JORDAN LOAN GUARANTEE CORPORATION
(PUBLIC SHAREHOLDING COMPANY)

FINANCIAL STATEMENTS

31 DECEMBER 2025

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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 Jordan Loan Guarantee Corporation Company - Public Shareholding Company (the "Company") which comprise the statement of financial position as at 31 December 2025, the statement of income, the statement of comprehensive income, the statement of changes in equity, and the 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 2025, 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.

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.

<table>
<tr><th colspan="2">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)</th></tr>
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Key Audit matter

The process of estimating expected credit losses for loans guaranteed by the Company's programs and programs funded by loans from the Central Bank and other entities, in accordance with International Financial Reporting Standard No. (9), is important, complex, and requires significant judgment.

This matter was considered a key audit matter as its estimation requires assumptions and management's use of estimates to calculate the extent and timing of recording expected credit losses.

The provision for guaranteed loans is determined by the Company in accordance with the Company's policy for expected credit loss provisions which is consistent with the requirements of International Financial Reporting Standard (IFRS) No. (9).

Loans guaranteed by the Company constitute a significant portion of the Company's business, and there is a possibility that the recorded expected credit loss provision may be inaccurate, whether due to the use of inaccurate underlying data or unreasonable assumptions. Given the importance of the judgments used in classifying the Company's guaranteed loans into different stages, as stipulated in International Financial Reporting Standard No. (9), the audit procedures in this regard were considered a key audit matter.

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 2025 amounted to JD 378,388,486 and the related expected credit losses provision amounted to JD 33,789,208. The expected credit losses provision policy is presented in the accounting policies followed in the preparation of these financial statements within note (2).

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How the key audit matter was addressed

Our audit procedures included the following:

- Understanding the nature of the loans guaranteed by the Company's programs and programs funded by loans from the Central Bank and other entities, as well as testing the internal controls used in the loan guarantee and credit monitoring process, and assessing the effectiveness of the key procedures followed in the loan guarantee process.

- Assessing the expected credit loss policy and comparing it with the requirements of International Financial Reporting Standards and the instructions and circulars issued by regulatory authorities.

- Understanding the expected credit loss model used in calculating provisions and its consistency with the requirements of International Financial Reporting Standard (9) and relevant regulatory guidelines and directives.

We evaluated the disclosures in the financial statements to ensure their consistency with International Financial Reporting Standard (9).

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Other information included in the Company’s 2025 annual report

Other information consists of the information included in the Company’s 2025 Annual Report other than the financial statements and our auditor’s report thereon. Management is responsible for the other information. The Company’s 2025 Annual Report is expected to be made available to us after the date of this auditor’s report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

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

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

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

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

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

Auditor’s Responsibilities for the Audit of the Financial Statements

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

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exist, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

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

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

Amman – Jordan
10 February 2026

ERNST & YOUNG
Amman - Jordan

JORDAN LOAN GUARANTEE CORPORATION - PUBLIC SHAREHOLDING COMPANY
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025

	Notes	31 December 2025	31 December 2024
		JD	JD
ASSETS			
Cash and balances at banks	5	18,459,956	15,667,174
Term deposits at banks	6	2,897,350	2,240,820
Restricted bank deposits	7	180,724,088	156,962,945
Restricted financial assets at amortized cost	7	566,000,848	555,883,913
Financial assets at amortized cost	8	27,207,882	27,208,342
Financial assets at fair value through other comprehensive income	9	2,135,106	1,024,516
Receivables and other debit balances	10	3,198,823	3,460,300
Deferred tax assets	25	2,230,087	1,860,798
Properties and equipment	11	3,288,985	3,349,480
Total assets		806,143,125	767,658,288
EQUITY AND LIABILITIES			
Equity			
Paid-in capital	12	29,080,310	29,080,310
Statutory reserve	12	2,945,986	2,690,932
Voluntary reserve	12	2,204,824	2,204,824
Fair value reserve		828,192	344,407
Retained earnings		10,425,958	8,697,555
Total equity		45,485,270	43,018,028
Liabilities			
Contractually restricted provisions - Central Bank of Jordan	13	131,289,835	118,546,169
Contractually restricted provisions - other entities	14	5,187,243	5,243,987
Expected credit losses provision	15	33,789,208	19,506,013
Central Bank of Jordan loan - industrial loans guarantee program	16	5,160,695	5,160,695
Central Bank of Jordan Loan - exports credit guarantee program	17	99,999,277	99,999,277
Central Bank of Jordan Loan - housing loan guarantee program- facilitated housing	18	100,000,000	100,000,000
Central Bank of Jordan Loan - confronting Covid-19 pandemic program	19	300,000,000	300,000,000
Ministry of Planning deposits	20	1,248,500	1,248,500
Startup micro project’s loans	21	64,519,356	64,429,883
Deferred grants interest income	22	1,130,352	2,176,975
KFW Bank Grant - Employment Guarantee Program	23	9,873,592	-
Payables and other credit balances	24	7,868,425	7,663,386
Income tax provision	25	591,372	665,375
Total liabilities		760,657,855	724,640,260
Total equity and liabilities		806,143,125	767,658,288

