

**National Insurance Company**  
(Public Limited Shareholding Company)  
**Amman – The Hashemite Kingdom of Jordan**  
**Consolidated Financial Statements and Independent**  
**Auditor's Report**  
**For the Year Ended December 31, 2023**

**National Insurance Company**  
(Public Limited Shareholding Company)  
**Amman – The Hashemite Kingdom of Jordan**  
**Consolidated Financial Statements and Independent Auditor's**  
**For the Year Ended December 31, 2023**

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## **Independent Auditor's Report**

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

### **Opinion**

We have audited the consolidated financial statements of National Insurance Company (“company”) which include the consolidated statement of financial position as at 31 December 2023, and the consolidated statement of profit or loss, the statement of comprehensive income, the consolidated statement of changes in shareholders' equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position as at 31 December 2023, and its financial performance and statements of changes in shareholders' equity, and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

### **Basis for Opinion**

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

### **Other Matter**

The financial statements as of the year ended December 31, 2022 has been audited by another auditor who issued an unqualified audit report on February 28, 2023.

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

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

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

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

### **Key Audit Matters**

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

## Independent Auditor's Report (Continued)

### Key Audit Matters (Continued)

Significant Audit Matter	Audit scope to meet the Significant audit matter
<p><b>1. Adoption of International Financial Reporting Standard No. (17) "Insurance Contracts"</b></p> <p>For the financial year ending December 31, 2023, the Company adopted International Financial Reporting Standard 17 "Insurance Contracts" ("IFRS 17"), which replaces International Financial Reporting Standard 4 "Insurance Contracts" ("IFRS 4") as adopted in the Hashemite Kingdom of Jordan. IFRS 17 is applicable to annual periods commencing on or after January 1, 2023.</p> <p>The Company applied International Financial Reporting Standard No. (17) "Insurance Contracts" by restating the comparative figures for the year 2022 while applying the transitional provisions of International Financial Reporting Standard No. (17) by adopting the full retrospective approach method.</p> <p>The impact of applying International Financial Reporting Standard No. (17) on retained earnings as of 1 January 2022 is JD (1,268,910).</p> <p>IFRS 17 requires management to apply significant judgments when applying it to the Company insurance contracts. The company issues a wide range of insurance contracts and accordingly a significant number of judgments and estimates are applied and implemented respectively.</p> <p>The implementation of IFRS 17 has also had a consequential change in processes, systems and controls. Due to the complexity, and significant judgments applied and estimates made in determining the impact of IFRS 17.</p> <p>The Company applies the Premium Allocation Approach (PAA) to all insurance contracts it issues and holds with a coverage period of less than one year. For other contracts issued and held where the coverage period is more than one year, the company performs a premium allocation approach eligibility test to confirm whether the premium allocation approach can be applied. Subject to passing the eligibility test for the premium allocation approach, the company applied the premium allocation approach to the contracts issued and reinsurance contracts that passed the test.</p> <p>The significant accounting policies, judgments, estimates, and assumptions adopted by the Company are detailed in Note (5).</p>	<p><b>How the key audit matter was addressed in the audit</b></p> <ul style="list-style-type: none"> <li>-Obtaining an understanding of the procedures implemented by the company to assess the impact of adopting the standards, including understanding changes in accounting policies, systems, procedures, and internal controls.</li> <li>-Reviewing the impact of applying International Financial Reporting Standard No. (17), including the transition, measurement, and disclosure effects as of January 1, 2022, and December 31, 2022.</li> <li>-Assessing the competence and objectivity of the actuary appointed by the company by leveraging our own actuarial expert to verify whether the calculation methods and model used are appropriate, as well as evaluating the key assumptions and methodologies applied.</li> <li>-Evaluating management's procedures in identifying insurance contracts to determine the appropriate classification for such contracts and whether the use of the premium allocation approach under International Financial Reporting Standard (17) is appropriate.</li> <li>-Assessing the adequacy of disclosures regarding accounting policies and transitions related to International Financial Reporting Standard (17) in the financial statements.</li> <li>-Selecting the extent of completeness of insurance contract data by testing reconciliations of the company's insurance contract assets and liabilities with disclosed insurance contracts in the 2022 financial statements.</li> <li>-Disclosures related to the impact of applying International Financial Reporting Standard No. (17) are detailed in Note (3) of the financial statements.</li> </ul>

## Independent Auditor's Report (Continued)

### Key Audit Matters (Continued)

Significant Audit Matter	Audit scope to meet the Significant audit matter
<p><b>2. Assessment of incurred liabilities and Loss component.</b></p> <p>The estimation of liabilities related to incurred claims and the loss component involves a high degree of judgment. This requires estimating the present value of future cash flows and adjusting for non-financial risks (which are part of the incurred claims liabilities) and the loss component (which is part of the remaining coverage liabilities). Non-financial risk adjustments are applied to the estimated present value of future cash flows and reflect the compensation required by the company for bearing uncertainty about the amount and timing of cash flows from non-financial risks when settling its obligations under insurance contracts. The present value of future cash flows depends on the best estimate of the ultimate cost of all incurred claims, whether reported or not settled as of the reporting date. The loss component is recognized at any time during the coverage period if facts and circumstances indicate that a group of contracts is onerous. This loss component is remeasured at each reporting date as the difference between the cash flow amounts at specified settlement under the general measurement model related to future service and the carrying amount of the remaining coverage liabilities excluding the loss component.</p> <p>The Company engages an external actuarial expert, the "appointed actuarial expert," to assist in estimating these liabilities. The expert uses a range of methodologies to determine these liabilities based on a number of explicit or implicit assumptions regarding the expected settlement amount and settlement patterns of claims.</p> <p>As of December 31, 2023, the estimated present value of future cash flows and the risk adjustment for non-financial risks amount to 17 million Jordanian Dinars, as disclosed in Note 11 of the financial statements.</p> <p>We have considered this a key audit matter due to the inherent uncertainty in the estimation and the subjective judgments involved in assessing the estimated present value of future cash flows and the risk adjustment for non-financial risks arising from insurance contracts.</p> <p>Refer to Note 5 for significant accounting policies, judgments, and estimates related to insurance contract liabilities.</p>	<p><b>Our audit procedures included:</b></p> <ul style="list-style-type: none"> <li>- Understanding, evaluating, and testing key controls around claims processing operations and provisions determination.</li> <li>- Assessing the competence, capabilities, and objectivity of the appointed actuarial expert based on their professional qualifications, experience, and independence.</li> <li>- Conducting objective tests, on a sample basis, on recorded amounts of notified and paid claims, including comparing the outstanding claims amount with appropriate source documents to assess the adequacy of reserves.</li> <li>- Verifying the completeness of data used as inputs in actuarial assessments and testing, on a sample basis, the accuracy of core claims data used by the appointed actuarial expert in estimating the present value of future cash flows, adjusting non-financial risks, and assessing loss components by comparing them to accounting records and other records.</li> <li>- Engaging our own actuarial specialists to evaluate the company's actuarial practices, adequacy of reserves held, and obtaining confirmation regarding the report issued by the appointed actuarial expert. Our actuarial specialists performed the following:             <ol style="list-style-type: none"> <li>1- Assessing whether the company's actuarial methodologies are generally consistent with accepted actuarial practices.</li> <li>2- Evaluating the appropriateness of key actuarial accounting methods and assumptions used and conducting sensitivity analysis.</li> <li>3- Providing independent forecasts of the present value of future cash flows, adjusting non-financial risks and loss components for significant lines of business for comparison with amounts recorded by management.</li> <li>4- Assessing the adequacy and suitability of relevant disclosures in the financial statements.</li> </ol> </li> </ul>

### **Independent Auditor's Report (Continued)**

#### **Other Information in the Annual Report for the Year 2023**

The other information consists of the information included in the Group's annual report for the year 2023 other than the consolidated financial statements and the auditor's report. Management is responsible for the other information. We expect to be provided with the Group's annual report for the year 2023 later. The date of our report on the consolidated financial statements is [date]. Our opinion does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the audit of the consolidated financial statements

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

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not guarantee that an audit conducted in accordance with the ISAs that are endorsed in the Hashemite Kingdom of Jordan will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken based on those financial statements.

As part of an audit in accordance with International Standards on Auditing ("ISAs") that are endorsed in the Hashemite Kingdom of Jordan, we exercise professional judgment and maintain professional skepticism throughout the audit. We are also:

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

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

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

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

#### **Report on Other Legal and Regulatory Requirements:**

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

Date: 30 April 2024

Amman - Jordan





**National Insurance Company**  
(Public Limited Shareholding Company)  
**Consolidated Statement of Financial Position**  
**As of December 31, 2023**  
(Jordanian Dinars)

	Note	31 December 2023	31 December 2022 (Adjusted)	1 January 2022 (Adjusted)
<b><u>Assets</u></b>				
Deposits at banks, net	6	12,005,003	10,400,357	8,411,140
Financial assets at fair value through other comprehensive income	7	4,349,319	4,703,273	4,163,377
Financial assets at amortized cost	8	7,456,369	6,169,255	5,155,368
Investment properties	9	413,147	346,410	421,228
<b>Total investments</b>		<b>24,223,838</b>	<b>21,619,295</b>	<b>18,151,113</b>
Cash on hand and at banks	10	108,617	218,021	171,259
Insurance contract assets	11	485,167	169,521	392,472
Reinsurance contract assets	12	5,252,899	6,130,451	6,094,353
Deferred tax assets	13	726,928	658,152	513,788
Property and equipment, net	14	535,452	543,541	562,419
Intangible assets, net	15	154,009	55,379	41,957
Other assets	16	486,063	496,323	492,596
<b>Total Assets</b>		<b>31,972,973</b>	<b>29,890,683</b>	<b>26,419,957</b>
<b><u>Liabilities and Shareholders' Equity</u></b>				
<b><u>Liabilities</u></b>				
Insurance contract liabilities (Premium Allocation Approach)	11	17,747,499	16,635,059	14,135,986
Reinsurance contract liabilities	12	-	-	97,676
Provision for income tax	13	395,379	313,565	313,057
Other provisions	17	44,715	33,196	14,406
Other liabilities	18	2,661,034	2,006,839	1,714,632
<b>Total liabilities</b>		<b>20,848,627</b>	<b>18,988,659</b>	<b>16,275,757</b>
<b><u>Shareholders' Equity</u></b>				
Authorized and paid-up share capital	19	8,000,000	8,000,000	8,000,000
Statutory reserve	20	1,894,515	1,718,918	1,572,025
Voluntary reserve	20	800,000	800,000	311,000
Fair value reserve	21	(113,659)	146,704	(321,619)
Retained earnings	22	543,490	236,402	582,794
<b>Total Shareholders' Equity</b>		<b>11,124,346</b>	<b>10,902,024</b>	<b>10,144,200</b>
<b>Total Liabilities and Shareholders' Equity</b>		<b>31,972,973</b>	<b>29,890,683</b>	<b>26,419,957</b>

The accompanying notes from 1 to 48 are an integral part of these financial statements

**National Insurance Company**  
(Public Limited Shareholding Company)  
**Consolidated Statement of Profit or Loss**  
**For the year ended December 31, 2023**  
(Jordanian Dinars)

	<b>Notes</b>	<b>2023</b>	<b>2022</b>
<b>Revenues:</b>			
Insurance contract revenues	24	<b>26,680,531</b>	23,167,533
Less: Insurance contract expenses	25	<b>(22,234,896)</b>	(19,228,992)
<b>Insurance contract service result</b>		<b>4,445,635</b>	3,938,541
Reinsurance contracts revenues		<b>3,981,844</b>	3,894,035
Reinsurance contracts expenses		<b>(7,654,749)</b>	(7,357,715)
<b>Reinsurance contracts results</b>		<b>(3,672,905)</b>	(3,463,680)
<b>Net insurance operations results</b>		<b>772,730</b>	474,861
Finance revenues - insurance contracts	26	<b>144,368</b>	140,221
Finance expenses - reinsurance contracts	27	<b>(36,318)</b>	(22,461)
<b>Net financing results of insurance operations</b>		<b>108,050</b>	117,760
Interest income	28	<b>1,004,451</b>	702,237
Profit from financial assets and investments	29	<b>290,339</b>	346,065
Other income	30	<b>3,495</b>	11,134
<b>Net Revenue</b>		<b>1,298,285</b>	1,059,436
Expected credit losses provision		<b>185,000</b>	92,500
Other Expenses	31	<b>238,205</b>	216,324
<b>Total expenses</b>		<b>423,205</b>	308,824
<b>Net profit for the year before income tax</b>		<b>1,755,860</b>	1,343,233
(Less): Income tax and National contribution	13	<b>(417,518)</b>	(366,441)
<b>Net profit for the year after income tax</b>		<b>1,338,342</b>	976,792
		Fils/Dinar	Fils/Dinar
<b>Earnings per share from net profit for the year</b>	32	<b>0.167</b>	0.122

The accompanying notes from 1 to 48 are an integral part of these financial statements



**National Insurance Company**  
(Public Limited Shareholding Company)  
**Consolidated Statement of Other Comprehensive Income**  
**For the year ended December 31, 2023**  
(Jordanian Dinars)

	<b>2023</b>	<b>2022</b>
Net profit for the year	1,338,342	976,792
<b>Add: Other comprehensive income items:</b>		
Change in fair value reserve	(316,020)	468,323
<b>Total comprehensive income/(loss) for the year</b>	<b>1,022,322</b>	<b>1,445,115</b>

The accompanying notes from 1 to 48 are an integral part of these financial statements

**National Insurance Company**  
(Public Limited Shareholding Company)  
**Consolidated Statement of Changes in Shareholders' Equity**  
**For the year ended December 31, 2023**  
(Jordanian Dinars)

