

**JORDAN FACILITIES COMPANY FOR SPECIALIZED FINANCING
(PUBLIC SHAREHOLDING LIMITED COMPANY)**

**CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
(UNAUDITED)**

31 MARCH 2025

**JORDAN FACILITIES COMPANY FOR SPECIALIZED FINANCING
(PUBLIC SHAREHOLDING LIMITED COMPANY)**

**CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
(UNAUDITED)**

31 MARCH 2025

	<u>PAGE</u>
REVIEW REPORT ON THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS	1
CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION	2
CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME	3
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY	4
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS	5
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS	6 - 27



**REVIEW REPORT ON THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
TO THE CHAIRMAN AND THE MEMBERS OF THE BOARD OF DIRECTORS OF
JORDAN FACILITIES COMPANY FOR SPECIALIZED FINANCING
(PUBLIC SHAREHOLDING LIMITED COMPANY)**

Introduction

We have reviewed the accompanying consolidated condensed interim statement of financial position of Jordan Facilities Company for Specialized Financing (Public Shareholding Limited Company) (later on the "Company") and its subsidiaries (together the "Group") as at 31 March 2025, and the consolidated condensed interim statement of comprehensive income for the three months period ended 31 March 2025, the consolidated condensed interim statement of changes in shareholders' equity and cash flows for the three-month period then ended and other explanatory notes. Management is responsible for the preparation and presentation of these consolidated condensed interim financial statements in accordance with International Accounting Standard (34) "Interim Financial Reporting" as modified by the Central Bank of Jordan. Our responsibility is to express a conclusion on these consolidated condensed interim 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 statements 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 consolidated condensed interim financial statements are not prepared, in all material respects, in accordance with International Accounting Standard (34) (Interim Financial Reporting) as modified by the Central Bank of Jordan.

For and on behalf of PricewaterhouseCoopers "Jordan"

Omar Jamal Kalanzi
License No. (1015)

Amman - Jordan
27 April 2025



JORDAN FACILITIES COMPANY FOR SPECIALIZED FINANCING
(PUBLIC SHAREHOLDING LIMITED COMPANY)
CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2025 (UNAUDITED)

	<u>Note</u>	<u>31 March 2025</u> JD (Unaudited)	<u>31 December 2024</u> JD (Audited)
Assets			
Cash and cash equivalents	4	2,617,770	2,649,387
Financial assets at fair value through other comprehensive income	5	220,272	227,323
Financial assets at amortised cost	6	141,947,453	137,363,339
Other debit balances		312,621	382,277
Right of use of leased assets		257,910	277,320
Assets foreclosed against defaulted loans		2,855,093	2,773,776
Property and equipment		168,084	173,589
Intangible assets		45,293	38,151
Deferred tax assets		4,108,618	4,136,371
Total assets		<u>152,533,114</u>	<u>148,021,533</u>
Liabilities and shareholders' equity			
Liabilities			
Bank overdrafts	8	10,037,213	6,991,751
Loans	9	73,190,173	77,105,919
Bonds	10	7,590,000	4,160,000
Lease liabilities		243,672	280,966
Trade and other payables		1,495,166	1,606,266
Other provisions		319,424	319,486
Income tax provision	11	3,083,375	2,973,801
Total liabilities		<u>95,959,023</u>	<u>93,438,189</u>
Shareholders' equity			
Authorised, subscribed and paid in capital	13	16,500,000	16,500,000
Statutory reserve	13	4,125,000	4,125,000
Financial assets valuation reserve		25,108	32,159
Retained earnings		35,923,983	33,926,185
Total shareholders' equity		<u>56,574,091</u>	<u>54,583,344</u>
Total liabilities and shareholders' equity		<u>152,533,114</u>	<u>148,021,533</u>

The accompanying notes from 1 to 15 are an integral part of these consolidated condensed interim financial statements

JORDAN FACILITIES COMPANY FOR SPECIALIZED FINANCING
(PUBLIC SHAREHOLDING LIMITED COMPANY)
CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025 (UNAUDITED)

		For the three -month period ended 31 March	
	Note	2025	2024
		JD	JD
		(Unaudited)	(Unaudited)
Revenues and commissions from commercial financing, Murabaha and finance leases		5,337,345	4,390,331
Other revenues		280,708	313,187
Deposit income		36,885	29,589
Total revenues		5,654,938	4,733,107
Salaries, wages and employees' benefits		(431,338)	(481,596)
Administrative expenses		(271,014)	(300,999)
Recovered from (expenses) other provisions		681	(3,123)
Provision for impairment of repossessed assets		(4,712)	(2,997)
Depreciation of investment properties	7	-	(2,139)
Depreciation of right of use leased assets		(25,494)	(24,535)
Depreciation of property and equipment		(14,390)	(12,159)
Amortization of intangible assets		(2,654)	(3,655)
Provision of expected credit losses on financial assets at amortized cost	6	(69,410)	(255,760)
Finance expenses		(1,888,282)	(1,501,343)
Total Expenses		(2,706,613)	(2,588,306)
Profit for the period before income tax		2,948,325	2,144,801
Income tax expense	11	(950,527)	(621,470)
Profit for the Period		1,997,798	1,523,331
Other comprehensive income items that will not be reclassified to the consolidated condensed interim statement of profit or loss:			
Net Change in fair value of financial assets at fair value through other comprehensive income		(7,051)	(293)
Total comprehensive income for the period		1,990,747	1,523,038
Basic and diluted earnings per share from profit of the period attributable to shareholders of the Company (JD/Share)	14	0.121	0.092

The accompanying notes from 1 to 15 are an integral part of these consolidated condensed interim financial statements

JORDAN FACILITIES COMPANY FOR SPECIALIZED FINANCING
(PUBLIC SHAREHOLDING LIMITED COMPANY)
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025 (UNAUDITED)

	Authorised, subscribed and paid in capital JD	Statutory reserve JD	Financial assets valuation reserve* JD	Retained earnings** JD	Total JD
2025					
(Unaudited)					
Balance as at 1 January 2025	16,500,000	4,125,000	32,159	33,926,185	54,583,344
Profit for the period	-	-	-	1,997,798	1,997,798
Net change in financial assets valuation reserve	-	-	(7,051)	-	(7,051)
Total comprehensive income for the period	-	-	(7,051)	1,997,798	1,990,747
Balance as at 31 March 2025	<u>16,500,000</u>	<u>4,125,000</u>	<u>25,108</u>	<u>35,923,983</u>	<u>56,574,091</u>
2024					
(Unaudited)					
Balance as at 1 January 2024	16,500,000	4,125,000	24,426	26,350,134	46,999,560
Profit for the period	-	-	-	1,523,331	1,523,331
Net change in financial assets valuation reserve	-	-	(293)	-	(293)
Total comprehensive income for the period	-	-	(293)	1,523,331	1,523,038
Balance as at 31 March 2024	<u>16,500,000</u>	<u>4,125,000</u>	<u>24,133</u>	<u>27,873,465</u>	<u>48,522,598</u>

* Use of the credit balance of the valuation reserve of financial assets through other comprehensive income is restricted in accordance with the instructions of the Central Bank of Jordan and Jordan Securities Commission.