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 2025

	Notes	2025	2024
		JD	JD
Revenues			
Interest income from bonds and deposits of the Central Bank and other entities (contractually restricted)		42,410,514	41,443,331
Other bank deposits' interest		1,277,028	1,266,816
Interest income from investments in financial assets at amortized cost		1,955,753	1,810,009
Loans guarantee commissions		957,372	1,002,445
Exports and domestic buyers' guarantee commissions		604,956	534,785
Industrial financing and services guarantee commissions		1,770,402	1,309,335
National program for confronting Covid-19 and micro loan guarantee commissions		328,993	616,937
Green financing program guarantee Commissions		45	-
Investments' dividends received		90,000	90,000
Managing Central Bank of Jordan programs loans commissions	13	1,286,649	1,062,598
Other revenues		18,087	50
Total revenues		50,699,799	49,136,306
Less:			
General and administrative expenses	26	(2,617,206)	(2,564,101)
Provision for expected credit losses for programs financed by the loans of the Central Bank and other entities (contractually restricted)	15	(12,443,558)	(1,915,820)
Provision for expected credit losses related to Company's programs	15	(3,174,072)	(2,887,690)
(Provision) recovered from provision for expected credit losses related to deposits and bonds	5,6,8	(2,465)	37,538
Finance costs for Central Bank loans		(5,017,354)	(5,050,198)
Contractually restricted provisions expense	13,14	(24,949,602)	(34,477,313)
Total expenses		(48,204,257)	(46,857,584)
Profit for the year before income tax		2,495,542	2,278,722
Income tax expense for the year	25	(512,085)	(464,357)
Profit for the year		1,983,457	1,814,365
		Fils/ JD	Fils/ JD
Basic and diluted earnings per share for the profit of the year	27	0/068	0/062

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

	2025	2024
	JD	JD
Profit for the year	1,983,457	1,814,365
Add: Other comprehensive income items		
Change in fair value of financial assets through other comprehensive income	483,785	(86,481)
Total comprehensive income for the year	2,467,242	1,727,884

JORDAN LOAN GUARANTEE CORPORATION - PUBLIC SHAREHOLDING COMPANY
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2025

	Paid in capital	Statutory reserve	Voluntary reserve	Fair value reserve	Retained earnings	Total
	JD	JD	JD	JD	JD	JD
2025 -						
Balance as at 1 January 2025	29,080,310	2,690,932	2,204,824	344,407	8,697,555	43,018,028
Total comprehensive income for the year	-	-	-	483,785	1,983,457	2,467,242
Statutory reserve	-	255,054	-	-	(255,054)	-
Balance as at 31 December 2025	29,080,310	2,945,986	2,204,824	828,192	10,425,958	45,485,270
2024 -						
Balance as at 1 January 2024	29,080,310	2,457,560	2,204,824	430,888	7,116,562	41,290,144
Total comprehensive income for the year	-	-	-	(86,481)	1,814,365	1,727,884
Statutory reserve	-	233,372	-	-	(233,372)	-
Balance as at 31 December 2024	29,080,310	2,690,932	2,204,824	344,407	8,697,555	43,018,028

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 2025

	Notes	2025	2024
		JD	JD
Operating activities			
Profit for the year before income tax		2,495,542	2,278,722
Adjustments for -			
Depreciation	11	114,597	102,627
Provision for expected credit losses for programs financed by the loans of the Central Bank and other entities (contractually restricted)	15	12,443,558	1,915,820
Provision for expected credit losses related to Company's programs	15	3,174,072	2,887,690
Provision (recovered from provision) for expected credit losses for bonds and deposits	5, 6, 8	2,465	(37,538)
Interest income from bonds and deposits of the Central Bank and other entities (contractually restricted)		(42,410,514)	(41,443,331)
Interest income from other bank deposits		(1,277,028)	(1,266,816)
Interest income from financial assets at amortized cost		(1,955,753)	(1,810,009)
Investments' dividends		(90,000)	(90,000)
Finance costs for Central Bank loans		5,017,354	5,050,198
Contractually restricted provisions expense	13, 14	24,949,602	34,477,313
End-of-service indemnity provision		19,237	19,799
Board of Directors' remuneration provision		55,000	55,000
Gain on sale of property and equipment		(485)	-
Deferred grants income		(13,450)	-
Changes in working capital:			
Receivables and other debit balances		236,651	(373,163)
Payables and other credit balances		144,252	(1,201,057)
KFW Bank Grant – Employment Guarantee Program		9,873,592	
Contractually restricted provisions		(13,577,022)	(11,148,443)
End-of-service indemnity provision paid		-	(436,229)
Income tax paid	25	(979,986)	(833,426)
Net cash flows used in operating activities		(1,778,316)	(11,852,843)
Investing activities			
Purchase of property and equipment	11	(54,217)	(272,761)
Term deposits at banks		(656,530)	-
Dividends income received		90,000	90,000
Purchase of restricted financial assets at amortized cost		(9,996,190)	9,214,345
Financial assets at fair value through other comprehensive income		(600,000)	(10,742,000)
Interest received		3,233,241	3,076,825
Term bank deposits and restricted bank		(23,761,143)	(23,529,650)
Interest income from bonds and deposits of the Central Bank and other entities (contractually restricted) received		42,289,769	41,443,331
Proceeds from the sale of property and equipment		600	-
Net cash flows from investing activities		10,545,530	19,280,090
Financing activities			
Finance costs paid		(5,017,354)	(5,050,198)
Startup micro-projects loans		(957,150)	(957,150)
Net cash flows used in financing activities		(5,974,504)	(6,007,348)
Net increase in cash and cash equivalents		2,792,710	1,419,899
Cash and cash equivalents at beginning of the year		15,677,628	14,257,729
Cash and cash equivalents at end of the year	5	**18,470,338**	**15,677,628**

(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 JD, divided into 29,080,310 shares with a nominal value of one JD 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 10 February 2026.

(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 2024 except for the adoption of new amendments on the standards effective as of 1 January 2025.

Lack of exchangeability - Amendments to IAS 21
For annual reporting periods beginning on or after 1 January 2025, Lack of Exchangeability – Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates specifies 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 did not have a material impact on the Company's financial statements.

