

JORDAN LOAN GUARANTEE CORPORATION
(PUBLIC SHAREHOLDING COMPANY)

INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)

30 SEPTEMBER 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 of 30 September 2025, which comprise the interim condensed statement of financial position as at 30 September 2025, and the related 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 nine-months then ended and explanatory notes. The board of directors is responsible for the preparation and fair presentation of these interim condensed financial statements in accordance with International Accounting Standards (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 October 2025

ERNST & YOUNG
Amman - Jordan

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

| | Notes | 30 September 2025 JD (Unaudited) | 31 December 2024 JD (Audited) |
|--|-------|---|--|
| <u>Assets</u> | | | |
| Cash and balances at banks | 4 | 114,221 | 15,667,174 |
| Term deposits at banks | 5 | 20,472,076 | 2,240,820 |
| Restricted bank deposits | | 160,292,623 | 156,962,945 |
| Restricted financial assets at amortized cost | 13 | 568,948,369 | 555,883,913 |
| Financial assets at amortized cost | 7 | 27,207,410 | 27,208,342 |
| Financial assets at fair value through other comprehensive income | 6 | 1,624,948 | 1,024,516 |
| Receivables and other debit balances | | 2,838,359 | 3,460,300 |
| Deferred tax assets | 8 | 1,970,912 | 1,860,798 |
| Property and equipment | | 3,317,733 | 3,349,480 |
| Total assets | | 786,786,651 | 767,658,288 |
| <u>EQUITY AND LIABILITIES</u> | | | |
| <u>Equity</u> | | | |
| 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 | | 344,818 | 344,407 |
| Retained earnings | | 11,154,641 | 8,697,555 |
| Total equity | | 45,475,525 | 43,018,028 |
| <u>Liabilities</u> | | | |
| Contractually restricted provisions - Central Bank of Jordan | | 136,014,853 | 118,546,169 |
| Contractually restricted provisions - other entities | | 5,584,894 | 5,243,987 |
| Expected credit losses provision | | 21,296,673 | 19,506,013 |
| Central Bank of Jordan loan - industrial loans guarantee program | 13 | 5,160,695 | 5,160,695 |
| Central Bank of Jordan loan - exports credit guarantee program | 13 | 99,999,277 | 99,999,277 |
| Central Bank of Jordan loan - housing loan guarantee program-facilitated housing | 13 | 100,000,000 | 100,000,000 |
| Central Bank of Jordan 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 | 64,257,700 | 64,429,883 |
| Deferred grants interest income | | 1,392,008 | 2,176,975 |
| Payables and other credit balances | | 5,925,093 | 7,663,386 |
| Income tax provision | 8 | 431,433 | 665,375 |
| Total liabilities | | 741,311,126 | 724,640,260 |
| Total equity and liabilities | | 786,786,651 | 767,658,288 |

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 THREE AND NINE-MONTHS ENDED 30 SEPTEMBER 2025 (UNAUDITED)

