

# Annual Report Thirty 2023



JORDAN  
LOAN GUARANTEE CORP.

The Small Business Company Of Jordan

**Jordan Loan Guarantee CORP**  
The small Business Company Of Jordan

[www.jlgc.com](http://www.jlgc.com)

# **Jordan Loan Guarantee Corp. Limited Public Shareholding Company**

## **30th Annual Report** For the Year Ended on 31 December 2023

Amman - Shmeisani - 24 Prince Shaker Bin Zaid St.

P.O.Box: 830703 Amman 11183 Jordan

Phone: 0096265625400

Fax: 0096265625408

[mail@jlgc.com](mailto:mail@jlgc.com)

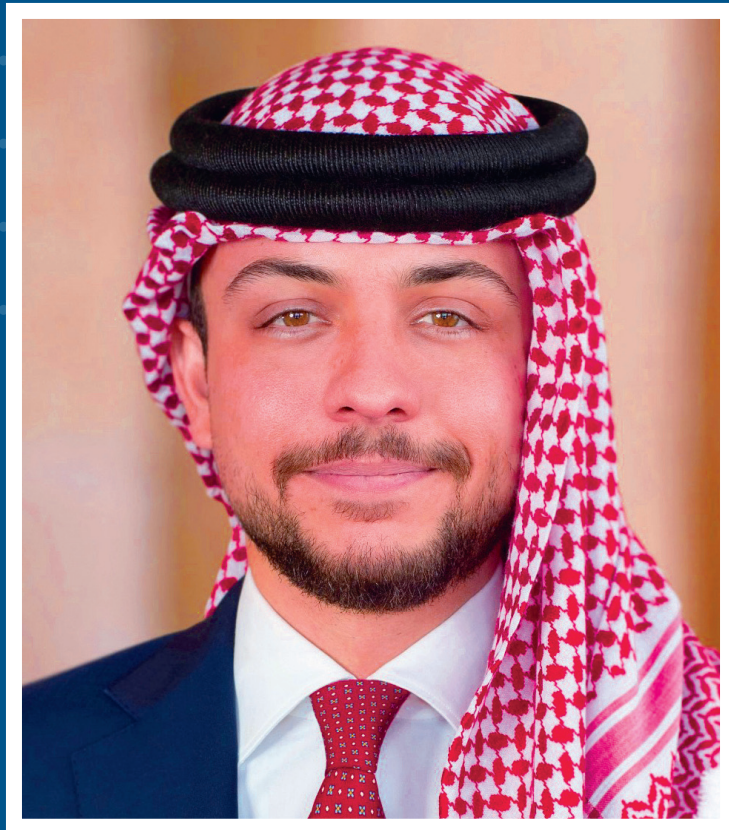
[www.jlgc.com](http://www.jlgc.com)





**His Majesty King  
Abdullah II Ibn Al-Hussein**





**His Royal Highness  
Crown Prince Hussein Bin Abdullah II**

# CONTENTS

<b>7</b>	<b>Vision, Mission, and Core Values</b>
<b>8-9</b>	<b>Chairman's Message</b>
<b>10-12</b>	<b>Summary of JLGC's Financial and Operational Results in 2023</b>
<b>13-41</b>	<b>BOD Report</b> <ol style="list-style-type: none"> <li>1. JLGC's Main Activities, Location, Number of Employees &amp; Size of Capital Investment.</li> <li>2. Subsidiaries.</li> <li>3. Members of the Board of Directors and Senior Management: Names and Ranks with a Brief Resume of Each.</li> <li>4. Largest Shareholders and Total Company Shares of Each.</li> <li>5. Competitive Position.</li> <li>6. Dependence of Specific Suppliers and/or Major Clients Locally and Internationally.</li> <li>7. Government Protection or Concessions, and a Description of any Patents Granted to JLGC.</li> <li>8. Decisions Issued by the Government, International Organizations, or any other Bodies with a Material Impact on JLGC's Business, Products, or Competitiveness, and Disclosure of the JLGC's Application of the International Quality Standards.</li> <li>9. JLGC's Organizational Structure, Number of Employees, their Qualifications and Training Programs.</li> <li>10. JLGC Risk Exposure.</li> <li>11. JLGC's Accomplishments in 2023.</li> <li>12. Financial Impact of Non-Recurrent Transactions which are not part of JLGC Main Activities.</li> <li>13. A Chronology of realized Profits or Losses, Dividends, Shareholders' Net Enquiry and the Prices of Securities issued by JLGC.</li> <li>14. Analysis of JLGC's Financial Position and the Results of its Activities.</li> <li>15. JLGC's Future Development Plans.</li> <li>16. External Auditor Fees.</li> <li>17. Statement of the Number of Securities Issued by JLGC owned by any Member of its Board of Directors, Senior Executive Management, or any of their Relatives.</li> <li>18. The Benefits and Remunerations of the Chairman, Members of the Board of Directors, and the Senior Executive Management.</li> <li>19. Donations and Grants.</li> <li>20. JLGC Contracts, Projects and Arrangements Concluded with Subsidiaries, Sister Companies or Affiliates.</li> <li>21. JLGC Contribution to Environmental Protection and Community Service.</li> </ol>
<b>42-52</b>	<b>Details of JLGC's Operational and Financial Performance in 2023</b>
<b>53</b>	<b>Guide to Governance and Information Management and Associated Technology</b>
<b>54-63</b>	<b>JLGC's Governance Report 2023</b>
<b>64-96</b>	<b>Financial Statements and Auditors Report for the year Ended 31 December 2023</b>
<b>97</b>	<b>Board of Directors Declarations 2023</b>

## Jordan Loan Guarantee Corp.

Limited Public Shareholding Company established in 1994, and registered in the Public Shareholding Companies Register under Number 242, with current capital of JD 29,080,310 as of the end of 2023.

### Our Vision

To build the optimal model for credit guarantees and support to MSMEs.

### Our Mission

Enhancing the opportunities for MSMEs to obtain appropriate credit by providing loan guarantee and enhancing Jordanian exports and domestic sales by providing credit insurance at sustainable basis.

### Our Values

- Professional Commitment
- Integrity
- Empowerment
- Transparency
- Team Work
- Social Responsibility
- Trust







**Dr. Adel Al Sharkas**  
Chairman of Board

## Chairman's Message

### Respected Shareholders,

I am glad to present the Jordan Loan Guarantee Corporation's thirtieth annual report, both personally and on behalf of the Board members. This report summarizes our business, significant activities, and financial statements for 2023. It also outlines our plans for 2024.

### Dear Shareholders,

In line with JLGC's vision of establishing the optimal model for credit guarantees and support to MSMEs, and with the goal of increasing financial inclusion in the Kingdom, our organization continues to play a critical role in ensuring MSMEs' financing in collaboration with the Central Bank of Jordan (CBJ). This collaboration aims to provide financing to specific segments, such as MSEMES, household projects, professionals, craftspeople, and self-employed individuals, as specified by the CBJ. These initiatives are implemented through micro-finance corporations operating in the Kingdom, ensuring accessibility in terms of durations and costs. These endeavors are aimed at assisting these segments in sustaining their operations and covering both operational and capital costs, particularly amidst the diverse economic challenges of the current period. With a guarantee percentage of up to 85% of the loan balance or the provided finance, we aim to provide substantial support to these entities, ensuring their continued viability and growth.

Recognizing the significance of bolstering diverse economic sectors and amplifying financial opportunities during the post-COVID economic recovery phase, the Board of Directors of JLGC made the decision at the onset of 2023 to elevate the threshold for guaranteeing loans extended to economic and service sectors to 80%, up from the previous 70%. Furthermore, JLGC has opted to continue collaborating with reduced commissions for loans targeting the industrial and service sectors, as well as all financing of startups. These commissions stand at 0.7% for commercial banks and 0.425% for Islamic banks. Additionally, JLGC has expanded the scope of acceptable finance purposes for guarantees to encompass working capital and all operational costs.

In addition, JLGC has reduced the level of commissions for the Export Credit Guarantee Program to the level allowed by the quota agreement to support the growth achieved in 2023 and expected for the coming years.

### Dear Shareholders,

The set of policies and procedures taken by JLGC during 2023 had a noticeable impact and was reflected in the Company's various performance indicators. During the year, guarantees were extended to 2391 SMEs, totaling JOD 312 million. To be more precise, JLGC extended guarantees to around 256 startups, totaling JOD 18 million in 2023. JLGC remains steadfast in offering guarantees to SMEs through the National Program for Facing COVID-19, following the extension of the program by the CBJ until April 2023. Throughout 2023, a total of 552 companies benefited from the program, receiving financing worth JOD 109.4 million. The number of projects benefited from guarantees within the

Microfinance Loan Program reached 533 projects, with a value of approximately JOD 3.6 million.

In 2024, JLGC aims to expand financing opportunities for MSMEs by offering more guarantees through existing programs and introducing new initiatives tailored to support the national economy and startup projects in the Kingdom.

In 2023, JLGC remained committed to its Export Credit and Domestic Sales Guarantee Programs; guaranteeing a total of 5736 export shipments and local sales, amounting to approximately JOD 187.7 million. The guaranteed shipments were divided into 2466 export shipments, totaling JOD 187 million, and 3270 local sales shipments, amounting to JOD 580.8 thousand.

Anticipated beneficiaries of the Export Credit Guarantee Program in 2024 are expected to increase, particularly with the introduction of the Industrial Support and Development Fund Program (ISDFP) in the second half of 2023. As evidence, 46 Jordanian exporting industrial companies have been granted approval from the Fund's management to participate in the program. Each company is eligible for an annual ceiling of up to JOD 35 thousand to cover insurance costs, including guarantee and inquiry fees regarding external buyers.

In terms of financial performance, JLGC experienced a notable increase in its total revenues in 2023, marking a growth of 22% compared to the previous year. Revenues reached approximately JOD 6.8 million in 2023, compared to JOD 5.6 million in 2022.

The growth recorded in the Company's revenues can be attributed to an increase in operational revenues, which rose from JOD 3.1 million in 2022 to JOD 3.3 million in 2023. Additionally, there was a notable increase in investment revenues, which climbed from JOD 1.8 million in 2022 to JOD 2.7 million in 2023.

The total shareholders' equity showed an increase from JOD 39.5 million at the end of 2022 to JOD 41.3 million by the end of 2023. The Company's assets at the end of 2023 stood at JOD 740 million, marking an increase from JOD 715 million recorded at the end of 2022.

In 2023, JLGC achieved a net profit after tax of JOD 1.8 million, showing an increase from the JOD 1.2 million recorded in 2022.

To bolster the Company's capital reserves, the Board of Directors has proposed to the General Assembly to withhold dividends for the Company's business results in 2023.

### **Dear Shareholders,**

In this moment, I extend heartfelt thanks and gratitude to all our esteemed partners and shareholders for their unwavering trust in us and their steadfast belief in our national institution and its aspirations. We are committed to realizing these aspirations through the dedicated efforts of our employees, whose achievements we take great pride in.

I also express my sincere gratitude to the Board of Directors of JLGC for their steadfast support, invaluable guidance, and utilization of their extensive expertise, which have been instrumental in advancing the company and enhancing its capabilities over the past three decades. As we enter our fourth decade, I am committed to continuing the Company's mission in a manner that significantly contributes to the national economy, guided by the support and vision of His Majesty King Abdullah II.

**Dr. Adel Al Sharkas**  
Chairman of Board



## Summary of JLGC's Financial and Operational Results in 2023

### Loan Guarantee Program Results

#### Total Executed Guaranteed Loans 2023-2022

Loan Type	2023		2022	
	No.	Guaranteed value	No.	Guaranteed value
Productive Loans	684	37,368,226	576	20,041,024
Industrial and Services Finance Loans	366	93,132,050	189	30,038,936
Small Startups Loans	256	15,242,314	348	13,714,961
Housing Loans	1	33,000	7	362,175
Covid-19 Microfinance Loans	533	3,066,136	373	2,540,223
National Program - Covid-19	552	93,015,735	800	119,029,931
<b>Total</b>	<b>2,392</b>	<b>241,857,461</b>	<b>2,293</b>	<b>185,727,250</b>

#### Total Executed & In Process Guaranteed Loans in 2023

Loan Type	Executed		In Process		Total	
	No.	Guaranteed value	No.	Guaranteed value	No.	Guaranteed value
Productive Loans	684	37,368,226	22	2,623,048	706	39,991,274
Industrial and Services Finance Loans	366	93,132,050	60	26,239,120	426	119,371,170
Small Startups Loans	256	15,242,314	17	2,584,000	273	17,826,314
Housing Loans	1	33,000	0	0	1	33,000
Covid-19 Microfinance Loans	533	3,066,136	0	0	533	3,066,136
National Program - Covid-19	552	93,015,735	0	0	552	93,015,735
<b>Total</b>	<b>2,392</b>	<b>241,857,461</b>	<b>99</b>	<b>31,446,168</b>	<b>2,491</b>	<b>273,303,629</b>

#### Outstanding Guaranteed Loans Portfolio 2023-2022

Portfolio	2023		2022	
	No.	Guaranteed value	No.	Guaranteed value
Productive Loans	1648	41,022,864	1,696	37,859,984
Industrial and Services Finance Loans	607	96,003,884	442	54,412,887
Small Startups Loans	815	26,676,838	795	24,460,492
Housing Loans	573	10,631,330	682	12,204,473
Covid-19 Microfinance Loans	801	3,657,613	373	2,169,573
National Program - Covid-19	3,506	216,360,026	5,225	272,374,807
<b>Total</b>	<b>7,950</b>	<b>394,352,555</b>	<b>9,213</b>	<b>403,482,216</b>

### Ceilings Granted to Banks and Utilized 2023 - 2022

Ceiling	2023		2022	
	Ceiling	Utilized	Ceiling	Utilized
Small Companies Loans	46,336,734	41,022,864	43,503,134	37,859,983
Housing Loans	16,414,906	10,631,330	18,828,507	12,204,472
Small Startups Loans	20,350,000	26,676,838	17,850,000	13,284,018
Industrial and Services Finance Loans	4,600,000	2,425,928	2,600,000	556,423
<b>Total</b>	<b>87,701,640</b>	<b>80,756,959</b>	<b>82,781,641</b>	<b>63,904,896</b>

### Export Credit Guarantee Results

#### Guaranteed Shipments during 2023-2022

Shipments	2023		2022	
	No.	Guaranteed value	No.	Guaranteed value
Export Shipments	2,466	187,146,266	2,070	198,831,968
Domestic Sales Shipments	3,270	580,814	1,566	1,071,201
<b>Total</b>	<b>5,736</b>	<b>187,727,080</b>	<b>3,636</b>	<b>199,903,169</b>

#### Guaranteed Shipments Portfolio 2023-2022

Portfolio	2023		2022	
	No.	Guaranteed value	No.	Guaranteed value
Export Shipments	754	49,472,592	397	55,512,576
Domestic Sales Shipments	1,089	171,852	1,315	458,508
<b>Total</b>	<b>1,843</b>	<b>49,644,444</b>	<b>1,712</b>	<b>55,971,084</b>

### Results of Claims, Claims Paid, Recoveries, Re-scheduling 2023 - 2022

Claims	2023	2022	Claims Paid	2023	2022
Loan Guarantee Program	1,062,969	1,214,220	Loan Guarantee Program	631,218	1,113,194
Industrial and Services Finance Loans	1,713,982	994,563	Industrial and Services Finance Loans	1,447,670	895,361
Covid-19 Programs	3,631,149	2,123,155	Covid-19 Programs	3,090,811	1,632,963
Export Credit and Domestic Sales Guarantee Program	76,904	405,559	Export Credit and Domestic Sales Guarantee Program	46,686	47,161
<b>Total</b>	<b>6,485,004</b>	<b>4,737,497</b>	<b>Total</b>	<b>5,216,385</b>	<b>3,688,679</b>

Re-scheduling	2023	2022	Recoveries	2023	2022
Loan Guarantee Program	4,522,288	4,419,613	Loan Guarantee Program	488,726	526,837
Industrial and Services Finance Loans	10,858,841	7,204,910	Industrial and Services Finance Loans	96,042	122,917
Covid-19 Programs	2,242,561	23,942,312	Covid-19 Programs	274,916	9,330
Export Credit and Domestic Sales Guarantee Program	0	0	Export Credit and Domestic Sales Guarantee Program	4,994	0
<b>Total</b>	<b>17,623,690</b>	<b>35,566,835</b>	<b>Total</b>	<b>864,678</b>	<b>659,084</b>

## Summary of Financial Results

Revenues and Expenses	2023	2022
Operational Revenues	3,287,381	3,104,093
Investment Revenues	2,713,269	1,761,846
Other Revenues	826,890	717,132
Total Revenues	6,827,540	5,583,071
(Less): General and Administrative Expenses	2,334,108	2,033,700
Gross Profit/(Loss)	4,493,432	3,549,371
(less) Provisions and other fees	2,326,851	2,110,951
(less) income tax	339,668	287,893
<b>Profit (loss) of the Year</b>	<b>1,826,913</b>	<b>1,150,527</b>

## 1. JLGC's Main Activities, Location, Number of Employees & Size of Capital Investment

### A. Main Activities

Jordan Loan Guarantee Corporation provides loan guarantees for small and medium sized enterprises, startups and micro companies.

JLGC also provides guarantees for Jordanian exports, protecting them from commercial and non-commercial risks such as nonpayment by foreign importers or local buyers for export shipments or local sales. This serves as a secure gateway for Jordanian exporters, facilitating market expansion and higher sales by supplying exporters with critical credit information on current and potential importers. This allows exporters to effectively assess creditworthiness, increasing Jordanian products' competitiveness in the worldwide market.

The programs that JLGC offers are as follows:

*Productive Loans Guarantee Programs	Max. Loan Amount (JOD)	Max. Payment Period (Month)	Guarantee Percentage
SMEs Loan Guarantees	250,000	72	70%
Micro Loan Guarantees	15,000	36	70%
Industrial and Services Finance Loans (EJADA)	3,000,000	96	80%
Leasing Guarantees (EJADA)	1,000,000	96	70%
"Kafala" Program- Islamic Financing (Industries & services)	3,000,000	96	80%
"Kafala" Program- Islamic Financing (Trade)	250,000	72	70%
Entrepreneurship Financing Program	75,000	96	80%
Small Startups program	500,000	96	85%
Small Startups program - Inhad for self employment	250,000	84	85%
Renewable Energy program	500 – 350,000	36-60	70%
Central Bank's Program Guarantee for Financing Micro and Small Companies	25,000	42	85%

\*The partial guarantee is effective in case the loan amount exceeds the maximum allowed

* Housing Loans Guarantee Programs			
Housing Loan Guarantee for low and middle-income people	75,000	300	75%
Land Purchase Loan Guarantees	50,000	120	70%

\* The partial guarantee is effective in case the loan amount exceeds the maximum allowed

Export Credit Guarantee Programs	Max. Shipment Amount (\$)	Max. Payment Period (Month)	Guarantee Percentage
Export Credit Guarantee	30,000,000	6	90%
Domestic Credit Guarantees	4,000,000	4	80%

## **B. JLGC's Location & Number of Employees**

JLGC offices are located in Amman - Shmeisani Area, Building. No. 24 Prince Shaker Bin Zaid Street. The Company has no other branches in or outside Amman. JLGC programs and services run by a staff of (65) employees as of the end of 2023.

## **C. Size of Capital Investment**

Total size of Capital investment was JD 3,179,345 in 2023 in comparison with JD 3,028,950 in 2022.

The concept of capital investment refers to the deployment of resources, including capital and other assets, by the Company to achieve its goals and objectives.

## **2. Subsidiaries**

JLGC has no subsidiaries.

## **3. Members of the Board of Directors and Senior Executive Management: Names and Ranks with a Brief Resume of Each**

### **A. Members of the Board of Directors**

#### **H.E.Dr. Adel Ahmed Ismail Al Sharkas**

**Chairman**

**Governor of the Central Bank of Jordan**

**Date of Birth: 10/7/1966**

- Ph.D. in Financial Economics, University of New Orleans, USA 2002.
- Masters in Economics, Yarmouk University 1990.
- Bachelor's degree in Applied Statistics, Yarmouk University 1988.
- Governor of the Central Bank of Jordan since 10/01/2022.
- Deputy Governor of the Central Bank of Jordan from 1/4/2012 to 9/1/2022.
- Started his career as an economics researcher in the Research Department in the Central Bank of Jordan, February 1991.
- Assistant professor of the Finance Department at Alfred University, New York, then promoted to a co-professor in the same university in 2006.
- The Head of the Monetary Affairs Department of the Research Department in the Central Bank of Jordan, 2006.
- Promoted to be the deputy director of the Research Department, then an executive director of the same department at the end of 2011.
- He has contributed numerous academic papers to esteemed journals such as:
  - "Journal of Business, Finance & Accounting"
  - "Banking and Finance Review"
  - "Journal of Economics and Finance"
  - "International Journal of Applied Business and Economics"
  - "International Journal of Economic Research"
- He has lectured on various subjects, including economics and finance, to both postgraduate and undergraduate students at Jordanian universities.
- Deputy chairman of Jordan Phosphate Mines Company (2016-2021).
- He served as the Head of the Lending Committee, Deputy Head of the Investment Committee, Deputy Head of the HR Committee, and a member of the Steering Committee for IT at the Central Bank of Jordan.
- Chairman of JLGC since 3/2/2022.
- Chairman of Jordan Deposit Insurance Corporation (JODIC).
- Chairman of Jordan Payments and Clearing Company (JOPACC).

- Head of the financial services team, and a member of the Coordinating Committee of Jordan's vision 2025.
- Head of the National Committee of Anti-Money Laundering and Counter Terrorism Financing.
- Head of the National Committee of Financial Inclusion.
- Member of the National Payments System.

## **HE. Dr. Kamal Gharib Abdel-Rahim Al-Bakri**

### **Vice Chairman**

### **General Manager/Cairo Amman Bank**

**Date of Birth: 07/06/1969**

- PhD of Philosophy in Bank Governance from the University of Salford, Manchester, Britain 2023.
- Master's Degree in Management of International Banking and Finance from Salford Manchester, UK 2017.
- Bachelor's Degree in law from the University of Jordan, 1991.
- Holds the title of Professor in Law.
- General Manager of Cairo Amman Bank since 2008.
- Former Deputy General Manager at Cairo Amman Bank.
- Former Director of the Legal Department and Legal Adviser to Cairo Amman Bank.
- Vice Chairman of the Board of Directors of the Jordan Loan Guarantee Company.
- Chairman of the Board of Directors of the Jordan Express Tourist Transportation Company (JETT).
- Board member of the Jordan Insurance Company.
- Board member of National Real Estate Portfolio Securities.
- Board Member of Jordan Payments and Clearing Company (JOPACC).
- Chairman of the Directors of Tamallak Leasing Company LLC.
- Member of the Board of Directors of Al-Safa Bank (Islamic Bank) – Palestine.
- Member of the Board of Trustees of the University of Jordan.
- Vice Chairman at Network International / Jordan.
- Former board member in many public and private joint stock companies working in various sectors such as tourism, education, industry and real estate development.
- Former member of the Board of Trustees of the University of Science and Technology, Association of Banks Operating in Jordan, Institute of Banking Studies, Jordan Economic Dialogue Committee, Board of Directors of the Scientific Research and Innovation Fund.

## **H.E. Dr. Khaldoun Abd Allah Mahmoud AlWshah**

### **Broad Member**

### **Deputy Governor of the Central Bank of Jordan**

**Date of Birth: 14/04/1970**

- PhD in Finance/HULL University/UK 2009.
- Scientific Research Master in Business Administration/HULL University/UK 2006.
- Master's in Business Administration/ Finance/University of Jordan 2000.
- Bachelor's in Economics / University of Mustansiriya / Iraq 1992.
- Current Deputy Governor of the Central Bank of Jordan.
- Executive Director/Open Market Operations and Public Debt Dept. 2013.
- Assistant Executive Director/Investments and Foreign Operations Dept. 2012.
- Head of External Loans and Grants Division/Investments and Foreign Operations Dept. 2010.
- Senior Economics Researcher/Open Market Operations and Public Debt Dept. 2009.



