JORDAN LOAN GUARANTEE CORPORATION
(PUBLIC SHAREHOLDING COMPANY)

FINANCIAL STATEMENTS

31 DECEMBER 2024

Ernst & Young Jordan
P.O. Box 1140
300 King Abdulla Street
Amman 11118
Jordan
Tel:00962 6 580 0777 /00962 6552 6111
Fax:00962 6 5538 300
www.ey.com

INDEPENDENT AUDITOR'S REPORT
To the shareholders of the Jordan Loan Guarantee Corporation Company – Public Shareholding Company
Amman – Jordan

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Jordan Loan Guarantee Corporation Company - Public Shareholding Company (the "Company") which comprise the statement of financial position as at 31 December 2024, the statement of income and the statement of other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

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* (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Jordan, 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 for the year ended 31 December 2023 were audited by another auditor who expressed an unqualified opinion on 14 February 2024.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter provided in that context .

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Adequacy of the provision for expected credit losses on loans guaranteed by the Company's programs and for programs funded by loans from the Central Bank and other entities (note 15)	
Key audit matter	**How the key audit matter was addressed**
The process of estimating expected credit losses for loans guaranteed by the Company's programs and programs funded by loans from the Central Bank and other entities, in accordance with International Financial Reporting Standard No. (9), is important, complex, and requires significant judgment. This matter was considered a key audit matter as its estimation requires assumptions and management's use of estimates to calculate the extent and timing of recording expected credit losses. The provision for guaranteed loans is determined by the Company in accordance with the Company's policy for expected credit loss provisions which is consistent with the requirements of International Financial Reporting Standard (IFRS) No. (9). Loans guaranteed by the Company constitute a significant portion of the Company's business, and there is a possibility that the recorded expected credit loss provision may be inaccurate, whether due to the use of inaccurate underlying data or unreasonable assumptions. Given the importance of the judgments used in classifying the Company's guaranteed loans into different stages, as stipulated in International Financial Reporting Standard No. (9), the audit procedures in this regard were considered a key audit matter.	Our audit procedures included the following: - Understanding the nature of the loans guaranteed by the Company's programs and programs funded by loans from the Central Bank and other entities, as well as testing the internal controls used in the loan guarantee and credit monitoring process, and assessing the effectiveness of the key procedures followed in the loan guarantee process. - Assessing the expected credit loss policy and comparing it with the requirements of International Financial Reporting Standards and the instructions and circulars issued by regulatory authorities. - Understanding the expected credit loss model used in calculating provisions and its consistency with the requirements of International Financial Reporting Standard (9) and relevant regulatory guidelines and directives. We evaluated the disclosures in the financial statements to ensure their consistency with International Financial Reporting Standard (9).

The total loans guaranteed by the Company's programs and programs funded by loans from the Central Bank and other entities as of 31 December 2024 amounted to JD 362,791,749 and the related expected credit losses provision amounted to JD 19,506,013. The expected credit losses provision policy is presented in the accounting policies followed in the preparation of these financial statements within note (2).	

Other information included in the Company's 2024 annual report

Other information consists of the information included in the Company's 2024 Annual Report other than the financial statements and our auditor's report thereon. Management is responsible for the other information. The Company's 2024 Annual Report is expected to be made available to us after the date of this auditor's report. Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 exist, 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 those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Report on Other Legal and Regulatory Requirements

The Company maintains proper books of accounts which are in agreement with the financial statements.

The partner in charge of the audit resulting in this auditor’s report was Osama Shakhatreh; license number 1079.

ERNST & YOUNG
Amman - Jordan

Amman – Jordan
9 February 2025

JORDAN LOAN GUARANTEE CORPORATION - PUBLIC SHAREHOLDING COMPANY
STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2024

	Notes	31 December 2024	31 December 2023	1 January 2023
		JD	JD	JD
			(Restated note 14)	(Restated note 14)
ASSETS				
Cash and balances at banks	5	15,667,174	14,246,781	20,481,811
Term deposits at banks	6	2,240,820	11,418,146	12,389,666
Restricted bank deposits	7	156,962,945	133,357,988	106,965,982
Restricted financial assets at amortized cost	7	555,883,913	555,959,220	561,071,650
Financial assets at amortized cost	8	27,208,342	16,465,648	6,470,502
Financial assets at fair value through other comprehensive income	9	1,024,516	1,115,788	1,165,788
Receivables and other debit balances	10	3,460,300	2,692,935	1,946,366
Deferred tax assets	24	1,860,798	1,427,639	986,828
Properties and equipment	11	3,349,480	3,179,346	3,028,950
Total assets		767,658,288	739,863,491	714,507,543
EQUITY AND LIABILITIES				
Equity				
Paid-in capital	12	29,080,310	29,080,310	29,080,310
Statutory reserve	12	2,690,932	2,457,560	2,235,402
Voluntary reserve	12	2,204,824	2,204,824	2,204,824
Fair value reserve		344,407	430,888	478,263
Retained earnings		8,697,555	7,116,562	5,511,807
Total equity		43,018,028	41,290,144	39,510,606
Liabilities				
Contractually restricted provisions - Central Bank of Jordan	13	118,546,169	95,093,506	71,243,670
Contractually restricted provisions - other entities	14	5,243,987	5,367,780	5,312,732
Expected credit losses provision	15	19,506,013	15,096,383	14,188,158
Central Bank of Jordan loan - industrial loans guarantee program	16	5,160,695	5,160,695	5,160,695
Central Bank of Jordan Loan - exports credit guarantee program	17	99,999,277	99,999,277	99,999,277
Central Bank of Jordan Loan - housing loan guarantee program-facilitated housing	18	100,000,000	100,000,000	100,000,000
Central Bank of Jordan Loan - confronting Covid-19 pandemic	19	300,000,000	300,000,000	300,000,000
Ministry of Planning deposits	20	1,248,500	1,248,500	1,248,500
Startup micro project's loans	21	64,429,883	64,394,497	64,447,651
Deferred grants interest income	22	2,176,975	3,169,511	4,073,507
Payables and other credit balances	23	7,663,386	8,437,121	8,856,232
Income tax provision	24	665,375	606,077	466,515
Total liabilities		724,640,260	698,573,347	674,996,937
Total equity and liabilities		767,658,288	739,863,491	714,507,543

JORDAN LOAN GUARANTEE CORPORATION - PUBLIC SHAREHOLDING COMPANY
STATEMENT OF INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024	2023
		JD	JD
			(Restated note 14)
Revenues			
Interest income from bonds and deposits of the Central Bank and other entities (contractually restricted)		41,443,331	39,507,998
Other bank deposits' interest		1,266,816	1,914,637
Interest income from investments in financial assets at amortized cost		1,810,009	686,132
Loans guarantees commissions		1,002,445	963,154
Exports and domestic buyers guarantee commissions		534,785	514,855
Industrial financing and financial leasing guarantees commissions		1,309,335	854,777
National program for combating Covid-19 and corona micro loan guarantee commissions		616,937	954,595
Investments' dividends		90,000	112,500
Managing Central Bank of Jordan programs loans commissions	13	1,062,598	834,194
Other revenues		50	8,176
Total revenues		49,136,306	46,351,018
Less:			
General and administrative expenses	25	(2,564,101)	(2,425,801)
(Provision) recovered from provision of expected credit losses for programs financed by the loans of the Central Bank and other entities	15	(1,915,820)	1,128,764
Provision of expected credit losses related to Company's programs	15	(2,887,690)	(2,235,158)
Recovered from provision (provision) of expected credit losses on the other accounts	5, 6, 8	37,538	(15,480)
Finance costs for Central Bank loans		(5,050,198)	(5,055,635)
Contractually restricted provisions expense	13, 14	(34,477,313)	(35,581,127)
Total expenses		(46,857,584)	(44,184,437)
Profit for the year before income tax		2,278,722	2,166,581
Income tax expense for the year	24	(464,357)	(339,668)
Profit for the year		1,814,365	1,826,913
		Fils/ JD	Fils/ JD
Basic and diluted earnings per share for the profit of the year	26	0/062	0/063

The accompanying notes from 1 to 37 form an integral part of these financial statements

	2024	2023
	JD	JD
Profit for the year	1,814,365	1,826,913
Add: Other comprehensive income items		
Change in fair value of financial assets through other comprehensive income	(86,481)	(47,375)
Total comprehensive income for the year	1,727,884	1,779,538

Jordan Loan Guarantee Corporation - Public Shareholding Company
Statement of Changes in Equity
For the year ended 31 December 2024

	Paid in capital	Statutory reserve	Voluntary reserve	Fair value reserve	Retained earnings	Total
	JD	JD	JD	JD	JD	JD
For the year ended 31 December 2024 -						
Balance at 1 January 2024	29,080,310	2,457,560	2,204,824	430,888	7,116,562	41,290,144
Total comprehensive income for the year	-	-	-	(86,481)	1,814,365	1,727,884
Statutory reserve	-	233,372	-	-	(233,372)	-
Balance at 31 December 2024	29,080,310	2,690,932	2,204,824	344,407	8,697,555	43,018,028
For the year ended 31 December 2023 -						
Balance at 1 January 2023	29,080,310	2,235,402	2,204,824	478,263	5,511,807	39,510,606
Total comprehensive income for the year	-	-	-	(47,375)	1,826,913	1,779,538
Statutory reserve	-	222,158	-	-	(222,158)	-
Balance at 31 December 2023	29,080,310	2,457,560	2,204,824	430,888	7,116,562	41,290,144