| | Notes | For the three months ended 30 September | | For the nine months ended 30 September | |
|--|-------|--|---------------------|---|---------------------|
| | | 2025 | 2024 | 2025 | 2024 |
| | | JD | JD | JD | JD |
| Revenues | | | | | |
| Interest revenues on bonds and deposits of the central bank and other entities (contractually restricted) | 13 | 10,573,115 | 10,390,639 | 31,691,786 | 30,894,538 |
| Other bank deposits' interests | | 305,885 | 254,091 | 971,374 | 995,286 |
| Interest on investments in financial assets at amortized cost, others | | 491,291 | 505,855 | 1,467,002 | 1,311,441 |
| Loans guarantees commissions | | 239,582 | 251,537 | 714,614 | 753,949 |
| Exports and domestics buyer's guarantees commissions | | 167,087 | 162,899 | 478,286 | 407,287 |
| Industrial financing and services guarantees commissions | | 456,929 | 340,935 | 1,272,433 | 936,667 |
| National program for confronting Covid-19 guaranteed loans commissions | | 87,660 | 142,722 | 277,180 | 495,315 |
| Managing Central Bank of Jordan Programs loans commissions | | 338,564 | 284,001 | 911,489 | 740,578 |
| Investments' dividends received | | - | - | 90,000 | 90,000 |
| Other revenues, net | | 1,597 | - | 2,082 | - |
| Total revenues | | <u>12,661,710</u> | <u>12,332,679</u> | <u>37,876,246</u> | <u>36,625,061</u> |
| Less: | | | | | |
| Administrative expenses | | (569,372) | (555,396) | (1,731,302) | (1,731,736) |
| Finance costs for central bank loans | 13 | (1,265,507) | (1,269,397) | (3,756,032) | (3,783,191) |
| Recovered from provision (provision for expected credit losses) for programs financed by the loans of the central bank and other entities (contractually restricted) | | 1,045,782 | 412,680 | (1,308,713) | (1,384,697) |
| Contractually restricted provisions expense | 13 | (10,353,390) | (9,533,922) | (26,627,041) | (25,726,650) |
| Provision for expected credit losses related to Company's programs | | (658,654) | (326,231) | (1,330,482) | (736,191) |
| Provision (recovered from provision) for expected credit losses related to deposits and bonds | | (19,838) | 12,644 | (27,604) | 18,121 |
| Total expenses | | <u>(11,820,979)</u> | <u>(11,259,622)</u> | <u>(34,781,174)</u> | <u>(33,344,344)</u> |
| Profit for the period before income tax | | <u>840,731</u> | <u>1,073,057</u> | <u>3,095,072</u> | <u>3,280,717</u> |
| Income tax expense for the period | 8 | (176,553) | (225,341) | (637,986) | (674,776) |
| Profit for the period | | <u>664,178</u> | <u>847,716</u> | <u>2,457,086</u> | <u>2,605,941</u> |
| | | <u>Fils/JD</u> | <u>Fils/JD</u> | <u>Fils/JD</u> | <u>Fils/JD</u> |
| Basic and diluted earnings per share for the profit of the period | 10 | <u>0/023</u> | <u>0/029</u> | <u>0/084</u> | <u>0/090</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 THREE AND NINE -MONTHS ENDED 30 SEPTEMBER 2025 (UNAUDITED)

| | For the three months ended 30 September | | For the nine months ended 30 September | |
|--|--|----------------|---|------------------|
| | 2025 | 2024 | 2025 | 2024 |
| | JD | JD | JD | JD |
| Profit for the period | 664,178 | 847,716 | 2,457,086 | 2,605,941 |
| Add: Other comprehensive income items: | | | | |
| Change in fair value of financial assets through other comprehensive income | (1,392) | - | 411 | (1,556) |
| Total comprehensive income for the period | <u>662,786</u> | <u>847,716</u> | <u>2,457,497</u> | <u>2,604,385</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 THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2025 (UNAUDITED)

| | Paid-in capital | Statutory reserve | Voluntary reserve | Fair value reserve | Retained earnings | Total |
|--|--------------------|----------------------|----------------------|-----------------------|----------------------|-------------------|
| | JD | JD | JD | JD | JD | JD |
| For the nine-months ended 30 September 2025 - | | | | | | |
| 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 | - | - | - | 411 | 2,457,086 | 2,457,497 |
| Balance at 30 September 2025 | 29,080,310 | 2,690,932 | 2,204,824 | 344,818 | 11,154,641 | 45,475,525 |
| For the nine-months ended 30 September 2024 - | | | | | | |
| Balance at 1 January 2024 | 29,080,310 | 2,457,560 | 2,204,824 | 430,888 | 7,116,562 | 41,290,144 |
| Total comprehensive income for the period | - | - | - | (1,556) | 2,605,941 | 2,604,385 |
| Balance at 30 September 2024 | 29,080,310 | 2,457,560 | 2,204,824 | 429,332 | 9,722,503 | 43,894,529 |