<b>2022</b>	<b>Share Capital</b>	<b>Statutory Reserve</b>	<b>voluntary Reserves</b>	<b>Change in fair value reserve</b>	<b>Retained (Loss)/ earnings</b>	<b>Total</b>
Balance as of January 1, 2021	8,000,000	1,572,025	311,000	(321,619)	1,851,703	11,413,109
The impact of the implementation of (IFRS 17)	-	-	-	-	(1,268,910)	(1,268,910)
<b>The balance as of December 31, 2021</b>	<b>8,000,000</b>	<b>1,572,025</b>	<b>311,000</b>	<b>(321,619)</b>	<b>582,793</b>	<b>10,144,199</b>
Net profit for the year	-	-	-	-	976,792	976,792
Total Comprehensive Income for the Year	-	-	-	468,323	112,710	581,033
Transferred to Statutory Reserves	-	146,893	-	-	(146,893)	-
Transferred to voluntary Reserves	-	-	489,000	-	(489,000)	-
Dividends	-	-	-	-	(800,000)	(800,000)
<b>2023</b>						
<b>The balance as of December 31, 2022</b>	<b>8,000,000</b>	<b>1,718,918</b>	<b>800,000</b>	<b>146,704</b>	<b>236,402</b>	<b>10,902,024</b>
Net profit for the year	-	-	-	-	1,338,342	1,338,342
Total Comprehensive Income for the Year	-	-	-	(260,363)	(55,657)	(316,020)
Transferred to Statutory Reserves	-	175,597	-	-	(175,597)	-
Dividends	-	-	-	-	(800,000)	(800,000)
<b>Balance as of December 31, 2023</b>	<b>8,000,000</b>	<b>1,894,515</b>	<b>800,000</b>	<b>(113,659)</b>	<b>543,490</b>	<b>11,124,346</b>

Retained earnings include an amount of 726,928 dinars as of December 31, 2023, compared to 658,152 dinars as of December 31, 2022, representing deferred tax assets that cannot be disposed of under the instructions of the Securities and Exchange Commission. Also, an amount of (113,659) dinars as of December 31, 2023, from retained earnings cannot be disposed of due to the negative value of the fair value reserve, compared to 146,704 dinars as of December 31, 2022

The accompanying notes from 1 to 48 are an integral part of these financial statement

**National Insurance Company**  
(Public Limited Shareholding Company)  
**Consolidated Statement of Cash Flows**  
**For the year ended December 31, 2023**  
(Jordanian Dinars)

	Note	2023	2022
<b>Cash flow from Operating Activities:</b>			
Net profit for the year before income tax		1,755,860	1,343,233
Adjustments to reconcile net profit/(loss) before income tax to net cash flow provided by operating activities:			
Depreciation and amortization		64,502	57,726
Expected credit losses provision		185,000	92,500
(Gain) From sale of Property and equipment		(120)	-
(Gain) From sale of investment properties		-	(107,114)
Insurance Management Fees Provision		111,508	99,175
Write-off of Financial Assets Discount and Bonus		639	5,602
Life Policy Fees Provision		12,227	3,266
<b>Cash flows from operating activities before changes in working capital</b>		<b>2,129,616</b>	<b>1,494,388</b>
Insurance contract heled assets,		(500,646)	222,951
Reinsurance contract heled assets		877,552	(36,098)
Other assets		10,260	(3,727)
Insurance contract liabilities		1,112,440	2,499,073
Reinsurance contract heled liabilities		-	(97,676)
Other provisions paid		(112,216)	(83,651)
Other liabilities		620,539	292,207
<b>Cash flows from operating activities before income tax paid</b>		<b>4,137,545</b>	<b>4,287,467</b>
Income tax paid		(370,824)	(427,719)
<b>Net cash flows provided by operating activities</b>		<b>3,766,721</b>	<b>3,859,748</b>
<b><u>Cash flow from Investing Activities</u></b>			
Term deposits		1,542,686	(3,932,187)
Purchase of Financial Assets at Amortized Cost		(1,287,753)	(1,036,988)
(Purchase)/Sale of property and equipment - net		(19,925)	(9,237)
(Purchase)/Sale intangible assets		(117,531)	(24,400)
(Purchase)/Sale investment properties		(84,344)	-
Purchase of Financial Assets at Fair Value		(27,970)	(261,477)
Sale of Financial Assets at Fair Value		65,904	302,614
Proceeds from Sale of Investment property		-	163,300
Proceeds from Sale of Equipment and Property		140	-
<b>Net cash flows provided by/ (used in) investing activities</b>		<b>71,207</b>	<b>(4,798,375)</b>
<b><u>Cash flow from financing activities</u></b>			
Cash Dividend		(800,000)	(800,000)
<b>Cash flows (used in) financing activities</b>		<b>(800,000)</b>	<b>(800,000)</b>
<b>Net increase/ (decrease) in cash and cash equivalent</b>		<b>3,037,928</b>	<b>(1,738,627)</b>
Cash and cash equivalent at beginning of the year		4,574,577	6,313,204
<b>Cash and cash equivalent at the end of the year</b>	33	<b>7,612,505</b>	<b>4,574,577</b>

The accompanying notes from 1 to 48 are an integral part of these financial statements

### **1- Legal Status and Activities**

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

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

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

The consolidated financial statements attached were approved by the group's board of directors at its meeting on April 24, 2024, subject to the approval of the General Assembly of shareholders.

### **2- Basis of Preparation**

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

#### **2-1 Principles of Consolidated Financial Statements**

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

## **2-1 Principles of Consolidated Financial Statements (Continued)**

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

The consolidated financial statements include the financial statements of National Insurance Company PLC (the parent company) and its subsidiaries (referred to collectively as "the Group") as of December 31, 2023.

Company Name	Legal status	Country of establishment	Ownership percentage	
			2023	2022
<b>Nai Real-estate Investments*</b>	Limited liability company	Jordan	%100	%100

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

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

The accounting policies followed in preparing the financial statements are consistent with those followed in preparing the financial statements for the fiscal year ending on December 31, 2023, except that the Company applied the following amendments as of January 1, 2023, if any:

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

- Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements - Disclosure of Accounting Policies.
- Amendments to IAS 12 Income Taxes - Deferred Tax related to Assets and Liabilities arising from a Single Transaction.
- Amendments to IAS 12 Income Taxes - International Tax Reform - Pillar Two Approach Rules.
- Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates.
- International Financial Reporting Standard (IFRS) 17 Insurance Contracts (including the June 2020 and December 2021 amendments to IFRS 17).
- The Group has implemented International Financial Reporting Standard (IFRS) 17 Insurance Contracts, where it assessed the impact of applying the standard and identified the gap between the previous situation and the requirements of the standard. It developed a risk assessment system through statistical stochastic models for various insurance contracts, in addition to updating information technology systems to ensure the availability of all necessary databases for applying stochastic models and preparing systems for estimating future cash flows for contracts and determining the present value of cash flows. Furthermore, it updated accounting policies and procedures as well as other operational policies and procedures, which had an impact on the financial statements. The Group also reassessed the models used in revenue recognition for insurance contracts according to the standard requirements as outlined in Disclosure (4).

The Group adopted the full retrospective approach upon transition to the application of IFRS 17 Insurance Contracts.

**National Insurance Company**  
(Public Limited Shareholding Company)  
**Notes to the Consolidated Financial Statements**  
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**3- Application of international accounting standards for preparing new and amended financial reports (Continued)**

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

The impact of the implementation of IFRS 17 on the retained earnings as of December 31, 2023:

The impact of applying International Financial Reporting Standard (IFRS) 17 in accordance with the insurance licenses granted to the company as of December 31, 2022

Type of insurance licenses	Total revenue generated from premiums written under Standard 4	Revenue from insurance contracts under Standard 17	Difference	Technical profits under Standard 4	Technical profits under Standard 17	Difference
Motor	11,543,729	12,107,383	563,654	256,099	(111,491)	(367,590)
Marine	1,175,430	1,201,300	25,870	259,559	178,517	(81,042)
Fire and other property " ".damage	3,235,025	3,156,968	(78,057)	148,328	160,400	12,072
Liability	90,628	207,777	117,149	15,612	21,330	5,718
Medical	5,291,580	6,043,808	752,228	135,533	180,636	45,103
Life	447,478	450,297	2,819	52,411	45,468	(6,943)
<b>Total</b>	<b>21,783,870</b>	<b>23,167,533</b>	<b>1,383,663</b>	<b>867,542</b>	<b>474,860</b>	<b>(392,682)</b>

<u>Statement name</u>	<u>Amount</u>
Loss Component	(693,504)
Cash Discount (Finance Expenses)	259,729
Non-Financial Risk Adjustment	( 689,573)
Reinsurers' Share of Financial Discount	(81,294)
Reinsurers' Share of Non-Financial Risk Adjustment	291,647
Commissions Paid	397,519
Commissions Received	(171,313)
Issue Fees	(251,661)
Business Cessation Reserve (Undistributed Expenses)	(330,460)
<b>Net effect on retained earnings</b>	<b>(1,268,910)</b>



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

**B. New and revised IFRS Accounting Standards in issue but not yet effective:**

<b>Standard</b>	<b>Effective date</b>
Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Has not yet been determined, with early application permitted
Amendments to IAS 1 Presentation of Financial Statements - Classification of Liabilities as Current or Non-current	On or after 1 January 2024, with early application permitted
Amendments to IAS 1 Presentation of Financial Statements—Non-current Liabilities with Covenants	On or after 1 January 2024, with early application permitted
Amendments to IAS 7 Consolidated Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures—Supplier Finance Arrangements	On or after 1 January 2024, with early application permitted
Amendment to IFRS 16 Leases—Lease Liability in a Sale and Leaseback	On or after 1 January 2024, with early application permitted
IFRS S1 - General Requirements for Disclosure of Sustainability – related financial information	On or after 1 January 2024, with early application permitted
IFRS S2 - Climate Related Disclosures	On or after 1 January 2024, with early application permitted

**Changes in Classification and Measurement**

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

The key principles of IFRS 17 are as follows:

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

4.

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

**Changes in Classification and Measurement (Continued):**

**Recognition of Insurance Contract Groups and Measurement as follows:**

- Modified Present Value of Future Cash Flows (Cash Flows for Fulfilling Obligations): This involves discounting future cash flows (cash flows for fulfilling obligations) at the adjusted present value based on all available information about cash flows for fulfilling obligations in a manner consistent with observable market information..
- Additionally:
- An amount representing the unearned profit in the contract group (contractual service margin).
- Recognition of profit from a group of insurance contracts during each period in which the group provides insurance services, where the group is relieved of risk. If a group of contracts is expected to be onerous (i.e., loss-making) during the remaining coverage period, the group recognizes the loss immediately.
- Recognition of the asset representing cash flows arising from holding insurance contracts concerning cash flows paid or incurred before recognition of the related insurance contract group. This asset is derecognized when cash flows arising from holding insurance contracts are included in the measurement of the related insurance contract group.

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

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

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

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

Measurement of the liability for incurred claims (claims unpaid as of the reporting date and incurred but not reported reserves) is based on the expected discounted cash flow value with explicit adjustment for non-financial risks. This includes the group's obligation to pay other incurred insurance expenses.

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

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

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

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

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

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

**Changes in Classification and Measurement (Continued):**

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

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

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

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

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

**4- Use of Estimates and Assumptions**

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

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

**Expected Credit Loss**

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

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

**Impairment in the value of financial assets**

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

**Income Tax**

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

#### **4- Use of Estimates and Assumptions (Continued):**

##### **Income Tax (Continued):**

###### **1- Accrued Tax**

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

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

###### **2- Deferred Tax**

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

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

##### **Property, equipment and intangible assets**

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

##### **The present value of future cash flows**

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

Future cash flows are recognized at the current value of insurance contracts, using historical cash flows and the local rate of return on local bonds issued by the Central Bank of Jordan, as they are closest to the Company's reality. The income or expense from discounting cash flows is treated through the statement of profit or loss. Or for reinsurance contracts, the percentage of illiquidity risks is deducted.

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

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

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



**4- Use of Estimates and Assumptions (Continued):**

**Adjustments for non-financial risks**

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

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

- 1- Third-party liability insurance: 5%
- 2- Property insurance: 5%
- 3- Comprehensive insurance: 8%
- 4- Medical insurance: 6%
- 5- Life insurance: 7%
- 6- Fire insurance: 20%
- 7- Engineering insurance: 20%
- 8- Liability insurance: 20%
- 9- Marine insurance: 20%

**Non-insurance Components**

The Company discloses the following aspects:

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

**Lawsuits Against the group**

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

**Fair Value Levels**

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

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

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

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

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

#### **4- Use of Estimates and Assumptions (Continued):**

##### **Fair Value Levels (Continued):**

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

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

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

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

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

#### **5- Significant Accounting Policies**

##### **A. Segments Information**

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

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

##### **B. Goodwill**

The company does not record the value of goodwill.

##### **C. Insurance contracts**

###### **Definition of insurance contract**

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

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

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



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**5- Significant Accounting Policies (Continued):**

**C. Insurance contracts (Continued):**

**Company's products**

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

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

**Direct participating feature**

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

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

**5- Significant Accounting Policies (continued)**

**Types of direct participating feature**

**Investment contracts:**

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

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

**Self-insurance:**

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

The Company issues the following contracts that are classified according to IFRS 15:

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

**Separation of non-insurance components**

**The investment component**

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

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

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

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

**National Insurance Company**  
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**5- Significant Accounting Policies (continued)**

**Self-insurance (Continued)**

**Components of services and goods**

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

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

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

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

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

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

**Relative importance:**

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

**Acquisition cost**

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

When applying the premium allocation approach, the entity:

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

**5- Significant Accounting Policies (continued)**

**Recognition of the insurance contract**

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

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

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

**Reinsurance Contracts Held**

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

Reinsurance contracts held are established:

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

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

**Liabilities for Remaining Coverage**

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

**Liabilities versus remaining coverage**

The amount that the Company must reserve when recognizing insurance contracts, which relates to subsequent financial years as a result of valid insurance contracts.

