



2024

**Jordan Loan Guarantee Corporation  
(JLGC)**

**31<sup>ST</sup> Annual Report**

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

**31<sup>st</sup> Annual Report**  
**For the Year Ended on**  
**31 December 2024**



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





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

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### **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 2024.

#### **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

## Chairman's Message

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### **Respected Shareholders,**

I am pleased to present to you the thirty-first Annual Report of Jordan Loan Guarantee Corporation (JLGC), which outlines the Company's activities for the financial year ended on 31 December 2024, along with its business plan for the year 2025.

I also find this an opportune moment to reflect on the achievements of the Company over the years. The year 2024 marked the 30th anniversary of its establishment—a milestone that highlights JLGC's success in building a solid institutional reputation and serving as a model of effective public-private partnership. The Company takes great pride in its dedicated team, whose perseverance has enabled it to fulfill its mission of supporting the national economy. In 2024, JLGC achieved a significant qualitative and quantitative leap in the scale of its operations, driven by its steady progress and strong belief in its vital developmental role—facilitating access to finance for small and medium-sized enterprises (SMEs) and empowering Jordanian exporters through the Export Credit Guarantee Program.

We reaffirm the Company's commitment to the core principles upon which it was founded, and to the continuous development of the guarantee programs it manages, as well as the introduction of new programs to meet the evolving needs and requirements of Micro, Small, and Medium Enterprises (MSMEs) along with startups. These enterprises represent a key pillar of the national economy and one of the most important sources of job creation. This commitment comes in alignment with the Economic Modernization Vision adopted by the government and the Financial Inclusion Strategy led by the Central Bank of Jordan (CBJ), both of which have placed particular emphasis on supporting these segments.

### **Dear shareholders,**

Despite the challenging economic conditions and complex geopolitical developments throughout 2024, JLGC remained steadfast in its sustainable path, continuing to deliver positive operating results as the Kingdom's primary provider of loan guarantee services.

Through its various loan guarantee programs, JLGC supported 1,855 SMEs with a total guaranteed value of approximately JOD 257 million, including 231 start-up projects with a total value of JOD 22.7 million.

Under the Microenterprise Support Program, loan guarantees were extended to 534 beneficiary projects with a total value of approximately JOD 4.7 million.

In 2024, JLGC also continued its operations under the Export and Domestic Sales Credit Guarantee Programs, providing coverage for 4,829 export and domestic shipments with a total guaranteed value of approximately JOD 187 million.

JLGC also recorded a 6% growth in its total revenues during 2024, reaching JOD 49.1 million, compared to total revenues of JOD 46.4 million achieved in 2023.

JLGC also achieved profit growth in 2024, with net profit before tax reaching JOD 2.3 million, compared to JOD 2.2 million in 2023. JLGC also maintained the strength of its capital base, with total shareholders' equity rising from JOD 41.3 million at the end of 2023 to JOD 43 million at the end of 2024. JLGC's assets reached JOD 768 million at the end of 2024, compared to JOD 740 million at the end of 2023.

We hope to continue achieving sustainable growth for our shareholders' equity and to further enhance the provision of our guarantee services, while maintaining our commitment to environmental issues, corporate social responsibility, and the application of governance principles, along with the highest standards of oversight and transparency for our shareholders.

**Dear shareholders,**

In conclusion, I would like to extend my sincere gratitude to our esteemed shareholders for their continuous support of the Company. I also express my heartfelt thanks to our partners for their invaluable trust, as well as to the executive management and all JLGC employees for their ongoing efforts toward the success, growth, development, and enhanced position of JLGC across all levels.

May God grant us success and guide our path towards goodness in serving our beloved country under the leadership of His Majesty King Abdullah II, the Patron of the Renaissance, may God protect him.

**Dr. Adel Al Sharkas**

**Chairman of Board**





## Board of Director Report

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

#### A. JLGC's Main Activities

JLGC provides financial services in the form of loan guarantees offered by banks and specialized financing institutions to its clients, aimed at financing start-ups and MSMEs.

JLGC also provides guarantees for Jordanian exports against commercial and non-commercial risks, such as the failure of foreign importers or domestic buyers to pay for export shipments or domestic sales. It serves as a secure gateway for Jordanian exporters to enter new markets, increase sales, and boost exports in existing markets. The program also acts as a trusted certificate issued by JLGC, providing exporters with credit information on current and potential importers to assess creditworthiness and enhance the competitiveness of Jordanian products.

The programs that JLGC offers are as follows:

Loan Guarantee Program	Max. Loan Amount (JOD) JD	Max. Payment Period (Month)	**Guarantee Percentage
*SMEs Loan Guarantees	250,000	72	70%
*Industrial and Services Finance Loans	3,000,000	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 Enterprises	25,000	42	85%
Micro Loan Guarantees	15,000	36	70%
Leasing Guarantees	1,000,000	96	70%
Entrepreneurship Financing Program	75,000	96	80%

\*The guarantee under these programs is provided to both commercial and Islamic banks, as well as microfinance companies.

\*\* 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%

Housing Loan Guarantee Programs	Max. Loan Amount (JOD)	Max. Payment Period (Month)	**Guarantee Percentage
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.

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

The offices of JLGC are located in the capital, Amman, in the Shmeisani area, Prince Shaker Bin Zaid Street, Building No. (24). JLGC has no branches either within or outside the Kingdom. The total number of its employees was 66 at the end of 2024.

## C. Size of JLGC's Capital Investment

JLGC's capital investment amounted to JOD 3,349,480 in 2024, compared to JOD 3,179,346 in 2023.

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

## 2. Subsidiaries

JLGC has no subsidiaries.

### 3. JLGC's Board Members and Senior Executive Management

#### A. Brief Resume of the Board Members as of 31/12/2024

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

**Sharkas**

**Chairman of the Borad**

**Governor of the Central Bank of  
Jordan**

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

- PHD in Financial Economics/University of New Orleans/USA 2002.
- Master's in Economics / Yarmouk University 1990.
- Bachelor's in Applied Statistics/Yarmouk University 1988.
- Chairman of the Central Bank of Jordan and Governor of the Central Bank since 10/01/2022.
- Deputy Governor of the Central Bank of Jordan from 1/4/2012 to 9/1/2022.
- 2011-2012: Executive Manager of the Research Department/ Central Bank of Jordan.
- 2010-2011: Assistant Executive Manager of the Research Department/ the Central Bank of Jordan.
- 2008-2010: Assistant professor of the Finance Department/ Research Department/ the Central Bank of Jordan.
- 1991-2008: Many positions in the Central Bank of Jordan
- Assistant professor of the Finance Department at Alfred University, New York, then promoted to a co-professor in the same university in 2006.
- 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"
- 2006- Currently a part-time associate professor at several public universities in Jordan, including (NYIT University, **the University of Jordan, the Hashemite University, the University of Islamic Sciences, and the Institute of Banking Studies**).
- Chairman of JLGC since 3/2/2022.
- Chairman of the Board of Directors of Jordan Mortgage Refinance Company.
- 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.
- Chairman of Innovative Stratups and SMEs Fund (ISSF).
- Member of the National Payments System.
- Award for Best Paper at U.S. Universities for 2006, as per the ranking of the Academy of Economics and Finance in the United States. The title of the paper is: "The Impact of Mergers and Acquisitions on the Efficiency of the U.S. Banking Industry"

**Dr. Kamal Ghareeb Al-Bakri**

**Vice Chairman of the Board of  
Directors**

- PHD in Philosophy on Bank Governance from the University of Salford, Manchester, Britain 2023.
- Master's in Management of International Banking and Finance from Salford Manchester/UK 2017.

**General Manager**

**Cairo Amman Bank**

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

- Bachelor's 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 Advisor 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.
- Board member of MadfooatCom for e-payments.
- 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**

**AIWshah**

**Board Member**

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

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

- PHD in Finance/HULL University/UK 2010.
- 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 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).
- Board Member of the Jordan Loan Guarantee Company.
- Member of the Investment Fund Management Committee - University of Jordan.



**H.E. Mrs. Nadia Hilmi Al Saeed**  
**Board Member**  
**Chief Executive Officer**  
**Bank al Etihad**  
**Date of Birth: 25/08/1965**

- Member of the National Cyber Security Council.
- Part-time lecturer at several Jordanian universities.
- Chairmanships and memberships in several committees inside and outside the Central Bank of 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.

- Master's in Business Administration in Finance and Management Information Systems from the American University in Cairo in 1992.
- Bachelor's 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/Digital Economy.
- Secretary General of the Ministry of Communications and Information Technology/Digital Economy.
- Vice Chairperson of the Board of Directors of Etihad Leasing 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 Corporation.
- Board Member at Jordan Capital and Investment Fund.
- Board Member of EDAMA Association for Energy, Water, and Environment.
- Board Member of Jordan Strategy Forum.
- Board Member of the Financial Alliance for Women.

**Dr. Ahmad Awad Al Hussein**  
**Board Member**  
**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's of Business Administration and Finance, University of Jordan, 1993.
- Bachelor's in 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 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 – the management of Jordan Capital and Investment

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

- Fund.
- Board Member at the Jordan Worsteds Mills Company.
- Board Member of the Business Tourism Company.
- Master's in Banking and Financial Sciences/Arabic Institute of Banking Studies 1995.
- Bachelor's in 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 Inspectors/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.

**Mr. Marwan Adeeb Farhan Said**  
**Board Member since 1/4/2024**  
**Advisor to the Banking Supervision**  
**Department**  
**Central Bank of Jordan**  
**Date of Birth: 27/05/1971**

- Master's in finance, Amman Arab University for postgraduate studies, Jordan, 2004.
- Bachelor's in Accounting /Financial and Banking Sciences / Yarmouk University, Jordan.
- Advisor /Banking Supervision Department/Central Bank of Jordan, 2022.
- Assistant Executive Manager/Banking Supervision Department/ Central Bank of Jordan/ 2016 – 2022.
- Head of Inspectors /Banking Supervision Groups/ the Banking Supervision Department/ Central Bank of Jordan 2014-2015.
- Head of Data Analysis and Management Department/Banking Supervision Department/Central Bank of Jordan, 2010 - 2014.
- Head of Inspectors/Banking Supervision Groups/ the Banking Supervision Department/Central Bank of Jordan 2007-2010.
- Inspector and Chief Inspector at the Central Bank of Jordan/ Banking Supervision Department, 1992 - 2006.
- Member of the Arab Committee on Banking Supervision/Arab Monetary Fund Since 2015.
- A member in several committees at the Central Bank of Jordan.