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
30 SEPTEMBER 2025 (UNAUDITED)

| | Notes | For the nine months ended 30 September | |
|--|-------|--|---------------------|
| | | 2025 | 2024 |
| | | JD | JD |
| OPERATING ACTIVITIES | | | |
| Profit for the period before tax | | 3,095,072 | 3,280,717 |
| Adjustments for - | | | |
| Depreciation | | 74,736 | 77,752 |
| End-of-service indemnity provision | | 14,904 | 16,132 |
| Provision for expected credit losses of the Company's programs | | 1,330,482 | 736,191 |
| Provision (recovered from provision) for expected credit losses for bonds and deposits | | 27,604 | (18,121) |
| Provision of expected credit losses for programs financed by the loans from the central bank and other entities (contractually restricted) | | 1,308,713 | 1,384,697 |
| Interest revenue on bonds and deposits of the central bank and other entities (contractually restricted) | | (31,691,786) | (30,894,538) |
| Investment's dividends | | (90,000) | (90,000) |
| Bank deposits' interest, others | | (971,374) | (995,286) |
| Interest on investments in financial assets at amortized cost, others | | (1,467,002) | (1,311,441) |
| Finance costs of central bank loans | | 3,756,032 | 3,783,191 |
| Contractually restricted provisions expense | | 26,627,041 | 25,726,650 |
| Gain from sale of property and equipment | | (485) | |
| Working capital adjustments: | | | |
| Receivables and other current assets | | 621,941 | (459,573) |
| Payables and other current liabilities | | (1,738,293) | (2,770,203) |
| Net provision of loans guarantees (contractually restricted) | | (13,745,626) | (9,462,506) |
| Income tax paid | 8 | (979,868) | (832,720) |
| Net cash flows used in operating activities | | (13,827,909) | (11,829,058) |
| INVESTING ACTIVITIES | | | |
| Purchase of property and equipment | | (43,104) | (211,978) |
| Term deposits at banks | | (18,231,256) | (5,519,222) |
| Investments' dividends received | | 90,000 | 90,000 |
| Purchase of financial assets at amortized cost | | (9,996,190) | (13,775,133) |
| Purchase of financial assets at fair value through other comprehensive income | | (600,000) | |
| Interests received | | 2,438,376 | 2,306,727 |
| Term deposits and restricted bank deposits | | (3,329,678) | (12,217,302) |
| Interest revenues on bonds and deposits of the central bank and other entities (contractually restricted) received | | 31,691,786 | 30,894,538 |
| Proceeds from sale of property and equipment | | 600 | |
| Net cash flows from investing activities | | 2,020,534 | 1,567,630 |
| FINANCING ACTIVITIES | | | |
| Finance costs paid | | (3,756,032) | (3,783,191) |
| Net cash flows used in financing activities | | (3,756,032) | (3,783,191) |
| Decrease in cash and cash equivalents | | (15,563,407) | (14,044,619) |
| Cash and cash equivalents at the beginning of the period | | 15,677,628 | 14,246,781 |
| Cash and cash equivalents at the end of the period | 4 | 114,221 | 202,162 |

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

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

(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 October 2025.

(2-1) BASIS OF PREPARATION AND ACCOUNTING POLICIES

The interim condensed financial statements for the nine months ended on 30 September 2025 have been prepared in accordance with International Accounting Standards (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 nine-month period ended 30 September 2025 are not necessarily indicative of the results expected for the financial year ending 31 December 2025.

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

(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:

Lack of exchangeability - Amendments to IAS 21

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

The amendments did not have a material impact on the Company's interim condensed financial statements.

(3) BALANCES OF GRANTED CEILINGS AND GUARANTEED LOANS

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

| | Loan ceiling | | Guaranteed amount | |
|---|----------------------|----------------------|----------------------|----------------------|
| | 30 September 2025 | 30 September 2024 | 30 September 2025 | 30 September 2024 |
| | JD | JD | JD | JD |
| The National Program for confronting Covid – 19 pandemics | 65,203,713 | 137,406,866 | 65,203,713 | 137,406,866 |
| Industrial financing and services | 205,276,026 | 145,470,004 | 205,276,026 | 145,470,004 |
| Productive loans guarantee program | 47,556,234 | 46,982,959 | 46,042,092 | 45,223,011 |
| Startups micro projects | 36,891,347 | 29,873,519 | 36,891,347 | 29,873,519 |
| Housing loans guarantee program | 10,126,906 | 16,195,906 | 8,152,996 | 9,578,814 |
| Guarantee of exports' credit and domestic buyers | 5,128,087 | 8,815,055 | 5,128,087 | 8,815,055 |
| | <u>370,182,313</u> | <u>384,744,309</u> | <u>366,694,261</u> | <u>376,367,269</u> |