**Contractual service margin**

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

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

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

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

**Contracts measurement approach**

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

**1- Premium allocation approach:**

It applies to the group of insurance contracts shown below:

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

**2- General approach:**

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

**5- Significate Accounting Policies (continued)**

**Contracts measurement approach (Continued)**

**3- Variable cost approach:**

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

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

**Measurement approaches**

**Premium allocation approach**

**1- Initial proof of insurance contracts:**

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

**2- Subsequent measurement/installment allocation approach:**

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

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

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

**3 - Liabilities for claims incurred:**

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

**Modification of Insurance Contracts**

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

**Derecognition of Insurance Contracts**

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

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



#### **4- Significate Accounting Policies (continued)**

##### **Expected Loss Insurance Contracts**

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

##### **Summary of Measurement Approaches**

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

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

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

<b>Portfolio</b>	<b>Measurement approach</b>
<b>Engineering</b>	Premium allocation approach
<b>General Insurance</b>	Premium allocation approach
<b>Motor</b>	Premium allocation approach
<b>Life</b>	Premium allocation approach
<b>Fire</b>	Premium allocation approach
<b>Marine</b>	Premium allocation approach
<b>Medical</b>	Premium allocation approach
<b>Travel</b>	Premium allocation approach

##### **Aggregation Level:**

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



**The present value of future cash flows:**

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

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

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

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

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

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

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

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

**A- Risk-free yield curve:**

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

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

**B- Market Risk Premium for Credit Risks:**

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

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

**Non-Financial Risk Adjustments:**

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

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

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

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

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

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

**Profitability Level:**

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

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

**5- Significant Accounting Policies (continued)**

**Financial assets**

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

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

**A- Financial assets at amortized cost:**

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

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

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

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

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

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

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

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

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**5- Significant Accounting Policies (continued)**

**Real estate investments**

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

**Property and equipment**

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

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

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

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

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

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

**Intangible assets**

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



**5- Significate Accounting Policies (continued)**

**Cash and its equivalent**

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

**Offsetting**

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

**Date of recognition of financial assets**

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

**Fair value**

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

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

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

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

**Financial liabilities**

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

**1- Creditors and liabilities of reinsurance contracts:**

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

**2- Creditor banks:**

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

**3- Insurance Contract Liabilities**

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

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



**5- Significant Accounting Policies (continued)**

**Financial liabilities (Continued)**

**4- End of service benefits provision:**

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

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

**Foreign currency**

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

**Treasury stocks**

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

**Costs of issuing or purchasing insurance Company shares**

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

**Realize revenue**

**1- Dividend and interest income:**

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

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**5- Significant Accounting Policies (continued)**

**Realize revenue (Continued)**

**2- Rental income:**

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

**Insurance contract expenses**

The Company distributes general administrative expenses and direct employee expenses to the insurance portfolios related to insurance contracts over groups of insurance contracts and includes them in calculating the profitability of the contract by distributing the direct expenses to each portfolio separately and adding the value of the undistributed expenses in proportion to the total portfolio production divided by the Company's total production. While administrative and general expenses and indirect employee expenses not related to insurance contracts are charged to the statement of profit or loss.

**Acquisition costs**

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

The group estimates acquisition costs when preparing budgets based on the expected coverage periods of insurance contracts. Expenses are recorded in the profit and loss statement based on the extinguishment of those costs over the expired periods of the contracts.

**Insurance Contract Expenses:**

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

**6- Deposits at Banks**

	2023				2022 (Adjusted)
	Deposits due within a month	Deposits due from 1 to 3 months	Deposits due from 3 months to 1 year	Total	Total
Deposits inside Jordan	7,503,888	-	4,501,115	12,005,003	10,400,357
(Less): Expected credit loss provision	-	-	-	-	-
<b>Deposits at Banks, Net</b>	<b>7,503,888</b>	<b>-</b>	<b>4,501,115</b>	<b>12,005,003</b>	<b>10,400,357</b>

-Interest rates on bank deposits balances in Jordanian Dinar ranges from 3.5% to 6.9% during the year ended December 31, 2023.

-Deposits pledged to the order of the Central Bank Governor amounted to JD 800,000 at the Jordan Ahli bank as on December 31, 2023.

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**6- Deposits at Banks (continued)**

The following is the distribution of the Company's deposits at banks:

	2023	2022
Investment Bank	2,000,000	-
Capital Bank of Jordan	2,077,601	2,051,677
Egyptian Arab land bank	-	1,500,000
Ahli bank of Jordan	5,927,402	4,848,680
Cairo Amman Bank	2,000,000	2,000,000
	<u>12,005,003</u>	<u>10,400,357</u>

**7- Financial Assets at Fair Value through Other Comprehensive Income**

	2023	2022 (Adjusted)
<b><u>Inside Jordan</u></b>		
Shares listed	3,276,143	3,490,440
Shares un-listed	4,235	5,823
<b>Total</b>	<u>3,280,378</u>	<u>3,496,263</u>
<b><u>Outside Jordan</u></b>		
Shares listed	1,036,177	1,174,246
Shares un-listed	32,764	32,764
<b>Sub-total</b>	<u>1,068,941</u>	<u>1,207,010</u>
<b>Total</b>	<u>4,349,319</u>	<u>4,703,273</u>

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

	2023	2022 (Adjusted)
<b><u>Outside Jordan</u></b>		
Arab reinsurance Company/Lebanon	32,331	32,331
Arab Insurance Institute /Syria	433	433
<b>Total</b>	<u>32,764</u>	<u>32,764</u>

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**8- Financial Assets at Amortized Cost**

	2023	2022
Treasury Bonds - USD / \$1.4 million - 26	1,008,929	1,015,896
Treasury Bonds - USD / \$1 million - 47	719,747	720,176
Treasury Bonds - USD / \$900,000 - 26	640,667	641,500
Treasury Bonds - USD / \$1.5 million - 26	1,065,463	1,065,695
Treasury Bonds - USD / \$1 million - 28	689,752	684,988
Treasury Bonds - USD / \$1 million - 28	663,681	-
Treasury Bonds - USD / \$400,000 - 29	282,136	-
Treasury Bonds - USD / \$500,000 - 29	344,994	-
Jordan Bank of Finance Loans - 24 Bonds	1,704,000	1,704,000
Capital Bank Foreign Bonds	354,500	354,500
<b>Less: Provision for Credit Losses</b>	<b>(17,500)</b>	<b>(17,500)</b>
<b>Total</b>	<b>7,456,369</b>	<b>6,169,255</b>

- 1- Treasury Bonds - USD, due on 29/1/2026, bearing an interest rate of 6.125% annually, payable in two equal installments on January 29 and July 29 until maturity.
- 2- Treasury Bonds - USD, due on 10/10/2047, with an interest rate of 7.375% annually, payable in two equal installments on October 10 and April 10 until maturity.
- 3- Treasury Bonds - USD, due on 29/1/2026, carrying an interest rate of 6.125% annually, payable in two equal installments on January 29 and July 29 until maturity.
- 4- Treasury Bonds - USD, due on 29/1/2026, with an interest rate of 6.125% annually, payable in two equal installments on January 29 and July 29 until maturity.
- 5- Treasury Bonds - USD, due on 15/1/2028, with an interest rate of 7.75% annually, payable in two equal installments on July 15 and January 15 until maturity.
- 6- Treasury Bonds - USD, due on 15/1/2028, bearing an interest rate of 7.75% annually, payable in two equal installments on July 15 and January 15 until maturity.
- 7- Treasury Bonds - USD, due on 13/1/2029, with an interest rate of 7.5% annually, payable in two equal installments on January 13 and July 13 until maturity.
- 8- Treasury Bonds - USD, due on 13/1/2029, carrying an interest rate of 7.5% annually, payable in two equal installments on January 13 and July 13 until maturity.
- 9- Jordan Bank of Finance Loans, due on 15/3/2026, with an interest rate of 7% annually, payable in two equal installments on March 15 and September 15 until maturity.
- 10- Jordan Bank of Finance Loans, due on 24/2/2027, bearing an interest rate of 7% annually, payable in two equal installments on February 24 and August 24 until maturity.

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

	2023	2022 (Adjusted)
Balance at the beginning of the year	17,500	-
Increase during the year	-	17,500
Decrease during the year	-	-
<b>Balance at the end of the year</b>	<b>17,500</b>	<b>17,500</b>

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**9- Investment Properties**

	<b>2023</b>	<b>2022 (Adjusted)</b>
Buildings	<u>440,174</u>	<u>415,830</u>
Less: accumulated depreciation	<u>134,039</u>	<u>116,432</u>
Book value, net	<u>306,135</u>	<u>299,398</u>
Land	<u>107,012</u>	<u>47,012</u>
<b>Total</b>	<u><b>413,147</b></u>	<u><b>346,410</b></u>

- Investment buildings are depreciated at 4% annually and appears at net book value.
- The fair value of investment properties was estimated by real estate experts at JD 957,533 as of 31/12/2023 in accordance with the legislation in force.

**10- Cash on Hand and at Banks**

	<b>2023</b>	<b>2022 (Adjusted)</b>
Cash on hand	<u>2,208</u>	<u>3,741</u>
Cash at banks	<u>106,409</u>	<u>214,280</u>
	<u><b>108,617</b></u>	<u><b>218,021</b></u>



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

	Liabilities for remaining coverage				Liabilities for Incurred Claims				Total	
	2023	2023	2022	2022	2023	2023	2022	2022	2023	2022
	Excluding the loss component	Loss component	Excluding the loss component	Loss component	Present value of cashflow	Risk adjustments- non financial	Present value of cashflow	Risk adjustments- non financial	Total	Total
Insurance contracts liabilities-beginning of the period	(3,782,232)	(879,799)	(3,107,309)	(650,182)	(11,270,521)	(9,799,862)	(16,635,059)	(14,135,986)		
Insurance contracts assets-beginning of the period	367,000	-	2,438,010	(204,308)	(174,673)	(1,750,291)	169,521	392,472		
<b>Net insurance contracts (liabilities)/Assets - beginning of the period</b>	<b>(3,415,232)</b>	<b>(879,799)</b>	<b>(649,299)</b>	<b>(854,490)</b>	<b>(11,445,194)</b>	<b>(11,550,153)</b>	<b>(16,465,538)</b>	<b>(13,743,514)</b>		
Insurance contracts revenues	26,680,531	-	23,167,533	-	-	-	26,680,531	23,167,533		
Insurance contracts expenses	-	-	-	-	-	-	-	-		
Compensations Incurred	-	-	-	-	-	-	-	-		
Amortization of acquisition costs	963,093	-	963,113	-	18,044,974	15,658,224	18,058,465	15,693,964		
Employees cost	-	-	-	-	-	-	963,093	963,113		
Administrative cost	-	-	-	-	1,108,459	1,009,051	1,108,459	1,009,051		
Other expenses	-	-	-	-	1,651,111	1,240,997	1,651,111	1,240,997		
Losses resulting from contracts expected to be lost and the recovery of these losses	-	-	-	-	510,904	296,559	510,904	296,559		
Insurance contracts expenses	-	(57,136)	-	25,309	-	-	(57,136)	25,309		
<b>Insurance service results</b>	<b>963,093</b>	<b>(57,136)</b>	<b>963,113</b>	<b>25,309</b>	<b>21,315,448</b>	<b>18,704,831</b>	<b>22,234,896</b>	<b>19,228,992</b>		
Finance costs - from insurance contracts	25,717,438	57,136	22,204,420	(25,309)	(21,315,448)	(18,204,831)	4,445,635	3,938,541		
<b>Net change - other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>144,368</b>	<b>140,221</b>	<b>144,368</b>	<b>140,221</b>		
Cash received from written contracts	25,717,438	57,136	22,204,420	(25,309)	(21,171,080)	(18,064,610)	4,590,004	4,078,762		
Compensations Incurred	26,830,580	-	25,788,440	-	-	-	26,830,580	25,788,440		
Paid from acquisition costs	(1,188,380)	-	(818,087)	-	(19,759,480)	(17,887,602)	(19,759,480)	(17,887,602)		
Other expenses	-	-	-	-	(495,924)	(281,967)	(495,924)	(281,967)		
<b>Total cash flows</b>	<b>25,642,200</b>	<b>-</b>	<b>24,970,333</b>	<b>-</b>	<b>(20,255,404)</b>	<b>(18,169,569)</b>	<b>5,386,796</b>	<b>6,800,784</b>		
Insurance contracts liabilities-End of period	(5,234,419)	(788,573)	(3,782,232)	(879,799)	(11,004,597)	(11,270,521)	(17,747,499)	(16,635,059)		
Insurance contracts assets- End of period	1,894,425	(34,090)	367,000	-	(1,356,273)	(174,673)	485,167	169,521		
<b>Net insurance contracts (liabilities)/Assets - End of period</b>	<b>(3,339,994)</b>	<b>(822,663)</b>	<b>(3,415,232)</b>	<b>(879,799)</b>	<b>(12,360,870)</b>	<b>(11,445,194)</b>	<b>(17,262,332)</b>	<b>(16,465,538)</b>		

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

**11- 1 Receivables Related to Insurance Operations**

	<b>2023</b>	<b>2022 (Adjusted)</b>
The total value of receivables related to insurance operations	7,726,762	6,596,028
Less: allowance for expected credit losses provision	(1,552,315)	(1,452,315)
<b>Net value of receivables related to insurance operations</b>	<b>6,174,447</b>	<b>5,143,713</b>

**Analysis of accounts receivable by time period**

	<b>2023</b>	<b>2022 (Adjusted)</b>
Payable during 0-30 days	1,580,182	1,166,275
Payable during 31-90 days	1,752,798	1,462,853
Payable during 91-180 days	1,301,680	891,292
Payable during 181-365 days	1,194,407	1,328,201
Due for more than one year	1,897,695	1,747,407
<b>Total</b>	<b>7,726,762</b>	<b>6,596,028</b>

**11-2 Cheques under collection:**

	<b>2023</b>	<b>2022 (Adjusted)</b>
The total value of Cheques under collection related to insurance operations	1,912,563	1,672,952
Less: allowance for expected credit losses provision	(13,970)	(3,970)
<b>Net value of Cheques under collection related to insurance operations</b>	<b>1,898,593</b>	<b>1,668,982</b>

**Analysis of cheques under collection according to their time period:**

	<b>2023</b>	<b>2022 (Adjusted)</b>
Payable during 0-6 months	1,348,075	1,482,299
Payable during 6-12 months	550,518	186,683
Payable during for more than 12 months	-	-
<b>Total</b>	<b>1,898,593</b>	<b>1,668,982</b>

**11-3 Receivables Related to Insurance Operations (Bv Type)**

	<b>2023</b>	<b>2022 (Adjusted)</b>
Receivables from insurance contract holders	5,815,679	4,772,869
Government receivables	842,467	623,661
Agents' receivables	188,571	515,276
Brokers' receivables	879,980	583,420
Other receivables*	-	100,804
<b>Total receivables</b>	<b>7,726,697</b>	<b>6,596,030</b>
Less: allowance for expected credit losses provision	(1,552,315)	(1,452,315)
<b>Total receivables</b>	<b>6,174,382</b>	<b>5,143,715</b>

