

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

**INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)**

**30 JUNE 2025**

**Report on Review of Interim Condensed Financial Statements  
To The Board of Directors of Jordan Loan Guarantee Corporation  
(Public Shareholding Company)  
Amman - Jordan**

**Introduction**

We have reviewed the interim condensed financial statements of Jordan Loan Guarantee Corporation (the “Company”) as at 30 June 2025, which comprise the interim condensed statement of financial position as at 30 June 2025, and the interim condensed statement of income, interim condensed statement of comprehensive income, interim condensed statement of changes in equity, interim condensed statement of cash flows for the six-months period then ended and explanatory notes. Board of directors is responsible for the preparation and fair presentation of these interim condensed financial statements in accordance with International Accounting Standards No. (34) “Interim Financial Reporting”. Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

**Scope of review**

We conducted our review in accordance with International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of Interim financial information consists of making inquiries, primarily of persons responsible for the financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial statements are not prepared, in all material respects, in accordance with IAS (34).

Amman – Jordan  
29 July 2025

**ERNST & YOUNG**  
Amman - Jordan

**JORDAN LOAN GUARANTEE CORPORATION - PUBLIC SHAREHOLDING COMPANY**  
**INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2025 (UNAUDITED)**

	<u>Notes</u>	<u>30 June 2025</u>	<u>31 December 2024</u>
		<u>JD</u>	<u>JD</u>
		<u>(Unaudited)</u>	<u>(Audited)</u>
<b><u>ASSETS</u></b>			
Cash and banks balances	4	15,275,328	15,667,174
Term deposits at banks	5	4,943,514	2,240,820
Restricted bank deposits		158,487,651	156,962,945
Restricted financial assets at amortized cost	13	565,982,111	555,883,913
Financial assets at amortized cost	7	27,208,110	27,208,342
Financial assets at fair value through other comprehensive income	6	1,626,418	1,024,516
Receivables and other debit balances		2,515,048	3,460,300
Deferred tax assets	8	1,931,286	1,860,798
Properties and equipment		3,324,515	3,349,480
<b>TOTAL ASSETS</b>		<b>781,293,981</b>	<b>767,658,288</b>
<b><u>EQUITY AND LIABILITIES</u></b>			
<b><u>EQUITY</u></b>			
Paid in capital	9	29,080,310	29,080,310
Statutory reserve	9	2,690,932	2,690,932
Voluntary reserve	9	2,204,824	2,204,824
Fair value reserve		346,210	344,407
Retained earnings		10,490,463	8,697,555
<b>Total equity</b>		<b>44,812,739</b>	<b>43,018,028</b>
<b><u>LIABILITIES</u></b>			
Contractually restricted provisions - Central Bank		129,134,637	118,546,169
Contractually restricted provisions - other entities		5,553,505	5,243,987
Expected credit losses provision		22,178,302	19,506,013
Central Bank loan - industrial loans guarantee program	13	5,160,695	5,160,695
Central Bank loan - exports credit guarantee program	13	99,999,277	99,999,277
Central Bank loan - housing loan guarantee program- facilitated housing	13	100,000,000	100,000,000
Central Bank loan - confronting Covid-19 pandemic	13	300,000,000	300,000,000
Ministry of Planning deposits		1,248,500	1,248,500
Startup micro project's loans	13	64,474,619	64,429,883
Deferred grants interest income		1,653,664	2,176,975
Payables and other credit balances		6,601,214	7,663,386
Income tax provision	8	476,829	665,375
<b>TOTAL LIABILITIES</b>		<b>736,481,242</b>	<b>724,640,260</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>781,293,981</b>	<b>767,658,288</b>

The accompanying notes from 1 to 14 form an integral part of these interim condensed financial statements.