** The retained earnings as at 31 March 2025 include deferred tax assets amounted to JD 4,108,618 (JD 4,136,371 as at 31 December 2024) is restricted in accordance with the instructions of the Central Bank of Jordan and Jordan Securities Commission.

The accompanying notes from 1 to 15 are an integral part of these consolidated condensed interim financial statements

JORDAN FACILITIES COMPANY FOR SPECIALIZED FINANCING
(PUBLIC SHAREHOLDING LIMITED COMPANY)
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2025 (UNAUDITED)

	Note	31 March 2025 JD (Unaudited)	31 March 2024 JD (Unaudited)
Operating activities			
Profit for the period before tax		2,948,325	2,144,801
Adjustments:			
Depreciation of investment properties	7	-	2,139
Depreciation of right of use leased assets		25,494	24,535
Depreciation of property and equipment		14,390	12,159
Amortization of intangible assets		2,654	3,655
Gain on sale of property and equipment		(140)	(35)
Gains on sale of assets foreclosed in repayment due debts		(6,962)	(2,037)
Expected credit losses provision of financial assets at amortized cost	6	69,410	255,760
Provision for impairment of foreclosed in repayment due debts		4,712	2,997
Gain on sale of investment properties	7	-	(46,149)
(Recovered) from expenses other provisions		(681)	3,123
Deposit income		(36,885)	(29,589)
Finance expenses		1,888,282	1,501,343
Received from other provisions		619	-
Changes in working capital:			
Financial assets at amortized cost		(4,782,590)	(4,660,617)
Other debit balances		69,656	(90,527)
Trade and other payables		(265,511)	134,859
Net cash flows used in operating activities before income tax and provisions paid		(69,227)	(743,583)
Income tax paid		(813,200)	(622,057)
Paid from other provisions		-	(4,527)
Net cash flows used in operating activities		(882,427)	(1,370,167)
Investing activities			
Purchase of property and equipment		(8,898)	(18,625)
Proceeds from sale of property and equipment		152	118
Purchase of intangible assets		(9,796)	-
Proceeds from sale of investment properties		-	165,000
Proceeds from sale of assets foreclosed in repayment of due debts		50,000	149,103
Deposit receipts		36,885	29,589
Net cash flows generated from investing activities		68,343	325,185
Financing activities:			
Banks Overdrafts		3,045,462	(1,623,280)
Net movement on loans		(3,915,746)	(121,437)
Bonds repayment		(4,160,000)	-
Bond issuance		7,590,000	4,160,000
Paid from operating lease obligations		(48,240)	(42,120)
Finance expenses paid		(1,726,902)	(1,349,170)
Dividends paid		(2,107)	-
Net cash flows generated from financing activities		782,467	1,023,993
Net change in cash and cash equivalents		(31,617)	(20,989)
Cash and cash equivalents at the beginning of the period		2,649,387	2,283,955
Cash and cash equivalents at the end of the period	4	2,617,770	2,262,966
Non-cash transactions			
Right-of-use leased assets/liabilities under operating leases		6,084	-
Transferred from financial assets at amortised cost to assets foreclosed against defaulted loans		129,066	56,387

The accompanying notes from 1 to 15 are an integral part of these consolidated condensed interim financial statements

JORDAN FACILITIES COMPANY FOR SPECIALIZED FINANCING
(PUBLIC SHAREHOLDING LIMITED COMPANY)
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025

(1) GENERAL INFORMATION

Jordan Facilities Company for Specialized Financing was incorporated on 13 March 1983 as a public shareholding limited company under No. (179) with a share capital of JD 16,500,000 divided into 16,500,000 shares with a nominal value of one JD for each share.

The main objectives of the Company are:

- Carrying out financial leasing activities
- Real estate financing
- Granting loans and direct financing for consumer goods
- Project financing
- Vehicle financing

The Group's shares are listed on the Amman Stock Exchange.

The Group's head office is located in Amman - the Hashemite Kingdom of Jordan, and its address is in Shmeisani.

The Company is 97.8% owned by Tamkeen Leasing Company (the parent company) and the ultimate parent company is Invest Bank - Public Shareholding Company whose shares are listed on the Amman Stock Exchange. The Company's financials statements are consolidated with the Ultimate Parent Company's consolidated financial statements.

During the year, the Group changed its legal name from Jordan trade Facilities Company to Jordan Facilities Company for Specialized Financing, following an Extraordinary General Assembly meeting held on February 25, 2025, and after obtaining the necessary approvals from the relevant regulatory authorities. The new name became effective as of March 4, 2025. This change does not affect the Group's legal structure, operational activities, or ownership. The new name has been reflected in the financial statements for the current and comparative periods for consistency and presentation purposes.

The accompanying consolidated condensed interim financial statements were approved by the board of directors on 20 April 2025.

(2) MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policy information applied by the Group in the preparation of these consolidated financial statements are set out below. These policies have are consistently applied to all the years presented, unless otherwise stated.

2-1 Basis of Preparation

The consolidated condensed interim financial statements have been prepared in accordance with International Accounting Standards No. (34) ("Interim Financial Reporting") as modified by the Central Bank of Jordan.

The main differences between the IFRSs as they shall be applied and what has been approved by the Central Bank of Jordan are the following:

1. Some items are classified and presented in the consolidated statement of financial position, consolidated statement of income and the related disclosure, such as credit facilities, interest in suspense, expected credit losses, Assets foreclosed against defaulted loans, fair value levels, segments classification and disclosures related to risks and others, in accordance with the requirements of the Central Bank of Jordan, its instructions and circulated guidance which might not include all the requirements of IFRS such as IFRS 7, 9 and 13.

