

Al-Manara Islamic Insurance Company
(Public Shareholding Limited Company)
Amman – The Hashemite Kingdom of Jordan
Interim Condensed Consolidated Financial Statements and
Independent Auditor's Report
For the Financial Period Ended June 30, 2025

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(Public Shareholding Limited Company)
Amman- The Hashemite kingdom of Jordan
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Table of Content

	<u>Page</u>
Independent Auditor's Review Report	1
Interim Condensed Consolidated Statement of Financial Position (Unaudited) as of June 30, 2025	2
Interim Condensed Consolidated Statement of Financial Position – Shareholders (Unaudited) As of June 30, 2025	3
Interim Condensed Consolidated Statement of Financial Position –Policyholders (Unaudited) As of June 30, 2025	4
Interim Condensed Consolidated Statement of Profit or Loss –Policyholders (Unaudited) For the Three and Six-Months Periods Ended June 30, 2025	5
Interim Condensed Consolidated Statement of Profit or Loss – Shareholders (Unaudited) For the Three and Six-Months Periods Ended June 30, 2025	6
Interim Condensed Consolidated Statement of Other Comprehensive Income (Unaudited) For the Three and Six-Months Periods Ended June 30, 2025	7
Interim Condensed Consolidated Statement of Changes in Shareholders (Unaudited) For the Six-Months Period Ended March 31, 2025	8
Interim Condensed Consolidated Statement of Changes in Policyholders' Equity (Unaudited) For the Six-Months Periods Ended June 30, 2025	9
Interim Condensed Consolidated Statement of Cash Flows (Unaudited) For the Six-Month Period Ended June 30, 2025	10
Notes to the Interim Condensed Consolidated Financial Statements (Unaudited) For the Period Ended June 30, 2025	11-33

Independent Auditor's Review Report

To, The Shareholders

Al-Manara Islamic Insurance Company

(Public Shareholding Limited Company)

Amman - the Hashemite Kingdom of Jordan

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of **Al-Manara Islamic Insurance Company** ("the Company") as of June 30, 2025, the interim condensed consolidated statements of profit or loss for (Policyholders) and profit or loss for (Shareholders), other comprehensive income, changes in consolidated Shareholders equity, changes in consolidated policyholders' equity, and consolidated cash flows for the six-month period then ended, along with a summary of significant accounting policies and the related notes.

Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with Financial Accounting Standard No. 41, "Interim Financial Reporting," issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), as amended by the Central Bank of Jordan. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagement (2410) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of people responsible for financial and accounting matters and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements have not been properly prepared, in all material respects, in accordance with Financial Accounting Standard No. 41, "Interim Financial Reporting," issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), as amended by the Central Bank of Jordan.

Other matter

The Company has not obtained the approval of the Central Bank of Jordan for the financial statements for the year ended December 31, 2024, up to this date.

Date: August 20, 2025.

Amman - Jordan



Al-Manara Islamic Insurance Company
(Public Shareholding Limited Company)
Interim Condensed Consolidated Statement of Financial Position
As of June 30, 2025 (Unaudited)
(Jordanian Dinar)

	Note	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
<u>Assets</u>			
<u>Investments</u>			
Deposits at banks	5	4,321,432	3,690,238
Financial assets at fair value through profit or loss	6	93,408	93,408
Financial assets at fair value through other comprehensive income	7	1,680,244	1,543,323
Financial assets at amortized cost	8	90,142	90,142
Investment properties	9	1,833,723	1,864,211
Total investments		8,018,949	7,281,322
Cash on hand and at banks	10	426,652	553,989
Accounts receivable – net		49,698	
Reinsurance contract assets – net	12	384,841	766,414
Property and equipment – net		4,302,263	4,024,758
Deferred tax assets		1,480,228	1,480,228
Qard hasan granted to takaful policyholders		1,389,796	-
Other assets		656,153	650,244
Total assets		16,708,580	14,756,955
<u>Liabilities, Policyholders Equity, and Shareholders Equity</u>			
<u>Liabilities</u>			
Insurance contract liabilities	11	12,283,869	11,338,648
Bank overdrafts		622,235	809,625
Accounts payable		65,980	150,994
Income tax provision	13	27,802	27,802
Various provisions		26,783	127,427
Qard hasan granted from equity holders		1,389,796	-
Other liabilities		672,766	256,618
Total liabilities		15,089,231	12,711,114
<u>Policyholders' equity</u>			
Accumulated deficit		(1,389,796)	-
Total policyholders' equity		(1,389,796)	-
<u>Equity</u>			
Authorized capital (8,900,000 JOD/shares)			
Paid-in capital	14	8,000,000	5,600,000
Share issuance discount	15	(1,029,118)	(69,118)
Statutory reserve		234,243	234,243
Voluntary reserve		182,726	182,726
Fair value reserve		(167,215)	(266,938)
Accumulated losses		(4,211,491)	(3,635,072)
Net equity		3,009,145	2,045,841
Total policyholders' equity and shareholders' equity		1,619,349	2,045,841
Total liabilities, policyholders' equity, and shareholders' equity		16,708,580	14,756,955

The accompanying notes from 1 to 25 form an integral part of these consolidated financial statements.

Al-Manara Islamic Insurance Company
(Public Shareholding Limited Company)
Interim Condensed Consolidated Statement of Financial Position – Shareholders (Unaudited)
As of June 30, 2025
(Jordanian Dinars)

	Note	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
<u>Assets</u>			
Investments			
Deposits at banks	5	1,596,225	649,350
Financial assets at fair value through profit or loss	6	93,408	93,408
Financial assets at fair value through other comprehensive income	7	1,680,244	1,543,323
Financial assets at amortized cost	8	90,142	90,142
Investment properties	9	1,833,723	1,864,211
Total investments		5,293,742	4,240,434
Cash on hand and at banks	10	297,636	419,080
Reinsurance contract assets – net	12	463,498	687,986
Property and equipment – net		4,302,263	4,024,758
Deferred tax assets		977,760	977,760
Other assets		416,494	518,522
Qard hasan granted to policyholders		1,389,796	-
Total assets		13,141,189	10,868,540
<u>Liabilities and shareholders' equity</u>			
<u>Liabilities</u>			
Insurance contract liabilities	11	1,872,154	2,670,653
Bank overdrafts		622,235	809,625
Accounts payable		65,980	139,375
Income tax provision	13	27,802	27,802
Other provisions		26,783	127,427
Policyholders' current account		6,969,003	4,974,746
Other liabilities		548,087	73,071
Total liabilities		10,132,044	8,822,699
<u>Equity</u>			
Paid-in	14	8,000,000	5,600,000
Share issuance discount	15	(1,029,118)	(69,118)
Statutory reserve		234,243	234,243
Voluntary reserve		182,726	182,726
Fair value reserve		(167,215)	(266,938)
Accumulated losses		(4,211,491)	(3,635,072)
Total shareholders' equity		3,009,145	2,045,841
Total liabilities and shareholders' equity		13,148,088	10,868,540

The accompanying notes from 1 to 25 form an integral part of these consolidated financial statements.

Al-Manara Islamic Insurance Company
(Public Shareholding Limited Company)
Interim Condensed Consolidated Statement of Financial Position –Policyholders (Unaudited)
As of June 30, 2025
(Jordanian Dinars)

	Note	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
<u>Assets</u>			
Investments			
Deposits at banks	5	2,725,207	3,040,888
Total investments		2,725,207	3,040,888
Cash on hand and at banks	10	129,016	134,909
Accounts receivable – net		49,698	-
Reinsurance contract assets – net	12	(78,657)	78,428
Deferred tax assets		502,468	502,468
Other assets		239,659	131,722
Current account with shareholders		6,969,003	4,974,746
Total assets		10,536,394	8,863,161
<u>Liabilities and policyholders' equity</u>			
<u>Liabilities</u>			
Insurance contract liabilities	11	10,411,715	8,667,996
Accounts payable		-	11,620
Other liabilities		124,679	183,545
Qard hasan granted by shareholders		1,389,796	-
Total liabilities		11,926,190	8,863,161
Policyholders' equity			
Accumulated deficit		(1,389,796)	-
Total policyholders' equity		(1,389,796)	-
Total liabilities and policyholders' equity		10,536,394	8,863,161

The accompanying notes from 1 to 25 form an integral part of these consolidated financial statements.

Al-Manara Islamic Insurance Company
(Public Shareholding Limited Company)
Interim Condensed Consolidated Statement of Profit or Loss –Policyholders (Unaudited)
For the Three-Month and Six-Month Periods Ended June 30, 2025
(Jordanian Dinars)

	Note	For the three-month period from April 1 to June 30		For the six-month period from January 1 to June 30	
		2025	2024	2025	2024
Revenues:					
Takaful contract revenues	16	5,713,619	4,947,968	11,168,687	9,376,897
Takaful contract expenses	17	(6,024,703)	(5,097,771)	(10,939,896)	(8,966,081)
Results of takaful contract operations		(311,084)	(149,803)	228,791	410,816
Re-takaful contract revenues	18	(1,234,975)	(1,209,098)	(2,407,901)	(2,355,553)
Re-takaful contract expenses	19	411,908	331,699	750,307	822,160
Results of re-takaful contract operations		(823,067)	(877,400)	(1,657,594)	(1,533,393)
Net takaful operations results		(1,134,151)	(1,027,203)	(1,428,803)	(1,122,577)
Financing expenses/income- Takaful contracts	20	43,715	83,472	6,869	104,744
Financing income/expenses- re-takaful contracts	21	(3,336)	(7,849)	(2,711)	(19,293)
Net takaful financing results		40,379	75,623	4,158	85,451
Policyholders' share of investment income		(40,249)	(81,285)	-	-
Policyholders' share of profit from financial assets		-	-	-	-
Interest income		58,082	51,724	58,082	51,724
Other revenues		-	234,666	-	234,666
Less: Shareholders share for managing the		(7,134)	(20,690)	(23,233)	(20,690)
Net investment income		10,699	184,415	34,849	265,700
Total revenues		(1,083,073)	(767,165)	(1,389,796)	(771,426)
Other expenses		-	(2,845)	-	(8,124)
Total expenses		-	(2,845)	-	(8,124)
Policyholders' deficit before tax		(1,083,073)	(770,011)	(1,389,796)	(779,550)
Income tax		-	-	-	-
Policyholders' deficit after tax		(1,083,073)	(770,011)	(1,389,796)	(779,550)

The accompanying notes from 1 to 25 form an integral part of these consolidated financial statements.