**JORDAN LOAN GUARANTEE CORPORATION - PUBLIC SHAREHOLDING COMPANY**  
**INTERIM CONDENSED STATEMENT OF INCOME**  
**FOR THE SIX-MONTHS ENDED 30 JUNE 2025 (UNAUDITED)**

	Notes	For the three months ended 30 June		For the six months ended 30 June	
		2025	2024	2025	2024
		JD	JD	JD	JD
<b>Revenues</b>					
Interest revenues on bonds and deposits of the central bank and other entities (contractually restricted)	13	10,517,103	10,217,691	21,118,671	20,503,899
Other bank deposits' interests		302,601	325,609	665,489	741,195
Interest on investments in financial assets at amortized cost, others		491,191	439,287	975,711	805,586
Loans guarantees commissions		240,306	250,747	475,032	502,412
Exports and domestics buyer's guarantees commissions		131,685	122,139	311,199	244,388
Industrial financing and financial leasing guarantees commissions		422,207	307,551	815,504	595,732
National program for confronting Covid-19 guaranteed loans commissions		87,985	165,034	189,520	352,593
Managing Central Bank of Jordan Programs loans commissions		305,464	246,429	572,925	456,577
Investments' dividends received		-	-	90,000	90,000
Other revenues, net		-	-	485	-
<b>Total Revenues</b>		<u>12,498,542</u>	<u>12,074,487</u>	<u>25,214,536</u>	<u>24,292,382</u>
<b>Less:</b>					
Administrative expenses		(582,761)	(595,805)	(1,161,930)	(1,176,340)
Finance costs for central bank loans	13	(1,250,916)	(1,255,702)	(2,490,525)	(2,513,794)
Provision of expected credit losses for programs financed by the loans of the central bank and other entities (contractually restricted)		(1,988,586)	(440,068)	(2,354,495)	(1,797,377)
Contractually restricted provisions expense	13	(7,277,601)	(8,521,921)	(16,273,651)	(16,192,728)
Provisions for expected credit losses related to Company's programs		(405,642)	(141,942)	(671,828)	(409,960)
Reversal of (provision) for expected credit losses		24,367	44,493	(7,766)	5,477
<b>Total Expenses</b>		<u>(11,481,139)</u>	<u>(10,910,945)</u>	<u>(22,960,195)</u>	<u>(22,084,722)</u>
<b>Profit for the period before income tax</b>		<u>1,017,403</u>	<u>1,163,542</u>	<u>2,254,341</u>	<u>2,207,660</u>
Income tax expense for the period	8	(213,656)	(244,346)	(461,433)	(449,435)
<b>Profit for the period</b>		<u>803,747</u>	<u>919,196</u>	<u>1,792,908</u>	<u>1,758,225</u>
		<u>Fils/ JD</u>	<u>Fils/ JD</u>	<u>Fils/ JD</u>	<u>Fils/ JD</u>
<b>Basic and diluted earnings per share for the profit of the period</b>	10	<u>0/028</u>	<u>0/032</u>	<u>0/062</u>	<u>0/060</u>

The accompanying notes from 1 to 14 form an integral part of these interim condensed financial statements.

**JORDAN LOAN GUARANTEE CORPORATION - PUBLIC SHAREHOLDING COMPANY**  
**INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE SIX-MONTHS ENDED 30 JUNE 2025 (UNAUDITED)**

	For the three months ended 30 June		For the six months ended 30 June	
	2025	2024	2025	2024
	JD	JD	JD	JD
<b>Profit for the period</b>	803,747	919,196	1,792,908	1,758,225
<b>Add: Other comprehensive income items</b>				
Change in fair value of financial assets through other comprehensive income	1,803	(1,556)	1,803	(1,556)
<b>Total comprehensive income for the period</b>	<u>805,550</u>	<u>917,640</u>	<u>1,794,711</u>	<u>1,756,669</u>

The accompanying notes from 1 to 14 form an integral part of these interim condensed financial statements.