- Senior Financial Analyst/ External Loans and Grants Dept./ Investments and Foreign Operations Dept. 2002.
- Many positions in the Central Bank of Jordan since 1994.
- Member of the Board of Trustees of Al-Balqa Applied University.
- Vice Chairman of the Institute of Banking Studies.
- Board Member of Jordan Payments and Clearing Company (JOPACC).
- Board Member of the Jordan Loan Guarantee Company.
- Member of the Investment Fund Management Committee - University of Jordan.
- Member of the National Cyber Security Council.
- Part-time lecturer at several Jordanian universities.
- Chairmanships and memberships in several committees inside and outside Jordan.
- Expert and lecturer on international and regional trade finance issues.
- Represented Jordan and the Central Bank of Jordan on many regional and international conferences.

### **H.E.Mrs. Nadia Hilmi Hafez ALSaeed**

#### **Board Member**

#### **Chief Executive Officer/Bank al Etihad**

**Date of Birth: 25/08/1965**

- Master's degree in Business Administration in Finance and Management Information Systems from the American University in Cairo in 1992.
- BA in Economics and Business Administration from the University of Jordan.
- Chief Executive Officer, Etihad Bank.
- Strategic Development Advisor, Etihad Bank.
- CEO of Dead Sea Development Corporation.
- Minister of Communications and Information Technology.
- Secretary General of the Ministry of Communications and Information Technology.
- Economic Adviser to the Minister of Communications and Information Technology.
- Ten years of experience at Bank al Etihad in several positions: the most recent position was Manager of Corporate Banking
- Jordan Technology Group.
- Najar Group - Cairo.
- Vice Chairperson of the Board of Directors of Etihad Leasing Company.
- Vice Chairperson of the Board of Directors of Etihad Financial Technology Company.
- Board Member at Etihad Islamic Investment Company.
- Board Member at Association of Banks in Jordan.
- Chairperson of Endeavor Jordan.
- Board Member at Jordan Loan Guarantee Corp.
- Board Member at Jordan Capital and Investment Fund.

### **Mr. Moh'd Mousa Dawood Issa**

**Board Member till 1/2/2023.**

#### **Executive Manager/Jordan Ahli Bank**

**Date of Birth: 01/02/1956**

- Bachelor in Major Mathematics, Minor Business Administration / University of Jordan 1978.
- CEO/General Manager of Jordan Ahli Bank since November 2015 - 2023.
- Executive Vice President - Jordan Country Manager (2012 – 2015).
- Executive Vice President - Head of Libya project (9/2012 – 11/2012).
- Executive Vice President- Head of Corporate and Investment Banking/ Jordan & Palestine (2009 – 2012).

- Senior Vice President - Head of Credit/ Jordan & Palestine (2004 – 2009).
- Several key positions at Arab Bank PLC and Arab National Bank (1978 – 2004).
- Held several board memberships most importantly:
  - Deputy Chairman of the Board of the Islamic International Arab Bank.
  - Deputy Chairman of the Board of Directors of the Arab National Leasing Company.
  - Board Member at the Arab Bank – Syria.
  - Board Member at the Jordan Mortgage Refinance Company.
  - Board Member at the Jordan Hotels and Tourism Company.
  - Board Member at the Association of Banks in Jordan for several tenures.
  - Board Member at the Institute of Banking Studies for several tenures.
  - Current board memberships:
  - Chairman of the Board– Ahli FinTech.
  - Chairman of the Board – Ahli for Financial Leasing.
  - Board Member- Al Dawliah for Hotels and Malls PLC (Sheraton Hotel).
  - Board Member- Arab International Company (Marriot Hotel).
  - Board Member - Jordan Capital and Investment Fund.
  - Board Member – Jordan Payment and Clearing Systems company (JOPACC).
  - Board Member - Jordan Loan Guarantee Corporation.
  - Board Member – Al-Ihterafeh for Real Estate Development Investment.

### **Dr. Ahmad Awad Abdul Halim Al Hussein**

**Board Member since 1/2/2023**

**Chief Executive Officer/Jordan Ahli Bank**

**Date of Birth: 16/07/1966**

- PhD. in philosophy of finance, Amman Arab University for postgraduate studies in 2005.
- Master of business administration and finance, University of Jordan.
- Bachelor of economics and administration, University of Jordan 1987.
- Current CEO/General Manager of Jordan Ahli Bank.
- Deputy CEO/General Manager of Jordan Ahli Bank 2015-2023.
- Senior Vice President/Credit Dept. (Eastern Mediterranean) at Arab Bank 1994 - 2015.
- Cairo Amman Bank 1991-1994.
- Bank of Jordan 1989-1991.
- Chairman of the Board – Ahli for Financial Leasing.
- Chairman of the Board– Ahli FinTech.
- Board Member – Jordan Payment and Clearing Systems company (JOPACC).
- Board Member of the Jordan Loan Guarantee Company.
- Board Member at the Institute of Banking Studies.
- Board Member at Association of Banks in Jordan.
- Board Member at Jordan Capital and Investment Fund.
- Board Member at the Jordan Worsted Mills Company.
- Board Member of the Business Tourism Company.
- Chairman of the Board– Ahli Microfinance Company.
- Chairman of Tanmeyah – Jordan Microfinance Network.
- Board member of the Islamic International Arab Bank.
- Board Member at the Arab Bank – Syria.
- Board Member of the Arab National Leasing Company.
- Board Member of the National Marine Lines Company.
- Board Member of Palestine Real Estate Investment Co.
- Board Member of Palestine Mortgage Refinance Company.

**Mr. Hussein Ahmad Raji Kofahi****Board Member****Executive Manager of Banking Supervision/Central Bank of Jordan****Date of Birth: 04/01/1965**

- Master's degree Banking and Financial Sciences/Arabic Institute of Banking Studies 1995.
- Bachelor degree of Accounting /Al Yarmouk University 1987.
- Executive Manager/Banking Supervision/Central Bank of Jordan 2022.
- Consultant/Banking Supervision/ the Central Bank of Jordan 2015 -2022.
- Assistant Executive Manager/Banking Supervision/ the Central Bank of Jordan 2009 – 2015.
- Head of Examiners/Banking Supervision/ the Central Bank of Jordan 2005 -2009.
- Inspector and Chief Inspector/Banking Supervision 1990-2005.
- Member of the Arab Committee on Banking Supervision/Arab Monetary Fund Since 2010.
- Participated in many Committees within the Central Bank of Jordan.
- He has no other board memberships of public shareholding companies.

**Ms. Maha Issa Hamdan Al Abdallat****Board Member****Executive Director of the Supervision on Microfinance Companies and Credit Bureaus Department/Central Bank of Jordan****Date of Birth: 01/03/1969**

- Master of Business Administration (MBA) in Finance from the University of Jordan, 1996.
- B.A in Banking and Finance from the Yarmouk University, 1991.
- Executive Director of the Supervision on Finance and Credit Bureaus Department at the Central Bank of Jordan since 2023.
- Executive Director of the Supervision on Microfinance Companies and Credit Bureaus Department/Central Bank of Jordan (2017-2022).
- Assistant Executive Director at the Banking Supervision Department, in the Central Bank of Jordan for the period (2013-2016).
- Head of Division at the Banking Supervision Department, in the Central Bank of Jordan for the period (2007-2012).
- A member in several committees at the Central Bank of Jordan.
- A member in the Regional Task Force for Promoting Financial Inclusion in Arab Countries/ formed by the Arab Monetary Fund for the period (2013-2017).
- A member in the Arab Committee on Credit Information/formed by the Arab Monetary Fund since 2018.
- Represented the Central Bank of Jordan on many regional and international conferences.
- Participated in many specialized committees in relation to preparing regulatory legislations for the functions of banks, finance companies and credit bureaus.
- She served as an expert in several focused task forces formed in regards to finance prospects for women in the Economic Modernization Vision of the Hashemite Kingdom of Jordan.
- She has no other board memberships of public shareholding companies.

**Mr. Walid Muhi Eddin Mohammad Al Samhouri****Board Member****Jordan Head/Arab Bank PLC****Date of Birth: 27/10/1962**

- Master in Economics, University of Jordan, 1994.
- Bachelor Degree in Economics & Public Administration, University of Jordan, 1985.
- Senior Vice President – Credit Management, Gulf, Egypt & Subsidiaries.
- Corporate Credit Manager - Gulf, International branches & subsidiaries.

- Corporate Credit Manager – North Africa and Lebanon
- Credit Monitoring Manager - Arab Bank (Global)
- Support and Research Manager/Corporate and Financial Institutions Sector.
- Credit Official for lending states, governments, governmental and semi- governmental companies.
- Several responsibilities in credit and banking and trade services – Jordan and Bahrain.
- Chairman of Arab Sudanese Bank- Sudan.
- Board Member at Arab Tunisian Bank.
- Board Member - Arab Omani Bank.

### **Ms. Rana Raymond Jamil Sawalha**

#### **Board Member**

#### **Senior Executive Manager for Finance Group/Housing Bank for Trade and Finance**

**Date of Birth: 11/07/1971**

- Holds CPA Certificate/Illinois Board of Accountancy 1999.
- Member of the Jordanian Association of Certified Public Accountants since 2001.
- Bachelor's degree in Accounting – Minor Business Administration - University of Jordan 1993.
- Senior Deputy Executive Manager – Group Finance at the Housing Bank for Trade and Finance since 2019 to date.
- Vice President – personal banking business Finance-Group at First Abu Dhabi Bank, UAE 1-9/2019.
- Chief Financial Officer (CFO) at National Bank of Abu Dhabi/ Jordan from 2015 - 2018.
- Financial controller at Bank ABC from 2012 - 2015.
- Assistant Financial controller at Bank ABC from 2001 - 2012.
- Internal Audit Manager at Arab Jordanian Insurance Group from 2001.
- Senior auditor at Ernst & Young EY from 1994 - 2000.
- She has no other board memberships of public shareholding companies

### **Mrs. Luma Ghaleb Salih Abdullah**

#### **Board Member**

#### **Head of the Institutional Performance Department at the Social Security Investment Fund**

**Date of Birth: 1982/11/20**

- Bachelor of business administration.
- Secretary of the Social Security Funds Investment Council during the period 2011-2018.
- Head of the Institutional Performance Department at the Social Security Investment Fund from 2018 to date.
- Representation of the Social Security Corporation was in a number of companies, as follows:
- The Jordanian Loan Guarantee Company during the period from 28/7/2016 to 22/4/2017.
- Al Daman Company for Financial Leasing during the period 23/4/2017 to 18/7/2020.
- The Jordanian Insurance Company for International Business from 19/7/2020 to 12/4/2022.
- She has no other board memberships of public shareholding companies.

### **H.E. Dr. Ibrahim Hassan Mostafa Saif**

#### **Board Member (Independent)**

**Date of Birth: 10/08/1965**

- PhD in Economics, University of London 2001.
- Master of Development Economics, University of London 1988.
- Bachelor of Economics and Accounting, Yarmouk University 1986.
- Vice Chairman of the Board of Directors of Manaseer Group 2021-2023.
- CEO of Jordan Strategy Forum 2018-2021.

- Professor of Economics and Director of the Strategic Studies Center in the University of Jordan 2002-2008.
- Researcher at Carnegie Middle East Center 2009-2013.
- Minister of Planning and International Cooperation 2013-2015.
- Minister of Energy and Mineral Resources 2015 - 2017.
- Board Member of Safwa Islamic Bank.
- Board Member of Jordan National Marine Lines Company.

• **H.E. Dr. Mohammed Lutfi Al Ja'fari : Director General of JLGC**

• **Mr. Issa Ismail Murshed AlTarayrah : Secretary of the Board of Directors.**

**JLGC Board of Directors held 8 meetings in 2023**

## **B. Members of the Senior Executive Management: Names and Ranks with a Brief Resume of Each**

### **H.E. Dr. Mohammed Lutfi Al Ja'fari**

#### **Director General**

**Date of Birth: 28/10/1962**

- PhD. in Finance, Manchester University, UK 1997.
- Master's Degree in Economics & Statistics, Jordan University, 1991.
- Bachelor's Degree in Economics, Yarmouk University, Jordan 1984.
- Director General, Jordan Loan Guarantee Corporation, since 3/7/2011.
- Chairman of the Broad of Directors – Innovative Startups and SMEs Fund (ISSF).
- Former Board Member of Jordan Exporters Association.
- General Coordinator of the Global Network for Guarantee Institutions (GNGI).
- Representative of Loan Guarantee Schemes in MENA region at the World Bank Task Force to set the Principles on the design and implementation of PCGs for SMEs since 2015.
- Member of Risk Management and Compliance Control Committee at JLGC.
- Member of the Management Committee - Renewable Energy and Energy Conservation Fund - Ministry of Energy and Mineral Resources 2018-2019.
- Director General, Jordan Deposit Insurance Corporation, 2004 – 2011.
- Commissioner for Finance & Administration in the Aqaba Special Economic Zone Authority (ASEZA), 2002 – 2003.
- Economic Researcher, Central Bank of Jordan, 1986 – 2001.
- Member of the Executive Council in the International Association of Deposit Insurers (IADI), 2/2004 - 6/2011.

### **Mrs. Amal Mahmood Ahmad Jaradat**

#### **Deputy Director General**

**Date of Birth: 4/10/1971**

- Bachelor's Degree in Business Administration, University of Jordan 1993.
- JLGC Deputy Director General since 1/1/2022.
- JLGC Acting Deputy Director General since 6/7/2021 until 31/12/2021.
- Director of the Export Credit Guarantee Department and Domestic Sales from 2017 - 7/2021.
- Director of Industrial Finance and Services Dept. 2013- 2017.
- Project Manager of JLGC's project with the International Finance Corporation (IFC) 2012-2017.
- JLGC since 12/8/2013.
- Retail Credit Review Officer, Bank of Jordan 2006 – 2012.
- Credit Analyst, Bank of Jordan 1998 -2006.
- Advisory Board Member - a graduate of the second batch of GET ON BOARD.
- Vice Chair of the Prague Club Committee - Berne Union since 2022.
- Member of the Jordanian Business and Professional Women Forum.
- Member of the Commission for the Empowerment of Arab Women.
- SMEs Instructor at the Institute of Banking Studies and several specialized institutes in Jordan.

**Mr. Issa Ismail Murshed AlTarayrah****Manager of Finance Department****Date of Birth: 17/9/1980**

- Bachelor's Degree in accounting, Al-Ahliyya Amman University 2002.
- Manager of Finance Department since 14/2/2017.
- Deputy Manager of Finance Department 2015-2017.
- Supervisor of Financial Affairs 8/2007-12/2014.
- Head of the Accounting Department, 6/2006 - 2007.
- Accountant in the Financial Department 1/2006 - 6/2006.
- Third accountant at the Administrative and Financial Department 2004-2005.
- JLGC since 11/7/2004.
- External Auditor at the international professional office for auditing 2002 – 2004.
- Secretary of the Board at JLGC.

**Mr. Rami Awwad Ayed Samardali****Follow ups, Indemnifications & Recoveries Dept. Manager****Date of Birth: 6/12/1978**

- Bachelor's Degree Finance and Banking, Philadelphia University, 2000.
- Follow ups, Indemnifications & Recoveries Department Manager since 26/9/2021.
- Risk Management and Compliance Department Manager 2018-2021.
- Loan Guarantee Department Manager 2017-2018.
- Follow ups, Indemnifications & Recoveries Department Acting Manager 2016-2017.
- Head of the Follow-ups Department 2013-2016.
- Head of the Indemnifications & Recoveries Department 2013-2016.
- Head of the SMEs Department 2009-2011.
- Supervisor of the Follow-ups Department 2008-2009.
- Supervisor of Follow-ups at the Follow-ups Department 2007-2008.
- Credit officer at the Loan Guarantee Department 2005-2007.
- JLGC since 20/6/2005.
- Treasurer at the Arab Printers Company 2003 - 2005.
- Agencies employee at Arab Printers Company 2001 - 2003.

**Mr. Ahmed Hashem Muslim Bierqdar****Manager of Risk Management and Compliance Control Department****Date of Birth: 29/6/1981**

- Bachelor degree of Accounting, Al Yarmouk University 2003.
- CFE Certified Fraud Examiner (CFE) 2019.
- Certified Anti-Money Laundering Specialist (CAMS) 2015.
- Certified Banking Auditor (CBA) 2008.
- Certified Risk Professional (CRP) 2008.
- Certified Operational Risk Executive (CORE) 2008.
- Director of the Risk and Compliance Department, JLGC since 26/9/2021.
- Director of Operational Risks and Business Continuity Plan Department, Jordan Capital Bank 2018-2020.
- Internal Audit Manager, Jordan Capital Bank 2014-2018.
- Director of Risk and Compliance Department, Al Mawarid Financial Brokerage Company - Investment Bank 2012-2013.
- Head of the Audit Unit of Subsidiaries, Finance and Investment - Internal Audit Department, Investment Bank 2009-2012.
- Risk Management and Compliance Control Committee at JLGC.



**Mr. "Muhammad Noor" Mahmoud Ahmad Al-Jabai****Manager of the Support Department****Date of Birth: 28/07/1979**

- Bachelor's degree in Computer Science, Yarmouk University, 2001.
- Manager of the Support Department, JLGC since 19/9/2021.
- Computer Center Manager, Irbid Governorate Electricity Company 2014-2021.
- Director of Workflow Development Department, Irbid Governorate Electricity Company 2010-2014.
- Systems Analyst/Business Analyst/Project Manager, Al Ahlia Computer Optimiza 2007-2010.
- Rapporteur of the Nominations and Remuneration Committee at the JLGC.

**Mrs. Fatima Saeed Youssef Hamdan****Manager of the Export Credit Guarantee Department****Date of Birth: 16/8/1984**

- Bachelor of Risk and Insurance Management, Hashemite University 2006.
- Manager of Export Credit Guarantee and Domestic Sales Department since 01/01/2023.
- Manager of Export Credit Guarantee and Domestic Sales Department, 2021-2022.
- Head of the Underwriting and Risk Analysis Unit in the Export Credit Guarantee Department 2019-2021.
- Head of the Export Credit Guarantee Department, 2017-2019.
- Chief Credit Officer, the Export Credit Guarantee Department, 2014-2017.
- Credit Officer, the Export Credit Guarantee Department, 2010-2014.
- Credit Officer, the Industrial Finance Department, 2006-2010.
- JLGC since 16/4/2006.

**Mr. Mahmoud Ahmed Soliman Al-Rbeihat****Manager of the Loan Guarantee Dept.****Date of Birth: 02/09/1983**

- Master of Accounting, The World Islamic Sciences and Education University 2021.
- Bachelor's Degree in Accounting, Al-Ahliyya Amman University 2006.
- Manager of the Loan Guarantee Department since 1/1/2023.
- Manager of the Loan Guarantee Department, 2021-2022.
- Head of the Medium Enterprises Unit, the Loan Guarantee Department, 2019-2021.
- Head of unit, the Loan Guarantee Department, 2017-2019.
- Chief Credit Officer, the Loan Guarantee Department, 2015-2017.
- Chief Credit Officer, the Industrial Finance and Services Department 2014- 2015.
- Credit Officer, the Industrial Finance and Services Department 2010- 2014.
- Credit Officer, Small Enterprises Unit 2009-2010.
- Credit Officer, Collections, in the Claims and Collections Unit, the Risk Department 2008-2009.
- Monitoring Officer, the Risk Department 2007-2008.
- JLGC since 11/12/2007.

**Mrs. Diana Hamed Aljariri Alhesan****Manager of the Credit Review Dept.****Date of Birth: 08/04/1984**

- Bachelor's degree in Finance, University of Jordan 2006.
- Manager of the Credit Review Department since 1/1/2023.



- Head of Unit at the Risk Management and Compliance Department 2019-2022.
- Head of Unit at the Risk Management and Compliance Department, 2018-2019.
- Head of Unit, Industrial and Services Finance Department, 2017-2018.
- Chief credit Officer, the Industrial Finance Unit, the Risk Department 2014-2017.
- Credit Officer, the Industrial Finance Unit, the Risk Department 2008-2014.
- Credit Officer, the Industrial Finance Unit, the Risk Department 2007-2008.
- JLGC since 11/3/2007.

#### **Mr. Saif Shibli Abdullah Al Farah**

##### **Internal Audit Unit Manager**

**Date of Birth: 08/12/1976**

- Master of Financial Management, Arab Academy for Banking and Financial Sciences 2002.
- Bachelor's degree in Business Administration, Mu'tah University 2000.
- Internal Audit Unit Manager, JLGC since 1/3/2016.
- Audit Committee and Government Committee at JLGC.
- Internal Auditor, Specialized Investment Compounds 2013-2015
- Group Financial Controller, United Group Holding Company 2012-2013.
- Financial Control and Operations Manager, Integrated Multi-Transport 2009-2011.
- Senior Internal Auditor, Jordanian Equipment & Vehicles Company 2007-2009.
- Chief Accountant, Logicism Jordan 2006.
- Internal Auditor, Fine Paper Industries, 2003-2005.

#### **Mr. Ihab Tayseer Najeeb Jibreen**

##### **Manager of the Business Development & Market Studies Unit**

**Date of Birth: 25/12/1977**

- Bachelor's degree in Accounting, Al-Zaytoonah Private University of Jordan, 1999.
- Manager of the Business Development & Market Studies Unit, JLGC since 17/5/2023.
- Director of Financial Management, Administrative Affairs and Operations at Al Crystals Company for Dead Sea 2020 – 2022.
- Treasury Supervisor at Luminus Technical University College 2017-2020.
- Private consultant for feasibility studies and financial consulting 2014 - 2016.
- Senior Customer Relations Manager - Large Corporate Department - Union Bank 2008 - 2012.
- Head of Department in the Business Development Department, Bank of Jordan 2007-2008.
- Assistant Branch Manager at Societe Generale Bank 2004 - 2007.
- Senior clerk at Jordan Kuwait Bank 2000 - 2003.

#### 4. Names of the Larges Shareholders and Company Shares

Bank	Number of Shares As of 31/12/2023	Percentage %	Number of Shares As of 31/12/2022	Percentage %
Central Bank of Jordan	13,122,250	45.12%	13,122,250	45.12%
Arab Bank	1,973,936	6.79%	1,973,936	6.79%
Cairo Amman Bank	1,934,874	6.65%	1,934,874	6.65%
Capital Bank of Jordan	1,854,224	6.38%	1,854,224	6.38%
The Housing Bank	1,657,100	5.70%	1,657,100	5.70%

#### 5. Competitive Position

There are no specialized companies in Jordan providing loan or export credit guarantees. Some regional institutions in the Arab countries are providing export credit guarantee including Jordanian exports. Accordingly, Competitive Position can't be specified.

#### 6. Dependence on Specific Suppliers and/or Major Clients Locally and Internationally

There are no specific suppliers or major clients for JLGC whether local or international who represent 10 % or more of JLGC's purchases and/or sales or revenues.

#### 7. Government Protection or Concessions, and a Description of any Patents Granted to JLGC

**A- JLGC Services enjoy some privileges granted by the Central Bank of Jordan as the following:**

- Typically, the CBJ categorizes loans extended by banks and backed by JLGC as good loans. The CBJ waives the requirement for banks to set aside provisions for the loan balance guaranteed by JLGC. Furthermore, banks are relieved from the general provision requirement for the entire facilities backed by JLGC. Banks are exempt from calculating special provisions for the first year of default, though these provisions are applicable in the second year.
- The CBJ lowers the weighted average capital adequacy ratio required by banks to secure their assets of guaranteed loans by JLGC. Assets guaranteed by JLGC are regarded as low-risk assets, subject to the least capital adequacy ratios.