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

**11-4 Account Payable**

	<u>2023</u>	<u>2022 (Adjusted)</u>
Total value of accounts payable related to insurance operations	<u>2,288,700</u>	<u>1,632,295</u>
Total value of accounts payable related to insurance operations	<u><u>2,288,700</u></u>	<u><u>1,632,295</u></u>

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**12- (Liabilities) / Assets Reinsurance Contracts Held:**

	Assts for remaining coverage (ARC)				Assts for Incurred Claims (ARC)				Total	
	2023	2023	2022	2022	2023	2022	2023	2022	2023	2022
	Excluding loss recovery component	Loss recovery component	Excluding loss recovery component	Loss recovery component	Present value of cash flow	Present value of cash flow	Risk adjustments- non financial	Risk adjustments- non financial	Total	Total
Insurance contracts liabilities-beginning of the period	1,690,891	-	(254,073)	-	-	156,397	-	-	-	(97,676)
Insurance contracts assets-beginning of the period	-	-	1,731,313	160,987	4,097,492	3,910,406	342,068	291,647	6,130,451	6,094,353
<b>Net reinsurance contracts liabilities/(Assets) - beginning of the period</b>	<b>1,690,891</b>	<b>-</b>	<b>1,477,240</b>	<b>160,987</b>	<b>4,097,492</b>	<b>4,066,803</b>	<b>342,068</b>	<b>291,647</b>	<b>6,130,451</b>	<b>5,996,677</b>
<b>Reinsurance expenses</b>	<b>7,654,749</b>	<b>-</b>	<b>7,357,715</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,654,749</b>	<b>7,357,715</b>
<b>Reinsurance revenue</b>	<b>-</b>	<b>34,090</b>	<b>-</b>	<b>(160,987)</b>	<b>4,042,053</b>	<b>4,004,600</b>	<b>(94,299)</b>	<b>50,422</b>	<b>3,981,844</b>	<b>3,894,035</b>
Reinsurance recoveries	-	-	-	-	-	-	-	-	-	-
Commission income	-	-	-	-	-	-	-	-	-	-
<b>Reinsurance contracts revenues</b>	<b>-</b>	<b>34,090</b>	<b>-</b>	<b>(160,987)</b>	<b>4,042,053</b>	<b>4,004,600</b>	<b>(94,299)</b>	<b>50,422</b>	<b>3,981,844</b>	<b>3,894,035</b>
<b>Reinsurance service contracts results</b>	<b>7,654,749</b>	<b>(34,090)</b>	<b>7,357,715</b>	<b>160,987</b>	<b>(4,042,053)</b>	<b>(4,004,600)</b>	<b>94,299</b>	<b>(50,422)</b>	<b>3,672,905</b>	<b>3,463,680</b>
<b>Finance cost - from reinsurance contracts</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>36,318</b>	<b>22,461</b>	<b>-</b>	<b>-</b>	<b>36,318</b>	<b>22,461</b>
Other changes	-	-	-	-	-	-	-	-	-	-
<b>Net change - other comprehensive income</b>	<b>7,654,749</b>	<b>(34,090)</b>	<b>7,357,715</b>	<b>160,987</b>	<b>(4,005,735)</b>	<b>(3,982,139)</b>	<b>94,299</b>	<b>(50,422)</b>	<b>3,709,223</b>	<b>3,486,141</b>
Cash received from written contracts paid to reinsurers	7,816,968	-	7,933,286	-	-	-	-	-	7,816,968	7,933,286
Incurred claims recovered from reinsurers	-	-	-	-	(4,398,899)	(3,951,450)	-	-	(4,398,899)	(3,951,450)
Recovered profit commission from reinsurers	(586,396)	-	(361,920)	-	-	-	-	-	(586,396)	(361,920)
Other recovered amounts	-	-	-	-	-	-	-	-	-	-
<b>Total cash flows</b>	<b>7,230,572</b>	<b>-</b>	<b>7,571,366</b>	<b>-</b>	<b>(4,398,899)</b>	<b>(3,951,450)</b>	<b>-</b>	<b>-</b>	<b>2,831,673</b>	<b>3,619,916</b>
<b>Reinsurance contracts liabilities- end of the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Reinsurance contracts assets- end of the period</b>	<b>1,266,714</b>	<b>34,090</b>	<b>1,690,891</b>	<b>-</b>	<b>3,704,326</b>	<b>4,097,492</b>	<b>247,769</b>	<b>342,068</b>	<b>5,252,899</b>	<b>6,130,451</b>
<b>Net reinsurance contracts liabilities/(Assets) - end of the period</b>	<b>1,266,714</b>	<b>34,090</b>	<b>1,690,891</b>	<b>-</b>	<b>3,704,326</b>	<b>4,097,492</b>	<b>247,769</b>	<b>342,068</b>	<b>5,252,899</b>	<b>6,130,451</b>

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**12- (Liabilities) / Assets Reinsurance Contracts Held (Continued):**

**12-1 outstanding balances (retained reinsurance contracts)**

	2023	2022 (Adjusted)
Reinsurance asset contract held (Local)	485,619	573,516
Reinsurance asset contract held (Foreign)	1,164,418	1,027,705
Total value of outstanding balances related to insurance operations	1,650,037	1,601,221
less: allowance for expected credit losses	(199,342)	(124,342)
<b>Net value of outstanding balances related to insurance operations</b>	<b>1,450,695</b>	<b>1,476,879</b>

Analysis of account receivable balances by time period:

	2023	2022 (Adjusted)
Payable during 0-30 days	509,118	219,893
Payable during 31-90 days	79,520	389,869
Payable during 91-180 days	146,682	105,796
Payable during 181-365 days	105,241	89,423
Overdue for more than a year.	809,476	796,240
<b>Total</b>	<b>1,650,037</b>	<b>1,601,221</b>

**12-2 Accounts Payable (Reinsurance contracts held):**

	2023	2022 (Adjusted)
Reinsurance contracts asset held (Local)	163,754	143,031
Reinsurance contracts asset held (foreign)	871,060	595,294
<b>Total value of accounts payable related to insurance operation</b>	<b>1,034,814</b>	<b>738,325</b>

**13- Deferred tax assets**

**A- Provision for Income Tax:**

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

	2023	2022 (Adjusted)
Balance at beginning of the year	313,565	313,057
Income tax paid	(323,216)	(399,847)
Income tax expense for the year	452,638	428,227
Withholding tax on interest/ shares/national contribution	(47,608)	(27,872)
<b>Balance at the end of the year</b>	<b>395,379</b>	<b>313,565</b>

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

	2023	2022 (Adjusted)
Accrued income tax for profit of the year	452,638	428,227
Deferred tax assets	(718,212)	(649,214)
Deferred tax assets / liabilities amortization	649,436	504,850
Income tax deposits	33,656	82,578
<b>Balance at the end of the year</b>	<b>417,518</b>	<b>366,441</b>



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**13- Deferred tax assets (Continued):**

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

	2023	2022 (Adjusted)
Accounting profit	1,701,467	1,468,922
Non-taxable profits	(2,842,116)	(2,632,895)
Expenses that are not tax acceptable	2,739,910	2,687,969
Tax profit	1,599,261	1,523,996
Actual income tax rate	26%	26%

\*A final settlement for the group's income tax has been made until the end of 2020. According to the group's tax advisor and management, the provision for income tax accrued for the period ending on December 31, 2023, is deemed sufficient.

**D- Deferred Tax Assets/Liabilities**

	2023					2022
	Beginning Balance	Reversal	Additions	Ending Balance	Deferred Tax	Deferred Tax
<b>A- Deferred tax assets:</b>						
Provision for unreported claims	2,493,712	2,493,712	2,750,125	2,750,125	715,033	648,365
Provision for end of service benefits	515	-	-	515	134	134
Provision for commission and profit-sharing schemes	8,127	4,118	12,227	16,236	4,221	2,113
Provision for contingent liabilities	29,000	-	-	29,000	7,540	7,540
	<u>2,531,354</u>	<u>2,497,830</u>	<u>2,762,352</u>	<u>2,795,876</u>	<u>726,928</u>	<u>658,152</u>

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

	Assets		Liabilities	
	2023	2022	2023	2022
Balance at the beginning of the year	658,152	513,788	-	-
Additions	718,212	649,214	-	-
Disposals	(649,436)	(504,850)	-	-
<b>Balance at the end of the year</b>	<u>726,928</u>	<u>658,152</u>	<u>-</u>	<u>-</u>

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

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**14- Property and Equipment**

<u>Cost</u>	<u>Land</u>	<u>Building</u>	<u>Equipment ,devices And furniture</u>	<u>Decorations</u>	<u>Transportation</u>	<u>Total</u>
Balance as of December 31, 2022	170,000	533,961	373,272	53,335	67,264	1,197,832
Additions	-	-	19,925	-	-	19,925
Disposals	-	-	(4,546)	-	-	(4,546)
<b>Balance As of December 31, 2023</b>	<b>170,000</b>	<b>533,961</b>	<b>388,651</b>	<b>53,335</b>	<b>67,264</b>	<b>1,213,211</b>
<b>Accumulated depreciation</b>						
Balance as of December 31, 2022	-	196,331	351,032	53,326	53,602	654,291
Charge for the year	-	10,679	8,066	-	9,249	27,994
Disposals	-	-	(4,526)	-	-	(4,526)
<b>Balance As of December 31, 2023</b>	<b>-</b>	<b>207,010</b>	<b>354,572</b>	<b>53,326</b>	<b>62,851</b>	<b>677,759</b>
<b>Net Book value:</b>						
Balance As of December 31, 2023	<b>170,000</b>	<b>326,951</b>	<b>34,079</b>	<b>9</b>	<b>4,413</b>	<b>535,452</b>
Balance as of December 31, 2022	170,000	337,630	22,240	9	13,662	543,541

- There are no liens, encumbrances, or restrictions on the ownership of the properties and equipment, and the value of related liabilities includes the nature and value of any pledged assets as collateral, if any.
- There are no leased assets and equipment that revert to ownership.
- There is no impairment of the value of the properties and equipment, and no additional depreciation for that.
- There are no financial obligations to acquire properties and equipment.
- There are no compensations from third parties.
- The total cost of the fully depreciated properties and equipment is 389,044 dinars.

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**15- Intangible Assets**

	<u>2023</u>	<u>2022 (Adjusted)</u>
<b>Computer systems and software</b>		
Balance at the beginning of the period	55,379	76,150
Additions	117,531	-
Amortization	(18,901)	(20,771)
<b>Balance at the end of the year</b>	<u>154,009</u>	<u>55,379</u>

**16- Other Assets**

**A-Other assets**

	<u>2023</u>	<u>2022 (Adjusted)</u>
Accrued and unreceived revenues	201,682	198,073
Prepaid expenses	41,565	141,783
Refundable deposits	2,931	2,931
Advance payments on account of Standard 17	-	85,226
Advance payments on account of income tax and national contribution.	96,680	47,217
<b>Total</b>	<u>342,858</u>	<u>475,230</u>

**B-Account receivable not related to insurance activities.**

	<u>2023</u>	<u>2022 (Adjusted)</u>
Other receivables	143,205	21,093
<b>Total of other Assets</b>	<u>486,063</u>	<u>496,323</u>

**17- Other Provisions**

	<u>2023</u>	<u>2022 (Adjusted)</u>
Provision for end of service benefits	515	515
Insurance management fees provision	27,964	24,554
Life bonus commission provision	16,236	8,127
	<u>44,715</u>	<u>33,196</u>

The following table shows the movement in the other provisions:

	Beginning balance	Additions during the year	Used during the year	Ending balance
Provision for end of service benefits	515	-	-	515
Insurance management fees provision	24,554	111,508	(108,098)	27,964
Life bonus commission provision	8,127	12,227	(4,118)	16,236
	<u>33,196</u>	<u>123,735</u>	<u>(112,216)</u>	<u>44,715</u>

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**18- Other Liabilities**

**A-Other Liabilities**

	<b>2023</b>	<b>2022 (Adjusted)</b>
Amounts held from reinsurers	<b>1,210,133</b>	1,018,100
Sales tax deposits	<b>123,530</b>	121,221
Stamp duty deposits - Ministry of Finance	<b>7,620</b>	8,312
Compensation fund for victims of vehicle accidents	<b>20,975</b>	20,015
Social security deposits	<b>13,251</b>	13,062
Income tax deposits	<b>262,570</b>	228,914
Deposits from external reinsurers	<b>418,757</b>	147,502
Provision for contingencies	<b>29,000</b>	29,000
Accrued expenses	<b>135,809</b>	101,852
Other	<b>12,755</b>	18,613
	<b>2,234,400</b>	1,706,591

**B- Accounts Payable unrelated to insurance operations**

	<b>2023</b>	<b>2022 (Adjusted)</b>
Employees' payables	<b>489</b>	1,878
Shareholders' payables	<b>250,299</b>	202,698
Other payables	<b>175,846</b>	95,672
Total	<b>426,634</b>	300,248
Total other liabilities	<b>2,661,034</b>	2,006,839

Other payables consist of the following:

**19- Authorized and paid up share capital**

The capital at the end of the year amounted to JD 8,000,000, divided into 8,000,000 shares, with a nominal value of one dinar per share, as on December 31, 2023 and 2022.

**20- Reserves**

**-Statuary Reserve**

The statutory reserve is formed in accordance with the provisions of the Jordanian Companies Law by deducting 10% of the annual net profit. The deduction stops when the accumulated reserve balance reaches 25% of the Company's authorized capital. However, it is permissible, with the approval of the Company's general assembly, to continue deducting this percentage until it reaches the balance of this reserve is equivalent to the amount of the Company's authorized capital.

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

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**20- Reserves (Continued):**

**-Voluntary reserve**

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

**21-Fair value reserve**

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

	<b>2023</b>	<b>2022 (Adjusted)</b>
Balance at the beginning of the year	<b>146,704</b>	(321,619)
Change during the year	<b>(260,363)</b>	468,323
<b>Balance at the end of the year</b>	<b>(113,659)</b>	146,704

**22-Retained Earnings**

	<b>2023</b>	<b>2022 (Adjusted)</b>
Balance at the beginning of the year	<b>236,402</b>	1,851,703
Net income of the year	<b>1,338,342</b>	976,792
The impact of applying standard 17 on opening balances	-	(1,268,910)
Transferred to statutory reserves	<b>(175,597)</b>	(146,893)
Transferred to voluntary reserves	-	(489,000)
Dividends	<b>(800,000)</b>	(800,000)
(Losses) Gains on sale of assets at fair value	<b>(55,657)</b>	112,710
<b>Balance at the end of the year</b>	<b>543,490</b>	236,402

**23- Proposed distributable profits**

The distribution of profits to shareholders for the current fiscal year of 2023 has not been approved, whereas the percentage of profits distributed to shareholders in the previous year was 10%, equivalent to 800,000 dinars.