**JORDAN LOAN GUARANTEE CORPORATION - PUBLIC SHAREHOLDING COMPANY**  
**INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2025 (UNAUDITED)**

	Paid in capital	Statutory reserve	Voluntary reserve	Fair value reserve	Retained earnings	Total
	JD	JD	JD	JD	JD	JD
<b>For the six-months ended 30 June 2025 -</b>						
Balance 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 period	-	-	-	1,803	1,792,908	1,794,711
<b>Balance at 30 June 2025</b>	<u>29,080,310</u>	<u>2,690,932</u>	<u>2,204,824</u>	<u>346,210</u>	<u>10,490,463</u>	<u>44,812,739</u>
<b>For the six-months ended 30 June 2024 -</b>						
Balance at 1 January 2024	29,080,310	2,457,560	2,204,824	430,888	7,116,562	41,290,144
Total comprehensive income for the period	-	-	-	(1,556)	1,758,225	1,756,669
<b>Balance at 30 June 2024</b>	<u>29,080,310</u>	<u>2,457,560</u>	<u>2,204,824</u>	<u>429,332</u>	<u>8,874,787</u>	<u>43,046,813</u>

The accompanying notes from 1 to 14 form an integral part of these interim condensed financial statements.

**JORDAN LOAN GUARANTEE CORPORATION - PUBLIC SHAREHOLDING COMPANY**  
**INTERIM CONDENSED STATEMENT OF CASH FLOWS**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2025 (UNAUDITED)**

	Notes	For the six months ended 30 June	
		2025	2024
		JD	JD
<b><u>OPERATING ACTIVITIES</u></b>			
Profit for the period before tax		2,254,341	2,207,660
<b>Adjustments for -</b>			
Depreciation		48,794	51,133
End of service indemnity provision		10,570	12,465
Provisions for expected credit losses of the Company's programs		671,828	409,960
Provision (Reversal of provision) for expected credit losses for bonds and deposits		7,766	(5,477)
Provision of expected credit losses for programs financed by the loans from the central bank and other entities (contractually restricted)		2,354,495	1,797,377
Interest revenue on bonds and deposits of the central bank and other entities (contractually restricted)		(21,118,671)	(20,503,899)
Investment's dividends		(90,000)	(90,000)
Bank deposits' interest, others		(665,489)	(741,195)
Interest on investments in financial assets at amortized cost, others		(975,711)	(805,586)
Finance costs of central bank loans		2,490,525	2,513,794
Contractually restricted provisions expense		16,273,651	16,192,728
Gain from the sale of properties and equipment		(485)	
<b>Working capital adjustments:</b>			
Receivables and other debit balances		945,252	219,787
Payables and other credit balances		(1,062,172)	(3,281,394)
Net provision of loans guarantees (contractually restricted)		(6,224,418)	(6,207,347)
Income tax paid	8	(718,370)	(639,839)
<b>Net cash flows used in operating activities</b>		<b>(5,798,094)</b>	<b>(8,869,833)</b>
<b><u>INVESTING ACTIVITIES</u></b>			
Purchase of properties and equipment		(23,944)	(213,123)
Term deposits at banks		(2,702,694)	(3,621,916)
Investments' dividends received		90,000	90,000
Purchase of financial assets at amortized cost		(10,098,198)	(10,742,914)
Purchase of financial assets at fair value through other comprehensive income		(601,902)	-
Interests received		1,641,200	1,546,781
Restricted bank deposits		(1,524,706)	(8,749,700)
Interest revenues on bonds and deposits of the central bank and other entities (contractually restricted) received		21,118,671	20,503,899
Proceeds from the sale of properties and equipment		600	-
<b>Net cash flows from (used in) investing activities</b>		<b>7,899,027</b>	<b>(1,186,973)</b>
<b><u>FINANCING ACTIVITIES</u></b>			
Finance costs paid		(2,490,525)	(2,513,794)
<b>Net cash flows used in financing activities</b>		<b>(2,490,525)</b>	<b>(2,513,794)</b>
<b>Decrease in cash and cash equivalents</b>		<b>(389,592)</b>	<b>(12,570,600)</b>
Cash and cash equivalents at the beginning of the period		15,677,628	14,246,781
<b>Cash and cash equivalents at the end of the period</b>	4	<b>15,288,036</b>	<b>1,676,181</b>

The accompanying notes from 1 to 14 form an integral part of these interim condensed financial statements.

**(1) GENERAL**

Jordan Loan Guarantee Corporation was established as a Public Shareholding Company on 26 March 1994 as a result of the transfer of the loans 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 Company is registered in Amman- The 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 interim condensed financial statements were authorized for issuance by the Board of Directors on 29 July 2025.

