use assets	71,731	131,760	203,491
Other assets	5,048,642	-	5,048,642
Discontinued operations' assets	-	788,955	788,955
Total Assets	42,494,144	78,128,585	120,622,729
Liabilities			
Insurance contracts liabilities	55,057,506	9,716,031	64,773,537
Accrued expenses	1,846,267	-	1,846,267
Re-insurance contracts liabilities	53,828	305,029	358,857
Lease contracts liabilities	137,038	95,810	232,848
Other provisions	2,887,598	-	2,887,598
Income tax provision	212,697	-	212,697
Other liabilities	723,373	-	723,373
Liabilities related to discontinued operations' assets	-	244,216	244,216
Total Liabilities	60,918,307	10,361,086	71,279,393
Net	(18,424,163)	67,767,499	49,343,336

(42) Lawsuits Against and by the Group

The Group appears as defendant in a number of lawsuits, the Group booked a sufficient provision to meet any obligations towards these lawsuits, In the opinion of the Group's management and its legal consultant, the provision for a total amount of JD 8,793,663 as at 31 December 2024 (31 December 2023: JD 4,966,961) is sufficient to meet any obligations towards these lawsuits. Total amount of the cases raised by the Group against others is JD 13,011,000 as at 31 December 2024 (31 December 2023: JD 13,056,379). These lawsuits are considered part of the group's normal business activities.

(43) Contingent Liabilities

At 31 December 2024, the Group has letters of guarantees in the amount of JD 4,892,150 (2023: JD 3,951,550) against cash margins of JD 489,215 are recorded (2023: JD 395,155).

(44)) Financial Data Distribution by product type

(44-1) Distribution of the assets and liabilities of the Group by product type:

31 December 2024	Motors	Marine	Fire and damages property	Social liability	Medical	Life	General accidents	Total
	JD	JD	JD	JD	JD	JD	JD	JD
Assets								
Insurance contracts assets	-	-	-	-	114	-	2,444	2,558
Re Insurance contracts assets	1,521,709	2,013,439	984,442	1,241,016	4,286,344	20,914	2,060,316	12,128,180
Accounts receivable	8,832,850	622,708	3,322,028	443,025	18,251,852	1,633,150	1,818,690	34,924,303
Financial assets	20,051,667	1,413,625	7,541,416	1,005,722	41,433,973	3,707,454	4,128,652	79,282,509
Investments property	170,464	-	-	-	-	-	-	170,464
Other assets	-	-	-	-	-	-	-	-
Total assets	30,576,690	4,049,772	11,847,886	2,689,763	63,972,283	5,361,518	8,010,102	126,508,014
Liabilities								
Insurance contracts liabilities	41,878,493	2,526,222	5,583,858	3,315,260	12,722,821	1,166,043	3,802,782	70,995,479
Re-insurance contracts Liabilities	-	596,755	88,560	-	1,921,303	76,315	27,768	2,710,701
Other provisions	-	-	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-	-	-
Total liabilities	41,878,493	3,122,977	5,672,418	3,315,260	14,644,124	1,242,358	3,830,550	73,706,180
31 December 2023								
Assets								
Insurance contracts assets	-	-	-	-	-	-	-	-
Re Insurance contracts assets	2,243,080	373,784	1,824,610	104,156	118,781	25,466	1,486,806	6,176,683
Accounts receivable	7,766,375	479,745	2,985,115	431,477	16,391,464	253,844	1,361,519	29,669,539
Financial assets	-	4,573,708	7,135,177	513,464	51,071,637	-	5,323,723	68,617,709
Investments property	170,464	-	-	-	-	-	-	170,464
Other assets	-	336,517	524,980	37,779	3,757,666	-	391,700	5,048,642
Total assets	10,179,919	5,763,754	12,469,882	1,086,876	71,339,548	279,310	8,563,748	109,683,037
Liabilities								
Insurance contracts liabilities	39,221,044	638,811	6,444,821	1,715,663	12,177,693	1,294,492	3,281,013	64,773,537
Re-insurance contracts Liabilities	-	328,293	-	-	-	30,564	-	358,857
Other provisions	-	192,473	300,265	21,608	2,149,217	-	224,035	2,887,598
Other liabilities	-	48,216	75,220	5,413	538,401	-	56,123	723,373
Total liabilities	39,221,044	1,207,793	6,820,306	1,742,684	14,865,311	1,325,056	3,561,171	68,743,365

(44-2) distribution of the consolidated statement of income items of the Group by product type:

31 December 2024	Motors	Marine	Fire and damages property	Social liability	Medical	Life	General accidents	Total
	JD	JD	JD	JD	JD	JD	JD	JD
Insurance contracts revenues	28,885,877	2,425,578	13,839,524	1,615,809	65,275,944	6,360,698	6,197,222	124,600,652
Less: insurance contracts expenses	(24,320,542)	(2,735,522)	(3,958,949)	(2,141,600)	(57,112,634)	(6,349,993)	(2,537,572)	(99,156,812)
Insurance contracts services results	4,565,335	(309,944)	9,880,575	(525,791)	8,163,310	10,705	3,659,650	25,443,840
Re-insurance contracts results	(1,851,335)	(1,226,276)	(10,881,631)	(1,203,320)	(38,205,821)	(4,742,511)	(3,443,298)	(61,554,192)
Re-insurance contracts recoveries	(73,087)	1,948,998	1,447,665	1,114,701	35,382,969	4,584,887	1,084,541	45,490,674
Re-insurance contracts services results	(1,924,422)	722,722	(9,433,966)	(88,619)	(2,822,852)	(157,624)	(2,358,757)	(16,063,518)
Net insurance and re-insurance contracts results	2,640,913	412,778	446,609	(614,410)	5,340,458	(146,919)	1,300,893	9,380,322
Finance (expense) income - insurance contracts	(2,344,591)	(25,179)	(114,434)	(53,208)	-	(125,880)	(109,961)	(2,773,253)
Finance income (expense) - re-insurance contracts	78,849	19,169	125,932	19,971	-	23,430	86,145	353,496
Net insurance and re-insurance contracts results	375,171	406,768	458,107	(647,647)	5,340,458	(249,369)	1,277,077	6,960,565
31 December 2023	Motors	Marine	Fire and damages property	Social liability	Medical	Life	General accidents	Total
	JD	JD	JD	JD	JD	JD	JD	JD
Insurance contracts revenues	28,143,652	1,815,415	10,822,542	1,539,588	60,727,240	2,679,278	4,331,589	110,059,304
Less: insurance contracts expenses	(22,675,737)	(807,573)	(3,082,352)	(772,301)	54,016,021	(2,582,971)	(1,657,100)	(85,594,055)
Insurance contracts services results	5,467,915	1,007,842	7,740,190	767,287	6,711,219	96,307	2,674,489	24,465,249
Re-insurance contracts results	(1,708,475)	(652,019)	(7,632,529)	(1,161,959)	(31,981,794)	(1,439,036)	(2,762,812)	(47,338,624)
Re-insurance contracts recoveries	989,290	237,084	815,031	(63,956)	30,204,703	1,147,456	207,921	33,537,529
Re-insurance contracts services results	(719,185)	(414,935)	(6,817,498)	(1,225,915)	(1,777,091)	(291,580)	(2,554,891)	(13,801,095)
Net insurance and re-insurance contracts results	4,748,730	592,907	922,692	(458,628)	4,934,128	(195,273)	119,598	10,664,154
Finance (expense) income - insurance contracts	(2,817,875)	(60,322)	(274,407)	(56,789)	-	(82,355)	(154,530)	(3,446,278)
Finance income (expense) - re-insurance contracts	181,841	40,751	226,262	29,783	-	121,141	178,118	777,896
Net insurance and re-insurance contracts results	2,112,696	573,336	874,547	(485,634)	4,934,128	(156,487)	143,186	7,995,772