JORDAN FACILITIES COMPANY FOR SPECIALIZED FINANCING
(PUBLIC SHAREHOLDING LIMITED COMPANY)
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025

2. Provisions for expected credit losses are formed in accordance with the instructions of the Central Bank of Jordan (No. 13/ 2018) "Application of the IFRS (9)" dated 6 June 2018. The material differences are as follows:
 - a) Debt instruments issued or guaranteed by the Jordanian government are excluded.
 - b) Interest and commissions are suspended on non-performing credit facilities and facilities classified within the third stage in accordance with the instructions of the Central Bank of Jordan.
3. Assets that have been reverted to the Company appear in the consolidated condensed statement of financial position within assets foreclosed against defaulted loans at the amount of which they were reverted to the Company or the fair value, whichever is lower, and are reassessed on the date of the consolidated condensed financial statements individually. Any impairment in their value is recorded as a loss in the consolidated condensed statement of profit or loss and the increase is not recorded as revenue. The subsequent increase is taken to the consolidated condensed statement of profit or loss to the extent that it does not exceed the value of the previously recorded impairment. As of the beginning of 2015, a gradual provision was made for real estate acquired for more than 4 years against debts according to the Circular of the Central Bank of Jordan No. 4076/1/15 dated 27 March 2014 and No. 2510/1/10 dated 14 February 2017.

Noting that the Central Bank of Jordan issued Circular No. 13967/1/10 dated 25 October 2019, in which the Circular No. 16607/1/10 dated 17 December 2017 was approved for extension. The Central Bank of Jordan also confirmed postponing the calculation of the provision until the end of the year 2020. According to the Central Bank's Circular No. 16239/1/10 dated 21 November 2020, deduction of the required provisions against real estate acquired is made at the rate of (5%) of the total book values of these properties (regardless of the period of violation) as of the year 2021, so that the required percentage of 50% of these properties are reached by the end of 2030.

The Central Bank of Jordan, pursuant to Circular No. 10/3/16234 dated 10 October 2022, cancelled all previous circulars, which stipulate the deduction of provisions against seized assets that violates the banking law, while maintaining the provisions balances against real estate and to be released upon the disposal of such assets.

- The consolidated condensed interim financial statements have been prepared under the historical cost except for the financial assets measured at fair value through other comprehensive income, which are presented at fair value as of the date of preparation of the consolidated condensed interim financial statements.
- The consolidated financial statements are presented in Jordanian Dinars (JD), which represents the Group's financial and presentation currency.
- The condensed consolidated interim financial statements do not include all the information and explanations required for the annual financial statements prepared in accordance with the international financial reporting standards, as modified in accordance with the instructions of the Central Bank of Jordan, and it must be read with the financial statements of the Group as of 31 December 2024, and the business results for the three months ended 31 March 2025 are not necessarily indicative of the expected results for the year ending 31 December 2024. No provisions were recorded as of March 31, 2025, as such allocations are made at year-end 2024.
- The preparation of the consolidated condensed interim financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in (Note 3).

JORDAN FACILITIES COMPANY FOR SPECIALIZED FINANCING
(PUBLIC SHAREHOLDING LIMITED COMPANY)
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025

2.2 Changes in Accounting Policies

(A) New and amended standards and interpretations issued and adopted by the Group in the financial year beginning on 1 January 2025:

Key requirements	Effective date
Amendments to IAS 21 – Lack of Exchangeability: An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.	1 January 2025

The implementation of the above standards did not have a material impact on the consolidated financial statement.

(B) New standards, amendments and interpretations that have been issued but are not yet effective:

Key requirements	Effective date
Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7: On 30 May 2024, the IASB issued targeted amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities.	1 January 2026
IFRS 18, ‘Presentation and Disclosure in Financial Statements’: On 9 April 2024, the IASB issued a new standard – IFRS 18, ‘Presentation and Disclosure in Financial Statements’ – in response to investors’ concerns about the comparability and transparency of entities’ performance reporting. The new requirements introduced in IFRS 18 will help to achieve comparability of the financial performance of similar entities, especially related to how ‘operating profit or loss’ is defined. The new disclosures required for some management-defined performance measures will also enhance transparency.	1 January 2027 (early adoption is permitted)
This new standard replaces the previous IAS 1 and is specific on matters related to presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss to meet the matters mentioned above.	
IFRS 19, ‘Subsidiaries without Public Accountability: Disclosures’: This new standard works alongside other IFRS Accounting Standards. An eligible subsidiary applies the requirements in other IFRS Accounting Standards except for the disclosure requirements; and it applies instead the reduced disclosure requirements in IFRS 19. IFRS 19’s reduced disclosure requirements balance the information needs of the users of eligible subsidiaries’ financial statements with cost savings for preparers. IFRS 19 is a voluntary standard for eligible subsidiaries.	1 January 2027

A subsidiary is eligible if:

- it does not have public accountability; and
- it has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards

The management is still in the process of evaluating the impact of these new amendments on the Group’s consolidated financial statements, and it believes that there will be no significant impact on the consolidated financial statements when they are implemented.

There are no other standards that are not yet effective and that would be expected to have a material impact on the Group in the current year starting 1 January 2025 or future reporting periods and on foreseeable future transactions.

JORDAN FACILITIES COMPANY FOR SPECIALIZED FINANCING
(PUBLIC SHAREHOLDING LIMITED COMPANY)
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025

2-3 Basis of consolidation of consolidated condensed interim financial statements

The consolidated financial statements include the financial statements of the Company and the companies under its control (its subsidiaries), control is achieved when the Company:

- Has the ability to control the subsidiaries;
- exposed, or has right, to variable returns from its involvement with the subsidiaries;
- Has the ability to use its power to influence the returns of the subsidiaries.

The Company will re-estimate whether it controls the subsidiaries or not if the facts and circumstances indicate that there are changes on one or more of the control points referred to above.

In the event that the Company's voting rights fall below the majority of voting rights in any of the subsidiaries, it will have the power to control when voting rights are sufficient to give the Company the ability to unilaterally direct the related subsidiary activities. The Company takes into account all facts and circumstances when estimating whether the Company has voting rights in the investee that are sufficient to give it the ability to control or not. These facts and circumstances include:

- The volume of voting rights the Company has in relation to the number and distribution of other voting rights;
- Potential voting rights held by the Company and any other voting rights holders or parties;
- Rights arising from other contractual arrangements; and
- Any additional facts and circumstances indicating that the Company has, or does not have, a current responsibility to direct the relevant activities at the time the required decisions are taken, including how to vote in meetings of previous general assembly's meetings.