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**24- Insurance Contracts Revenue**

	Motor		Limited liability		Marine		Life		Engineering		Property and equipment		Fire		Medical		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Changes in insurance contract liabilities – against remaining coverage																		
Expected incurred claims	14,104,311	11,543,729	193,913	198,956	889,063	1,175,430	406,235	447,478	152,337	165,270	-	-	3,247,483	2,961,427	6,119,504	5,291,580	25,112,846	21,783,870
Expected incurred expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Changes in non-financial risk adjustments - Contractual service margin	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash flows received for acquisitions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Insurance contract issuance fees	763,598	488,279	7,726	8,821	16,457	25,870	3,614	2,819	3,576	3,457	-	-	31,548	26,814	177,808	175,784	1,004,327	731,844
Allocation of a portion of premiums related to cash flows for acquiring insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other revenues	123,946	75,375	-	-	-	13,408	23,752	-	-	-	-	-	489	-	401,763	576,444	563,358	651,819
<b>Total insurance contract revenues</b>	<b>14,991,855</b>	<b>12,107,383</b>	<b>201,639</b>	<b>207,777</b>	<b>918,928</b>	<b>1,201,300</b>	<b>433,601</b>	<b>450,297</b>	<b>155,913</b>	<b>168,727</b>	<b>-</b>	<b>-</b>	<b>3,279,520</b>	<b>2,988,241</b>	<b>6,699,075</b>	<b>6,103,808</b>	<b>26,680,531</b>	<b>23,167,533</b>

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**25-Insurance Contracts Expenses**

	Motor		Limited liability		Marine		Life		Engineering		Property and equipment		Fire		Medical		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Incurrd insurance charge	12,024,524	9,209,967	34,906	140,911	20,058	71,837	225,750	364,384	7,470	(2,842)	-	-	(44,466)	320,777	5,776,734	5,553,190	18,044,976	15,658,224
Acquisition cost amortization	666,089	703,075	36,882	53,293	17,944	16,192	5,315	6,377	9,274	14,115	-	-	81,898	49,783	145,720	120,278	963,092	963,113
Employee expenses	895,761	560,885	15,155	6,617	152,054	143,712	36,314	26,210	6,830	5,286	-	-	129,319	110,375	173,026	155,966	1,108,459	1,000,051
Administrative expenses	567,608	477,654	12,576	5,261	121,387	113,477	37,463	24,650	5,004	4,350	-	-	98,809	93,156	808,264	522,448	1,651,111	1,240,996
Other expenses	43,897	12,706	(217)	4,082	(1,935)	429	(2,830)	601	(124)	(935)	-	-	(13,985)	(2,143)	(9,827)	(148)	14,979	14,592
Loss surplus expense	366,924	165,110	-	-	24,500	27,411	-	-	-	-	-	-	104,500	89,446	-	-	495,924	281,967
Expected loss on contracts	-	229,617	-	-	-	-	-	-	-	-	-	-	-	-	34,090	-	34,090	229,617
Recovery from expected loss on contracts	(91,226)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(91,226)	(204,308)
Non-financial risk adjustments	141,849	60,935	22,551	19,075	-	1,624	-	1,338	993	-	-	-	-	-	-	-	165,393	82,972
Supplementary non-financial risk adjustments	(51,317)	(29,208)	-	-	(2,450)	-	(6,528)	-	-	(4,625)	-	-	(21,740)	(12,404)	(69,867)	(995)	(151,902)	(47,232)
<b>Total insurance contract expenses</b>	<b>14,264,079</b>	<b>11,390,741</b>	<b>121,853</b>	<b>229,239</b>	<b>331,558</b>	<b>374,682</b>	<b>295,484</b>	<b>423,560</b>	<b>29,447</b>	<b>15,349</b>	<b>-</b>	<b>-</b>	<b>334,335</b>	<b>618,930</b>	<b>6,858,140</b>	<b>6,146,431</b>	<b>22,234,896</b>	<b>19,278,992</b>

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**26- Financing Revenues– Insurance Contracts**

	<b>2023</b>	<b>2022</b>
Financing revenues	<b>144,368</b>	<b>140,221</b>

The group used discount rates ranging from 5.15% to 6.73% as of December 31, 2023 (December 31, 2022: 2.8% and 6.81%).

**27-Reinsurance Contracts-Expenses**

The group used discount rates ranging from 5.15% to 6.73% as of December 31, 2023 (December 31, 2022: 2.8% and 6.81%).

	<b>2023</b>	<b>2022</b>
Financing expenses	<b>(36,318)</b>	<b>(22,461)</b>

**28- Interest Income**

	<b>2023</b>	<b>2022</b>
Bank Interest	<b>560,571</b>	<b>310,633</b>
Interest on investments in financial assets at amortized cost	<b>443,880</b>	<b>391,604</b>
	<b>1,004,451</b>	<b>702,237</b>

**29- Net Profit of Financial Assets and Investments**

	<b>2023</b>	<b>2022</b>
Dividend yields	<b>290,339</b>	<b>238,951</b>
Profit from the sale of real estate investments	<b>-</b>	<b>107,114</b>
	<b>290,339</b>	<b>346,065</b>

**30- Other Income**

	<b>2023</b>	<b>2022</b>
Profit from the sale of Property and equipment	<b>120</b>	<b>-</b>
Legal fees - Litigation	<b>3,375</b>	<b>4,134</b>
Rental income from investment property	<b>-</b>	<b>7,000</b>
	<b>3,495</b>	<b>11,134</b>

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**31- Other Expenses**

2023					2022				
Acquisition expenses	Attributable expenses For contracts (direct)	Attributable expenses For contracts (indirect)	Non-attributed expense to contracts	Total	Acquisition expenses	Attributable expenses For contracts (direct)	Attributable expenses For contracts (indirect)	Non-attributed expense to contracts	Total
-	-	-	238,205	238,205	-	-	-	216,324	216,324
-	-	-	238,205	238,205	-	-	-	216,324	216,324

**32- Earnings per Share**

	2023	2022
Net profit for the year	1,338,342	976,792
Weighted Average for Share	8,000,000	8,000,000
Earnings per share for the year	0.167	0.122
<b>Basic</b>	0.167	0.122
<b>Diluted</b>	0.167	0.122

**33-Cash and Cash equivalent**

	2023	2022
Bank deposits due within three months	7,503,888	4,356,556
Cash in hand and at banks	108,617	218,021
Pledged deposits for the order of the competent authorities due within three months	-	-
Restricted deposits	-	-
<b>Total</b>	<b>7,612,505</b>	<b>4,574,577</b>

### **34- Related Parties Transactions**

The Company entered into transactions with members of the Board of Directors and senior management within the normal activities of the Company and using insurance premiums and commercial commissions. All receivables from related parties are considered working and no allocations have been taken for them as of December 31, 2023.

The following is a summary of transactions with related parties during the year:

	<b>2023</b>		<b>2022</b>
	<b>Major shareholders</b>	<b>Members of the Board of Directors</b>	<b>Total</b>
<b><u>Items of financial position statement</u></b>			<b>Total</b>
Insurance contract assets	-	694,096	694,096
Insurance contract liabilities	-	495,317	495,317
<b><u>Items of profit or loss statement</u></b>			
Insurance revenues	-	2,378,045	2,378,045
Travel and transportation expenses for members of the Board of Directors	-	42,000	42,000
Rewards and consultations	-	32,143	32,143

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

	<b>2023</b>	<b>2022</b>
Salaries and rewards	412,360	363,033
	<b>412,360</b>	<b>363,033</b>

### **35 - The Fair Value of Financial Assets and Liabilities that are not Stated at Fair Value**

There are no significant differences between the book value and the fair value of assets and liabilities as of the end of 2023 and 2022.

### **36- Contracts expected to incur losses.**

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



### **37- Risk Management**

#### **First: Descriptive disclosures**

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

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

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

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

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

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

#### **Risk Management Policy**

##### **First: Planning and Preparation**

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

##### **Second: Identifying Risks**

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

##### **Third: How to Deal with Risks**

The group deals with potential risks in the following ways:

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

**37- Risk Management (Continued)**

**Risk Management Policy (Continued)**

**Fourth: The Plan**

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

**Fifth: Implementation**

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

**Sixth: Plan Review and Evaluation**

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

**Arrangements for Risk Management**

**Determinants:**

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

**Responsibilities of Risk Management:**

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

**Risk Management Strategy**

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

**Quantitative Disclosures:**

**1- Insurance Risks:**

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

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

**37- Risk Management (Continued)**

**1- Insurance Risks (Continued)**

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

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

- 1-Risk Acceptance: In cases of reduced uncertainty/low exposure when marketing the product.
  - 2-Control Implementation: For risks with reduced exposure/high exposure, the company implemented relevant controls by establishing appropriate measures to limit risks.
  - 3-Risk Transfer: For risks with reduced exposure/high uncertainty, the company transferred these risks to a third party through reinsurance arrangements, ensuring the management of risks from external parties involved in risk-bearing.
  - 4-Emergency Plans: Suitable emergency plans were adopted to manage high exposure risks/high uncertainty risks, avoiding high-exposure/high-uncertainty risks wherever possible.
- These risks were managed by the risk management department, ensuring that periodic reports related to all company risks were sent to the risk management committee for high exposure/high uncertainty risks whenever possible. These were then discussed, and recommendations were sent to the executive management for implementation in the company.
- 5-The Company did not face any insurance risks during the reporting period that did not reflect its actual exposure.
  - 6-The Company does not have any co-insurance features in its insurance contracts, and there are no limitations on the company's discretion.
  - 7-The Company does not have any contingent liabilities with the government or any other entities.

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

**Steps Followed in Assumptions Identification**

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

**2- Claims Development**

The tables below provide information on the gross and net claims development ten years prior to the reporting year. The incurred claims presented in the table align with the total book value of insurance contract groups.

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**2- Claims Development**

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

**Fire**

<u>Estimates of gross undiscounted maximum claims*</u>	<u>Earlier period</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>Total</u>
As at the end of the year	2,614,838	613,109	363,890	591,600	274,817	4,458,254
After 1 year	3,192,278	840,722	263,926	520,668	-	4,817,594
After 2 years	3,798,116	721,242	263,926	-	-	3,783,284
After 3 years	3,682,570	473,242	-	-	-	4,155,812
After 4 years	3,809,647	-	-	-	-	3,809,647
After 5 years	3,671,423	-	-	-	-	3,671,423
After 6 years	3,324,251	-	-	-	-	3,324,251
After 7 years	3,172,364	-	-	-	-	3,172,364
After 8 years	2,965,650	-	-	-	-	2,965,650
After 9 years	2,052,879	-	-	-	-	2,052,879
After 10 years	1,004,204	-	-	-	-	1,004,204
After 11 years	452,482	-	-	-	-	452,482
After 12 years	101,436	-	-	-	-	101,436
<b>Total</b>	<b>3,908,853</b>	<b>473,242</b>	<b>263,926</b>	<b>520,668</b>	<b>274,817</b>	<b>5,441,505</b>
Net accumulative claims paid	3,830,677	441,999	63,176	210,718	232,167	4,778,736
Discount effect	-	-	-	-	-	(2,269)
Net liabilities versus claims incurred	78,176	31,243	200,750	309,950	42,650	665,038

\*The estimates represent reported and unreported claims.

Maximum Claims = Claims Incurred + Claims Paid + Claims Incurred But Not Reported (IBNR)

\*Maximum Claims = Claims Incurred + Claims Paid + Claims Incurred But Not Reported (IBNR).

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**2- Claims Development (Continued)**

**General Insurance**

<u>Estimates of gross undiscounted maximum claims*</u>	<u>Earlier period</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>Total</u>
As at the end of the year	580,753	13,390	85,500	730	14,885	695,258
After 1 year	779,804	22,883	140,092	2,567	-	945,346
After 2 years	788,479	22,883	164,547	-	-	975,909
After 3 years	766,008	22,883	-	-	-	788,891
After 4 years	664,008	-	-	-	-	664,008
After 5 years	608,688	-	-	-	-	608,688
After 6 years	561,811	-	-	-	-	561,811
After 7 years	559,615	-	-	-	-	559,615
After 8 years	447,340	-	-	-	-	447,340
After 9 years	161,469	-	-	-	-	161,469
After 10 years	125,723	-	-	-	-	125,723
After 11 years	65,336	-	-	-	-	65,336
After 12 years	40,205	-	-	-	-	40,205
<b>Total</b>	<b>709,705</b>	<b>22,883</b>	<b>164,547</b>	<b>2,567</b>	<b>14,885</b>	<b>914,586</b>
<b>Net accumulative claims paid</b>	<b>541,041</b>	<b>2,783</b>	<b>19,547</b>	<b>2,567</b>	<b>1,185</b>	<b>567,122</b>
<b>Discount effect</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,108)</b>
<b>Net liabilities versus claims incurred</b>	<b>168,664</b>	<b>20,100</b>	<b>145,000</b>	<b>-</b>	<b>13,700</b>	<b>350,572</b>

**Engineering**

<u>Estimates of gross undiscounted maximum claims*</u>	<u>Earlier period</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>Total</u>
As in the year of accident	595,694	11,328	5,109	6,320	9,488	627,939
After 1 year	689,361	5,078	11,179	5,889	-	711,507
After 2 years	684,004	5,078	11,179	-	-	700,261
After 3 years	726,336	5,078	-	-	-	731,414
After 4 years	740,629	-	-	-	-	740,629
After 5 years	734,469	-	-	-	-	734,469
After 6 years	612,307	-	-	-	-	612,307
After 7 years	578,185	-	-	-	-	578,185
After 8 years	554,939	-	-	-	-	554,939
After 9 years	436,479	-	-	-	-	436,479
After 10 years	366,531	-	-	-	-	366,531
After 11 years	236,403	-	-	-	-	236,403
After 12 years	149,375	-	-	-	-	149,375
<b>Total</b>	<b>149,375</b>	<b>5,078</b>	<b>11,179</b>	<b>5,889</b>	<b>9,488</b>	<b>779,179</b>
<b>Net accumulative claims paid</b>	<b>729,570</b>	<b>2,078</b>	<b>11,179</b>	<b>5,889</b>	<b>9,238</b>	<b>757,954</b>
<b>Discount effect</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>200</b>
<b>Net liabilities versus claims incurred</b>	<b>580,195</b>	<b>3,000</b>	<b>-</b>	<b>-</b>	<b>250</b>	<b>583,445</b>