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

- Master's in Economics, University of Jordan, 1994.
- Bachelor's in Economics & Public Administration, University of Jordan, 1985.
- Senior Vice President – Credit Department, 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 branches and the External Banking Unit - Bahrain.
- Chairman of Arab Sudanese Bank- Sudan.
- Board Member at Arab Tunisian Bank.
- Board Member - Arab Omani Bank.

**Mr. Fadi Ghaleb Eityani**  
**Board Member since 1/4/2024**  
**Executive Director – Retail Credit**  
**Department**  
**The Housing Bank for Trade and**  
**Finance.**  
**Date of Birth: 6/3/1978**

- Bachelor's in Banking and Financial Sciences/Al Al Bayt University, Jordan, 2001.
- Executive Director – Retail Credit Department at Housing Bank (2019 till now).
- Director of the Retail Loan's Center/ The Housing Bank (2016-2019).
- Head of the Personal Loans Unit/ The Housing Bank (2016-2011).
- Head Loans' Officer and Deputy Manager of the Personal Loan Unit/ The Housing Bank (2008-2010).
- Loan's Officer/ The Housing Bank (2001-2008).
- Current Board Member of JLGC.
- Former Board Member of the Specialized Leasing Company.
- Former Board Member of the Jordan Real Estate Investments Co.

**Mrs. Luma Ghaleb Abdallah**  
**Board Member**  
**Head of the Institutional**  
**Performance Department**  
**Social Security Investment Fund**  
**Date of Birth: 1982/11/20**

- Bachelor's in 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 in a number of companies, as follows:
- The Jordanian Loan Guarantee Corporation 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 Hasan Mustafa**  
**Saif**  
**Board Member (Independent)**  
**Date of Birth: 10/08/1965**

- PHD in Economics, University of London 2001.
- Master's in Development Economics, University of London 1988.
- Bachelor's in 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.

## **Brief Resume of the Board Members who resigned in 2024**

**Ms. Rana Raymond Jamil  
Sawalha**  
**Board Member till 1/4/2024**  
**Senior Executive Manager for  
Finance Group**  
**The Housing Bank**  
**Date of Birth: 11/07/1971**

- Holds CPA Certificate/Illinois Board of Accountancy 1999.
- Member of the Jordanian Association of Certified Public Accountant since 2001.
- Bachelor's in Accounting – Minor Business Administration - University of Jordan 1993.
- Senior Deputy Executive Manager – Group Finance at the Housing Bank 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, 2001.
- Senior Auditor At Ernst & Young EY From 1994 - 2000.
- She has no other board memberships of public shareholding companies.

**Ms. Maha Issa Hamdan Al  
Abdallat**  
**Board Member till 1/4/2024**  
**Executive Director of the  
Supervision on Microfinance  
Companies and Credit Bureaus  
Department**  
**The Central Bank of Jordan**  
**Date of Birth: 01/03/1969**

- Master of Business Administration (MBA) in Finance from the University of Jordan, 1996.
- Bachelor's 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. Adnan Yousef Mohammed Naji: Director General of JLGC since 14/4/2024**
- **H.E. Dr. Mohammed Lutfi Al Ja'fari: Director General of JLGC till 13/4/2024.**
- **Mr. Issa Ismail Murshed AlTarayrah: Secretary of the Board of Directors.**

<b>JLGC Board of Directors held 9 meetings in 2024</b>
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## B. Brief about the Members of the Senior Executive Management as of 31/12/2024

**Mr. Adnan Yousef Naji**  
**Director General since**  
**14/4/2024**  
**Date of Birth: 06/08/1971**

- Master's in Business Administration and Finance- University of Jordan, 1997.
- Bachelor's in Accounting and Economics - University of Jordan, 1993.
- Director General of JLGC since 14/4/2024.
- Chairman of the Innovative Startups and SMEs Fund (ISSF) from 14/4/2024 till 15/12/2024.
- Executive Director of the Risk management and Compliance Monitoring Department from January 2023 till February 2024.
- Advisor for Banking Supervision at the Central Bank of Jordan, meticulously supervised and regulated banks, adhering to international standards such as Basel Committee guidelines, IMF recommendations, and World Bank guidelines and ensuring compliance with international standards, Basel Committee guidelines, IMF recommendations, and World Bank guidelines.
- He held several positions at the Central Bank of Jordan since he joined the bank in 1994 until the beginning of 2024.

**Mrs. Amal Mahmood**  
**Jaradat**  
**Deputy Director General**  
**Date of Birth: 4/10/1971**

- Bachelor's in Business Administration/minor Economics/ 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.
- Export Credit Insurance and Domestic Sales Department Manager from 2017 - 7/2021.
- Manager of Industrial Finance and Services Dept. 2013- 2017.
- Project Manager Of JLGC's Project With The International Finance Corporation (IFC) 2013-2017.
- She held many positions at JLGC since 2013.
- Bank of Jordan 1995-2012.
- Certified Advisor (Advisory Board Member) , GET On BOARD-2022.
- Vice Chair Of The Prague Club Committee - Berne Union since 2022.
- Member of the Jordan Forum For Business & Professional Women
- Member of the Business and Professional Women Association (BPWA).
- Member of the Commission for the Empowerment of Arab Women.
- Credit and small enterprises Instructor at the Institute of Banking Studies and several specialized institutes in Jordan.

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

- Bachelor's 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.
- Acting 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.
- Employed at JLGC since 11/7/2004.
- External Auditor at the international professional office for auditing 2002 – 2004.
- Secretary of the Board at JLGC since 2017.

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

- Bachelor's in 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 2010 - 2013
- Head of the SMEs Department 2009-2011.
- Supervisor of the Follow-ups Unit; Risk mangemnt Department 2008-2009.
- Follow-ups officer at the Follow-ups/ Risk Management 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 officer at Arab Printers Company 2001 - 2003.

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

- Bachelor's in 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.
- Manger of the Risk Management & Compliance Department, JLGC since 26/9/2021.
- Manager of Operational Risk and Business Continuity Plan Department, Capital Bank of Jordan, 2018-2020.
- Internal Audit Manager, Capital Bank of Jordan 2014-2018.
- Manager of Risk and Compliance Department, Al Mawarid Financial Brokerage Company - Invest Bank 2012-2013.
- Head of the Audit Unit of Subsidiaries, Finance and Investment - Internal Audit Department, Invest Bank 2009-2012.
- Risk Management and Compliance Committee Rapporteur at JLGC.

**Mr. Mohammad Noor Aljabie**  
**Manager of the Support Department**  
**Date of Birth: 28/07/1979**

- Bachelor's 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.
- Manager 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 Sae'd Hamdan**  
**Manager of the Export Credit Insurance Department**  
**Date of Birth: 16/8/1984**

- Bachelor's in Risk and Insurance Management, Hashemite University, 2006.
- Manager of Export Credit Insurance and Domestic Sales Department since 01/01/2023.
- Acting Manager of Export Credit Insurance and Domestic Sales Department, 2021-2022.
- Head of the Underwriting and Risk Analysis Unit in the Export Credit Insurance Department 2019-2021.

**Mr. Mahmoud Ahmad  
Suliman Al Rbeihat  
Manager of the Loan  
Guarantee Dept.  
Date of Birth: 02/09/1983**

- Head of the Export Credit Insurance Division, 2017-2019.
- Senior Credit Officer, the Export Credit Insurance Department, 2014-2017.
- Credit Officer, the Export Credit Insurance Department, 2010-2014.
- Credit Officer, the Industrial Finance Department, 2006-2010.
- JLGC since 16/4/2006.
- Master's in Accounting, The World Islamic Sciences and Education University, 2021.
- Bachelor's in Accounting, Al-Ahliyya Amman University, 2006.
- Manager of the Loan Guarantee Department since 1/1/2023.
- Acting Manager of the Loan Guarantee Department, 2021-2022.
- Head of the Medium Enterprises Unit, the Loan Guarantee Department, 2019 - 2021.
- Acting Unit Head, the Loan Guarantee Department, 2017-2019.
- Senior Credit Officer, the Loan Guarantee Department, 2015-2017.
- Senior 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 in the Follow-up Unit, the Risk Department, 2007 – 2008.
- Employed at JLGC since 11/12/2007.

**Mrs. Diana AlJariri AlHesan  
Manager of the Credit  
Review Dept.  
Date of Birth: 08/04/1984**

- Bachelor's 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.
- Acting Unit Head at the Risk Management and Compliance Department, 2018-2019.
- Acting Unit Head, Industrial and Services Finance Department, 2017-2018.
- Senior 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.
- Employed at JLGC since 11/3/2007.

**Mr. Saif Shibli Al Farah  
Manager of Internal Audit  
Unit  
Date of Birth: 08/12/1976**

- Master's in Financial Management, Arab Academy for Banking and Financial Sciences, 2002.
- Bachelor's in Business Administration, Mu'tah University, 2000.
- Internal Audit Unit Manager, JLGC since 1/3/2016.
- Audit Committee and Governance Committee Rapporteur 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



**Mr. Ihab Tayseer Najeb  
Jebreen**  
**Manager of the Business  
Development & Market  
Research Unit**  
**Date of Birth: 25/12/1977**

- 2007-2009.
- Senior Accountant, Logicem Jordan 2006.
- Internal Auditor, Fine Paper Industries, 2003-2005.
- Bachelor's in Accounting, Al-Zaytoonah Private University of Jordan, 1999.
- Manager of the Business Development & Market Research Unit, JLGC since 17/5/2023.
- Manager 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.
- Unit Head of 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.

## **Brief about Members of the Senior Executive Management who Resigned during 2024**

**H.E. Dr. Mohammed Lutfi Al  
Ja'fari**  
**Director General of JLGC till  
13/4/2024.**  
**Date of Birth: 28/10/1962**

- PHD in Finance, Manchester University, UK 1997.
- Master's in Economics & Statistics, Jordan University, 1991.
- Bachelor's in Economics, Yarmouk University, Jordan 198
- Director General, JLGC till 13/4/2024.
- Chairman of the Broad of Directors – Innovative Startups and SMEs Fund (ISSF) till 13/4/2024
- Former Board Member of Jordan Exporters Association.
- General Coordinator of The Global Network For Guarantee Institutions (GNGI).
- Official 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 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.

#### 4- Names of Major Shareholders And the Number of Shares Owned By Each

Bank	Number of Shares As of 31/12/2024	Percentage %	Number of Shares As of 31/12/2023	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. JLGC's 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.

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

- Loans granted by banks and guaranteed by JLGC are exempt from provisioning requirements for the portion of debt guaranteed by JLGC. In the event of loan default, the debts are exempt from provisioning requirements for a period of three years from the date of default.
  - Bank loans guaranteed by JLGC receive a risk-weighting of 20% for the purposes of calculating the capital adequacy ratio. This is one of the lowest possible risk weights, which positively impacts and improves banks' capital adequacy indicators.
- JLGC did not obtain any patents or licensing rights in 2024.