The subsidiary is consolidated when the Company controls the subsidiary and is deconsolidated when the Company loses control of the subsidiary. Specifically, the results of operations of subsidiaries acquired or excluded during the year are included in the consolidated statement of comprehensive income from the date on which control is achieved until the date the control of the subsidiary is lost.

Profits and losses and each item of the comprehensive income are distributed to the owners in the entity and the non-controlling interest, the comprehensive income for the subsidiaries belonging to the owners in the entity and the non-controlling share is distributed even if this distribution will lead to a deficit in the balance of the non-controlling interest.

Adjustments are made to the financial statements of the subsidiaries, when required, to align their accounting policies with those used by the Company.

Non-controlling interests in the subsidiaries are determined separately from the Company's equity in these entities. The non-controlling interests of the shareholders currently present in the equity granted to their owners with a proportionate share of the net assets upon liquidation may be measured initially at fair value or by the proportionate share of non-controlling interests in the fair value of the identifiable net purchase amount of assets. The measurement is selected on an acquisition basis. Other non-controlling interests are initially measured at fair value. After acquisition, the carrying value of non-controlling interests is the value of these interests upon initial recognition, in addition to the non-controlling interest's share of subsequent changes in equity. Total comprehensive income is attributable to the non-controlling interests even if that results in a deficit in the non-controlling interests' balance.

JORDAN FACILITIES COMPANY FOR SPECIALIZED FINANCING
(PUBLIC SHAREHOLDING LIMITED COMPANY)
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025

Changes in the Company's interest in subsidiaries that do not result in loss of control are accounted for as equity transactions. The present value of the Company's and non-controlling interests are adjusted to reflect changes in their relative shares in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Company loses control of a subsidiary, the profit or loss resulting from the disposal is calculated in the statement of profit or loss, with the difference between (1) the total fair value of the consideration received and the fair value of any remaining shares and (2) the present value of the assets (including goodwill), less the liabilities of the subsidiary and any non-controlling interests.

All amounts previously recognised in the other comprehensive income in relation to that subsidiary are accounted for as if the Company had directly disposed of the assets or liabilities related to the subsidiary.

The fair value of the investment that is held in the previous subsidiary at the date of loss of control is considered to be the fair value upon initial recognition of subsequent accounting under IFRS (9) "Financial instruments" when this standard applies, or the cost of initial recognition of investment in an associate or a joint venture.

The Company has the following subsidiaries:

31 March 2025:

Company Name	Authorized Capital	Company's Ownership	Nature of Activity	Operation Country	Date of Acquisition
<i>In Jordanian Dinar</i>					
Jordan Facilities for Leasing Company LLC	2,000,000	%100	Financial leasing	Jordan	5 May 2010

31 December 2024:

Company Name	Authorized Capital	Company's Ownership	Nature of Activity	Operation Country	Date of Acquisition
<i>In Jordanian Dinar</i>					
Jordan Facilities for Leasing Company LLC	2,000,000	100%	Financial leasing	Jordan	5 May 2010

(3) CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the consolidated condensed interim financial statements and the application of accounting policies require the Company's management to make estimates and judgements that affect the amounts of assets and liabilities and disclosure of contingent liabilities. These estimates and judgments affect the revenues, expenses, provisions and reserve of valuation of financial assets at fair value. In particular, it requires the Company's management to issue critical judgements to estimate the amounts of future cash flows and their timing.

The mentioned estimates are necessarily based on multiple assumptions and factors involving varying degrees of judgment and uncertainty and that actual results may differ from the estimates as a result of changes resulting from the conditions and circumstances of those estimates in the future. Judgements, estimates and assumptions are reviewed on an ongoing basis. The impact of change in estimates is recognised in the reporting period in which this change occurs if the revision affects only that period and the effect of the change in estimates is recognised in the reporting period in which this change occurs and in future reporting periods if the revision affects both current and future periods.

The Group's management believes that the estimates included in the consolidated condensed interim financial statements are reasonable and are detailed as follows:

- Impairment of seized assets

Impairment of seized assets is recognised based on most recent property valuation approved by accredited valuers for the purposes of calculating the impairment. The impairment provisions for seized assets is reviewed periodically.

- Expected credit loss provisions

The Group's management is required to use significant judgments and estimates to estimate future cash flows amounts and timings and estimate the risks of a significant increase in credit risk for financial assets after initial recognition and future measurement information for expected credit losses.

- Leases

Determining of lease term: In determining the lease term, the management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. The extension options (or periods after the termination options) are included only in the term of the lease if the lease is reasonably certain to be extended (or not terminated). The evaluation is reviewed in the event of a significant event or significant change in the circumstances that affect this evaluation and that are under the control of the lessee. Extension and termination of leases options: these are included in a number of leases. These conditions are used to increase operational flexibility in terms of contract management. Most of the extension and termination options held are renewable by both the Group and the lessor.

Discounting of lease payments: Lease payments are discounted using the Group' incremental borrowing rate ("IBR"). Management applied judgements and estimates to determine the incremental borrowing rate at the start of the lease.

JORDAN FACILITIES COMPANY FOR SPECIALIZED FINANCING
(PUBLIC SHAREHOLDING LIMITED COMPANY)
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025

- **Assets and liabilities that are stated at cost**

Management reviews, on a regular basis, the assets and liabilities that are stated at cost to estimate impairments, if any. Impairment losses are recognised in the consolidated condensed interim statement of other comprehensive income for the period.

- **Income tax**

The financial year is charged with its own income tax expense in accordance with the laws and regulations, and accounting standards. Deferred tax assets and liabilities and required tax provision are accounted for.

- **Provision for legal cases**

A provision is made for any potential legal obligations based on the legal study prepared by the Group's legal advisor that identifies the potential risks that may occur in the future. Such study is reviewed periodically.

(4) CASH AND CASH EQUIVALENTS

	31 March 2025	31 December 2024
	JD	JD
	(Unaudited)	(Audited)
Cash on hand	13,598	84,861
Deposits at banks*	104,172	64,526
Current accounts at banks	2,500,000	2,500,000
	<u>2,617,770</u>	<u>2,649,387</u>

* This item represents term deposits in Jordanian Dinars with local banks at an annual interest rate as at 31 March 2025 of 6% (31 December 2024: 6%) and maturing on a monthly basis. Interest income amounted to JD 36,885 as at 31 March 2025 (2024: JD 29,589).