(45) Written Premiums by Insurance Branch

	Motor		Marine		Fire and damages property		Social Liability		Medical		Life		other		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Written premiums																
Direct premiums	30,365,470	27,103,645	2,261,663	1,613,852	11,128,144	10,612,968	1,499,890	1,648,792	65,213,505	58,991,503	6,111,024	2,182,777	6,457,373	4,588,380	123,037,069	106,741,917
Indirect premiums	1,871,931	1,490,229	13,337	13,942	1,085,309	340,591	7,521	338	-	-	268,158	354,528	212,055	125,426	3,458,311	2,325,054
Total written premiums	32,237,401	28,593,874	2,275,000	1,627,794	12,213,453	10,953,559	1,507,411	1,649,130	65,213,505	58,991,503	6,379,182	2,537,305	6,669,428	4,713,806	126,495,380	109,066,971
Less:																
Re-insurance premiums - local	1,787,726	1,621,670	34,178	23,999	306,840	311,718	21,255	21,801	-	-	605,840	331,445	60,405	69,929	2,816,244	2,380,562
Re-insurance premiums - foreign	100,739	104,323	1,865,538	1,255,089	10,867,097	9,700,542	1,274,215	1,397,173	49,158,433	41,598,457	4,175,313	1,107,785	5,270,732	3,347,569	72,712,067	58,510,938
Net re-insurance premiums	30,348,936	26,867,881	375,284	348,706	1,039,516	941,299	211,941	230,156	16,055,072	17,393,046	1,598,029	1,098,075	1,338,291	1,296,308	50,967,069	48,175,471

(46) Expected Recognition in the CSM of the General Approach Model

2024	Issued insurance contracts		Reinsurance contracts	
	Life	Total	Life	Total
	JD	JD	JD	JD
Expected years of CSM recognition				
One year	41,139	41,139	(8,356)	(8,356)
Two years	35,126	35,126	(2,024)	(2,024)
Three years	21,028	21,028	(1,882)	(1,882)
Four years	18,956	18,956	(1,566)	(1,566)
Five years	15,635	15,635	(1,164)	(1,164)
Six to ten years	42,732	42,732	(4,942)	(4,942)
More than ten years	10,329	10,329	(979)	(979)
Total	184,945	184,945	(20,913)	(20,913)

2023	Issued insurance contracts		Reinsurance contracts	
	Life	Total	Life	Total
	JD	JD	JD	JD
Expected years of CSM recognition				
One year	(68)	(68)	5,813	5,813
Two years	17,269	17,269	884	884
Three years	7,009	7,009	377	377
Four years	6,830	6,830	378	378
Five years	6,120	6,120	385	385
Six to ten years	23,960	23,960	1,750	1,750
More than ten years	3,406	3,406	12	12
Total	64,526	64,526	9,599	9,599

(47) Amortization of Acquisition Expenses for Insurance Contracts Assets

2024								
	Motor	Fire and damages property	Social Liability	Marine	Medical	life	Others	Total
Expected years for the amortization of acquisition expenses for insurance contracts assets	JD	JD	JD	JD	JD	JD	JD	JD
One year	1,651,653	774,091	109,412	114,559	3,750,208	345,467	576,478	7,321,868
Two years	-	-	-	-	-	-	23,749	23,749
Total	1,651,653	774,091	109,412	114,559	3,750,208	345,467	600,227	7,345,617
2023								
	Motor	Fire and damages property	Social Liability	Marine	Medical	life	Others	Total
Expected years for the amortization of acquisition expenses for insurance contracts assets	JD	JD	JD	JD	JD	JD	JD	JD
One year	647,612	258,227	60,841	8,142	1,188,453	18,790	226,549	2,408,614
Two years	-	-	-	-	-	-	8,165	8,165
Total	647,612	258,227	60,841	8,142	1,188,453	18,790	234,714	2,416,779

(48) Analysis of Accounts Receivable

	2024			2023		
	Accounts receivable	Provision for expected credit losses	Total	Accounts receivable	Provision for expected credit losses	Total
	JD	JD	JD	JD	JD	JD
Motor	12,270,049	3,437,199	8,832,850	11,183,524	3,417,149	7,766,375
Liability	522,426	79,401	443,025	509,331	77,854	431,477
Marine	731,904	109,196	622,708	589,411	109,666	479,745
Engineering	928,904	91,134	837,770	353,092	92,950	260,142
Fire	3,986,937	664,909	3,322,028	3,644,363	659,248	2,985,115
Life	1,633,150	-	1,633,150	253,844	-	253,844
Medical	22,632,935	4,381,083	18,251,852	20,887,506	4,496,042	16,391,464
Others	1,435,080	454,160	980,920	1,551,809	450,432	1,101,377
	44,141,385	9,217,082	34,924,303	38,972,880	9,303,341	29,669,539

(49) Fair Value Hierarchy

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

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

Level 2: Information not included in level (1) quoted prices monitored for the asset or liability, either directly (e.g, prices) or indirectly (i.e, derived from prices);

Level 3: information on the asset or liability not based on those observed from the market (unobservable inputs),

31 December 2024	Level (1)	Level (2)	Level (3)	Total
	JD	JD	JD	JD
Financial assets at fair value through other comprehensive income	6,276,041	-	292,537	6,568,578
Financial assets at fair value through profit or loss	11,912,378	-	-	11,912,378
	18,188,419	-	292,537	18,480,956
31 December 2023	Level (1)	Level (2)	Level (3)	Total
	JD	JD	JD	JD
Financial assets at fair value through other comprehensive income	5,347,213	-	335,459	5,682,672
Financial assets at fair value through profit or loss	5,179,512	-	-	5,179,512
	10,526,725	-	335,459	10,862,184



Governance Report 2024

1. Scope of Application of Governance and Adherence to its Principles

Gulf Insurance Group/ Jordan Company gives special importance to the principles of governance, which aim to identify and achieve the corporate objectives of the Company, securely manage the Company's operations to ensure the protection of the Company's shareholders and the interests of the insured and beneficiaries and contribute in maintaining the safety of the insurance sector. Additionally, this would ensure the compliance with the due responsibility towards shareholders and other stakeholders, and the Company's commitment to relevant laws, instructions, legislation, approved governance guide and any internal policies.

The Company also seeks to establish a close relationship with the Board of Directors and the other concerned parties and the diligent work to achieve this relationship within the general framework of the strategy followed by the Company and the necessary means to achieve its objectives, achieving justice and equality among all shareholders in terms of rights and duties, the possibility of obtaining access to all important information about the Company, and give priority to the general interest of the Company and its stakeholders over any private interest. In addition to ensuring that the members of the Board of Directors perform their responsibilities towards the Company and shareholders in good faith, integrity, honor and sincerity.

Accordingly, the Company has adopted the "Governance Guide" in 2022, which is regularly updated, and last updated in 2024, which was prepared in accordance with the best international standards and practices in this regard, based on the Insurance Business Regulation Law No. (12) of 2021, the Corporate Governance Instructions for Insurance Companies No. (1) of 2022 and its amendments, the instructions of the Central Bank of Jordan and relevant regulatory authorities, including the Corporate Governance Instructions for Listed Public Shareholding Companies issued by the Securities Commission, so that the Company, through this Guide, ensures the achievement of the best standards of transparency and disclose of the Company's financial position, achieves the principle of accountability and responsibility for making all decisions by the Company's Board of Directors, and thus dealing with fairness and transparency towards the Company's clients and shareholders.

This Report aims to identify the duties of the Board of Directors, its committees and the supervisory departments of the Company to ensure the aforementioned. The Company also ensures to publish this Guide on its official website <https://www.gig.com.jo/home> to achieve the mentioned related to standards of justice and transparency.