**(2-1) BASIS OF PREPARATION AND ACCOUNTING POLICIES**

The interim condensed financial statements for the six months ended on 30 June 2025 have been prepared in accordance with IAS number (34) "Interim Financial Reporting".

The interim condensed financial statements have been prepared under the historical cost convention except for the financial assets which are appearing in their fair value through other comprehensive income.

The interim condensed financial statements are presented in the Jordanian Dinar which is also the functional currency used by the Company.

The interim condensed financial statements do not comprise all the information and disclosures required for financial statements prepared in accordance with the International Financial Reporting Standards, and should be read in conjunction with the annual financial statements as of 31 December 2024. In addition, results of the six-month period ended 30 June 2025 are not necessarily indicative of the results expected for the financial year ending 31 December 2025.



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

The accounting policies adopted in the preparation of the interim condensed 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:

**Non-convertibility of currency – Amendments to International Accounting Standard (21)**

In August 2023, the International Accounting Standards Board issued amendments to IFRS (21), "The Effects of Changes in Foreign Exchange Rates," to specify how an entity should assess whether a currency is convertible and how to determine the spot exchange rate when convertibility is lacking. The amendments also require disclosure of information that enables financial statement users to understand how the non-convertibility of a currency impacts or is expected to impact the entity's financial performance, financial position, and cash flows.

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

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

Balances of granted and guaranteed loans and ceilings provided by the Company are as follows:

	Loan ceiling		Guaranteed amount	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
	JD	JD	JD	JD
The National Program for confronting Covid – 19 pandemics	79,754,153	164,195,237	79,754,153	164,195,237
Industrial financing and financial leasing	187,862,319	129,914,068	187,862,319	129,914,068
Productive loans guarantee program	46,103,734	46,932,959	44,750,779	44,639,132
Startups micro projects	33,973,813	28,219,464	33,973,813	28,219,464
Housing loans guarantee program	10,530,906	16,195,906	8,562,727	9,893,960
Guarantee of exports and local buyers' credit	7,902,375	8,413,324	7,902,375	8,413,324
	<u>366,127,300</u>	<u>393,870,958</u>	<u>362,806,166</u>	<u>385,275,185</u>

**JORDAN LOAN GUARANTEE CORPORATION - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**  
**30 JUNE 2025 (UNAUDITED)**

**(4) CASH AND BANKS BALANCES**

	30 June 2025	31 December 2024
	JD (Unaudited)	JD (Audited)
Cash on hand	2,000	2,000
Banks' balances – current accounts	257,180	79,325
Deposits maturing within three months*	15,028,856	15,596,303
	15,288,036	15,677,628
Expected credit losses provision	(12,708)	(10,454)
	15,275,328	15,667,174

\* Term deposits are held for one to three months with an interest rate between 5.5% to 6.65% during the first half of 2025 (As at 31 December 2024: 5.5% to 6.8%).

Movement on the expected credit losses provision was as follows:

	30 June 2025	31 December 2024
	JD (Unaudited)	JD (Audited)
Balance at the beginning of the period / year	10,454	10,948
Provision transferred from term deposits account (Note 5)	2,254	-
Reversed from the provision		(494)
Balance at the end of the period / year	12,708	10,454

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

	30 June 2025	30 June 2024
	JD (Unaudited)	JD (Unaudited)
Cash and banks balances	15,288,036	1,676,181

**JORDAN LOAN GUARANTEE CORPORATION - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**  
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**(5) TERM DEPOSITS AT BANKS**

30 June 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	-	4,956,325	4,956,325
Less: provision for expected credit losses	-	(12,811)	(12,811)
	-	4,943,514	4,943,514

  

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 average interest rates on balances of the bank's deposits range between 5.6% and 5.75% during the first half of the year 2025 (31 December 2024: 5.75% - 6.65%).