Al-Manara Islamic Insurance Company
(Public Shareholding Limited Company)
Interim Condensed Consolidated Statement of Profit or Loss –Shareholders (Unaudited)
For the Three-Month and Six-Month Periods Ended June 30, 2025
(Jordanian Dinars)

	Note	For the three-month period from April 1 to June 30		For the six-month period from January 1 to June 30	
		2025	2024	2025	2024
Revenues					
Equity holders' share for managing takaful insurance operations		554,132	645,976	1,322,658	1,453,162
Equity holders' share for managing the investment portfolio		7,134	13,111	23,233	20,690
Equity holders' share of investment income		-	-	-	-
Equity holders' share of profits from financial assets and investments		49,498	93,595	58,818	93,595
Interest income		1,905	48,989	25,338	48,989
Revenues from subsidiary operations		192,076	(41,752)	365,027	(41,752)
Other revenues		-	(68,128)	-	(1,096)
Total revenues		804,745	691,791	1,795,074	1,573,588
Insurance contract revenues	16	3,384	161,101	435	232,630
Insurance contract expenses	17	43,265	(620,433)	(548,186)	(1,055,277)
Insurance contract service results		46,649	(459,332)	(547,751)	(822,647)
Reinsurance contract revenues	18	(18,959)	(34,297)	(31,161)	(83,325)
Reinsurance contract expenses	19	(292,688)	340,688	(365,292)	394,456
Reinsurance contract service results		(311,648)	306,391	(396,453)	311,131
Net insurance service results		29,371	(152,941)	(944,204)	(511,516)
Financing expenses/income – insurance contracts	20	26,601	(106,991)	40,613	(198,586)
Financing income/expenses – reinsurance contracts	21	2,770	26,048	5,493	33,969
Net financing results from insurance and re-insurance operations		(264,999)	(80,943)	46,106	(164,617)
Total revenue		569,117	457,907	896,976	897,455
Employee expenses		(459,339)	(459,367)	(837,729)	(830,842)
Administrative and general expenses		(144,107)	(161,012)	(382,585)	(532,413)
Provision for legal claims		60,000	(60,000)	60,000	(60,000)
Depreciation and amortization		(3,719)	(37,240)	(87,568)	(61,546)
Expected credit losses		(218,614)		(218,614)	-
Other expenses			998	(6,899)	-
Total expenses		(765,779)	(716,621)	(1,473,395)	(1,484,801)
Profit / loss for the period before tax		(196,662)	(258,714)	(576,419)	(587,346)
Income tax		-	-	-	-
Loss for the period after tax		(196,662)	(258,714)	(576,419)	(587,346)
		Fils/JOD	Fils/JOD	Fils/JOD	Fils/JOD
Basic loss per share for the period	22	(0.027)	(0.046)	(0.08)	(0.105)

The accompanying notes from 1 to 25 form an integral part of these consolidated financial statements.

Al-Manara Islamic Insurance Company
(Public Shareholding Limited Company)
Interim Condensed Consolidated Statement of Other Comprehensive Income (Unaudited)
For the Three-Month and Six-Month Periods Ended June 30, 2025
(Jordanian Dinars)

	For the three-month period from		For the six-month period from	
	April 1 to June 30		January 1 to June 30	
	2025	2024	2025	2024
Loss for the Period	(196,662)	(258,714)	(576,419)	(587,346)
Items of Other Comprehensive Income				
Change in Fair Value Reserve of Financial Assets	50,147	18,018	99,723	83,847
Total Comprehensive Loss for the Period	(146,515)	(240,696)	(476,696)	(503,499)

The accompanying notes from 1 to 25 form an integral part of these consolidated financial statements.

Al-Manara Islamic Insurance Company
(Public Shareholding Limited Company)
Interim Condensed Consolidated Statement of Changes in Shareholders equity (Unaudited)
For the Three-Month and Six-Month Periods Ended June 30, 2025
(Jordanian Dinars)

	<u>Authorized and Paid-in Capital</u>	<u>Share Issuance Discount</u>	<u>Statutory Reserve</u>	<u>Voluntary Reserve</u>	<u>Fair Value Reserve</u>	<u>Accumulated Losses</u>	<u>Total</u>
<u>For the Six-Month Period Ended June 30, 2024 (Unaudited)</u>							
Balance as of December 31, 2023 (Audited)	5,600,000	(69,118)	234,243	182,726	(457,018)	(1,143,162)	4,347,671
Net Loss for the Period	-	-	-	-	-	(587,346)	(587,346)
Total Comprehensive Loss for the Period	-	-	-	-	83,847	-	83,847
Amortization of Qard Hasan Granted to Takaful Policyholders						(779,550)	(779,550)
Balance as of June 30, 2024 (Unaudited)	5,600,000	(69,118)	234,243	182,726	(373,171)	(2,510,058)	3,064,622
<u>For the Six-Month Period Ended June 30, 2025 (Unaudited)</u>							
Balance as of December 31, 2024 (Audited)	5,600,000	(69,118)	234,243	182,726	(266,938)	(3,635,072)	2,045,841
Net Loss for the Period					99,723	(576,419)	(476,696)
Capital Increase	2,400,000	(960,000)	-	-	-	-	1,440,000
Balance as of June 30, 2025 (Unaudited)	8,000,000	(1,029,118)	234,243	182,726	(167,215)	(4,211,491)	3,009,145

The accompanying notes from 1 to 25 form an integral part of these consolidated financial statements.

Al-Manara Islamic Insurance Company
(Public Shareholding Limited Company)
Interim Condensed Consolidated Statement of Changes in Policyholders' Equity (Unaudited)
For the Three-Month and Six-Month Periods Ended June 30, 2025
(Jordanian Dinars)

	Deficit Coverage Reserve	Accumulated Deficit	Net Policyholders' equity
<u>For the Six-Month Period Ended June 30, 2024 (Unaudited)</u>			
Balance as of December 31, 2023 (Audited)	-	-	-
Takaful Policyholders' Deficit	-	(779,550)	(779,550)
Amortization of Qard Hasan Granted by Equity Holders to Cover the Takaful Policyholders' Deficit	-	779,550	779,550
Balance as of June 30, 2024 (Unaudited)	-	-	-
<u>For the Six -Month Period Ended June 30, 2025 (Unaudited)</u>			
Balance as of December 31, 2024 (Audited)	-	-	-
Takaful Policyholders' Deficit	-	(1,389,796)	(1,389,796)
Amortization of Qard Hasan Granted by Equity Holders to Cover the Takaful Policyholders' Deficit	-	-	-
Balance as of June 30, 2025 (Unaudited)	-	(1,389,796)	(1,389,796)

The accompanying notes from 1 to 25 form an integral part of these consolidated financial statements

Al-Manara Islamic Insurance Company
(Public Shareholding Limited Company)
Interim Condensed Consolidated Statement of Cash Flows (Unaudited)
For the Financial Period Ended June 30, 2025
(Jordanian Dinars)

	June 30, 2025 (Unaudited)	June 30, 2024 (Unaudited)
Cash flows from operating activities:		
Loss for the year before tax	(1,966,215)	(1,366,896)
Adjustments to reconcile net income before tax to net cash generated from operating activities:		
Depreciation and amortization	87,568	61,546
Changes in takaful contract holders' equity	-	-
	<u>(1,878,647)</u>	<u>(1,305,350)</u>
Changes in working capital items:		
Insurance contract assets	-	-
Reinsurance contract assets	381,573	(191,792)
Insurance contract liabilities	945,221	2,308,497
Amounts due from related parties	-	-
Other assets	(5,909)	(505,935)
Account payables	(85,014)	28,165
Accounts receivable	(49,698)	-
Other provisions	(100,644)	64,783
Other liabilities	416,148	(141,121)
Cash flows from operating activities before income tax paid	<u>(376,970)</u>	<u>257,247</u>
Income tax paid	-	-
Net cash (used in)/provide by operating activities	<u>(376,970)</u>	<u>257,247</u>
Cash flows from investing activities:		
Deposits at banks maturing in more than three months	(631,194)	(88,440)
Purchase of financial assets at fair value through profit or loss	-	-
Purchase of financial assets at fair value through other comprehensive income	(37,198)	(63,789)
Changes in property and equipment	(334,585)	143,858
Net cash provided by/(used in) investing activities	<u>(1,002,977)</u>	<u>(8,371)</u>
Cash flows from financing activities:		
Capital increase	1,440,000	-
Bank loans	(187,390)	(174,911)
Net cash provided by/(used in) financing activities	<u>1,252,610</u>	<u>(174,911)</u>
Net cash used during the period	<u>(127,337)</u>	<u>73,965</u>
Cash and cash equivalents at the beginning of the period	553,989	261,073
Cash and cash equivalents at the end of the period	<u>426,652</u>	<u>335,038</u>

The accompanying notes from 1 to 25 form an integral part of these consolidated financial statements.