The Board of Directors also reviews and updates the governance applications in the Company from time to time in order to be consistent with the best practices of the governance systems, in light of the periodic reports submitted by the Audit Committee and other relevant board committees, and the Board also constantly develops, from time to time, and updates the code of conduct and ethics.

2. Board of Directors

The formation of the Board of Directors is governed by the Jordanian Companies Law, the Insurance Business Regulation Law No. (12) of 2021, the Corporate Governance Instructions for Insurance Companies No. (1) of 2022 and its amendments, and the Corporate Governance Instructions for Listed Public Shareholding Companies issued by the Securities Commission.

The Board has dedicated all its expertise to increase the performance level of the Company to match the aspirations of shareholders and stakeholders, and we have kept pace with the governance frameworks to ensure the effectiveness of the Board of Directors and qualify its members to carry out their responsibilities towards key issues as well as encourage and facilitate their positive and effective contributions. The Board employed its affiliated committees to assign some tasks and responsibilities to them, so that each committee submits its reports and recommendations periodically to the Board of Directors, as the Company is keen to achieve the principle of responsibility and transparency.

2.1 Statement on the formation of the Board of Directors

It is well known that diversity, today, is the main factor for success in light of the rapid development in the business environment globally and locally. Therefore, the Board of Directors of Gulf Insurance Group / Jordan consists of individuals with extensive and diverse experiences, skills and knowledge, which results in a balanced and positive form of the Board. This enables the Board to exercise its duties and responsibilities, taking into account the needs of the renewable businesses.

The following figure shows the corporate governance structure:



Consequently, the Board of Directors of Gulf Insurance Group/ Jordan has an organizational structure commensurate with the size and nature of the Company's activities and also with the duties and responsibilities assigned to its members. The diversity of professional, scientific and practical experiences and technical skills has been taken into account when forming the Board. In addition, the Nominations and Remuneration Committee of the Board validates that the members of the Board of Directors and the executive management meet the requirements of efficiency and integrity.

The Board of Directors of Gulf Insurance Group / Jordan consists of Nine members; all of whom are non-executive; four of them are independent members. All the Board of Directors' members are professionals with a proven record of membership in the boards of directors of many companies, and they possess the necessary skills to fill these positions, as well as experience and knowledge in the insurance industry. Furthermore, all the Board of Directors' members are elected by the general assembly every four years. The following table shows the formation of the Board of Directors:

No.	Name	Member Classification (Executive / Non-executive / Independent)	Qualifications & Experience	Election Date
1	Mr. Nasser Ahmad Abdul Kareem Lozi	Non-independent, non-executive	Academic and practical experience is mentioned below	31/12/2021
2	Gulf Insurance Group Company, represented by Mr. Khaled Soud Abdul Aziz Al Hasan	Non-independent, non-executive		31/12/2021
3	Gulf Insurance Group Company, represented by Mr. Alaa Mohammad Ali Al Zoheiry	Non-independent, non-executive		31/12/2021
4	Gulf Insurance Group Company, represented by Mr. Bijan Khosrochahi	Non-independent, non-executive		31/12/2021
5	Gulf Insurance Group Company, represented by Mr. Ali Kathem Abdul Aziz Al-Hendal	Non-independent, non-executive		31/12/2021
6	The Strategic Investment Company Represented by Mr. Tawfiq Abdul Qader Mohammad Mukahal	Independent, non-executive		31/12/2021 Until the resignation date of 17/07/2024
7	Jordan Kuwait Bank Represented by Mrs. Hiyam Salim Youssef Habash	Non-independent, non-executive		31/12/2021 Until the resignation date of 17/07/2024
8	Mr. Ahmad Adnan Ahmad Al Sallakh	Independent, non-executive		27/04/2023
9	Mr. Mazen Ali Abdelghani Tabbalat	Independent, non-executive		27/04/2023
10	Mr. Daoud Adel Daoud Issa	Independent, non-executive		15/08/2024
11	Mr. Hanna Sami Hanna Sawalha	Independent, non-executive		15/08/2024

Gulf Insurance Group / Jordan adheres to the rules of insurance companies governance instructions No. 1 for the year 2022 and its amendments, and the instructions for the governance of listed joint-stock companies for the year 2017, regarding the independence of board members.

2.2 Names of the board members who resigned during 2024:

1. The Strategic Investment Company Represented by Mr. Tawfiq Abdul Qader Mohammad Mukahal.
2. Jordan Kuwait Bank Represented by Mrs. Hiyam Salim Youssef Habash.

2.3 The memberships held by the members of the Board of Directors

1- Nasser Ahmad Abdul Kareem Lozi (non-independent)

Chairman of Board of Directors

Mr. Nasser Lozi holds a Bachelor's degree in Civil Engineering from the University of Texas at Arlington - USA. He has held several managerial and leadership positions for more than thirty years in the Hashemite Kingdom of Jordan. He is currently the Chairman of the Board of Directors of Gulf Insurance Group / Jordan, Chairman of the Board of Directors of the King Abdullah Fund for Development, and a member of the Senate..

2- Khaled Soud Abdul Aziz Al Hasan (a representative of Gulf Insurance Group) - (non-independent)

Vice-Chairman of the Board

Mr. Khaled Al Hassan holds a Bachelor's degree in Economics and Political Science from Kuwait University in 1976, and he has insurance and administrative experience of more than thirty years in many administrative and leadership positions. He joined Gulf Insurance Company in 1978. Mr. Khaled Al-Hassan currently holds the position of a member and Vice-Chairman of the Board of Directors of Gulf Insurance Group / Jordan, CEO and Vice-Chairman of the Board of Directors of Gulf Insurance Group, Chairman of the Board of Directors of Kuwait Insurance Federation, member of the Board of Directors of several companies affiliated with the Gulf Insurance Group, and he is a member of the Board of Directors of the Arabia Reinsurance Company in Beirut.

3- Alaa Mohammad Ali Al Zoheiry (a representative of Gulf Insurance Group Company) - (non-independent)

Member of the Board of Directors

Mr. Alaa Al- Al Zoheiry holds a higher diploma in general insurance, other than life insurance, from Cairo University - Egypt, and has insurance and administrative experience of more than thirty years in many administrative and leadership positions. Mr. Alaa Al- Al Zoheiry is currently a member of the Board of Directors of Gulf Insurance Group / Jordan, he is member representative of Gulf Insurance Group Company - Egypt, former CEO of Afro-Asian Insurance and Reinsurance Federation and current Vice - Chairman, former CEO of General Arab Insurance Federation, and he is currently a member of the General Arab Insurance Federation, Vice-Chairman of the Board of Directors of Gulf Insurance Group / Jordan Life Takaful, and a member of the Board of Directors of the Arab Egyptian Insurance Group - Egypt, a member of the Board of Directors of Gulf Sigurta - Turkey, Vice Chairman of the Board of Directors of the Egyptian Takaful Insurance - Egypt, President of the Egyptian Insurance Federation and Managing Director of Arab Misr Insurance Group.