(2-3) MATERIAL ACCOUNTING POLICIES 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

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 calculates expected credit losses on debt instruments classified within the held-to-maturity portfolio or within the fair value through other comprehensive income portfolio. These financial assets include:

- Letters of guarantee issued to financing institutions and issuers
- Deposits with banks
- Financial assets at amortized cost
- Receivables and other debit balances

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 represent the lifetime ECL of the debt instrument, weighted by the probability of default expected within the next 12 months.
- Stage (2): Under -Monitoring 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 evidence indicating the customer’s strong current and future financial position, based on a credit study showing that expected cash flows are sufficient to cover the obligations due under the agreed contractual terms. The customers regularly meet payments as they fall due, based on the available information provided by financing institutions.
2. 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.
3. Expected credit losses for these assets are recognized for a period of (12) months, resulting from possible default events within (12) months.
4. 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 evidence indicating a deterioration in the customer’s financial position that affects their ability to continue meeting their contractual obligations when due, based on the information available to us from financing institutions.

2. 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.
3. 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.
4. At this stage, interest/return is calculated on the gross carrying amount of the debt instrument without deducting the provision amount.

Stage (3)

1. There is evidence indicating a deterioration in the customer's financial condition, or a failure in one of the key projects on which the customer primarily relies to meet its obligations, or the issuance of legal judgments against the customer that negatively affects the adequacy of available repayment sources to recover the full value of the customer's credit exposures. This assessment is based on the information available to us from financing institutions.

2. 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.
3. Lifetime expected credit losses for these assets are recognized, resulting from potential default events over the life of the financial instrument.
4. 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
Expected credit losses (ECL) are measured and provided for at an amount equal to the 12-month expected credit losses for Stage 1 assets, or lifetime expected credit losses for Stage 2 and Stage 3 assets. A financial asset moves to Stage 2 when there has been a significant increase in credit risk since initial recognition.

Since IFRS 9 does not provide a specific quantitative definition for what constitutes a significant increase in credit risk, the Company assesses this based on a combination of quantitative and qualitative indicators, taking into consideration reasonable and supportable forward-looking information to ensure an accurate and objective measurement of credit risk.

Mechanism adopted for calculating expected credit losses (ECL) on financial instruments
The ECL calculation incorporates the definitions and monitoring mechanisms related to the Probability of Default (PD) and Loss Given Default (LGD).

Probability of Default (PD): The Probability of Default represents the likelihood that a customer will fail to meet their credit obligations or will experience payment delinquency within a specific period. The Company estimates PD using internationally recognized methodologies and models that comply with the expected credit loss requirements, on a Point-in-Time basis. These estimates incorporate historical and current data, along with forward-looking macroeconomic factors, ensuring a balanced and accurate assessment of credit risk.

Loss Given Default (LGD): represents the percentage of the credit exposure expected to be lost in the event of default. The Company estimates LGD based on historical recovery rates relative to compensation paid to customers, consistent with the nature of each program and in accordance with the requirements of the ECL framework.

Expected credit losses represent a probability-weighted estimate of credit losses. The Company measures ECL on financial instruments using a range of economic indicators relevant to the specific financial asset, incorporating forward-looking assessments in accordance with the IFRS 9 ECL model.

Fair Value Measurement

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Revenue recognition

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

Loan guarantee commissions

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

Exports and domestic buyers guarantee commissions

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

Bank interest income

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

Dividends

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

Other income

Other income is recognized according to the accrual principle.

Income tax

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

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

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

Foreign Currencies

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

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

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

All other assets are classified as non-current assets.

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

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

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

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

(3) USES OF ESTIMATES

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

Useful lives of property, plant and equipment

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

Expected credit losses

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

Income tax provision

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

(4) BALANCES OF GRANTED CEILINGS AND GUARANTEED LOANS

	Loan ceiling		Guaranteed amount	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	JD	JD	JD	JD
Housing loans guarantee program *	10,126,906	15,145,906	7,780,324	9,294,449
Production loans guarantee program*	46,665,867	47,732,959	47,236,256	44,368,546
Exports credit and domestic buyers guarantee *	7,484,506	7,365,954	7,484,506	7,365,955
Industrial financing and services*	221,715,042	155,817,932	221,715,042	155,817,932
Startup micro projects **	39,255,527	31,350,920	39,255,527	31,350,920
Entrepreneurial projects guarantee program **	628,867	679,660	628,867	679,660
National program for combating Covid-19 and micro loan guarantee **	53,018,383	113,914,287	53,018,383	113,914,287
Green Financing Program **	1,269,581	-	1,269,581	-
	380,164,679	372,007,618	378,388,486	362,791,749

* These represent the loans guaranteed under the Company's programs, with a total amount of 62,501,086 JD as of 31 December 2025 (2024: JD 61,028,950) (Note 15).

** These represent the loans guaranteed under programs funded by the Central Bank and other entities loans, with a total amount of JD 315,887,400 as of 31 December 2025 (2024: JD 301,762,799) (Note 15).

(5) CASH AND BALANCES AT BANKS

	31 December 2025	31 December 2024
	JD	JD
Cash-on hand	2,000	2,000
Current accounts at banks	58,114	79,325
Deposits maturing within three months*	18,410,224	15,596,303
	18,470,338	15,677,628
Expected credit losses provision	(10,382)	(10,454)
	18,459,956	15,667,174

Interest rates on deposits maturing within three months range from 5.50% to 6% during 2025 (2024: 5.50% to 6.8%).