The accompanying notes from 1 to 37 form an integral part of these financial statements

JORDAN LOAN GUARANTEE CORPORATION - PUBLIC SHAREHOLDING COMPANY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024	2023
		JD	JD
			(Restated note 14)
Operating activities			
Profit for the year before income tax		2,278,722	2,166,581
Adjustments for -			
Depreciation	11	102,627	80,161
Provision (recovered from provision) of expected credit losses for programs financed by the loans of the Central Bank and other entities	15	1,915,820	(1,128,764)
Provision of expected credit losses related to Company's programs	15	2,887,690	2,235,158
(Recovered from provision) provision of expected credit losses on the other accounts	5, 6, 8	(37,538)	15,480
Interest income from bonds and deposits of the Central Bank and other entities (contractually restricted)		(41,443,331)	(39,507,998)
Interest income from other bank deposits		(1,266,816)	(1,914,637)
Interest income from financial assets at amortized cost		(1,810,009)	(686,132)
Investments' dividends		(90,000)	(112,500)
Finance costs for Central Bank loans		5,050,198	5,055,635
Contractually restricted provisions expense	13, 14	34,477,313	35,581,127
End-of-service indemnity provision		19,799	34,133
Board of Directors' bonuses provision		55,000	55,000
Profit from sale of property and equipment		-	(6,411)
Changes in working capital:			
Receivables and other debit balances		(373,163)	(746,569)
Payables and other credit balances		(1,201,057)	(706,326)
Contractually restricted provisions		(11,148,443)	(11,676,244)
End-of-service indemnity provision paid		(436,229)	-
Income tax paid	24	(833,426)	(638,292)
Net cash flows used in operating activities		(11,852,843)	(11,900,598)
Investing activities			
Purchase of property and equipment	11	(272,761)	(230,565)
Proceeds from sale of property and equipment		-	6,412
Term deposits at banks		9,214,345	960,902
Dividend income received		90,000	112,500
Purchase of financial assets at amortized cost		(10,742,000)	(10,000,000)
Interest received		3,076,825	2,600,769
Restricted bank deposits and financial assets at amortized cost restricted		(23,529,650)	(21,279,666)
Interest income from bonds and deposits of the Central Bank and other entities (contractually restricted) received		41,443,331	39,507,998
Net cash flows from investing activities		19,280,090	11,678,350
Financing activities			
Finance costs paid		(5,050,198)	(5,055,635)
Startup micro-projects loans		(957,150)	(957,150)
Net cash flows used in financing activities		(6,007,348)	(6,012,785)
Net increase (decrease) in cash and cash equivalents		1,419,899	(6,235,033)
Cash and cash equivalents at beginning of the year		14,257,729	20,492,762
Cash and cash equivalents at end of the year	5	**15,677,628**	**14,257,729**

The accompanying notes from 1 to 37 form an integral part of these financial statements

(1) GENERAL

Jordan Loan Guarantee Corporation was established as a Public Shareholding Company on 26 March 1994 as a result of the transfer of the loan guarantee project, under the Council of Ministers' decision, according to which all accounts and assets of the project were transferred to the Central Bank of Jordan in order to establish a public shareholding company to guarantee loans under the number (242). The authorized, subscribed, and paid-up capital amounts to 29,080,310 dinars, divided into 29,080,310 shares with a nominal value of one dinar each. The company's registration center is in Amman, Hashemite Kingdom of Jordan.

The principal objective of the Company is to provide the necessary guarantees to cover the loans granted by banks and financial institutions with various terms and types, full or partial coverage for establishing economic projects or expanding them and to raise their production and marketing efficiency in order to create job opportunities or provide the capabilities of earning or saving foreign currencies. As well as providing the necessary guarantees to cover risks in the field of Jordanian exports financing and in any other economic sector in general and in any sector or field that achieves the interest of the company in particular.

These financial statements were authorized for issuance by the Board of Directors on 9 February 2025.

(2) BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES

(2-1) BASIS OF PREPARATION

The financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS Accounting Standards) issued by the International Accounting Standards Board (IASB).

The financial statements have been prepared under the historical cost convention, except for financial assets at fair value through other comprehensive income, which are measured at fair value as of the financial statements date.

The Jordanian Dinar is the currency in which the financial statements are presented and represents the Company's primary currency.

(2-2) CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the financial statements are consistent with those used in the preparation of the annual financial statements for the year ended 31 December 2023 except for the adoption of new amendments on the standards effective as of 1 January 2024.

Amendments to IFRS 16: Lease Liability in a Sale and Leaseback

The amendments to IFRS 16 specify the requirements that the seller-lessee applies in measuring the lease liability arising from a sale and leaseback transaction to ensure that the seller-lessee does not recognize any amount of profit or loss related to the right-of-use asset it retains.

These amendments had no material impact on the Company's financial statements.

Amendments to IAS 1: Classification of Liabilities as Current or Non-Current

The amendments to IAS 1 specify the requirements for classifying liabilities as current or non-current. These amendments clarify:

- The definition of "the right to defer settlement",
- The right to defer settlement must exist at the end of the financial year,
- The classification is not affected by the likelihood of the entity exercising its right to defer,
- If derivatives embedded in convertible liabilities are, by themselves, equity instruments, then the terms of the liabilities do not affect their classification.

Additionally, a mandatory disclosure requirement was introduced when a liability arising from a loan agreement is classified as non-current, and the entity’s right to defer settlement is conditional on compliance with future covenants within twelve months.

These amendments had no material impact on the Company's financial statements.

Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7

The International Accounting Standards Board (IASB) issued amendments to IAS 7 "Statement of Cash Flows" and IFRS 7 "Financial Instruments" in May 2023.

These amendments clarify the characteristics of supplier finance arrangements and the additional disclosure requirements related to them. The disclosure requirements aim to help financial statement users understand the impact of supplier finance arrangements on an entity’s liabilities, cash flows, and liquidity risk exposure.

The transition provisions clarify that an entity is not required to provide these disclosures in interim periods during the first year of applying the amendments.

These amendments had no material impact on the Company's financial statements.

(2-3) MATERIAL ACCOUNTING POLICY INFORMATION

Cash and cash equivalents
Cash and cash equivalents include cash, bank balances and short-term deposits that have maturity dates of three months or less so that they do not include the risk of change in value. If the maturity date is more than three months, it is classified as a term deposit with banks.

For the purpose of the statement of cash flows, cash and cash equivalents include cash in the Fund and with banks and short-term deposits that have a maturity date of three months or less after the reduction of customer balances and restricted balances, if any.

Financial assets at fair value through other comprehensive income statement
These financial assets represent investments in proprietary instruments for the purpose of holding them for the long term.

These assets are recognized at fair value plus acquisition expenses at the time of purchase and later revalued at fair value, and the change in fair value appears in the statement of comprehensive income and within equity, including the change in fair value resulting from differences in the conversion of non-cash assets in foreign currencies. In the event of the sale of these assets or part of them, the resulting profits or losses are taken in the statement of comprehensive income and within equity and the balance of the valuation reserve of financial assets is transferred directly to the retained earnings and losses and not through the income statement.

These assets are subject to impairment loss testing only if debt instruments are classified as financial assets at fair value through the statement of comprehensive income where impairment is calculated according to the expected credit loss.

Dividends are recorded in the income statement.

Financial assets at amortized cost
They are the financial assets that the Company's management aims to maintain according to its business model to collect contractual cash flows, which are represented by payments of principal and interest on the balance of the outstanding debt.

These assets are recognized upon purchase at cost plus acquisition costs. The premium/discount is amortized using the effective interest method, credited to or for the interest account. Any provisions resulting from impairment in their value that result in the recoverability of the asset or part thereof are deducted. Any impairment in their value is recorded in the statement of comprehensive income. These assets are measured at amortized cost at the date of the financial statements.

The amount of impairment in the value of financial assets carried at amortized cost is determined by preparing a study based on historical credit loss experience, taking into account future factors specific to the debtors and the economic environment.

The impairment is recorded as a provision for expected credit losses in the income statement. Any surplus in the following year resulting from previous impairment of financial assets is recorded in the income statement.

If any of these assets are sold before their maturity date, gains and losses are recorded in the income statement.

Impairment of financial assets

The Company recognizes expected credit losses on:

- Amounts guaranteed by the Company's programs and programs funded by the Central Bank of Jordan and other entities
- Bank balance and deposits
- Financial assets at amortized cost

The Company's policy includes three stages for recognizing credit impairment, which are based on changes in the credit quality of financial assets since their initial recognition. Assets move between these stages according to changes in credit quality:

- Stage (1): Performing accounts
    - Initial recognition: Expected credit losses weighted by the probability of default within the next (12) months.
- Stage (2): Performing accounts
    - Credit quality deterioration: Expected credit losses for the entire life of the financial assets.
- Stage (3): Non-performing accounts
    - Credit impairment: Expected credit losses for the entire life of the financial assets.

Stage (1)

1. This stage includes financial assets at initial recognition that have not been exposed to a significant increase in credit risk since their initial recognition or that have low credit risk.
2. Expected credit losses for these assets are recognized for a period of (12) months, resulting from possible default events within (12) months.
3. At this stage, interest/return is calculated on the gross carrying amount of the debt instrument without deducting the provision amount.

Stage (2)

1. This stage includes financial assets that have experienced a significant increase in credit risk after initial recognition and for which there is no objective evidence of impairment.
2. Expected credit losses for these assets are recognized for the entire life of the debt instrument, resulting from possible default events over the life of the financial instrument.
3. At this stage, interest/return is calculated on the gross carrying amount of the debt instrument without deducting the provision amount.