Al-Manara Islamic Insurance Company
(Public Shareholding Limited Company)
Interim Condensed Consolidated Statement of Changes in Equity (Unaudited)
For the Three-Month and Six-Month Periods Ended June 30, 2025
(Jordanian Dinars)

1- Legal Status and Activities

Al-Manara Islamic Insurance Company (formerly Al-Manara Insurance Company and before that, Arab Seas Insurance Company) was established in 1974 and registered as a public shareholding company in Jordan under number (82), with an authorized capital of 150,000 Jordanian Dinars, divided into 150,000 shares with a nominal value of one Dinar per share. Several amendments have since been made to the capital, bringing the authorized and paid-up capital to 8,900,000 Dinars/shares. The company is registered in the Hashemite Kingdom of Jordan.

The company engages in insurance activities, including motor, marine, transport, aviation, fire and other property damage, liability, medical, and personal accident insurance.

The accompanying consolidated financial statements were approved by the company's Board of Directors in its meeting held on August 21, 2025.

2 – Basis of Preparation of the Interim Condensed Consolidated Financial Statements

The interim condensed consolidated financial statements for the six-month period ended June 30, 2025, have been prepared in accordance with Financial Accounting Standard No. (41) – Interim Financial Reporting, issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), and the instructions of the Central Bank of Jordan.

These interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should therefore be read in conjunction with the Company's financial statements for the year ended December 31, 2024. Furthermore, the results of operations for the period ended June 30, 2025, are not necessarily indicative of the results of operations for the year ending December 31, 2025.

Functional and Presentation Currency

These interim condensed consolidated financial statements are presented in Jordanian Dinar, which is the functional and presentation currency of the Company.

Basis of Consolidation

The consolidated financial statements represent the financial statements of the Company and its subsidiaries over which it has control. Control is achieved when the Company has the power to govern the financial and operating policies of the subsidiaries to obtain benefits from their activities. Intercompany transactions, balances, income, and expenses are fully eliminated between the Company and its subsidiaries.

Below is a presentation of the subsidiaries whose financial statements are consolidated with those of the parent company:

Name of Subsidiary	Capital	Ownership Percentage	Country of Incorporation	Date of Acquisition
Al-Bihar Investment and Trading LLC	79,503	%100	Jordan	1994/7/20
Overseas for in investments Real Estate PSC Company	50,000	%100	Jordan	2006/4/20
Abar Investment and Real Estate Development LLC	1,500	%100	Jordan	2009/5/19

The results of the operations of the subsidiaries are consolidated into the consolidated income statement from the date of acquisition, which is the date on which control is effectively transferred to the Company. The results of subsidiaries that have been disposed of are consolidated in the consolidated income statement up to

Al-Manara Islamic Insurance Company

(Public Shareholding Limited Company)

Interim Condensed Consolidated Statement of Changes in Equity (Unaudited)

For the Three-Month and Six-Month Periods Ended June 30, 2025

(Jordanian Dinars)

2 – Basis of Preparation of the Interim Condensed Financial Statements (continued)

the date of disposal, which is the date the Company loses control over the subsidiaries.

The financial statements of the subsidiaries are prepared for the same financial year as that of the insurance company. If the subsidiaries follow accounting policies different from those of the insurance company, the necessary adjustments are made to their financial statements to align them with the accounting policies adopted by the insurance company.

3-Application of New and Revised International Financial Reporting Standards (IFRS)

The accounting policies followed in preparing the financial statements are consistent with those followed in preparing the financial statements for the year ended December 31, 2024 except that the Company applied the following amendments as of January 1, 2025. However, not all of them are expected to affect the company.

- **Amendments effective for the period beginning January 1, 2025**
Amendments to IFRS (21) – Non-Convertibility.
- **Amendments effective for the period beginning January 1, 2026**
Amendments to IFRS (9) “Financial Instruments” and IFRS (7) “Disclosures”.
- **Amendments effective for the period beginning January 1, 2026**
 - IFRS 18 – Presentation and Disclosure in Financial Statements.
 - IFRS 19 – Disclosures of Subsidiaries Without Public Responsibility.

The Company is evaluating the impact of these new accounting standards and amendments, and the Company does not expect these standards and amendments – issued by the International Accounting Standards Board but not yet effective – to have a material impact on the financial statements.

4- Use of Estimates and Assumptions

The preparation of the financial statements and the application of accounting policies require the Company’s management to make estimates and judgments that affect the amounts of financial assets and liabilities and the disclosure of contingent liabilities. These estimates and judgments also affect revenues, expenses, provisions, as well as changes in fair value that appear in the income statement and within equity. In particular, management is required to make significant judgments and estimates to assess the amounts and timing of future cash flows. These estimates are necessarily based on assumptions and factors that vary in their degree of estimation and uncertainty, and actual results may differ from these estimates due to changes in circumstances and conditions affecting those estimates in the future.

The nature and extent of changes in the estimates reported in previous financial years do not have a material impact on the current financial statements.

Al-Manara Islamic Insurance Company
(Public Shareholding Limited Company)
Notes to Interim Condensed Consolidated Financial Statements
For the Period Ended June 30, 2025 (Unaudited)
(Jordanian Dinars)

5- Deposits at Banks

	June 30, 2024 (Unaudited)								December 31, 2024 (Audited)	
	Deposits due within one month		Deposits due over one month and up to three months		Deposits due after three months and up to one year		Total		Total	
	Policyholders	Shareholders	Policyholders	Shareholders	Policyholders	Shareholders	Policyholders	Shareholders	Policyholders	Shareholders
Inside Jordan										
Jordan Islamic Bank	-	-	-	-	560,283	1,346,875	560,283	1,346,875	605,476	400,000
Safwa Islamic Bank	-	-	-	-	1,553,722	250,000	1,553,722	250,000	1,553,722	250,000
Jordan Islamic Bank	-	-	-	-	-	-	-	-	308,150	-
Arab Islamic Bank	-	-	-	-	614,332	-	614,332	-	576,670	-
Total	-	-	-	-	2,728,337	1,596,875	2,728,337	1,596,875	3,044,018	650,000
Expected Credit Loss *Provision	-	-	-	-	(3,130)	(650)	(3,130)	(650)	(3,130)	(650)
Net	-	-	-	-	2,725,207	1,596,225	2,725,207	1,596,225	3,040,888	649,350

- The interest rates on deposit balances with banks ranged from (4.5% to 6%) during 2024, compared to (3.5% to 6%) during 2025.
- Pledged deposits to the order of the Governor of the Central Bank of Jordan, in addition to its functions, amounted to (650,000) Jordanian Dinars as of June 30, 2025, compared to (650,000) Jordanian Dinars as of December 31, 2024.
- Deposits held as collateral against credit facilities granted to the Company amounted to (889,927) Jordanian Dinars as of June 30, 2025.

The movement in the expected credit loss provision – deposits is as follows:

	June 30, 2025 (Unaudited)		December 31, 2024 (Audited)	
	Policyholders	Shareholders	Policyholders	Shareholders
Balance at the beginning of the period/year	3,305	4,000	3,305	4,000
Increase during the year	-	-	-	-
Decrease during the year	(175)	(3,350)	(175)	(3,350)
Balance at the Ending of the period/year	3,130	650	3,130	650

Al-Manara Islamic Insurance Company
(Public Shareholding Limited Company)
Notes to Interim Condensed Consolidated Financial Statements
For the Financial Period Ended June 30, 2025 (Unaudited)
(Jordanian Dinars)

6- Financial assets at fair value through profit or loss

	June 30, 2025		December 31, 2024	
	(Unaudited)		(Audited)	
	Policyholders	Shareholder	Policyholders	Shareholder
Arab War Risks Insurance Fund	-	93,408	-	93,408
Total	-	93,408	-	93,408

This item represents the Company's investment in shares of unlisted companies, which are measured at fair value as estimated by the Company's management.

7- Financial Assets at Fair Value through Other Comprehensive Income

	June 30, 2025			December 31, 2024		
	(Unaudited)			(Audited)		
	Policyholders	Shareholder	Total	Policyholders	Shareholder	Total
Inside Jordan						
Listed shares	-	792,858	792,858	-	593,020	593,020
Unlisted shares	-	610,906	610,906	-	673,823	673,823
	-	1,403,764	1,403,764	-	1,266,843	1,266,843
Outside Jordan						
Unlisted shares	-	276,480	276,480	-	276,480	276,480
Total	-	1,680,244	1,680,244	-	1,543,323	1,543,323

8- Financial assets at amortized cost

	June 30, 2025			December 31, 2024		
	(Unaudited)			(Audited)		
	Policyholders	Shareholders	Total	Policyholders	Shareholder	Total
Outside Jordan						
NCH-NAC-						
Global Bonds	-	90,142	90,142	-	90,142	90,142
Total	-	90,142	90,142	-	90,142	90,142

The bonds of Al-Arab Real Estate Development Company matured during 2011 and have not been collected as of the date of preparation of the consolidated financial statements. An expected credit loss provision has been recorded for the full value of the bonds, amounting to JOD 500,000.