Movement on the expected credit losses provision is as follows:

	31 December 2025	31 December 2024
	JD	JD
Balance at the beginning of the year	10,454	10,948
Recovered from the provision during the year	(72)	(494)
Balance at the end of the year	10,382	10,454

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

	31 December 2025	31 December 2024
	JD	JD
Cash and balances at banks	18,470,338	15,677,628

(6) TERM BANK DEPOSITS

	31 December 2025		
	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	-	2,907,204	2,907,204
Less: provision for expected credit losses	-	(9,854)	(9,854)
	-	2,897,350	2,897,350

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

The interest rates on the term bank deposits balances was 5.75% during 2025 (2024: 5.75% to 6.65%).

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

	31 December 2025	31 December 2024
	JD	JD
Balance at the beginning of the year	7,291	44,310
Provision (recovered from provision) for the year	2,563	(37,019)
Balance at the end of the year	9,854	7,291

(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 2025	31 December 2024
	JD	JD
Restricted bank deposits against the Central Bank's loan for the National Program to confront the Covid-19 pandemic	56,406,453	54,289,365
Restricted bank deposits against bank loans to guarantee startups projects	38,179,710	36,157,190
Restricted bank deposits against the Central Bank's loan for the export program	27,770,877	22,857,551
Restricted bank deposits against the Central Bank's loan for the facilitated housing program	26,818,627	21,956,137
Restricted bank deposits against the Central Bank's loan for the industrial finance guarantee program	19,826,347	19,984,925
Restricted bank deposits against entrepreneurial projects fund loans	1,802,360	1,717,777
Restricted bank deposits for the employment guarantee program (KFW)	9,919,714	-
	180,724,088	156,962,945

The interest rates on restricted bank deposit balances ranged from 5% to 6% during 2025 (2024: 5.75% to 6.85%).

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

	31 December 2025	31 December 2024
	JD	JD
Treasury bonds restricted against the Central Bank of Jordan loan – the National Program to confront the Covid-19 pandemic	313,500,978	303,286,357
Treasury and public institutions bonds restricted against the Central Bank of Jordan loan – Export Guarantee Program	101,511,632	101,525,971
Treasury bonds restricted against the Central Bank of Jordan loan – Facilitated housing program	100,135,495	100,138,356
Treasury bonds restricted against SMEs loans	50,852,743	50,933,229
	566,000,848	555,883,913

Interest rates on treasury bonds in Jordanian Dinars ranged from 5.498% to 7.24% and matures between 29 March 2027 and until 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 2025	31 December 2024
	JD	JD
Treasury bonds and loan bonds inside Jordan	27,233,150	27,233,636
Provision for expected credit losses	(25,268)	(25,294)
	27,207,882	27,208,342

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

The interest on Ahli Bank loan bond is 8.75% and matures on 13 November 2029.

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

	31 December 2025	31 December 2024
	JD	JD
Balance at the beginning of the year	25,294	25,319
Recovered from provision for the year	(26)	(25)
Balance at the end of the year	25,268	25,294

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

	31 December 2025	31 December 2024
	JD	JD
Financial assets listed at the Amman Stock Exchange – companies' shares	2,024,076	913,486
Unlisted financial assets – companies' shares *	111,030	111,030
	2,135,106	1,024,516

* 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 2025	31 December 2024
	JD	JD
Accounts receivable	106,243	195,095
Accrued interest receivables	904,391	1,242,819
Accrued management fees for the provisions of Central Bank loans programs	1,286,649	1,062,598
Accrued guarantee commissions receivable	850,594	914,102
Prepaid expenses	67,957	37,871
Refundable deposits	7,815	7,815
	3,223,649	3,460,300
Less: Provision for expected credit losses on receivables and other debit balances *	(24,826)	-
	3,198,823	3,460,300

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

	31 December 2025	31 December 2024
	JD	JD
Balance at the beginning of the year	-	-
Transferred to the provision for receivables and other debit balances from the provision for expected credit losses on the company's programs (Note 15)	24,826	-
Balance at the end of the year	24,826	-

(11) PROPERTY AND EQUIPMENT

	Lands	Building	Furniture & equipment	Vehicles	Computer hardware and software	Projects under construction	Total
	JD	JD	JD	JD	JD	JD	JD
2025 -							
Cost							
Balance as at 1 January 2025	1,688,453	1,609,128	284,823	112,827	735,970	271,500	4,702,701
Additions	-	-	10,629	-	43,088	500	54,217
Disposals	-	-	(14,247)	-	(46,278)	-	(60,525)
Transfer from projects under construction	-	-	-	-	269,000	(269,000)	-
Balance as at 31 December 2025	1,688,453	1,609,128	281,205	112,827	1,001,780	3,000	4,696,393
Accumulated depreciation							
Balance as 1 January 2025	-	466,126	217,117	80,530	589,448	-	1,353,221
Depreciation for the year	-	32,436	16,039	5,539	60,583	-	114,597
Disposal	-	-	(14,168)	-	(46,242)	-	(60,410)
Balance as at 31 December 2025	-	498,562	218,988	86,069	603,789	-	1,407,408
Net book value as at 31 December 2025	1,688,453	1,110,566	62,217	26,758	397,991	3,000	3,288,985

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

(12) EQUITY

Share Capital

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

Statuary Reserve

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

Voluntary Reserve

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

(13) CONTRACTUALLY RESTRICTED PROVISIONS - CENTRAL BANK

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

	31 December 2025	31 December 2024
	JD	JD
Contractually restricted industrial finance provision (Ejada)	4,606,074	11,409,058
Contractually restricted entrepreneurial projects program provision	220,649	203,805
Contractually restricted Central Bank loan export guarantee program provision	28,244,053	23,348,459
Contractually restricted facilitated housing loans program provision	25,926,052	21,089,215
Contractually restricted Central Bank Covid-19 program provision	60,117,998	50,326,581
Contractually restricted startup projects program provision	12,175,009	12,169,051
	131,289,835	118,546,169