Stage (3)

1. This stage includes financial assets that have experienced a significant increase in credit risk after initial recognition and for which there is objective evidence of impairment.
2. Lifetime expected credit losses for these assets are recognized, resulting from potential default events over the life of the financial instrument.
3. At this stage, interest/return is calculated on the net carrying amount of the financial instrument after deducting the provision.

Significant increase in credit risk

The expected credit loss is measured as a provision equal to the expected credit loss for a period of (12) months for stage (1) instruments, or the lifetime credit loss for stage (2) or stage (3) instruments. The instrument moves to stage (2) if the credit risk has increased significantly since initial recognition. IFRS (9) does not specify what constitutes a significant increase in credit risk. When assessing whether the credit risk of an asset has increased significantly, the Company considers reasonable and supportable prospective quantitative and qualitative information.

Mechanism adopted for calculating expected credit losses (ECL) on financial instruments

Definition and mechanism for calculating and monitoring the probability of default (PD) and loss given default (LGD) ratio.

- Probability of Default (PD): The percentage of potential losses or delays in meeting installment payments or obligations to the Company on their due dates. The Company relied on globally recognized methods and methodologies to measure the degree of risk associated with any credit exposure to obtain the values of the probability of default (PD) variable used in the ECL calculation process.
- Loss Given Default (LGD): The percentage representing the portion of the exposure that would be lost in the event of a default.
- Expected credit losses are a weighted estimate of credit losses. The Company measured expected credit losses on financial instruments based on several economic indicators related to the financial instrument.

Fair Value Measurement

The Company measures financial instruments such as financial assets at fair value through the statement of comprehensive income at fair value at the date of the financial statements. Fair value represents the price that will be obtained when the asset is sold or that will be paid to transfer an obligation in a structured transaction between market participants at the measurement date. Fair value is measured based on the assumption that the sale of assets or transfer of obligation is made through the main markets of assets and liabilities.

In the absence of the main market, the market most favorable for assets or liabilities is used. A company needs to have access to the main market or the most suitable market.

A company measures the fair value of an asset or liability using the assumptions that market participants will use when pricing assets or liability assuming that market participants will act in their economic interest.

Measuring the fair value of non-financial assets takes into account the ability of market participants to generate economic benefits by using the assets in the best way or selling them to another participant who will best use the assets.

The Company uses appropriate and appropriate valuation methods that provide sufficient information to measure fair value, clarify the use of directly observable inputs, and minimize the use of indirectly observable inputs.

The Company uses the following order of valuation methods and alternatives in determining and presenting the fair value of financial instruments:

All assets and liabilities for which fair value is used to measure or disclosed in the financial statements using the following levels of fair value, based on the lowest level of inputs that have a significant impact to measure fair value as a whole:

Level I: Market prices declared in active markets for similar assets and liabilities.
Level II: Other techniques where they are on inputs have an important impact on fair value and can be observed directly or indirectly.
Level III: Other techniques where inputs are used that have an important impact on fair value but are not based on observable market information.

The Company determines whether any assets and liabilities have been transferred between fair value levels by reevaluating ratings (based on the lowest level of inputs that have a material impact on the measurement of fair value as a whole) at the end of each financial year. For the purpose of illustrating fair value, the Company determines the classifications of assets and liabilities according to their nature, the risk of assets or liabilities and the level of fair value.

Property, Plant & Equipment
Property, machinery and equipment appear at cost after deduction of accumulated depreciation, and property, plant and equipment (excluding land) are depreciated when they are ready for use by straight-line method over their expected useful life as follows:

	%
Building	2
Furniture & Equipment	10 – 20
Transportation media	15
Computer hardware and software	20

The useful life and depreciation method are periodically reviewed to ensure that the method and period of depreciation are commensurate with the expected economic benefits of the property and equipment.

Review the carrying amount of property and equipment for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. When such indicators exist and when the carrying amount exceeds the recoverable value, the value of the property and equipment is reduced to its recoverable value and the impairment provision is recorded in the income statement.

Gains or losses on asset disposal (calculated on the basis of the difference between cash receipts and the book value of the excluded asset) are recognized in the income statement when the asset is discarded.

Payables and accruals

Liabilities are recognized for amounts payable in the future for goods and services received whether or not they are claimed by the supplier

Provisions

Provisions are recognized when the company has an obligation (legal or actual) resulting from a past event, and that the repayment of the obligations is probable and reliably measurable.

Impairment of non-financial assets

At the reporting date, the Company assesses whether there is evidence that the assets have impaired. If there is any evidence to this effect, or when an annual impairment test is required, the company assesses the collectible amount of the assets. The amount of collectible assets is the fair value of the asset or cash generating unit less the selling costs and value used, whichever is higher, determined for individual assets, unless the assets do not generate internal cash flows that are largely independent of those generated by other assets or assets of the company. When the listed amount of the asset or cash generating unit exceeds the collectible amount, the assets are considered low and reduced to the collectible amount. During the fair value valuation used, future cash flows are discounted to their present fair value using the pre-tax discount rate which reflects current market valuations of the time value of funds and the specific risk of the assets. While determining fair value minus selling costs, recent market transactions are taken into account if available. If such transactions cannot be identified, an appropriate evaluation form is used. These calculations are fixed by multiples of valuation of shares of traded subsidiaries or other available fair value indices.

Revenue recognition

Revenues are recorded in accordance with the five-step model of IFRS 15, which includes determining the contract and price, determining the performance obligation in the contract, and recognizing revenues based on the performance of the performance obligation.

Loan guarantee commissions

Loan guarantee commissions charged by the company from banks and financial institutions are realized on existing collateral ceilings or collateralized loan balances during the year, depending on the type of guarantee program.

Exports and domestic buyers guarantee commissions

The exports credit guarantee commissions and local buyers charged by the company from customers on the guaranteed part of the value of the exporter's operations in foreign markets and the value of the goods sold in the Jordanian market during the year are realized net after deducting the share of the reinsurance company.

Bank interest income

Interest income is realized on a time basis so that it reflects the actual interest on the assets.

Dividends

Investment dividends are realized when approved by the general assemblies of the investee companies.

Other income
Other income is recognized according to the accrual principle.

Income tax
Tax expense represents the amounts of taxes due and deferred taxes.

Taxable profits differ from profits declared in the financial statements because declared profits include non-taxable revenues, expenses that are not deductible in the financial year but in subsequent years, accumulated losses that are taxable or items that are not subject or acceptable for tax purposes.

Taxes are calculated in accordance with the tax rates established in accordance with the income tax laws in force in the Hashemite Kingdom of Jordan and in accordance with International Accounting Standard No (12).

Foreign Currencies
Transactions made in foreign currencies during the year are recorded at the exchange rates prevailing on the date of transactions, and financial assets and liabilities recorded in foreign currencies are transferred at the exchange rates prevailing on the date of the statement of financial position. All differences resulting from transfers are included in the income statement.

Current versus non-current classification
The Company presents assets and liabilities in the financial statements based on the current/non-current classification.

An asset is current when it is:
- Expected to be realised or intended to be sold or consumed in a normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current assets.

A liability is current when:
- It is expected to be settled in a normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current liabilities. Tax assets and liabilities are classified as non-current assets and liabilities.

Offsetting
Financial assets and financial liabilities are only offset and the net amount reported in the statement of financial position when there is a legally enforceable right to set off the recognized amounts and the Company intends to either settle on a net basis, or to realize the asset and settle the liability simultaneously.

Contingent assets and liabilities
Contingent liabilities are not recorded in the company's financial statements but are disclosed when the likelihood of future economic benefits flowing is small. Contingent assets are not recorded in the financial statements but are disclosed when the potential for future economic benefits to flow is likely.

(3) USES OF ESTIMATES

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of financial assets and liabilities and disclosure of contingent liabilities. These estimates and assumptions also affect the revenues and expenses and the resultant provisions. In particular, considerable judgment by management is required in the estimation of the amount and timing of future cash flows when determining the level of provisions required. Such estimates are necessarily based on assumptions about several factors involving varying degrees of judgment and uncertainty and actual results may differ resulting in future changes in such provisions.

Useful lives of property, plant and equipment
The Company’s management determines the estimated useful lives of its property, plant and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the asset. Management reviews the useful lives annually and the future depreciation charge is adjusted where the management believes the useful lives differ from previous estimates.

Expected credit losses
The Company's management is required to use significant judgments and estimates to estimate the amounts and times of future cash flows, the risk of significant increase in credit risk of financial assets after initial recognition, and future measurement information for expected credit losses. The most important policies and estimates used by the company's management are detailed in Note (2).

Income tax provision
The Company's management calculates the tax expense for the year based on reasonable estimates of the possible audit results through the Income and Sales Tax Department, and the amount of the tax provision depends on various factors such as the Company's experience from the tax auditing of previous years. In addition, the Company has an independent tax advisor to review the calculation of the tax provision.

(4) BALANCES OF GRANTED CEILINGS AND GUARANTEED LOANS

	Loan ceiling		Guaranteed amount	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
	JD	JD	JD	JD
Housing loans guarantee program *	15,145,906	16,414,906	9,294,449	10,631,330
Production loans guarantee program*	47,732,959	47,075,505	44,368,546	40,284,093
Guarantee of exports credit and domestic buyers *	7,365,954	8,811,301	7,365,955	8,811,301
Industrial financing and financial leasing*	155,817,932	96,003,884	155,817,932	96,003,884
Startup micro projects **	31,350,920	26,676,838	31,350,920	26,676,838
Entrepreneurial projects guarantee program **	679,660	738,771	679,660	738,771
National program for combating Covid-19 and corona micro loan guarantee **	113,914,287	220,017,640	113,914,287	220,017,640
	372,007,618	415,738,845	362,791,749	403,163,857

* These represent the loans guaranteed under the Company's programs, with a total amount of JD 61,028,950 as of 31 December 2024 (2023: JD 59,726,724) (note 15).