4- Bijan Khosrochahi (a representative of Gulf Insurance Group Company) - (non-independent)

Member of the Board of Directors

Mr. Bijan Khosrochahi holds a master's degree in mechanical engineering from Drexel University in the USA and has held many managerial and leadership positions. Mr. Bijan Khosrochahi is currently the CEO of Fairfax International - London, a member of the Board of Directors of Gulf Insurance Group - Kuwait, a member of the Board of Directors of Gulf Insurance and Reinsurance Company - Kuwait, a member of the Board of Directors of Gulf Sigurta - Turkey, a member of the Board of Directors of Gulf Sigurta - Turkey, a member of the Board of Directors of Gulf Insurance Group / Bahrain, a member of the Board of Directors of the Arab Misr Insurance Group - Egypt, a member of the Board of Directors of the Commercial International Bank - Egypt, a member of the Board of Directors of Gulf Insurance Group / Jordan, a member of the Board of Directors of the Jordan Kuwait Bank - Jordan, and a member of the Board of Directors of the Alliance Insurance Company - Dubai

5- Ali Kathem Abdul Aziz Al-Hendal (a representative of Gulf Insurance Group Company) - (non-independent)

Member of the Board of Directors

Mr. Ali Al- Hendal holds a Bachelor's degree in Information Technology, a Master's in Business Administration and an advanced diploma in insurance. He currently occupies the position of Executive Vice President of Operations for all technical businesses of Gulf Insurance Group - Kuwait, a member of the Board of Directors of Gulf Insurance Group / Jordan, and a member of the Board of Directors of the Egyptian Takaful Insurance - Egypt. An Executive member of the Board of Directors of Bahrain Kuwait Insurance Company - Bahrain - Bahrain, he also held several positions, including Assistant General Manager at Gulf Insurance Group - Kuwait, Senior Manager (Life and Group Medical Insurance) at Gulf Insurance Group - Kuwait, Secretary of the Board of Directors at Gulf Insurance Group - Kuwait, Director (Life and Group Medical Insurance - Underwriting) in Gulf Insurance Group - Kuwait, Acting Head of Medical Operations Unit in Gulf Insurance Group - Kuwait, Manager (Life and Group Medical Insurance - Underwriting) in Gulf Insurance Group - Kuwait, and Executive Director of Accounts for Kuwait Petroleum Corporation KPC - (Life and Group Medical Insurance) in Gulf Insurance Group - Kuwait

6- Tawfiq Abdul Qader Mohammad Mukahal (a representative of the Strategic Investments Company) until 17-07-2024 (Independent)

Member of the Board of Directors

Mr. Tawfiq Mukahal holds a high school degree and currently occupies the position of a member of the Board of Directors of Gulf Insurance Group / Jordan and a member of the Board of Directors of the Jordanian Loan Guarantee Company Company, and he held the position of Deputy General Manager / Head of the Banking Group in the Jordan Kuwait Bank and Chairman of the Board of Directors of the Arab Life and Accident Insurance Company (Formerly), and he is a Chairman of Board of Directors of the Jordan Mortgage Refinance Company, a board member of the Strategic Investments Company - Jordan, a representative of the Jordan Kuwait Bank, and a board member of the Jordan Loan Guarantee Corporation.

7- Hiyam Salim Yousef Habash (a representative of the Jordan Kuwait Bank) - until 17-07-2024 (non-independent)

Member of the Board of Directors

Ms. Hiyam Habash holds a Junior Degree in Applied Sciences from Beirut University College under the powers given to it by the State University of New York. She is currently a member of the Board of Directors of Gulf Insurance Group / Jordan and has held the position of Head of Financial Department at the Jordan Kuwait Bank, Head of Financial Department at the Near East Tourist Agency (Jerusalem), CFO at Modern English Schools, and CFO at Petra Bank.

8- Ahmad Adnan Ahmad Al-Sallakh (Independent)

Member of the Board of Directors

Mr. Ahmad Al-Sallakh holds a bachelor's degree in mechanical engineering from the University of Jordan. He currently serves as a board member of Gulf Insurance Group/ Jordan, a board member of Jordan Vegetable Oil industries, a board Member of the Council of the College of Science - Al-Hussein Technical University, Member of the Investment Committee of the Jordanian Entrepreneurship Fund a board member of Arab Phoenix Holdings, and has previously held a position as a board member of Arab Life and Accident Insurance Company (Formerly). He is also a member of the investment committee at the Innovative Startups and SMEs Fund, CEO of al Nabil food industries company industries, CEO of KADDB Investment Group - King Abdullah II Design and Development Center, CEO of Middle East Specialized Cables Company,

9- Mazen Ali Abdelghani Tabbalat (Independent)

Member of the Board of Directors

Mr. Mazen Tabbalat holds a bachelor's degree in accounting from the University of Jordan and a master's degree in development and Peace Studies from Juba University in Sudan. He currently serves as a board member of Gulf Insurance Group/ Jordan and the CEO of the King Abdullah II Fund for Development, He has previously held positions as Vice Chairman of the Board of Directors of Arab Life and Accident Insurance Company (Formerly), held a Ministerial Rank in the Royal Hashemite Court, served as Director of the Office of the Chief of the Hashemite Royal Court, and served as Financial Advisor to Afkar Promoseven Advertising Agency.

10. Mr. Daoud Adel Daoud Issa (Independent)

Member of the Board of Directors

Mr. Daoud Adel Daoud Issa holds a bachelor's degree in economics from Yarmouk University. He currently serves as a board member of Gulf Insurance Group - Jordan and holds the position of Chief Operations and Support Officer at the Jordan Kuwait Bank.

Previously, he served as a board member of Ijara Leasing Company and held the position of Head of Human Resources at Jordan Kuwait Bank. He also worked in the Human Resources department at Qatar Petroleum in Doha.

11. Mr. Hanna Sami Hanna Sawalha (Independent)

Mr. Hanna Sami Hanna Sawalha holds a bachelor's degree in management and accounting from Ohio, Columbus. He currently serves as a board member of Gulf Insurance Group – Jordan and is the CEO of Athar Tourism Investments (Netibou Office).

Additionally, he holds the position of Chief Financial Officer at Grand Palace Hotel and Regency Palace Hotel, as well as the Financial Manager at Liwan Hotel. Previously, he served as a board member of the Jordanian Investment and Tourist Transport Company (Alpha Buses Company)

It is noteworthy that during 2024, internal training workshops were held for the members of the Board of Directors on the foundations and applications of corporate governance in Jordan. It should also be noted that none of the members of the Board of Directors occupies the membership of another similar or competing board of directors, and no cash loans of any kind were provided to the Chairman of the Board of Directors or members.

2.4 Board memberships held by the Board member (natural person) in public shareholding companies within Jordan

Name	Board memberships in public shareholding companies within Jordan
His Excellency Mr. Nasser Ahmad Abdul Kareem Lozi	None
Mr. Khaled Soud Abdul Aziz Al Hasan	None
Mr. Alaa Mohammad Ali Al Zoheiry	None
Mr. Bijan Khosrochahi	Board Member / Jordan Kuwait Bank
Mr. Ali Kathem Abdul Aziz Al-Hendal	None
Mr. Ahmad Adnan Ahmad Al Sallakh	Board Member / Bindar Trading & Investment Board Member /The Jordan vegetable oil industries co.ltd
Mr. Mazen Ali Abdelghani Tabbalat	None
Mr. Daoud Adel Daoud Issa	None
Mr Hanna Sami Hanna Sawalha	None

2.5 Statement of the Board of Directors Meetings

The meetings of the Board are held in the presence of the majority of the members. In the fiscal year ending on December 31st, 2024, (8) meetings of the Board of Directors were held. The invitation and the meeting agenda are sent at least fifteen days prior to the specified date so that the members of the Board can have sufficient time to study the issues raised and take the appropriate decisions. The decisions of the Board are issued by the absolute majority of the members present, and if the votes are equal, the side with which the Chairman voted prevails.