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

- Based on the Public Funds Exemption Law No. 28 of 2006, the Council of Ministers approved the exemption of export credit guarantee contracts and related claims, concluded with the Company, from import stamp fees.

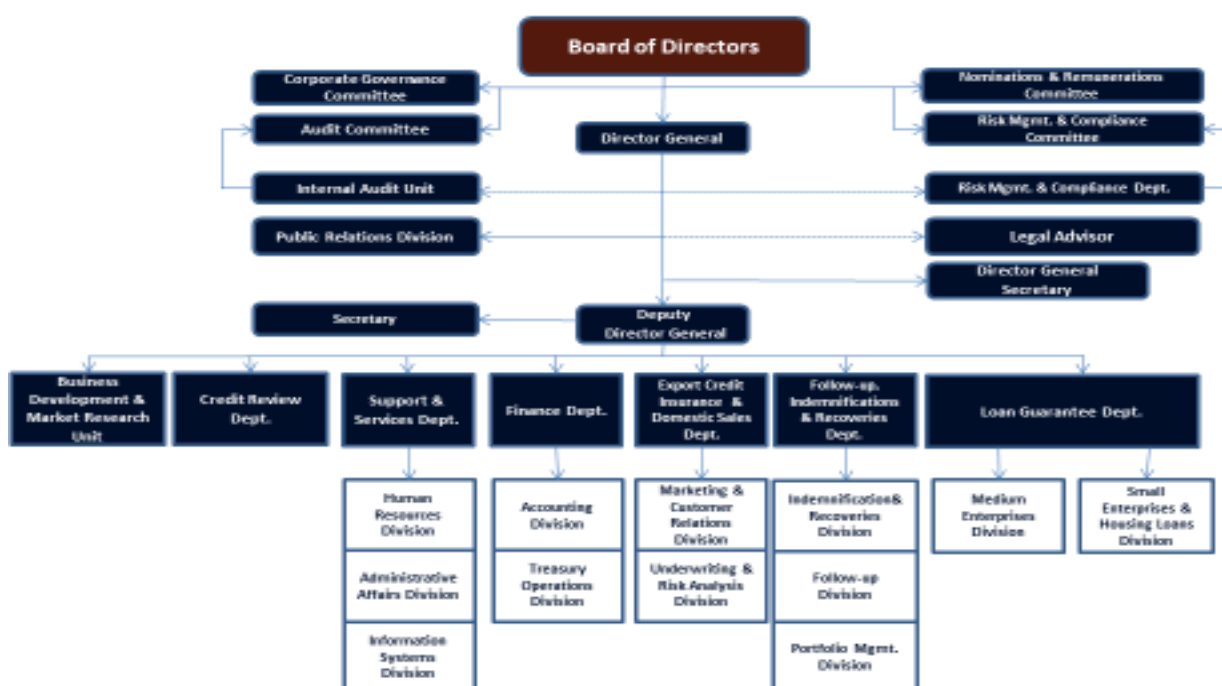
- The Council of Ministers decision number (438) dated 26/1/2010 exempted JLGC from sales and all other taxes and fees except for Income Tax.

## - Disclosure about JLGC Application of the International Quality Standards

- International quality standards are not applicable to JLGC.

## 9. JLGC Organizational Structure, Number and Categories of Employees, and the Training Programs as of the end of 2024

### A. Organizational Structure



### B. No. of Employees and Qualifications

The Number of employees at the end of 2024 was 66 in comparison with 65 at the end of 2023, distributed according to their academic qualifications as follows:

Academic Qualification	No. of Employees in 2024
PhD	0
Maser Degree	8
High Diploma	1
Bachelor Degree	48
Intermediate Diploma	4
High School	1
Less than High School	4
<b>Total Number of Employees</b>	<b>66</b>

## C- Employees Training Programs

With the aim of training, qualifying, and enhancing the technical, administrative, and financial capabilities of its employees, JLG, during the year 2024, nominated staff members to attend a total of (54) internal training courses and (12) external courses, distributed as follows:

Internal Training Courses	
Training Courses	No. of Employees
Business Continuity Plan	47
Emergency Preparedness and Crisis Management	9
Introduction to Sustainability	8
MSMEs Access to Finance	6
“ESG Regulations & Reporting Frameworks - ESG Sustainable Finance Instruments”	5
Workshop on the Latest Developments and Updates of the Credit Bureau	4
Credit Supervision and Management of Non-Performing Loans	4
Business Writing Skills	3
Environmental, Social, and Corporate Sustainability	3
Problem Solving	3
Training of Trainers (TOT)	3
FinConJo 2024	3
A discussion session titled “Gender Equality Seal”	3
Excel to Excel (MS Excel Skills & Techniques)	2
Preparing Internal Audit Plans and Planning Audit Tasks	2
Importance of Supply Chain Finance for SMEs in Jordan	2
The International Internal Auditing Standards issued by the IIA – New Version 2024	2
Angular with Java	2
Introduction to Legal Legislation in Banks	2
Leadership and Motivation Skills	2
Management Development Skills (Communication Skills, Time Management, and Work Stress Management)	2
“Integrated National Financing Framework Approach”	2
Public Financing for Sustainable Development Goals in Jordan: The Integrated Financing Framework (INFF).	2
“Supply Chain Finance and Asset-Based Finance Assessment in Jordan”	2
Mental Health Awareness Campaign	2
Improving Dialogue Between the Private and Public Sectors	2
(CPD) Continuing Professional Development	2
Using Samples in Conducting Audit Processes	2
Workshop: “I-Fin Follow-on Project (Financing the Just Transition)”	2
Discussion of the New Framework for Internal Auditing Standards issued by the Institute of Internal Auditors (IIA) for 2024.	1
Creativity in Problem Solving According to the Kepner-Tregoe Methodology	1
Considerations of International Markets: Issues to Consider When Exporting.	1
The Importance of Packaging in Promoting Exports	1
Building Capacities in Green Finance and Climate Change Risk Management	1
Xpand Conference	1
Open Banking	1



Developing Internal Audit Strategies and Methodologies in Light of Recent Developments and Transformations	1
Types and Tools of Export Financing	1
Accountants Forum organized by the Arab Academy for Administrative, Financial, and Banking Sciences	1
CompTIA Linux+	1
Introduction to Business Continuity Management and Cyber Security Risk	1
CEH (Certified Ethical Hacker)	1
Unlocking LATAM's Potential: Insights & Collaboration	1
Skills in Preparing and Writing Meeting Minutes, Reports, and Correspondence	1
ITCON 2024	1
Risk Management	1
Preparing Human Resources Specialists	1
ESG in Financial Sector	1
Modern Practices in Financial Reporting and Preparation of Financial Statements	1
Contemporary Trends and Best Practices in Risk Management and Compliance	1
Introductory Workshops for the Industrial Development and Support Fund Programs	1
Finance for Non-Financial Professionals	1
Multitasking Management: Task Scheduling to Improve Effectiveness and Efficiency.	1
Banking Ethics and Corporate Governance	1
Occupational Safety and Health Supervisor	1
Certificate in Insurance (Cert. CII™)	1
Workshop: "Promoting Women's Access to Climate Finance"	1

External Training Courses	
Training Courses	No. of Employees
EMGN Winter Academy 2024, EMGN Annual Conference 2024	2
The Prague Club Committee Meeting, held biennially, 2024.	2
The General Meeting of the Members of the Bern Union, Spring Meeting 2024.	2
EMGN Spring Academy 2024	2
The General Meeting of the Members of the Bern Union, 2024	2
EMGN Autumn Academy	2
The Role of Small and Medium-Sized Enterprises in Promoting Inclusive and Fair Economic Growth within the Framework of Transitioning to Alternative Energy in Jordan.	2
The 14th Annual Meeting of the Members of the Aman Union	2
"GOVERNANCE OF DIGITAL TRANSFORMATION"	1
Saudi Build	1
Food Africa Cairo	1
The Role of Credit Guarantee in the Sustainability of Small and Medium-Sized Enterprises in Conflict Zones.	1

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

## 10 - JLGC Risk Exposure

The management of JLGC prioritizes risk management above all else, recognizing its essential role in safeguarding the Company's assets, ensuring the smooth operation of its processes, and driving ongoing modernization and development efforts. Moreover, this supports JLGC's ability to enhance its regulatory environment, enabling it to effectively assess the risks associated with its working environment.

In this regard, a dedicated Risk Management Department was established within the Company to handle various risks, creating frameworks based on widely recognized best professional practices and in compliance with any legislative requirements. The Risk Management Department operates in accordance with recognized good governance practices, under the supervision of the Board of Directors and the guidance of the Board's Risk Committee.

Given that JLGC is a financial institution, it is exposed to various risks associated with its operating environment. The most significant of these risks include:

1. **Credit Risk:** As one of JLGC's core activities is loan guarantee services, credit risk—especially the risk of borrower default on guaranteed loans is naturally one of the most significant risks to which it is exposed.

To manage these risks effectively, JLGC has established appropriate policies based on best practices. These policies define the nature and sources of risk, set limits for both individual and overall exposure, address credit concentration risk, and outline hedging mechanisms to mitigate potential losses.

2. **Operational Risk:** These are the risks related to the work environment, such as system failures, human errors, or legal mistakes. However, these risks are controlled and managed based on defined procedures, with a risk register maintained to document, assess their impact, manage, and mitigate them accordingly.
3. **Liquidity Risk:** Liquidity and its associated risk management are considered key components of the Company's overall risk management framework. Liquidity limits have been established in line with JLGC's operational needs, ensuring its ability to meet obligations related to loan guarantees and export credit guarantees. Prudent liquidity management enables the Company to achieve its objectives and maintain its reputation.
4. **Risk of non-compliance:** These risks are closely managed through the implementation of procedures that ensure JLGC, its employees, and its operations comply with any regulatory, contractual, or internal policy and procedural requirements.

To manage risks prudently, additional procedures have been implemented, such as:

- Developing business continuity plan.
- Establishing an emergency center for managing information systems.
- Implementing a comprehensive policy for setting and monitoring acceptable risk limits.
- Applying stress testing to assess the Company's ability to withstand any extraordinary circumstances.
- Maintaining a comfortable and secure capital adequacy ratio.
- Developing a document for the authority framework.
- Developing sources for obtaining information of acceptable quality.

Periodic reports are also submitted to the Risk Management Committee, which is a subcommittee of the Board of Directors. These reports are then escalated to the Board for guidance on any appropriate actions, in line with good governance practices.