** These represent the loans guaranteed under programs funded by the Central Bank and other entities loans, with a total amount of JD 301,762,799 as of 31 December 2024 (2023: JD 343,437,133) (note 15).

(5) CASH AND BALANCES AT BANKS

	31 December 2024	31 December 2023
	JD	JD
Cash-on hand	2,000	495
Current accounts at banks	79,325	324,625
Deposits maturing within three months*	15,596,303	13,932,609
	15,677,628	14,257,729
Expected credit losses provision	(10,454)	(10,948)
	15,667,174	14,246,781

Term deposits are held for one to three months with an interest rate between 5.50% to 6.8% during 2024 (2023: 5.50% to 7%).

Movement on the expected credit losses provision is as follows:

	31 December 2024	31 December 2023
	JD	JD
Balance at the beginning of the year	10,948	10,951
Recovered from the provision during the year	(494)	(3)
Balance at the end of the year	10,454	10,948

For the purpose of the preparation of statement of cash flows, the details of cash and cash equivalents are as follows:

	31 December 2024	31 December 2023
	JD	JD
Cash and banks balances	15,677,628	14,257,729

(6) TERM BANK DEPOSITS

	31 December 2024		
	Deposits maturing in more than three months and up to six months	Deposits maturing within six months and up to one year	Total
	JD	JD	JD
Term deposits	-	2,248,111	2,248,111
Less: provision for expected credit losses	-	(7,291)	(7,291)
	-	2,240,820	2,240,820

	31 December 2023		
	Deposits maturing in more than three months and up to six months	Deposits maturing within six months and up to one year	Total
	JD	JD	JD
Term deposits	3,470,021	7,992,435	11,462,456
Less: provision for expected credit losses	(6,079)	(38,231)	(44,310)
	3,463,942	7,954,204	11,418,146

The interest rates on the term bank deposits balances ranged between 5.75% and 6.65% during 2024 (2023: 5.50% to 6.95%).

Movement on the provision for expected credit losses was as follows:

	31 December 2024	31 December 2023
	JD	JD
Balance at the beginning of the year	44,310	33,692
(Recovered from provision) provision for the year	(37,019)	10,618
Balance at the end of the year	7,291	44,310

(7) RESTRICTED BANK DEPOSITS AND RESTRICTED FINANCIAL ASSETS AT AMORTIZED COST (GOVERNMENTAL BONDS)

The details of the restricted bank deposits are as follow:

	31 December 2024	31 December 2023
	JD	JD
Restricted bank deposits against the Central Bank's loan for the National Program to Combat the Covid-19 pandemic	54,289,365	42,022,497
Restricted bank deposits against bank loans to guarantee startups micro projects	36,157,190	34,776,357
Restricted bank deposits against the Central Bank's loan for the export program	22,857,551	18,190,744
Restricted bank deposits against the Central Bank's loan for the affordable housing program	21,956,137	17,420,645
Restricted bank deposits against the Central Bank's loan for the industrial finance guarantee program	19,984,925	19,309,242
Restricted bank deposits against entrepreneurial projects fund loans	1,717,777	1,635,425
Restricted bank deposits against the Central Bank loan to support the bank guarantees program	-	3,078
	156,962,945	133,357,988

The of interest rates on bank deposit balances ranged from 5.75% to 6.85% during 2024 (2023: 5.50% to 6.85%).

The details of the financial assets at the amortized cost are as follows:

	31 December 2024	31 December 2023
	JD	JD
Treasury bonds restricted against the Central Bank of Jordan loan – the National Program to Combat the Covid-19 pandemic	303,286,357	303,286,352
Treasury and public institutions bonds restricted against the Central Bank of Jordan loan – Export Guarantee Program	101,525,971	101,525,900
Treasury bonds restricted against the Central Bank of Jordan loan – Facilitated housing program	100,138,356	100,138,356
Treasury bonds restricted against SMEs loans	50,933,229	51,008,612
	555,883,913	555,959,220

Interest rates on treasury bonds in JD ranged from 5.498% to 7.24% and maturities between 29 March 2027 and 13 April 2035.

The financial assets at amortized cost restricted to the Central Bank above represent the book value of the bonds plus the accrued interest receivable.

(8) FINANCIAL ASSETS AT AMORTIZED COST

	31 December 2024	31 December 2023
	JD	JD
Treasury bonds and loan bonds inside Jordan	27,233,636	16,490,967
Provision for expected credit losses	(25,294)	(25,319)
	27,208,342	16,465,648

The interest rates on treasury bonds in Jordanian Dinars ranged from 6.099% to 6.97% and maturities between 8 September 2026 to 12 June 2029.

The interest on Ahli Bank loan bond is 9.5% and matures on 13 November 2029.

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

	31 December 2024	31 December 2023
	JD	JD
Balance as at the beginning of the year	25,319	20,454
(Recovered from provision) provision for the year	(25)	4,865
Balance as at the end of the year	25,294	25,319

(9) FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	31 December 2024	31 December 2023
	JD	JD
Financial assets listed at the Amman Stock Exchange – companies' shares	913,486	916,598
Unlisted financial assets – companies' shares *	111,030	199,190
	1,024,516	1,115,788

* The latest audited and issued financial statements were used to calculate the fair value of contributions using the net assets value method.

(10) RECEIVABLES AND OTHER DEBIT BALANCES

	31 December 2024	31 December 2023
	JD	JD
Accounts receivables	195,095	16,176
Accrued interest	1,242,819	848,617
Accrued commissions for managing Central Bank loans provisions	1,062,598	834,194
Accrued guarantee commissions	914,102	943,264
Prepayments	37,871	36,618
Refundable deposits	7,815	7,815
Other	-	6,251
	3,460,300	2,692,935

(11) PROPERTY AND EQUIPMENT

	Lands	Buildings	Furniture & equipment	Transportation media	Computer hardware and software	Projects under construction	Total
	JD	JD	JD	JD	JD	JD	JD
2024 -							
Cost							
Balance as at 1 January 2024	1,688,453	1,609,128	264,371	75,901	653,737	138,350	4,429,940
Additions	-	-	20,452	36,926	12,933	202,450	272,761
Transfer from projects under construction	-	-	-	-	69,300	(69,300)	-
Balance as at 31 December 2024	1,688,453	1,609,128	284,823	112,827	735,970	271,500	4,702,701
Accumulated depreciation							
Balance as 1 January 2024	-	433,690	201,890	70,300	544,714	-	1,250,594
Depreciation for the year	-	32,436	15,227	10,230	44,734	-	102,627
Balance as at 31 December 2024	-	466,126	217,117	80,530	589,448	-	1,353,221
Net book value as at 31 December 2024	1,688,453	1,143,002	67,706	32,297	146,522	271,500	3,349,480

	Lands	Buildings	Furniture & equipment	Transportation media	Computer hardware and software	Projects under construction	Total
	JD	JD	JD	JD	JD	JD	JD
2023 -							
Cost							
Balance as at 1 January 2023	1,688,453	1,557,945	252,440	109,901	560,471	64,933	4,234,143
Additions	-	-	12,567	-	93,398	124,600	230,565
Disposals	-	-	(636)	(34,000)	(132)	-	(34,768)
Transfer from projects under construction	-	51,183	-	-	-	(51,183)	-
Balance as at 31 December 2023	1,688,453	1,609,128	264,371	75,901	653,737	138,350	4,429,940
Accumulated depreciation							
Balance as at 1 January 2023	-	400,861	188,639	95,899	519,794	-	1,205,193
Depreciation for the year	-	32,829	13,881	8,400	25,051	-	80,161
Disposals	-	-	(630)	(33,999)	(131)	-	(34,760)
Balance as at 31 December 2023	-	433,690	201,890	70,300	544,714	-	1,250,594
Net book value as at 31 December 2023	1,688,453	1,175,438	62,481	5,601	109,023	138,350	3,179,346

(12) EQUITY

Share Capital

The authorized, subscribed and paid-in capital is JD 29,080,310 divided into 29,080,310 shares at par value of JD 1 each.

Statuary Reserve

The amounts accumulated in this account represent 10% of the annual profit before tax transferred to statutory reserve. The reserve is not available for distribution to the shareholders.

Voluntary Reserve

The amounts accumulated in this account represent the amount transferred from the annual profits before taxes at a rate not exceeding 20% during previous years and are distributable to shareholders.