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**2- Claims Development (Continued)**

**Marine**

<u>Estimates of gross undiscounted maximum claims*</u>	<u>Earlier period</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>Total</u>
As at the end of the year	2,306,856	107,177	88,909	124,147	30,736	2,657,825
After 1 year	2,058,815	105,967	81,139	124,097	-	2,370,018
After 2 years	2,017,633	79,272	77,488	-	-	2,174,393
After 3 years	1,882,039	79,272	-	-	-	1,961,311
After 4 years	1,857,568	-	-	-	-	1,857,568
After 5 years	1,752,845	-	-	-	-	1,752,845
After 6 years	1,670,455	-	-	-	-	1,670,455
After 7 years	1,506,016	-	-	-	-	1,506,016
After 8 years	1,359,809	-	-	-	-	1,359,809
After 9 years	1,135,185	-	-	-	-	1,135,185
After 10 years	250,537	-	-	-	-	250,537
After 11 years	29,291	-	-	-	-	29,291
After 12 years	14,483	-	-	-	-	14,483
<b>Total</b>	<b>1,905,271</b>	<b>79,272</b>	<b>77,488</b>	<b>124,097</b>	<b>30,736</b>	<b>2,216,864</b>
<b>Net accumulative claims paid</b>	<b>1,885,841</b>	<b>41,672</b>	<b>76,068</b>	<b>104,530</b>	<b>11,346</b>	<b>2,119,456</b>
<b>Discount effect</b>						<b>(3,817)</b>
<b>Net liabilities versus claims incurred</b>	<b>19,431</b>	<b>37,600</b>	<b>1,420</b>	<b>19,567</b>	<b>19,390</b>	<b>101,225</b>

**Life**

<u>Estimates of gross undiscounted maximum claims*</u>	<u>Earlier period</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>Total</u>
As at the accident year	504,843	317,424	308,162	305,423	237,809	237,809
After 1 year	555,443	341,983	344,232	311,008	-	311,008
After 2 years	561,012	352,371	343,432	-	-	343,432
After 3 years	558,286	353,621	-	-	-	353,621
After 4 years	559,202	-	-	-	-	186,019
After 5 years	372,435	-	-	-	-	372,435
<b>Total</b>	<b>372,435</b>	<b>353,621</b>	<b>343,432</b>	<b>311,008</b>	<b>237,809</b>	<b>1,804,324</b>
<b>Net accumulative claims paid</b>	<b>554,008</b>	<b>325,871</b>	<b>328,864</b>	<b>307,259</b>	<b>227,509</b>	<b>1,743,511</b>
<b>Net liabilities versus claims incurred</b>	<b>554,008</b>	<b>27,750</b>	<b>14,568</b>	<b>3,749</b>	<b>10,300</b>	<b>610,375</b>



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**2- Claims Development (Continued)**

**Medical**

<u>Estimates of gross undiscounted maximum claims*</u>	<u>Earlier period</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>Total</u>
As at the end of the year	28,572,588	5,580,525	5,365,067	6,198,071	6,416,693	52,132,944
After 1 year	-	-	-	-	-	-
After 2 years	-	-	-	-	-	-
After 3 years	-	-	-	-	-	-
After 4 years	-	-	-	-	-	-
After 5 years	-	-	-	-	-	-
After 6 years	-	-	-	-	-	-
After 7 years	-	-	-	-	-	-
After 8 years	-	-	-	-	-	-
After 9 years	-	-	-	-	-	-
Net accumulative claims paid	28,572,588	5,175,127	4,720,186	5,558,112	6,099,001	50,125,014
Discount effect	-	-	-	-	-	-
Net liabilities versus claims incurred	-	405,398	644,881	639,959	317,692	2,007,930

**Third-party Insurance**

<u>Estimates of total undiscounted maximum claims*</u>	<u>Earlier period</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>Total</u>
As at the end of the year	20,216,392	2,434,353	4,729,808	6,071,106	6,748,782	6,748,782
After 1 year	22,540,560	4,326,537	5,840,084	7,001,115	-	7,001,115
After 2 years	23,979,214	4,571,946	6,125,596	-	-	6,125,596
After 3 years	24,365,408	4,712,260	-	-	-	4,712,260
After 4 years	24,645,566	-	-	-	-	6,213,541
After 5 years	18,452,841	-	-	-	-	5,918,797
After 6 years	12,508,309	-	-	-	-	6,346,587
After 7 years	6,168,862	-	-	-	-	6,168,862
After 8 years	-	-	-	-	-	-
After 9 years	-	-	-	-	-	-
<b>Total</b>	<b>24,647,787</b>	<b>4,712,883</b>	<b>6,125,596</b>	<b>7,001,115</b>	<b>6,748,782</b>	<b>49,235,540</b>
Net accumulative claims paid	24,342,750	4,497,194	5,642,730	6,288,062	4,829,263	45,599,999
Discount effect	-	-	-	-	174,440	174,440
Net liabilities versus claims incurred	305,037	215,066	482,866	713,053	1,745,079	3,461,101

**National Insurance Company**  
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**2- Claims Development (Continued)**

**Comprehensive Insurance**

<u>Estimates of total undiscounted maximum claims*</u>	<u>Earlier period</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>Total</u>
As at the end of the year	20,216,392	2,434,353	3,128,759	3,988,561	3,925,051	3,925,051
After 1 year	21,298,636	2,507,536	3,217,076	4,049,282	-	4,049,282
After 2 years	21,458,612	2,476,141	3,258,050	-	-	3,258,050
After 3 years	21,339,128	2,453,641	-	-	-	2,453,641
After 4 years	21,349,576	-	-	-	-	4,606,126
After 5 years	16,693,647	-	-	-	-	6,863,407
After 6 years	9,830,560	-	-	-	-	5,526,145
After 7 years	4,307,609	-	-	-	-	4,307,609
After 8 years	-	-	-	-	-	-
After 9 years	-	-	-	-	-	-
<b>Total</b>	<b>21,303,287</b>	<b>2,453,641</b>	<b>3,258,050</b>	<b>4,049,282</b>	<b>3,925,051</b>	<b>34,989,311</b>
<b>Net accumulative claims paid</b>	<b>21,187,535</b>	<b>2,432,251</b>	<b>3,140,639</b>	<b>3,626,350</b>	<b>2,008,260</b>	<b>32,395,034</b>
<b>Discount effect</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,605</b>	<b>1,605</b>
<b>Net liabilities versus claims incurred</b>	<b>115,752</b>	<b>21,390</b>	<b>117,411</b>	<b>422,933</b>	<b>1,915,186</b>	<b>2,592,672</b>

**Fire**

<u>Estimates of net undiscounted maximum claims*</u>	<u>Earlier period</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>Total</u>
As at the end of the year	96,488	22,624	14,919	43,483	16,984	194,497
After 1 year	117,795	31,023	10,821	38,269	-	197,908
After 2 years	140,150	26,614	10,821	-	-	177,585
After 3 years	135,887	17,463	-	-	-	153,349
After 4 years	140,576	-	-	-	-	140,576
After 5 years	135,476	-	-	-	-	135,476
After 6 years	122,665	-	-	-	-	122,665
After 7 years	117,060	-	-	-	-	117,060
After 8 years	109,432	-	-	-	-	109,432
After 9 years	75,751	-	-	-	-	75,751
After 10 years	37,055	-	-	-	-	37,055
After 11 years	16,697	-	-	-	-	16,697
After 12 years	3,743	-	-	-	-	3,743
<b>Total</b>	<b>1,248,775</b>	<b>17,463</b>	<b>10,821</b>	<b>38,269</b>	<b>16,984</b>	<b>1,332,311</b>
<b>Net accumulative claims paid</b>	<b>141,352</b>	<b>1,310</b>	<b>2,590</b>	<b>15,488</b>	<b>14,348</b>	<b>190,088</b>
<b>Discount effect</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,243)</b>
<b>Net liabilities versus claims incurred</b>	<b>1,107,423</b>	<b>1,153</b>	<b>8,231</b>	<b>22,781</b>	<b>2,636</b>	<b>1,140,981</b>

The maximum claims = Claims under settlement + Claims paid + Claims incurred but not reported

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**2- Claims Development (Continued)**

**General Insurance**

<u>Estimates of net undiscounted maximum claims*</u>	<u>Earlier period</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>Total</u>
As at the end of the year	21,430	494	3,506	54	920	26,403
After 1 year	28,775	844	5,744	189	-	35,552
After 2 years	29,095	844	6,746	-	-	36,686
After 3 years	28,266	-	-	-	-	29,110
After 4 years	24,502	-	-	-	-	24,502
After 5 years	22,461	-	-	-	-	22,461
After 6 years	20,731	-	-	-	-	20,731
After 7 years	20,650	-	-	-	-	20,650
After 8 years	16,507	-	-	-	-	16,507
After 9 years	5,958	-	-	-	-	,958
After 10 years	4,639	-	-	-	-	4,639
After 11 years	2,411	-	-	-	-	2,411
After 12 years	1,484	-	-	-	-	1,484
<b>Total</b>	<b>226,907</b>	<b>844</b>	<b>6,746</b>	<b>189</b>	<b>920</b>	<b>235,606</b>
<b>Net accumulative claims paid</b>	<b>19,964</b>	<b>103</b>	<b>801</b>	<b>189</b>	<b>73</b>	<b>21,130</b>
<b>Discount effect</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,991)</b>
<b>Net liabilities versus claims incurred</b>	<b>206,942</b>	<b>742</b>	<b>5,945</b>	<b>-</b>	<b>847</b>	<b>212,485</b>

**Engineering**

<u>Estimates of net undiscounted maximum claims*</u>	<u>Earlier period</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>Total</u>
As in the year of accident	21,981	418	209	465	2023	23,659
After 1 year	25,437	187	458	433	586	26,516
After 2 years	25,240	187	458	-	-	25,885
After 3 years	26,802	187	-	-	-	26,989
After 4 years	27,329	-	-	-	-	27,329
After 5 years	27,102	-	-	-	-	27,102
After 6 years	22,594	-	-	-	-	22,594
After 7 years	21,33	-	-	-	-	21,33
After 8 years	20,477	-	-	-	-	20,477
After 9 years	16,106	-	-	-	-	16,106
After 10 years	13,525	-	-	-	-	13,525
After 11 years	8,723	-	-	-	-	8,723
After 12 years	5,512	-	-	-	-	5,512
<b>Total</b>	<b>262,164</b>	<b>187</b>	<b>458</b>	<b>433</b>	<b>-</b>	<b>263,829</b>
					<b>586</b>	
<b>Net accumulative claims paid</b>	<b>26,921</b>	<b>77</b>	<b>458</b>	<b>433</b>		<b>757,954</b>
<b>Discount effect</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>571</b>	<b>(148)</b>
<b>Net liabilities versus claims incurred</b>	<b>235,243</b>	<b>111</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>235,517</b>

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**2- Claims Development (Continued)**

**Marine**

<b><u>Estimates of net undiscounted maximum claims<sup>a</sup></u></b>	<b><u>Earlier period</u></b>	<b><u>2020</u></b>	<b><u>2021</u></b>	<b><u>2022</u></b>	<b><u>2023</u></b>	<b><u>Total</u></b>
As at the end of the year	369,097	17,148	12,892	9,932	3,104	3,044,572
After 1 year	329,410	16,955	11,765	9,928	-	2,500,250
After 2 years	322,821	12,684	11,236	-	-	2,310,662
After 3 years	301,126	12,684	-	-	-	2,086,434
After 4 years	297,211	-	-	-	-	1,982,692
After 5 years	280,455	-	-	-	-	1,752,845
After 6 years	267,273	-	-	-	-	1,670,455
After 7 years	240,963	-	-	-	-	1,506,016
After 8 years	217,569	-	-	-	-	1,359,809
After 9 years	181,630	-	-	-	-	1,135,185
After 10 years	40,086	-	-	-	-	250,537
After 11 years	4,687	-	-	-	-	29,291
After 12 years	2,317	-	-	-	-	14,483
<b>Total</b>	<b>2,854,645</b>	<b>12,684</b>	<b>11,236</b>	<b>9,928</b>	<b>3,104</b>	<b>2,891,597</b>
<b>Net accumulative claims paid</b>	<b>301,735</b>	<b>6,668</b>	<b>11,030</b>	<b>8,362</b>	<b>1,146</b>	<b>2,119,459</b>
<b>Discount effect</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,664)</b>
<b>Net liabilities versus claims incurred</b>	<b>2,552,911</b>	<b>6,016</b>	<b>206</b>	<b>1,565</b>	<b>1,958</b>	<b>2,558,992</b>

**Life**

<b><u>Estimates of net undiscounted maximum claims<sup>a</sup></u></b>	<b><u>Earlier period</u></b>	<b><u>2020</u></b>	<b><u>2021</u></b>	<b><u>2022</u></b>	<b><u>2023</u></b>	<b><u>Total</u></b>
As at the end of the year	214,558	134,905	166,716	86,740	108,917	108,917
After 1 year	236,063	145,343	186,230	88,326	-	88,326
After 2 years	238,430	149,758	185,797	-	-	185,797
After 3 years	237,272	150,289	-	-	-	150,289
After 4 years	237,661	-	-	-	-	79,058
After 5 years	158,285	-	-	-	-	158,285
After 6 years	-	-	-	-	-	-
After 7 years	-	-	-	-	-	-
After 8 years	-	-	-	-	-	-
After 9 years	-	-	-	-	-	-
<b>Total</b>	<b>158,285</b>	<b>150,289</b>	<b>185,797</b>	<b>88,326</b>	<b>108,917</b>	<b>770,671</b>
<b>Net accumulative claims paid</b>	<b>554,008</b>	<b>138,495</b>	<b>177,915</b>	<b>87,262</b>	<b>104,199</b>	<b>743,328</b>
<b>Net liabilities versus claims incurred</b>	<b>554,008</b>	<b>11,794</b>	<b>7,881</b>	<b>1,065</b>	<b>4,717</b>	<b>579,465</b>