****This item represents financial bonds issued by Global Investment House – Kuwait (the ultimate parent company) with a value of one million Jordanian Dinars and an annual interest rate of 7%. These bonds matured on November 24, 2013. The unified bondholders' committee, in its meeting held on November 22, 2012, decided to reschedule these bonds, whereby the bonds were split into JOD 750,000 in favor of NAC and JOD 250,000 in favor of NCH. An expected credit loss provision of JOD 594,037 was recorded against them. NAC paid JOD 131,798 in 2015, JOD 6,330 in 2016, and JOD 9,230 in 2018. NCH paid JOD 68,463 of the bond value during 2018.**

Al-Manara Islamic Insurance Company
(Public Shareholding Limited Company)
Notes to Interim Condensed Consolidated Financial Statements
For the Financial Period Ended June 30, 2025 (Unaudited)
(Jordanian Dinars)

8- Financial assets at amortized cost (continued)

	Bond Value	Amortized Amount	Expected Credit Loss Provision	Total
<u>2024</u>				
NAC	750,000	(147,358)	(512,500)	90,142
NCH	250,000	(68,463)	(181,537)	-
	<u>1,000,000</u>	<u>(215,821)</u>	<u>(694,037)</u>	<u>90,142</u>
<u>2023</u>				
NAC	750,000	(147,358)	(512,500)	90,142
NCH	250,000	(68,463)	(181,537)	-
	<u>1,000,000</u>	<u>(215,821)</u>	<u>(694,037)</u>	<u>90,142</u>

***This item represents investments in financial bonds issued by Al Dar Investment Company – Kuwait, with a value of JOD 1,333,250 (equivalent to KWD 500,000) and an annual Murabaha rate of 7.5%. The bonds matured during 2009 and were not collected, and an expected credit loss provision was recorded for the full value of the investment. The issuing company's obligations were rescheduled under the supervision of the Central Bank of Kuwait, and the first installment of the rescheduled amount was collected during 2013. Accordingly, the expected credit loss provision related to the collected installment, amounting to JOD 72,717, was reversed.

The movement in the expected credit loss provision for financial assets measured at amortized cost is as follows:

	June 30, 2025 (Unaudited)		December 31, 2024 (Audited)	
	Policyholders	Shareholders	Policyholders	Shareholders
Balance at the beginning of the period/year	-	694,037	-	694,037
Increase during the year	-	-	-	-
Decrease during the year	-	-	-	-
Balance at the ending of the period/year	-	694,037	-	694,037

Al-Manara Islamic Insurance Company
(Public Shareholding Limited Company)
Notes to Interim Condensed Consolidated Financial Statements
For the Financial Period Ended June 30, 2025 (Unaudited)
(Jordanian Dinars)

9- Investment properties

	June 30, 2025		December 31, 2024	
	(Unaudited)		(Audited)	
	Policyholders	Shareholders	Policyholders	Shareholders
<u>Lands</u>				
Balance at the beginning of the period/year	-	1,294,594	-	1,287,086
Additions	-	-	-	7,508
Balance at the ending of the period/year	-	1,294,594	-	1,294,594
<u>Other Assets</u>				
<u>Cost</u>				
Beginning balance of the year	-	600,035	-	584,005
Additions	-	-	-	142,617
Transferred to sales tax deposits	-	-	-	(14,078)
Disposals	-	-	-	(112,509)
Ending balance of the period	-	600,035	-	600,035
<u>Accumulated Depreciation</u>				
Beginning balance of the year	-	(30,418)	-	-
Charged during the year	-	(30,488)	-	(30,418)
Ending balance of the period	-	(60,906)	-	(30,488)
Net Book Value of Other Assets	-	539,129	-	569,617
Net Book Value of Investment Property	-	1,833,723	-	1,864,211

The fair value of the investment properties was estimated by real estate experts at JOD 4,539,318 as of 31/12/2022, in accordance with the instructions and decisions issued by the Central Bank.

10- Cash on Hand and at Banks

	June 30, 2025		December 31, 2024	
	(Unaudited)		(Audited)	
	Policyholders	Shareholders	Policyholders	Shareholders
Cash on Hand	53,314	1,215	1,071	390
Current Accounts at Banks	75,702	296,421	133,838	418,690
Total	129,016	297,636	134,909	419,080

Al-Manara Islamic Insurance Company
(Public Shareholding Limited Company)
Notes to Interim Condensed Consolidated Financial Statements
For the Financial Period Ended June 30, 2025 (Unaudited)
(Jordanian Dinar)

11 – Insurance Contract Assets / Liabilities – Premium Allocation Approach (PAA)

Description	Liabilities for In-Force Contracts				Liabilities for Incurred Claims				Total	
	Excluding Loss Component		Loss Component		Present Value of Cash Flows	Non-Financial Risk Adjustments				
	2025	2024	2025	2024		2025	2024	2025	2024	2025
Insurance contract liabilities – Beginning of the period	939,871	1,534,957	385,168	207,525	9,377,317	6,938,646	636,291	374,464	11,338,647	9,055,592
Insurance contract assets – Beginning of the period	-	-	-	-	-	-	-	-	-	-
Net insurance contract liabilities (assets) – Beginning of the period	939,871	1,534,957	385,168	207,525	9,377,317	6,938,646	636,291	374,464	11,338,647	9,055,592
Insurance contract revenue	(11,169,122)	(19,869,309)	-	-	-	-	-	-	(11,169,122)	(19,869,309)
Incurred claims	-	-	-	-	9,078,304	14,799,894	-	-	9,078,304	14,799,894
Amortization of acquisition costs	496,716	830,823	-	-	-	-	-	-	496,716	830,823
Change in contracts expected to be loss-making	-	-	-	-	-	-	-	-	-	-
Non-financial risk adjustments	-	-	-	-	-	-	-	-	-	-
Employee expenses and administrative expenses	-	-	-	-	1,735,648	3,393,980	(90,825)	261,827	1,644,823	3,655,807
Losses from onerous contracts and reversals of such losses	-	-	268,239	177,643	-	-	-	-	268,239	177,643
Insurance contract expenses	496,716	830,823	268,239	177,643	10,813,952	18,193,874	(90,825)	261,827	11,488,082	19,464,167
Insurance underwriting results	(10,672,406)	(19,038,486)	268,239	177,643	10,813,952	18,193,874	(90,825)	261,827	318,960	(405,142)
Finance income (expenses) – Insurance contracts	-	-	-	-	(47,482)	265,923	-	-	(47,482)	265,923
Net change – Comprehensive income	(10,672,406)	(19,038,486)	268,239	177,643	10,766,470	18,459,797	(90,825)	261,827	271,478	(139,219)
Cash received from underwritten contracts	10,806,016	19,373,429	-	-	-	(16,021,124)	-	-	10,806,016	19,373,429
Claims paid and other direct expenses	-	-	-	-	(9,685,277)	-	-	-	(9,685,277)	(16,021,124)
Payments of acquisition costs	(446,995)	(930,029)	-	-	-	-	-	-	(446,995)	(930,029)
Insurance contract liabilities – End of the period	626,486	939,871	653,407	385,168	10,458,510	9,377,319	545,466	636,291	12,283,869	11,338,648
Insurance contract assets – End of the period	-	-	-	-	-	-	-	-	-	-
Net insurance contract liabilities (assets) – End of the period	626,486	939,871	653,407	385,168	10,458,510	9,377,319	545,466	636,291	12,283,869	11,338,648

Al-Manara Islamic Insurance Company
(Public Shareholding Limited Company)
Notes to Interim Condensed Consolidated Financial Statements
For the Financial Period Ended June 30, 2025 (Unaudited)
(Jordanian Dinar)

11 – Insurance Contract Assets / Liabilities – Premium Allocation Approach (PAA) (continued)

a- Takaful Contract Holders

Description	Liabilities for In-Force Contracts				Liabilities for Incurred Claims					
	Excluding Loss Component		Loss Component		Present Value of Cash Flows		Non-Financial Risk Adjustments		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Insurance contract liabilities – Beginning of the period	1,181,419	2,293,615	383,793	207,525	6,698,776	2,409,203	404,008	145,656	8,667,996	5,055,999
Insurance contract assets – Beginning of the period	-	-	-	-	-	-	-	-	-	-
Net insurance contract liabilities (assets) – Beginning of the period	1,181,419	2,293,615	383,793	207,525	6,698,776	2,409,203	404,008	145,656	8,667,996	5,055,999
Insurance contract revenue	(11,168,687)	(19,640,376)	-	-	-	-	-	-	(11,168,687)	(19,640,376)
Incurred claims	-	-	-	-	8,454,935	13,531,717	-	-	8,454,935	13,531,717
Amortization of acquisition costs	495,957	827,203	-	-	-	-	-	-	495,957	827,203
Change in contracts expected to be loss-making	-	-	-	-	-	-	-	-	-	-
Non-financial risk adjustments	-	-	-	-	-	-	-	-	-	-
Employee expenses and administrative expenses	-	-	-	-	1,736,343	3,279,005	(16,961)	258,352	1,719,382	3,537,357
Losses from onerous contracts and reversals of these losses	-	-	269,622	176,268	-	-	-	-	269,622	176,268
Insurance contract expenses	495,957	827,203	269,622	176,268	10,191,278	16,810,722	(16,961)	258,352	10,939,896	18,072,545
Insurance underwriting results	(10,672,730)	(18,813,173)	269,622	176,268	10,191,278	16,810,722	(16,961)	258,352	(228,791)	(1,567,831)
Finance income (expenses) – Insurance contracts	-	-	-	-	(6,869)	(78,462)	-	-	(6,869)	(78,462)
Net change – Comprehensive income	(10,672,730)	(18,813,173)	-	176,268	10,184,409	16,732,260	-	258,352	(235,660)	(1,646,293)
Cash received from underwritten contracts	11,013,213	18,629,470	-	-	-	-	-	-	11,013,213	18,629,470
Claims paid and other direct expenses	-	-	-	-	(8,587,557)	(12,442,687)	-	-	(8,587,557)	(12,442,687)
Payments of acquisition costs	(446,277)	(928,493)	-	-	-	-	-	-	(446,277)	(928,493)
Insurance contract liabilities – End of the period	1,075,625	1,181,419	653,415	383,793	8,295,628	6,698,776	387,047	404,008	10,411,715	8,667,996
Insurance contract assets – End of the period	-	-	-	-	-	-	-	-	-	-
Net insurance contract liabilities (assets) – End of the period	1,075,625	1,181,419	653,415	383,793	8,295,628	6,698,776	387,047	404,008	10,411,715	8,667,996