(13) CONTRACTUALLY RESTRICTED PROVISIONS - CENTRAL BANK

This item represents provisions contractually restricted with the Central Bank of Jordan and the details of this account are as follows:

	31 December 2024.	31 December 2023
	JD	JD
Contractually restricted industrial finance provision (Ejada)	11,409,058	12,095,390
Contractually restricted entrepreneurial projects program provision	203,805	363,372
Contractually restricted Central Bank loan export guarantee program provision	23,348,459	18,480,722
Contractually restricted affordable housing loans program provision	21,089,215	16,369,562
Contractually restricted Central Bank Covid-19 program provision	50,326,581	37,704,529
Contractually restricted startup projects program provision	12,169,051	10,079,931
	118,546,169	95,093,506

The movement on the contractually restricted provisions with the Central Bank of Jordan during the year is as follows:

	31 December 2024	31 December 2023
	JD	JD
Balance as at the beginning of the year	95,093,506	71,243,671
Recoveries	380,828	307,009
Compensations	(2,405,749)	(3,646,690)
Contractual provision for the year	33,276,074	34,599,062
Commissions for managing the Central Bank of Jordan loan provisions programs	(1,062,598)	(834,194)
Transferred to the Central Bank of Jordan	-	(447,678)
Expenses on provisions account	(23,087)	(27,107)
Income tax for the year	(6,712,805)	(6,100,567)
Balance as at the end of the year	118,546,169	95,093,506

(14) CONTRACTUALLY RESTRICTED PROVISIONS – OTHER ENTITIES

This item represents provisions that are contractually restricted with other entities such as commercial and Islamic banks. The details of this item are as follows:

	31 December 2024	31 December 2023
	JD	JD
Contractually restricted provision for startups projects with commercial banks	2,933,783	3,029,917
Contractually restricted provision for startups projects with Islamic banks	1,414,331	1,565,710
Contractually restricted provision of startups projects with the Arab Fund for Economic and Social Development	895,873	772,153
	5,243,987	5,367,780

The movement on the contractually restricted provisions with other entities such as commercial and Islamic banks during the year is as follows:

	31 December 2024	31 December 2023
	JD	JD
Balance as at the beginning of the year	5,367,780	5,312,732
Recoveries	87,798	78,936
Compensations	(1,382,795)	(915,026)
Contractual provision for the year	1,201,239	982,065
Income tax for the year	(30,035)	(90,927)
Balance as at the end of the year	5,243,987	5,367,780

(15) PROVISION FOR EXPECTED CREDIT LOSSES

This item consists of the following:

	31 December 2024	31 December 2023
	JD	JD
Provision for expected credit losses on programs financed by the loans of the Central Bank and other entities *	10,607,712	8,691,892
Provision for expected credit losses on the Company's programs **	8,898,301	6,404,491
	19,506,013	15,096,383

* This item represents the provision for expected credit losses on programs financed by loans from the Central Bank and other entities, the details of this item are as follows:

	31 December 2024	31 December 2023
	JD	JD
Provision for expected credit losses for the Covid-19 and corona micro program	4,565,079	4,700,216
Provision for expected credit losses for the industrial finance program (Ejada)	3,258,387	1,923,331
Provision for expected credit losses for the startup projects program	2,537,378	2,068,345
Provision for expected credit losses for the entrepreneurial program	246,868	-
	10,607,712	8,691,892

The movement on the guaranteed amounts for programs financed by loans from the Central Bank and other entities during the year is as follows:

	31 December 2024				31 December 2023
Description	Stage (1)	Stage (2)	Stage (3)	Total	Total
	JD	JD	JD	JD	JD
Balance at the beginning of the year	259,947,005	73,902,101	9,588,028	343,437,134	354,232,981
Amounts guaranteed during the year	102,647,247	-	-	102,647,247	177,199,192
Amounts paid during the year	(86,592,949)	(43,296,475)	(14,432,158)	(144,321,582)	(187,995,040)
Movement between the three stages	(60,882,563)	42,110,360	18,772,203	-	-
Balance at the end of the year	215,118,740	72,715,986	13,928,073	301,762,799	343,437,133

The movement on the provision for expected credit losses on programs financed by loans of the Central Bank and other entities during the year is as follows:

	31 December 2024	31 December 2023
	JD	JD
Balance at the beginning of the year	8,691,892	9,820,656
Provision (recovered from provision) during the year	1,915,820	(1,128,764)
Balance at the end of the year	10,607,712	8,691,892

**This item represents the provision for expected credit losses on the company's programs and the details of this item are as follows:

	31 December 2024	31 December 2023
	JD	JD
Production loans guarantee provision	3,772,426	1,310,504
Special guarantee provision	3,571,861	4,000,000
Export guarantee provision	1,344,043	887,656
Housing loan guarantee provision	209,971	206,331
	8,898,301	6,404,491

The movement on the guaranteed amounts on the Company's programs during the year is as follows:

	31 December 2024				31 December 2023
Description	Stage (1)	Stage (2)	Stage (3)	Total	Total
	JD	JD	JD	JD	JD
Balance at the beginning of the year	39,230,578	15,746,319	4,749,827	59,726,724	59,042,137
Amounts guaranteed during the year	57,599,713	-	-	57,599,713	59,824,348
Amounts paid during the year	(36,593,500)	(1,688,924)	(18,015,063)	(56,297,487)	(59,139,761)
Movement between the three stages	(25,498,818)	6,722,859	18,775,959	-	-
Balance at the end of the year	34,737,973	20,780,254	5,510,723	61,028,950	59,726,724

The movement on the provision for expected credit losses on the company's programs during the year is as follows:

	31 December 2024	31 December 2023
	JD	JD
Balance as at the beginning of the year	6,404,491	4,367,501
Recoveries	390,498	475,406
Compensations	(784,378)	(673,574)
Provision during the year	2,887,690	2,235,158
Balance as at the end of the year	8,898,301	6,404,491

(16) CENTRAL BANK OF JORDAN LOAN – INDUSTRIAL FINANCE GUARANTEE PROGRAM

The Council of Ministers, in its session held on 7 February 2006, decided to authorize the Central Bank of Jordan to lend the Company the European Commission grant of JD 5,160,695 interest-free and without a maturity date. The grant will be remitted to the Central Bank of Jordan in the event of the Company's liquidation.

Interest income from the restricted loan amount will be transferred to the industrial financing provision, with the remaining restricted amount used to cover delinquent claims on industrial financing loans.

The balance of restricted deposits shown as assets in the Company's statement of financial position as of 31 December 2024 amounted to JD 19,984,925 (2023: JD 19,309,242) (Note 7).

(17) CENTRAL BANK OF JORDAN LOAN – EXPORT GUARANTEE PROGRAM

During 2018, the Company obtained a loan from the Central Bank of Jordan in the amount of JD 100 million at an annual interest rate of 2% for a period of ten years. This loan aims to enhance the Company's ability to provide guarantees to owners of value-added export industries against the risk of importer default. This loan will be used to purchase government securities and retain the investment returns, after deducting the interest due on the loan, as a provision to meet any obligations incurred by the Company against the granted guarantees.

The balance of deposits and financial assets at amortized cost recorded in the statement of financial position as of 31 December 2024 amounted to JD 124,383,522 (2023: JD 119,716,644) (Note 7). All financial assets at amortized cost are pledged to the Central Bank against the loan granted to the Company, with a book value as of 31 December 2024 of JD 100,001,654 (2023: JD 100,001,582).

(18) CENTRAL BANK OF JORDAN LOAN – HOUSING LOANS PROGRAM – FACILITATED HOUSING

At the end of 2019, the Company obtained a loan from the Central Bank of Jordan in the amount of JD 100 million at an annual interest rate of 0.5% for a period of ten years. This loan is used by the Company to guarantee the risks of housing loans granted by banks to low- and limited-income individuals under the Affordable Housing Program. The guarantee ratio is a maximum of 80% of the granted financing value. This loan is used to purchase government securities and retain the investment returns, after deducting the interest due on the loan, as a provision to meet any obligations incurred by the Company against the granted guarantees.

The balance of deposits and financial assets at amortized cost shown in the statement of financial position as of 31 December 2024 amounted to JD 122,094,493 (2023: JD 117,559,001) (Note 7). All financial assets at amortized cost are pledged to the Central Bank against the loan granted to the Company, with a book value as of 31 December 2024 of JD 100,000,000 (2023: JD 100,000,000).

(19) CENTRAL BANK OF JORDAN LOAN – CONFRONTING COVID-19 PANDEMIC PROGRAM

In 2020, the Company obtained a JD 300 million loan from the Central Bank of Jordan at an annual interest rate of 0.5% for a period of fifteen years. The loan is used by the Company to guarantee the risks of loans granted by banks to professionals, craftsmen, sole proprietorships, and small and medium-sized enterprises (SMEs). The loan aims to enable these groups to obtain financing on favorable terms and at favorable costs, helping them cover their financing needs for operating expenses and working capital during the COVID-19 containment measures. The proceeds of this loan will be used to purchase government securities, while the investment returns, after deducting the interest due on the loan, will be retained as a provision to meet any obligations incurred by the Company against the guarantees provided.

The balance of deposits and financial assets at amortized cost shown in the statement of financial position as of 31 December 2024 amounted to JD 357,575,722 (2023: JD 345,308,849) (Note 7). All financial assets at amortized cost are pledged to the Central Bank against the loan granted to the Company, with a book value of JD 300,000,000 as of 31 December 2024 (2023: JD 300,000,000).

(20) MINISTRY OF PLANNING SECRETARIATS - ENTREPRENEURIAL PROJECTS FINANCING RISK GUARANTEE FUND

In 2012, the Company signed an agreement with the Ministry of Planning and the Development and Employment Fund in which the Ministry provided JD 1,250,000 which the Company would use to guarantee financing risks granted by the Development and Employment Fund for loans to small and medium-sized entrepreneurial projects. The guarantee ratio would be 80% of the outstanding financing balance at the time of default, in addition to the interest due during the default period of 181 days. It was agreed that the net proceeds from the Financing Risk Guarantee Fund would be used to repay the guaranteed amount of non-performing loans by transferring them to the entrepreneurial project financing allocation. If the value of compensation exceeds the value of the returns, the Company would have the right to repay by recourse to the Fund's capital.