The Group has calculated the expected credit loss provision on bank balances and has not recorded it as the expected credit loss is immaterial.

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

	31 March 2025	31 December 2024
	JD	JD
	(Unaudited)	(Audited)
Outside the Kingdom		
Shares of un-listed companies	<u>220,272</u>	<u>227,323</u>

The investment represents shares in Al-Soor International Holding (Kuwait) and its shares are unlisted. The total number of shares owned is 500,000 shares representing 0.1% of the Company's paid up capital. The fair value has been calculated based on the percentage of the Company's contribution to the net assets according to the latest audited financial statements of the investee. Management believes that this value is the best measure of fair value according to available valuation methods.

JORDAN FACILITIES COMPANY FOR SPECIALIZED FINANCING
(PUBLIC SHAREHOLDING LIMITED COMPANY)
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025

(6) FINANCIAL ASSETS AT AMORTISED COST

	31 March 2025	31 December 2024
	JD	JD
	(Unaudited)	(Audited)
Instalment receivables (a)	141,368,040	136,834,247
Finance lease receivables (b) - net	579,413	529,092
	<u>141,947,453</u>	<u>137,363,339</u>

These assets are distributed based on it's maturity date according to the following:

	31 March 2025	31 December 2024
	JD	JD
	(Unaudited)	(Audited)
Due within less than one year	54,128,468	56,288,117
Due within more than one year and less than five years	126,407,874	120,171,335
Due within more than five years	15,026,071	13,697,645
	<u>195,562,413</u>	<u>190,157,097</u>
Provision for expected credit losses on facilities contracts	(9,696,479)	(9,631,625)
Deferred financing income in instalments not due yet	(39,268,794)	(38,469,620)
Interest in suspense	(4,649,687)	(4,692,513)
Net investment in instalment receivables	<u>141,947,453</u>	<u>137,363,339</u>

JORDAN FACILITIES COMPANY FOR SPECIALIZED FINANCING
(PUBLIC SHAREHOLDING LIMITED COMPANY)
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025

(6-1) Disclosure of movement on gross facilities (installment receivables, finance lease receivables, and credit cards) less unearned revenues from facilities contracts:

Item	As of 31 March 2025				As of 31 December 2024
	(Unaudited)				(Audited)
	Stage One Individual Level JD	Stage Two Individual Level JD	Stage Three JD	Total JD	Total JD
Gross balance as at beginning of the period/year	112,213,267	20,072,611	19,401,599	151,687,477	121,502,371
New facilities during the period/year	10,510,427	196,215	448,913	11,155,555	53,774,973
Paid facilities	(1,195,792)	(844,229)	(106,316)	(2,146,337)	(10,875,419)
Transfer to stage one	8,305,577	(8,305,577)	-	-	-
Transfer to stage two	(5,955,906)	7,243,292	(1,287,386)	-	-
Transfer to stage three	(1,000,685)	(3,199,702)	4,200,387	-	-
Changes resulting from adjustments	(4,212,404)	263,456	(191,603)	(4,140,551)	(12,509,587)
Written off balances	-	-	(262,525)	(262,525)	(204,861)
Gross Balance as at Period/Year End	118,664,484	15,426,066	22,203,069	156,293,619	151,687,477

Loans classified within the third stage as of 31 March 2025 amounted to JD 22,203,069 (31 December 2024: JD 19,401,599).

JORDAN FACILITIES COMPANY FOR SPECIALIZED FINANCING
(PUBLIC SHAREHOLDING LIMITED COMPANY)
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025

(6-2) Disclosure of movement in the expected credit loss provision (installment receivables and finance lease receivables):

Item	As of 31 March 2025				As of 31 December 2024
	(Unaudited)				(Audited)
	Stage One Individual Level JD	Stage Two Individual Level JD	Stage Three JD	Total JD	Total JD
Gross balance as at beginning of the period/year	448,798	827,043	8,355,783	9,631,624	8,844,688
Impairment loss on the new balances during the period/year	347,198	733,236	185,057	1,265,491	2,709,630
Recovered from impairment loss	(4,083)	(272,703)	(866,733)	(1,143,519)	(1,735,550)
Transfer to stage one	252,874	(252,874)	-	-	-
Transfer to stage two	(34,260)	340,186	(305,926)	-	-
Transfer to stage three	(2,592)	(178,375)	180,967	-	-
Total impact on impairment loss due to classification change between stages	(537,467)	(584,719)	1,122,186	-	-
Changes from adjustments	(12,720)	18,421	(58,263)	(52,562)	(125,113)
Written off balances	-	-	(4,555)	(4,555)	(62,030)
Gross Balance as at Period/Year End	457,748	630,215	8,608,516	9,696,479	9,631,625

JORDAN FACILITIES COMPANY FOR SPECIALIZED FINANCING
(PUBLIC SHAREHOLDING LIMITED COMPANY)
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025

(a) Installment receivables

Installment receivables represent the installments incurred by the Company's clients from commercial financing operations and Murabaha for cars and real estate, as these installments include the principal of the funds in addition to the deferred revenue amounts calculated on these installments. The balances of installment receivables are as follows:

	31 March 2025	31 December 2024
	JD	JD
	(Unaudited)	(Audited)
Due within less than a year	53,507,460	55,644,760
Due within more than a year and less than five years	126,009,652	119,768,636
Due within more than five years	14,999,620	13,667,917
	<u>194,516,732</u>	<u>189,081,313</u>
Provision for expected credit losses on facilities contracts	(9,503,166)	(9,367,813)
Deferred revenue from facilities contracts*	(39,152,600)	(38,346,469)
Interest in suspense	<u>(4,492,926)</u>	<u>(4,532,784)</u>
Net investment in instalment receivables	<u>141,368,040</u>	<u>136,834,247</u>

*This item includes deferred revenues for each of the commercial financing operations, Murabaha operations, international Murabaha operations, and deferred sale receivables as of 31 March 2025 and 31 December 2024.