## **11 JLGC's Accomplishments in 2024, Supported by Numbers**

1. JLGC, through its various loan guarantee programs, provided guarantees for 1,855 SMEs, with a total value amounting to JOD 256.9 million. To be more precise, JLGC extended guarantees to around 231 startups, totaling JOD 22.7 million. Under the Microenterprise Support Program, loan guarantees were extended to 534 beneficiary projects with a total value of JOD 4.7 million.
2. In 2024, JLGC disbursed compensations to banks for defaulted loans amounting to JOD 4.5 million, compared to JOD 5.2 million in 2023. During 2024, JLGC disbursed approximately JOD 24.2 thousand in compensation within the Export Credit and Domestic Sales Guarantee Programs, compared to JOD 46.6 thousand paid to policyholders in 2023.
3. In 2024, JLGC recovered approximately JOD 859 thousand in paid compensation, an amount nearly matching the recoveries of 2023, which totaled around JOD 865 thousand.
4. The amount of guaranteed shipments within the Export Credit and Domestic Sales Guarantee Programs for 2024 reached JOD 187 million. These guaranteed shipments were distributed across various sectors, with the most significant being food and chemicals.
5. The data from JLGC indicates that the sales of Jordanian firms participating in the Export Credit Guarantee Program were directed to more than 372 buyers in 40 countries, with a concentration in those directed to Saudi Arabia, Switzerland, Kuwait, and Malaysia.
6. JLGC successfully signed 47 new policies with industrial companies under the Export Credit Guarantee and Domestic Sales Programs. Additionally, support was renewed for 42 Jordanian industrial exporting companies to benefit from the Industry Support and Development Fund, with an annual ceiling of JOD 35 thousand per company, which is used to cover insurance costs, including guarantee fees and inquiries about foreign buyers.
7. JLGC also recorded a 6% growth in its total revenues during 2024, compared to 2023, reaching JOD 49.1 million, compared to total revenues of JOD 46.4 million achieved in 2023.
8. The recorded growth in JLGC's revenues is the result of an increase in operating revenues, which rose from JOD 3.3 million in 2023 to JOD 3.5 million in 2024, as well as an increase in investment revenues, which grew from JOD 2.7 million in 2023 to JOD 3.2 million in 2024. Additionally, there was an increase in revenue from bond and deposit interest with the CBJ and other entities (contractually restricted), which rose from JOD 39.5 million in 2023 to JOD 41.4 million in 2024.
9. The total shareholders' equity increased from JOD 41.3 million at the end of 2023 to JOD 43 million at the end of 2024. Meanwhile, the Company's assets at the end of 2024 amounted to JOD 768 million, compared to JOD 740 million at the end of 2023.
10. JLGC was able to achieve a net profit after tax of JOD 1.8 million in 2024, which is the same as the profit achieved in 2023.

**Regarding the guarantee programs, JLGC kept conducting regular reviews of the programs with the participating entities and prepared for the launch of new programs in collaboration with the CBJ and other relevant parties as follows:**

- In 2024, JLGC, in partnership with the CBJ, focused on preparing to launch the Green Finance Guarantee Program. This initiative aims to provide guarantees for green financing offered by participating banks. It aligns with the CBJ's green finance strategy, which seeks to boost the banking sector's contribution to green financing. This program is crucial in advancing sustainable development goals and addressing the challenges of climate change and its impact on the environment. JLGC will share the risks associated with these green financings with the banks, aiming to provide better financing opportunities for SMEs and innovative projects that wish to obtain funding within the objectives and criteria outlined in this program.
- Collaboration with the German Development Bank (KfW) continued on preparing the "Guarantee for Employment" program. This is a joint program funded by the KfW, aimed at linking loan guarantees with newly created jobs within SMEs. The program focuses on expanding financial inclusion by targeting projects outside the main governorates.
- JLGC consistently leveraged digital technology to strengthen its programs, broaden its service offerings, and support operational growth by optimizing workflows and enhancing electronic integration with its key partners. JLGC has also adopted best practices and international experiences in the field of loan guarantees and export credit guarantees, creating an environment conducive to the advancement and innovation of financial technologies and digital solutions. This is part of the digital transformation project that the Company launched in early 2021, marking a significant shift in its business management. It allows the Company and the entities involved in the guarantee programs to engage more digitally, in line with the Kingdom's Economic Modernization Vision and the National Financial Inclusion Strategy adopted by the CBJ, in a comprehensive and sustainable manner.
- JLGC collaborated with the Cyber Incident Response Unit for the financial and banking sector at the CBJ to benefit from the cybersecurity services provided by the CBJ and to integrate these services into the Company's operations.
- JLGC also established an Emergency Information Systems Management Center to handle any emergency incidents that may impact the Company's information systems.

**On the cooperation agreements front, several guarantee agreements were signed with participating entities and exporters as follows:**

- JLGC persisted in its efforts within the Export Credit Guarantee Program, which is part of the Industrial Support and Development Fund (ISSF) under the Ministry of Industry, Trade, and Supply. The application process for the second round in 2024 began, and support was renewed for 42 companies that benefited from the first round starting from July 2024. The program presents a genuine opportunity for exporting companies or those wishing to export for the first time to obtain export credit guarantees. It covers credit expenses, including inquiry fees, at a rate of 50–75%, with a maximum support limit of JOD 35 thousand for each exporter per year. To qualify, the company must be Jordanian, with government ownership not exceeding 5%, and must have been

established for at least one year. Additionally, its total sales in the last year must not be zero, along with other criteria set by JLGC.

- JLGC signed a memorandum of understanding with the Export House to arrange cooperation procedures between the two parties to support the development of national exports in the Kingdom. This memorandum comes in light of the significant role played by the Export House through its various tools to support Jordanian exporters, and the role of JLGC in supporting exporters by providing credit information on importers, insurance coverage for national exports, and supporting industrial exporting companies in the Kingdom. This is vital for fostering national exports, contributing to economic growth, and reducing the trade balance and current account deficits in the Kingdom. JLGC also provided gold sponsorship for the Jordanian Export Platform for the second consecutive year. This platform offers information on Arab, regional, and global markets, providing various studies to enhance knowledge and help build global export strategies.
- JLGC and the USAID-funded Business Growth Project signed a memorandum of understanding aimed at collaborating in supporting national exports, especially first-time exporters. The agreement also focuses on facilitating supply chain financing and guarantees, as well as empowering SMEs. Under this memorandum, the USAID-funded Business Growth Project will organize various activities to promote financial inclusion, thus facilitating access to financing for SMEs and startups through the loan guarantee programs offered by the Company. The Project will also coordinate with national and international institutions supporting these businesses, in addition to sharing expertise and information on export credit guarantees.

**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, as follows:**

- JLGC participated in workshops organized by the Industrial Development and Support Fund to introduce the Export Credit Guarantee Program, highlighting its importance as one of the participating entities in the fund managed by the Ministry of Industry, Trade, and Supply. The workshops were held in the Amman Chamber of Industry, Irbid Chamber of Industry, Zarqa Chamber of Industry, and the King Hussein Bin Abdullah II Industrial City in Karak. During the workshops, a detailed explanation of the program was provided, and participants' inquiries about the application process were answered.
- JLGC, in collaboration with the Micro and Small Enterprises Productivity Development Program (IQLAA), held two workshops for financial service providers in Jordan, including banks and microfinance institutions. The two workshops were organized in collaboration between Mercy Corps, the main implementer of the (IQLAA) Program, the Middle East Investment Initiative, one of IQLAA's executing partners, and JLGC. During the two workshops, the current status of access to finance, loan guarantee programs, best practices, challenges, and opportunities faced by financial service providers and micro and small enterprises were presented through presentations and discussion sessions. Leveraging its research-based methodology, the IQLAA Program shared a set of findings and recommendations drawn from its research efforts, providing an overview of the status of micro and small enterprises in terms of their ability to access funds both globally and

locally, with a focus on loans as a common challenge faced by micro and small enterprises and financial service providers in Jordan.

With regard to social and environmental responsibility that JLGC continues to prioritize year after year the Company organized a number of community and environmental initiatives during 2024 in coordination with local community organizations. These activities are detailed in sections (19 and 21) of the report.

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

In 2024, non-recurrent transactions did not incur any financial impact, and they do not constitute primary activities within JLGC's operations.

## 13. Gains, Losses, Dividends, Shareholders' Net Equity, 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)
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	2,166,581	0	41,290,144	1
2024	2,278,722	0	43,018,028	1

\* In 2024, no monetary dividends were disbursed to shareholders.

## 14. Analysis of JLGC's Financial Position and the Results of its Activities in 2024

Description	Financial Ratio
Liquidity Ratio	604%
Profitability Ratio	3.69%
Return on Shareholder's Equity	4.22%
Return on Investment	0.24%
Debt Ratio	3.89%
Earning per share	0.06
Profitability multiplier	16.13
Share Book Value	1

Description	2024	2023	2022	2021	2020
Earnings per Share (JOD)	0.06	0.06	0.04	0.03	0.02
Return on Investment	0.24%	0.25%	0.16%	0.14%	0.08%
Return on Shareholder's Equity	4.22%	4.42%	2.91%	2.95%	1.73%
Return on Paid Up Capital	6.24%	6.28%	3.96%	3.89%	2.18%
Ownership Ratio	5.60%	5.58%	5.53%	4.80%	4.77%



<b>Fixed Assets to Shareholder's Equity</b>	7.79%	7.70%	7.67%	7.80%	8.15%
<b>Debt Ratio</b>	3.90%	3.53%	1.30%	1.20%	1.06%
<b>Total Liabilities to Total Assets</b>	94.40%	94.42%	94.47%	95.20%	95.23%
<b>Liabilities to Shareholder's Equity</b>	1684.50%	1691.86%	1708.39%	1982%	1997%
<b>Current Liabilities to Shareholder's Equity</b>	69.36%	63.19%	30.70%	24.94%	22.17%
<b>Revenue to Total Assets</b>	6.40%	6.26%	0.78%	0.65%	0.58%
<b>Circulation Ratio</b>	604%	625%	286%	1358%	1265%
<b>Working Capital (JOD)</b>	150,353,490	137,054,195	22,655,929	120,332,783	96,126,193

## 15. JLGC's Significant Future Development Plans

The budget and business plan for the year 2025 were prepared based on a set of assumptions and projections aimed at strengthening the Company's position and achieving sustainable growth in its operations. Taking into account the challenging economic conditions currently facing the business environment, and in line with the Company's strategy focused on development and innovation, JLGC intends to pursue the following key objectives and initiatives in 2025:

1. Expanding the beneficiary base of the guarantee programs and placing strong emphasis on supporting the national export sector.
2. Maintaining excellence and distinction in JLGC's developmental role by supporting MSMEs and startups, while effectively addressing their economic and financial needs and goals.
3. JLGC strives to achieve optimal operational efficiency by prioritizing the expansion of its guarantee base.
4. JLGC is committed to launching new initiatives to promote startups and 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 while remaining within acceptable risk levels.
5. Further strengthening collaboration with international donors to empower the Company and enhance its operational, human, and technological capabilities, while expanding joint business activities and facilitating the exchange of local and international expertise in loan and export credit guarantee. This will allow the Company to benefit from global best practices aimed at driving its growth.
6. Enhancing the effectiveness of JLGC's marketing efforts to better support business sector targets, while continuing to expand outreach and extend the Company's presence to reach innovative and entrepreneurial ventures, especially those owned or led by women across the Kingdom.
7. Strengthening the Company's corporate identity in light of developments and changes in the banking and export markets, with the aim of reinforcing its leading position.