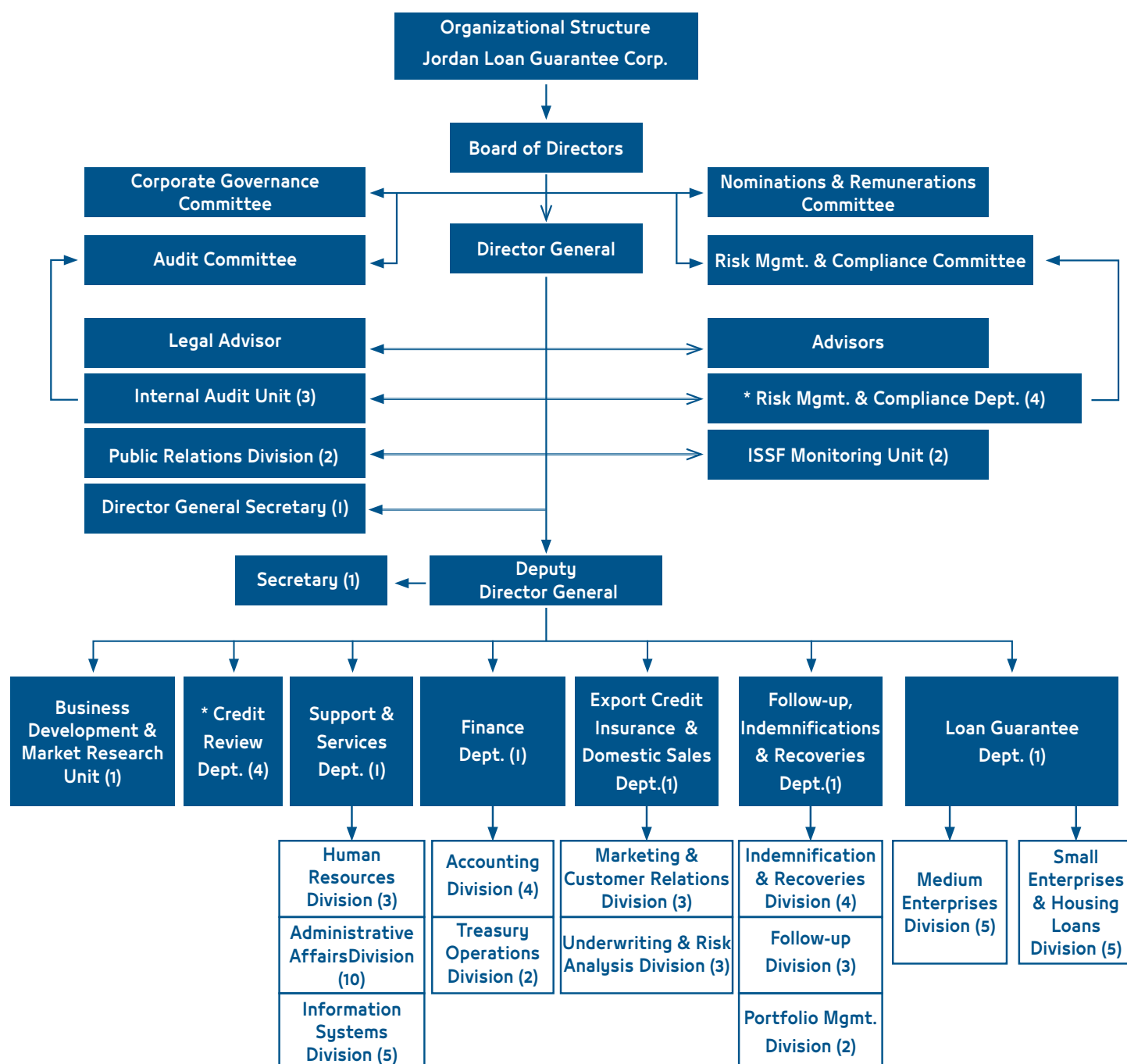
**B. JLGC did not obtain any patents or licensing rights in 2023.**

#### 8. Decisions Issued by the Government, International Organizations, or any other Bodies with a Material Impact on JLGC's Business, Products, or Competitiveness

- The Council of Ministers, in line with the Exemption from Public Funds Law No. 28 of 2006, has resolved to waive all stamp charges applicable to JLGC's Export Credit Guarantee Contracts and their subsequent claims.
- The Council of Ministers decision number (438) dated 26/1/2010 exempted JLGC from sales and all other taxes and fees except for Income Tax.
  - Disclosure about JLGC Application of the International Quality Standards
- International quality standards are not applicable to JLGC, and JLGC does not apply such standards.

## 9. JLGCC Organizational Structure, Number and Categories of Employees, and the Training Programs

### A. JLGCC Organizational Structure as of the end of 2023



- Vacancies in senior management positions at the end of 2023 include advisors and monitoring Unit Manager for the Innovative Startups and SMEs Fund (ISSF).

## B. No. of Employees and Qualifications in 2023

The Number of employees at the end of 2023 was 65 in comparison with 60 at the end of 2022, distributed according to their academic qualifications as follows:

Academic Qualification	No. of Employees in 2023
PhD	1
Master Degree	7
High Diploma	1
Bachelor Degree	47
Intermediate Diploma	4
High School	1
Less than High School	4
<b>Total Number of Employees</b>	<b>65</b>

## C. Employees Training Programs in 2023

In 2023, JLGC focused on training and enhancing the technical, administrative, and financial skills of its employees. A total of 59 internal training courses and 10 external training courses were conducted for this purpose, distributed as follows:

Internal Training Courses	
Training Courses	No. of Employees
Developing a balanced scorecard for improving job performance.	12
Introduction to Central Bank Digital Currency (CBDC) and Crypto Currency for Financial Inclusion	12
Import Stamp Duty Law	10
Problem solving	8
Consent Management and Customer Authentication for Digital Payment	6
Green Finance	6
Overview on Limitations & Success Factors for Digital Green Finance	6
Stress Management for Personal Resilience	6
Digital transformation	4
Letters of credit and international trade contracts	4
Sustainability principles according to GRI and sustainability reporting	3
Practical applications of IFRS 9	3
Introduction to Business Innovation	3
Negotiation skills	3
Demystifying ESG: What regulated companies and their advisors need to know	2

Internal Training Courses	
Training Courses	No. of Employees
Alignment of Enterprise Performance Indicators (EPIs) and Employee Performance Indicators (EPIs)	2
Digital support services for exporting SMEs	2
Advanced data analysis using Excel	2
Mastering Excel: From Beginner to Expert	2
Crisis management and decision making for managers	2
Governance, risks, and compliance - forum	2
Data analysis using business intelligence program	2
The role of artificial intelligence technologies in cybersecurity - Forum	2
Export Credit and finance	2
A Call for Sustainable Action: Climate Change as a Source of Financial Risk	1
Improving energy efficiency in buildings – mechanisms for financing energy-efficient buildings within the (BUILD ME) project	1
Management of social risks in Jordan	1
Crafting Effective Human Resources Policies and Procedures: A Guide to Professionalism	1
Review of development financing evaluation studies	1
Innovative solutions to finance Sustainability Development Goals	1
Introduction to Business Innovation/C-Level	1
New IFRS Sustainability Disclosure Standards and green accounting	1
Creative Competence: Enhancing Thinking, Problem Solving, and Decision Making	1
Inventory Reconciliation, Final Accounts, and Closing Entries	1
The annual planning workshop to encourage MSMEs: A Vision for 2023 and Beyond: Toward strong support systems for MSMEs in Jordan	1
Mainstreaming Gender	1
Fundamental and advanced financial accounting	1
HR management: Integrating career paths with training plans	1
Accounting, financial analysis, and analysis of cashflows	1
Summit of FAIR Institute in the Middle East and Africa in Jordan	1
Design Thinking: Unlocking Creativity and Problem-Solving Skills	1
CCNA 200-301 Implementing and Administering Cisco Solutions	1
How can SMEs leverage e-commerce to boost exports?	1
Maritime transportation and logistical services in Jordan	1

Internal Training Courses	
Training Courses	No. of Employees
Positive thinking and management of work pressures	1
Secure Your Business: The Power of ESET Cyber security Solutions	1
Red Hat & Nutanix Cloud Day in Jordan	1
Technology forum 2024 MTF2024	1
Introduction to digital transformation and digital banks	1
Guidance of Basel Committee and risk management	1
MS Excel Skills and Techniques	1
Guarantee of export risks and export finance methods	1
Meeting of the export promotion team of the national task force overseeing the implementation of the national strategic export plan for the period 2023-2025	1
Boosting the competitiveness of Jordanian exports by focusing on the production of environmentally friendly products	1
Improving work quality to promote sustainability	1
The LMA's Export Finance Buyer Credit Facility: Overview and Upcoming Changes	1
Improving your journey in the world of e-commerce	1
The role of public relations in shaping institutional reputation and managing perceptions	1
Management of advanced public relations	1

\* Each employee has the option to attend multiple training courses within the year.

External Training Courses	
Training Courses	No. of Employees
Enhancing the exchange of expertise with Turkey regarding the provision of guarantee plans and financing programs for MSMEs.	3
The 7th International MENA Guarantee Conference & EMGN Autumn Academy 2023	2
The general meeting for Bern club union (Spring Meeting Brussels)	2
Prospects and future of internal auditing in the banking sector	2
Forum of banks and Arab businessmen	1
The second program to enhance the capabilities of users within the business intelligence center of the Organization of Islamic Cooperation. "Role of Information Sharing & Business Intelligence in Supporting Trade & Investment Decisions"	1
Exhibition of Food and Beverage (Gulfood)	1
Servers management (Nutanix-HCI)	1
A program to enhance the capabilities of users within the business intelligence support center of the Organization of Islamic Cooperation.	1
"Young Professionals Forum 2023"	1

## 10. JLGC Risk Exposure

The risk management framework of JLGC follows a comprehensive strategy that includes risk identification, resolution, and mitigation. After determining acceptable risk thresholds, the organization strategically controls its operations to maintain the desired risk profiles and levels, maintaining alignment with overall strategic objectives. Recognizing the inherent importance of risks within JLGC, the Company stays committed to taking preventive and proactive measures to properly manage such risks.

JLGC is exposed to the following main risks within the domain of loan guarantees for economic and productive enterprises, as well as export credit insurance.

- Credit risk of non-payment by the borrower or importer of Jordanian goods for credit or commercial reasons, resulting from the decline in the performance of some economic sectors or external circumstances.
- Operational risks including information security risks and business continuity risks.
- Market and liquidity risks.
- Risks of non-compliance.

## 11. JLGC's Accomplishments in 2023

**Regarding the operational and financial performance of JLGC, the most notable achievements in loan guarantees for 2023, supported by numerical data, are summarized as follows:**

1. Throughout 2023, JLGC extended loan guarantees to approximately 2391 SMEs via its diverse loan guarantee programs, totaling JOD 312 million.
2. In particular, JLGC provided guarantees to 256 new enterprises, amounting to JOD 18 million in the same period.
3. JLGC steadfastly provided guarantees to SMEs under the National Program to Combat the Corona Crisis, following the CBJ's extension of the program's implementation. Throughout 2023, the program supported approximately 552 companies, providing financing totaling JD 109.4 million until the end of April of that year.
4. The number of projects that benefited from guarantees in support of microenterprises totaled 533, with an approximate value of JOD 3.6 million.
5. In 2023, JLGC disbursed compensations to banks for defaulted loans amounting to JOD 5.2 million, compared to JOD 3.6 million in 2022. During 2023, JLGC disbursed approximately JOD 46.6 thousand in compensation within the Export Credit and Domestic Sales Guarantee Programs, a slight decrease from the JOD 47 thousand paid to policyholders in 2022.
6. In 2023, JLGC reimbursed approximately JOD 865 thousand from the compensations paid, compared to JOD 659 thousand in 2022. Additionally, guaranteed loans totaling JOD 17.6 million were rescheduled in 2023, marking a decrease from about JOD 35.5 million in 2022.
7. In 2023, JLGC collaborated with banks to reschedule approximately 473 loans, aiming to facilitate payment terms for firms that had submitted such requests.
8. The amount of guaranteed shipments within the Export Credit and Domestic Sales Guarantee Programs for 2023 reached JOD 187.7 million. These guaranteed shipments were distributed across various sectors, with the most significant being mining, food, chemicals, textiles, and clothing.

9. In the same period of 2023, the food and chemicals sector experienced the most significant growth in insured sales size. Meanwhile, the fertilizers industry sector maintained the highest total insured sales value, reaching JOD 78.6 million.
10. The data from JLGC indicates that the sales of Jordanian firms participating in the Export Credit Guarantee Program were directed to more than 40 countries, with a concentration in those directed to Switzerland, Saudi Arabia, and Egypt.
11. JLGC successfully executed 38 new policies with industrial firms under the Export Credit Guarantee Program and 3 policies under the Domestic Sales Guarantee Program. Additionally, it secured no objection from the Industry Support and Development Fund (ISDF) for 46 Jordanian exporting companies, with an annual ceiling of up to JOD 35 thousand for each firm. This funding was utilized to cover insurance costs, including guarantee fees and inquiries about external investors.
12. In 2023, JLGC experienced a substantial increase in its total revenues, with a growth rate of 22% compared to 2022. Specifically, revenues amounted to JOD 6.8 million in 2023, compared to total revenues of JOD 5.6 million in 2022.
13. The growth observed in JLGC's revenues stemmed from both operational and investment sources. Operational revenues increased from JOD 3.1 million in 2022 to JOD 3.3 million in 2023, while investment revenues increased significantly from JOD 1.8 million in 2022 to JOD 2.7 million in 2023.
14. Total shareholders' equity increased from JOD 39.5 million at the end of 2022 to JOD 41.3 million at the end of 2023. As of the end of 2023, JLGC's assets totaled approximately JOD 740 million, representing an increase from JOD 715 million at the end of 2022.
15. According to the closing statements, JLGC achieved net profits after taxes of JOD 1.8 million in 2023, marking an improvement from JOD 1.2 million in 2022.

**Regarding the programs, JLGC continues its periodic assessment of the guarantee programs with participating parties and has established additional programs as follows:**

- In partnership with the CBJ, JLGC launched a finance program for microenterprises. This initiative intends to assist not just microenterprises, but also home small businesses, craftspeople, and self-employed persons who were unable to access the CBJ's COVID-19 assistance program, which was enabled by banks in 2020. JLGC provides access to funding for microenterprises with simplified terms and favorable circumstances. The CBJ committed approximately JOD 21 million (equal to USD 30 million) from the Arab Fund for Economic and Social Development's USD 100 million credit to the Kingdom exclusively for this endeavor. This grant is intended to be delivered to eligible program participants without incurring interest costs. JLGC provides complete guarantees for every financing provided through the program, covering 85% of the financed amount. Commercial loans are subject to a 1% commission cost, while Islamic bank loans have a 0.55% commission fee.
- JLGC has initiated collaboration with KFW to introduce the "Credit Guarantees for Private Sector Employment" program. This joint endeavor, funded by KFW, aims to align loan guarantees with the creation of new employment opportunities within SMEs. The program emphasizes enhancing financial inclusion by directing efforts towards projects situated beyond the central governorates. The program is anticipated to commence in the fourth quarter of 2024.
- The maximum limit for the Industrial Finance Credit Guarantee Program has been increased from



JOD 1 million to JOD 3 million, but commission rates remain consistent. This change is intended to enhance the range of alternatives available to SMEs for obtaining accessible finance. The project attempts to strengthen financial backing for designated sectors by enhancing assistance for these critical parts of the economy, particularly given their large economic effect and important role in increasing employment levels in the Kingdom.

**In regard to executing cooperation and guarantee agreements with numerous entities and exporters, the following milestones have been achieved:**

- JLGC has commenced signing agreements pertaining to the Export Credit Guarantee program, which forms part of the funding initiatives aimed at bolstering the development and growth of industries under the purview of the Ministry of Industry, Trade, and Supply. The agreements have been finalized with several industries eligible for participation in the program, presenting a significant opportunity for companies venturing into export activities for the first time to secure guarantees under the Export Credit Guarantee Program. A portion of the expenses associated with obtaining the export guarantee will be subsidized, subject to specific criteria endorsed by JLGC, particularly requiring the firm to be wholly Jordanian-owned and operated by the private sector. Additionally, eligible firms will have their credit-related costs, including inquiry fees, covered within a range of 50% to 70%, with the support ceiling capped at JOD 35,000 per exporter annually. The Export Credit Guarantee Program, a key component of the Support for Industry Development Fund, began with the signing of agreements with over 40 industrial enterprises. This milestone was reached at a meeting hosted by the Jordan Chamber of Industry, which was attended by a number of industrial organizations and major Fund partners.
- JLGC has entered into a memorandum of agreement with Jordan Exports, with the aim of fostering collaborative arrangements between the two entities to advance the development of domestic exports within the Kingdom. This memorandum stems from Jordan Exports' substantial role in assisting Jordanian exporters through a variety of mechanisms. Concurrently, JLGC plays an important role in bolstering these efforts by providing credit data about importers, giving insurance coverage to national exports, and assisting exporting industrial firms in the Kingdom. Such partnership emphasizes the critical relevance of encouraging the development of national exports in promoting economic growth and reducing the trade balance and current account deficit. JLGC has extended its gold sponsorship to the Jordan Export Portal; a portal that provides complete market data for Arab, regional, and global markets. This project intends to provide both large firms and SMEs with better insights into these markets, aided by a plethora of studies on market dynamics and foreign export tactics.
- JLGC has recently entered into two agreements with Jordan Kuwait Bank, namely "My Company" and "My Vehicle". These agreements are tailored to offer credit guarantees to SMEs, thereby enhancing their access to finance. Specifically, they facilitate financing for the procurement of goods and fixed assets, as well as for new and used vehicles, targeting SME clients. Under these agreements, SMEs in the industrial and services sectors can benefit from credit guarantees of up to 80%, with a financing limit of JOD 500 thousand, spanning a period of 6-7 years. Notably, loans extended to women entrepreneurs under these agreements are eligible for an enhanced credit guarantee percentage of 80% for a duration of up to 8 years.
- JLGC has forged a partnership with Al-Namothajiah for Islamic Microfinance, marking an agreement to extend credit guarantees to SMEs. The primary objective of this collaboration is to allocate funds to clients of the aforementioned company. These funds are earmarked for micro-enterprises, household micro-projects, craftsmen, and self-employed individuals, with the

aim of providing them with accessible financing on favorable terms and conditions. This initiative is designed to assist these entities in sustaining their operations, covering both operational and capital expenses, particularly in light of the adversities precipitated by the COVID-19 pandemic.

**As part of the marketing efforts for JLGC programs, it actively participated in a variety of activities and seminars with its partners. These joint efforts included hosting multiple meetings and workshops to elicit feedback from partners. The goal was to get insight into operating mechanisms and investigate opportunities for improving procedures.**

- JLGC actively participated in workshops organized by the Industry Development and Support Fund, where discussions focused on the Export Credit Guarantee Program. As a prominent participant in the Fund's activities, which are supervised by the Ministry of Industry, Trade, and Supply, JLGC contributed to workshops held in Amman, Irbid, Zaqa, and Al-Hussein Bin Abdullah II Industrial Estate (HUIE) in Al-Karak. Throughout the sessions, JLGC answered participants' questions about the application procedure via a specialized portal accessible through the Ministry's website.
- In collaboration with the Housing Bank, JLGC recently organized a workshop at the bank's headquarters, which was attended by a selected group of the bank's clients operating in the industrial sector. The workshop also saw the presence of representatives from various industrial firms in Jordan. The workshop was designed to heighten awareness among clients in the industrial sector and exporters about the significance of the bank's financial and investment products, as well as its banking services. Additionally, it aimed to familiarize them with the bank's tailored mechanisms directed towards the industrial sector. Furthermore, the workshop introduced participants to the Export Credit Guarantee Program facilitated by JLGC, with the overarching goal of enhancing firms' competitiveness and fostering their growth to ensure sustainability and expansion into new markets. Such initiatives are crucial for enabling continued participation in economic and social development efforts.

**In terms of social responsibility, JLGC organized a variety of activities to foster a culture of volunteer work and community service among its employees, including donation campaigns, cloth donations, parcel preparation for chaste families, Ramadan Iftar for orphans, and other activities in 2023.**

## 12. Financial Impact of Non-Recurrent Transactions which are not Part of JLGC Main Activities

**In 2023, non-recurrent transactions did not incur any financial impact, and they do not constitute primary activities within JLGC's operations.**

## 13. A Chronology of Realized Profits or Losses, Dividends, Shareholders' Net Enquiry and the Prices of Securities Issued by JLGC

Year	Net Profit before Taxes & other Provisions	*Dividends Distributed to Shareholders	Shareholders Net Equity	Share Price (closing price at the end of the year)
2019	1,328,207	0	36,580,504	0.450
2020	850,508	0	37,223,147	1
2021	1,485,550	0	38,359,751	1
2022	1,493,420	0	39,510,606	1
2023	2,221,581	0	41,290,144	1

\* In 2023, no monetary dividends were disbursed to shareholders.

#### 14. Analysis of JLGC's Financial Position and the Results of its Activities in 2023

Description	Financial Ratio
Liquidity Ratio	2.43%
Profitability Ratio	15.9%
Return on Shareholder's Equity	4.42%
Return on Investment	0.25%
Debt Ratio	1.58%
Earning per share	0.06%
Profitability multiplier	15.9%
Share Book Value	1

Description	2023	2022	2021	2020	2019
Earnings per Share (JOD)	0.063	0.040	0.039	0.022	0.036
Return on Investment	0.25%	0.16%	0.142%	0.083%	0.230%
Return on Shareholder's Equity	4.42%	2.91%	2.946%	1.733%	2.852%
Return on Paid Up Capital	6.28%	3.96%	3.886%	2.180%	3.587%
Ownership Ratio	5.58%	5.53%	4.803%	4.769%	8.062%
Fixed Assets/Shareholder's Equity	7.70%	7.67%	7.803%	8.147%	8.458%
Debt Ratio	1.58%	1.30%	1.198%	1.057%	0.865%
Total Liabilities to Total Assets	94.42%	94.47%	95.197%	95.231%	91.938%
Liabilities to Shareholder's Equity	1691.86%	1708.39%	1982%	1997%	1140%
Current Liabilities/Shareholder's Equity	28.25%	30.7%	24.938%	22.165%	10.725%
Revenue/Total Assets	0.92%	0.78%	0.654%	0.575%	0.904%
Circulation Ratio	2.43%	2.86%	1358%	1265%	2062%
Working Capital (JOD)	16,693,102	22,655,929	120,332,783	96,126,193	76,953,816

#### 15. JLGC's Future Development Plans

Aligned with JLGC's strategic vision and commitment to innovation and development, the Company outlines numerous ambitious goals and initiatives for 2024, which coincides with its 30th anniversary. Key among these are:

1. Expanding the breadth of beneficiaries under JLGC's credit guarantee schemes is a top priority. This will entail broadening the scope of programs to include new segments and industries while also strengthening existing ones. JLGC aspires to develop trust and confidence among its clients by adapting these programs to the unique needs of SMEs and Jordanian exporters.
2. JLGC remains committed to providing concentrated attention through a professional and proficient staff to meet the sector's overall needs. Simultaneously, the Company will continue to

provide expert advice and timely guidance to help increase exports and foster progressive growth in the industry.