The distribution of installment receivables by industry is as follows:

	31 March 2025	31 December 2024
	JD	JD
	(Unaudited)	(Audited)
Real estates	9,948,497	9,964,914
Corporate	18,237,047	18,999,734
Loans and promissory notes	<u>166,331,188</u>	<u>160,116,665</u>
Total Installment Receivables	<u>194,516,732</u>	<u>189,081,313</u>
Provision for expected credit losses in facilities contracts	(9,503,166)	(9,367,813)
Deferred revenue from facilities contracts	(39,152,600)	(38,346,469)
Interest in suspense	<u>(4,492,926)</u>	<u>(4,532,784)</u>
Net Investment in Installment Receivables	<u>141,368,040</u>	<u>136,834,247</u>

JORDAN FACILITIES COMPANY FOR SPECIALIZED FINANCING
(PUBLIC SHAREHOLDING LIMITED COMPANY)
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025

Installment receivables are distributed after deducting the deferred revenues from facilities contracts and adding the loans granted to clients - credit cards in an aggregate manner according to credit stages in accordance with the requirements of IFRS (9) amended according to the instructions of Central Bank of Jordan as follows:

	Stage One Individual Level JD	Stage Two Individual Level JD	Stage Three JD	Total JD
31 March 2025 (Unaudited)				
Gross balance as at beginning of the period	112,095,932	20,062,615	18,576,297	150,734,844
New facilities during the period	10,508,655	196,215	447,588	11,152,458
Paid facilities	(1,172,729)	(843,553)	(104,374)	(2,120,656)
Transfer to stage one	8,305,577	(8,305,577)	-	-
Transfer to stage two	(5,955,906)	7,243,292	(1,287,386)	-
Transfer to stage three	(1,000,685)	(3,199,702)	4,200,387	-
Changes from adjustments	(4,212,123)	209,486	(137,352)	(4,139,989)
Written off balances	-	-	(262,525)	(262,525)
Gross Balance as at Period End	118,568,721	15,362,776	21,432,635	155,364,132
	Stage One Individual Level JD	Stage Two Individual Level JD	Stage Three JD	Total JD
31 December 2024 (Audited)				
Gross balance as at beginning of the year	91,305,002	15,230,626	13,866,155	120,401,783
New facilities during the year	48,038,270	3,977,786	1,396,906	53,412,962
Paid facilities	(7,095,350)	(1,793,567)	(1,538,458)	(10,427,375)
Transfer to stage one	6,053,241	(4,782,285)	(1,270,956)	-
Transfer to stage two	(10,979,036)	12,069,406	(1,090,370)	-
Transfer to stage three	(3,125,562)	(4,031,410)	7,156,972	-
Changes from adjustments	(12,100,633)	(607,941)	238,958	(12,469,616)
Written off balances	-	-	(182,910)	(182,910)
Gross Balance as at Year End	112,095,932	20,062,615	18,576,297	150,734,844

JORDAN FACILITIES COMPANY FOR SPECIALIZED FINANCING
(PUBLIC SHAREHOLDING LIMITED COMPANY)
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025

Disclosure of movement of the provision of expected credit losses:

	Stage One Individual Level JD	Stage Two Individual Level JD	Stage Three JD	Total JD
31 March 2025 (Unaudited)				
Gross balance as at beginning of the period	448,742	821,303	8,097,768	9,367,813
Impairment loss on new balances during the period	347,029	733,155	185,057	1,265,241
Recovered from impairment loss on paid balances	(4,066)	(272,703)	(796,190)	(1,072,959)
Transfer to stage one	252,874	(252,874)	-	-
Transfer to stage two	(34,260)	340,186	(305,926)	-
Transfer to stage three	(2,592)	(178,375)	180,967	-
Total impact on impairment loss due to classification change between stages	(537,467)	(584,719)	1,122,186	-
Changes from adjustments	(12,720)	24,053	(63,707)	(52,374)
Written off balances	-	-	(4,555)	(4,555)
Gross Balance as at Period End	457,540	630,026	8,415,600	9,503,166
	Stage One Individual Level JD	Stage Two Individual Level JD	Stage Three JD	Total JD
31 December 2024 (Audited)				
Gross balance as at beginning of the year	455,918	497,730	7,634,674	8,588,322
Impairment loss on new balances during the year/additions	1,312,803	809,976	571,262	2,694,041
Recovered from impairment loss on paid balances	(42,015)	(203,549)	(1,483,465)	(1,729,029)
Transfer to stage one	532,196	(180,973)	(351,223)	-
Transfer to stage two	(61,404)	560,193	(498,789)	-
Transfer to stage three	(13,162)	(128,084)	141,246	-
Total impact on impairment loss due to classification change between stages	(1,626,274)	(612,109)	2,238,383	-
Changes from adjustments	(109,320)	78,119	(93,662)	(124,863)
Written off balances	-	-	(60,658)	(60,658)
Gross Balance as at Year End	448,742	821,303	8,097,768	9,367,813

Based on the decisions of the Company's Board of Directors, an amount of JD 4,555 was written off during the period ended on 31 March 2025 (31 December 2024: JD 60,658) from the provision for expected credit losses, and an amount of JD 257,970 was written off during the period ended on 31 March 2025 (31 December 2024: JD 122,252) from suspended revenues.

JORDAN FACILITIES COMPANY FOR SPECIALIZED FINANCING
(PUBLIC SHAREHOLDING LIMITED COMPANY)
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025

(b) Finance lease contract receivables

The following table shows the maturity periods of finance lease contracts receivables during the period/year before deducting the deferred revenue:

	31 March 2025	31 December 2024
	JD	JD
	(Unaudited)	(Audited)
Maturity within less than one year	621,008	643,357
Maturity within more than one year and less than five years	398,222	402,699
Maturity within more than five years	26,451	29,728
	<u>1,045,681</u>	<u>1,075,784</u>
Provision for expected credit losses on finance leasing contracts	(193,313)	(263,811)
Deferred revenue from facilities contracts	(116,194)	(123,151)
Interest in suspense	(156,761)	(159,730)
	<u>579,413</u>	<u>529,092</u>

The Company grants real estate finance leases to its customers through closed end leasing contract, with an average terms of 5 years. The distribution of finance lease contracts by industry receivables is as follows:

	31 March 2025	31 December 2024
	JD	JD
	(Unaudited)	(Audited)
Real-estate	791,878	822,625
Corporate	61,801	60,029
Loans	192,002	193,130
Investment in Finance Lease Contracts	<u>1,045,681</u>	<u>1,075,784</u>
Provision for expected credit losses on finance lease contracts	(193,313)	(263,811)
Deferred revenue from finance lease contracts	(116,194)	(123,151)
Interest in suspense	(156,761)	(159,730)
Net Investment in Finance Lease Contracts	<u>579,413</u>	<u>529,092</u>

JORDAN FACILITIES COMPANY FOR SPECIALIZED FINANCING
(PUBLIC SHAREHOLDING LIMITED COMPANY)
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025

The finance lease contracts installments are disclosed in net after subtracting the deferred revenue in an aggregate manner according to the credit stages according to the requirements of IFRS (9) amended to comply with the instructions of the Central Bank of Jordan as follows:

	Stage One Individual Level	Stage Two Individual Level	Stage Three	Total
31 March 2025 (Unaudited)				
Gross balance as at beginning of the period	117,335	9,996	825,302	952,633
New facilities during the period	1,772	-	1,325	3,097
Paid facilities	(23,063)	(676)	(1,942)	(25,681)
Transfer to stage one	-	-	-	-
Transfer to stage two	-	-	-	-
Transfer to stage three	-	-	-	-
Changes from adjustments	(281)	53,970	(54,251)	(562)
Written off balances	-	-	-	-
Gross Balance as at Period End	95,763	63,290	770,434	929,487
	Stage One Individual Level	Stage Two Individual Level	Stage Three	Total
December 31 , 2024 (Audited)				
Gross balance as at beginning of the year	565,550	48,036	487,002	1,100,588
New facilities during the year	-	-	362,011	362,011
Paid facilities	(399,075)	(17,608)	(18,674)	(435,357)
Transfer to stage one	13,514	(13,514)	-	-
Transfer to stage two	(9,996)	9,996	-	-
Transfer to stage three	-	(16,914)	16,914	-
Changes from adjustments	(52,658)	-	-	(52,658)
Written off balances	-	-	(21,951)	(21,951)
Gross Balance as at Period End	117,335	9,996	825,302	952,633

JORDAN FACILITIES COMPANY FOR SPECIALIZED FINANCING
(PUBLIC SHAREHOLDING LIMITED COMPANY)
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025

Disclosure of the movement of the provision of expected credit losses:

	Stage One Individual Level	Stage Two Individual Level	Stage Three	Total
31 March, 2025				
(Unaudited)				
Gross balance as at beginning of the period	56	5,740	258,015	263,811
Impairment loss on new balances during the period	169	81	-	250
Recovered from impairment loss on paid balances	(17)	-	(70,543)	(70,560)
Transfer to stage one	-	-	-	-
Transfer to stage two	-	-	-	-
Transfer to stage three	-	-	-	-
Total impact on impairment loss due to classification change between stages	-	-	-	-
Changes from adjustments	-	(5,632)	5,444	(188)
Written off balances	-	-	-	-
Gross Balance as at Period End	208	189	192,916	193,313
	Stage One Individual Level	Stage Two Individual Level	Stage Three	Total
December 31 , 2024				
(Audited)				
Gross balance as at beginning of the year	565	3,958	251,843	256,366
Impairment loss on new balances during the year	-	3,634	11,954	15,588
Recovered from impairment loss on paid balances	(91)	(3,158)	(3,101)	(6,350)
Transfer to stage one	1,808	(1,808)	-	-
Transfer to stage two	(71)	71	-	-
Transfer to stage three	-	(454)	454	-
Total impact on impairment loss due to classification change between stages	(1,732)	(1,565)	3,297	-
Changes from adjustments	(423)	5,062	(5,060)	(421)
Written off balance	-	-	(1,372)	(1,372)
Gross Balance as at Year End	56	5,740	258,015	263,811

Based on the decisions of the Company's Board of Directors, JD zero were written off during the period ended on 31 March 2025 (31 December 2024: JD 1,372) from the provision for expected credit losses, and an amount of JD zero was written off during the period ended on 31 March 2025 (31 December 2024: JD 20,579) of suspended revenues.

JORDAN FACILITIES COMPANY FOR SPECIALIZED FINANCING
(PUBLIC SHAREHOLDING LIMITED COMPANY)
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025

(7) INVESTMENT PROPERTIES

	31 March 2025	31 December 2024
	JD	JD
	(Unaudited)	(Audited)
Cost		
Balance as at 1 January	-	391,010
Disposals	-	(391,010)
Balance as at 31 December	-	-
Accumulated depreciation		
Balance as at 1 January	-	172,044
Depreciation expense	-	3,171
Related to Disposals	-	(175,215)
Balance as at 31 December	-	-
Net book value as at 31 December	-	-

Investment properties are presented at cost less depreciation and impairment, if any. This item represents the allocation of 24 residential units from the Al-Majd Residential City Project for the benefit of the Group, based on the agreement signed with the developer, Tameer International Real Estate Company. The Group acquired the apartments and issued ownership deeds in its name. All 24 apartments were sold in 2024, generating a profit of JD 90,705.

(8) BANK OVERDRAFTS

The facilities granted to the company are in the form of overdraft from local banks in exchange for letters of assurance issued by the invest bank. The interest rate ranged between 7.25% - 9.5% as of 31 March 2025 (December 31, 2024: 7.25% - 9.5%). The main objective of these facilities is to finance the company's activity. All of these facilities mature within a year.

(9) LOANS

	31 March 2025	31 December 2024
	JD	JD
	(Unaudited)	(Audited)
Bank loans due within one year	40,460,448	38,657,674
Bank loans due within more than a year	32,729,725	38,448,245
	<u>73,190,173</u>	<u>77,105,919</u>

All of these loans are in Jordanian dinars and US dollars, and are granted by local banks and an international finance institution in exchange for letters of assurance issued by the Investment Bank. The interest rate on the above loans ranges between 6% - 9.5% as of 31 March 2025 (31 December 2024: 6.4% - 9.5%).

JORDAN FACILITIES COMPANY FOR SPECIALIZED FINANCING
(PUBLIC SHAREHOLDING LIMITED COMPANY)
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025

(10) BONDS

	31 March 2025	31 December 2024
	JD	JD
	(Unaudited)	(Audited)
Bonds	7,590,000	4,160,000

During the year 2025, the company issued loan bonds in the amount of JD 4,160,000, with a nominal value of JD 10,000 per bond, non-transferable, for a period of 365 days. The interest rate on the bonds reached 7.5%, and the interest is due every six months on 8 July 2024 and 6 January 2025, while payment is due. The entire loan notes were dated 6 January 2025. and was fully settled on the maturity date.