8. Maintaining and strengthening the Company's active role in the field of corporate social responsibility, in alignment with its institutional identity and in a manner that further enhances its positive image within the community.
9. Strengthening the concept of sustainable development among the Company's employees, enhancing data quality, integrating environmental, social, and governance (ESG) standards into the Company's core strategy and daily operations, and strengthening the capabilities of the team on how to apply these standards as sustainability metrics.
10. Sustaining the implementation of digital projects and enhancing the efficiency and speed of internal processes through continuous development, which contributes to expanding the client base and achieving the Company's vision of digital transformation, while keeping pace with the latest developments in information technology and cybersecurity.
11. Ongoing review of the Company's policies and procedural guidelines, and the development of tools used to identify, manage, and monitor the key risks facing its operations.
12. Full compliance with all laws and regulations issued by legislative and regulatory bodies, and addressing all observations related to risks, compliance, and auditing within the specified time frame, in order to minimize the impact of any potential risks the Company may face.
13. Focusing on human competencies and developing them through providing specialized training programs that ensure added value to job requirements, while maintaining business continuity by applying succession planning and replacement strategies within the Company. This also includes retaining employees and providing the necessary requirements that enhance their satisfaction with the Company's internal environment and increase productivity.
14. The ongoing significant consequences of external and surrounding circumstances make it challenging to build predictions for the potential repercussions of external factors or even make any estimates for an entire year. However, JLGC will remain responsive to any new developments or external factors that may arise, and will work on adapting its programs and tools to ensure its ongoing management of operations in the best possible way.

## **16. External Auditor Fees**

The audit fees paid to JLGC's auditors, Ernst & Young, totaled JOD 34,220 (inclusive of tax) for the year 2024, compared to JOD 14,500 paid to Arab Professionals for the year ended 31 December 2023, also inclusive of sales tax.

## 17. The Number of Securities Owned

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

- As of 31 December 2024, and 31 December 2023, none of the legal representatives of JLGC's board members held any shares in the Company.
- As of December 31, 2024, and December 31, 2023, H.E Dr. Ibrahim Saif (Independent Board Member) owns 5,000 shares in JLGC.
- None of the relatives of JLGC's Members of the Board of Directors own any securities issued by JLGC.
- All of JLGC's Board of Directors are Jordanians.
- Neither the members of JLGC's Board of Directors nor their relatives have control over any companies.

Board Member	As of 31/12/2024	
	Name of the legal member	Number of Shares
Central Bank of Jordan (4 members)	H.E Dr. Adel Al Sharkas H.E Dr. Khaldoun Al Wshah Mr. Hussein Kofahi Ms. Maha Al Abdallat Mr. Marwan Saeed	13122250
Arab Bank	Mr. Walid Al Samhour	1973936
Cairo Amman Bank	Mr. Kamal Al Bakri	1934874
The Housing Bank	Ms. Rana Sawalha Mr. Fadi Eityani	1657100
Bank al Etihad	H.E Mrs. Nadia AL Saeed	1334868
Jordan Ahli Bank	Dr. Ahmad Al Hussein	1102454
Social Security Corporation (Independent member)	Mrs. Luma Ghaleb	524000
Dr. Ibrahim Saif (independent member)	H.E Dr. Ibrahim Saif	5000

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

- As of 31 December 2024, and 31 December 2023, no members of JLGC's Senior Executive Management held any ownership in the Company's shares.
- 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 Executive Management Members or their relatives do not have control over any entities.

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

The benefits and remunerations paid for the members of the Board of Directors in 2024 amounted to JOD 157,200 in comparison with JOD 158,890 in 2023

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Name	Position	Transportation Allowance	Bonus	Travel Allowance	Committee Allowance	Total Annual Benefits
H.E Dr. Adel Al Sharkas	Chairman of Board	9000	5000	0	0	14000
Mr. Kamal Al Bakri	Vice-Chairman	9000	5000	0	0	14000
H.E Dr. Khaldoun Al Wshah	Member	9000	5000	0	0	14000
Mr. Hussein Kofahi	Member	9000	5000	0	800	14800
Ms. Maha Al Abdallat	Member	2250	1667	0	0	3917
Mr. Marwan Saeed	Member	6750	3333	0	0	10083
H.E Mrs. Nadia ALSaeed	Member	9000	5000	0	0	14000
Dr. Ahmad Al Hussein	Member	9000	5000	0	0	14000
Mr. Walid Al Samhour	Member	9000	5000	0	800	14800
The Housing Bank	Member	9000	5000	0	800	14800
Social Security Corporation	Member	9000	5000	0	800	14800
H.E Dr. Ibrahim Saif	Member	9000	5000	0	0	14000
<b>Total</b>						<b>157200</b>

The benefits and remunerations paid for the members of the Senior Executive Management in 2024 amounted to JOD 638,689 in comparison with JOD 727,101 in 2023.

Name	Position	Annual Salaries	Transportation Allowance	Bonus	Expenses Travel Allowance	Committee Allowance	Other Benefits	Fees of the Secretary of the Board of Directors	Total
Mr. Adnan Yousef Naji	Director General since 14/4/2024	62,973	-	-	2,450	-	-	-	65,423
Dr. Mohammed Lutfi Mohammed Al Ja'fari	Director General till 13/4/2024	86,341	-	-	1,050	-	-	-	87,391
Mrs. Amal Mahmood Jaradat	Deputy Director General	70,528	-	15,728	2,550	-	-	-	88,806
Mr. Mohammad Noor Mahmoud Ahmad Al-Jabai	Manager of the Support Department	46,240	-	6,080	600	-	-	-	52,920
Mr. Issa Ismail Murshed AlTarayrah	Manager of Finance Department	45,920	-	8,910	200	-	-	3,600	58,630
Mr. Rami Awwad Ayed Samardaly	Follow ups, Indemnifications & Recoveries Department Manager	41,920	-	5,540	600	-	-	-	48,060
Mr. Ahmad Hashem Muslim Bierqdar	Risk Management and Compliance Department Manager	41,104	-	5,438	-	-	-	-	46,542
Mr. Ihab Tayseer Najeb Jebreen	Manager of the Business Development &	38,496	-	7,518	250	-	-	-	46,264

	Market Research Unit								
Mr. Saif Shibli Al Farah	Manager of Internal Audit Unit	38,384	-	7,497	-	-	-	-	45,881
Mrs. Fatima Saeed Youssef Hamdan	Export Credit Insurance and Domestic Sales Department Manager	27,136	-	5,388	1,200	-	-	-	33,724
Mr. Mahmoud Ahmed Soliman Al-Rbeihat	Manager of the Loan Guarantee Dept.	27,136	-	5,388	-	-	-	-	32,524
Mrs. Diana AlJariri AlHesan	Manager of the Credit Review Dept.	27,136	-	5,388	-	-	-	-	32,524
Total									638,689

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

## 19. Donations and Grants

In 2024, JLGC donated an amount of JOD 1,300 to organize community and environmental activities in coordination with local community organizations. JLGC also made in-kind donations as follows:

1. JLGC donated trees to farmers in the Jordan Valley, with a total of 100 trees valued at JOD 500, through the initiative "Green Jordan" as part of the Green Caravan Program, in collaboration with the Arab Group for the Protection of Nature (APN). A group of the Company's employees volunteered to plant the trees with the farmers in cooperation with the APN.
2. JLGC donated 100 winter coats for the children of Fuqaa Primary Mixed School in Karak, valued at JOD 800, as part of the "Dafa and Afaa" initiative in collaboration with the Jordan Youth Association "We Are All Jordan". Additionally, 42 leather bags were distributed to the teaching staff members. A group of the Company's employees also volunteered to distribute these items to the students and teachers at the school in Karak Governorate.

## 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:** JLGC adopted the planting of citrus trees in remote and impoverished areas, helping to provide job opportunities and a source of income for farmers. This initiative also contributes to increasing green areas, which play a vital role in preserving the environment, as part of the "Green Jordan" initiative.

JLGC's Social Activity Committee also celebrated the International Women's Day by distributing a "plant" to its employees, symbolizing growth, and giving.

- **Local Community Service:** In 2024, JLGC organized several activities to promote a culture of volunteerism and community service among its employees. These included preparing food parcels for underprivileged families during the blessed month of Ramadan in collaboration with Tkiyet Um Ali, organizing an Iftar for a group of orphaned children during Ramadan in cooperation with the Company's Social Activities Committee, holding an awareness session on breast cancer for the Company's female employees in October in partnership with the King Hussein Cancer Center, and participating in organizing the Bromine Marathon in Amman, including the children's race, in cooperation with the Jordanian Marathon Association.

JLGC also provided training opportunities for university graduates in several departments to help them complete their graduation requirements, enable them to engage in the labor market, and familiarize them with its challenges. Additionally, these opportunities allowed them to develop communication skills and gain proficiency in using computer applications.

As part of JLGC's commitment to engaging and interacting with all segments of society on various occasions, it participated in the celebrations of the Kingdom's 78th Independence Day.

In line with the Company's efforts to promote a culture of support and appreciation for women and celebrate their achievements across all their roles and platforms, the Company sent a message of gratitude and appreciation to all women workers, including its own employees, on the International Women's Day. The Company also presented them with a plant, symbolizing growth and giving, with their names attached.