Al-Manara Islamic Insurance Company
(Public Shareholding Limited Company)
Notes to Interim Condensed Consolidated Financial Statements
For the Financial Period Ended June 30, 2025 (Unaudited)
(Jordanian Dinar)

11 – Insurance Contract Assets / Liabilities – Premium Allocation Approach (PAA) (continued)

b- Equity Holders

Description	Liabilities for In-Force Contracts				Liabilities for Incurred Claims				Total	
	Excluding Loss Component		Loss Component		Present Value of Cash Flows		Non-Financial Risk Adjustments			
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Insurance contract liabilities – Beginning of the period	(241,548)	(758,658)	1,375	-	2,678,541	4,529,443	232,283	228,808	2,670,651	3,999,593
Insurance contract assets – Beginning of the period	-	-	-	-	-	-	-	-	-	-
Net insurance contract liabilities (assets) – Beginning of the period	(241,548)	(758,658)	1,375	-	2,678,541	4,529,443	232,283	228,808	2,670,651	3,999,593
Insurance contract revenues	(435)	(228,933)	-	-	-	-	-	-	(435)	(228,933)
Incurred claims	-	-	-	-	623,369	1,268,177	-	-	623,369	1,268,177
Amortization of acquisition costs	759	3,620	-	-	-	-	-	-	759	3,620
Change in contracts expected to be loss-making	-	-	-	-	-	-	-	-	-	-
Non-financial risk adjustments	-	-	-	-	-	-	-	-	-	-
Employee expenses and administrative expenses	-	-	-	-)695(114,975	(73,864)	3,475	(74,559)	118,450
Losses from onerous contracts and reversals of these losses	-	-	(1,383)	1,375	-	-	-	-	(1,383)	1,375
Insurance contract expenses	759	3,620	(1,383)	1,375	622,674	1,383,152	(73,864)	3,475	548,186	1,391,622
Insurance underwriting results	324	(225,313)	(1,383)	1,375	622,674	1,383,152	(73,864)	3,475	547,751	1,162,689
Finance income (expenses) – Insurance contracts	-	-	-	-	(40,613)	344,385	-	-	(40,613)	344,385
Net change – Comprehensive income	324	(225,313)	(1,383)	1,375	582,061	1,727,537	(73,864)	3,475	507,137	1,507,074
Cash received from underwritten contracts	(207,197)	743,959	-	-	-	-	-	-	(207,197)	743,959
Claims paid and other direct expenses	-	-	-	-	(1,097,720)	(3,578,437)	-	-	(1,097,721)	(3,578,439)
Payments of acquisition costs	(718)	(1,536)	-	-	-	-	-	-	(718)	(1,536)
Insurance contract liabilities – End of the period	(449,139)	(241,548)	(8)	1,375	2,162,882	2,678,543	158,419	232,283	1,872,154	2,670,653
Insurance contract assets – End of the period	-	-	-	-	-	-	-	-	-	-
Net insurance contract liabilities (assets) – End of the period	(449,139)	(241,548)	(8)	1,375	2,162,882	2,678,543	158,419	232,283	1,872,154	2,670,653

Al-Manara Islamic Insurance Company
(Public Shareholding Limited Company)
Notes to Interim Condensed Consolidated Financial Statements
For the Financial Period Ended June 30, 2025 (Unaudited)
(Jordanian Dinar)

11 – Insurance Contract Assets / Liabilities – Premium Allocation Approach (PAA) (continued)

a- Receivables Related to Insurance Operations

	June 30, 2025		December 31, 2024	
	(Unaudited)		(Audited)	
	Policyholders	Shareholders	Policyholders	Shareholders
Receivables from Policyholders	4,392,736	1,691,376	4,692,067	1,480,147
Receivables from Agents	251,095	160,483	457,190	175,766
Receivables from Brokers	31,324	36,286	28,239	37,725
Receivables from Employees	15,378	85,744	14,707	72,511
Other Receivables	18,539	56,721	43,596	130,171
Less: Expected Credit Loss Provision*	(40,000)	(1,562,100)	(40,000)	(1,562,100)
Net Receivables Related to Insurance Operations	4,669,072	468,510	5,195,799	334,220

The net receivables related to insurance operations represent the amounts that were taken into account in calculating the insurance contract assets/liabilities included in Note (9).

**Other receivables under equity holders include receivables from subsidiaries amounting to 76,121.

**There is no comparative detail for policyholder receivables, movement in the provision, and their aging analysis.

*The movement in the expected credit loss provision is as follows:

	June 30, 2025		December 31, 2024	
	(Unaudited)		(Audited)	
	Policyholders	Shareholders	Policyholders	Shareholders
Balance at Beginning of the Year	40,000	1,562,100	16,209	1,681,619
Additions	-	-	23,791	
Transfer to Expected Credit Loss Provision –				
Insurance Policyholders	-	-	-	-
Write-offs / Disposals	-	-	-	(119,519)
Balance at End of the Year	40,000	1,562,100	40,000	1,562,100

Aging Analysis of Receivables:

	June 30, 2025		December 31, 2024	
	(Unaudited)		(Audited)	
	Policyholders	Shareholders	Policyholders	Shareholders
Due for 0–30 days	3,273,280	208,654	3,795,194	144,564
Due for 31–90 days	948,048	475,621	1,048,045	142,091
Due for 91–180 days	224,018	135,597	257,744	26,963
Due for 181–365 days	223,726	27,138	97,145	58,269
Due for more than one year	40,000	1,183,600	37,671	1,524,433
Total	4,709,072	2,030,610	5,235,799	1,896,320

Al-Manara Islamic Insurance Company
(Public Shareholding Limited Company)
Notes to Interim Condensed Consolidated Financial Statements
For the Financial Period Ended June 30, 2025 (Unaudited)
(Jordanian Dinar)

11 – Insurance Contract Assets / Liabilities – Premium Allocation Approach (PAA) (continued)

b- Checks Under Collection

	June 30, 2025		December 31, 2024	
	(Unaudited)		(Audited)	
	Policyholders	Shareholders	Policyholders	Shareholders
Checks Under Collection	2,991,437	-	2,650,699	13,597
Less: Expected Credit Loss Provision	(2,650)	-	(2,650)	-
	2,988,787	-	2,648,049	13,597

The net checks under collection related to insurance operations represent the value of the checks under collection that were taken into account in calculating the insurance contract assets/liabilities included in Note (9).

The movement in the expected credit loss provision is as follows:

	June 30, 2025		December 31, 2024	
	(Unaudited)		(Audited)	
	Policyholders	Shareholders	Policyholders	Shareholders
Balance at the beginning of the year	2,650	-	1,672	354
Transfer to expected credit loss provision – insurance policyholders	-	-	-	-
Write-offs / additions	-	-	978	(354)
Balance at the end of the year	2,650	-	2,650	-

	June 30, 2025		December 31, 2024	
	(Unaudited)		(Audited)	
	Policyholders	Shareholders	Policyholders	Shareholders
Maturing within (0 – 6) months	1,820,422	-	1,955,602	13,597
Maturing within more than 6 months up to 12 months	1,171,015	-	695,097	-
Total	2,991,437	-	2,650,699	13,597

Al-Manara Islamic Insurance Company
(Public Shareholding Limited Company)
Notes to Interim Condensed Consolidated Financial Statements
For the Financial Period Ended June 30, 2025 (Unaudited)
(Jordanian Dinar)

11 – Insurance Contract Assets / Liabilities – Premium Allocation Approach (PAA) (continued)
c- Creditors related to insurance operations Collection (continued)

	June 30, 2025		December 31, 2024	
	(Unaudited)		(Audited)	
	Policyholders	Shareholders	Policyholders	Shareholders
Payables from insurance policyholders	885,265	181,146	657,689	656,104
Payables from brokers	58,270	24,589	59,480	34,072
Payables from employees	1,079	11,265	2,761	10,764
Payables from agents	65,918	44,847	237,693	64,933
Other payables	229,489	92,892	115,822	147,746
Net creditors related to insurance operations	<u>1,240,021</u>	<u>354,739</u>	<u>1,073,445</u>	<u>913,619</u>

The creditors related to insurance operations represent the value of the creditors that have been taken into account in calculating the assets/liabilities of insurance contracts included in Note (9).