The agreement is for an eight-year term and can be renewed. After that, the amount in excess of the value of the obligations, including investment returns, would revert to the Ministry of Planning. The Company's commitment would remain within the limits of the guaranteed portfolio until these loans are fully settled.

The balance of the Ministry of Planning’s deposits as of 31 December 2024 amounted to JD 1,248,500 (2023: JD 1,248,500), and the balance of restricted deposits shown in the statement of financial position as of 31 December 2023 amounted to JD 1,717,777 (2023: JD 1,635,425) (Note 7).

(21) SMALL BUSINESS STARTUP LOANS

During 2016, the Company obtained interest-free and commission-free loans from the Central Bank and a number of commercial and Islamic banks to help small and emerging enterprises develop their businesses. The proceeds from these loans were used exclusively to contribute to financing the Small and Emerging Enterprise Loan Guarantee Program. The loans were invested in low-risk investment instruments, and investment returns were retained as a provision to cover any obligations incurred by the Company in exchange for the guarantees granted. If these returns are exhausted, the Company will cease granting new guarantees.

The Central Bank loan of JD 11,239,200 was repaid during 2021, and the commercial and Islamic bank loans, totaling JD 15,259,758 are due on 1 March 2026.

During 2018, the Company also obtained two loans from the Central Bank of Jordan totaling JD 57,090,000 at an annual interest rate of 2%. JD 50 million is repayable ten years from the loan date, and JD 7,090,000 is repayable in 15 semi-annual installments starting 15 March 2019. The loan aims to enable the Company to increase the ceiling for the Small and Medium Enterprises Loan Guarantee Program for each project from JD 100,000 to JD 250,000. The proceeds from these loans will be used exclusively to contribute to financing the Small and Medium Enterprises Loan Guarantee Program by investing them in low-risk investment instruments and retaining investment returns as a provision to address any potential losses. The Company has obligations against the granted guarantees. If these returns are exhausted, the Company will cease granting new guarantees.

The balance of deposits and financial assets at amortized cost recorded in the statement of financial position as of 31 December 2024 amounted to JD 87,090,419 (2023: JD 85,784,969) (Note 7). A portion of this is pledged to the Central Bank against the loan granted to the Company the book value of which as of 31 December 2024 amounted to JD 50,241,380 (2023: JD 50,361,759).

(22) DEFERRED GRANT INTEREST INCOME

The Company obtained loans from commercial and Islamic banks at 0% interest rates to secure startup loans. The Company discounted these loans to show them at fair value, and the discount amount was shown as a separate item in the statement of financial position as "deferred grant interest income."

The Company also received a grant from the German Agency for International Cooperation (GIZ) of Euro 397,940 to implement an operations management and digital transformation platform. The total amounts transferred to the Company for the year ended 31 December 2024 amounted to JD 131,382 (2023: JD 157,675), of which JD 14,288 (2023: JD 5,769) were disbursed to cover expenses covered by the grant, and JD 188,300 (2023: JD 80,700) were disbursed as payments for software purchase.

(23) PAYABLES AND OTHER CREDIT BALANCES

	31 December 2024	31 December 2023
	JD	JD
Income tax payables on restricted assets provisions	5,433,658	6,191,546
Unearned guarantee commissions	1,163,332	945,614
Reinsurers payables	246,198	292,068
Employees’ bonus provision	199,585	203,934
End-of-service indemnity provision	10,470	426,900
Accrued expenses	109,450	73,186
Shareholders' deposits	78,619	78,814
Deferred grant income	269,000	151,906
Board of directors' remuneration provision (note 25)	55,000	55,000
Other	98,074	18,153
	7,663,386	8,437,121

(24) INCOME TAX

Income tax provision -

The movement on the income tax provision is as follows:

	31 December 2024	31 December 2023
	JD	JD
Balance as at the beginning of the year	606,077	466,515
Income tax for the year	892,724	875,421
Income tax provision surplus from prior years	-	(97,567)
Income tax paid	(833,426)	(638,292)
Balance as at the end of the year	665,375	606,077

The income tax for the year presented in the income statement consists of the following:

	31 December 2024	31 December 2023
	JD	JD
Income tax for the year	892,724	875,421
Added from deferred tax assets	(428,367)	(438,186)
Income tax provision surplus from prior years	-	(97,567)
	464,357	339,668

The income tax provision for the years ended 31 December 2024 and 2023 has been calculated in accordance with Income Tax Law No. (34) of 2014 and its amendments. The Company's statutory income tax rate is 20% plus a 1% National Contribution Tax due under Tax Law No. (34) of 2014 and its amendments.

The Company has obtained final clearance from the Income Tax Department up to 2023, with the exception of 2020, for which the Company submitted its self-assessment statements. The Income and Sales Tax Department has not reviewed the records as of the date of preparing these financial statements.

In the opinion of the Company's management and tax advisor, the income tax provision recorded as of 31 December 2024 is sufficient to meet any tax obligations.

Deferred tax assets -

This item represents deferred tax assets resulting from temporary differences between taxable profit and the accounting profit as a result of the included accounts below:

The details of this items are as follows:

	2024				31 December	
	Amounts				2024	2023
Included accounts	Balance at the beginning of the year	Released amounts	Added amounts	Year-end balance	Deferred tax	Deferred tax
	JD	JD	JD	JD	JD	JD
Provision for expected credit losses for the Company’s programs	6,404,491	(784,378)	3,278,188	8,898,301	1,868,644	1,344,944
End-of-service indemnity provision	426,900	(436,229)	19,799	10,470	2,199	89,649
Provision for expected credit losses for deposits and bonds	80,577	(37,538)	-	43,039	9,038	16,921
Accumulated change in financial assets at fair value	(4,391)	(91,272)	4,791	(90,872)	(19,083)	(23,875)
	6,907,577	(1,349,417)	3,302,778	8,860,938	1,860,798	1,427,639

The movement on deferred tax assets is as follows:

	31 December 2024	31 December 2023
	JD	JD
Balance as at the beginning of the year	1,427,639	986,828
Net change during the year – tax assets	428,367	438,186
Net change during the year – tax liabilities	4,792	2,625
Balance as at the end of the year	1,860,798	1,427,639

(25) GENERAL AND ADMINISTRATIVE EXPENSES

	31 December 2024	31 December 2023
	JD	JD
Salaries, wages and employee’s benefits	1,494,374	1,460,101
Company's contribution in social security	164,363	142,399
Fees and Subscriptions	125,009	87,150
Company's contribution in saving fund	123,978	122,409
Board of Directors transportation (Note 28)	105,800	105,600
Depreciation (Note 11)	102,627	80,161
Medical treatments	78,968	79,315
Professional fees	69,494	36,913
Board of Directors remuneration provision (Note 28)	55,000	55,000
Electricity, telecommunications & post	42,170	36,892
Maintenance	44,943	47,720
Official duties and training courses	41,991	39,554
Marketing	20,631	24,447
End of service indemnity provision	19,799	36,693
Cleaning	14,606	14,242
Printing and stationery	14,522	20,121
Car Expenses	13,377	8,410
Hospitality	10,342	7,437
Security and protection	10,872	10,872
Other	11,235	10,365
	2,564,101	2,425,801

(26) EARNING PER SHARE FOR THE YEAR

	31 December 2024	31 December 2023
Profit for the year (JD)	1,814,365	1,826,913
Weighted average number of shares (shares)	29,080,310	29,080,310
	Fils/JD	Fils/JD
Profit per share for the year	0/062	0/063

(27) SHARES REGISTERED IN THE COMPANY'S NAME

The Company has invested in the Innovative Startups and SMEs Fund on behalf of the Jordanian Government, where this investment was financed by a loan from the International Bank to the Jordanian government, and the Company will be responsible to execute specific transactions in accordance with the agreements made between the Company, the International Bank and the Jordanian Government, and there will be no any obligations nor benefits to the Company from its investment in the Fund.

The Par value of the Fund's shares registered in the name of the Company as a contribution in the Innovative Startups and SMEs Fund are JD 21,292,462 / Share as of 31 December 2024 and as of 31 December 2023.

(28) RELATED PARTIES' TRANSACTIONS

The related parties represent the Central Bank of Jordan, shareholders and the executive management of the Company. Pricing policies and terms of these transactions are approved by the Company's management.

Related parties' balances included in financial statements are as follow:

	31 December 2024	31 December 2023
	JD	JD
Restricted Bank Deposits – Central Bank of Jordan and commercial banks	146,315,716	121,771,171
Restricted financial assets at amortized cost (governmental bonds)	555,883,913	555,959,220
Financial assets at amortized cost – treasury bonds and Jordan Ahli Bank	27,208,342	16,465,648
Central Bank of Jordan loans	556,507,072	557,464,222
Arab Bank Loan	2,486,561	2,486,561
Cairo Amman Bank loan	537,212	537,212
Housing Bank for Trade and Finance loan	1,854,691	1,854,691
Jordan Ahli Bank loan	604,115	604,115
Bank al Etihad loan	638,222	638,222

Transactions with related parties included in the statement of income were as follows:

	31 December	
	2024	2023
	JD	JD
Interest revenues on bonds and deposits of the central bank and other entities (contractually restricted)	41,443,331	39,507,998
Finance costs for central bank loans	5,050,198	5,055,635

Summarized benefits (Salaries, incentives and other benefits) for the board of directors and the executive management of the Company are as follow:

	2024	2023
	JD	JD
Salaries and remuneration of the executive management	1,062,417	697,638
Remuneration and transportations of the Chairman and Board of Directors (Note 25)	160,800	160,600
	1,223,217	858,238

(29) CONTINGENT LIABILITIES

LAWSUITS-

The Company is a defendant in a lawsuit representing legal claims related to its ordinary course of business in the sector of export credit guarantees amounting to JD 231,638 as at 31 December 2024 (31 December 2023: None). The Company's legal counsel believes that there is a good chance that the lawsuit will be rebutted and based on the opinion of the Company's management, the recorded provision is sufficient to meet any contingent liabilities and there is no need to record an additional provision for this lawsuit.