## Summary of JLGC's Operational Results in 2024

For the thirty-first consecutive year, JLGC continued its journey of work and executing its mission with professionalism and competence, despite all the circumstances, challenges, and geopolitical changes, as follows:

### First: Loan Guarantee Pillar

Guaranteed loans across all categories have continued to grow and expand (excluding the National Loan Guarantee Program for the COVID-19 crisis, which was discontinued as the underlying reasons for its implementation no longer apply) as detailed below:

#### 1. Total Executed Guaranteed Loans as of 31/12 for 2023-2024

Program	2024		2023	
	No.	Guaranteed value	No.	Guaranteed value
SMEs and Housing Projects Loan Guarantees	640	39,171,704	684	37,368,226
Industrial and Services Finance Loans	442	127,110,868	366	93,132,050
Small Startups Loans	231	19,353,892	256	15,242,314
CBJ's Guarantee Program for Financing Micro and Small Companies	534	3,996,186	533	3,066,136
National Program - Covid-19	8	2,353,828	552	93,015,735
Housing Loans Program	1	31,500	1	33,000
<b>Total</b>	<b>1,856</b>	<b>192,017,978</b>	<b>2,392</b>	<b>241,857,461</b>

#### 2. The Outstanding Guaranteed Loan Portfolio as of 31/12 for the Years 2024–2023

Portfolio	2024		2023	
	No.	Guaranteed value	No.	Guaranteed value
SMEs Loan Guarantees Program	1,565	45,048,206	1,648	41,022,864
Industrial and Services Finance Loans Program	808	155,817,933	607	96,003,884
Small Startups Loans Program	799	31,350,920	815	26,676,838
CBJ's Guarantee Program for Financing Micro and Small Companies	1,018	4,309,365	801	3,657,613
National Program - Covid-19	1,853	109,604,921	3,506	216,360,026
Housing Loans Program	522	9,294,449	573	10,631,330
<b>Total</b>	<b>6,565</b>	<b>355,425,794</b>	<b>7,950</b>	<b>394,352,555</b>

### 3. Distribution of the Outstanding Guaranteed Loan Portfolio by Program as of 31/12 for the Years 2024 – 2023

Program	2024		2023	
	No.	Guaranteed value	No.	Guaranteed value
<b>SMEs Loan Guarantees Program</b>				
SMEs	810	21,778,596	977	21,528,026
SMEs Loan Guarantees	494	17,791,912	504	15,513,731
Entrepreneurship	31	679,660	35	738,771
Business Loans	230	4,798,038	131	3,242,336
<b>Total</b>	<b>1,565</b>	<b>45,048,206</b>	<b>1,648</b>	<b>41,022,864</b>
<b>Industry, Services, and Small Startups Program</b>				
Industry and services (Islamic Banks)	332	50,729,173	304	38,514,090
Industry and services (Commercial Banks)	364	102,186,614	227	55,066,997
Small Startups Program	799	31,350,920	815	26,676,838
Leasing Guarantees	2	75,077	3	242,397
Renewable Energy	2	46,345	5	135,103
Business Vehicles	108	2,780,723	68	2,045,297
<b>Total</b>	<b>1,607</b>	<b>187,168,852</b>	<b>1,422</b>	<b>122,680,722</b>
<b>National Program - Covid-19</b>				
Covid-19 Programs (Commercial Banks)	1,745	106,952,659	3,256	207,319,002
Covid-19 Programs - (Islamic Banks)	108	2,652,262	250	9,041,025
<b>Total</b>	<b>1,853</b>	<b>109,604,921</b>	<b>3,506</b>	<b>216,360,027</b>
<b>CBJ's Guarantee Program for Financing Micro and Small Companies</b>				
Covid-19 - Microfinance Loans	1,018	4,309,365	801	3,657,613
<b>Total</b>	<b>1,018</b>	<b>4,309,365</b>	<b>801</b>	<b>3,657,613</b>
<b>Total Productive Loans</b>	<b>6,043</b>	<b>346,131,344</b>	<b>7,377</b>	<b>383,721,225</b>
<b>Housing Loans Program</b>				
Housing Loans	519	9,282,800	569	10,605,361
Lands Purchase Loans	2	4,876	3	18,768
Urban Development Loans	1	6,773	1	7,201
<b>Total Housing Loan Guarantee</b>	<b>522</b>	<b>9,294,449</b>	<b>573</b>	<b>10,631,330</b>
<b>Total of All Programs</b>	<b>6,565</b>	<b>355,425,794</b>	<b>7,950</b>	<b>394,352,555</b>

#### 4. Distribution of the Outstanding Guaranteed Loan Portfolio by Governorate as of 31/12/2024

Governorate	No. of Loans	Guaranteed value
Amman	4,084	269,224,237
Balqa	253	8,452,330
Irbid	791	23,320,492
Karak	293	3,636,839
Ma'an	107	7,692,917
Tafileh	79	1,741,715
Zarqa	418	12,822,239
Ma'fra	137	13,632,519
Madaba	77	3,200,604
Jerash	63	1,405,278
Ajloun	87	777,491
Aqaba	176	9,519,133
<b>Total</b>	<b>6,565</b>	<b>355,425,794</b>

### Second: Export Credit Guarantee Pillar

The tables below illustrate JLGC's operations related to Export Credit Guarantee as follows:

#### 1. Guarantee Contracts Signed as of 31/12 for the Years 2024 and 2023

Program	No.		Value (JOD)	
	2024	2023	2024	2023
Export Credit Guarantee	110	75	396,668,873	316,915,786
Domestic Sales Guarantee	5	7	1,256,700	1,206,098
<b>Total</b>	<b>115</b>	<b>82</b>	<b>397,925,573</b>	<b>318,121,884</b>

#### 2. Guaranteed Export Shipments and Domestic Sales Executed as of 31/12 for the Years 2024 and 2023.

Program	2024		2023	
	No.	Guaranteed value	No.	Guaranteed value
Export Credit Guarantee	4,151	185,221,943	2,466	187,146,266
Domestic Sales Guarantee	678	1,881,768	3,270	580,814
<b>Total</b>	<b>4,829</b>	<b>187,103,711</b>	<b>5,736</b>	<b>187,727,080</b>

Sector	2024	2023
Food	36%	28%
Chemicals	29%	20%
Fertilizers	14%	42%
Engineering Industries	12%	5%
Textile & Clothing	5%	3%
Packaging, Paper, and Cardboard Industry	2%	0.5%
Pharmaceuticals	1%	1%
Other	1%	0.5%
<b>Total</b>	<b>100%</b>	<b>100%</b>

Continent - Region	2024	2023
Middle East & Gulf	54%	36%
Europe	23%	25%
Africa	9%	27%
Far East	7%	7%
USA & Canada	5%	4%
Other	2%	1%
<b>Total</b>	<b>100%</b>	<b>100%</b>

### Third: Claims, Indemnifications, and Recoveries Pillar

The table below demonstrates JLGC's strong commitment, diligence, and high capacity to meet its obligations, as follows:

Claims	2024	2023
SMEs and Housing Loan Guarantees	1,148,126	1,062,969
Industrial and Services Finance Loans Program	2,056,623	1,713,982
National Program - Covid-19	1,819,957	3,631,149
CBJ's Guarantee Program for Financing Micro and Small Companies	9,099	-
Export Credit and Domestic Sales Guarantee Programs	87,663	76,904
<b>Total</b>	<b>5,121,468</b>	<b>6,485,003</b>

Indemnifications	2024	2023
SMEs and Housing Loan Guarantees	775,895	631,218
Industrial and Services Finance Loans Program	1,955,949	1,447,670
National Program - Covid-19	1,806,314	3,083,832
CBJ's Guarantee Program for Financing Micro and Small Companies	10,529	6,979
Export Credit and Domestic Sales Guarantee Programs	24,232	46,686
<b>Total</b>	<b>4,572,919</b>	<b>5,216,385</b>

The table below also demonstrates JLGC's follow-up efforts and its ability to recover paid claims, as follows:

Recoveries	2024	2023
SMEs and Housing Loan Guarantees	388,148	488,726
Industrial and Services Finance Loans Program	232,319	96,043
National Program - Covid-19	236,303	274,916
CBJ's Guarantee Program for Financing Micro and Small Companies	0	0
Export Credit and Domestic Sales Guarantee Programs	2,350	4,994
<b>Total</b>	<b>859,129</b>	<b>864,679</b>

➤ The Geographical Distribution of Claims, Compensations, and Recoveries as of 31/12/2024

City/Governorate	Claims	Compensations	Recoveries
Amman	3,281,439	2,975,297	622,355
Balqa	50,594	39,984	3,711
Irbid	899,796	811,857	51,918
Karak	320,600	286,902	6,531
Ma'an	20,950	16,846	11,810
Tafileh	15,662	15,109	8,457
Zarqa	294,404	256,594	94,884
Mafrq	107,967	103,067	24,380
Madaba	4,362	3,941	13,552
Jerash	19,446	19,331	0.00
Ajloun	7,245	6,852	0.00
Aqaba	11,340	12,907	19,172
<b>*Total</b>	<b>5,033,805</b>	<b>4,548,687</b>	<b>856,770</b>

\* Export Credit Guarantee program not included.

## IT Governance and Management

Governance and management of information and technology are essential tools to ensure that all processes related to information technology and data management are conducted according to the highest standards of safety, security, and sound governance. In this context, policies and procedures have been established to ensure the effective, secure, and compliant use of technological and informational resources within the Company, with the aim of:

1. **Improving institutional performance:** By organizing the optimal use of technology and information within the Company, which helps enhance efficiency and increase productivity. This relies on ensuring the availability of accurate information at the right time and using modern technological tools that contribute to improving workflow.
2. **Data Protection:** Since information represents a significant strategic value, it is essential to ensure the confidentiality of data, protect it from any threats or leaks, and guarantee that it is not subject to unauthorized use or manipulation.
3. **Ensuring Compliance with Laws and Regulations:** This is achieved by guiding the Company on how to comply with local and international regulations related to privacy and data protection.