Al-Manara Islamic Insurance Company
(Public Shareholding Limited Company)
Notes to Interim Condensed Consolidated Financial Statements
For the Financial Period Ended June 30, 2025 (Unaudited)
(Jordanian Dinar)

12 – (Liabilities) assets of reinsurance contracts – premium allocation method

Statement	Assets for Unearned Premiums Coverage				Assets for Incurred Claims					
	Excluding Loss Component		Loss Component		Present Value of Cash Flows		Non-financial Risk Adjustments		Total	
	30 June 2025	31 December 2024	30 June 2025	31 December 2024	30 June 2025	31 December 2024	30 June 2025	31 December 2024	30 June 2025	31 December 2024
Reinsurance contracts liabilities - beginning of period	-	-	-	-	-	-	-	-	-	-
Reinsurance contracts assets - beginning of period	(1,704,129)	(1,287,714)	-	-	2,148,369	1,483,331	322,174	171,299	766,414	366,916
Net (liabilities) assets of reinsurance contracts - beginning of period	(1,704,129)	(1,287,714)	-	-	2,148,369	1,483,331	322,174	171,299	766,414	366,916
Reinsurance service expenses	(2,439,062)	(5,085,013)	-	-	-	-	-	-	(2,439,062)	(5,085,013)
Recoveries from reinsurers	-	-	-	-	462,989	1,704,418	-	-	462,989	1,704,418
Amortization of profit commission recovered from reinsurer	-	-	-	-	116,544	283,289			116,544	283,289
Changes in risk adjustments			-	-	-	-		150,875		150,875
Administrative expenses							(194,518)		(194,518)	
Reinsurance contract revenues	-	-	-	-	579,533	1,987,707	(194,518)	150,875	385,015	2,138,582
Reinsurance underwriting results	(2,439,062)	(5,085,013)	-	-	579,533	1,987,707	(194,518)	150,875	(2,054,047)	(2,946,431)
Financing expenses – from reinsurance contracts	-	-	-	-	2,782	81,003			2,782	81,003
Net change – other comprehensive income	(2,439,062)	(5,085,013)	-	-	582,315	2,068,710	(194,518)	150,875	(2,051,265)	(2,865,428)
Cash paid to reinsurer for written contracts	2,295,217	4,668,598	-	-	-	-	-	-	2,295,217	4,668,598
Claims incurred recovered from reinsurer	-	-	-	-	(531,259)	(1,146,684)	-	-	(531,259)	(1,146,684)
Other amounts recovered										
Profit commission recovered from reinsurer	-	-	-	-	(94,266)	(256,988)	-	-	(94,266)	(256,988)
Total cash flows	2,295,217	4,668,598			(625,525)	(1,403,672)			1,669,692	3,264,926
Reinsurance contracts liabilities - end of period	-	-	-	-	-	-	-	-	-	-
Reinsurance contracts assets - end of period	(1,847,974)	(1,704,129)	-	-	2,105,159	2,148,369	127,656	322,174	384,841	766,414
Net (liabilities) assets of reinsurance contracts – end of period	(1,847,974)	(1,704,129)	-	-	2,105,159	2,148,369	127,656	322,174	384,841	766,414

Al-Manara Islamic Insurance Company
(Public Shareholding Limited Company)
Notes to Interim Condensed Consolidated Financial Statements
For the Financial Period Ended June 30, 2025 (Unaudited)
(Jordanian Dinar)

12 – (Liabilities) Assets of Reinsurance Contracts – Premium Allocation Method (continued)

a- Takaful Policyholders

Statement	Assets for Remaining Coverage				Assets for Incurred Claims				Total	
	Excluding Loss Component		Loss Component		Present Value of Cash Flows		Non-Financial Risk Adjustments			
	30 June 2025	31 December 2024	30 June 2025	31 December 2024	30 June 2025	31 December 2024	30 June 2025	31 December 2024	30 June 2025	31 December 2024
Reinsurance Contracts Liabilities – Beginning of the Period	-	-	-	-	-	-	-	-	-	-
Reinsurance Contracts Assets – Beginning of the Period	(1,255,638)	(422,312)	-	-	1,209,177	318,585	124,889	34,822	78,428	(68,905)
Net (Liabilities) Assets of Reinsurance Contracts – Beginning of the Period	(1,255,638)	(422,312)	-	-	1,209,177	318,585	124,889	34,822	78,428	(68,905)
Reinsurance Service Expenses	(2,407,901)	(4,945,770)	-	-	-	-	-	-	(2,407,901)	(4,945,770)
Reinsurance Recoveries	-	-	-	-	689,936	1,493,994	-	-	689,936	1,493,994
Commissions Received	-	-	-	-	112,795	-	-	-	112,795	-
Administrative Expenses	-	-	-	-	-	-	(52,424)	-	(52,424)	-
Amortization of Profit Commission Recovered from Reinsurer	-	-	-	-	-	270,122	-	-	-	270,122
Change in Risk Adjustments	-	-	-	-	-	-	-	90,067	-	90,067
Reinsurance Contracts Revenues	-	-	-	-	802,731	1,764,116	(52,424)	90,067	750,307	1,854,183
Reinsurance Operating Results	(2,407,901)	(4,945,770)	-	-	802,731	1,764,116	-	90,067	(1,657,594)	(3,091,587)
Financing Expenses – from Reinsurance Contracts	-	-	-	-	(2,711)	(2,455)	-	-	(2,711)	(2,455)
Net Change – Other Comprehensive Income	(2,407,901)	(4,945,770)	-	-	800,020	1,764,116	(52,424)	90,067	1,660,305	(3,094,042)
Cash Paid to Reinsurer for Written Contracts	2,130,184	4,112,444	-	-	-	-	-	-	2,130,184	4,112,444
Claims Incurred Recovered from Reinsurer	-	-	-	-	(534,382)	(621,495)	-	-	(534,382)	(621,495)
Profit Commission Recovered from Reinsurer	-	-	-	-	(92,582)	(249,574)	-	-	(92,582)	(249,574)
Reinsurance Contracts Liabilities – End of the Period	-	-	-	-	-	-	-	-	-	-
Reinsurance Contracts Assets – End of the Period	(1,533,355)	(1,255,638)	-	-	1,382,233	1,209,177	72,465	124,889	(78,657)	78,428
Net (Liabilities) Assets of Reinsurance Contracts – End of the Period	(1,533,355)	(1,255,638)	-	-	1,382,233	1,209,177	72,465	124,889	(78,657)	78,428

Al-Manara Islamic Insurance Company
(Public Shareholding Limited Company)
Notes to Interim Condensed Consolidated Financial Statements
For the Financial Period Ended June 30, 2025 (Unaudited)
(Jordanian Dinar)

Note 12 – (Liabilities) Assets of Reinsurance Contracts – Premium Allocation Method (continued)

B – Equity Holders

Statement	Assets for Remaining Coverage				Assets for Incurred Claims				Total	
	Excluding Loss Component		Loss Component		Present Value of Cash Flows		Non-Financial Risk Adjustments			
	30 June 2025	31 December 2024	30 June 2025	31 December 2024	30 June 2025	31 December 2024	30 June 2025	31 December 2024	30 June 2025	31 December 2024
Reinsurance Contract Liabilities – Beginning of the Period			-	-						
Reinsurance Contract Assets – Beginning of the Period	(448,491)	(865,402)	-	-	939,192	1,164,746	197,285	136,477	687,986	435,821
Net Reinsurance Contract Liabilities / Assets – Beginning of the Period	(448,491)	(865,402)	-	-	939,192	1,164,746	197,285	136,477	687,986	435,821
Reinsurance Service Expenses	(31,161)	(139,243)	-	-	-	-	-	-	(31,161)	(139,243)
Reinsurance Recoveries	-	-	-	-	(226,947)	210,424	-	-	(226,947)	210,424
Commissions Received	-	-	-	-	3,749	-	-	-	3,749	-
Amortization of Profit Commission Refund from Reinsurer	-	-	-	-	-	13,167	-	-	-	13,167
Administrative Expenses	-	-	-	-	-	-	(142,094)	-	(142,094)	-
Change in Risk Adjustments	-	-	-	-	-	-	-	60,808	-	60,808
Reinsurance Contract Revenues	-	-	-	-	(223,198)	223,591	(142,094)	60,808	(365,292)	284,399
Reinsurance Operating Results	31,161	(139,243)	-	-	(223,198)	223,591	(142,094)	60,808	(396,453)	145,156
Finance Expenses from Reinsurance Contracts	-	-	-	-	5,493	83,458	-	-	5,493	83,458
Net Change – Other Comprehensive Income	31,161	(139,243)	-	-	(217,705)	307,049	(142,094)	60,808	(390,960)	228,614
Cash Paid to Reinsurer for Underwritten Contracts	165,033	556,154	-	-	-	-	-	-	165,033	556,154
Claims Recovered from Reinsurer	-	-	-	-	3,123	(525,189)	-	-	3,123	(525,189)
Profit Commission Refund from Reinsurer	-	-	-	-	(1,684)	(7,414)	-	-	(1,684)	(7,414)
Reinsurance Contract Liabilities – End of the Period	-	-	-	-	-	-	-	-	-	-
Reinsurance Contract Assets – End of the Period	(314,619)	(448,491)	-	-	722,926	939,192	55,191	197,285	463,498	687,986
Net Reinsurance Contract Liabilities / Assets – End of the Period	(314,619)	(448,491)	-	-	722,926	939,192	55,191	197,285	463,498	687,986

Al-Manara Islamic Insurance Company
(Public Shareholding Limited Company)
Notes to Interim Condensed Consolidated Financial Statements
For the Financial Period Ended June 30, 2025 (Unaudited)
(Jordanian Dinars)

12 – (Liabilities) Assets of Reinsurance Contracts – Premium Allocation Method (continued)

A- Reinsurance Contract Held Receivables

	30 June 2025 (Unaudited)		31 December 2024 (Audited)	
	Policyholders	Shareholders	Policyholders	Shareholders
Reinsurance Contract Held Assets (Local)	359,711	493,538	328,967	484,369
Reinsurance Contract Held Assets (Foreign)	263,724	263,690	289,091	281,104
Total Receivables Related to Reinsurance Operations	623,435	757,228	618,058	765,473
Allowance for Expected Credit Losses	(10,000)	(727,875)	(10,000)	(727,875)
Net Receivables Related to Reinsurance Operations	613,435	29,353	608,058	37,598

The net receivables related to reinsurance operations represent the value of receivables considered in the calculation of reinsurance contract assets/liabilities included in Note (10).