The Board of Directors met during 2024 as follows:

Members/ Board of Directors Meetings	Capacity	The meeting held on 15-02-2024		The meeting held on 01-04-2024		The meeting held on 25-04-2024	
		Attendance	Means of Attendance	Attendance	Means of Attendance	Attendance	Means of Attendance
His Excellency Mr. Nasser Ahmad Abdul Kareem Lozi	Chairman of Board of Directors	Attended	In person	Attended	via audio -visual means of communication	Attended	In person
Gulf Insurance Group Company represented by Mr. Khaled Soud Abdul Aziz Al Hasan	Vice Chairman of the Board of Directors	Attended	In person	Attended	via audio -visual means of communication	Attended	In person
Gulf Insurance Group Company, represented by Mr. Alaa Mohammad Ali Al Zoheiry	Member of the Board of Directors	Attended	In person	Attended	via audio -visual means of communication	Attended	In person
Gulf Insurance Group Company represented by Mr. Bijan Khosrochahi	Member of the Board of Directors	Attended	via audio -visual means of communication	Attended	via audio -visual means of communication	Attended	audio-visual means of communication
Gulf Insurance Group Company, represented by Mr. Ali Kathem Abdul Aziz Al-Hendal	Member of the Board of Directors	Attended	In person	Attended	via audio -visual means of communication	Attended	via audio -visual means of communication
The Strategic Investments Company, represented by Mr. Tawfiq Abdul Qader Mohammad Mukahal	Member of the Board of Directors	Attended	In person	Attended	via audio -visual means of communication	Attended	In person
Jordan Kuwait Bank, represented by Mrs. Hiyam Salim Yousef Habash	Member of the Board of Directors	Attended	In person	Attended	via audio -visual means of communication	Attended	In person
Mr. Ahmad Adnan Ahmad Al Sallakh	Member of the Board of Directors	Attended	In person	Attended	via audio -visual means of communication	Attended	In person
Mr. Mazen Ali Abdelghani Tabbalat	Member of the Board of Directors	Attended	In person	Attended	via audio -visual means of communication	Attended	In person
Mr. Daoud Adel Daoud Issa	Member of the Board of Directors	Not-elected	-	Not-elected	-	Not-elected	-
Mr Hanna Sami Hanna Sawalha	Member of the Board of Directors	Not-elected	-	Not-elected	-	Not-elected	-

Members / Board of Directors Meetings	Capacity	The meeting held on 04-07-2024		The meeting held on 31-07-2024		The meeting held on 15-08-2024	
		Attendance	Means of Attendance	Attendance	Means of Attendance	Attendance	Means of Attendance
His Excellency Mr. Nasser Ahmad Abdul Kareem Lozi	Chairman of Board of Directors	Attended	via audio -visual means of communication	Attended	via audio -visual means of communication	Attended	In person
Gulf Insurance Group Company represented by Mr. Khaled Soud Abdul Aziz Al Hasan	Vice Chairman of the Board of Directors	Attended	via audio -visual means of communication	Attended	via audio -visual means of communication	Attended	In person
Gulf Insurance Group Company, represented by Mr. Alaa Mohammad Ali Al Zoheiry	Member of the Board of Directors	Attended	via audio -visual means of communication	Attended	via audio -visual means of communication	Attended	In person
Gulf Insurance Group Company represented by Mr. Bijan Khosrochahi	Member of the Board of Directors	Attended	via audio -visual means of communication	Attended	via audio -visual means of communication	Attended	In person
Gulf Insurance Group Company, represented by Mr. Ali Kathem Abdul Aziz Al-Hendal	Member of the Board of Directors	Attended	via audio -visual means of communication	Attended	via audio -visual means of communication	Attended	In person
The Strategic Investments Company, represented by Mr. Tawfiq Abdul Qader Mohammad Mukahal	Member of the Board of Directors	Attended	via audio -visual means of communication	-	-	-	-
Jordan Kuwait Bank, represented by Mrs. Hiyam Salim Yousef Habash	Member of the Board of Directors	Attended	via audio -visual means of communication	-	-	-	-
Mr. Ahmad Adnan Ahmad Al Sallakh	Member of the Board of Directors	Attended	via audio -visual means of communication	Attended	via audio -visual means of communication	Attended	In person
Mr. Mazen Ali Abdelghani Tabbalat	Member of the Board of Directors	Attended	via audio -visual means of communication	Attended	via audio -visual means of communication	Attended	In person
Daoud Adel Daoud Issa	Member of the Board of Directors	Not-elected	-	Not -elected	-	Attended	In person
Hanna Sami Hanna Sawalha	Member of the Board of Directors	Not -elected	-	Not-elected	-	Attended	In person

Members/ Board of Directors Meetings	Capacity	The meeting held on 30-10-2024		The meeting held on 17-12-2024	
		Attendance	Means of Attendance	Attendance	Means of Attendance
His Excellency Mr. Nasser Ahmad Abdul Kareem Lozi	Chairman of Board of Directors	Attended	In person	Attended	via audio -visual means of communication
Gulf Insurance Group Company represented by Mr. Khaled Soud Abdul Aziz Al Hasan	Vice Chairman of the Board of Directors	Attended	In person	Attended	via audio -visual means of communication
Gulf Insurance Group Company, represented by Mr. Alaa Mohammad Ali Al Zoheiry	Member of the Board of Directors	Attended	In person	Attended	via audio -visual means of communication
Gulf Insurance Group Company represented by Mr. Bijan Khosrochahi	Member of the Board of Directors	Attended	In person	Attended	via audio -visual means of communication
Gulf Insurance Group Company, represented by Mr. Ali Kathem Abdul Aziz Al-Hendal	Member of the Board of Directors	Attended	In person	Attended	via audio -visual means of communication
The Strategic Investments Company, represented by Mr. Tawfiq Abdul Qader Mohammad Mukahal	Member of the Board of Directors	-	-	-	-
Jordan Kuwait Bank, represented by Mrs. Hiyam Salim Yousef Habash	Member of the Board of Directors	-	-	-	-
Mr. Ahmad Adnan Ahmad Al Sallakh	Member of the Board of Directors	Attended	In person	Attended	via audio -visual means of communication
Mr. Mazen Ali Abdelghani Tabbalat	Member of the Board of Directors	Attended	In person	Attended	via audio -visual means of communication
Mr. Daoud Adel Daoud Issa	Member of the Board of Directors	Attended	In person	Attended	via audio -visual means of communication
Mr. Hanna Sami Hanna Sawalha	Member of the Board of Directors	Attended	In person	Attended	via audio -visual means of communication

2.6 Corporate Governance Office

Mrs. Ayat Khalil Dawas has been appointed to be a principal liaison officer and Mr. Amer Jamal Al-Dabbas as an alternative liaison officer for corporate governance affairs and applications.

2.7 Brief about the implementation of the requirements for the Board of Directors to form specialized independent committees

Committees are formed and their members are appointed by the Board of Directors after each election session of the Board. The committees formed by the Board are considered the links between the executive management and the Board of Directors. The purpose of forming these committees is to enable the Board to perform its duties effectively. The Board of Directors of Gulf Insurance Group / Jordan has five main committees, which are as follows:

1. Audit Committee.
2. Risk Management Committee.
3. Governance and Compliance Committee.
4. Investment Committee.
5. The Nominations and Remuneration Committee.

The Board of Directors of the Company has approved the policies and charters of all committees, which include identifying the tasks of each committee, the duration of its work, the powers granted to it during this period, and how the Board of Directors supervises it in a specific work charter for each committee, noting that the tasks and powers of the committees have been identified and delegated to the committees by the Board of Directors.

2.7.1 Audit Committee

The Company believes that the existence of an independent Audit Committee is one of the main features which indicates the application of good governance rules, as the Audit Committee establishes a culture of commitment within the Company by ensuring the integrity of internal audit reports submitted to the Company's management, in addition to ensuring the adequacy and effectiveness of the control and internal control systems applied in the Company.

The Audit Committee of Gulf Insurance Group / Jordan has complete independence, in addition to the fact that all its members have specialized expertise. The Audit Committee consists of three members. The Manager of the Internal Audit Department and his deputy attend the meetings of the Committee, in addition to a representative of the external auditor who attends when invited. The Audit Committee, on behalf of the Board of Directors, also supervises matters related to the follow-up of internal audit tasks in accordance with the annual audit plan, and ensures that the tasks performed are carried out within the necessary professional controls. It should be noted that the meetings of the Audit Committee are held in a manner that takes into account the time considerations for issuing the Company's financial reports to external parties, The Committee meets with the Internal Audit Manager at least four times a year.