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

	30 June 2025 JD (Unaudited)	31 December 2024 JD (Audited)
Balance at the beginning of the period / year	7,291	44,310
Provision (reversal of provision) for the period / year	7,774	(37,019)
Provision transferred to cash and banks balances account (Note 4)	(2,254)	-
Balance at the end of the period / year	12,811	7,291

**JORDAN LOAN GUARANTEE CORPORATION - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**  
**30 JUNE 2025 (UNAUDITED)**

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

	30 June 2025	31 December 2024
	JD	JD
	(Unaudited)	(Audited)
Financial assets listed at Amman Stock Exchange – companies' shares	1,515,388	913,486
Unlisted financial assets – companies' shares	111,030	111,030
	<u>1,626,418</u>	<u>1,024,516</u>

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

	30 June 2025	31 December 2024
	JD	JD
	(Unaudited)	(Audited)
Treasury and loan bonds inside Jordan	27,233,396	27,233,636
Provision for expected credit losses	(25,286)	(25,294)
	<u>27,208,110</u>	<u>27,208,342</u>

The average annual interest rates on bonds in Jordanian Dinar ranges between 6.099% to 9.25% and their due dates extend till 2029.

Movement on the provision for expected credit losses during the period / year was as follows:

	30 June 2025	31 December 2024
	JD	JD
	(Unaudited)	(Audited)
Balance at the beginning of the period / year	25,294	25,319
Reversal for the period / year	(8)	(25)
Balance at the end of the period / year	<u>25,286</u>	<u>25,294</u>

**JORDAN LOAN GUARANTEE CORPORATION - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**  
**30 JUNE 2025 (UNAUDITED)**

**(8) INCOME TAX**

Movement of income tax provision for the period / year was as follows:

	30 June 2025	31 December 2024
	JD	JD
	(Unaudited)	(Audited)
Balance at the beginning of the period / year	665,375	606,077
Income tax for the period / year	529,824	892,724
Income tax paid	(718,370)	(833,426)
Balance at the end of the period / year	<u>476,829</u>	<u>665,375</u>

The income tax shown in the interim condensed statement of income consists of the following:

	30 June 2025	30 June 2024
	JD	JD
	(Unaudited)	(Unaudited)
Income tax expense for the period	504,594	436,937
National contribution tax	25,230	21,847
Prior years income tax	2,197	-
Deferred tax assets surplus	(70,588)	(9,349)
	<u>461,433</u>	<u>449,435</u>

Below are the details of the deferred tax assets' balances:

	30 June 2025	31 December 2024
	JD	JD
	(Unaudited)	(Audited)
Expected credit losses provision for the Company's programs	1,935,380	1,868,644
End of service indemnity provision	4,419	2,199
Provision for expected credit losses for bonds and deposits	10,669	9,037
Accumulated change in the fair value of the financial assets	(19,182)	(19,082)
	<u>1,931,286</u>	<u>1,860,798</u>

**JORDAN LOAN GUARANTEE CORPORATION - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**  
**30 JUNE 2025 (UNAUDITED)**

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Movement on deferred tax assets and liabilities for the period / year was as follows:

	30 June 2025	31 December 2024
	JD (Unaudited)	JD (Audited)
Balance at the beginning of the period / year	1,860,798	1,427,639
Net changes during the period / year – deferred tax assets	70,588	428,367
Net changes during the period / year – deferred tax liabilities	(100)	4,792
Balance at the end of the period / year	<u>1,931,286</u>	<u>1,860,798</u>

The income tax provision for the periods ended 30 June 2025 and 2024 was calculated in accordance with the Income tax law No. (34) for the year 2014 and its amendments. The Company's statutory income tax rate is 20% plus a 1% national contribution tax.

The Company has obtained final clearance from the Income and Sales Tax Department up to 2023. The Company filed the 2024 income tax return with the Income and Sales Tax Department and the Income and Sales Tax Department has not reviewed the records as of the date of these financial statements

## **(9) EQUITY**

### **Share Capital**

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

### **Statutory Reserve**

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

### **Voluntary Reserve**

The amounts accumulated in this account represent no more than 20% of the annual profit before tax transferred to statutory reserve as required by the Jordanian Companies Law. The reserve is available for distribution to the shareholders.