** The movement in the allowance for expected credit losses is as follows:

	30 June 2025 (Unaudited)		31 December 2024 (Audited)	
	Policyholders	Shareholders	Policyholders	Shareholders
Balance at the Beginning of the Year	10,000	727,875	-	730,077
Additions	-	-	10,000	-
Reversal of Allowance	-	-	-	(2,202)
Balance at the End of the Year	10,000	727,875	10,000	727,875

	30 June 2025 (Unaudited)		31 December 2024 (Audited)
	Policyholders	Shareholders	Policyholders
Due for 0–30 Days	102,180	44,736	172,089
Due for 31–90 Days	153,607	40,059	449,125
Due for 91–180 Days	332,222	7,665	7,085
Due for 181–365 Days	35,426	664,764	17,357
Total	623,435	757,224	645,656

B- Payables (Held Reinsurance Contracts)

	30 June 2025 (Unaudited)		31 December 2024 (Audited)	
	Policyholders	Shareholders	Policyholders	Shareholders
Reinsurance Contract Liabilities Held (Local)	13,907	24,330	10,632	78,659
Reinsurance Contract Liabilities Held (Foreign)	2,847,866	304,364	2,363,908	402,699
Total Payables Related to Reinsurance Operations	2,861,773	328,694	2,374,540	481,358

The payables related to reinsurance operations represent the value of payables considered in the calculation of reinsurance contract assets/liabilities included in Note (10).

Al-Manara Islamic Insurance Company
(Public Shareholding Limited Company)
Notes to Interim Condensed Consolidated Financial Statements
For the Financial Period Ended June 30, 2025 (Unaudited)
(Jordanian Dinars)

13 - Income Tax

A- Income Tax Provision:

The income tax expense and national contribution shown in the consolidated statement of profit or loss represent the following:

	30 June 2025		31 December 2024	
	(Unaudited)		(Audited)	
	Policyholders	Shareholders	Policyholders	Shareholders
Released from Deferred Tax Assets	-	-	-	-
Income Tax Expense for the Year	-	-	-	-
Total	-	-	-	-

- The company's tax position has been settled up to the end of the year 2020.
- Self-assessment returns for the years 2021 and 2022 have been submitted, and the Income and Sales Tax Department has not reviewed the company's records to date.
- No income tax provision has been recorded for the company's 2023 results due to the presence of carried-forward tax losses from previous years.
- In the opinion of management and the company's tax advisor, the income tax and national contribution provision for the year is sufficient, and there is no need for additional provisions.

14 – Share Capital

The authorized, and paid-in capital amounts to JD 5,600,000, divided into 5,600,000 shares, each with a nominal value of one Jordanian Dinar, as of 31 December 2024 and 2023.

The General Assembly, in its extraordinary meeting held on 7 November 2024, resolved to increase the company's capital from 5,600,000 shares to 8,900,000 shares through a private placement of 2,400,000 shares at an issuance price of JD 0.600 per share or at a price determined by the Securities Commission. The legal procedures were completed with the Securities Depository Center on 5 February 2025.

Additionally, the General Assembly, in its extraordinary meeting held on 9 March 2025, resolved to increase the company's capital from 8,000,000 shares to 8,900,000 shares through a private placement of 900,000 shares at the nominal value of one Jordanian Dinar per share.

15 – Share Discount (Discount on Issuance)

The share discount amounting to JD (1,029,118) as of 30 June 2025, and JD (69,118) as of 31 December 2024, relates to the issuance of certain shares at a value lower than the nominal value of one Jordanian Dinar per share.

Al-Manara Islamic Insurance Company
(Public Shareholding Limited Company)
Notes to Interim Condensed Consolidated Financial Statements
For the Financial Period Ended June 30, 2025 (Unaudited)
(Jordanian Dinars)

16 – Insurance Contract Revenues

A- Policyholders

	Vehicles		Marine		Aviation		Fire		Engineering		Liability		Medical Insurance		Others		Total	
	Current Period	Previous Period	Current Period	Previous Period	Current Period	Previous Period	Current Period	Previous Period	Current Period	Previous Period	Current Period	Previous Period	Current Period	Previous Period	Current Period	Previous Period	Current Period	Previous Period
Change in Insurance Contract Liabilities for Remaining Coverage	6,308,089	5,959,295	127,798	95,998	1,608	(1,798)	693,917	881,632	118,791	98,052	312,107	335,470	2,943,013	1,482,323	233,493	139,668	10,738,816	8,990,640
Takaful Contract Issuance Fees	135,566	264,543	4,766	(12,619)	-	2,752	21,179	47,340	2,365	2,605	17,234	15,701	113,701	49,083	27,214	16,852	322,025	386,257
Other Revenues	107,846	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	107,846	-
Total Insurance Contract Revenues	6,551,501	6,223,838	132,564	83,379	1,608	954	715,096	928,972	121,156	100,657	329,341	351,171	3,056,714	1,531,406	260,707	156,520	11,168,687	9,376,897

B- Shareholders

	Vehicles		Marine		Aviation		Fire		Engineering		Liability		Medical Insurance		Others		Total	
	Current Period	Previous Period	Current Period	Previous Period	Current Period	Previous Period	Current Period	Previous Period	Current Period	Previous Period	Current Period	Previous Period	Current Period	Previous Period	Current Period	Previous Period	Current Period	Previous Period
Change in Insurance Contract Liabilities for Remaining Coverage	637	15,217	-	56	-	-	10	415	18,804	68,430	11,246	16,459	-	(527)	893	2,553	31,590	102,603
Takaful Contract Issuance Fees	-	(6)	-	-	-	-	-	-	400	1,282	160	112	-	-	-	66	560	1,454
Other Revenues	(31,715)	128,573	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(31,715)	128,573
Total Insurance Contract Revenues	(31,078)	143,784	-	56	-	-	10	415	19,204	69,712	11,406	16,57	-	(527)	893	2,619	435	232,630

Al-Manara Islamic Insurance Company
(Public Shareholding Limited Company)
Notes to Interim Condensed Consolidated Financial Statements
For the Financial Period Ended June 30, 2025 (Unaudited)
(Jordanian Dinars)

Note 17 – Insurance Contract Expenses

A- Policyholders

	Vehicles		Marine		Aviation		Fire		Engineering		Liability		Medical Insurance		Others		Total	
	Current	Previous	Current	Previous	Current	Previous	Current	Previous	Current	Current	Previous	Current	Previous	Current	Previous	Current	Previous	Current
	Period	Period	Period	Period	Period	Period	Period	Period	Period	Period	Period	Period	Period	Period	Period	Period	Period	Period
Incurring Insurance Claims	(5,785,475)	(5,267,397)	(103,576)	(21,799)	-	-	(27,319)	(83,842)	(64,583)	(110,510)	(67,893)	(74,539)	(2,427,414)	(1,062,435)	(19,126)	(25,123)	(8,495,386)	(6,645,645)
Change in Expected Loss Contract	(421,026)	(206,634)	-	-	-	-	-	-	8,124	(22,000)	-	-	143,282	197,682	-	-	(269,620)	(30,952)
Non-Financial Risk Adjustments	35,955	(104,379)	(13,597)	(1,811)	-	-	1,980	(19,677)	9,360	(26,996)	(456)	(13,024)	(23,301)	(15,430)	7,020	(3,005)	16,961	(184,322)
Amortization of Acquisition Costs	(399,209)	(333,966)	(6,204)	(8,948)	-	-	(38,544)	(44,803)	(4,623)	(2,468)	(2,955)	(2,033)	(26,751)	(14,887)	(17,672)	(12,270)	(495,958)	(419,375)
Employee and Administrative																		
Expenses / Allocated	(807,010)	(1,003,661)	(22,186)	(16,765)	-	-	(99,280)	(89,721)	(17,915)	(32,653)	(40,449)	(32,469)	(285,978)	(250,076)	(49,840)	(27,817)	(1,322,658)	(1,453,162)
Other Underwriting Expenses	(129,004)	(105,993)	(1,930)	(1,356)	-	-	(7,457)	(6,658)	(1,877)	(1,508)	(3,165)	(1,569)	(227,206)	(113,598)	(2,596)	(1,943)	(373,235)	(232,625)
Total Takaful Contract Expenses	(7,505,769)	(7,022,030)	(147,493)	(50,679)	-	-	(170,620)	(244,701)	(71,514)	(196,135)	(114,918)	(123,634)	(2,847,368)	(1,258,744)	(82,214)	(70,158)	(10,939,896)	(8,966,081)