(30) ASSETS AND LIABILITIES MATURITY ANALYSIS

2024	Up to one year	More than one year	Total
	JD	JD	JD
Assets:			
Cash and balances at banks	15,667,174	-	15,667,174
Term deposits at banks	2,240,820	-	2,240,820
Restricted bank deposits	156,962,945	-	156,962,945
Restricted financial assets at amortized cost (governmental bonds)	-	555,883,913	555,883,913
Financial assets at amortized cost	-	27,208,342	27,208,342
Financial assets at fair value through other comprehensive income	-	1,024,516	1,024,516
Receivables and other debit balances	3,460,300	-	3,460,300
Deferred tax assets	1,860,798	-	1,860,798
Property and equipment	-	3,349,480	3,349,480
Total assets	180,192,037	587,466,251	767,658,288
Liabilities:			
Contractually restricted provisions - Central Bank of Jordan	-	118,546,169	118,546,169
Contractually restricted provisions - other entities	-	5,243,987	5,243,987
Expected credit losses provision	19,506,013	-	19,506,013
Central Bank loan - Industrial loans guarantee program	-	5,160,695	5,160,695
Central Bank loan - Export credit guarantee program	-	99,999,277	99,999,277
Central Bank loan - Housing loan guarantee program – facilitated housing	-	100,000,000	100,000,000
Central Bank loan – confronting Covid-19 pandemic guarantee program	-	300,000,000	300,000,000
Ministry of Planning deposits	-	1,248,500	1,248,500
Startup micro project’s loans	957,150	63,472,733	64,429,883
Deferred grants interest income	1,046,623	1,130,352	2,176,975
Payables and other credit balances	7,663,386	-	7,663,386
Income tax provision	665,375	-	665,375
Total liabilities	29,838,547	694,801,713	724,640,260
Net	150,353,490	(107,335,462)	43,018,028

2023	Up to one year	More than one year	Total
	JD	JD	JD
Assets:			
Cash and balances at banks	14,246,781	-	14,246,781
Term deposits at banks	11,418,146	-	11,418,146
Restricted bank deposits	133,357,988	-	133,357,988
Restricted financial assets at amortized cost (governmental bonds)	-	555,959,220	555,959,220
Financial assets at amortized cost	-	16,465,648	16,465,648
Financial assets at fair value through other comprehensive income	-	1,115,788	1,115,788
Receivables and other debit balances	2,692,935	-	2,692,935
Deferred tax assets	1,427,639	-	1,427,639
Property and equipment	-	3,179,346	3,179,346
Total assets	163,143,489	576,720,002	739,863,491
Liabilities:			
Contractually restricted provisions - Central Bank of Jordan	-	95,093,506	95,093,506
Contractually restricted provisions - other entities	-	5,367,780	5,367,780
Expected credit losses provision	15,096,383	-	15,096,383
Central Bank loan - Industrial loans guarantee program	-	5,160,695	5,160,695
Central Bank loan - Export credit guarantee program	-	99,999,277	99,999,277
Central Bank loan - Housing loan guarantee program – facilitated housing	-	100,000,000	100,000,000
Central Bank loan – confronting Covid-19 pandemic guarantee program	-	300,000,000	300,000,000
Ministry of Planning deposits	-	1,248,500	1,248,500
Startup micro project’s loans	957,150	63,437,347	64,394,497
Deferred grants interest income	992,563	2,176,948	3,169,511
Payables and other credit balances	8,437,121	-	8,437,121
Income tax provision	606,077	-	606,077
Total liabilities	26,089,294	672,484,053	698,573,347
Net	137,054,195	(95,764,051)	41,290,144

(31) INTEREST RATE REPRICING GAP

The Company follows a policy of matching asset and liability amounts and aligning maturities to reduce gaps by dividing assets and liabilities into multiple maturities or interest rate repricing maturities, whichever is lower, to mitigate interest rate risk and examine the associated interest rate gaps. Classification is based on interest repricing periods or maturities, whichever is earlier.

	Interest rate repricing gap			
	Up to one year	More than one year	Non-interest bearing	Total
2024	JD	JD	JD	JD
Assets:				
Cash and balances at banks	15,585,849	-	81,325	15,667,174
Term deposits at banks	2,240,820	-	-	2,240,820
Restricted bank deposits	156,499,921	-	463,024	156,962,945
Restricted financial assets at amortized cost (governmental bonds)	-	555,883,913	-	555,883,913
Financial assets at amortized cost	-	27,208,342	-	27,208,342
Financial assets at fair value through other comprehensive income	-	-	1,024,516	1,024,516
Receivables and other debit balances	-	-	3,460,300	3,460,300
Deferred tax assets	-	-	1,860,798	1,860,798
Property and equipment	-	-	3,349,480	3,349,480
Total Assets	174,326,590	583,092,255	10,239,443	767,658,288
Liabilities:				
Contractually restricted provisions - Central Bank of Jordan	-	-	118,546,169	118,546,169
Contractually restricted provisions - other entities	-	-	5,243,987	5,243,987
Expected credit losses provision	-	-	19,506,013	19,506,013
Central Bank loan - Industrial loans guarantee program	-	-	5,160,695	5,160,695
Central Bank loan - Export credit guarantee program	-	-	99,999,277	99,999,277
Central Bank loan - Housing loan guarantee program – facilitated housing	-	-	100,000,000	100,000,000
Central Bank loan – confronting Covid-19 pandemic guarantee program	-	-	300,000,000	300,000,000
Ministry of Planning deposits	-	-	1,248,500	1,248,500
Startup micro project's loans	957,150	50,398,950	13,073,783	64,429,883
Deferred grants interest income	1,046,623	1,130,352	-	2,176,975
Payables and other credit balances	-	-	7,663,386	7,663,386
Income tax provision	-	-	665,375	665,375
Total Liabilities	2,003,773	51,529,302	671,107,185	724,640,260
Interest rate repricing gap	172,322,817	531,562,953	(660,867,742)	43,018,028
2023				
Total Assets	158,697,795	547,085,061	8,740,828	739,863,491
Total Liabilities	1,949,713	53,524,048	643,099,586	698,573,347
Interest rate re-pricing gap	156,748,082	493,561,013	(634,358,758)	41,290,144

(32) OPERATING SEGMENTS

The Company's primary activity is providing guarantees to cover loans granted by banks and financial institutions, guaranteeing risks in the field of export credit, and investing in securities. The presentation of the main segments has been determined on the basis that the risks and rewards related to the Company are significantly affected by the different services. These segments are organized and managed separately based on the nature of the services, so that each constitutes a separate unit that is measured according to the reports used by the Company's management and chief decision-maker.

	2024	2023
	JD	JD
Loan guarantee commissions	1,002,445	963,154
Exports and domestics buyers guarantee commissions	534,785	514,855
Industrial financing and financial leasing guarantees commissions	1,309,335	854,777
National program for combating Covid-19 and corona micro loan guarantee commissions	616,937	954,595
	3,463,502	3,287,381

A geographic segment is associated with providing products or services within a specific economic environment, subject to risks and returns that differ from those associated with business sectors in other economic environments. All operating segments are linked to customers within a single geographic segment which is the Hashemite Kingdom of Jordan.

(33) FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of the Company's financial assets and specified at fair value on an ongoing basis.

Some of the Company's financial assets are evaluated using the fair value at the end of each financial period, the following table shows information about the method of determining the fair value of those financial assets (evaluation method and inputs used)

Level 1: Market prices declared in active markets for the same financial instruments.

Level 2: Input-based valuation methods that affect fair value and can be observed directly or indirectly in the market.

Level 3: Input-based valuation methods that affect fair value and cannot be observed directly or indirectly in the market.

	Fair value		
Financial assets	31 December 2024	31 December 2023	Fair value level
	JD	JD	
Financial assets valuated at fair value			
Financial assets at fair value through other comprehensive income	913,486	916,598	Level (1)
Financial assets at fair value through other comprehensive income	111,030	199,190	Level (3)
Total financial assets at fair value	1,024,516	1,115,788	

(34) RISK MANAGEMENT

The Company's management manages risks through a comprehensive policy that defines ongoing measurement and monitoring, while taking into account risk limits and other controls. This risk management process is critical to the Company's continued profitability. All individuals within the Company are accountable for the risks associated with their duties.

The Company's management reviews and aligns the policies for managing each of these risks which are summarized below:

Credit risk
Credit risk is the risk that may result from the default or inability of debtors and other parties to meet their obligations to the Company.

The Company believes that it is not significantly exposed to credit risk as the Company maintains balances and deposits with leading banking institutions.

Currency risk
Currency risk is the risk of fluctuating the value of financial instruments due to fluctuations in foreign exchange rates. Most of the Company's transactions are in Jordanian Dinars and U.S. Dollars. The Jordanian Dinar exchange rate is fixed against the U.S. Dollar (USD 1/41 for each 1 JD).