Number of Audit Committee Meetings during 2024

The Committee met six times during 2024 as follows:

Members / Committee Meetings	Capacity	Meeting held on 11-01-2024	Meeting held on 11-02-2024	Meeting held on 24-04-2024	Meeting held on 15-08-2024	Meeting held on 27-10-2024	Meeting held on 24-11-2024
Mr. Daoud Adel Daoud Issa	Chairman of the Committee As of 15-08-2024	Not-elected	Not -elected	Not -elected	Not -elected	Attended In person	Attended via audio -visual means of communication
Mr. Hanna Sami Hanna Sawalha	Committee member As of 15-08-2024	Not -elected	Not -elected	Not -elected	Not -elected	Attended In person	Attended via audio -visual means of communication
Mrs. Hiyam Salim Yousef Habash	Committee member until 15-08-2024	Attended via audio -visual means of communication	Attended In person	Attended In person	-	-	-
Mr. Mazen Ali Abdelghani Tabbalat	Chairman of the Committee until 15-08-2024	Attended In person	Attended In person	Attended In person	Attended In person	-	-
Mr. Alaa Al-Zuhairi	Committee member	Attended via audio -visual means of communication	Attended In person	Attended In person	Attended In person	Attended In person	Attended via audio -visual means of communication

Members / Committee Meetings	Capacity	Meeting held on 11-01-2024	Meeting held on 11-02-2024	Meeting held on 24-04-2024	Meeting held on 15-08-2024	Meeting held on 27-10-2024	Meeting held on 24-11-2024
Mr. Tawfiq Mukahal	Committee member until 15-08-2024	Attended via audio -visual means of communication	Attended via audio -visual means of communication	Attended In person	-	-	-
Mr. Ahmad Adnan Ahmad Al Sallakh	Committee member until 15-08-2024	Attended via audio -visual means of communication	Attended In person	Attended In person	Attended In person	-	-
Mrs. Baraa Sharif	Secretary of the Committee	Attended In person	Attended In person	Attended In person	Attended In person	Attended In person	Attended via audio -visual means of communication
Mrs. Heba Abu-Kar	Senior Officer- Internal Audit - Invited	Attended In person	Attended In person	Attended In person	Attended In person	Attended In person	Attended via audio -visual means of communication

The Audit Committee met with the external auditor (4) times during the year and with the external actuary twice a year, and with both the Compliance Department and the Risk Management Department once a year. A time is set for a meeting between the Audit Committee and the external auditor at each meeting within the agenda of the meeting, at least once and individually with the committee.

This Committee undertakes the following tasks:

- Reviewing the scope, results and adequacy of the Company's internal and external audit, reviewing accounting issues that have a fundamental impact on the Company's financial statements, and reviewing the Company's internal controls and control systems.
- Studying the offers submitted by the external auditor offices, ensuring that they meet the conditions contained in the relevant instructions in force, and making recommendations to the Board of Directors regarding the best offer in terms of professional competence, quality of audit service, fees and contracting terms; in order for the Board of Directors to take the appropriate decision regarding the nomination of one of these proposals to the General Assembly, and the Committee takes into account any other work assigned to the external auditor outside the scope of auditing.
- Studying the extent of the independence of the external auditor when submitting his offer, monitoring the independence and objectivity of the office and the audit team annually during the period of audit service, and submitting its recommendations to the Board of Directors in this regard.
- Meeting with the external auditor and actuary at least twice annually, and meeting with the internal audit manager on a quarterly basis, without the presence of the Company's CEO, his deputy or assistant.
- Meeting with the Manager of Risk Management and the Manager of Compliance in the Company, as appropriate, at least once a year.
- Reviewing and monitoring the procedures that enable the Company's employees to confidentially report any defect in the financial reports or any other matters. The Committee ensures that the necessary arrangements for independent investigation are in place and that the results of the investigation are followed up and dealt with objectively.

- Checking if there is coordination between the external auditor in terms of the tasks and duties assigned to them in the event that there is more than one external auditor of the Company.
- Reviewing the observations contained in the reports of the Central Bank, the reports of the external auditor, and the reports of the actuary, and following up on the actions taken in this regard.
- Studying the annual internal audit plan, reviewing the observations contained in the internal audit reports, and following up on the actions taken in this regard.
- Ensuring the accuracy and integrity of accounting, financial and control procedures and the extent of compliance with them.
- Verifying the review of the financial statements by the Internal Audit Department before presenting them to the Board of Directors, and verifying compliance with the requirements of the Central Bank in particular.
- Ensuring that the Company complies with the laws, regulations, instructions and decisions to which the Company's business and activities are subject.
- Submitting a recommendation to the Board of Directors approving the appointment, resignation or dismissal of the Company's internal audit manager.
- Submitting the minutes of its meetings and its reports to the Board of Directors.
- Verifying that the Internal Audit Department complies with the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors, including conducting independent external assessments of internal audit activity at least once every five years and providing the Central Bank with a copy of the results of these assessments.
- Verifying that the internal audit staff are not assigned any executive tasks.

2.7.2 Risk Management Committee

The Risk Management Committee in Gulf Insurance Group Company / Jordan sets policies and regulations for risk management, in line with the Company's tendency to bear risks. The Risk Management Committee consists of five members.

Number of Meetings of the Risk Management Committee During 2024

The Risk Management Committee holds periodic meetings, at least twice a year, and when the need arises, and records the minutes of its meetings.

The Committee met three times during 2024 as follows:

Members / Committee Meetings	Capacity	The meeting held on 06-06-2024	The meeting held on 25-09-2024	The meeting held on 09-12-2024
Mr. Ahmad Adnan Ahmad Al Sallakh	Chairman of the Committee	Attended In person	Attended In person	Attended In person
His Excellency Mr. Nasser Lozi	Committee member until 15-08-2024	Attended In person	-	-
Mr. Bijan Khosrochahi	Committee member until 07-05-2024	-	-	-
Mr. Ali Al-Hindal	Committee member	Attended via audio -visual means of communication	Attended via audio -visual means of communication	Attended via audio -visual means of communication
Mr. Mazen Ali Abdelghani Tabbalat	Committee member	Not-elected	Attended In person	Attended In person
Dr. Ali Al-Wazani	Committee member	Attended In person	Attended In person	Attended In person
Mrs. Ola Samour	Committee member & Secretary of the Committee	Attended In person	Attended In person	Attended In person

This Committee undertakes the following tasks:

- Periodic review of the Company's risk management methodology and strategy and submitting relevant recommendations to the Board of Directors for approval.
- Supervising the presence of sufficient, qualified and trained staff in the department entrusted with risk management tasks and ensuring its independence and not assigning any daily executive tasks to it.
- Keeping up with the developments affecting the Company's risk management, and submitting periodic reports thereon to its Board of Directors.
- Verifying that there are no deviations in the level of actual risks to which the Company is exposed from the level of acceptable risks approved by its Board of Directors, submitting reports to the Board of Directors, and following up on their treatment if they occur.
- Creating appropriate conditions that ensure the identification of risks with a significant impact, and any activities carried out by the Company that may expose it to risks greater than the level of acceptable risks, submitting reports thereon to the Board of Directors and following up on their treatment.
- Submitting a recommendation to the Board of Directors approving the appointment, resignation or dismissal of the risk management manager in the Company.

2.7.3 Governance and Compliance Committee

The Governance and Compliance Committee in Gulf Insurance Group / Jordan is concerned with governance applications, as its primary role is to set a governance framework, guide and supervise its implementation and amend it when necessary. The Governance and Compliance Committee consists of five members. It holds periodic meetings, at least twice a year, and when the need arises, and records the minutes of its meetings.