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**2- Claims Development (Continued)**

**Medical**

<u>Estimates of net undiscounted maximum claims*</u>	<u>Earlier period</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>Total</u>
As at the end of the year	9,943,261	1,942,023	1,791,932	2,625,503	2,566,677	18,869,396
After 1 year	-	-	-	-	-	-
After 2 years	-	-	-	-	-	-
After 3 years	-	-	-	-	-	-
After 4 years	-	-	-	-	-	-
After 5 years	-	-	-	-	-	-
After 6 years	-	-	-	-	-	-
After 7 years	-	-	-	-	-	-
After 8 years	-	-	-	-	-	-
After 9 years	-	-	-	-	-	-
After 10 Years	-	-	-	-	-	-
After 11 years	-	-	-	-	-	-
After 12 years	-	-	-	-	-	-
<b>Net accumulative claims paid</b>	<b>9,943,261</b>	<b>1,800,944</b>	<b>1,576,542</b>	<b>2,356,639</b>	<b>2,439,600</b>	<b>18,116,986</b>
<b>Discount effect</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net liabilities versus claims incurred</b>	<b>-</b>	<b>141,079</b>	<b>215,390</b>	<b>268,864</b>	<b>127,077</b>	<b>752,410</b>

**Third-party Insurance**

Estimates of net undiscounted maximum claims\*

	<u>Earlier period</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>Total</u>
As at the end of the year	15,312,915	3,325,202	4,020,337	5,646,129	6,141,392	6,141,392
After 1 year	18,257,853	3,893,883	4,964,071	6,511,037	-	6,511,037
After 2 years	19,423,163	4,114,751	5,206,757	-	-	5,206,757
After 3 years	19,735,981	4,241,034	-	-	-	4,241,034
After 4 years	19,962,908	-	-	-	-	5,592,187
After 5 years	14,946,801	-	-	-	-	5,326,917
After 6 years	10,131,730	-	-	-	-	5,711,928
After 7 years	4,996,778	-	-	-	-	5,551,976
After 8 years	-	-	-	-	-	-
After 9 years	-	-	-	-	-	-
After 10 years	-	-	-	-	-	-
<b>Total</b>	<b>22,183,008</b>	<b>4,241,034</b>	<b>5,206,757</b>	<b>6,511,037</b>	<b>6,141,392</b>	<b>44,283,227</b>
<b>Net accumulative claims paid</b>	<b>21,908,475</b>	<b>4,047,474</b>	<b>4,796,321</b>	<b>5,847,897</b>	<b>4,394,630</b>	<b>40,994,797</b>
<b>Discount effect</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net liabilities versus claims incurred</b>	<b>274,533</b>	<b>193,59</b>	<b>410,436</b>	<b>663,139</b>	<b>1,746,762</b>	<b>3,288,431</b>

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**2- Claims Development (Continued)**  
**Comprehensive Insurance**

<u>Estimates of net undiscounted maximum claims<sup>a</sup></u>	<u>Earlier period</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>Total</u>
As at the end of the year	15,869,868	1,910,967	2,390,400	2,927,604	2,759,311	2,759,311
After 1 year	16,719,429	1,968,416	2,457,846	2,972,173	-	2,972,173
After 2 years	16,751,215	1,943,771	2,489,150	-	-	2,489,150
After 3 years	16,759,417	1,726,108	-	-	-	1,926,108
After 4 years	13,104,513	-	-	-	-	3,615,809
After 5 years	7,716,990	-	-	-	-	5,389,774
After 6 years	3,381,473	-	-	-	-	4,338,024
After 7 years	-	-	-	-	-	3,381,473
After 8 years	-	-	-	-	-	-
After 9 years	-	-	-	-	-	-
After 10 years	-	-	-	-	-	-
<b>Total</b>	<b>16,723,080</b>	<b>1,926,108</b>	<b>2,489,150</b>	<b>2,972,173</b>	<b>2,759,311</b>	<b>26,869,822</b>
<b>Net accumulative claims paid</b>	<b>16,632,215</b>	<b>1,909,17</b>	<b>2,399,48</b>	<b>2,661,741</b>	<b>1,411,807</b>	<b>2,014,527</b>
<b>Discount effect</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>42,798</b>	<b>42,798</b>
<b>Net liabilities versus claims incurred</b>	<b>90,865</b>	<b>16,791</b>	<b>89,702</b>	<b>310,432</b>	<b>1,304,706</b>	<b>1,812,497</b>



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**3. Concentration of insurance risks**

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

	2023	2022	2023	2022
	Net	Grand Total	Net	Grand Total
Marine and transportation	16,361,531	18,642,405	14,181,239	15,913,877
Fire and Other	25,236	217,007	28,236	268,470
Property Damage Insurance	216,354	1,928,096	255,786	2,725,373
Liability	34,436	221,908	49,417	181,006
Medical	1,156,787	2,499,061	1,144,235	2,300,373
Life	84,928	175,854	80,970	248,899
<b>Grand Total</b>	<b>17,879,272</b>	<b>23,684,331</b>	<b>15,739,883</b>	<b>21,637,998</b>

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

**A- According to Geographical region**

	2023				2022			
	Assets	Liabilities	Reinsurance assets	Reinsurance liabilities	Assets	Liabilities	Reinsurance assets	Reinsurance liabilities
Inside Kingdom	5,805,059	23,684,331	-	-	5,898,115	21,637,998	-	-
Middle eastern countries	-	-	2,190,440	-	-	-	2,495,018	-
Europe	-	-	3,062,459	-	-	-	3,635,433	-

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**3. Concentration of insurance risks (Continued)**

**B- By Sector**

	2023			2022		
	Assets	Liabilities	Items outside financial position statement	Assets	Liabilities	Items outside financial position statement
Public sector	1,520,577	6,190,220	-	1,544,952	5,655,383	-
Private sector			-			-
Companies and Establishments	3,567,016	14,005,852	-	3,624,196	12,795,742	-
Individuals	717,466	3,488,260	-	728,967	3,186,873	-
<b>Total</b>	<b>5,805,059</b>	<b>23,684,332</b>	<b>-</b>	<b>5,898,115</b>	<b>21,637,998</b>	<b>-</b>

**4. Reinsurance risks**

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

**5. Insurance risk sensitivity**

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

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

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

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

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

**National Insurance Company**  
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**5. Insurance risk sensitivity (Continued)**

2023	Change ratio	Contractual service margin		Profit or loss		Profit or loss		Impact on owners' equity	
		Total	Net	Total	loss	Total	Net	Total	Net
Death rate	+5%	-	-	(10,610)		(2,924)		(10,610)	(2,924)
Death rate	-5%	-	-	10,610		2,924		10,610	2,924
Morbidity	+5%	-	-	(677)		(187)		(677)	(677)
Morbidity	-5%	-	-	677		187		677	677
Long life	+5%	-	-	10,610		2,924		10,610	2,924
Long life	-5%	-	-	(10,610)		(2,924)		(10,610)	(2,924)
Expenses	+5%	-	-	(2,541)		(2,541)		(2,541)	(2,541)
Expenses	-5%	-	-	2,541		2,541		2,541	2,541
Expiry rate	+5%	-	-	(10,610)		(2,924)		(10,610)	(2,924)
Expiry rate	-5%	-	-	10,610		2,924		10,610	2,924
Gross loss rate	+5%	-	-	(7,467)		(4,293)		(7,467)	(4,293)
Gross loss rate	-5%	-	-	7,840		4,508		7,840	4,508

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**5. Insurance risk sensitivity (Continued)**

2022	Change ratio	Contractual service margin		Profit or loss		Impact on owners' equity	
		Total	Net	Total	Net	Total	Net
Death rate	+5%	-	-	(16,215)	(3,341)	(16,215)	(3,341)
Death rate	-5%	-	-	16,215	3,341	16,215	3,341
Morbidity	+5%	-	-	(413)	(110)	(413)	(413)
Morbidity	-5%	-	-	413	110	413	413
Long life	+5%	-	-	16,215	3,341	16,215	3,341
Long life	-5%	-	-	(16,215)	(3,341)	(16,215)	(3,341)
Expenses	+5%	-	-	(2,345)	(2,345)	(2,345)	(2,345)
Expenses	-5%	-	-	2,345	2,345	2,345	2,345
Expiry rate	+5%	-	-	(16,215)	(3,341)	(16,215)	(3,341)
Expiry rate	-5%	-	-	16,215	3,341	16,215	3,341
Gross loss rate	+5%	-	-	(1,918)	(1,918)	(2,496)	(1,918)
Gross loss rate	-5%	-	-	2,014	2,621	2,014	2,621

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**Risk Management (continued)**

**Financial risks**

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

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

**1- Market risk**

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

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

**A- Interest rate risk:**

Interest rate risk relates to interest rates on fixed deposits with banks and overdrafts. As of December 31, 2023 the interest rate on bank deposits is from 3.5% to 6.9% annually (from 2.5% to 6.2% annually: 2022).

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

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

**B- Foreign currency risks:**

Foreign Currency Risks arise from fluctuations in the value of financial instruments due to changes in foreign currency exchange rates. The majority of the group's assets and liabilities are denominated in either Jordanian Dinar or US Dollar. The exchange rate between the Jordanian Dinar and the US Dollar is fixed at a rate of 0.709. The likelihood of this risk is considered low.

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

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

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

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

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**Risk Management (continued)**

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

Currency Type	In Foreign currency		Equivalent to Jordanian Dinars	
	2023	2022	2023	2022
US Dollar	10,526,576	8,713,739	7,473,869	6,186,755

**2- Credit Risk**

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

The measures taken by it to confront this type of risk will be disclose

**3- Liquidity Risk**

Liquidity risk is represented by the Company's inability to provide the necessary funding to perform its obligations on their due dates. To protect against these risks, management diversifies funding sources, manages assets and liabilities, aligns their terms, and maintains a sufficient balance of cash, cash equivalents, and tradable securities.

The above-mentioned matters are general, and the Company's policies for managing these risks must be disclosed, provided that this includes, as a minimum, the following) and at the level of each portfolio:

- Diversifying funding sources
- Analyzing and monitoring the maturities of assets and liabilities.
- Geographical and sectoral distribution.
- The table below summarizes the maturities of financial obligations (based on the period remaining to maturity from the date of the financial statements):

Particulars	Less than one month	From 1 to 3 months	From 3 to 6 months	From 6 to 12 months	More than one year	Total
<b>December 31, 2023</b>						
Insurance liabilities	2,253,932	5,271,007	4,525,612	3,017,075	2,679,872	17,747,499
Income tax provision	158,152	-	237,227	-	-	395,379
Different Provisions	44,715	-	-	-	-	44,715
Other Liabilities	412,855	619,289	-	-	1,628,890	2,661,034
Total insurance liabilities	2,869,654	5,890,296	4,762,840	3,017,075	4,308,763	20,848,627
Total insurance assets	2,078,243	1,087,081	2,717,703	3,868,730	22,221,216	31,972,973
<b>December 31, 2022</b>						
<b>(Previous year):</b>						
Insurance liabilities	2,112,652	4,957,248	4,241,940	2,827,960	2,495,259	16,635,059
Income tax provision	125,426	-	188,139	-	-	313,565
Different Provisions	33,196	-	-	-	-	33,196
Other Liabilities	301,026	540,211	-	-	1,165,602	2,006,839
Total insurance liabilities	2,572,301	5,497,459	4,430,080	2,827,960	3,660,862	18,988,659
Total insurance assets	1,942,894	1,046,174	2,540,708	3,646,663	20,714,243	29,890,683



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**Risk Management (continued)**

**4- Operational Risk**

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

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

**5- Legal Risk**

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

**38 - Analysis Of Main Sectors**

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

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

**Geographic distribution information:**

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

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

<b>Particulars</b>	<b>Inside Kingdom</b>		<b>Outside Kingdom</b>		<b>Total</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
Total revenues	20,505,149	16,933,749	-	-	20,505,149	16,933,749
Total assets	29,941,130	27,780,312	2,031,843	2,110,371	31,972,973	29,890,683
Capital expenditures	19,925	9,237	-	-	19,925	9,237

**39 – Share Capital Management**

Capital management objectives, policies and processes are disclosed, including:

The group's objectives in managing its capital are as follows:

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

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**39 – Share Capital Management (continued)**

The table below shows a summary of the Company's retained capital and the minimum required capital:

	<b>2023</b>	<b>2022</b>
Paid-up capital	<b>8,000,000</b>	<b>8,000,000</b>
The minimum capital requirement under the Insurance Business Regulation Law	<b>8,000,000</b>	<b>8,000,000</b>
	<b>2023</b>	<b>2022</b>
Items of Share Capital:		
Paid-up capital	<b>8,000,000</b>	<b>8,000,000</b>
Statutory reserve	<b>1,894,515</b>	<b>1,718,918</b>
Voluntary reserve	<b>800,000</b>	<b>800,000</b>
Retained earnings	<b>1,875,681</b>	<b>1,631,001</b>
Total share capital	<b>12,570,196</b>	<b>12,149,919</b>
	<b>2023</b>	<b>2022</b>
Additional Share Capital		
Accumulated Change in Fair Value	<b>(113,659)</b>	<b>146,704</b>
Increase in Property Investments	<b>544,386</b>	<b>611,123</b>
Total Additional Capital	<b>430,727</b>	<b>757,827</b>
	<b>2023</b>	<b>2022</b>
Total Regulatory Capital (A)	<b>13,000,923</b>	<b>12,907,746</b>
Total Required Capital (B)	<b>8,513,222</b>	<b>6,849,833</b>
Solvency Margin Ratio A/B	<b>%153</b>	<b>%188</b>

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**40 - Maturity Analysis Of Current And Non-Current Assets And Liabilities**