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

	31 December 2025	31 December 2024
	JD	JD
Balance at the beginning of the year	118,546,169	95,093,506
Recoveries	494,220	380,828
Compensations	(4,139,952)	(2,405,749)
Contractual provision for the year	24,220,264	33,276,074
Management fees for the provisions of Central Bank of Jordan loans programs	(1,286,649)	(1,062,598)
Expenses on provisions account	(27,596)	(23,087)
Income tax for the year	(6,516,621)	(6,712,805)
Balance at the end of the year	131,289,835	118,546,169

(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 2025	31 December 2024
	JD	JD
Contractually restricted provision for startup projects with commercial banks	2,746,241	2,933,783
Contractually restricted provision for startup projects with Islamic banks	1,414,287	1,414,331
Contractually restricted provision of startup projects with the Arab Fund for Economic and Social Development	990,279	895,873
Provision for the employment guarantee program (KFW)	36,436	-
	5,187,243	5,243,987

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

	31 December 2025	31 December 2024
	JD	JD
Balance at the beginning of the year	5,243,987	5,367,780
Recoveries	88,337	87,798
Compensations	(760,961)	(1,382,795)
Contractual provision for the year	729,338	1,201,239
Income tax for the year	(153,096)	(30,035)
Income tax for previous years	39,638	-
Balance at the end of the year	5,187,243	5,243,987

(15) PROVISION FOR EXPECTED CREDIT LOSSES

This item consists of the following:

	31 December 2025	31 December 2024
	JD	JD
Provision for expected credit losses on programs financed by the loans of the Central Bank and other entities *	23,051,270	10,607,712
Provision for expected credit losses on the Company's programs **	10,737,938	8,898,301
	33,789,208	19,506,013

* 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 2025	31 December 2024
	JD	JD
Provision for expected credit losses for the Covid-19 and corona micro program	7,199,786	4,565,079
Provision for expected credit losses for the industrial finance program (Ejada)	10,062,092	3,258,387
Provision for expected credit losses for the startup projects program	5,474,200	2,537,378
Provision for expected credit losses for the entrepreneurial program	315,192	246,868
	23,051,270	10,607,712

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 2025				31 December 2024
Description	Stage (1)	Stage (2)	Stage (3)	Total	Total
	JD	JD	JD	JD	JD
Balance at the beginning of the year	215,118,738	72,715,986	13,928,075	301,762,799	343,437,134
Amounts guaranteed during the year	148,144,193	-	-	148,144,193	102,647,247
Amounts paid during the year	(66,781,863)	(59,660,788)	(7,576,941)	(134,019,592)	(144,321,582)
Movement between the three stages	(33,023,388)	19,238,455	13,784,933	-	-
Balance at the end of the year	263,457,680	32,293,653	20,136,067	315,887,400	301,762,799

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 2025	31 December 2024
	JD	JD
Balance at the beginning of the year	10,607,712	8,691,892
Provision during the year	12,443,558	1,915,820
Balance at the end of the year	23,051,270	10,607,712

** 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 2025	31 December 2024
	JD	JD
Production loans guarantee provision	5,836,176	3,772,426
Special guarantee provision	2,200,780	3,571,861
Exports guarantee provision	2,597,365	1,344,043
Housing loans guarantee provision	103,617	209,971
	10,737,938	8,898,301

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

	31 December 2025				31 December 2024
Description	Stage (1)	Stage (2)	Stage (3)	Total	Total
	JD	JD	JD	JD	JD
Balance at the beginning of the year	34,737,973	20,780,254	5,510,723	61,028,950	59,726,724
Amounts guaranteed during the year	33,160,514	-	-	33,160,514	57,599,713
Amounts paid during the year	(2,135,783)	(21,241,804)	(8,310,791)	(31,688,378)	(56,297,487)
Movement between the three stages	(17,432,101)	7,362,589	10,069,512	-	-
Balance at the end of the year	48,330,603	6,901,039	7,269,444	62,501,086	61,028,950

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

	31 December 2025	31 December 2024
	JD	JD
Balance as at the beginning of the year	8,898,301	6,404,491
Recoveries	325,200	390,498
Compensations	(1,634,809)	(784,378)
Transfer from the expected credit loss provision on the company's programs to the provision for other receivables and balances (Note 10)	(24,826)	-
Provision during the year	3,174,072	2,887,690
Balance as at the end of the year	10,737,938	8,898,301

(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 grant provided by the European Commission, amounting to JD 5,160,695, to the Company on an interest-free and maturity-free basis, provided that the value of the grant reverts to the Central Bank of Jordan in the event of the Company's liquidation.

The balance of restricted deposits presented within the assets in the Company's statement of financial position as of 31 December 2025 amounted to JD 19,826,347 (2024: JD 19,984,925) (Note 7).

(17) CENTRAL BANK OF JORDAN LOAN – EXPORT CREDIT 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.

An amendment to the loan agreement was signed during 2025, whereby the loan maturity date was revised so that the loan becomes a one-year facility renewable with the approval of the Central Bank, provided that total renewals do not exceed the original maturity date of the agreement.

The balance of the restricted deposits and financial assets at amortized cost presented in the statement of financial position as of 31 December 2025 amounted to JD 129,282,509 (2024: JD 124,383,522) (Note 7). All financial assets at amortized cost are pledged in favor of the Central Bank as collateral for the loan granted to the Company, with a book value as of 31 December 2025 of JD 100,001,727 (2024: JD 100,001,654).

(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 facilitated 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.

An amendment to the loan agreement was signed during 2025, whereby the loan maturity date was revised so that the loan becomes a one-year facility renewable with the approval of the Central Bank, provided that total renewals do not exceed the original maturity date of the agreement.