3. JLGC strives to be recognized as a unique and distinguished entity in its critical developmental role with MSMEs, adapting to their changing demands in response to market conditions. This emphasis is primarily on essential sectors such as industry, trade, energy, and technology. Furthermore, JLGC is devoted to attracting new and promising sectors in accordance with its policy, which ensures coherence between credit assessments made by one entity and risk assessments completed by another.
4. JLGC strives to maintain its leadership position in the field of electronic systems by leveraging cutting-edge technologies to streamline procedures for its partners. JLGC's digital transformation plan aims to ensure the greatest levels of efficiency and accessibility, allowing for seamless interactions and improving the overall user experience.
5. JLGC strives to achieve optimal operational efficiency by prioritizing the expansion of its guarantee base.
6. JLGC endeavors to expand its reach and engage with professionals and project owners across every governorate in the Kingdom.
7. JLGC is committed to launching new initiatives to promote emerging MSMEs and improving its existing partnership programs. This includes the introduction of new programs and products, such as green financing and job guarantee schemes. These attempts are intended to correlate with the Company's portfolio growth objectives while also assuring the establishment of a high-quality portfolio across all programs and maintaining acceptable risk levels.
8. JLGC is to launch the Green Finance Program, which will provide guarantees for environmentally sustainable financing offered by banks in partnership with participating financial institutions. This project is consistent with the CBJ's green finance strategy, which seeks to motivate banks to embrace green economy principles and direct a percentage of their lending toward ecologically friendly products. This form of finance is important because it can solve the issues brought by climate change and its environmental consequences. JLGC shares these financial duties with banks, creating a supportive environment to help innovative MSMEs seeking funding within the program's parameters and objectives.
9. The addition of the Export Credit Guarantee Program to the Support for Industry Development Fund, which is supervised by the Ministry of Industry, Trade, and Supply, is expected to increase program activity in 2024. This spike in activity is expected to benefit countless Jordanian businesses, especially those managed by women entrepreneurs. The initiative is intended to aid qualifying firms, with an annual budget of up to JOD 35 thousand per company.
10. JLGC is strategically targeting new and vital productive sectors within the export credit guarantee framework. These sectors include services, medicine, food, plastics, fertilizers, and chemicals. Furthermore, JLGC will capitalize on the lending program offered by the CBJ to bolster national exports, along with leveraging the industry support program managed by the Ministry of Industry, Trade, and Supply. Enhanced marketing activities will be deployed to raise awareness and promote these export support programs, with a particular focus on educating exporters about the Export Credit Guarantee Program. JLGC will also provide training sessions to equip exporters with the necessary knowledge and skills. Encouraging exporters to insure their exports through JLGC aims to facilitate market penetration and expansion in existing markets.
11. JLGC remains dedicated to working with international donors to improve its operational capabilities and human and technology resources. This collaboration will promote the exchange of skills and knowledge in the fields of loan guarantees and export credit. JLGC seeks to

continuously improve its operations and provide superior services to its clients and stakeholders by leveraging international best practices and experiences.

12. JLGC is committed to maintaining and improving its reputation as a strong promoter of MSMEs and Jordanian exports. To do this, JLGC intends to strengthen its collaborative partnerships with industrial and commercial chambers, as well as major institutions such as the Jordanian Exporters Association (JEA), the Jordanian Foundation for Economic Projects Development (JDCO), and Jordan Exports, among others.
13. JLGC is continually seeking possibilities to host a variety of domestic and international events, as well as participate in specialized exhibitions. These activities seek to increase communication efforts and emphasize the importance of the Export Credit and Domestic Sales Guarantee Programs to the Company's shareholders and key stakeholders.
14. JLGC is committed to improving its work environment and attractiveness while cultivating a culture of innovation and collaboration. Furthermore, the Company intends to deepen the link between institutional perception and advancement, assuring alignment with the development of its competencies and human resources.
15. JLGC is committed to improving the quality of its human resources by prioritizing professional development opportunities. This involves delivering continual specialized training programs throughout the year to guarantee that personnel are armed with the most recent innovations and enhanced with sophisticated abilities.
16. JLGC is devoted to increasing cooperation and engagement with various media channels in order to improve the Company's image. This means highlighting its vital role in assisting the local community and increasing its participation in national events.
17. JLGC is committed to continuously developing its website and digital platforms in order to properly portray its corporate image. This involves improving its digital presence, using smart applications, and increasing engagement on social media. The emphasis is on delivering excellent material and information to SMEs and Jordanian exporters, resulting in increased accessibility and assistance for these important stakeholders.
18. Actively involving its employees in activities and events related to social responsibility, as well as supporting and participating in national events.
19. Despite the considerable measures of economic recovery seen in 2023, the effects of exogenous shocks remain. This uncertainty hampers anticipating the implications of these shocks, as well as creating annual estimates. Nonetheless, JLGC is committed to responding flexibly to these external events. The Company will continue to enhance its programs and instruments to guarantee that they are fully equipped to meet both its corporate and national objectives.

## 16. External Auditor Fees

The total amount of auditing fees paid to the "Arab Professionals" at the end of both years ending on 31/12/2023 and 31/12/2022 was JOD 14,500 including 16% sales tax.

## 17. The Number of Securities Owned

### A. The number of securities owned by the Members of the Board of Directors

- None of the members of JLGC's Board of Directors own any securities issued by JLGC.
- None of the relatives of JLGC's Board of Directors own any securities issued by JLGC.
- All of JLGC's Board of Directors are Jordanians.

- No companies controlled by the members of JLGC's Board of Directors or their relatives.

Name	Position	Nationality	Number of Shares As of 31/12/2023	Number of Shares As of 31/12/2022	Ownership and Companies Controlled by the Board Members
Dr. Adel Al Sharkas	Chairman of Board	Jordanian	13,122,250	13,122,250	None
Dr. Kamal Al Bakri	Vice chairman of the Board	Jordanian	1,934,874	1,934,874	None
Dr. Khaldoun Al Wshah	Member	Jordanian	13,122,250	13,122,250	None
Mr. Walid Al Samhour	Member	Jordanian	1,973,936	1,973,936	None
Ms. Rana Sawalha	Member	Jordanian	1,657,100	1,657,100	None
Mrs. Nadia ALSaeed	Member	Jordanian	1,334,868	1,334,868	None
Dr. Ibrahim Saif	Member	Jordanian	5,000	5,000	None
Mrs. Luma Abdullah	Member	Jordanian	524,000	524,000	None
Ms. Maha Al Abdallat	Member	Jordanian	13,122,250	13,122,250	None
Mr. Hussein Kofahi	Member	Jordanian	13,122,250	13,122,250	None
Dr. Ahmad Al Hussein	Member	Jordanian	1,102,454	1,101,934	None

Board Member	31/12/2023	
	Name of the Legal Representative	Number of Shares
Central Bank of Jordan (4 members)	Dr. Adel Al Sharkas Dr. Khaldoun Al Wshah Mr. Hussein Kofahi Ms. Maha Al Abdallat	13,122,250
Arab Bank	Mr. Walid Al Samhour	1,973,936
Cairo Amman Bank	Mr. Kamal Al Bakri	1,934,874
Housing Bank for Trade and Finance	Ms. Rana Sawalha	1,657,100
Bank al Etihad	Mrs. Nadia ALSaeed	1,334,868
Jordan Ahli Bank	Dr. Ahmad Al Hussein	1,102,454
Social Security Corporation (Independent member)	Mrs. Luma Abdullah	524,000
Dr. Ibrahim Saif (independent member)	Dr. Ibrahim Saif	5,000

## B. Statement of the Number of Securities Issued by JLGC and owned by the Members of the Senior Executive Management

- None of the Members of the Senior Management own any securities issues by JLGC.
- None of the relatives of the Members of the Senior Management own any securities issues by JLGC.
- All members of the Senior Management are Jordanians.
- JLGC's Senior Management Members or their relatives do not have control over any entities.

Name	Position	Nationality	Number of Shares As of 31/12/2023	Ownership and Companies Controlled by the Board Members
Dr. Mohammed Al Ja'fari	Director General	Jordanian	0	None
Mrs. Amal Jaradat	Deputy Director General	Jordanian	0	None
Mr. Issa AlTarayrah :	Finance Department Manager	Jordanian	0	None
Mr. Rami Samardali	Follow ups, Indemnifications & Recoveries Department Manager	Jordanian	0	None
Mr. Mohammad Noor Aljabie	Support Services Department Manager	Jordanian	0	None
Mr. Ahmed Bierqdar	Risk Management and Compliance Department Manager	Jordanian	0	None
Mr. Mahmoud Al Rbeihat	Loan Guarantee Department manager	Jordanian	0	None
Mrs. Fatima Hamdan	Export Credit Guarantee and Domestic Sales Department Manager	Jordanian	0	None
Mrs. Diana Aljariri Alhesan	Credit Review Department manager	Jordanian	0	None
Mr. Saif Al Farah	Internal Audit Unit Manager	Jordanian	0	None
Mr. Ihab Jibreen	Business Development & Market Studies Unit Manager	Jordanian	0	None

## 18. The Benefits and Remunerations of the Chairman, Members of the Board of Directors, and the Senior Executive Management

Total amounts paid as benefits and remunerations to the Board of Directors was JOD 158,890 in 2023 compared to JOD 123,600 in 2022.

Name	Position	Transportation Allowance	Bonus	Travel Allowance	Committee Allowance	Total
Dr. Adel Al Sharkas	Chairman of Board	9,000	5,000	-	-	14,000
Dr. Kamal Al Bakri	Vice chairman of the Board	9,000	5,000	-	-	14,000
Dr. Khaldoun Al Wshah	Member	9,000	5,000	-	-	14,000
Mr. Walid Al Samhour	Member	9,000	5,000	-	600	14,600
Housing Bank for Trade and Finance	Member	9,000	5,000	-	800	14,800
Mrs. Nadia ALSaeed	Member	9,000	5,000	-	-	14,000
Dr. Ibrahim Saif	Member	9,000	5,000	-	-	14,000
Social Security Corporation	Member	9,000	3,889	-	800	13,689
Ms. Maha Al Abdallat	Member	9,000	3,889	-	-	12,889
Dr. Ahmad Al Hussein	Member	8,250	-	-	-	8,250
Mr. Hussein Kofahi	Member	9,000	3,889	1,890	800	15,579
Dr. Adnan Al Hindi	Member	-	1,111	-	-	1,111
Mr. Tawfq Mukahl	Member	-	1,111	-	-	1,111
Dr. Ismail Zaghloul	Member	-	1,111	-	-	1,111



Amman Chamber of Commerce	Member	-	1,111	-	-	1,111
Mr. Moh'd Mousa Dawood Issa	Member	750	3,889	-	-	4,639
<b>Total</b>						<b>158,890</b>

The benefits and remunerations paid for the members of the Senior Executive Management in 2023 amounted to JOD 727,101 in comparison with JOD 597,592 in 2022.

Name	Position	Annual Salaries	Transportation Allowance	*Bonus	Expenses Travel Allowance	Committee Allowance	Other Benefits	Fees of the Secretary of the Board of Directors.	Total
Dr. Mohammed Lutfi Mohammed Al Ja'fari	Director General	204,800	-	64,300	11,065	-	-	-	280,165
Mrs. Amal Mahmood Ahmad Jaradat	Deputy Director General	65,600	-	12,600	6,371	-	-	-	84,571
Mr. "Muhammad Noor" Mahmoud Ahmad Al-Jabai	Support Services Department Manager	43,008	-	8,364	0,000	-	-	-	51,372
Mr. Issa Ismail Murshed AlTarayrah	Finance Department Manager	42,720	-	8,310	2,346	-	-	3,600	56,976
Mr. Rami Awwad Ayed Samardali	Follow ups, Indemnifications & Recoveries Department Manager	38,992	-	7,611	0,000	-	-	-	46,603
Mr. Ahmed Hashem Muslim Bierqdar	Risk Management and Compliance Department Manager	38,240	-	7,470	751	-	-	-	46,461
Mr. Saif Shibli Abdullah Al Farah	Internal Audit Unit Manager	36,208	-	4,826	1,604	-	-	-	42,638
Mr. Mahmoud Ahmed Soliman Al-Rbeihat	Loan Guarantee Department Manager	25,600	-	3,500	0,000	-	-	-	29,100
Mrs. Fatima Saeed Youssof Hamdan	Export Credit Guarantee and Domestic Sales Department Manager	25,600	-	3,500	3,226	-	-	-	32,326
Mrs. Diana Hamed Aljariri Alhesan	Credit Review Department Manager	25,600	-	3,500	500	-	-	-	29,600
Mr. Ihab Tayseer Najeeb Jibreen	Manager of the Business Development & Market Studies Unit	22,599	-	4,690	0,000	-	-	-	27,289
<b>Total</b>									<b>727,101</b>

\*Annual bonuses at the beginning of 2024

\*\*The Director General has a car and mobile owned by JLGC.



## 19. Donations and Grants

No donations or grants paid during 2023.

## 20. JLGC Contracts, Projects and Arrangements concluded with Subsidiaries, Sister Companies or Affiliates

There are no contracts, projects or arrangements concluded with Subsidiaries, Sister Companies or affiliates or with the Chairman of the Board of Directors, members of the Board of Directors, the Director General or any employee of JLGC or their relatives.

## 21. JLGC Contribution to Environmental Protection and Community Service

- **Environment Protection:** No contribution to environmental protection directly.
- **Local Community Service:** In 2023, JLGC implemented several initiatives as part of its social responsibility efforts aimed at fostering a culture of voluntary work and serving the local community among its employees. These initiatives included:

### 1. Blood Donation Campaign

JLGC collaborated with the Blood Bank to organize a campaign within its premises, which garnered significant participation from employees. The aim of this initiative was to cultivate a culture of social responsibility among employees and instill in them a sense of duty towards the community.

### 2. Clothes Donation Campaign

JLGC took part in a clothing donation campaign in collaboration with the Jordan Hashemite Charity Organization's Charity Clothes Bank (CCB). The effort aimed to donate clothing to chaste Jordanian families, as well as those affected by the earthquakes in Syria and Turkey.

During the campaign, the Company's team spent two weeks collecting in-kind donations such as clothes, shoes, toys, and other items. These gifts were subsequently handed over to the CCB.

### 3. A Volunteering Campaign to Prepare Parcels for Chaste Families

A team of volunteers from JLGC actively participated in a campaign to prepare parcels of clothes for Jordanian chaste families. This initiative was carried out in collaboration with the Jordan Hashemite Charity Organization.

JLGC enthusiastically engaged in this voluntary effort, collaborating with groups of volunteers to assemble clothing, shoes, and other essential items at the premises of the CCB.



### 4. Ramadan Iftar for Orphans

The Social Activities Committee at JLGC orchestrated a Ramadan Iftar event for 25 orphans at a restaurant in Amman. This initiative underscores the Committee's commitment to fostering meaningful connections and demonstrating solidarity with orphans, aligning with the principles of compassion and generosity advocated by Islam.

During the Iftar event, the children were treated to entertainment activities such as games and face painting to create a joyful atmosphere. Additionally, the Committee provided the children with vouchers to purchase clothes for Eid, ensuring their happiness and making the occasion even more memorable for them.

## 5. Organizing an Initiative to Donate School-Bags at the Beginning of the Semester

A group of JLGC staff visited Al-Khashafiyya School for Girls in Sahab at the beginning of the semester and during the back-to-school period.

During the visit, JLGC distributed bags to both students and teachers as part of its ongoing series of social activities. These initiatives are undertaken in collaboration with various social institutions, reflecting JLGC's commitment to community engagement and support.

## 6. Providing Support to Brothers in Gaza

The staff at JLGC has extended support and advocacy to our brothers and sisters in Gaza, in collaboration with the Jordan Hashemite Charity Organization, in response to the ongoing the tragic events unfolding there.

## 7. National Events

JLGC commemorated the 77th Independence Day of the Hashemite Kingdom of Jordan by raising both the Jordanian flag and the flag of independence at the main facade of the Company's building in Al Shemsani.

Additionally, JLGC celebrated the wedding of His Majesty Prince Al Hussein Bin Abdullah II and Ms. Rajwa Khalid Al Saif. The Company adorned its building with banners proclaiming "We Rejoice in Hussein" in celebration of His Highness's marriage. Employees extended their heartfelt congratulations to His Majesty King Abdullah II and Her Majesty Queen Rania Al Abdullah on this joyous occasion, expressing their wishes for the prince's lifelong happiness and joy.





## **Details of JLGC's Operational and Financial Performance**

## Loan Guarantee Program

### 1. Granted and Utilized ceilings in 2023 and 2022 According to the Program

Ceilings	2023			2022			Change from the Previous Year	
	Ceiling	Utilized	%Utilized	Ceiling	Utilized	%Utilized	Ceiling	Utilized
Productive Loans (Small Enterprises)	46,336,734	41,022,864	89%	43,503,134	37,859,984	87%	7%	8%
Housing Loans	16,414,906	10,631,330	65%	18,828,507	12,204,473	65%	(13%)	(13%)
Small Startups Program	20,350,000	26,676,838	131%	17,850,000	13,284,018	74%	14%	101%
Renewable Energy Program	600,000	135,103	23%	600,000	252,304	42%	0%	(46%)
Business Vehicles Program	2,000,000	2,045,297	102%	2,000,000	304,119	15%	0%	573%
"My Company" Program	500,000	63,261	13%	0	0	0%	0%	0%
"My Vehicle" Program	500,000	182,267	36%	0	0	0%	0%	0%
Fast-Track Program	1,000,000	0	0%	0	0	0%	0%	0%
<b>Total</b>	<b>87,701,640</b>	<b>80,756,959</b>	<b>%92</b>	<b>82,781,641</b>	<b>63,904,896</b>	<b>77%</b>	<b>%6</b>	<b>%26</b>

## 2. Guaranteed Loans Implemented in 2023 and 2022 According to the Program

Guaranteed Executed Loans According to Loan Type								
Program	2023		2022		Change (JOD)		% Change	
	No.	Guaranteed value	No.	Guaranteed Value	No.	Guaranteed Value	No.	Guaranteed Value
Small Enterprises Loans	684	37,368,226	576	20,041,024	108	17,327,202	19%	86%
Industrial and Services Finance Loans	366	93,132,050	189	30,038,936	177	63,093,114	94%	210%
<b>Small Startups Loans Programs</b>								
Inhad Initiative Loans	15	362,355	54	1,752,870	(39)	(1,390,515)	(72%)	(79%)
Small Startups program (Kafalah, Commercial)	241	14,879,959	294	11,962,091	(53)	2,917,868	(18%)	24%
<b>Total</b>	<b>256</b>	<b>15,242,314</b>	<b>348</b>	<b>13,714,961</b>	<b>(92)</b>	<b>1,527,353</b>	<b>(1)</b>	<b>(1)</b>
<b>Central Bank's Program Guarantee for Financing Micro and Small Companies</b>	<b>533</b>	<b>3,066,136</b>	<b>373</b>	<b>2,540,223</b>	<b>160</b>	<b>525,913</b>	<b>43%</b>	<b>21%</b>
<b>National Program - Covid-19</b>								
Covid-19 Programs - Commercial	542	91,829,985	774	114,782,736	(232)	(22,952,751)	(30%)	(20%)
Covid-19 Programs - Islamic	10	1,185,750	26	4,247,195	(16)	(3,061,445)	(62%)	(72%)
<b>Total</b>	<b>552</b>	<b>93,015,735</b>	<b>800</b>	<b>119,029,931</b>	<b>(248)</b>	<b>(26,014,196)</b>	<b>(31%)</b>	<b>(22%)</b>
<b>Productive Loans</b>	<b>2,391</b>	<b>241,824,461</b>	<b>2,286</b>	<b>185,365,075</b>	<b>105</b>	<b>56,459,386</b>	<b>5%</b>	<b>30%</b>
<b>Total Housing Loans</b>	<b>1</b>	<b>33,000</b>	<b>7</b>	<b>362,175</b>	<b>(6)</b>	<b>(329,175)</b>	<b>(86%)</b>	<b>(91%)</b>
<b>Total of All Programs</b>	<b>2,392</b>	<b>241,857,461</b>	<b>2,293</b>	<b>185,727,250</b>	<b>99</b>	<b>56,130,211</b>	<b>4%</b>	<b>30%</b>

### 3. Outstanding Loan Guaranteed Portfolio 2023 - 2022 According to the Program

Outstanding Guaranteed Portfolio According to Loan Type								
Program	2023		2022		Change (JOD)		% Change	
	No.	Guaranteed Value	No.	Guaranteed Value	No.	Guaranteed Value	No.	Guaranteed Value
<b>Small Enterprises Program</b>								
Small Enterprises	977	21,528,026	1,071	20,829,540	(94)	698,486	(9%)	3%
Kafalah	504	15,513,731	536	15,460,063	(32)	53,668	(6%)	0%
Entrepreneurship	35	738,771	36	815,222	(1)	(76,451)	(3%)	(9%)
Business Loan	131	3,242,336	51	755,146	80	2,487,190	157%	329%
Micro Loans	0	0	1	13	(1)	(13)	(100%)	(100%)
Pharmacies Loans	1	0	1	0	0	0	0%	0%
<b>Total</b>	<b>1,648</b>	<b>41,022,864</b>	<b>1,696</b>	<b>37,859,984</b>	<b>(48)</b>	<b>3,162,880</b>	<b>(3%)</b>	<b>8%</b>
<b>Industry, Services, and Small Startups Program</b>								
Kafalah - Industry and services	304	38,514,090	267	28,068,250	37	10,445,840	14%	37%
Industrial and Services Finance	227	55,066,997	151	25,322,586	76	29,744,411	50%	117%
Small Startups Program	815	26,676,838	795	24,460,492	20	2,216,346	3%	9%
Leasing Guarantees	3	242,397	6	465,629	(3)	(223,232)	(50%)	(48%)
Renewable Energy Program	5	135,103	7	252,304	(2)	(117,201)	(29%)	(46%)
Business Vehicles	68	2,045,297	11	304,119	57	1,741,178	518%	573%
<b>Total</b>	<b>1,422</b>	<b>122,680,722</b>	<b>1,237</b>	<b>78,873,380</b>	<b>185</b>	<b>43,807,344</b>	<b>15%</b>	<b>56%</b>
<b>National Program - Covid-19</b>								
Covid-19 Programs - Commercial	3,256	207,319,002	4,274	246,364,523	(1,018)	(39,045,521)	(24%)	(16%)
Covid-19 Programs - Islamic	250	9,041,025	951	26,010,283	(701)	(16,969,258)	(74%)	(65%)
<b>Total</b>	<b>3,506</b>	<b>216,360,027</b>	<b>5,225</b>	<b>272,374,806</b>	<b>(1,719)</b>	<b>(56,014,779)</b>	<b>(33%)</b>	<b>(21%)</b>
<b>Covid-19 - Microfinance Loans</b>								
Covid-19 - Microfinance Loans	801	3,657,613	373	2,169,573	428	1,488,040	115%	69%
<b>Total</b>	<b>801</b>	<b>3,657,613</b>	<b>373</b>	<b>2,169,573</b>	<b>428</b>	<b>1,488,040</b>	<b>115%</b>	<b>69%</b>
Productive Loans	7,377	383,721,225	8,531	391,277,743	(1,154)	(7,556,516)	(14%)	(2%)
<b>Housing Loans</b>								
Housing Loans	569	10,605,361	677	12,170,575	(108)	(1,565,214)	(16%)	(13%)
Lands Purchase Loans	3	18,768	4	26,281	(1)	(7,513)	(25%)	(29%)

Urban Development Loans	1	7,201	1	7,617	0	(416)	0%	(5%)
<b>Total Housing Loans</b>	<b>573</b>	<b>10,631,330</b>	<b>682</b>	<b>12,204,473</b>	<b>(109)</b>	<b>(1,573,143)</b>	<b>(16%)</b>	<b>(13%)</b>
<b>Total of All Programs</b>	<b>7,950</b>	<b>394,352,555</b>	<b>9,213</b>	<b>403,482,216</b>	<b>(1,263)</b>	<b>(9,129,569)</b>	<b>(13.7%)</b>	<b>(2.3%)</b>