B- Shareholders

	Vehicles		Marine		Aviation		Fire		Engineering		Liability		Medical Insurance		Others		Total	
	Current	Previous	Current	Previous	Current	Previous	Current	Previous	Current	Current	Previous	Current	Previous	Current	Previous	Current	Previous	Current
	Period	Period	Period	Period	Period	Period	Period	Period	Period	Period	Period	Period	Period	Period	Period	Period	Period	Period
Incurring Insurance Claims	(807,635)	(864,697)	77,630	(3,653)	-	-	6,575	(30,326)	102,590	(66,764)	(16,296)	(1,607)	-	9,989	28,778	7,995	(608,358)	(949,063)
Change in Expected Loss Contract	-	-	-	-	-	-	-	-	1,383	(331)	-	-	-	-	-	-	1,383	(331)
Non-Financial Risk Adjustments	(12,577)	64,080	7,973	(5,558)	-	-	19,514	(42,690)	47,170	(36,470)	12,224	(29,990)	-	792	(439)	(17,407)	73,865	(67,243)
Amortization of Acquisition																		
Costs	-	(1,907)	-	1	-	-	(1)	(164)	(758)	(1,996)	-	(2)	-	-	-	(491)	(759)	(4,559)
Staff and Administrative																		
Expenses / Allocated	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Underwriting Expenses	(11,628)	(18,089)	-	-	-	-	-	(55)	(171)	(369)	-	-	(1,318)	(11,065)	(1,200)	(4,503)	(14,317)	(34,081)
Total Takaful Contract Expenses	(831,840)	(820,613)	85,603	(9,210)	-	-	26,088	(73,235)	150,214	(105,930)	(4,072)	(31,599)	(1,318)	(284)	27,139	(14,406)	(548,186)	(1,055,277)

Al-Manara Islamic Insurance Company
(Public Shareholding Limited Company)
Notes to Interim Condensed Consolidated Financial Statements
For the Financial Period Ended June 30, 2025 (Unaudited)
(Jordanian Dinars)

Note 18 – Reinsurance Contract Revenues

A- Policyholders

	Vehicles		Marine		Aviation		Fire		Engineering		Liability		Medical Insurance		Others		Total	
	Current Period	Previous Period	Current Period	Previous Period	Current Period	Previous Period	Current Period	Previous Period	Current Period	Current Period	Previous Period	Current Period	Previous Period	Current Period	Previous Period	Current Period	Previous Period	Current Period
Change in Re-Takaful Contract Liabilities for Remaining Coverage	(718,619)	(634,576)	(115,911)	(66,447)	-	-	(658,460)	(782,815)	(104,442)	(68,808)	(275,132)	(276,104)	(428,196)	(465,108)	(107,141)	(61,695)	(2,407,901)	(2,355,553)
Other Expenses																		
Total Reinsurance Contract Expenses	(718,619)	(634,576)	(115,911)	(66,447)	-	-	(658,460)	(782,815)	(104,442)	(68,808)	(275,132)	(276,104)	(428,196)	(465,108)	(107,141)	(61,695)	(2,407,901)	(2,355,553)

B- Shareholders

	Vehicles		Marine		Aviation		Fire		Engineering		Liability		Medical Insurance		Others		Total	
	Current Period	Previous Period	Current Period	Previous Period	Current Period	Previous Period	Current Period	Previous Period	Current Period	Current Period	Previous Period	Current Period	Previous Period	Current Period	Previous Period	Current Period	Previous Period	Current Period
Change in Re-Takaful Contract Liabilities for Remaining Coverage	(8,371)	(233)	-	(50)	-	-	(15)	(386)	(11,035)	(66,815)	(11,602)	(16,447)	-	-	(138)	606	(31,161)	(83,325)
Other Expenses																		
Total Reinsurance Contract Expenses	(8,371)	(233)	-	(50)	-	-	(15)	(386)	(11,035)	(66,815)	(11,602)	(16,447)	-	-	(138)	606	(31,161)	(83,325)

Al-Manara Islamic Insurance Company
(Public Shareholding Limited Company)
Notes to Interim Condensed Consolidated Financial Statements
For the Financial Period Ended June 30, 2025 (Unaudited)
(Jordanian Dinars)

Note 19 – Reinsurance Contract Expenses

A- Policyholders

	Vehicles		Marine		Aviation		Fire		Engineering		Liability		Medical Insurance		Others		Total	
	Current	Previous	Current	Previous	Current	Previous	Current	Previous	Current	Current	Previous	Current	Previous	Current	Previous	Current	Previous	Current
	Period	Period	Period	Period	Period	Period	Period	Period	Period	Period	Period	Period	Period	Period	Period	Period	Period	Period
Incurring Insurance Claims																		
Recovered from Reinsurance	104,275	171,693	92,000	21,617	-	-	25,022	79,563	59,564	104,143	(286)	1,035	411,623	364,872	(2,261)	13,185	689,937	756,108
Non-Financial Risk Adjustments	(21,373)	14,861	1,413	1,745	-	-	(7,914)	19,757	(24,262)	26,539	(486)	24	2,897	3,993	(2,700)	209	(52,425)	67,128
Amortization of Acquisition																		
Costs	-	-	23,280	(1,768)	-	-	55,011	(594)	18,667	(2,913)	11,393	1,792	-	-	4,444	2,407	112,795	(1,076)
Other Revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Reinsurance Contract																		
Revenues	82,902	186,554	116,693	21,594	-	-	72,119	98,726	53,969	127,769	10,621	2,851	414,520	368,865	(517)	15,801	750,307	822,160

B- Shareholders

	Vehicles		Marine		Aviation		Fire		Engineering		Liability		Medical Insurance		Others		Total	
	Current	Previous	Current	Previous	Current	Previous	Current	Previous	Current	Current	Previous	Current	Previous	Current	Previous	Current	Previous	Current
	Period	Period	Period	Period	Period	Period	Period	Period	Period	Period	Period	Period	Period	Period	Period	Period	Period	Period
Incurring Insurance Claims																		
Recovered from Reinsurance	21,007	197,532	(113,332)	2,958	-	-	(5,104)	29,539	(113,460)	65,518	-	5,102	-	(1,075)	(16,058)	280	(226,947)	299,854
Non-Financial Risk Adjustments	(22,175)	22,875	(5,450)	2,751	-	-	(36,487)	24,581	(54,914)	16,234	(15,961)	18,583	-	(418)	(7,106)	2,867	(142,093)	87,473
Amortization of Acquisition																		
Costs	-	-	-	5	-	-	3	93	2,698	5,098	1,039	1,867	-	-	8	66	3,748	7,129
Other Revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Reinsurance Contract																		
Revenues	(1,168)	220,407	(118,782)	5,714	-	-	(41,588)	54,213	(165,676)	86,850	(14,922)	25,552	-	(1,493)	(23,156)	3,213	(365,292)	394,456

Al-Manara Islamic Insurance Company
(Public Shareholding Limited Company)
Notes to Interim Condensed Consolidated Financial Statements
For the Financial Period Ended June 30, 2025 (Unaudited)
(Jordanian Dinars)

20 – Finance Income (Expenses) – Insurance Contracts

	30 June 2025		30 June 2024	
	(Unaudited)		(Unaudited)	
	Policyholders	Shareholders	Policyholders	Shareholders
Finance Income (Expenses)	6,869	40,613	104,744	(198,586)
Total	6,869	40,613	104,744	(198,586)

The company used discount rates ranging between 6.5% and 7.8% for the year 2024, compared to discount rates of 7% to 5.7% for the year 2023.

These discount rates are determined by comparing the U.S. dollar risk-free yield curve with the yields of Jordanian government bonds issued by the Central Bank of Jordan. The projected sovereign bond yields of the Central Bank are estimated using the Nelson-Siegel model. An average spread between the two yield curves is then added to the U.S. dollar risk-free rates, along with a volatility adjustment as determined by EIOPA. This spread reflects the credit risk related to Jordan's sovereign default risk and the illiquidity risk associated with government bonds. A 2% adjustment is added to the discount rate.

21 – (Finance Expenses) Income – Reinsurance Contracts

	30 June 2025		30 June 2024	
	(Unaudited)		(Unaudited)	
	Policyholders	Shareholders	Policyholders	Shareholders
(Finance Expenses) Income	(2,711)	5,493	(19,293)	33,969
Total	(2,711)	5,493	(19,293)	33,969

The company used discount rates ranging between 5.6% and 8.7% for the year 2024, compared to rates of 5.6% to 8.7% for the year 2023. These discount rates are determined by comparing the U.S. dollar risk-free yield curve with the yields of Jordanian government bonds issued by the Central Bank of Jordan. The projected sovereign bond yields are estimated using the Nelson-Siegel model. An average spread between the two yield curves is then added to the U.S. dollar risk-free rates, along with a volatility adjustment as determined by EIOPA. This added spread reflects the credit risk associated with Jordan's sovereign default risk and the illiquidity risk related to government bonds.

22 – Basic and Diluted Loss per Share for the Period

The loss per share was calculated by dividing the loss for the period by the weighted average number of shares during the year, detailed as follows:

	30 June 2025	30 June 2024
	(Unaudited)	(Unaudited)
Loss for the Year After Tax	(576,419)	(587,346)
Weighted Average Number of Shares	7,200,000	5,600,000
Loss per Share for the Period	(0.08)	(0.105)

Al-Manara Islamic Insurance Company
(Public Shareholding Limited Company)
Notes to Interim Condensed Consolidated Financial Statements
For the Financial Period Ended June 30, 2025 (Unaudited)
(Jordanian Dinars)

23 – Cash and Cash Equivalents

Cash and cash equivalents shown in the statement of cash flows consist of the amounts detailed as follows:

	30 June 2025	30 June 2024
	(Unaudited)	(Unaudited)
Cash on Hand and Bank Balances	553,989	261,073
Add: Deposits with Banks Maturing Within Three Months	-	-
Total Cash and Cash Equivalents	553,989	261,073

24 – Subsequent Events

There are no subsequent events that would materially affect the consolidated financial statements as of 30 June 2025.

25 – Comparative Figures

The financial statement figures for the year 2024 have been reclassified to conform with the presentation of the financial statements for the year 2025.