Number of Meetings of the Governance and Compliance Committee during 2024

The Committee met three times during 2024 as follows:

Members/ committee meetings	Capacity	The meeting held on 02-06-2024	The meeting held on 27/06/2024	The meeting held on 12-12-2024
Mr. Tawfiq Makhal	Chairman of the Committee until 17/07/2024	Attended via audio -visual means of communication	Attended via audio -visual means of communication	-
Mr. Hanna Sami Hanna Sawalha	Chairman of the Committee as of 15/08/2024	-	-	Attended via audio -visual means of communication
His Excellency Mr. Nasser Lozi	Committee member	Attended via audio -visual means of communication	Attended via audio -visual means of communication	Attended via audio -visual means of communication
Mr. Ali Al-Hindal	Committee member	Attended via audio -visual means of communication	Attended via audio -visual means of communication	Attended via audio -visual means of communication
Mr. Mazen Ali Abdelghani Tabbalat	Committee member	Attended via audio -visual means of communication	Attended via audio -visual means of communication	Attended via audio -visual means of communication
Mr. Ahmad Adnan Ahmad Al Sallakh	Committee member	Attended via audio -visual means of communication	Attended via audio -visual means of communication	Attended via audio -visual means of communication
Dr. Ali Wazaney	Chief Executive Officer - invited	Attended via audio -visual means of communication	Attended via audio -visual means of communication	Attended via audio -visual means of communication
Mr. Abdelnaser Abdallah	Secretary of the Committee until 09-08-2024	Attended via audio -visual means of communication	Attended via audio -visual means of communication	-
Mrs. Mariana Abudayah	Secretary of the Committee as of 12-12-2024	-	-	Attended via audio -visual means of communication
Mrs. Ayat Dawas	Senior Officer/Compliance Invited	-	-	Attended via audio -visual means of communication

This Committee undertakes the following tasks:

- Directing and supervising the preparation and updating of the Governance Guide and monitoring its implementation.
- Preparing the governance report and submitting it to the Board of Directors.
- Following up on compliance with the applicable legislations related to the Company and its business and taking the necessary measures to achieve this, and coordinating with the department in charge of compliance in the Company to lay down effective bases to comply with.
- Supervising the presence of sufficient, qualified and trained staff in the department entrusted with compliance tasks in the Company, ensuring its independence and not assigning any daily executive tasks to it.
- Reviewing the compliance policy prepared by the department in charge of compliance in the Company, which ensures the Company's compliance with all applicable legislations related to it and its business, and addresses any new tasks or responsibilities that arise in compliance, and recommends it for approval by the Board of Directors.
- Supervising and controlling compliance bases in the Company through reports submitted to the Board of Directors.
- Reviewing the compliance reports issued by the department in charge of compliance and issuing recommendations to the Board of Directors based on them and after studying them.
- Issuing recommendations to the Board of Directors regarding any new legislation issued by the regulatory authorities and how to implement them.
- Evaluating the degree of effectiveness with which the Company manages non-compliance risks and the periodicity of this evaluation, and reviewing it when any changes are made.
- Submitting a recommendation to the Board of Directors approving the appointment, resignation or dismissal of the Company's Compliance Manager.

2.7.4 Nominations and Remuneration Committee

The Nominations and Remuneration Committee of Gulf Insurance Group / Jordan is responsible for supervising and giving advice to the Board of Directors on all matters related to nominations, remunerations, governance practices and policies with regard to members of the Board of Directors, executive management and the rest of the employees, and the compensation and rewards strategy of the Company. The Committee applies and implements its internal policies approved by the Company, and it consists of three members.

Number of Meetings of the Nominations and Remuneration Committee during 2024

The Company's Nominations and Remuneration Committee holds periodic meetings, at least twice a year, and when the need arises, and records the minutes of its meetings.

The committee met seven times during 2024 as follows:

Members / Committee Meetings	Capacity	The meeting held on 07-02-2024	The meeting held on 03-03-2024	The meeting held on 26-06-2024	The meeting held on 31-07-2027	The meeting held on 26-08-2024	The meeting held on 20-10-2024	The meeting held on 15-12-2024
His Excellency Mr. Nasser Lozi	Chairman of the Committee	Attended	Attended	Attended	Attended	Attended	Attended	Attended
Mr. Khaled Al-Hassan	Committee member	Attended	Attended	Attended	Attended	Attended	Attended	Attended
Ms. Hiyam Habash	Committee member until 31/07/2024	Attended	Attended	Attended	-	-	-	-
Mr. Tawfiq Makhal	Committee member until 31/07/2024	Attended	Attended	-	-	-	-	-
Mr. Daoud Issa	Committee member As of 31/07/2024	-	-	-	-	Attended	Attended	Attended
Dr. Ali Al-Wazani	Chief Executive Officer - invited	Attended	Attended	Attended	Attended	Attended	Attended	Attended
Mr. Saad Farah	Secretary of the Board of Directors - invited	Attended	Attended	Attended	Attended	Attended	Attended	-
Dr. Reem Abu Okab	Secretary of the Committee	Did not Attend / with an acceptable excuse	Attended	Attended	Attended	Attended	Attended	Attended
Means of Attendance		via audio -visual means of communication	via audio -visual means of communication	via audio -visual means of communication	via audio -visual means of communication	via audio -visual means of communication	via audio -visual means of communication	via audio -visual means of communication

This Committee undertakes the following tasks:

- Preparing and recommending the adequacy policy for the members of the Board of Directors to the Board of Directors.
- Verifying the compliance of the adequacy conditions stipulated in the law and instructions before nominating any person for the membership of the Board of Directors, and in the event that the member is re-nominated, the Committee should take into account the number of times he attends and the effectiveness of his participation in the meetings of the Board of Directors.
- Submitting recommendations to the Board of Directors approving the appointment, resignation or dismissal of any member of the Senior Executive Management.
- Ensuring the participation of the members of the Board of Directors in workshops or seminars related to insurance, especially risk management, governance and the latest developments in the insurance business.
- Ensuring the independence of the independent members in accordance with the provisions of these instructions and reviewing that on an annual basis, and informing the Central Bank in the event that any member is no longer independent.
- Following specific and approved principles in evaluating the performance of the Board of Directors and the Chief Executive Officer, so that the standard for performance evaluation is objective.
- Ensuring that there is a policy for rewards in the Company and that this policy is implemented and reviewed periodically. The Committee also recommends to the Board of Directors the specification of salaries for the Chief Executive Officer and the rest of the main employees, their bonuses and other privileges.
- The Nominations and Remuneration Committee annually evaluates the work of the Board of Directors as a whole and the work of its committees and members, and informs the Central Bank of the outcome of this evaluation at the end of each year.
- Preparing two policies to determine the bonuses for the members of the Board of Directors of the Company and granting financial rewards to the employees and presenting them to the Board of Directors for approval, so that these policies contain the following:
 1. To enable the Company to attract talents with the necessary competencies, skills and experience, and to maintain and motivate them to improve their performance.
 2. To preserve of the solvency and reputation of the Company.
 3. To take into account the Company's risks, liquidity requirements and the timing of realizing its profits.
 4. The reward should not be based on the person's performance in the current year only, but rather on the medium or long term of his performance.
 5. To express the Company's objectives, values and strategy.
 6. The reward shall be in the form of fees, salaries, allowances, bonuses or stock options.
 7. To enable deferring the payment of a reasonable percentage of the rewards, and this percentage and the deferral period should be determined on the basis of the nature and risks of the work.
 8. The granting of financial rewards to employees of the departments entrusted with control tasks should not be related to the work results of the departments they supervise.
 9. To allow the possibility of withdrawing the deferred rewards in the event that there are problems in the employee's performance or that he exposed the Company to high risks because of the decisions he took within his powers and could have been avoided.

2.7.5 Investment Committee

The Investment Committee of Gulf Insurance Group / Jordan aims to achieve the highest possible investment return while achieving a balance between liquidity and solvency and the requirements of laws and legislations in this regard. The Committee applies and implements its internal policies approved by the Company, and it consists of three members.

Number of Meetings of the Investment Committee During 2024.