Shares' prices fluctuating risk
The Company is exposed to risks resulting from changes in the share prices within its portfolio of fair value financial asset through other comprehensive income. The Company manages these risks by analyzing the value exposed to losses and diversifying investing portfolios.

The following table shows the impact of the rise/decrease in the index of financial markets in which the Company invests on equity before income tax, assuming that the change is 5%:

	Impact on equity
	JD
2024	
Amman Stock Exchange	45,674
2023	
Amman Stock Exchange	45,830

In case of decrease in the Amman Stock Exchange index in the same proportion, then will have the same financial impact as above with the reversal of the signal.

Interest rate risk
The Company is exposed to interest rate risk on its interest-bearing assets and liabilities such as deposits, financial assets at amortized cost and loans.

Interest rate risk is risk that arises as a result of fluctuations in the fair value or future cash flows of financial instruments due to changes in interest rates. The Company works to reduce its exposure to these risks by monitoring changes in market interest rates.

The sensitivity of the comprehensive income statement is the effect of possible assumed changes in interest rates on the company's profit for one year, and it would be calculated based on the financial assets and liabilities that subject to a variable interest rate.

The following table shows the sensitivity of the comprehensive income statement to reasonably possible changes on interest rates with keeping all other influencing variables constant.

2024 -

	Increase in interest rate	Impact on the year pre-tax profit
	(Point)	JD
JD	50	1,032,721

2023 -

	Increase in interest rate	Impact on the year pre-tax profit
	(Point)	JD
JD	50	894,372

In case of a negative change in the indicator, the effect is equal to the above change with the reversal of the signal.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due, and liquidity risk management requires maintaining sufficient cash and the availability of financing, and to prevent these risks. Management diversifies funding sources, manages assets and liabilities, harmonizes their maturities, maintains a sufficient balance of cash and the like, and provides appropriate financing.

The table below summarizes the maturities of the Company's undiscounted financial liabilities based on contractual payment dates and current market interest rates:

	One year or less	More than one year	Total
2024 -	JD	JD	JD
Liabilities-			
Central Bank of Jordan loan – industrial loans guarantee program	-	5,160,695	5,160,695
Central Bank of Jordan Loan - exports credit guarantee program	-	99,999,277	99,999,277
Central Bank of Jordan Loan - housing loan guarantee program- facilitated housing	-	100,000,000	100,000,000
Central Bank of Jordan Loan - confronting Covid-19 pandemic program	-	300,000,000	300,000,000
Ministry of Planning deposits	-	1,248,500	1,248,500
Startup micro project's loans	957,150	63,472,733	64,429,883
Payables and other credit balances	7,663,386	-	7,663,386
Income tax provision	665,375	-	665,375
Total liabilities	9,285,911	569,881,205	579,167,116

	One year or less	More than one year	Total
2023 -	JD	JD	JD
Liabilities-			
Central Bank of Jordan loan – industrial loans guarantee program	-	5,160,695	5,160,695
Central Bank of Jordan Loan - exports credit guarantee program	-	99,999,277	99,999,277
Central Bank of Jordan Loan - housing loan guarantee program- facilitated housing	-	100,000,000	100,000,000
Central Bank of Jordan Loan - confronting Covid-19 pandemic program	-	300,000,000	300,000,000
Ministry of Planning deposits	-	1,248,500	1,248,500
Startup micro project's loans	957,150	63,437,347	64,394,497
Payables and other credit balances	8,437,121	-	8,437,121
Income tax provision	606,077	-	606,077
Total liabilities	10,000,348	569,845,819	579,846,167

(35) CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to ensure that it maintains healthy capital ratios in order to support its business and maximize equity.

The Company manages its capital structure and makes adjustments to it in light of changes in business conditions. No changes were made to the objectives, policies or processes during the current year and prior year.

The items included in the capital structure are paid-in capital, statutory reserve, voluntary reserve, fair value reserve and retained earnings for a total amount of JD 43,018,028 as of 31 December 2024 compared to JD 41,290,144 as of 31 December 2023.

(36) STANDARDS ISSUED BUT NOT YET EFFECTIVE

The standards and interpretations that are issued but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective

Lack of exchangeability – Amendments to IAS 21

In August 2023, the IASB issued amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2025. Early adoption is permitted, but will need to be disclosed. When applying the amendments, an entity cannot restate comparative information.

The amendments are not expected to have a material impact on the Company's financial statements.

Amendments to the Classification and Measurement of Financial Instruments— Amendments to IFRS 9 and IFRS 7

In May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments (the Amendments). The Amendments include:

- A clarification that a financial liability is derecognised on the 'settlement date' and introduce an accounting policy choice (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment system before the settlement date
- Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed
- Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments
- The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (OCI).

The Amendments are effective for annual periods starting on or after 1 January 2026. Early adoption is permitted, with an option to early adopt the amendments for classification of financial assets and related disclosures only.

The Company is working to determine all the effects of the amendments on the financial statements and their related explanations.

Contracts Referencing Nature-dependent Electricity — Amendments to IFRS 9 and IFRS 7

In December 2024, the IASB issued amendments to IFRS 9 and IFRS 7 to address the accounting and disclosure requirements for contracts referencing nature-dependent electricity, such as wind, solar, and hydro power. These amendments aim to provide clearer guidance on the classification, measurement, and recognition of these contracts, which are inherently variable due to their dependence on natural conditions. The changes seek to improve the consistency and comparability of financial statements by clarifying whether such contracts should be treated as financial instruments or executory contracts and how they should be measured. Additionally, the amendments enhance disclosure requirements to provide greater transparency about the risks and financial impacts associated with these contracts, thereby offering users more relevant and reliable information. This initiative supports the global transition to renewable energy by addressing the unique accounting challenges posed by nature-dependent electricity contracts.

The Amendments are effective for annual periods starting on or after 1 January 2026. Early adoption is permitted, but will need to be disclosed.

The amendments are not expected to have a material impact on the Company’s financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified ‘roles’ of the primary financial statements (PFS) and the notes.

In addition, narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from ‘profit or loss’ to ‘operating profit or loss’ and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

IFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

This standard will result in new presentation of the income statement with some new required totals, in addition to the disclosure of management-defined performance measures.

IFRS 19 Subsidiaries without Public Accountability: Disclosures
In May 2024, the IASB issued IFRS 19, which allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards.

IFRS 19 will become effective for reporting periods beginning on or after 1 January 2027, with early application permitted.

The amendments are not expected to have a material impact on the Company's financial statements.

(37) PREVIOUS YEARS RESTATEMENT

During the year ended 31 December 2024, the Company's management adjusted the comparative figures for the year ended 31 December 2023 in accordance with International Accounting Standard No. 8 (IAS.8) "Accounting Policies, Changes in Accounting Estimates and Errors", where the Company amended its accounting policy by recording interest revenue on bonds and deposits of the Central Bank and other entities, and interest on loans receivable within the statement of income that it had previously recorded in net under "Contractually Restricted Provisions in the statement of financial position". The Company has also obtained a several loans from the Central Bank, other Commercial and Islamic banks and other parties with zero interest rate, where the proceeds of these loans are used exclusively to finance the Company's programs in accordance with the contractual arrangements in the signed agreements, as shown in note (16, 17, 18, 19, and 21), the Company has discounted these loans to present them at fair value and to present the value of the discount as a separate item within the statement of financial position " Deferred Interest Revenues".

The Company has recognized interest income of bonds and deposits of the Central Bank and other entities, financing costs of Central Bank loans, expected credit loss expense and the expense of contractually restricted provision in the statement of income for the year ended 31 December 2023, the amendments did not result in any impact on the retained earnings and equity as of 1 January 2023.

The effect of the amendment on the statement of financial position as at 1 January 2023 is as follows:

	Before adjustment	Adjustment impact	After adjustment
	JD	JD	JD
Liabilities			
Provision of loans guarantee	90,744,560	(90,744,560)	-
Startup micro projects loans	68,521,158	(4,073,507)	64,447,651
Deferred grant interest income	-	4,073,507	4,073,507
Contractually restricted provisions - Central Bank	-	71,243,670	71,243,670
Contractually restricted provisions - Central Bank	-	5,312,732	5,312,732
Provision for expected credit losses	-	14,188,158	14,188,158
	159,265,718	-	159,265,718

The effect of the amendment on the income statement for the year ended 31 December 2023 is as follows:

	Before adjustment	Adjustment impact	After adjustment
	JD	JD	JD
Revenue			
Interest income from bonds and deposits of the Central Bank and other entities (contractually restricted)	-	39,507,998	39,507,998
Expenses			
Provision for expected credit losses for programs financed by the loans of the Central Bank and other entities (contractually restricted)	-	(1,128,764)	(1,128,764)
Finance costs for Central Bank loans	-	5,055,635	5,055,635
Contractually restricted provisions expense	-	35,581,127	35,581,127
	-	39,507,998	39,507,998

The effect of the amendment on the cash flow statement for the year ended 31 December 2023 is as follows:

	Before adjustment	Adjustment impact	After adjustment
	JD	JD	JD
Interest income from bonds and deposits of the Central Bank and other entities (contractually restricted)	-	(39,507,998)	(39,507,998)
Contractually restricted provisions expense	-	35,581,127	35,581,127
Finance costs for Central Bank loans	-	5,055,635	5,055,635
Provision for expected credit losses for programs financed by the loans of the Central Bank and other entities (contractually restricted)	-	(1,128,764)	(1,128,764)
	-	-	-

These amendments did not result in any impact on the Company's business results or equity as at 1 January 2023.