#### 4. Outstanding Loan Guaranteed Portfolio Distribution According to Major Cities or Governorates

Governorate/ City	Productive Loans		Housing Loans		Industrial and Services Finance Loans		Covid19- Programs		Covid19- - Microfinance Loans		Total	
	#	Guaranteed value	#	Guaranteed value	#	Guaranteed value	#	Guaranteed value	#	Guaranteed value	#	Guaranteed value
Amman	987	28,486,965	465	9,188,626	785	83,313,663	2,742	185,114,774	227	1,232,698	5,206	307,336,726
Irbid	236	4,621,662	23	369,503	223	10,277,999	258	8,710,728	134	511,188	874	24,491,080
Zarqa	119	2,504,823	21	317,124	91	4,854,609	171	6,728,931	77	242,413	479	14,647,900
Mafraq	14	216,460	4	89,234	35	8,794,048	27	2,300,073	38	192,379	118	11,592,194
Aqaba	50	1,085,526	18	236,032	48	2,794,699	65	6,053,244	21	61,595	202	10,231,096
Balqa	62	1,313,908	13	137,076	39	2,539,357	81	2,875,385	74	377,283	269	7,243,009
Ma'an	24	401,323	2	12,795	42	4,427,560	77	746,945	19	85,755	164	5,674,378
Kerak	105	1,427,609	8	63,307	74	2,488,871	21	810,130	103	475,006	311	5,264,923
Madaba	11	253,962	9	121,168	18	644,360	28	2,789,798	16	115,871	82	3,925,159
Tafileh	26	341,371	4	22,776	30	1,378,362	3	39,893	26	93,077	89	1,875,479
Jerash	7	287,267	5	31,340	18	806,516	27	149,491	23	93,481	80	1,368,095
Ajloun	7	81,985	1	42,350	19	360,678	6	40,634	43	176,869	76	702,516
<b>Total</b>	<b>1,648</b>	<b>41,022,861</b>	<b>573</b>	<b>10,631,331</b>	<b>1,422</b>	<b>122,680,722</b>	<b>3,506</b>	<b>216,360,026</b>	<b>801</b>	<b>3,657,615</b>	<b>7,950</b>	<b>394,352,555</b>

## Export Credit Guarantee Programs

### 1- Guaranteed Contracts Concluded in 2023 and 2022

Guaranteed Contracts Signed during 2023 Vs. 2022				
Program	No.		Value (JOD)	
	2023	2022	2023	2022
Export Credit Guarantee	75	44	316,915,786	311,499,080
Domestic Sales Guarantee	7	4	1,206,098	688,199
<b>Total</b>	<b>82</b>	<b>48</b>	<b>318,121,884</b>	<b>312,187,279</b>

### 2. Guaranteed Export and Domestic Sales Shipments in 2023 and 2022

Program	No.		Nominal Value (JOD)		Guaranteed Value (JOD)	
	2023	2022	2023	2022	2023	2022
Export Credit Guarantee	2,466	2,070	192,147,877	201,760,360	187,146,266	198,831,968
Domestic Sales Guarantee	3,270	1,566	594,846	1,731,484	580,814	1,071,201
<b>Total</b>	<b>5,736</b>	<b>3,636</b>	<b>192,742,723</b>	<b>203,491,844</b>	<b>187,727,080</b>	<b>199,903,169</b>

Sector	2023	2022
Fertilizers	42%	72%
Food	28%	21%
Chemicals	20%	1%
Textile & Clothing	3%	1%
Pharmaceuticals	1%	3%
Other	6%	2%
<b>Total</b>	<b>100%</b>	<b>100%</b>

Continent - Region	2023	2022
Middle East & Gulf	36%	42%
Africa	27%	14%
Middle East	7%	11%
USA & Canada	4%	4%
Europe	25%	28%
Other	1%	1%
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>

### 3. Outstanding Guaranteed Export Shipments and Domestic Sales Portfolio in 2023 and 2022

Outstanding Guaranteed Portfolio According to Program				
Program	No.		Guaranteed Value (JOD)	
	2023	2022	2023	2022
Export Credit Guarantee	754	397	49,472,592	55,512,576
Domestic Sales Guarantee	1,089	1,315	171,852	458,508
<b>Total</b>	<b>1,843</b>	<b>1,712</b>	<b>49,644,444</b>	<b>55,971,084</b>



## Results of Claims, Claims Paid, Recoveries, Re-scheduled Loans

According to the Program				
Loan Type	Claims	Claims Paid	Recoveries	Re-scheduling
Small Enterprises	1,062,969	631,218	412,822	3,434,239
Leasing Guarantees	0	0	0	1,354
Individuals & Real Estate	0	0	75,904	1,088,049
Industrial Finance	722,130	532,645	17,108	7,189,659
Startups	925,525	864,328	78,935	2,778,307
"Kafala" Program- Islamic Financing	66,327	50,697	0	889,521
Covid-19 Programs - Commercial	2,797,227	2,476,198	254,484	1,053,684
Covid-19 Programs - Islamic	833,922	614,613	20,431	1,188,877
Export Credit and Domestic Sales Guarantee Program	76,904	46,686	4,994	0
<b>Total</b>	<b>6,485,004</b>	<b>5,216,385</b>	<b>864,678</b>	<b>17,623,690</b>

Cities				
City/Governorate	Claims	Claims Paid	Recoveries	Re-scheduling
Amman	4,674,512	3,844,510	695,687	11,685,301
Balqa	60,833	0	1,952	607,163
Irbid	596,860	505,121	49,737	1,200,961
Kerak	94,376	89,245	46,841	445,817
Ma'an	23,625	21,162	9,599	1,707,248
Tafileh	24,562	30,562	7,721	121,162
Zarqa	411,348	280,123	25,994	1,173,923
Mafraq	127,610	126,323	16,570	159,337
Madaba	116,680	25,139	4,295	16,211
Jerash	34,413	17,037	0	267,763
Ajloun	15,082	14,989	518	0
Aqaba	228,199	215,488	770	238,803
<b>*Total</b>	<b>6,408,100</b>	<b>5,169,699</b>	<b>859,684</b>	<b>17,623,690</b>

\*Export Credit Guarantee program not included.

Classification	Category	Payments Overdue	Guaranteed Balance	Payments Overdue/Balance of Outstanding Loans	Guaranteed Balance / Outstanding Guaranteed Portfolio
<b>Productive Loans/SMEs Delays</b>					
Early Warning	Delay of 61-90 Days	212,439	848,710	0.003	0.021
Below Average	Delay of 91-180 Days	205,423	549,654	0.003	0.013
Doubtful	Delay of 181-359 Days	826,586	1,145,614	0.013	0.028
Bad	Delay of more than 360 Days	3,428,965	3,250,648	0.055	0.079
<b>Balance of Outstanding Productive Loans</b>		<b>62,210,577</b>			
<b>Outstanding Guaranteed Portfolio of Productive Loans</b>		<b>41,022,864</b>			

<b>Industrial and Services Finance Loans Delays</b>					
Early Warning	Delay of 61-90 Days	261,471	2,756,793	0.002	0.029
Below Average	Delay of 91-180 Days	240,701	331,935	0.002	0.003
Doubtful	Delay of 181-359 Days	812,255	759,441	0.006	0.008
Bad	Delay of more than 360 Days	1,258,709	626,023	0.010	0.007
<b>Outstanding Industrial and Services Finance Loans Balances</b>		<b>128,096,601</b>			
<b>Outstanding Guaranteed Portfolio of Productive Loans</b>		<b>96,003,884</b>			

<b>Small Startups Loans Delays</b>					
Early Warning	Delay of 61-90 Days	90,843	949,955	0.003	0.036
Below Average	Delay of 91-180 Days	280,984	775,944	0.009	0.029
Doubtful	Delay of 181-359 Days	974,931	1,297,905	0.032	0.049
Bad	Delay of more than 360 Days	1,160,327	1,124,018	0.038	0.042
<b>Outstanding Small Startups Loans Balances</b>		<b>30,657,443</b>			
<b>Outstanding Guaranteed Portfolio of Small Startups Loans</b>		<b>26,676,838</b>			

<b>Housing Loans Delays</b>					
Early Warning	Delay of 61-90 Days	19,189	440,442	0.001	0.041
Below Average	Delay of 91-180 Days	39,447	559,421	0.003	0.053
Doubtful	Delay of 181-359 Days	232,398	169,214	0.015	0.016
Bad	Delay of more than 360 Days	239,970	184,351	0.016	0.017

<b>Balance of Outstanding Housing Loans</b>	<b>15,019,757</b>	
<b>Outstanding Guaranteed Portfolio of Housing Loans</b>	<b>10,631,330</b>	

#### National Program to Encounter Covid-19 Delays

Early Warning	Delay of 61-90 Days	702,901	3,897,758	0.003	0.018
Below Average	Delay of 91-180 Days	1,129,558	3,116,656	0.004	0.014
Doubtful	Delay of 181-359 Days	1,360,600	1,842,278	0.005	0.009
Bad	Delay of more than 360 Days	3,503,631	3,499,341	0.014	0.016
<b>Balance of Outstanding Corona Loans</b>	<b>252,054,870</b>				
<b>Outstanding Guaranteed Portfolio of Corona Loans</b>	<b>216,360,027</b>				

#### Delays of the Central Bank's Program Guarantee for Financing Micro and Small Enterprises Loans

Early Warning	Delay of 61-90 Days	301	2,299	0.0001	0.001
Below Average	Delay of 91-180 Days	134	1,006	0.0000	0.000
Doubtful	Delay of 181-359 Days	266	4,557	0.0001	0.001
Bad	Delay of more than 360 Days	233	4,253	0.0001	0.001
<b>Balance of Outstanding Corona Microfinance Loans</b>	<b>4,199,160</b>				
<b>Outstanding Guaranteed Portfolio of Microfinance Corona Loans</b>	<b>3,657,613</b>				

#### Delays of all Loans

Early Warning	Delay of 61-90 Days	1,287,143	8,895,956	0.003	0.023
Below Average	Delay of 91-180 Days	1,896,248	5,334,616	0.004	0.014
Doubtful	Delay of 181-359 Days	4,207,036	5,219,010	0.009	0.013
Bad	Delay of more than 360 Days	9,591,836	8,688,634	0.019	0.022
<b>Balance of All Outstanding Loans</b>	<b>492,238,407</b>				
<b>Outstanding Guaranteed Portfolio for All Loans</b>	<b>394,352,556</b>				

## Analysis of the Delays of 2023

### Details of JLGC's Financial Performance in 2023

Operational Revenues for 2023 Compared to 2022			
Operational Revenues	JD		
	2023	2022	% Change
Productive Loans/SMEs Fees	838,740	800,826	5%
Industrial Finance and Financial Leasing fees	622,890	429,262	45%
Startups Loans Fees	231,888	210,497	10%
Housing Loan Guarantee Fees	124,414	139,676	(11%)
National Loan Guarantee Program –Corona Fees	927,774	1,120,036	(17%)
Export Credit Guarantee and Domestic Sales Fees	514,855	392,169	31%
Microfinance Corona Fees	26,820	11,627	131%
<b>Total Operational Revenues</b>	<b>3,287,381</b>	<b>3,104,093</b>	<b>6%</b>

Investment Revenues for 2023 Compared to 2022			
Investment Revenues	JD		
	2023	2022	% Change
Interest Rate on Bank Deposits	1,914,637	1,443,235	33%
Dividends Income	112,500	90,000	25%
Income on Investments in Financial Assets at Amortized Cost	686,132	228,611	200%
<b>Total Investment Revenues</b>	<b>2,713,269</b>	<b>1,761,846</b>	<b>54%</b>

Total Revenues for 2023 Compared to 2022			
Revenues	JD		
	2023	2022	% Change
Operational Revenues	3,287,381	3,104,093	6%
Investment Revenues	2,713,269	1,761,846	54%
Other Revenues	826,890	717,132	15%
<b>Total Realized Revenues</b>	<b>6,827,540</b>	<b>5,583,071</b>	<b>22%</b>

General and Administrative Expenses in 2023 Compared to 2022			
Expenses	JOD		
	2023	2022	Change
Salaries and Wages	1,539,416	1,272,448	20.98%
JLGC's Contribution in the Saving Fund	122,409	100,318	22.02%
JLGC's Contribution in Social Security	142,399	122,899	15.87%
Official Duties Abroad	12,954	12,625	2.61%
Training Courses	26,600	42,024	(36.70%)
Water & Electricity	32,220	27,740	16.15%
Post & Telephone	4,672	6,516	(28.30%)
Depreciation	80,161	69,353	%15.58
Marketing Expenses	24,447	29,048	(15.84%)
Professional Fees	36,913	53,550	(31.07%)
Maintenance	47,720	42,673	11.83%
Vehicle Expenses	8,410	10,182	(17.40%)
Subscriptions & Fees	87,150	91,387	(4.64%)
Stationary and Printings	20,121	14,340	40.31%
Hosting	7,437	8,153	(8.78%)
Board of Directors' Transportation	105,600	72,050	46.56%
Building Security	10,872	10,872	0.00%
File Archiving Expenses	2,783	25,300	(89.00%)
Subsidy to Social Security Activities Committee	3000	0	100%
Other	18,824	22,222	(15.29%)
<b>Total General and Administrative Expenses</b>	<b>2,334,108</b>	<b>2,033,700</b>	<b>14.77%</b>

## **Guide to Governance and Information Management and Associated Technology**

- JLGC is committed to posting an updated version of the Guide to Governance and Information Management and Associated Technology on its website.
- JLGC is committed to disclosing that the Guide to Governance and Information Management and Associated Technology is in place, as well as the information included therein, in the Company's annual report.



# **JLGC's Governance Report 2023**

## JLGC's Governance Report 2023

According to the shareholding companies governance guidelines issued by Jordan Securities Commission (JSC) for 2017, applicable from May 22, 2017, we are attaching the corporate governance report in accordance with Article 17 of these instructions.

### A. Information and Details Related to the Application of the Provisions of these Instructions and Corporate Governance Principles.

JLGC is committed to adopting the Governance Instructions for Shareholding Companies issued by JSC since their adoption in 2017. In accordance with these directions, JLGC's Board of Directors examined and amended its structure to include independent members and reformulate the board's permanent committees accordingly. The Board also performs periodic evaluations of the Company's internal systems and procedures to guarantee compliance and effectiveness. JLGC's Corporate Governance Guide includes all of JSC's governance requirements as well as best practices.

### B. The Names of the Current Board Members, Along with their Executive or non-Executive Status and Independence classification.

- **The Central Bank of Jordan (4 seats):** Non-executive, non independent.
- **Bank al Etihad:** Non-executive, non independent.
- **Housing Bank for Trade and Finance:** Non-executive, non independent.
- **Cairo Amman Bank:** Non-executive, non independent.
- **Arab Bank PJSC:** Non-executive, non independent.
- **Ahli Bank:** Non-executive, non independent.
- **Dr. Ibrahim Saif:** Non-executive, independent.
- **Social Security:** Non-executive, independent.

### C. The Names of the Current Senior Management Members, Along with their Executive or non-Executive Status and Independence classification.

**H.E Dr. Adel Ahmad Ismail Al Sharkas: Non-executive, non independent.**

**Representative of the Central Bank of Jordan - Chairman of the Board of Directors**

- Year of Birth: 1966
- Ph.D. in Financial Economics - University of New Orleans - USA 2002.
- Masters in Financial Economics, Yarmouk University 1990.
- Bachelor's degree in Applied Statistics, Yarmouk University 1988.
- Governor and Chairman of the Central Bank of Jordan.
- Deputy Governor of the Central Bank of Jordan from 1/4/2012 to 9/1/2022.
- Started his career as an economic researcher in the Research Department in the Central Bank of Jordan, February 1991.
- Assistant professor of the Finance Department at Alfred University, New York, then promoted to a co-professor in the same university in 2006.
- The head of the Monetary Affairs Department of the Research Department in the Central Bank of Jordan, 2006.
- Promoted to be the deputy director of the Research Department, then an executive director of the same department at the end of 2011.
- He has contributed numerous academic papers to esteemed journals such as:



- "Journal of Business, Finance & Accounting"
- "Banking and Finance Review"
- "Journal of Economics and Finance"
- "International Journal of Applied Business and Economics"
- "International Journal of Economic Research"
- He has lectured on various subjects, including economics and finance, to both postgraduate and undergraduate students at Jordanian universities.
- Deputy chairman of Jordan Phosphate Mines Company (2016-2021).
- He served as the Head of the Lending Committee, Deputy Head of the Investment Committee, Deputy Head of the HR Committee, and a member of the Steering Committee for IT at the Central Bank of Jordan.
- Chairman of Jordan Deposit Insurance Corporation (JODIC).
- Chairman of Jordan Payments and Clearing Company (JOPACC).
- Head of the financial services team, and a member of the Coordinating Committee of Jordan's vision 2025.
- Head of the National Committee of Anti-Money Laundering and Counter Terrorism Financing.
- Head of the National Committee of Financial Inclusion.
- Member of the National Payments System.
- Current board memberships:
  - Chairman of the Board at the Jordan Mortgage Refinance Company.

**H.E Dr. Kamal Al Bakri: Non-executive, non independent.**

**Cairo Amman Bank - Vice Chairman of Board**

- Year of Birth: 1969
- PhD of Philosophy in Bank Governance from the University of Salford, Manchester, Britain 2023.
- Master's Degree in Management of International Banking and Finance from Salford Manchester, UK 2017.
- Bachelor's Degree in law from the University of Jordan 1991.
- Holds the title of Professor in Law.
- General Manager of Cairo Amman Bank since 2008.
- Former Deputy General Manager at Cairo Amman Bank.
- Former Director of the Legal Department and Legal Adviser to Cairo Amman Bank.
- Board Member – Jordan Payment and Clearing Systems company (JOPACC).
- Chairman of the Directors of Tamallak Leasing Company LLC.
- Member of the Board of Directors of Al-Safa Bank (Islamic Bank) – Palestine.
- Member of the Board of Trustees of the University of Jordan.
- Vice Chairman at Network International/Jordan.
- Former board member in many public and private joint stock companies working in various sectors such as tourism, education, industry and real estate development.
- Former member of the Board of Trustees of the University of Science and Technology, Association of Banks Operating in Jordan, Institute of Banking Studies, Jordan Economic Dialogue Committee, Board of Directors of the Scientific Research and Innovation Fund.
- Current board memberships:
  - Chairman of the Board of Directors of the Jordan Express Tourist Transportation Company (JETT).
  - Board member of the Jordan Insurance Company, PJSC.
  - Board member of National Real Estate Portfolio Securities, PJSC.

**H.E Mrs. Nadia ALSaeed: Non-executive, non independent.****Representative of Bank al Etihad**

- Year of Birth: 1965
- Master's degree in Business Administration in Finance and Management Information Systems from the American University in Cairo in 1992.
- BA in Economics and Business Administration from the University of Jordan.
- Chief Executive Officer/Bank al Etihad.
- Strategic Development Advisor, Etihad Bank.
- CEO of Dead Sea Development Corporation.
- Minister of Communications and Information Technology.
- Secretary General of the Ministry of Communications and Information Technology.
- Economic Adviser to the Minister of Communications and Information Technology.
- Ten years of experience at Bank al Etihad in several positions: the most recent position was Manager of Corporate Banking Manager of Corporate Banking.
- Jordan Technology Group.
- Najar Group - Cairo.
- Vice Chairperson of the Board of Directors of Etihad Leasing Company.
- Vice Chairperson of the Board of Directors of Etihad Financial Technology Company.
- Board Member at Etihad Islamic Investment Company.
- Board Member at Association of Banks in Jordan.
- Chairperson of Endeavor Jordan.
- Board Member at Jordan Capital and Investment Fund.
- She has no other board memberships of public shareholding companies.

**H.E Mr. Walid Al Samhouri Non-executive, non independent.****Representative of the Arab Bank**

- Year of Birth: 1962
- Master in Economics, University of Jordan, 1994.
- Master in Economics and public administration, University of Jordan, 1985.
- Senior Vice President – Credit Management, Gulf, Egypt & Subsidiaries.
- Corporate Credit Manager - Gulf, International branches & subsidiaries.
- Corporate Credit Manager – North Africa and Lebanon.
- Credit Monitoring Manager - Arab Bank (Global).
- Support and Research Manager/Corporate and Financial Institutions Sector.
- Credit Official for lending states, governments, governmental and semi- governmental companies.
- Several responsibilities in credit and banking and trade services – branches in Jordan and the external banking unit - Bahrain.
- Chairman of Arab Sudanese Bank- Sudan.
- Board Member at Arab Tunisian Bank.
- Board Member - Arab Omani Bank.
- He has no other board memberships of Jordanian public shareholding companies.

**H.E Dr. Khaldoun Al Wshah: Non-executive, non independent.****Representative of the Central Bank of Jordan**

- Year of Birth: 1970
- PhD in Finance/HULL University/UK 2009.
- Scientific Research Master in Business Administration/HULL University/UK 2006.
- Master in business administration, University of Jordan, 2000.

- Bachelor's in Economics / University of Mustansiriyah / Iraq 1992.
- Current Deputy Governor of the Central Bank of Jordan.
- Executive Director/Open Market Operations and Public Debt Department, 2013.
- Assistant Executive Director, Investments and Foreign Operations Department, 2012.
- Head of External Loans and Grants Division, Investments and Foreign Operations Department 2010.
- Senior Economics Researcher, Open Market Operations and Public Debt Department, 2009.
- Senior Financial Analyst/ External Loans and Grants Department/ Investments and Foreign Operations Department, 2002.
- Many positions in the Central Bank of Jordan since 1994.
- Member of the Board of Trustees of Al-Balqa Applied University.
- Vice Chairman of the Institute of Banking Studies.
- Board Member of Jordan Payments and Clearing Company (JOPACC).
- Member of the Investment Fund Management Committee - University of Jordan.
- Member of the National Cyber Security Council.
- Part-time lecturer at several Jordanian universities.
- Chairmanships and memberships in several committees inside and outside Jordan.
- Expert and lecturer on international and regional trade finance issues.
- Represented Jordan and the Central Bank of Jordan on many regional and international conferences.
- He has no other board memberships of public shareholding companies.

**H.E. Mr. Moh'd Mousa Dawood Issa Non-executive, non independent.**

**Representative of Jordan Ahli Bank till 1/2/2023**

- Year of Birth: 1956
- Bachelor in Major Mathematics, Minor Business Administration / University of Jordan 1978.
- CEO/General Manager of Jordan Ahli Bank since November 2015 - 2023.
- Executive Vice President - Jordan Country Manager (2012 – 2015).
- Executive Vice President - Head of Libya project (09/2012 – 11/2012).
- Executive Vice President- Head of Corporate and Investment Banking/ Jordan & Palestine (4/2009 – 7/2012).
- Senior Vice President - Head of Credit/ Jordan & Palestine (8/2004 – 3/2009).
- Several key positions at Arab Bank PLC and Arab National Bank (11/1978 – 7/2004).
- Current board memberships till 1/2/2023:
  - Chairman of the Board- Ahli FinTech.
  - Chairman of the Board – Ahli for Financial Leasing.
  - Board Member - Jordan Capital and Investment Fund.
  - Board Member – Jordan Payment and Clearing Systems company (JOPACC).
  - Board Member – Al-Ihterafeh for Real Estate Development Investment.
  - Board memberships in the following Jordanian public joint stock shareholding companies:
  - Board Member- Al Dawliah for Hotels and Malls PLC.
  - Board Member- Arab International Company.

**H.E. Mr. Ahmad Al Hussein Non-executive, non independent.**

**Representative of Jordan Ahli Bank since 1/2/2023**

- Year of Birth: 1966
- PhD. in philosophy of finance, Amman Arab University for postgraduate studies in 2005.
- Master of business administration and finance, University of Jordan 1993.
- Bachelor of economics and administration, University of Jordan 1987.
- Current CEO/General Manager of Jordan Ahli Bank.
- Deputy CEO/General Manager of Jordan Ahli Bank 2015-2023.