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

(4) CASH AND BANKS BALANCES

| | 30 September 2025 | 31 December 2024 |
|--|----------------------|---------------------|
| | JD | JD |
| | (Unaudited) | (Audited) |
| Cash on hand | 2,000 | 2,000 |
| Banks' balances – current accounts | 112,221 | 79,325 |
| Deposits maturing within three months* | - | 15,596,303 |
| | 114,221 | 15,677,628 |
| Provision for expected credit losses | - | (10,454) |
| | 114,221 | 15,667,174 |

* No term deposits with maturities ranging from one to three months were placed as of 30 September 2025 (31 December 2024: from 5.5% to 6.8%).

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

| | 30 September 2025 | 31 December 2024 |
|--|----------------------|---------------------|
| | JD | JD |
| | (Unaudited) | (Audited) |
| Balance at the beginning of the period / year | 10,454 | 10,948 |
| Provision transferred to term deposits at banks (note 5) | (10,454) | - |
| Recovered from the provision | - | (494) |
| Balance at the end of the period / year | - | 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 September 2025 | 30 September 2024 |
|----------------------------|----------------------|----------------------|
| | JD | JD |
| | (Unaudited) | (Unaudited) |
| Cash and balances at banks | 114,221 | 202,162 |

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

(5) TERM DEPOSITS AT BANKS

| 30 September 2025 (Unaudited) | | | |
|---|---|--|-------------------|
| | 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 | 17,996,641 | 2,520,215 | 20,516,856 |
| Less: provision for expected credit losses | (33,151) | (11,629) | (44,780) |
| | <u>17,963,490</u> | <u>2,508,586</u> | <u>20,472,076</u> |
| 31 December 2024 (Audited) | | | |
| | Deposits maturing in more than three months and up to six months | Deposits maturing within six months and up to one year | Total |
| | JD | JD | JD |
| Term deposits | - | 2,248,111 | 2,248,111 |
| Less: provision for expected credit losses | - | (7,291) | (7,291) |
| | <u>-</u> | <u>2,240,820</u> | <u>2,240,820</u> |

The average interest rates on balances of the bank's deposits range from 5.5% to 6% as at 30 September 2025 (31 December 2024: from 5.75% to 6.65%).

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

| | 30 September 2025 JD (Unaudited) | 31 December 2024 JD (Audited) |
|---|---|--|
| Balance at the beginning of the period / year | 7,291 | 44,310 |
| Provision (recovered from) for the period / year | 27,035 | (37,019) |
| Provision transferred from cash and balances at banks (note 4) | 10,454 | - |
| Balance at the end of the period / year | <u>44,780</u> | <u>7,291</u> |

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

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

| | 30 September 2025 | 31 December 2024 |
|--|----------------------|---------------------|
| | JD | JD |
| | (Unaudited) | (Audited) |
| Financial assets listed at Amman Stock Exchange – companies' shares | 1,513,918 | 913,486 |
| Unlisted financial assets – companies' shares | 111,030 | 111,030 |
| | <u>1,624,948</u> | <u>1,024,516</u> |

(7) FINANCIAL ASSETS AT AMORTIZED COST

| | 30 September 2025 | 31 December 2024 |
|---------------------------------------|----------------------|---------------------|
| | JD | JD |
| | (Unaudited) | (Audited) |
| Treasury and loan bonds inside Jordan | 27,233,273 | 27,233,636 |
| Provision for expected credit losses | (25,863) | (25,294) |
| | <u>27,207,410</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 September 2025 | 31 December 2024 |
|---|----------------------|---------------------|
| | JD | JD |
| | (Unaudited) | (Audited) |
| Balance at the beginning of the period / year | 25,294 | 25,319 |
| Provision (recovered from the provision) for the period/year | 569 | (25) |
| Balance at the end of the period / year | <u>25,863</u> | <u>25,294</u> |