**JORDAN LOAN GUARANTEE CORPORATION - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**  
**30 JUNE 2025 (UNAUDITED)**

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**(10) EARNING PER SHARE FOR THE PERIOD**

	For the three months ended on 30 June		For the six months ended on 30 June	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Profit for the period (JD)	<u>803,747</u>	<u>919,196</u>	<u>1,792,908</u>	<u>1,758,225</u>
Weighted average number of shares (share)	<u>29,080,310</u>	<u>29,080,310</u>	<u>29,080,310</u>	<u>29,080,310</u>
	<u>Fils/ JD</u>	<u>Fils/ JD</u>	<u>Fils/ JD</u>	<u>Fils/ JD</u>
Profit per share for the period	<u>0/028</u>	<u>0/032</u>	<u>0/062</u>	<u>0/060</u>

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

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

The Par value of the Fund's shares registered in the name of the Company as a contribution in the Innovative Startups and SMEs Fund are JD 21,292,462 / Share as of 30 June 2025 and 31 December 2024.

**(12) 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 the interim condensed statement of financial position were as follows:

	30 June 2025	31 December 2024
	JD (Unaudited)	JD (Audited)
Central Bank of Jordan loans	556,028,497	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

Summarized transactions with related parties included in the interim condensed statement of income were as follows:

	For the six months ended 30 June 2025	2024
	JD (Unaudited)	JD (Unaudited)
Central Bank loans' finance costs	2,490,525	2,513,794

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

Total salaries and incentives paid for the executive management of the Company for the six months ended 30 June 2025 amounted to JD 250,753 (For the six months ended 30 June 2024 amounted to JD 310,163).



**(13) LOANS GRANTED TO THE COMPANY**

The Company provides the necessary guarantees to cover the loans granted by banks and financial institutions of various terms and types, full or partial coverage for establishing economic projects or expanding them to raise their production and marketing efficiency. 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.

During the previous years, the Company obtained several loans from the Central Bank of Jordan totaling approximately JD 550 million as illustrated in the table below, as these agreements stipulate that the loans granted to the Company are to be utilized exclusively for the purposes of guaranteeing loans and the Company's programs through the Central Bank of Jordan purchasing a government bonds in favor of the Company and mortgaging all these bonds in its favor, as the Company does not have the control to dispose of these bonds and benefit from their returns, and in accordance with the contractual arrangements within the signed agreements, the Company records the interest revenue from these bonds and the interest of Central Bank loans in the interim condensed statement of income, and also records the provision for expected credit losses for the Company's programs as contractually restricted provisions expenses related to the Central Bank in the interim condensed statement of income.

<b>Loan</b>	<b>Loan Date</b>	<b>Amount</b>	<b>Interest Rate</b>	<b>Duration</b>
Central Bank of Jordan loan - confronting Covid -19 pandemic	2020	JD 300 Million	0.5%	15 years
Central Bank of Jordan loan - exports credit guarantee program	2018	JD 100 Million	2%	10 years
Central Bank of Jordan loan - housing loan guarantee program - facilitated housing	2019	JD 100 Million	0.5%	10 years
Central Bank of Jordan loan - startup micro projects loans	2018	JD 50 Million	2%	10 years
<b>Total</b>		<b>550 Million</b>		

During the previous years, the Company has also obtained a number of loans from the Central Bank, other Commercial and Islamic banks and other parties with zero interest rate as illustrated in the table below, as the Company used the proceeds of these loans and invested them as bank deposits and recorded the returns of these investments as revenues within the interim condensed statement of income, where the proceeds of these loans are exclusively used to finance the Company's programs in accordance with the contractual arrangements in the signed agreements.

**JORDAN LOAN GUARANTEE CORPORATION - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**  
**30 JUNE 2025 (UNAUDITED)**

<b>Loan</b>	<b>Amount</b>
Total Loans obtained from various banks to guarantee the Startup micro loans	JD 16.12 Million
Central Bank of Jordan Loan / Industrial loans guarantee program (Ejada)	JD 5.16 Million
<b>Total</b>	<b>JD 21.28 Million</b>

**(14) 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 30 June 2025 (31 December 2024: JD 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.