- Senior Vice President/Credit Department (Eastern Mediterranean) at Arab Bank 1994 - 2015.
- Cairo Amman Bank 1991-1994.
- Bank of Jordan 1989-1991.
- Chairman of the Board – Ahli for Financial Leasing.
- Chairman of the Board– Ahli FinTech.
- Board Member – Jordan Payment and Clearing Systems company (JOPACC).
- Board Member at the Institute of Banking Studies.
- Board Member at Association of Banks in Jordan.
- Board Member at Jordan Capital and Investment Fund.
- Board Member at Jordan Capital and Investment Fund.
- Board Member of the Business Tourism Company.
- Chairman of the Board– Ahli Microfinance Company.
- Chairman of Tanmeyah – Jordan Microfinance Network.
- Board member of the Islamic International Arab Bank.
- Board Member at the Arab Bank – Syria.
- Board Member of the Arab National Leasing Company.
- Board Member of Palestine Real Estate Investment Co.
- Board Member of Palestine Mortgage Refinance Company.
- Current board memberships:
  - Board Member at the Jordan Worsted Mills Company.
  - Board Member of the National Marine Lines Company.

#### **H.E. Mr. Hussein Kofahi Non-executive, non independent.**

##### **Representative of the Central Bank of Jordan**

- Year of Birth: 1965
- Master's degree Banking and Financial Sciences/Arabic Institute of Banking Studies 1995.
- Bachelor degree of Accounting, Al Yarmouk University 1987.
- Executive Manager/Banking Supervision/Central Bank of Jordan 2022.
- Advisor to the Banking System Supervision Department 2015 - 2022/Central Bank of Jordan
- Assistant Executive Manager/Banking Supervision/ the Central Bank of Jordan 2009 – 2015.
- Head of Division at the Banking Supervision Department, in the Central Bank of Jordan for the period 2005-2009.
- Inspector and Chief Inspector/Banking Supervision 1990-2005.
- Member of the Arab Committee on Banking Supervision, Arab Monetary Fund Since 2010.
- A member in several committees at the Central Bank of Jordan.
- He has no other board memberships of public shareholding companies.

#### **H.E. Ms. Rana Sawalha: Non-executive, non independent.**

##### **Housing Bank for Trade and Finance:**

- Year of Birth: 1971
- Holds CPA Certificate/Illinois Board of Accountancy 1999.
- Member of the Jordanian Association of Certified Public Accountants since 2001.
- Bachelor's degree in Accounting – Minor Business Administration - University of Jordan 1993.
- Senior Deputy Executive Manager – Group Finance at the Housing Bank for Trade and Finance since 2019 to date.
- Vice President – personal banking business Finance-Group at First Abu Dhabi Bank, UAE 1-9/2019.
- Chief Financial Officer (CFO) at National Bank of Abu Dhabi/ Jordan from 2015 - 2018.
- Financial controller at Bank ABC from 2012 - 2015.
- Assistant Financial controller at Bank ABC from 2001 - 2012.
- Internal Audit Manager at Arab Jordanian Insurance Group from 2001.

- Senior Auditor at Ernst & Young EY from 1994-2000.
- She has no other board memberships of public shareholding companies.

**H.E. Dr. Ibrahim Saif: Non-executive, independent.**

- Year of Birth: 1965
- PhD in Economics, University of London 2001.
- Master of Development Economics, University of London 1988.
- Bachelor of Economics and Accounting, Yarmouk University 1986.
- Vice Chairman of the Board of Directors of Manaseer Group 2021-2023.
- CEO of Jordan Strategy Forum 2018-2021.
- Professor of Economics and Director of the Strategic Studies Center in the University of Jordan 2002-2008.
- Researcher at Carnegie Middle East Center 2009-2013.
- Secretary of the Economic and Social Council - Jordan 2009-2012.
- Minister of Planning and International Cooperation 2013-2015.
- Minister of Energy and Mineral Resources 2015 - 2017.
- Board Member of Safwa Islamic Bank.
- Current board memberships:
  - Board Member of the National Marine Lines Company.
  - Board Member of Safwa Islamic Bank.

**H.E. Ms. Maha Al Abdallat: Non-executive, non independent.**

**Representative of the Central Bank of Jordan**

- Year of Birth: 1969
- Master of Business Administration (MBA) in Finance from the University of Jordan, 1996.
- B.A in Banking and Finance from the Yarmouk University, 1991.
- Executive Director of the Supervision on Finance and Credit Bureaus Department at the Central Bank of Jordan since 2023.
- Executive Director of the Supervision on Microfinance Companies and Credit Bureaus Department/Central Bank of Jordan (2017-2022).
- Assistant Executive Director at the Banking Supervision Department, in the Central Bank of Jordan for the period (2013-2016).
- Head of Division at the Banking Supervision Department, in the Central Bank of Jordan for the period (2007-2012).
- A member in several committees at the Central Bank of Jordan.
- A member in the Regional Task Force for Promoting Financial Inclusion in Arab Countries/formed by the Arab Monetary Fund for the period (2013-2017).
- A member in the Arab Committee on Credit Information/formed by the Arab Monetary Fund since 2018.
- Represented the Central Bank of Jordan on many regional and international conferences.
- Participated in many specialized committees in relation to preparing regulatory legislations for the functions of banks, finance companies and credit bureaus.
- She served as an expert in several focused task forces formed in regards to finance prospects for women in the Economic Modernization Vision of the Hashemite Kingdom of Jordan.
- She has no other board memberships of public shareholding companies.

**H.E. Mrs. Luma Ghaleb: Non-executive, independent.**

**Social Security Corporation**

- Year of Birth: 1982
- Bachelor of Business Administration.
- Secretary of the Social Security Funds Investment Council during the period 2011-2018.

- Head of the Institutional Performance Department at the Social Security Investment Fund from 2018 to date.
- Representation of the Social Security Corporation was in a number of companies, as follows:
  - The Jordanian Loan Guarantee Company during the period from 28/7/2016 to 22/4/2017.
  - Al Daman Company for Financial Leasing during the period 23/4/2017 to 18/7/2020.
  - The Jordanian Insurance Company for International Business from 19/7/2020 to 12/4/2022.
- She has no other board memberships of public shareholding companies.

#### **Mr. Issa AlTarayrah : Secretary of the Board of Directors**

- Year of Birth: 1980
- Finance Department Manager - JLGC

#### **Executive Positions within JLGC and the Individuals Holding these Positions**

- **Dr. Mohammed Lutfi Mohammed Al Ja'fari**- Director General
- **Mrs. Amal Mahmood Ahmad Jaradat** - Deputy Director General
- **Mr. Issa Ismail Murshed AlTarayrah** - Manager of the Finance Department.
- **Mr. Rami Awwad Ayed Samardali** - Follow ups, Indemnifications & Recoveries Department Manager.
- **Mrs. Diana Hamed Aljariri** - Manager of the Credit Review Department Manager.
- **Mr. Mohammad Noor Aljabie** - Manager of the Support Services Department Manager.
- **Mrs. Fatima Saeed Hamdan** - Export Credit Guarantee and Domestic Sales Department Manager.
- **Mr. Mahmoud Ahmad Al Rbeihat** - Manager of the Loan Guarantee Department.
- **Mr. Ahmed Hashem Muslim Bierqdar** - Risk Management and Compliance Department Manager.
- **Mr. Saif Shibli Abdullah Al Farah** - Internal Audit Unit Manager.
- **Mr. Ihab Tayseer Najeeb Jibreen** - Business Development & Market Studies Unit Manager since 17/5/2023.

#### **E. All Board Memberships Held by Board Members in Public Shareholding Companies**

- Stated in item (C) above.

#### **F. Name of the Governance Officer in JLGC**

- Mr. Saif Shibli Abdullah Al Farah - Internal Audit Unit Manager.

#### **G. Committees of the Board of Directors**

- Audit Committee.
- Risk Management Committee.
- Nomination and Remuneration Committee.
- Governance Committee.
- Main Procurements Committees.

#### **H. Name of the Head and the Members of the Audit Committee and a Brief about their Qualifications and Experiences Relevant to Finance and Accounting**

- The Head of the Committee is Mr. Hussein Kofahi, with the membership of Mr. Walid Al Samhuri, Mrs. Luma Ghaleb, and Ms. Rana Sawalha.
- All the duties of the abovementioned Audit Committee's were implemented in accordance with the provisions and instructions of corporate governance.
- The qualifications of the Audit Committee's members are stated in item (C) above.

### **I - Names of the Head and Members of the Nomination and Remuneration, Governance, and Risk Management Committees.**

- **Nomination and Remuneration Committee:** The Head of the Committee is Dr. Khaldoun Al Wshah, with the membership of Mr. Ahmad Al Hussein and Mr. Walid Al Samhour.
- **Governance Committee:** The Head of the Committee is Dr. Ibrahim Saif, with the membership of Mr. Mr. Kamal Al Bakri, and Ms. Maha Al Abdallat.
- **Risk Management Committee:** The Head of the Committee is Mrs. Nadia ALSaeed, with the membership of H.E. Dr. Ibrahim Saif, Ms. Maha Al Abdallat, and Dr. Mohammed Al Ja'fari.

### **J. The Total Number of Committee Meetings Held Throughout the Year, Indicating the Members Attendance at Each Meeting**

- **Audit Committee:** The Audit Committee held five meetings, with all members in attendance except for Mr. Walid Al Samhour, who was absent from the 4th and 5th meetings.
- **Risk Management Committee:** The Risk Management Committee held two meetings, with all members in attendance except for Mr. Ahmad AL Hussein, who was absent from the first meeting.
- **Nomination and Remuneration Committee:** The Nomination and Remuneration Committee held four meetings, with all members in attendance.
- **Governance Committee:** The Risk Management Committee held two meetings, with all members in attendance except for Ms. Maha Al Abdallat who did not attend both meetings.

### **K. Number of meetings of the Audit Committee with the External Auditor in the Year**

- The Audit Committee held one meeting on 24/12/2023 with the External auditor without the presence of the members of the Executive Management.

### **L. The Total Number the Meetings of the Board of Directors Held Throughout the Year, Indicating the Members Attendance at Each Meeting**

- The Board of Directors held eight meetings. The following table shows a record of attendance.

Name	1st Meeting	2nd Meeting	3rd Meeting	4th Meeting	5th Meeting	6th Meeting	7th Meeting	8th Meeting
<b>Dr. Adel Al Sharkas</b>	Attended	Attended	Attended	Attended	Absent/ Justified Excuse	Attended	Absent/ Justified Excuse	Attended
<b>Mr. Kamal Al Bakri</b>	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended
<b>Mrs. Nadia ALSaeed</b>	Attended	Attended	Absent/ Justified Excuse	Absent/ Justified Excuse	Attended	Attended	Attended	Attended
<b>Dr. Ibrahim Saif</b>	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended
<b>Dr. Khaldoun Al Wshah</b>	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended
<b>Mr. Walid Al Samhouri</b>	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended
<b>Ms. Rana Sawalha</b>	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended
<b>Dr. Ahmad Al Hussein</b>	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended
<b>Mr. Hussein Kofahi</b>	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended
<b>Ms. Maha Al Abdallat</b>	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended
<b>H.E. Mrs. Luma Ghaleb</b>	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended



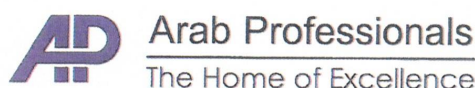
**Chairman**  
**Dr. Adel Al Sharkas**



**Jordan Loan Guarantee Corp.**  
**Public Shareholding Company**  
**Financial Statements**  
**31 December 2023**

## Jordan Loan Guarantee Corp. Public Shareholding Company

Independent auditor's report	66-68
Statement of financial position	69
Statement of profit or loss	70
Statement of comprehensive income	71
Statement of changes in equity	72
Statement of cash flows	73
Notes of financial statements	74-96



**Arab Professionals**  
 Independent Member of Russell Bedford International  
 P.O.Box: 921879 Amman 11192 Jordan  
 T + (962) 6 5151125  
 F + (962) 6 5151124  
 Email: arabprof@apcjordan.com

## INDEPENDENT AUDITOR'S REPORT

To The Shareholders of  
 Jordan Loan Guarantee Corp.  
 Public Shareholding Company  
 Amman - Jordan

### Opinion

We have audited the financial statements of Jordan Loan Guarantee Corp., which comprise the statement of financial position as at 31 December 2023, and the statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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

### 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' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in the Hashemite Kingdom of 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.

### 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 of 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. We have determined the matters described below to be the key audit matters to be communicated in our report.

#### (1) Provision for Expected Credit Loss

Included in the accompanying financial statements at the end of the year 2023 financial assets totaling JOD (31,073,721), as the provision for expected credit loss of these financial assets are dependent on the management's estimates of different variables, the adequacy of the provision is considered a key audit matter. The audit procedures performed by us to address this key audit matter included inquiring from management about the methodology used in calculating the provision and assessing the reasonableness of estimates and assumptions used by the management in calculating the provision amount. We have also inquired about the management's collection procedures and the amounts collected post year end.

#### (2) Provisions Against Loans Guarantees

Included in the accompanying financial statements at the end of the year 2023 provisions against loan guarantee totaling JOD (115,557,669) and the calculation of these provisions based on many hypotheses and estimates, the adequacy of these provisions is considered to be a key audit matter for us. The audit procedures performed by us to address this key audit matter included inquiring from management about the methodology used in calculating these provisions and assessing the reasonableness of estimates and assumptions used by the management in calculating the provisions amount.

### (3) Deferred Tax Assets

Included in the accompanying financial statements at the end of the year 2023 deferred tax assets totaling JOD (1,427,639) as the expected benefits of these assets is primarily dependent on the Company's ability to generate adequate future profits, and since forecasting future profits is based on the Company's assumptions and estimates, determining the future benefits of the deferred tax assets is considered a key audit matter. The audit procedures performed by us to address this key audit matter included discussing the recoverability of the deferred tax assets with the Company's tax advisor and testing of the Company's budgeting procedures upon which the forecasts are based. We have also considered the appropriateness of its calculation and disclosure in the financial statements.

### Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do 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 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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, 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.

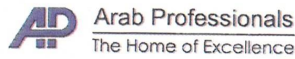
### Auditor's Responsibilities for the Audit of the Financial Statements

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 exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Report on Other Legal and Regulatory Requirements

Jordan Loan Guarantee Corp. maintains for the year ended 31 December 2023 proper accounting records and the accompanying financial statements are in agreement therewith and with the financial data presented in the Board of Directors' report, and we recommend the General Assembly to approve it.

14 February 2024  
Amman - Jordan



  
Arab Professionals  
Amin Samara  
License No. (481)

**Jordan Loan Guarantee Corp.**  
**Public Shareholding Company**  
**Statement of Financial Position**  
**As at 31 December 2023**  
**(In Jordanian Dinar)**

<b>Assets</b>	<b>Notes</b>	<b>2023</b>	<b>2022</b>
Cash and cash equivalents	4	14,246,781	20,481,811
Deposits at banks	5	11,418,146	12,389,666
Restricted bank deposits	12-18	133,357,988	106,965,982
Restricted financial assets measured at amortized cost	12-18	555,959,220	561,071,650
Financial assets measured at fair value through other comprehensive income	6	1,115,788	1,165,788
Financial assets measured at amortized cost	7	16,465,648	6,470,502
Receivables and other current assets	8	2,692,935	1,946,366
Deferred tax assets	9	1,427,639	986,828
Property and equipment	10	3,179,346	3,028,950
<b>Total Assets</b>		<b>739,863,491</b>	<b>714,507,543</b>
<b>Liabilities and Equity</b>			
<b>Liabilities</b>			
Provisions against loans guarantee	11	115,557,669	90,744,560
Central Bank of Jordan loan - Industrial loans guarantees program	12	5,160,695	5,160,695
Central Bank of Jordan loan - Export credit guarantees program	13	99,999,277	99,999,277
Central Bank of Jordan loan - Housing loans guarantees program – Facilitated housing	15	100,000,000	100,000,000
Central Bank of Jordan loan - Facing COVID-19 pandemic program	16	300,000,000	300,000,000
Ministry of Planning deposit	17	1,248,500	1,248,500
Startup micro projects loans	18	67,564,008	68,521,158
Payables and other current liabilities	19	8,437,121	8,856,232
Income tax provision	9	606,077	466,515
<b>Total Liabilities</b>		<b>698,573,347</b>	<b>674,996,937</b>
<b>Equity</b>			
	21		
Paid in capital		29,080,310	29,080,310
Statutory reserve		2,457,560	2,235,402
Voluntary reserve		2,204,824	2,204,824
Fair value adjustments		430,888	478,263
Retained earnings		7,116,562	5,511,807
<b>Total Equity</b>		<b>41,290,144</b>	<b>39,510,606</b>
<b>Total Liabilities and Equity</b>		<b>739,863,491</b>	<b>714,507,543</b>

“The attached notes from (1) to (31) form an integral part of these financial statements”

**Jordan Loan Guarantee Corp.**  
**Public Shareholding Company**  
**Statement of Profit or Loss**  
**For the Year Ended 31 December 2023**  
**(In Jordanian Dinar)**

<b>Revenues</b>	<b>Notes</b>	<b>2023</b>	<b>2022</b>
Interest income		1,914,637	1,443,235
Bonds interest income		686,132	228,611
Commissions on guaranteed loans		963,154	940,502
Commissions on guaranteed exports and domestic buyers		514,855	392,169
Commissions on guaranteed industrial loans and financial leasing		854,777	639,759
Commissions on guaranteed loans of the national program for facing COVID19- pandemic		954,595	1,131,663
Dividends income		112,500	90,000
Commissions against managing Central Bank of Jordan loans provisions	11	834,194	630,590
Unneeded provision for lawsuits		1,572	70,466
Unneeded (provision) for expected credit loss for deposits and bonds		(15,480)	11,644
Other revenues		6,604	4,432
<b>Total Revenues</b>		<b>6,827,540</b>	<b>5,583,071</b>
<b>Deduct :</b>			
Administrative expenses	22	2,334,108	2,033,700
Provisions against loans guarantees	11	2,235,158	1,985,394
Provision against end of service indemnity		36,693	70,557
Board of directors' remunerations		55,000	55,000
<b>Total Expenses</b>		<b>4,660,959</b>	<b>4,144,651</b>
<b>Profit for the year before tax</b>		<b>2,166,581</b>	<b>1,438,420</b>
Income and National Contribution tax expenses for the year	9	(437,235)	(287,893)
Prior years income tax saving	9	97,567	-
<b>Profit for the year</b>		<b>1,826,913</b>	<b>1,150,527</b>
<b>Basic and diluted earnings per share</b>	<b>23</b>	<b>0.063</b>	<b>0.040</b>

"The attached notes from (1) to (31) form an integral part of these financial statements"

**Jordan Loan Guarantee Corp.**  
**Public Shareholding Company**  
**Statement of Comprehensive Income**  
**For the Year Ended 31 December 2023**

**(In Jordanian Dinar)**

	<b>2023</b>	<b>2022</b>
<b>Profit for the year</b>	1,826,913	1,150,527
<b>Other comprehensive income items</b>		
Changes in fair value of financial assets through other comprehensive income	(47,375)	328
<b>Total comprehensive income for the year</b>	<b>1,779,538</b>	<b>1,150,855</b>

"The attached notes from (1) to (31) form an integral part of these financial statements"



**Jordan Loan Guarantee Corp.**  
**Public Shareholding Company**  
**Statement of Changes in Equity**  
**For the Year Ended 31 December 2023**  
**(In Jordanian Dinar)**

	Paid in capital	Reserves		Fair value adjustments	Retained* earnings	Total
		Statutory	Voluntary			
<b>Balance at 1 January 2023</b>	29,080,310	2,235,402	2,204,824	478,263	5,511,807	<b>39,510,606</b>
Total comprehensive income for the year	-	-	-	(47,375)	1,826,913	<b>1,779,538</b>
Statutory reserve	-	222,158	-	-	(222,158)	-
<b>Balance at 31 December 2023</b>	<b>29,080,310</b>	<b>2,457,560</b>	<b>2,204,824</b>	<b>430,888</b>	<b>7,116,562</b>	<b>41,290,144</b>
<b>Balance at 1 January 2022</b>	<b>29,080,310</b>	<b>2,086,060</b>	<b>2,204,824</b>	<b>477,935</b>	<b>4,510,622</b>	<b>38,359,751</b>
Total comprehensive income for the year	-	-	-	328	1,150,527	<b>1,150,855</b>
Statutory reserve	-	149,342	-	-	(149,342)	-
<b>Balance at 31 December 2022</b>	<b>29,080,310</b>	<b>2,235,402</b>	<b>2,204,824</b>	<b>478,263</b>	<b>5,511,807</b>	<b>39,510,606</b>

\* According to instructions issued by SEC, negative (debit) balance in the change in fair value account of equity instruments valued at fair value through comprehensive income is excluded from profits distributable to shareholders.

"The attached notes from (1) to (31) form an integral part of these financial statements"

**Jordan Loan Guarantee Corp.**  
**Public Shareholding Company**  
**Statement of Cash Flows**  
**For the Year Ended 31 December 2023**  
**(In Jordanian Dinar)**

	<b>2023</b>	<b>2022</b>
<b>Operating Activities</b>		
Profit for the year before income tax	2,166,581	1,438,420
Depreciation	80,161	69,353
Amortization of deferred grants revenue	(130)	(3,341)
Provision against end of service indemnity	34,133	70,557
Provisions against loans guarantee	2,235,158	1,985,394
Board of directors' remunerations	55,000	55,000
(Unneeded) provision for expected credit loss for deposits and bonds	15,480	(11,644)
Unneeded provision for lawsuits	(1,572)	(70,466)
Dividends income	(112,500)	(90,000)
Gain from sale of property and equipment	(6,411)	-
<b>Changes in working capital</b>		
Payables and other current liabilities	(506,553)	(351,683)
Receivables and other current assets	(746,569)	(224,666)
Net payments for loans guarantees	(198,308)	(633,517)
Paid income tax	(638,292)	(527,745)
<b>Net Cash Flows From Operating Activities</b>	<b>2,376,178</b>	<b>1,705,662</b>
<b>Investing Activities</b>		
Deposits at banks	960,902	18,744,346
Financial assets at amortized cost	(10,000,000)	(3,000,010)
Property and equipment	(230,558)	(104,957)
Proceeds from sale of property and equipment	6,412	-
Received dividends income	112,500	90,000
<b>Net Cash Flows (Used in) From Investing Activities</b>	<b>(9,150,744)</b>	<b>15,729,379</b>
<b>Financing Activities</b>		
Restricted bank deposits and financial assets measured at amortized cost	1,496,683	101,361,049
Startup micro projects loans	(957,150)	(957,150)
Central Bank of Jordan loan - Support bank guarantees for contractors outside Jordan program	-	(100,000,000)
<b>Net Cash Flows From Financing Activities</b>	<b>539,533</b>	<b>403,899</b>
<b>Net changes in cash and cash equivalents</b>	<b>(6,235,033)</b>	<b>17,838,940</b>
Cash and cash equivalents, beginning of year (before provision for expected credit loss)	20,492,762	2,653,822
<b>Cash and cash equivalents, end of year (before provision for expected credit loss)</b>	<b>14,257,729</b>	<b>20,492,762</b>

"The attached notes from (1) to (31) form an integral part of these financial statements"

**Jordan Loan Guarantee Corp.**  
**Public Shareholding Company**  
**Notes to the Financial Statements**  
**31 December 2023**  
**(In Jordanian Dinar)**

## 1. General

**Jordan Loan Guarantee Corp.** is a public shareholding company incorporated on 26 March 1994. The company was formed as successor to the Loan Guarantee Project as result of the Council of ministers' decision that transferred all accounts and assets of the project to the Central Bank of Jordan in preparation for the establishment of a public shareholding company for loan guarantee. The Company head office is in the Hashemite Kingdom of Jordan

The company's goals include providing guarantees to fully or partially cover loans of different types, granted by banks and financial institutions for the establishing, expanding, and raising the productive and marketing capacity of economic projects with the aim of creating job opportunities and securing possibilities for earning or saving foreign reserves. The company's goals also include extending guarantees required to cover risks in the field of Jordanian export sector.