## JLGC's Governance Report 2024

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According to the shareholding companies governance guidelines issued by Jordan Securities Commission for 2017, applicable from 22/05/2017, 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 following the Governance Instructions for Shareholding Companies issued by the Securities Commission since their adoption in 2017. In accordance with these directions, JLGC's Board of Directors examined and altered 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 Jordan Securities Commission'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.
- **The Housing Bank:** Non-executive, non independent.
- **Cairo Amman Bank:** Non-executive, non-independent.
- **Arab Bank:** Non-executive, non-independent.
- **Jordan Ahli Bank:** Non-executive, non-independent.
- **H.E. Dr. Ibrahim Hassan Mostafa Saif:** Non-executive, independent.
- **The Social Security Corporation:** 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
- **Dr. Kamal Al Bakri:** Non-executive, non-independent.  
Representative of Cairo Amman Bank - Vice Chairman of the Board
- **H.E Mrs. Nadia AL Saeed:** Non-executive, non-independent.  
Representative of Bank al Etihad
- **Mr. Walid Al Samhouri:** Non-executive, non-independent.  
Representative of the Arab Bank
- **H.E Dr. Khaldoun Al Wshah:** Non-executive, non-independent.  
Representative of the Central Bank of Jordan
- **Dr. Ahmad Al Hussein:** Non-executive, non-independent.  
Representative of Jordan Ahli Bank

- **Mr. Hussein Kofahi:** Non-executive, non-independent.  
Representative of the Central Bank of Jordan
- **Ms. Rana Sawalha:** Non-executive, non-independent.  
Representative of the Housing Bank till 01/04/2024
- **Mr. Fadi Eityani:** Non-executive, non-independent.  
Representative Housing Bank for Trade and Finance, as of 01/04/2024
- **H.E. Dr. Ibrahim Saif:** Non-executive, independent.
- **Ms. Maha Al Abdallat:** Non-executive, non-independent.  
Representative of the Central Bank of Jordan till 01/04/2024
- **Mr. Marwan Saeed:** Non-executive, non-independent.  
Representative of the Central Bank of Jordan as of 01/04/2024
- **Mrs. Luma Ghaleb:** Non-executive, independent.  
Representative of the Social Security Corporation

#### **D. Executive positions within JLGC and the individuals holding these positions**

- **Mr. Adnan Yousef Mohammed Naji** - Director General as of 14/04/2024.
- **Dr. Mohammed Lutfi Mohammed Al Ja'fari**- Director General till 13/04/2024.
- **Mrs. Amal Mahmood Ahmad Jaradat** - Deputy Director General
- **Mr. Issa Ismail Murshed AlTarayrah** - Manager of the Finance Department/ Secretary of the Board of Directors.
- **Mr. Rami Awwad Samardaly** - Follow ups, Indemnifications & Recoveries Department Manager.
- **Mrs. Diana Hamed Aljariri** - Manager of the Credit Review Department.
- **Mr. Mohammad Noor Aljabie** - Manager of the Support Services Department.
- **Mrs. Fatima Sae'd Hamdan** - Export Credit Insurance and Domestic Sales Department Manager.
- **Mr. Mahmoud Ahmad Al Rbeihat** - Manager of the Loan Guarantee Department
- **Mr. Ahmad Hashem Bierqdar** - Risk Management and Compliance Department Manager.
- **Mr. Saif Shibli Al Farah** - Internal Audit Unit Manager.
- **Mr. Ihab Tayseer Jebreen** - Business Development & Market Research Unit Manager.

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

- **H.E Dr. Adel Ahmad Ismail Al Sharkas:**  
He holds a membership in the Board of Directors of the following Jordanian Public Shareholding Company:
  - Jordan Mortgage Refinance Company.
- **Dr. Kamal Al Bakri:**  
He holds a membership in the Board of Directors of the following Jordanian Public Shareholding Company:
  - Jordan Express Tourist Transportation Company (JETT).

- Jordan Insurance Company
- Real Estate Portfolio Co.

▪ **H.E Mrs. Nadia ALSaeed:**

She has no other board memberships in Jordanian public shareholding companies.

▪ **Mr. Walid Al Samhour:**

He has no other board memberships of Jordanian public shareholding companies.

▪ **H.E Dr. Khaldoun Al Wshah:**

He has no other board memberships of public shareholding companies.

▪ **Dr. Ahmad Al Hussein:**

He holds a membership in the Board of Directors of the following Jordanian Public Shareholding Company:

- Jordan Worsted Mills Company

▪ **Mr. Hussein Kofahi:**

He has no other board memberships of Jordanian public shareholding companies.

▪ **Ms. Rana Sawalha:**

She has no other board memberships in Jordanian public shareholding companies till 01/04/2024.

▪ **Mr. Fadi Eityani:**

He has no other board memberships of Jordanian public shareholding companies as of 01/04/2024

▪ **H.E. Dr. Ibrahim Saif:**

He holds a membership in the Board of Directors of the following Jordanian Public Shareholding Company:

- Jordan National Marine Lines Company
- Safwa Islamic Bank.

▪ **Ms. Maha Al Abdallat:**

She has no other board memberships in Jordanian public shareholding companies till 01/04/2024.

▪ **Mr. Marwan Saeed:**

He has no other board memberships of Jordanian public shareholding companies as of 01/04/2024

▪ **Mrs. Luma Ghaleb:**

She has no other board memberships in Jordanian public shareholding companies.

## **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 Procurement Committee.

## **H - The names of the Chairman and Members of the Audit Committee, along with a brief overview of their qualifications and experience related to financial or accounting matters.**

- The Head of the Committee is Mr. Hussein Kofahi, with the membership of Mr. Walid Al Samhouri, Mrs. Luma Ghaleb and Mr. Fadi Eityani instead of Ms. Rana Sawalha as of 29/04/2024.
- **Mr. Hussein Kofahi:**
  - Master's in Banking and Financial Sciences/Arabic Institute of Banking Studies 1995.
  - Bachelor's in Accounting /Al Yarmouk University 1987.
  - Executive Manager/Banking Supervision/Central Bank of Jordan 2022.
  - Advisor/Banking Supervision Department/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 in the Central Bank/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.
- **Mr. Walid Al Samhouri**
  - Master's in Economics, University of Jordan, 1994.
  - Bachelor's in Economics & Public Administration, University of Jordan, 1985.
  - Senior Vice President – Credit Department, 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 branches and the External Banking Unit - Bahrain.
  - Chairman of Arab Sudanese Bank- Sudan.
  - Board Member at Arab Tunisian Bank.
  - Board Member - Arab Omani Bank.

- **Mrs. Luma Ghaleb:**

- Bachelor's in 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 in a number of companies, as follows:
- The Jordanian Loan Guarantee Corporation 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.

- **Ms. Rana Sawalha till 01/04/2024:**

- Holds CPA Certificate/Illinois Board of Accountancy 1999.
- Member of the Jordanian Association of Certified Public Accountants since 2001.
- Bachelor's in Accounting – Minor Business Administration - University of Jordan 1993.
- Senior Deputy Executive Manager – Group Finance at the Housing Bank 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, 2001.
- Senior Auditor At Ernst & Young EY From 1994 - 2000.

- **Mr. Fadi Eityani as of 29/4/2024:**

- Bachelor's degree in Banking and Financial Sciences/Al Al Bayt University, Jordan, 2001.
- Executive Director – Retail Credit Department at Housing Bank (2019 till now).
- Director of the Retail Loan's Center/Housing Bank (2016-2019).
- Head of the Personal Loans Unit/Housing Bank (2016-2011).
- Head Loans' Officer and Deputy Manager of the Personal Loan Unit/ Housing Bank (2008-2010).
- Loan's Officer/Housing Bank (2001-2008).
- Former Board Member of the Specialized Leasing Company.
- Former Board Member of the Jordan Real Estate Investments Co.

## **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 H.E 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 H.E Dr. Ibrahim Saif, with the membership of Mr. Kamal Al Bakri, and Mr. Marwan Saeed, instead of Ms. Maha Al Abdallat as of 29/04/2024.

- **Risk Management Committee:** The Head of the Committee is H.E. Mrs. Nadia ALSaeed, with the membership of H.E. Dr. Ibrahim Saif, Dr. Ahmad Al Hussein, Mr. Marwan Saeed, instead of Ms. Maha Al Abdallat, as of 29/04/2024 and Mr. Adnan Naji instead of H.E. Dr. Mohammed Al Ja'fari as of 14/04/2024.

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

- **Audit Committee:** The Audit Committee held seven meetings, with all members in attendance except for Mr. Walid Al Samhour, who did not attend the first meeting, and Mrs. Luma Ghaleb, who did not attend the seventh meeting.
- **Risk Management Committee:** The Risk Management Committee held two meetings, with all members in attendance except for Ms. Maha Al Abdallat who did not attend the first meeting.
- **Nomination and Remuneration Committee:** The Nomination and Remuneration Committee held five meetings, with all members in attendance.
- **Governance Committee:** The Nomination and Remuneration Committee held two meetings.

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

- The Audit Committee met with the External Auditor twice, on 28/04/2024 and 08/10/2024.

#### 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 nine meetings. The following table shows a record of attendance.

Name	1 <sup>st</sup> Meeting	2 <sup>nd</sup> Meeting	3 <sup>rd</sup> Meeting	4 <sup>th</sup> Meeting	5 <sup>th</sup> Meeting	6 <sup>th</sup> Meeting	7 <sup>th</sup> Meeting	8 <sup>th</sup> Meeting	9 <sup>th</sup> Meeting
	3/1	11/2	26/3	29/4	10/6	28/7	18/9	29/10	29/12
H.E. Dr. Adel Al Sharkas	Attended	Attended	Absent/ Justified Excuse	Absent/ Justified Excuse	Attended	Attended	Attended	Attended	
Mr. Kamal Al Bakri	Attended	Attended	Attended	Attended	Attended	Attended	Absent/ Justified Excuse	Attended	Attended
H.E. Mrs. Nadia ALSaeed	Attended	Attended	Attended	Attended	Attended	Attended	Absent/ Justified Excuse	Absent/ Justified Excuse	Attended
H.E. Dr. Ibrahim Saif	Attended	Absent/ Justified Excuse	Attended	Absent/Justified Excuse	Attended	Attended	Attended	Attended	Absent/ Justified Excuse
H.E. Dr. Khaldoun Al Wshah	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended
Mr. Walid Al Samhour	Attended	Attended	Attended	Attended	Attended	Attended	Absent/ Justified Excuse	Attended	Attended
Ms. Rana Sawalha	Attended	Attended	Attended						
*Mr. Fadi Eityani				Attended	Attended	Attended	Attended	Absent/ Justified Excuse	Absent/ Justified Excuse



**Jordan Loan Guarantee Corporation - Public Shareholding limited Company**  
**31st Annual Report For 2024**

<b>Dr. Ahmad Al Hussein</b>	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended
<b>Mr. Hussein Kofahi</b>	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended
<b>Ms. Maha Al Abdallat</b>	Attended	Attended	Attended						
<b>**Mr. Marwan Saeed</b>				Attended	Attended	Attended	Attended	Attended	Attended
<b>H.E. Mrs. Luma Ghaleb</b>	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended

\* Mr. Fadi Eityani was appointed instead of Ms. Rana Sawalha on 01/04/2024.

\*\*Mr. Marwan Saeed was appointed instead of Ms. Maha Al Abdallat on 01/04/2024

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



## Board of Directors Declarations 2024

### Declaration 1:

The Board of Directors of the Jordan Loan Guarantee Corporation (JLGC) affirms that, to the best of its knowledge, there are no material matters or conditions that may adversely impact the Company's ability to continue as a going concern during the financial year 2025.