<u>December 31, 2023</u>	<u>Up to one year</u>	<u>More than one year</u>	<u>Total</u>
<b>Assets:</b>			
Deposits with banks	12,005,003	-	12,005,003
Financial assets at fair value through other comprehensive income	-	4,349,319	4,349,319
Financial assets at amortized cost	-	7,456,369	7,456,369
Investment property	-	413,147	413,147
Cash on hand and at banks	-	108,617	108,617
Insurance assets	485,167	-	485,167
Reinsurance assets held	4,727,609	525,290	5,252,899
Deferred tax assets	-	726,928	726,928
Property and equipment, Net	-	535,452	535,452
Intangible assets, Net	-	154,009	154,009
Other assets	-	486,063	486,063
	<u>17,217,779</u>	<u>14,755,194</u>	<u>31,972,973</u>
<b>Liabilities:</b>			
Insurance Liabilities	9,761,124	7,986,375	17,747,499
Income tax payable	395,379	-	395,379
Different provisions	44,715	-	44,715
Other liabilities	1,450,901	1,210,133	2,661,034
	<u>11,652,119</u>	<u>9,196,508</u>	<u>20,848,627</u>
<b>The Net</b>	<u>5,565,660</u>	<u>5,558,686</u>	<u>11,124,346</u>

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**40 - Maturity Analysis Of Current And Non-Current Assets And Liabilities (Continued)**

<u>December 31, 2022</u>	<u>Up to one year</u>	<u>More than one year</u>	<u>Total</u>
<b>Assets:</b>			
Deposits with banks	10,400,357	-	10,400,357
Financial assets at fair value through other comprehensive income	-	4,703,273	4,703,273
Financial assets at amortized cost	-	6,169,255	6,169,255
Investment property	-	346,410	346,410
Cash on hand and at banks	-	218,021	218,021
Insurance assets	169,521	-	169,521
Reinsurance assets held	5,517,406	613,045	6,130,451
Deferred tax assets	-	658,152	658,152
Property and equipment, Net	-	543,541	543,541
Intangible assets, Net	-	55,379	55,379
Other assets	-	496,323	496,323
	<u>16,087,284</u>	<u>13,803,399</u>	<u>29,890,683</u>
<b>Liabilities:</b>			
Insurance Liabilities	9,149,282	7,485,777	16,635,059
Income tax payable	313,565	-	313,565
Different provisions	33,196	-	33,196
Other liabilities	988,739	1,018,100	2,006,839
	<u>10,484,782</u>	<u>8,503,877</u>	<u>18,988,659</u>
<b>The Net</b>	<u>5,602,501</u>	<u>5,299,523</u>	<u>10,902,024</u>

**41- Cases Filed Against the Company**

The Group appears as a defendant in cases with a total amount of 2,631,360 dinars, and in the view of the Group's management, sufficient provisions have been taken to meet any obligations related to these cases. According to the Group's legal advisor, the provisions taken are sufficient to cover the liabilities related to these lawsuits as of December 31, 2023.

**42 - Obligations That May Arise**

As of the date of the financial statements, the Group may incur contingent liabilities represented by bank guarantees amounting to 1,281,107 dinars as of December 31, 2023.

**43 - Subsequent Events**

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

**44 - Comparative Figures**

Some comparative figures for the year 2023 have been reclassified to align with the classification figures for the year 2022.

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**45- Distribution Of The Financial Data According To Type Of Products**

**1- Financial position items**

	Motor	Public liabilities	Marine	Engineering	Property and equipment	Fire	life	Medical insurance	Other	Total
<b>2023</b>										
Insurance contracts assets	-	-	-	-	-	-	-	485,167	-	485,167
Reinsurance contracts	1,415,753	379,763	321,172	60,888	-	1,276,533	110,693	1,688,097	-	5,252,899
Accounts receivables	-	-	-	-	-	-	-	-	-	-
Financial assets	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-	-
<b>Total assets</b>	<b>1,415,753</b>	<b>379,763</b>	<b>321,172</b>	<b>60,888</b>	<b>-</b>	<b>1,276,533</b>	<b>110,693</b>	<b>2,173,264</b>	<b>-</b>	<b>5,738,066</b>
Insurance contracts liabilities	15,743,757	538,193	173,083	125,964	-	1,043,317	123,185	-	-	17,747,499
Reinsurance contracts liabilities	-	-	-	-	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-	-	-	-	-
Different provisions	-	-	-	-	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-	-	-	-	-
<b>Total liabilities</b>	<b>15,743,757</b>	<b>538,193</b>	<b>173,083</b>	<b>125,964</b>	<b>-</b>	<b>1,043,317</b>	<b>123,185</b>	<b>-</b>	<b>-</b>	<b>17,747,499</b>

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**45- Distribution of The Financial Data according To Type of Products (continued)**

**1- Financial position items (continued)**

<b>2022</b>	<b>Motor</b>	<b>Public liabilities</b>	<b>Marine</b>	<b>Engineering equipment</b>	<b>Property and equipment</b>	<b>Fire</b>	<b>life</b>	<b>Medical insurance</b>	<b>Other</b>	<b>Total</b>
Insurance contracts assets	-	-	169,521	-	-	-	-	-	-	169,521
Reinsurance contracts	1,323,508	352,478	547,267	75,907	-	2,088,475	207,623	1,535,193	-	6,130,451
Accounts receivables	-	-	-	-	-	-	-	-	-	-
Financial assets	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-	-
<b>Total assets</b>	<b>1,323,508</b>	<b>352,478</b>	<b>716,788</b>	<b>75,907</b>	<b>-</b>	<b>2,088,475</b>	<b>207,623</b>	<b>1,535,193</b>	<b>-</b>	<b>6,299,972</b>
Insurance contracts liabilities	13,520,503	445,407	-	106,228	-	1,524,762	186,320	851,839	-	16,635,059
Reinsurance contracts liabilities	-	-	-	-	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-	-	-	-	-
Different provisions	-	-	-	-	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-	-	-	-	-
<b>Total liabilities</b>	<b>13,520,503</b>	<b>445,407</b>	<b>-</b>	<b>106,228</b>	<b>-</b>	<b>1,524,762</b>	<b>186,320</b>	<b>851,839</b>	<b>-</b>	<b>16,635,059</b>



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**45- Distribution Of The Financial Data According To Type Of Products**

**2- Income statement items**

2023	Motor	Public liabilities	Marine	Engineering	Property and equipment	Fire	Life	Medical insurance	Total
Insurance contracts revenues	14,991,855	201,639	918,928	155,913	-	3,279,520	433,601	6,699,075	26,680,531
Insurance contracts expenses	(14,264,079)	(121,853)	(331,558)	(29,447)	-	(334,335)	(295,484)	(6,858,140)	(22,234,896)
<b>Insurance contracts works results</b>	<b>727,776</b>	<b>79,786</b>	<b>587,370</b>	<b>126,466</b>	<b>-</b>	<b>2,945,185</b>	<b>138,117</b>	<b>(159,065)</b>	<b>4,445,635</b>
Reinsurance contracts expenses	(991,850)	(140,956)	(666,364)	(129,701)	-	(2,989,823)	(230,182)	(3,235,478)	(8,384,354)
Reinsurance contracts revenues	531,638	82,214	141,509	40,957	-	107,308	154,557	3,653,266	4,711,449
<b>Reinsurance contracts works results</b>	<b>(460,212)</b>	<b>(58,741)</b>	<b>(524,855)</b>	<b>(88,744)</b>	<b>-</b>	<b>(2,882,514)</b>	<b>(75,624)</b>	<b>417,788</b>	<b>(3,672,905)</b>
<b>Net insurance contracts results</b>	<b>267,563</b>	<b>21,044</b>	<b>62,515</b>	<b>37,722</b>	<b>-</b>	<b>62,670</b>	<b>62,493</b>	<b>258,723</b>	<b>772,730</b>
Finance (expenses)/revenues-									
Insurance contracts	148,602	(3,108)	(3,816)	200	-	(2,268)	1,079	3,680	144,368
Finance (expenses)/revenues-									
Reinsurance contracts	(42,798)	1,992	3,663	(148)	-	1,242	(134)	(135)	(36,318)
<b>Net insurance finance works results</b>	<b>105,806</b>	<b>(1,116)</b>	<b>(153)</b>	<b>51</b>	<b>-</b>	<b>(1,027)</b>	<b>945</b>	<b>3,544</b>	<b>108,050</b>
Interest payable	-	-	-	-	-	-	-	-	-
Net profit/(loss) of financial assets and investments	-	-	-	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Expected credit loss provision	-	-	-	-	-	-	-	-	-
Company's share from operations results of subsidiaries/standalone companies	-	-	-	-	-	-	-	-	-
Company's share from operations results of associates	-	-	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-	-	-
<b>Total expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

**2- Income statement items (continued)**

2022	Motor	Public liabilities	Marine	Engineering	Property and equipment	Fire	Life	Medical insurance	Total
Insurance contracts revenues	12,107,383	207,777	1,201,300	168,727	-	2,988,241	450,297	6,043,808	23,167,533
Insurance contracts expenses	(11,390,741)	229,239	(374,682)	(15,349)	-	(648,990)	(423,560)	(6,146,431)	(19,228,992)
<b>Insurance contracts works results</b>	<b>716,642</b>	<b>(21,462)</b>	<b>826,618</b>	<b>153,378</b>	<b>-</b>	<b>2,339,251</b>	<b>26,737</b>	<b>(102,623)</b>	<b>3,938,541</b>
Reinsurance contracts expenses	(1,011,992)	(141,231)	(936,751)	(137,532)	-	(2,702,767)	(277,181)	(2,683,494)	7,890,948
Reinsurance contracts revenues	183,859	184,023	288,650	31,574	-	476,406	295,912	2,966,753	4,427,268
<b>Reinsurance contracts works results</b>	<b>(828,133)</b>	<b>42,792</b>	<b>(648,101)</b>	<b>(105,958)</b>	<b>-</b>	<b>(2,226,271)</b>	<b>18,731</b>	<b>283,259</b>	<b>(3,463,680)</b>
<b>Net insurance contracts results</b>	<b>(111,491)</b>	<b>21,330</b>	<b>178,517</b>	<b>47,420</b>	<b>-</b>	<b>112,980</b>	<b>45,468</b>	<b>180,636</b>	<b>474,861</b>
Finance (expenses)/revenues-									
Insurance contracts	114,280	9,940	3,565	(584)	-	10,568	2,043	407	140,221
Finance (expenses)/revenues-									
Reinsurance contracts	457	(8,837)	(3,765)	500	-	(8,547)	(2,141)	(126)	(22,461)
<b>Net insurance finance works results</b>	<b>114,737</b>	<b>1,103</b>	<b>(200)</b>	<b>(84)</b>	<b>-</b>	<b>2,021</b>	<b>(98)</b>	<b>280</b>	<b>117,760</b>
Interest payable	-	-	-	-	-	-	-	-	-
Net profit/(loss) of financial assets and investments	-	-	-	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Expected credit loss provision	-	-	-	-	-	-	-	-	-
Company's share from operations results of subsidiaries/standalone companies	-	-	-	-	-	-	-	-	-
Company's share from operations results of associates	-	-	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-	-	-
<b>Total expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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**46- Written Premiums - Insurance Branch**

	Motor		Public liabilities		Marine		Engineering		Property and equipment		Fire		Life		Medical insurance		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Written premiums	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Direct premiums	13,693,554	11,973,820	141,243	101,712	770,564	1,104,967	140,421	149,795	58,819	123,789	1,956,226	1,843,692	371,651	316,423	6,644,888	5,690,721	23,777,406	21,254,859
Received installments	1,564,985	1,365,645	100	100	122,813	83,218	25,784	32,766	1,522	2,128	958,151	1,193,431	48,723	109,578	-	-	2,722,088	2,787,166
Total premiums	15,258,539	13,339,465	141,343	101,812	893,377	1,188,225	166,205	182,561	60,341	126,117	2,914,477	3,037,123	420,384	426,001	6,644,888	5,690,721	26,499,494	24,042,025
Less:																		
Local reinsurer share	803,276	689,564	-	167	101,341	205,567	1,546	13,097	-	340	276,414	1,175,151	-	70,607	-	-	1,182,551	2,154,493
Foreign reinsurer share	222,127	201,642	117,643	73,200	566,465	742,256	112,940	137,363	41,675	84,984	2,365,003	1,581,880	252,726	191,654	3,601,835	2,651,085	7,289,754	5,666,101
Net written premiums	14,233,142	12,449,259	24,300	28,445	225,611	240,362	21,719	32,101	18,666	40,793	273,040	277,692	187,658	163,740	3,043,053	2,989,636	18,677,189	16,221,428

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**47. Amortization Of Acquisition Cost For Insurance Contract Assets**

	Insurance contracts issued						
	Motor	Liability	Marine	Engineering	Fire	Life	Total
<b>2023</b>							
No. of expected years to amortize acquisition cost to insurance contracts assets							
1 year	666,059	36,882	17,944	9,274	81,898	5,315	963,092
<b>Total</b>	<u>666,059</u>	<u>36,882</u>	<u>17,944</u>	<u>9,274</u>	<u>81,898</u>	<u>5,315</u>	<u>963,092</u>
	Insurance contracts issued						
	Motor	Liability	Marine	Engineering	Fire	Life	Total
<b>2022</b>							
No. of expected years to amortize acquisition cost to insurance contracts assets							
1 year	703,075	53,293	16,192	14,115	49,783	6,377	963,113
<b>Total</b>	<u>703,075</u>	<u>53,293</u>	<u>16,192</u>	<u>14,115</u>	<u>49,783</u>	<u>6,377</u>	<u>963,113</u>

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**48- Receivables Analysis**

	2023			2022		
	Receivables	Expected credit losses provision	Net	Receivables	Expected credit losses provision	Net
Vehicles	3,465,790	(699,707)	2,766,083	2,639,756	(488,867)	2,150,889
General liability	1,265	(248)	1,017	-	-	-
Marine	82,282	(16,161)	66,121	475,583	(104,714)	370,869
Engineering	5,593	(1,098)	4,495	14,048	(3,093)	10,955
Property and equipment	-	-	-	62,630	(13,789)	48,841
Fire	903,587	(181,183)	722,404	1,048,928	(24,651)	1,024,277
Life	106,375	(29,330)	77,045	104,213	(22,946)	81,267
Medical insurance	3,161,870	(624,588)	2,537,282	2,250,873	(794,255)	1,456,618
Other	143,140	-	143,140	21,092	-	21,092
<b>Total</b>	<b>7,869,902</b>	<b>(1,522,315)</b>	<b>6,317,587</b>	<b>6,617,123</b>	<b>(1,452,315)</b>	<b>5,164,808</b>