The Company shares are listed in Amman Stock Exchange – Jordan.

This financial statement were authorized for issue by the Company's Board of Directors in their meeting held on 11 February 2024 and requires the General assembly's approval.

## 2. Significant Accounting Policies

### Basis of preparation

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards.

The financial statements have been prepared on a historical cost basis except for financial assets at fair value.

The financial statements are presented in the Jordanian Dinar which is the functional currency of the Company.

The accounting policies are consistent with those used in the previous year.

### Adoption of new and revised IFRS standards

The following amendments to standards have been published that are mandatory for accounting periods beginning on or after 1 January 2023.

New IFRS and amendments	Effective Date
The amendments aim to improve accounting policy disclosures and to help users of the financial statements to differentiate between changes in accounting estimates and changes in accounting policies. (Amendments to IAS 1 & IAS 8)	1 January 2023
These amendments require companies to recognize deferred tax on transactions that, on initial recognition give rise to equal amounts of taxable and deductible temporary differences. (Amendments to IAS 12)	1 January 2023

The adoption of these amendments has no material impact on the financial statements of the Company for the current and past year.

### Use of Estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amount of financial assets and liabilities and disclosure of contingent liabilities. These estimates and assumptions also affect the revenues, expenses and the provisions. 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.

- Management reviews periodically the tangible assets in order to assess the depreciation for the year based on the useful life and future economic benefits. Any impairment is taken to the statement of profit or loss.
- Management reviews periodically provisions against loan guarantee to assess their sufficiency according to IFRS 9 commensurate with Company's policy and the risk management assessment.
- The measurement of impairment losses under IFRS 9 requires judgment, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances. Elements of the expected credit loss model that are considered accounting judgments and estimates include Probability of default (PD), Loss given default (LGD) and Exposure at default (EAD).

### Cash and Cash Equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purposes of the cash flow statement, cash and cash equivalents comprise of cash on hand, deposits held at call with banks, other short - term highly liquid investments.

### Financial Assets at Fair Value through Other Comprehensive Income

These financial assets represent investments in equity instruments held for the purpose of generating gain on a long term and not for trading purpose.

Financial assets at fair value through other comprehensive income initially stated at fair value plus transaction costs at purchase date.

Subsequently, they are measured at fair value with gains or losses arising from changes in fair value recognized in the statement of other comprehensive income and within owner's equity, including the changes in fair value resulting from translation of non-monetary assets stated at foreign currency. In case those assets – or part of them - were sold, the resultant gain or loss is recorded in the statement of comprehensive income within owners' equity and the reserve for the sold assets is directly transferred to the retained earnings and not through the statement of profit or loss.

These assets are not subject to impairment testing.

Dividends are recorded in the statement of profit or loss on a separate line item.

### Financial Assets at Amortized Cost

Financial assets at amortized cost are the financial assets which the company management intends according to its business model to hold for the purpose of collecting the contractual cash flows which comprise the contractual cash flows that are solely payments of principal and interest on the principal outstanding.

Financial assets are recorded at cost upon purchase plus acquisition expenses. Moreover, the issue premium or discount is amortized using the effective interest rate method, and recorded to interest account. Provisions associated with the decline in value of these investments leading to the inability to recover the investment or parts thereof are deducted. Any impairment is registered in the statement of profit or loss and should be presented subsequently at amortized cost less any impairment losses.

### Trading and settlement date accounting

Purchases and sales of financial assets are recognized on the trade date, i.e. the date on which the Company commits its self to purchase or sell the asset.

### Fair value

For fair value of investments, which are traded in organized financial markets, is determined by reference to the quoted market bid price at the close of the business on the statement of financial position date. For investments which are listed in inactive stock markets, traded in small quantities or have no current prices, the fair value is measured using the current value of cash flows or any other method adopted. If there is no reliable method for the measurement of these investments, then they are stated at cost less any impairment in their value.

### Impairment of financial assets

The Company has changed the loan loss impairment method by replacing IAS 39's incurred loss approach with an expected credit loss approach as described by the provisions of IFRS 9.

The expected credit loss allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss.

The 12 months' expected credit loss is the portion of lifetime expected credit loss that represent the expected credit loss that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Company groups its assets that are subject to impairment test into Stage 1, Stage 2, and Stage 3 as described below:

**Stage 1:** Includes financial instruments that have not deteriorated significantly in credit quality since initial recognition or that has low credit risk at the reporting date. At this stage, a 12-month expected credit losses are recognized and interest revenue is calculated on the gross carrying amount of the asset.

**Stage 2:** Includes financial instruments that have deteriorated significantly in credit quality since initial recognition but that do not have objective evidence of a credit loss event. At this stage, a lifetime expected credit losses are recognized Interest revenue is still calculated on the asset's gross carrying amount.

**Stage 3:** Includes financial assets that have objective evidence of impairment at the reporting date. At this stage, a lifetime expected credit losses are recognized Interest revenue is calculated on the net carrying amount (i.e. reduced for expected credit losses).

### Property and equipment

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment loss. When assets are sold or retired, their cost and accumulated depreciation are eliminated from the accounts and any gain or loss resulting from their disposal is included in the statements of profit or loss.

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditures incurred after property, plant and equipment have been put into operation, such as repairs and maintenance and overhaul costs, are normally charged to income in the period the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property, plant and equipment beyond its originally assessed standard of performance, the expenditures are capitalized as an additional cost of property, plant and equipment.

Depreciation is computed on a straight-line basis using the following annual depreciation rates:

Buildings	2%
Furniture & fixtures	10 – 20%
Vehicles	15%
Computers & software	20%

The useful life and depreciation method are reviewed annually to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from items of property, plant and equipment.

### Projects under construction

Projects under construction are recorded at cost which represents the contractual obligations of the Company for the construction. Allocated costs directly attributable to the construction of the asset are capitalized. The Projects under construction is transferred to the appropriate asset category and depreciated in accordance with the Company's policies when construction of the asset is completed and commissioned.

### Grants

Grants are recognized in the statement profit or loss on a systematic basis over the periods in which the Company recognizes as expenses the related costs for which the grants are intended to compensate. Grants whose primary condition is that the Company should purchase, construct or otherwise acquire depreciable assets are recognized as deferred revenue in the statement of financial position and transferred to the statement of profit or loss on a systematic and rational basis over the useful lives of the related assets.

### Accounts payable

Liabilities are recognized for amounts to be paid in the future for goods or services received, whether billed by the supplier or not.

**Provisions**

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Company expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain.

**Provision for end of service indemnity**

The provision for end of service indemnity is calculated based on the contractual provisions of the employment.

**Offsetting**

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

**Revenues**

Revenues from sale of goods are recognized when control transferred to the buyer, while revenues from rendering services are recognized over time and according to percentage of completion. In all cases, it is necessary that the amount of revenue can be measured reliably.

Commissions on loans guarantees are recognized annually on the ceilings or guaranteed portion of loans - granted by banks and financial institutions according to guarantee type.

Commissions on post-shipment export credit guarantees are recognized annually on the guaranteed export amount after deducting the reinsurance Company share.

Interest revenue is recognized on a time proportion basis that reflects the effective yield on the assets.

Other revenues are recognized on the accrual basis accounting.

Dividends are recognized when the Company's right to receive payment is established.

**Income tax**

Income tax expenses represent accrued taxes and deferred taxes.

Income tax expenses are accounted for on the basis of taxable income. Taxable income differs from income declared in the financial statements because the latter includes non-taxable revenues or disallowed taxable expenses in the current year but deductible in subsequent years, accumulated losses acceptable by the tax law, and items not accepted for tax purposes or subject to tax.

Taxes are calculated on the basis of the tax rates according to the prevailing laws, regulations, and instructions of the countries where the Company operates.

Deferred taxes are taxes expected to be paid or recovered as a result of temporary timing differences between the value of the assets and liabilities in the financial statements and the value of the taxable amount. Deferred tax is calculated on the basis of the liability method in the statement of financial position according to the rates expected to be applied when the tax liability is settled or tax assets are recognized. Deferred tax assets are reviewed at the date of the statement of financial position, and reduced in case it is expected that no benefit will arise therefore, partially or totally.

### Foreign Currency

Assets and liabilities denominated in foreign currencies are translated to Jordanian Dinar using the prevailing exchange rates at year end. Foreign currency transactions during the year are recorded using exchange rates that were in effect at the dates of the transactions. Foreign exchange gains or losses are reflected in the statement of profit or loss.

### 3. Balances of guaranteed loans and ceilingss

	Loans Ceilings		Guaranteed loans	
	2023	2022	2023	2022
Housing loans guarantees	16,414,906	18,828,508	10,631,330	12,204,473
Productive loans guarantees	47,075,505	43,703,134	41,022,864	37,859,984
Export credit guarantees & domestic buyers	8,811,301	9,792,902	8,811,301	9,792,902
Industrial loans guarantees and finance lease	96,003,884	54,412,887	96,003,884	54,412,887
Startup micro projects	26,676,838	24,460,492	26,676,838	24,460,492
National program for facing COVID-19 pandemic	216,360,027	272,374,807	216,360,027	272,374,807
Micro finance loans guarantees	3,657,613	2,169,573	3,657,613	2,169,573

### 4. Cash and cash equivalentss

	2023	2022
Cash on hand	495	2,000
Cash at banks	324,625	216,362
Deposits mature within three months	13,932,609	20,274,400
	<b>14,257,729</b>	<b>20,492,762</b>
Provision for expected credit loss	(10,948)	(10,951)
	<b>14,246,781</b>	<b>20,481,811</b>

Annual interest rate for bank deposits ranging between (4%) and (7%).

The movement on the provision for expected credit loss was as follow:



Jordan Loan Guarantee Corp.  
Notes to the Financial Statements (continued)  
31 December 2023

	2023	2022
Balance at the beginning of the year	10,951	1,786
(Unneeded) provision for the year	(3)	9,165
<b>Balance at the end of the year</b>	<b>10,948</b>	<b>10,951</b>

## 5. Deposits at banks

	2023		2022
	Deposits mature after (3) months till (6) months	Deposits mature after (6) months till (1) year	Total
<b>Inside Jordan</b>	3,470,021	7,992,435	11,462,456
Less: provision for expected credit losses / Deposits	(6,079)	(38,231)	(44,310)
<b>Total</b>	<b>3,463,942</b>	<b>7,954,204</b>	<b>11,418,146</b>

- The annual interest rates on the deposits ranged between (%4) to (%6.95) during the year 2023, (2022: 4.25% to 5.75%).

The movement on the provision for expected credit loss was as follow:

	2023	2022
Balance at the beginning of the year	33,692	66,756
(Unneeded) provision for the year	10,618	(33,064)
<b>Balance at the end of the year</b>	<b>44,310</b>	<b>33,692</b>

## 6. Financial assets measured at fair value through other comprehensive income

	2023	2022
Investments in listed shares (in Jordan)	916,598	916,598
Investments in unlisted shares (in Jordan)	199,190	249,190
	<b>1,115,788</b>	<b>1,165,788</b>

## 7. Financial assets measured at amortized cost

	2023	2022
Investment in bonds – Jordan	16,490,967	6,490,956
Provision for expected credit loss	(25,319)	(20,454)
	<b>16,465,648</b>	<b>6,470,502</b>

- \* Investment in bonds mature up to the year 2029 with an annual interest rate ranging between (6.099%) and (10.25%).

The movement on the provision for expected credit loss was as follow:

	2023	2022
Balance at the beginning of the year	20,454	8,199
Provision for the year	4,865	12,255
<b>Balance at the end of the year</b>	<b>25,319</b>	<b>20,454</b>

## 8. Receivables and other current assets

	2023	2022
Accrued commissions income	943,264	793,359
Accrued commissions for managing Central Bank of Jordan loans provisions	834,194	630,590
Accrued interest income	848,617	445,132
Accounts receivable	16,176	35,213
Prepaid expenses	36,618	26,914
Refundable deposits	7,815	7,815
Others	6,251	7,343
	<b>2,692,935</b>	<b>1,946,366</b>

## 9. Income tax

The movement on the income tax provision was as follows:

	2023	2022
Balance at the beginning of the year	466,515	410,101
Current year income and National Contribution tax expenses	875,421	584,159
Prior years income tax saving	(97,567)	-
Paid income tax	(638,292)	(527,745)
	<b>606,077</b>	<b>466,515</b>

Income tax expense for the year which appears in the statement of profit or loss consists of the following:

	2023	2022
Income tax expense for the year	833,734	556,342
National Contribution tax for the year	41,687	27,817
Saving from deferred tax assets	(438,186)	(296,266)
Prior years income tax saving	(97,567)	-
	<b>339,668</b>	<b>287,893</b>
Statutory and National Contribution tax rate	<b>21%</b>	<b>21%</b>

Deferred tax assets presented in the statement of financial position relates to:

2023	2022
------	------

Jordan Loan Guarantee Corp.  
Notes to the Financial Statements (continued)  
31 December 2023

Provisions against loans guarantee	1,344,944	917,175
End of service provision	89,649	82,481
Provision for expected credit loss for deposits and bonds	16,921	13,672
Cumulative changes in fair value for financial assets	(23,875)	(26,500)
	<b>1,427,639</b>	<b>986,828</b>

- The Company has settled its tax liabilities with the Income Tax Department up to the year ended 2022 except for the year 2020.
- The Income tax return for the year 2020 has been filed with the Income Tax Department, but the Department has not reviewed the company's records till the date of this report.
- The Income and National contribution tax provision for the year 2023 was calculated in accordance with the Income Tax Law.

## 10. Property and equipment

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

Jordan Loan Guarantee Corp.  
Notes to the Financial Statements (continued)  
31 December 2023

**Cost**

Balance at 1/1/2022	1,688,453	1,557,945	235,165	109,901	537,722	-	<b>4,129,186</b>
Additions	-	-	17,275	-	22,749	64,933	<b>104,957</b>
Balance at 31/12/2022	<u>1,688,453</u>	<u>1,557,945</u>	<u>252,440</u>	<u>109,901</u>	<u>560,471</u>	<u>64,933</u>	<b><u>4,234,143</u></b>

**Accumulated depreciation**

Balance at 1/1/2022	-	369,129	176,163	87,015	503,533	-	<b>1,135,840</b>
Depreciation for the year	-	31,732	12,476	8,884	16,261	-	<b>69,353</b>
Balance at 31/12/2022	<u>-</u>	<u>400,861</u>	<u>188,639</u>	<u>95,899</u>	<u>519,794</u>	<u>-</u>	<b><u>1,205,193</u></b>
<b>Net book value at 31/12/2022</b>	<b><u>1,688,453</u></b>	<b><u>1,157,084</u></b>	<b><u>63,801</u></b>	<b><u>14,002</u></b>	<b><u>40,677</u></b>	<b><u>64,933</u></b>	<b><u>3,028,950</u></b>

**11. Provisions against loans guarantees**

Provisions against loans guarantees are calculated according to IFRS (9) requirements.

The breakdown of provisions for loans guarantees presented in the statement of financial position is as follows:

	<b>2023</b>	<b>2022</b>
Provision for productive loans guarantees	1,310,504	705,145
Provision for housing loans guarantees	206,331	187,221
Provision for export guarantees	887,656	475,135
Special provision against loans guarantees	4,000,000	3,000,000
Provision for industrial financing*	14,018,721	13,530,328
Provision for pioneer projects financing*	363,372	274,758
Provision for startup companies financing*	17,516,057	14,931,831
Provision for export credit guarantees financing*	18,480,722	13,828,576
Provision for supporting bank guarantees for contractors outside Jordan program*	-	436,787
Provision for housing loans guarantees financing – Facilitated housing*	16,369,562	11,895,012
Provision for facing COVID-19 pandemic loans guarantees financing*	42,404,744	31,479,767
	<b><u>115,557,669</u></b>	<b><u>90,744,560</u></b>

\* Provisions against loans guarantees for these programs are constructed from returns on investments financed by supporter parties.

The movements on these provisions were as follows:

Jordan Loan Guarantee Corp.  
Notes to the Financial Statements (continued)  
31 December 2023

### Provision for productive loans guarantees

	2023	2022
Balance at beginning of the year	705,145	605,312
Charge for the year	838,740	800,825
Recoveries	397,838	317,107
Compensations paid	(631,219)	(1,018,099)
	<b>1,310,504</b>	<b>705,145</b>

### Provision for housing loans guarantees

	2023	2022
Balance at beginning of the year	187,221	208,669
Unneeded provision	(56,793)	(136,083)
Recoveries	75,903	209,730
Compensations paid	-	(95,095)
	<b>206,331</b>	<b>187,221</b>

### Provision for export guarantees

	2023	2022
Balance at beginning of the year	475,135	201,643
Charge for the year	453,211	320,652
Compensations paid	(42,355)	(47,160)
Recoveries	1,665	-
	<b>887,656</b>	<b>475,135</b>

### Special provision against loans guarantees

	2023	2022
Balance at beginning of the year	3,000,000	2,000,000
Charge for the year	1,000,000	1,000,000
	<b>4,000,000</b>	<b>3,000,000</b>

### Provision for industrial financing

	2023	2022
Balance at beginning of the year	13,530,328	11,040,785
Charge for the year against Central Bank of Jordan loan's interest	1,133,757	702,130
Transfer from export credit guarantees provision	-	2,000,000
Recoveries	17,108	88,687
Compensations paid	(532,646)	(171,142)
Income and National Contribution tax expense for the year	(129,826)	(130,132)
	<b>14,018,721</b>	<b>13,530,328</b>

Jordan Loan Guarantee Corp.  
Notes to the Financial Statements (continued)  
31 December 2023

### Provision for pioneer projects financing

	2023	2022
Balance at beginning of the year	274,758	222,496
Charge for the year against ministry of planning deposits	97,185	66,154
Recoveries	14,985	-
Income and National Contribution tax expense for the year	(23,556)	(13,892)
	<b>363,372</b>	<b>274,758</b>

### Provision for startup companies financing

	2023	2022
Balance at beginning of the year	14,931,831	12,614,556
Charge for the year against startup micro projects loans	5,180,866	4,698,038
Interest on loans for startup companies guarantees financing	(1,055,655)	(1,074,800)
Recoveries	78,936	34,243
Compensations paid	(915,026)	(724,221)
Income and National Contribution tax expense for the year	(704,895)	(615,985)
	<b>17,516,057</b>	<b>14,931,831</b>

### Provision for export credit guarantees financing

	2023	2022
Balance at beginning of the year	13,828,576	11,449,305
Charge for the year against Central Bank of Jordan loan	8,137,784	7,716,979
Interest on Central Bank of Jordan loan	(1,999,980)	(1,999,980)
Transfer to industrial financing provision	-	(2,000,000)
Expenses charged to the provision	(26,615)	(17,193)
Management fees	(199,165)	(151,441)
Compensations paid	(23,232)	(4,984)
Income and National Contribution tax expense for the year	(1,236,646)	(1,164,110)
	<b>18,480,722</b>	<b>13,828,576</b>

### Provision for supporting bank guarantees for contractors outside Jordan

	2023	2022
Balance at beginning of the year	436,787	8,329,648
Charge for the year against Central Bank of Jordan loan	14,411	5,053,238
Interest on Central Bank of Jordan loan	-	(1,501,371)
Transfer to Central Bank of Jordan	(447,678)	(10,698,836)
Transfer to the liability account	(494)	-
Income and National Contribution tax expense for the year	(3,026)	(745,892)
	<b>-</b>	<b>436,787</b>

Jordan Loan Guarantee Corp.  
Notes to the Financial Statements (continued)  
31 December 2023

### Provision for housing loans guarantees financing – Facilitated housing

	2023	2022
Balance at beginning of the year	11,895,012	7,704,624
Charge for the year against Central Bank of Jordan loan	6,341,351	5,935,692
Interest on Central Bank of Jordan loan	(500,000)	(500,000)
Management fees	(177,364)	(131,404)
Income and National Contribution tax expense for the year	(1,189,437)	(1,113,900)
	<b>16,369,562</b>	<b>11,895,012</b>

### Provision for facing COVID-19 pandemic loans guarantees financing

	2023	2022
Balance at beginning of the year	31,479,767	20,393,328
Charge for the year against Central Bank of Jordan loan	18,602,644	17,504,846
Recoveries	274,916	9,329
Interest on Central Bank of Jordan loan	(1,500,000)	(1,500,000)
Compensations paid	(3,090,810)	(1,632,964)
Management fees	(457,665)	(347,745)
Income and National Contribution tax expense for the year	(2,904,108)	(2,947,027)
	<b>42,404,744</b>	<b>31,479,767</b>

### 12. Central Bank of Jordan loan - industrial loans guarantees program

The Board of Ministers in their meeting held on 7 February 2006 authorized the Central Bank of Jordan, to give the Company a non interest bearing loan granted by the European Commission of an amount equivalent to JOD (5,160,695), the loan does not have a maturity date or any interest. The grant shall revert to the Central Bank of Jordan upon the liquidation of the Company.

Interest earned on the amount restricted against the loan is transferred to the provision for industrial financing and is to be used along with the restricted amount against liabilities resulting from industrial loans doubtful debt.

The restricted balance presented under assets in the statement of financial position amounted to JOD (19,309,242) and JOD (18,821,155) as at 31 December 2023 and 2022 respectively

### 13. Central Bank of Jordan loan – export credit guarantees program

During 2018 the Company has acquired a loan from Central Bank of Jordan totaling JOD (100) million with an annual interest rate (2%) for a period of ten years, the purpose of this loan is to strengthen the Company's ability to provide guarantees for exporters of value added industries against the risk of importers' default, through the use of loan proceeds to purchase governmental securities and retain investment income after deducting interest expense as a provision to meet any obligations arising from the granted guarantees .

The restricted balance presented under assets in the statement of financial position amounted to JOD (119,716,644) as at 31 December 2023 and JOD (114,991,962) as at 31 December 2022, all financial assets at amortized cost are mortgaged against Central Bank of Jordan loan, and their book value amounted to JOD (100,001,582).

#### **14. Central Bank of Jordan loan – Support bank guarantees for contractors outside Jordan program**

During 2019 the Company has acquired a loan from Central Bank of Jordan totaling JOD (100) million with an annual interest rate (2%) for a period of ten years, it will be used by the Company to guarantee the risks of supporting bank guarantees for contractors outside Jordan program, by participating in guarantee a maximum (50%) of bank guarantees for contractors outside Jordan, through the use of loan proceeds to purchase governmental securities and retain investment income after deducting interest expense as a provision to meet any obligations arising from the granted guarantees.

During 2022, the program was suspended due to the lack of guarantee requests to benefit from the program. Therefore the loan principal was returned to the Central Bank of Jordan on 30 September 2022 and the full balance of the provision has been transferred according to the maturity date of deposits after making the necessary tax adjustments.

The restricted balance presented under assets in the statement of financial position amounted to JOD (3,078) as at 31 December 2023 and (1,182,679) as at 31 December 2022.

#### **15. Central Bank of Jordan loan – Housing loans program – Facilitated housing**

At the end of 2019 the Company has acquired a loan from Central Bank of Jordan totaling JOD (100) million with an annual interest rate (0.5%) for a period of ten years, it will be used by the Company to guarantee the risks of housing loans granted by banks to low and limited income individuals within facilitated housing program, by participating in guarantee a maximum (80%) of loans granted, through the use of loan proceeds to purchase governmental securities and retain investment income after deducting interest expense as a provision to meet any obligations arising from the granted guarantees.

The restricted balance presented under assets in the statement of financial position amounted to JOD (117,559,001) as at 31 December 2023 and JOD (113,008,915) as at 31 December 2022, all financial assets at amortized cost are mortgaged against Central Bank of Jordan loan, and their book value amounted to JOD (100,000,000).