### Declaration 2:

The Board of Directors acknowledges its responsibility for preparing the financial statements and ensuring the implementation of an effective control system within the Company.

Name	Position	Signature
H.E.Dr. Adel Ahmed Ismail Al Sharkas	Chairman of Board	
Dr. Kamal Gharib Abdel-Rahim Al-Bakri	Vice Chairman of Board	
H.E. Dr. Khaldoun Abd Allah AlWshah	Member of the Board of Directors	
H.E. Mrs. Nadia Hilmi Al Saeed	Member of the Board of Directors	
Dr. Ahmad Awad Al Hussein	Member of the Board of Directors	
Mr. Walid Muhi Eddin Al Samhour	Member of the Board of Directors	
Mr. Marwan Adib Farhan Saeed	Member of the Board of Directors	
Mr. Hussein Ahmad Raji Kofahi	Member of the Board of Directors	
Mr. Fadi Ghaleb Eityani	Member of the Board of Directors	
Mrs. Luma Ghaleb Salih Abdullah	Member of the Board of Directors	
H.E. Dr. Ibrahim Hassan Mostafa Saif	Member of the Board of Directors	

### Declaration 3:

We, the undersigned, certify the accuracy, completeness, and validity of the information and data presented in the Company's Annual report for 2024.

Name	Position	Signature
H.E. Dr. Adel Ahmed Ismail Al Sharkas	Chairman of Board	
Mr. Adnan Yousef Mohammed Naji	Director General	
Mr. Issa Ismail Murshed AlTarayrah	Manager of Finance Department	

**JORDAN LOAN GUARANTEE CORPORATION**  
**(PUBLIC SHAREHOLDING COMPANY)**

**FINANCIAL STATEMENTS**

**31 DECEMBER 2024**

## **INDEPENDENT AUDITOR'S REPORT**

**To the shareholders of the Jordan Loan Guarantee Corporation Company – Public Shareholding Company**  
**Amman – Jordan**

### **Report on the Audit of the Financial Statements**

#### **Opinion**

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

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

#### **Basis for Opinion**

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

#### **Other matter**

The financial statements for the year ended 31 December 2023 were audited by another auditor who expressed an unqualified opinion on 14 February 2024.

#### **Key Audit Matters**

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

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

<b>Adequacy of the provision for expected credit losses on loans guaranteed by the Company's programs and for programs funded by loans from the Central Bank and other entities (note 15)</b>	
<b>Key audit matter</b>	<b>How the key audit matter was addressed</b>
<p>The process of estimating expected credit losses for loans guaranteed by the Company's programs and programs funded by loans from the Central Bank and other entities, in accordance with International Financial Reporting Standard No. (9), is important, complex, and requires significant judgment.</p> <p>This matter was considered a key audit matter as its estimation requires assumptions and management's use of estimates to calculate the extent and timing of recording expected credit losses.</p> <p>The provision for guaranteed loans is determined by the Company in accordance with the Company's policy for expected credit loss provisions which is consistent with the requirements of International Financial Reporting Standard (IFRS) No. (9).</p> <p>Loans guaranteed by the Company constitute a significant portion of the Company's business, and there is a possibility that the recorded expected credit loss provision may be inaccurate, whether due to the use of inaccurate underlying data or unreasonable assumptions. Given the importance of the judgments used in classifying the Company's guaranteed loans into different stages, as stipulated in International Financial Reporting Standard No. (9), the audit procedures in this regard were considered a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>- Understanding the nature of the loans guaranteed by the Company's programs and programs funded by loans from the Central Bank and other entities, as well as testing the internal controls used in the loan guarantee and credit monitoring process, and assessing the effectiveness of the key procedures followed in the loan guarantee process.</li> <li>- Assessing the expected credit loss policy and comparing it with the requirements of International Financial Reporting Standards and the instructions and circulars issued by regulatory authorities.</li> <li>- Understanding the expected credit loss model used in calculating provisions and its consistency with the requirements of International Financial Reporting Standard (9) and relevant regulatory guidelines and directives.</li> </ul> <p>We evaluated the disclosures in the financial statements to ensure their consistency with International Financial Reporting Standard (9).</p>

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

**ERNST & YOUNG**  
Amman - Jordan

Amman – Jordan  
9 February 2025

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

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

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

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

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

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

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

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

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

**JORDAN LOAN GUARANTEE CORPORATION - PUBLIC SHAREHOLDING COMPANY**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

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

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

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

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

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

**(1) GENERAL**

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

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

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

**(2) BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES**

**(2-1) BASIS OF PREPARATION**

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

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

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

**(2-2) CHANGES IN ACCOUNTING POLICIES**

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

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

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

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



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

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

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

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

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

### **Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7**

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

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

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

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

## **(2-3) MATERIAL ACCOUNTING POLICY INFORMATION**

### **Cash and cash equivalents**

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

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

**Financial assets at fair value through other comprehensive income statement**

These financial assets represent investments in proprietary instruments for the purpose of holding them for the long term.

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

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

Dividends are recorded in the income statement.

**Financial assets at amortized cost**

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

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

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

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

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

### **Impairment of financial assets**

The Company recognizes expected credit losses on:

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

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

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

#### **Stage (1)**

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

#### **Stage (2)**

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

#### **Stage (3)**

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

### **Significant increase in credit risk**

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

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

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

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

### **Fair Value Measurement**

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

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

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

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

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

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

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

Level I: Market prices declared in active markets for similar assets and liabilities.

Level II: Other techniques where they are on inputs have an important impact on fair value and can be observed directly or indirectly.

Level III: Other techniques where inputs are used that have an important impact on fair value but are not based on observable market information.

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

### **Property, Plant & Equipment**

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

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

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

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

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

### **Payables and accruals**

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

### **Provisions**

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

### **Impairment of non-financial assets**

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

### **Revenue recognition**

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

### **Loan guarantee commissions**

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

### **Exports and domestic buyers guarantee commissions**

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

### **Bank interest income**

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

### **Dividends**

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

### **Other income**

Other income is recognized according to the accrual principle.

### **Income tax**

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

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

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

### **Foreign Currencies**

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

### **Current versus non-current classification**

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

An asset is current when it is:

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

All other assets are classified as non-current assets.

A liability is current when:

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

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

### **Offsetting**

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



### **Contingent assets and liabilities**

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

### **(3) USES OF ESTIMATES**

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

### **Useful lives of property, plant and equipment**

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

### **Expected credit losses**

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

### **Income tax provision**

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

**(4) BALANCES OF GRANTED CEILINGS AND GUARANTEED LOANS**

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

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

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

**(5) CASH AND BALANCES AT BANKS**

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

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

Movement on the expected credit losses provision is as follows:

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

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

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

**(6) TERM BANK DEPOSITS**

	31 December 2024		
	Deposits maturing in more than three months and up to six months	Deposits maturing within six months and up to one year	Total
	JD	JD	JD
Term deposits	-	2,248,111	2,248,111
Less: provision for expected credit losses	-	(7,291)	(7,291)
	<u>-</u>	<u>2,240,820</u>	<u>2,240,820</u>
	31 December 2023		
	Deposits maturing in more than three months and up to six months	Deposits maturing within six months and up to one year	Total
	JD	JD	JD
Term deposits	3,470,021	7,992,435	11,462,456
Less: provision for expected credit losses	(6,079)	(38,231)	(44,310)
	<u>3,463,942</u>	<u>7,954,204</u>	<u>11,418,146</u>

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

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

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

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

The details of the restricted bank deposits are as follow:

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

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

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

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

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

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

**(8) FINANCIAL ASSETS AT AMORTIZED COST**

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

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

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

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

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

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

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

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

**(10) RECEIVABLES AND OTHER DEBIT BALANCES**

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

**JORDAN LOAN GUARANTEE CORPORATION - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**(11) PROPERTY AND EQUIPMENT**

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



**JORDAN LOAN GUARANTEE CORPORATION - PUBLIC SHAREHOLDING COMPANY**  
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**31 DECEMBER 2024**

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

**(12) EQUITY**

**Share Capital**

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

**Statutory Reserve**

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

**Voluntary Reserve**

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

**(13) CONTRACTUALLY RESTRICTED PROVISIONS - CENTRAL BANK**

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

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

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

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

**(14) CONTRACTUALLY RESTRICTED PROVISIONS – OTHER ENTITIES**

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

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

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

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

**(15) PROVISION FOR EXPECTED CREDIT LOSSES**

This item consists of the following:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**(21) SMALL BUSINESS STARTUP LOANS**

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

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

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

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

**(22) DEFERRED GRANT INTEREST INCOME**

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

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



**(23) PAYABLES AND OTHER CREDIT BALANCES**

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

**(24) INCOME TAX**

**Income tax provision -**

The movement on the income tax provision is as follows:

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

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

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

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

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

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

**Deferred tax assets -**

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

The details of this items are as follows:

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

The movement on deferred tax assets is as follows:

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

**(25) GENERAL AND ADMINISTRATIVE EXPENSES**

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

**(26) EARNING PER SHARE FOR THE YEAR**

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

**(27) SHARES REGISTERED IN THE COMPANY'S NAME**

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

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

**(28) RELATED PARTIES' TRANSACTIONS**

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

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

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

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

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

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

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

## **(29) CONTINGENT LIABILITIES**

### **LAWSUITS-**

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

**(30) ASSETS AND LIABILITIES MATURITY ANALYSIS**

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

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

**(31) INTEREST RATE REPRICING GAP**

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

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



**(32) OPERATING SEGMENTS**

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

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

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

**(33) FAIR VALUE OF FINANCIAL INSTRUMENTS**

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

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

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

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

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

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

**(34) RISK MANAGEMENT**

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

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

### **Credit risk**

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

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

### **Currency risk**

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

### **Shares' prices fluctuating risk**

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

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

	Impact on equity <hr/> JD
<b>2024</b>	
Amman Stock Exchange	45,674
<b>2023</b>	
Amman Stock Exchange	45,830

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

### **Interest rate risk**

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

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

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

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

**2024 -**

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

**2023 -**

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

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

**Liquidity risk**

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

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

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

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

**(35) CAPITAL MANAGEMENT**

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

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

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

**(36) STANDARDS ISSUED BUT NOT YET EFFECTIVE**

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

**Lack of exchangeability – Amendments to IAS 21**

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

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

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

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

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

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

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

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

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

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

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

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

### **IFRS 18 Presentation and Disclosure in Financial Statements**

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

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

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

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

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

### **IFRS 19 Subsidiaries without Public Accountability: Disclosures**

In May 2024, the IASB issued IFRS 19, which allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards.

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

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

### **(37) PREVIOUS YEARS RESTATEMENT**

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

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

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

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



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

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

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

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

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