The balance of the restricted deposits and financial assets at amortized cost presented in the statement of financial position as of 31 December 2025 amounted to JD 126,954,122 (2024: JD 122,094,493) (Note 7). All financial assets at amortized cost are pledged in favor of the Central Bank as collateral for the loan granted to the Company, with a book value as of 31 December 2025 of JD 100,000,000 (2024: 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 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.

An amendment to the loan agreement was signed during 2025, whereby the loan maturity date was revised so that the loan becomes a one-year facility renewable with the approval of the Central Bank, provided that total renewals do not exceed the original maturity date of the agreement.

The balance of the restricted deposits and financial assets at amortized cost presented in the statement of financial position as of 31 December 2025 amounted to JD 369,907,431 (2024: JD 357,575,722) (Note 7). All financial assets at amortized cost are pledged in favor of the Central Bank as collateral for the loan granted to the Company, with a book value of JD 309,996,862 as of 31 December 2025 (2024: JD 300,000,000).

(20) MINISTRY OF PLANNING DEPOSITS - 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 covers up to 80% of the outstanding financing balance at the time of default, in addition to the interest accrued during the 181-day default period. It was agreed that the net returns of the Loan Guarantee Fund would be used to settle the guaranteed amounts of defaulted debts by transferring them to the provision for entrepreneurial project financing. If the compensation amount exceeds the available returns, the Company may recover the difference from 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 2025 amounted to JD 1,248,500 (2024: JD 1,248,500), and the balance of restricted deposits presented in the statement of financial position as of 31 December 2025 amounted to JD 1,802,360 (2024: JD 1,717,777) (Note 7).

(21) STARTUP MICRO PROJECT'S LOANS

During 2016, the Company obtained interest-free and commission-free loans from the Central Bank and certain commercial and Islamic banks to help small and emerging enterprises develop their businesses. These loan proceeds are restricted to be used exclusively to contribute to financing the Small Emerging Projects Loan Guarantee Program, by investing them in low-risk investment instruments and retaining the investment returns as a provision to cover any obligations arising from guarantees issued by the Company. In the event that these investment returns are fully exhausted, the Company will cease issuing any 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 of these loans are restricted to being used exclusively to contribute to financing the Small Emerging Projects Loan Guarantee Program by investing them in low-risk investment instruments and retaining the investment returns as a provision to meet any obligations arising from guarantees issued by the Company. If these investment returns are fully exhausted, the Company will cease issuing new guarantees.

An amendment to the loan agreement was signed during 2025, whereby the loan maturity date was revised so that the loan becomes a one-year facility renewable with the approval of the Central Bank, provided that total renewals do not exceed the original maturity date of the agreement.

The balance of the restricted deposits and financial assets at amortized cost presented in the statement of financial position as of 31 December 2025 amounted to JD 89,032,453 (2024: JD 87,090,419) (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 2025 amounted to JD 50,166,206 (2024: JD 50,241,380).

(22) DEFERRED GRANTS 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) amounting to Euro 397,940 to implement an operations management and digital transformation platform. During the year ended 31 December 2025, the Company received the full remaining balance of the grant, totaling JD 32,452 (2024: JD 131,382). No amounts were spent during 2025 to cover expenses eligible under the grant or as payments for software acquisitions (2024: JD 14,288 and JD 188,300, respectively).

(23) German Reconstruction Bank (KFW) Grant – Employment Guarantee Program

At the end of 2025, the company received a grant from the German Reconstruction Bank (KFW) amounting to Euro 20 million, and the first tranche of this grant amounting to Euro 12 million (9,873,592 JD) was received.

This grant aims to encourage employment in the private sector by providing credit guarantees to small, medium, and micro enterprises, linking financing to the creation of good and sustainable jobs in the Hashemite Kingdom of Jordan. The project provides guarantees of up to 85% of the loan principal to reduce lending risks and create incentives for financial institutions to reach underserved companies. The guarantees are conditional on verifying the creation of actual jobs, with employment incentives provided for creating formal positions. The project particularly focuses on encouraging and enhancing the inclusion of disadvantaged groups in the labor market, especially women, youth, and residents of rural areas.

The balance of the restricted deposits presented in the statement of financial position as of 31 December 2025 amounted to 9,919,714 JD (2024: JD zero) (Note 7).

(24) PAYABLES AND OTHER CREDIT BALANCES

	31 December 2025	31 December 2024
	JD	JD
Income tax payable on restricted assets provisions	5,264,810	5,433,658
Unearned guarantee commissions	1,581,682	1,163,332
Reinsurers payables	145,336	246,198
Employees' bonus provision	253,750	199,585
End-of-service indemnity provision	29,707	10,470
Accrued expenses	92,989	109,450
Shareholders' deposits	64,411	78,619
Deferred grants income	255,550	269,000
Board of Directors' remuneration provision (Note 26)	55,000	55,000
Other	125,190	98,074
	7,868,425	7,663,386

(25) INCOME TAX

Income tax provision -

The movement on the income tax provision is as follows:

	31 December 2025	31 December 2024
	JD	JD
Balance at the beginning of the year	665,375	606,077
Income tax for the year	905,983	892,724
Income tax paid	(979,986)	(833,426)
Balance at the end of the year	591,372	665,375

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

	31 December 2025	31 December 2024
	JD	JD
Income tax for the year	905,983	892,724
Added from deferred tax assets	(396,095)	(428,367)
Prior years' income tax	2,197	-
	512,085	464,357

The income tax expense for the years ended 31 December 2025 and 2024 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%, in addition to a 1% national contribution tax, as required under Income Tax Law No. (34) of 2014 and its amendments."

The Company obtained final clearance from the Income and Sales Tax Department up to 2024.