#### **16. Central Bank of Jordan loan - Facing COVID-19 pandemic program**

During 2020 the Company has acquired a loan from Central Bank of Jordan totaling JOD (300) million with an annual interest rate (0.5%) for a period of fifteen years, it will be used by the Company to guarantee the risks of loans granted by banks to sectors of professionals, proprietorships, small and medium companies, with the aim of enabling them to obtain financing at low costs in order to cover their financing needs during the circumstances and procedures for containing COVID-19 pandemic , through the use of loan proceeds to purchase governmental securities and retain investment income after deducting interest expense as a provision to meet any obligations arising from the granted guarantees .

The restricted balance presented under assets in the statement of financial position amounted to JOD (345,308,849) as at 31 December 2023 and JOD (334,426,793) as at 31 December 2022, all financial assets at amortized cost are mortgaged against Central Bank of Jordan loan, and their book value amounted to JOD (300,000,000).

#### **17. Ministry of Planning deposit**

During 2012 the Company signed an agreement with the Ministry of Planning and Development and Employment fund whereby, the Ministry will provide an amount of JOD (1,250,000) for setting up a loan guarantee scheme for the loans granted by the Development and Employment Fund to finance pioneer projects. guarantees given under this scheme will cover up to maximum of (80%) of the principal value of a guaranteed loan and of the interest accrued up to maximum of (181) days, funds transferred to the Company under this agreement plus accrued interest shall be used to cover the guaranteed portion of defaulted loans.



Jordan Loan Guarantee Corp.  
Notes to the Financial Statements (continued)  
31 December 2023

The fund balance as at 31 December 2023 amounted to JOD (1,248,500) and the restricted balance presented under assets in the statement of financial position amounted to JOD (1,635,425) as at 31 December 2023 and JOD (1,537,152) as at 31 December 2022 respectively.

### 18. Startup micro projects loans

During 2016 the Company has acquired interest free loans from the Central Bank of Jordan and other commercial and Islamic banks for the purpose of helping startup companies to develop their business activities, by using the proceeds from these loans exclusively in financing startup micro projects loans guarantee program through investing them in low risk financial instruments and retain their returns as a provision to face any liabilities that may arise against the granted guarantees, in case of running out from the retained returns the Company will stop granting any new guarantees.

The loan from Central Bank of Jordan which amounted to JOD (11,239,200) was settled during 2021 and the loans from the commercial and Islamic banks which amounted to JOD (15,259,758) will mature on 1 March 2026.

Also during 2018 the Company has acquired two loans from the Central Bank of Jordan totaling JOD (57,090,000) with (2%) annual interest rate, JOD (50) Million will be settled after ten years from date of loan execution, and JOD (7,090,000) will be settled through (15) semiannual installment starts from 15 March 2019, for the purpose of increasing the ceiling of loans guarantee for startup companies from JOD (100,000) to JOD (250,000), through investing them in low risk financial instruments and retain their returns as a provision to face any liabilities that may arise against the granted guarantees, in case of running out from the retained returns the Company will stop granting any new guarantees.

The restricted balance presented under assets in the statement of financial position amounted to JOD (85,784,969) as at 31 December 2023 and JOD (84,068,976) as at 31 December 2022 part of it is mortgaged against Central Bank of Jordan loan amounted to JOD (50,361,759).

### 19. Payables and other current liabilities

	2023	2022
Income tax payable on provisions against restricted assets	6,191,546	6,730,938
Unearned commissions	945,614	729,898
Reinsurers payables	292,068	425,046
Provision for end of service indemnity	426,900	392,767
Accrued expenses	277,120	265,579
Shareholders' withholdings	78,814	78,999
Deferred grant income (Note 20)	151,906	146,312
Provision for Board of Directors' remunerations	55,000	55,000
Others	18,153	31,693
	<b>8,437,121</b>	<b>8,856,232</b>

## 20. Deferred grant income

The German Agency for International Cooperation has granted the Company EUR (397,940) to implement the business process management platform and digital transformation. Total amount transferred to the Company until the end of 2023 was JOD (157,675), an amount of JOD (5,769) was disbursed against expenses covered by grant, and an amount of JOD (80,700) was disbursed as payment to purchase software.

## 21. Equity

### Capital

The Company's authorized, subscribed and paid in capital is JOD (29,080,310) divided equally into (29,080,310) shares with par value of JOD (1) each as at 31 December 2023 and 2022.

### Statutory Reserve

The accumulated amounts in this account represent 10% of the Company's net income before income tax according to the Companies Law. The statutory reserve is not available for distribution to shareholders.

### Voluntary Reserve

The accumulated amounts in this account represent cumulative appropriations not exceeding 20% of net income. This reserve is available for distribution to shareholders.

## 22. Administrative expenses

	2023	2022
Salaries and wages	1,460,101	1,204,752
Company's contribution in social security	142,399	122,899
Company's contribution in saving fund	122,409	100,318
Subscriptions	87,150	91,387
Board of Directors' transportation	105,600	72,050
Depreciation (Note 10)	80,161	69,353
Medical and health insurance expenses	79,315	67,696
Official duties and training courses	39,554	54,649
Professional fees	36,913	53,550
Maintenance	47,720	42,673
Post, telephone, water and electricity	36,892	34,256
Marketing expenses	24,447	29,048
Archiving services	2,783	25,300
Stationary and printings	20,121	14,340
Security	10,872	10,872
Vehicles expenses	8,410	10,182
Companies Controller fees	600	1,200
Others	28,661	29,175
	<b>2,334,108</b>	<b>2,033,700</b>

Jordan Loan Guarantee Corp.  
Notes to the Financial Statements (continued)  
31 December 2023

## 23. Basic and diluted earnings per share

	2023	2022
Profit for the year	1,826,913	1,150,527
Weighted average number of shares	29,080,310	29,080,310
	<b>0.063</b>	<b>0.040</b>

## 24. Shares registered in the name of the Company

The Company has invested in the Innovative Startups and SMEs Fund as an agent to the Government of Jordan, this investment has been financed by loan from the World Bank to the Government of Jordan, the Company will manage the Fund in compliance with agreements between the Company, World Bank and the Government of Jordan, there will be no liabilities nor returns to the Company from its investment in the Fund.

The par value of Fund's shares registered in the name of the Company is (21,292,462) JOD/Share as at 31 December 2023 and 2022 respectively.

## 25. Executive management remuneration

The salaries and remunerations of the executive management amounted to JOD (697,638) and JOD (525,559) as at 31 December 2023 and 2022 respectively.

## 26. Analysis of the maturities of assets and liabilities

The following table illustrates the analysis of assets and liabilities according to the expected period of their recoverability or settlement.

2023	Up to one year	More than one year	Total
<b>Assets</b>			
Cash and cash equivalents	14,246,781	-	<b>14,246,781</b>
Deposits at banks	11,418,146	-	<b>11,418,146</b>
Restricted bank deposits	-	133,357,988	<b>133,357,988</b>
Restricted financial assets measured at amortized cost	-	555,959,220	<b>555,959,220</b>
Financial assets measured at fair value through other comprehensive income	-	1,115,788	<b>1,115,788</b>
Financial assets measured at amortized cost	-	16,465,648	<b>16,465,648</b>
Receivables and other current assets	2,692,935	-	<b>2,692,935</b>
Deferred tax assets	-	1,427,639	<b>1,427,639</b>
Property and equipment	-	3,179,346	<b>3,179,346</b>
<b>Total assets</b>	<b>28,357,862</b>	<b>711,505,629</b>	<b>739,863,491</b>

Jordan Loan Guarantee Corp.  
Notes to the Financial Statements (continued)  
31 December 2023

### Liabilities

Provisions against loans guarantees	415,912	115,141,757	<b>115,557,669</b>
Central Bank of Jordan loan – Industrial loans guarantees program	-	5,160,695	<b>5,160,695</b>
Central Bank of Jordan loan – Export credit guarantees program	-	99,999,277	<b>99,999,277</b>
Central Bank of Jordan loan – Housing loans guarantees program – Facilitated housing	-	100,000,000	<b>100,000,000</b>
Central Bank of Jordan loan – Facing COVID-19 pandemic program	-	300,000,000	<b>300,000,000</b>
Ministry of Planning deposit	1,248,500	-	<b>1,248,500</b>
Startup micro projects loans	957,150	66,606,858	<b>67,564,008</b>
Payables and other current liabilities	8,437,121	-	<b>8,437,121</b>
Income tax provision	606,077	-	<b>606,077</b>
<b>Total liabilities</b>	<b>11,664,760</b>	<b>686,908,587</b>	<b>698,573,347</b>

<b>2022</b>	<b>Up to one year</b>	<b>More than one year</b>	<b>Total</b>
<b>Assets</b>			
Cash and cash equivalents	20,481,811	-	<b>20,481,811</b>
Deposits at banks	12,389,666	-	<b>12,389,666</b>
Restricted bank deposits	-	106,965,982	<b>106,965,982</b>
Restricted financial assets measured at amortized cost	-	561,071,650	<b>561,071,650</b>
Financial assets measured at fair value through other comprehensive income	-	1,165,788	<b>1,165,788</b>
Financial assets measured at amortized cost	-	6,470,502	<b>6,470,502</b>
Receivables and other current assets	1,946,366	-	<b>1,946,366</b>
Deferred tax assets	-	986,828	<b>986,828</b>
Property and equipment	-	3,028,950	<b>3,028,950</b>
<b>Total assets</b>	<b>34,817,843</b>	<b>679,689,700</b>	<b>714,507,543</b>

### Liabilities

Provisions against loans guarantees	633,517	90,111,043	<b>90,744,560</b>
Central Bank of Jordan loan – Industrial loans guarantees program	-	5,160,695	<b>5,160,695</b>
Central Bank of Jordan loan – Export credit guarantees program	-	99,999,277	<b>99,999,277</b>
Central Bank of Jordan loan – Housing loans guarantees program – Facilitated housing	-	100,000,000	<b>100,000,000</b>

Jordan Loan Guarantee Corp.  
Notes to the Financial Statements (continued)  
31 December 2023

Central Bank of Jordan loan – Facing COVID-19 pandemic program	-	300,000,000	<b>300,000,000</b>
Ministry of Planning deposit	1,248,500	-	<b>1,248,500</b>
Startup micro projects loans	957,150	67,564,008	<b>68,521,158</b>
Payables and other current liabilities	8,856,232	-	<b>8,856,232</b>
Income tax provision	466,515	-	<b>466,515</b>
<b>Total liabilities</b>	<b>12,161,914</b>	<b>662,835,023</b>	<b>674,996,937</b>

## 27. Interest rate re-pricing gap

The Company adopts the assets – liabilities compatibility principle and the suitability of maturities to narrow gaps through categorizing assets and liabilities into various maturities or price review maturities, whichever are nearer, to lower risks in interest rates, studying gaps in the related interest rates.

2023	Up to one year	More than one year	Non-interest bearing	Total
<b>Assets</b>				
Cash and cash equivalents	13,921,661	-	325,120	<b>14,246,781</b>
Deposits at banks	11,418,146	-	-	<b>11,418,146</b>
Restricted bank deposits	-	-	133,357,988	<b>133,357,988</b>
Restricted financial assets measured at amortized cost	-	-	555,959,220	<b>555,959,220</b>
Financial assets measured at fair value through other comprehensive income	-	-	1,115,788	<b>1,115,788</b>
Financial assets measured at amortized cost	-	16,465,648	-	<b>16,465,648</b>
Receivables and other current assets	-	-	2,692,935	<b>2,692,935</b>
Deferred tax assets	-	-	1,427,639	<b>1,427,639</b>
Property and equipment	-	-	3,179,346	<b>3,179,346</b>
<b>Total assets</b>	<b>25,339,807</b>	<b>16,465,648</b>	<b>698,058,036</b>	<b>739,863,491</b>
<b>Liabilities</b>				
Provisions against loans guarantees	-	-	115,557,669	<b>115,557,669</b>
Central Bank of Jordan loan – Industrial loans guarantees program	-	-	5,160,695	<b>5,160,695</b>
Central Bank of Jordan loan – Export credit guarantees program	-	-	99,999,277	<b>99,999,277</b>
Central Bank of Jordan loan – Housing loans guarantees program	-	-	100,000,000	<b>100,000,000</b>
Central Bank of Jordan loan – Facing COVID-19 pandemic program	-	-	300,000,000	<b>300,000,000</b>
Ministry of Planning deposit	-	-	1,248,500	<b>1,248,500</b>
Startup micro projects loans	-	-	67,564,008	<b>67,564,008</b>

Jordan Loan Guarantee Corp.  
Notes to the Financial Statements (continued)  
31 December 2023

Payables and other current liabilities	-	-	8,437,121	<b>8,437,121</b>
Income tax provision	-	-	606,077	<b>606,077</b>
<b>Total liabilities</b>	-	-	<b>698,573,347</b>	<b>698,573,347</b>
<b>Interest rate re-pricing gap</b>	<b>25,339,807</b>	<b>16,465,648</b>	<b>(515,311)</b>	<b>41,290,144</b>
<b>2022</b>	<b>Up to one year</b>	<b>More than one year</b>	<b>Non-interest bearing</b>	<b>Total</b>
<b>Assets</b>				
Cash and cash equivalents	20,263,449	-	218,362	<b>20,481,811</b>
Deposits at banks	12,389,666	-	-	<b>12,389,666</b>
Restricted bank deposits	-	-	106,965,982	<b>106,965,982</b>
Restricted financial assets measured at amortized cost	-	-	561,071,650	<b>561,071,650</b>
Financial assets measured at fair value through other comprehensive income	-	-	1,165,788	<b>1,165,788</b>
Financial assets measured at amortized cost	-	6,470,502	-	<b>6,470,502</b>
Receivables and other current assets	-	-	1,946,366	<b>1,946,366</b>
Deferred tax assets	-	-	986,828	<b>986,828</b>
Property and equipment	-	-	3,028,950	<b>3,028,950</b>
<b>Total assets</b>	<b>32,653,115</b>	<b>6,470,502</b>	<b>675,383,926</b>	<b>714,507,543</b>
<b>Liabilities</b>				
Provisions against loans guarantees	-	-	90,744,560	<b>90,744,560</b>
Central Bank of Jordan loan – Industrial loans guarantees program	-	-	5,160,695	<b>5,160,695</b>
Central Bank of Jordan loan – Export credit guarantees program	-	-	99,999,277	<b>99,999,277</b>
Central Bank of Jordan loan – Housing loans guarantees program	-	-	100,000,000	<b>100,000,000</b>
Central Bank of Jordan loan – Facing COVID-19 pandemic program	-	-	300,000,000	<b>300,000,000</b>
Ministry of Planning deposit	-	-	1,248,500	<b>1,248,500</b>
Startup micro projects loans	-	-	68,521,158	<b>68,521,158</b>
Payables and other current liabilities	-	-	8,856,232	<b>8,856,232</b>
Income tax provision	-	-	466,515	<b>466,515</b>
<b>Total liabilities</b>	-	-	<b>674,996,937</b>	<b>674,996,937</b>
<b>Interest rate re-pricing gap</b>	<b>32,653,115</b>	<b>6,470,502</b>	<b>386,989</b>	<b>39,510,606</b>

Jordan Loan Guarantee Corp.  
Notes to the Financial Statements (continued)  
31 December 2023

## 28. Operating segments

The Company's main operations include providing guarantees to fully or partially cover loans of different types granted by banks and financial institutions, extending guarantees required to cover risks in the field of Jordanian export sector, and investing in financial securities, information about operating segments are as follows:

	Local	
	2023	2022
Revenue from loans guarantees	2,772,526	2,711,924
Revenue from exports guarantees	514,855	392,169
Revenue from investing in financial securities	2,713,269	1,761,846
Revenue from managing Central Bank of Jordan loans provisions	834,194	630,590
Assets related to guarantees of loans and export sector and managing Central Bank of Jordan loans provisions	691,094,666	669,461,581
Assets related to investment in financial securities	43,769,860	40,734,537

## 29. Fair Value of Financial Instruments

Financial instruments comprise of financial assets and financial liabilities. Financial assets of the Company include cash and cash equivalents, financial securities and receivables. Financial liabilities of the Company include Central Bank of Jordan loan, accounts payable, ministry of planning deposit and startup micro projects loans.

The fair values of the financial assets and liabilities are not materially different from their carrying values as most of these items are either short-term in nature or re-priced frequently.

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

- **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2:** inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.
- **Level 3:** unobservable inputs for the asset or liability.

2023	Level 1	Level 2	Level 3	Total
Financial assets at fair value through other comprehensive income	916,598	95,000	104,190	1,115,788
2022	Level 1	Level 2	Level 3	Total
Financial assets at fair value through other comprehensive income	916,598	145,000	104,190	1,165,788

Financial assets included in level 3 are stated at cost less impairment charges, as the fair value of these assets cannot be measured reliably due to the lack of available active markets for identical assets.

### 30. Financial Risk Management

#### Credit Risk

Credit risks are those risks resulting from the default of counterparties to the financial instrument to repay their commitment to the Company. The Company limits its credit risk by only dealing with reputable banks and by setting credit limits for individual customers and monitoring outstanding receivables. The maximum exposure to credit risk is represented by the carrying value of each financial asset.

#### Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its net financial obligation. In this respect, the Company's management diversified its funding sources, and managed assets and liabilities taking into consideration liquidity and keeping adequate balances of cash, and cash equivalents and quoted securities.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date:

2023	Less than one year	More than one year	Total
Provisions against loans guarantees	415,912	115,141,757	115,557,669
Central Bank of Jordan loan - Industrial loans guarantees program	-	5,160,695	5,160,695
Central Bank of Jordan loan - Export credit guarantees program	-	99,999,277	99,999,277
Central Bank of Jordan loan - Housing loans guarantees program – Facilitated housing	-	100,000,000	100,000,000
Central Bank of Jordan loan - Facing Covid-19 pandemic program	-	300,000,000	300,000,000
Ministry of Planning deposit	1,248,500	-	1,248,500
Startup micro projects loans	957,150	66,606,858	67,564,008
Payables and other current liabilities	8,437,121	-	8,437,121
Income tax provision	606,077	-	606,077
	<b>11,664,760</b>	<b>686,908,587</b>	<b>698,573,347</b>
2022	Less than one year	More than one year	Total
Provisions against loans guarantees	633,517	90,111,043	90,744,560
Central Bank of Jordan loan - Industrial loans guarantees program	-	5,160,695	5,160,695
Central Bank of Jordan loan - Export credit guarantees program	-	99,999,277	99,999,277
Central Bank of Jordan loan - Housing loans guarantees program – Facilitated housing	-	100,000,000	100,000,000
Central Bank of Jordan loan - Facing Covid-19 pandemic program	-	300,000,000	300,000,000
Ministry of Planning deposit	1,248,500	-	1,248,500
Startup micro projects loans	957,150	67,564,008	68,521,158



Jordan Loan Guarantee Corp.  
Notes to the Financial Statements (continued)  
31 December 2023

Payables and other current liabilities	8,856,232	-	<b>8,856,232</b>
Income tax provision	466,515	-	<b>466,515</b>
	<b>12,161,914</b>	<b>662,835,023</b>	<b>674,996,937</b>

### Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will affect the Company's income or the value of its holdings of financial instruments, annual interest rates on bank deposits and bonds ranging between (4% - 10.25%) (2022: 4.25% - 7.50%). To avoid this risk, the company's deposits are short term and have fixed interest rates, if interest rates had increased or decreased by (0.5%) annually the net result for the year would have been reduced / increased by JOD (209,430) for 2023 (2022: JOD 195,944).

### Loans and exports guarantees risks

The company guarantees (70%) of productive loans to the low and medium income applicants not exceeding JOD (250,000) and guarantees (75%) of housing loans to the low and medium income applicants provided that the loan does not exceed JOD (75,000). The company guarantees (80%) of industrial loans and financial leasing up to JOD (1,000,000) for each.

The company guarantees (90%) of post shipment exports losses caused by any of the risks covered by the guarantee contract. The company reinsures the guaranteed capital through agreements with Regional & International Insurance Companies.

### Currency Risk

The management considers that the Company is not exposed to significant currency risk. The majority of their transactions and balances are in either Jordanian Dinar or US Dollar. As the Jordanian Dinar is pegged to the US Dollar, balances in US Dollar are not considered to represent significant currency risk and the Company's results or equity to movements in exchange rates is not considered significant.

### Equity Price Risk

Equity price risk result from the change in the fair value of equity securities. The Company manages these risks through the diversification of investments in several geographical areas and economic sectors. If the quoted market price of listed equity securities had increased or decreased by (10%), the comprehensive income for the year would be increased / reduced by JOD (86,848) during 2023 (2022: JOD 86,848).

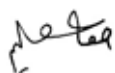
### 31. Capital Management

The Company manages its capital structure with the objective of safeguarding the entity's ability to continue as a going concern and providing an adequate return to shareholders by investing the Company's assets commensurately with the level of risk.

## Board of Directors Declarations 2023

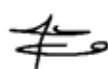
1. The Board of Directors of the Jordan Loan Guarantee Corporation declares that no material issues might influence the continuity of the corporation during the upcoming fiscal year 2024.

<b>Board Member</b> <b>H.E.Mrs. Nadia Al Saeed</b>	<b>Board Member</b> <b>Dr. Ahmad Al Hussin</b>	<b>Board Member</b> <b>Dr. Khaldoun Al Wshah</b>	<b>Chairman</b> <b>H.E.Dr. Adel Al Sharkas</b>
---	---	---	---

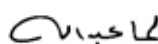


<b>Board Member</b> <b>Mr. Walid Al Samhouri</b>	<b>Board Member</b> <b>Ms. Maha al Abdallat</b>	<b>Board Member</b> <b>Mr. Hussin Kofahi</b>	<b>Vice Chairman</b> <b>Mr. Kamal Al Bakri</b>
---	--	---	---

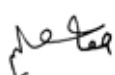


<b>Board Member</b> <b>H.E.Dr. Ibrahim Saif</b>	<b>Board Member</b> <b>Mrs. Luma Ghaleb</b>	<b>Board Member</b> <b>Ms. Rana Sawalha</b>
--	--	--

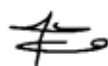

2. The Board of Directors of the Jordan Loan Guarantee Corporation declares its responsibility for preparing the financial statements and having an effective control and auditing system.

<b>Board Member</b> <b>H.E.Mrs. Nadia Al Saeed</b>	<b>Board Member</b> <b>Dr. Ahmad Al Hussin</b>	<b>Board Member</b> <b>Dr. Khaldoun Al Wshah</b>	<b>Chairman</b> <b>H.E.Dr. Adel Al Sharkas</b>
---	---	---	---

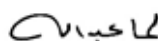


<b>Board Member</b> <b>Mr. Walid Al Samhouri</b>	<b>Board Member</b> <b>Ms. Maha al Abdallat</b>	<b>Board Member</b> <b>Mr. Hussin Kofahi</b>	<b>Vice Chairman</b> <b>Mr. Kamal Al Bakri</b>
---	--	---	---



<b>Board Member</b> <b>H.E.Dr. Ibrahim Saif</b>	<b>Board Member</b> <b>Mrs. Luma Ghaleb</b>	<b>Board Member</b> <b>Ms. Rana Sawalha</b>
--	--	--


3. We the undersigned declare that the financial statements and the information within the Annual Report 2023 are correct.

<b>Finance Dept. Manager</b> <b>Mr. Issa Al Tarayrah</b>	<b>Director General</b> <b>H.E.Dr. Mohammed Al Ja'fari</b>	<b>Chairman</b> <b>H.E.Dr. Adel Al Sharkas</b>
---	---	---









JORDAN  
LOAN GUARANTEE CORP.

**The Small Business Company Of Jordan**

Amman - Shmeisani - 24 Prince  
Shaker Bin Zaid St.  
P.O.Box: 830703 Amman 11183 Jordan  
Phone: 0096265625400  
Fax: 0096265625408  
mail@jlgc.com