The Investment Committee holds periodic meetings, at least twice a year, and when the need arises, and records the minutes of its meetings.

The Committee met four times during 2024 as follows:

Members / Committee Meetings	Capacity	The meeting held on 01-02-2024	The meeting held on 14-04-2024	The meeting held on 08-05-2024	The meeting held on 20-10-2024
His Excellency Mr. Nasser Lozi	Chairman of the Committee	Attended	Attended	Attended	Attended
Mr. Khaled Al-Hassan	Committee member	Attended	Attended	Attended	Attended
Mr. Bijan Khosrochahi	Committee member Untill 07-05-2024	Attended	Attended	-	-
Dr. Ali Al-Wazani	Committee member	Attended	Attended	Attended	Attended
Mr. Saad Farah	Secretary of the Committee	Attended	Attended	Attended	Attended
Means of Attendance		via audio -visual means of communication	via audio -visual means of communication	via audio -visual means of communication	via audio -visual means of communication

This Committee undertakes the following tasks:

- Developing the investment strategy and policy and submitting recommendations thereon to the Board of Directors for approval.
- Reviewing and monitoring investment decisions and their approval of the permissible investment limits for the various types of investments approved by the Board of Directors.
- Reviewing the Company's investment policy periodically to ensure that the risk management methodology is compatible with it.
- Cooperating with the Audit Committee to define the scope of audit procedures, in order to ensure that they cover all investment activities and able to detect weaknesses in internal control and defects in operational systems in a timely manner.
- Identifying, preparing and reviewing the reports to be presented to the Board of Directors, and laying the foundations for preparing periodic reports, with the need to include cases of deviation and corrective measures.

3. Executive Positions in the Company and the Persons Occupying them

The executive positions at Gulf Insurance Group / Jordan are held by individuals with high professional, practical and scientific experience in addition to the technical skills, and they meet the requirements of competency and integrity required by the Company, so that the Company can manage its business according to the highest standards required and the size and nature of the Company's activities. The following are the names of the executive managers at Gulf Insurance Group / Jordan:

- Dr. Ali Adel Ahmad Al Wazaney - Chief Executive Officer
- Mr. Saad Amin Tawfiq Farah - Head of the Financial Department - Secretary of the Board
- Mr. Rami Kamal Odeh Dababneh - Executive Director/ Business Development and Marketing Department
- Mr. Suleiman Abdul Hafez Muhammad Dandis - Executive Director / Medical Insurance Department
- Mr. Mohammad Amin Mahmoud Sobh - Executive Director / Branches and Indirect Businesses
- Mrs. Baraa Sharif - Manager/ Internal Audit Department
- Advocate Omar Ali Othman Al-Jilani - Manager / Legal Department.

3.1 Resigned Executives during the year

None.

4. Supervisory Departments of Gulf Insurance Group / Jordan

4.1 Internal Audit Department

The major tasks and operations carried out by the department are:

- A. Verifying the adequacy and effectiveness of the internal control system, and the suitability of the Company's operations with the size and nature of its activity in terms of:
 - 1- The Company operates in accordance with the provisions of the law, regulations, instructions and decisions issued pursuant thereto, and the relevant legislation in force.
 - 2- The Company conducts its business properly and in harmony with its strategic objectives and policies approved by its Board of Directors.
 - 3- All operations in the Company are carried out in accordance with the responsibilities and powers specified by its Board of Directors.
 - 4- The Company applies accurate and sound accounting and control procedures.
 - 5- The Company's assets and properties are used in a correct, appropriate and due manner.
 - 6- The Company's records and files are complete, comprehensive and accurate and contain all necessary information.
 - 7- The internal audit standards are applied to the services provided by external parties in the same manner as applied to other internal operations in the Company.
 - 8- The key employees constantly identify, evaluate and manage business risks.
 - 9- The key employees respond to the decisions of the Board of Directors related to the recommendations of the Audit Committee based on the internal audit reports.
 - 10- Informing the Board of Directors immediately of any defect, incapacity or danger that threatens the Company when it is discovered and following up with those concerned to take the necessary corrective measures.
 - 11- Submitting regular reports to the Board of Directors on the adequacy and effectiveness of the internal control system.
 - 12- Ensuring the consistency of stress tests with the methodology approved by the Board of Directors, in order to set the procedures that shall be applied to develop the risk management methodology in the Company.
 - 13- Preparing a report for the Board of Directors on the results of internal audits, which includes the following:
 - a) Scope, procedures and time of completion of the internal audit.
 - b) The Company's financial position, the quality of its assets, the extent of its compliance with the relevant legislation in force, and the observations of the external auditor.
 - c) Weaknesses, fraud or material violations, if any.
 - d) Corrective actions to be taken, if necessary.
 - 14- Submitting the internal audit plan for the subsequent year before the end of the current year to the Audit Committee, whereas the plan shall include the scope of the internal audit, its procedures and the time required for its completion.
 - 15- Keeping the report of the results of the internal audit operations and the documents related thereto for a period of no less than five years from the date of conducting the internal audit.
- B. The internal audit manager works independently to be able to carry out the tasks entrusted to him and submits their reports and recommendations directly to the Audit Committee, with a copy sent to the CEO of the Company.
- C. The employees of the internal audit department in the Company are required to have the appropriate knowledge and experience to carry out the work of internal audit, and they must adhere to the following:
 - 1- Maintaining the confidentiality of work and documents they have.
 - 2- Applying international practices and standards related to the internal audit profession.

- D. The Company provides the Central Bank with internal audit reports on an annual basis, which include the observations discovered regarding any violations or abuses, the executive management's responses to them, and the corrective measures taken by the Company to address them.

4.2 Risk Management Department

The major tasks and operations carried out by the department are:

1. Reviewing the Company's risk management methodology in coordination with the Company's Risk Management Committee.
2. Implementing the Company's risk management strategy and developing policies and procedures for managing all types of risks.
3. Developing methodologies to identify, measure, monitor and control each type of risk.
4. Submitting reports to the Board of Directors through the Risk Management Committee and providing members of the senior executive management with a copy that include information on the actual risk system for all the Company's activities in comparison with the accepted risk document, and following up on addressing negative deviations.
5. Verifying the integration of the risk measurement mechanisms with the used management information systems.
6. Studying and analyzing all types of risks that the Company faces.
7. Submitting recommendations to the Risk Management Committee on the Company's exposure to risks, and recording cases of exceptions to the risk management policy.
8. Providing the necessary information about the Company's risks to be used for disclosure purposes.
9. The department in charge of risk management monitors the commitment of the Company's departments to the specified levels of acceptable risks.

4.4 Compliance Department

The major tasks and operations carried out by the department are:

1. Submitting periodic reports to the Governance and Compliance Committee, regarding the results reached in case of a violation of any of the relevant applicable legislation or any of the policies related to the Company's business, and conducting necessary recommendations to reduce the risks arising from the same, and sending a copy of such reports to the CEO of the Company.
2. Conducting recommendations to the relevant key personnel regarding:
 - a- projects related to any new products or services expected to be offered by the Company, and reviewing them to ensure their compliance with the relevant legislation in force.
 - b- policies and procedures regulating the Company's business and operations.
3. Raising the awareness of all employees in the Company regarding compliance, informing them of their duties in relation to the relevant applicable legislation and their responsibilities in case of violation, and reporting any violations or violations of laws, regulations, instructions, decisions, sound and safe practices, or incompatibility of any practices with business procedures that have been developed to the Company's Compliance Manager.
4. Presenting all legislations, policies, procedures, agreements and announcements related to the Company's business and operations to the employees and guiding them in this regard.
5. Coordinating with the relevant departments of the Company to follow up on providing the regulatory authorities with the requirements contained in the relevant legislation in force in accordance with the dates specified therein.

Nasser Lozi

Chairman of the Board of Directors