In the opinion of the Company's management and tax advisor, the income tax provision recorded as of 31 December 2025 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:

	2025				31 December	
	Amounts				2025	2024
Included accounts	Balance at the beginning of the year	Released amounts	Added amounts	Balance at the end of the year	Deferred tax	Deferred tax
	JD	JD	JD	JD	JD	JD
Provision for expected credit losses for the Company's programs	8,898,301	(1,634,809)	3,474,446	10,737,938	2,254,967	1,868,644
Provision for expected credit losses for receivables and other debit balances	-	-	24,826	24,826	5,213	-
End-of-service indemnity provision	10,470	-	19,237	29,707	6,238	2,199
Provision for expected credit losses for deposits and bonds	43,039	-	2,465	45,504	9,556	9,038
Accumulated change in financial assets at fair value	(363,490)	5,620	(516,177)	(874,047)	(45,887)	(19,083)
	8,588,320	(1,629,189)	3,004,797	9,963,928	2,230,087	1,860,798

The movement on deferred tax assets is as follows:

	31 December 2025	31 December 2024
	JD	JD
Balance at the beginning of the year	1,860,798	1,427,639
Net change during the year - tax assets	396,095	428,367
Net change during the year - tax liabilities	(26,806)	4,792
Balance at the end of the year	2,230,087	1,860,798

(26) GENERAL AND ADMINISTRATIVE EXPENSES

	31 December 2025	31 December 2024
	JD	JD
Salaries, wages and employee's benefits	1,522,663	1,494,374
Company's contribution in social security	170,370	164,363
Fees and Subscriptions	105,747	125,009
Company's contribution in saving fund	124,921	123,978
Board of Directors transportation (Note 29)	105,800	105,800
Depreciation (Note 11)	114,597	102,627
Medical treatments	103,343	78,968
Professional fees	61,936	69,494
Board of Directors remuneration provision (Note 29)	55,000	55,000
Electricity, telecommunications & post	39,692	42,170
Maintenance	46,179	44,943
Official duties and training courses	52,124	41,991
Marketing	22,206	20,631
End of service indemnity provision	19,237	19,799
Cleaning	14,703	14,606
Printing and stationery	15,718	14,522
Cars Expenses	10,901	13,377
Hospitality	7,690	10,342
Security and protection	11,826	10,872
Others	12,553	11,235
	2,617,206	2,564,101

(27) EARNING PER SHARE FOR THE YEAR

	31 December 2025	31 December 2024
Profit for the year (JD)	1,983,457	1,814,365
Weighted average number of shares (share)	29,080,310	29,080,310
	Fils/JD	Fils/JD
Profit per share for the year	0/068	0/062

(28) SHARES REGISTERED IN THE COMPANY'S NAME

The Company has invested in the Innovative Startups and SMEs Fund on behalf of the Jordanian Government, whereby the Company's contribution to the Fund is nominal only. 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 2025 and as of 31 December 2024.

(29) 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 2025	31 December 2024
	JD	JD
Restricted Bank Deposits - Central Bank of Jordan and commercial banks	160,704,917	146,315,716
Restricted financial assets at amortized cost (governmental bonds)	566,000,848	555,883,913
Financial assets at amortized cost - treasury bonds and Jordan Ahli Bank	27,207,882	27,208,342
Central Bank of Jordan loans	555,549,922	556,507,072
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	
	2025	2024
	JD	JD
Interest revenues on bonds and deposits of the central bank and other entities (contractually restricted)	42,410,514	41,443,331
Finance costs for central bank loans	5,017,354	5,050,198

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

	2025	2024
	JD	JD
Salaries and remuneration of the executive management	591,521	1,062,417
Remuneration and transportations of the Chairman and Board of Directors (Note 26)	160,800	160,800
	752,321	1,223,217

(30) 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 2025 (31 December 2024: 231,638). 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 additional provision for this lawsuit.

(31) ASSETS AND LIABILITIES MATURITY ANALYSIS

2025	Up to one year	More than one year	Total
	JD	JD	JD
Assets:			
Cash and balances at banks	18,459,956	-	18,459,956
Term deposits at banks	2,897,350	-	2,897,350
Restricted bank deposits	180,724,088	-	180,724,088
Restricted financial assets at amortized cost (governmental bonds)	-	566,000,848	566,000,848
Financial assets at amortized cost	11,490,992	15,716,890	27,207,882
Financial assets at fair value through other comprehensive income	-	2,135,106	2,135,106
Receivables and other debit balances	3,198,823	-	3,198,823
Deferred tax assets	2,230,087	-	2,230,087
Property and equipment	-	3,288,985	3,288,985
Total assets	219,001,296	587,141,829	806,143,125
Liabilities:			
Contractually restricted provisions - Central Bank of Jordan	-	131,289,835	131,289,835
Contractually restricted provisions - other entities	-	5,187,243	5,187,243
Expected credit losses provision	33,789,208	-	33,789,208
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	64,519,356	-	64,519,356
Deferred grants interest income	1,130,352	-	1,130,352
KFW Bank Grant - Employment Guarantee Program	-	9,873,592	9,873,592
Payables and other credit balances	7,868,425	-	7,868,425
Income tax provision	591,372	-	591,372
Total liabilities	607,897,990	152,759,865	760,657,855
Net	(388,896,694)	434,381,964	45,485,270