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

(8) INCOME TAX

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

| | 30 September 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 | 745,926 | 892,724 |
| Income tax paid | (979,868) | (833,426) |
| Balance at the end of the period / year | 431,433 | 665,375 |

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

| | 30 September 2025 | 30 September 2024 |
|-----------------------------------|----------------------|----------------------|
| | JD | JD |
| | (Unaudited) | (Unaudited) |
| Income tax expense for the period | 710,406 | 684,329 |
| National contribution tax | 35,520 | 34,216 |
| Income tax for previous year | 2,197 | - |
| Deferred tax assets benefits | (110,137) | (43,769) |
| | 637,986 | 674,776 |

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

| | 30 September 2025 | 31 December 2024 |
|--|----------------------|---------------------|
| | JD | JD |
| | (Unaudited) | (Audited) |
| Expected credit losses provision for the Company's programs | 1,969,853 | 1,868,644 |
| End of service indemnity provision | 5,329 | 2,199 |
| Provision for expected credit losses for bonds and deposits | 14,835 | 9,038 |
| Accumulated change in the fair value of the financial assets | (19,105) | (19,083) |
| | 1,970,912 | 1,860,798 |

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

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

| | 30 September 2025 | 31 December 2024 |
|---|----------------------|---------------------|
| | JD | JD |
| | (Unaudited) | (Audited) |
| Balance at the beginning of the period / year | 1,860,798 | 1,427,639 |
| Net changes during the period / year – deferred tax assets | 110,137 | 428,367 |
| Net changes during the period / year – deferred tax liabilities | (23) | 4,792 |
| Balance at the end of the period / year | 1,970,912 | 1,860,798 |

- The Company's income tax provision for the periods ended 30 September 2025 and 2024 has been calculated in accordance with 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 obtained a final clearance from the Income and Sales Tax Department up to the year 2024.

(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 voluntary 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 SEPTEMBER 2025 (UNAUDITED)

(10) EARNING PER SHARE FOR THE PERIOD

| | For the three months ended on 30 September | | For the nine months ended on 30 September | |
|--|---|------------|--|------------|
| | 2025 | 2024 | 2025 | 2024 |
| Profit for the period (JD) | 664,178 | 847,716 | 2,457,086 | 2,605,941 |
| Weighted average number of shares (share) | 29,080,310 | 29,080,310 | 29,080,310 | 29,080,310 |
| | Fils/JD | Fils/JD | Fils/JD | Fils/JD |
| Profit per share for the period | 0/023 | 0/029 | 0/084 | 0/090 |

(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 September 2025 and as of 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 interim condensed statement of financial position were as follows:

| | 30 September 2025 JD (Unaudited) | 31 December 2024 JD (Audited) |
|---|---|--|
| 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 |

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Related parties' transactions included in the interim condensed statement of income were as follows:

| | For the nine months ended 30 September | |
|--------------------------------------|--|-------------|
| | 2025 | 2024 |
| | JD | JD |
| | (Unaudited) | (Unaudited) |
| Finance costs for central bank loans | 3,756,032 | 3,783,191 |

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

Total salaries and incentives paid for the executive management of the Company for the nine months ended 30 September 2025 amounted to JD 371,905 (For the nine months ended 30 September 2024 amounted to JD 869,542).

(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.

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

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An amendment to the above loan agreements was signed during 2025, whereby the loan maturities which previously ranged from 10 to 15 years, were modified so that all loans now have a one-year term and are renewable upon the approval of the Central Bank provided that the total renewal period does not exceed the original maturity date of each agreement.

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.

| Loan | Amount |
|--|-------------------------|
| Total Loans obtained from various banks to guarantee the Startup micro loans | JD 15.65 Million |
| Central Bank of Jordan Loan / Industrial loans guarantee program (Ejada) | JD 5.16 Million |
| Total | JD 20.81 Million |

(14) CONTINGENT LIABILITIES

LAWSUIT -

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 September 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.