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

(32) INTEREST RATE REPRICING GAP

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

	Interest rate repricing gap			
	Up to one year	More than one year	Non-interest bearing	Total
2025	JD	JD	JD	JD
Assets:				
Cash and balances at banks	18,399,843	-	60,113	18,459,956
Term deposits at banks	2,897,350	-	-	2,897,350
Restricted bank deposits	179,886,967	-	837,121	180,724,088
Restricted financial assets at amortized cost (governmental bonds)	-	566,000,848	-	566,000,848
Financial assets at amortized cost	11,490,992	15,716,890	-	27,207,882
Financial assets at fair value through other comprehensive income	-	-	2,135,106	2,135,106
Receivables and other debit balances	-	-	3,198,823	3,198,823
Deferred tax assets	-	-	2,230,087	2,230,087
Property and equipment	-	-	3,288,985	3,288,985
Total Assets	212,675,152	581,717,738	11,750,235	806,143,125
Liabilities:				
Contractually restricted provisions - Central Bank of Jordan	-	-	131,289,835	131,289,835
Contractually restricted provisions - other entities	-	-	5,187,243	5,187,243
Expected credit losses provision	-	-	33,789,208	33,789,208
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	50,389,950	-	14,129,406	64,519,356
Deferred grants interest income	1,130,352	-	-	1,130,352
KFW Bank Grant - Employment Guarantee Program	-	-	9,873,592	9,873,592
Payables and other credit balances	-	-	7,868,425	7,868,425
Income tax provision	-	-	591,372	591,372
Total Liabilities	551,519,579	-	209,138,276	760,657,855
Interest rate repricing gap	(338,844,427)	581,717,738	(197,388,041)	45,485,270
2024				
Total Assets	174,326,590	583,092,255	10,239,443	767,658,288
Total Liabilities	2,003,773	51,529,302	671,107,185	724,640,260
Interest rate re-pricing gap	172,322,817	531,562,953	(660,867,742)	43,018,028

(33) 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.

	2025	2024
	JD	JD
Loan guarantee commissions	957,372	1,002,445
Exports and domestics buyers' guarantee commissions	604,956	534,785
Industrial financing and services guarantee commissions	1,770,402	1,309,335
National program for confronting Covid-19 and micro loan guarantee commissions	328,993	616,937
Green financing Program guarantee Commissions	45	-
	3,661,768	3,463,502

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.

(34) FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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

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

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

	Fair value		
Financial assets	31 December 2025	31 December 2024	Fair value level
	JD	JD	
Financial assets valuated at fair value			
Financial assets at fair value through other comprehensive income	2,024,076	913,486	Level (1)
Financial assets at fair value through other comprehensive income	111,030	111,030	Level (3)
Total financial assets at fair value	2,135,106	1,024,516	

(35) RISK MANAGEMENT

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

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

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

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

Currency risk

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

Shares' prices fluctuating risk

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

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

	Impact on equity
	JD
2025	
Amman Stock Exchange	101,204
2024	
Amman Stock Exchange	45,674

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.

2025 -

	Increase in interest rate	Impact on the profit for the year before tax
	(Point)	JD
JD	50	1,214,594

2024 -

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

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

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

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

	One year or less	More than one year	Total
2025 -	JD	JD	JD
Liabilities-			
Central Bank of Jordan loan – industrial loans guarantee program	-	5,160,695	5,160,695
Central Bank of Jordan Loan - exports credit guarantee program	99,999,277	-	99,999,277
Central Bank of Jordan Loan - housing loan guarantee program- facilitated housing	100,000,000	-	100,000,000
Central Bank of Jordan Loan - confronting Covid-19 pandemic program	300,000,000	-	300,000,000
Ministry of Planning deposits	-	1,248,500	1,248,500
Startup micro project's loans	64,519,356	-	64,519,356
KFW Bank Grant - Employment Guarantee Program	-	9,873,592	9,873,592
Payables and other credit balances	7,868,425	-	7,868,425
Income tax provision	591,372	-	591,372
Total liabilities	572,978,430	16,282,787	589,261,217

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

(36) 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 45,485,270 as of 31 December 2025 compared to JD 43,018,028 as of 31 December 2024.

(37) 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

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

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 - Contracts Referencing Nature-dependent Electricity. The amendments apply only to contracts that reference nature-dependent electricity, the amendments include:

- Clarify the application of the 'own-use' requirements for in-scope contracts
- Amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts
- Add new disclosure requirements to enable investors to understand the effect of these contracts on a Company's financial performance and cash flows

The amendments will take effect for annual reporting periods starting on or after 1 January 2026. Early adoption is allowed, but it must be disclosed. The amendments concerning the own-use exception are to be applied retrospectively, while the hedge accounting amendments should be applied prospectively to new hedging relationships designated from the initial application date. Additionally, the IFRS 7 disclosure amendments must be implemented alongside the IFRS 9 amendments. If an entity does not restate comparative information, it cannot present comparative disclosures.

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.
The Company is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.

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 standard is not expected to have a material impact on the Company's financial statements.

Translation to a Hyperinflationary Presentation Currency – Amendments to IAS 21

In November 2025, the Board issued Translation to a Hyperinflationary Presentation Currency – Amendments to IAS 21. The amendments require translation from a non-hyperinflationary functional currency into a hyperinflationary presentation currency at the closing rate.

If an entity's functional currency is the currency of a non-hyperinflationary economy, but its presentation currency is the currency of a hyperinflationary economy, its results and financial position are translated into the presentation currency by translating all amounts (i.e., assets, liabilities, equity items, income and expenses) and all comparatives at the closing rate at the date of the most recent statement of financial position.

An entity whose functional currency and presentation currency are the currency of a hyperinflationary economy, restates the comparative amounts of a foreign operation, whose functional currency is that of a non-hyperinflationary economy, by applying the general price index, in accordance with paragraph 34 of IAS 29, to the foreign operation's comparative figures.

The amendments also introduce certain additional disclosure requirements.

The amendments apply for annual reporting periods beginning on or after 1 January 2027 and earlier application is permitted.