In 2025, the Group issued loan bonds in the amount of JD 7,590,000, with a nominal value of JD 10,000 per bond. The bonds are non-convertible and have a term of 365 days. The interest rate on the bonds is 6.5%, with interest payable semi-annually on July 27, 2025, and January 25, 2026. The full principal amount of the bonds is due on January 25, 2026.

(11) INCOME TAX

The income tax provision for the period ended 31 March 2025 was calculated in accordance with Income Tax Law No. (38) of 2018. The Group is subject to an income tax of 24% in addition to a national contribution tax of 4%. for the year 2025 (2024: 24% in addition to a national contribution tax of 4%).

(A) The movement on the income tax provision is as follows:

	31 March 2025	31 December 2024
	JD	JD
	(Unaudited)	(Audited)
Balance as of 1 January	2,973,801	2,400,300
Income tax expense for the period / year	906,526	3,625,241
Income tax paid	16,248	-
Income tax Paid	(813,200)	(3,051,740)
Balance as at the end of the period / year	3,083,375	2,973,801

(B) The income tax expense presented in the statement of comprehensive income consists of:

	31 March 2025	31 December 2024
	JD	JD
	(Unaudited)	(Audited)
Tax payable on the year's profit	906,526	756,946
Income tax on previous years	16,248	-
Effect of deferred tax assets	27,753	(135,476)
	950,527	621,470

JORDAN FACILITIES COMPANY FOR SPECIALIZED FINANCING
(PUBLIC SHAREHOLDING LIMITED COMPANY)
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025

(C) Summary of reconciliation between accounting income and taxable income is as follows:

	31 March 2025 JD (Unaudited)	31 March 2024 JD (Audited)
Accounting profit	2,948,325	2,144,801
Amendments	289,269	558,574
Taxable profit	3,237,594	2,703,375
Period income tax	906,526	756,945
Effective tax rate	%31	35%
Statutory tax rate	%28	28%

(D) Tax position

Jordan Facilities Company for Specialized Financing (Parent Company)

The Company's income tax returns have been audited and settled with the approval of the authorities up to the end of 2021.

The Company submitted its income tax returns for the years 2022 and 2023 in accordance with applicable regulations and within the legally prescribed deadlines. As of the date of this report, the Company has no outstanding tax liabilities.

The Company has also submitted its general sales tax returns in a timely manner, in compliance with legal requirements. The Income and Sales Tax Department has audited the submitted returns up to the end of 2016. Tax returns for periods up to the end of 2020 are considered accepted under the provisions of the law. The returns for subsequent periods have been duly filed on time and in accordance with applicable regulations.

Jordan Facilities for Leasing Company LLC (Subsidiary)

The Company obtained a final clearance from the Income and Sales Tax Department for its tax position up to the end of 2022.

The income tax return for the year 2023 was submitted in accordance with applicable regulations and within the legally prescribed deadline.

The Company has also submitted its general sales tax returns in a timely manner, in compliance with legal requirements. The Income and Sales Tax Department has audited the submitted returns up to the end of 2022. Tax returns for subsequent periods have been duly filed on time and in accordance with applicable regulations.

In the opinion of the Company's management and tax advisor, no tax liabilities are expected to arise beyond the provision recorded as of March 31, 2025.

JORDAN FACILITIES COMPANY FOR SPECIALIZED FINANCING
(PUBLIC SHAREHOLDING LIMITED COMPANY)
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025

(12) BALANCES AND TRANSACTIONS WITH RELATED PARTIES

Related parties include employees and their relatives, executive management and their relatives and the parent company.

The balances and transactions with related parties that appear in the consolidated condensed interim statement of financial position and consolidated condensed interim statement of comprehensive income are as follows:

12-1 Consolidated condensed interim Statement of Financial Position:

	Ultimate Parent Company	31 March 2025	31 December 2024
	JD	(Unaudited) JD	(Audited) JD
Current accounts (Cash at banks)	240,546	240,546	21,723
Loans	2,406,557	2,406,557	139,958

12-2 Consolidated condensed interim statement of comprehensive Income:

	Ultimate Parent Company	Sister Company	31 March 2025	31 March 2024
	JD (Unaudited)	JD (Unaudited)	JD (Unaudited)	JD (Unaudited)
Expenses of financing borrowings	35,606	-	35,606	7,170
Operating Lease Contracts - Investment Bank	3,300	-	3,300	3,300
Commissions for financial investments -Invest Bank	5,000	-	5,000	-
An operating-investment lease contract to finance the supply chain	-	3,480	3,480	3,480
Deposit revenues.	-	-	-	29,589
installment revenues.	-	-	-	230

12-3 Executive Management Salaries and Remunerations

Salaries and bonuses for the Group's senior executive management amounted to JD 182,484 for the three months ended 31 March 2025 (March 30, 2024: JD 160,720).

JORDAN FACILITIES COMPANY FOR SPECIALIZED FINANCING
(PUBLIC SHAREHOLDING LIMITED COMPANY)
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025

(13) SHAREHOLDERS' EQUITY

The authorised, subscribed and paid-up capital

The authorised, subscribed and paid-up capital of the company is 16,500,000 JD, with a nominal value of one JD per share.

The Company is 97.8% owned by Tamkeen Leasing Company (the parent Company) and the ultimate parent Company is Invest Bank - Public Shareholding Company.

Statutory reserve

The amount in this account represents 10% of the annual profits before tax transferred in compliance with the Jordanian Companies Law. This transfer shall continue every year, provided that the total amount transferred to such reserve shall not exceed one quarter of the Group's capital and is not distributable to shareholders. The Company did not deduct the statutory reserve as these are interim financial statements, the deduction is made at the end of the year.

(14) BASIC AND DILUTED EARNINGS PER SHARE FROM PROFIT FOR THE PERIOD ATTRIBUTABLE TO SHAREHOLDERS

	For the three months period ended 31 March	
	2025	2024
	JD	JD
	(Unaudited)	(Unaudited)
Profit for the period	<u>1,997,798</u>	<u>1,523,331</u>
	<u>Share</u>	<u>Share</u>
Weighted average number of outstanding shares	<u>16,500,000</u>	<u>16,500,000</u>
	<u>JD/Share</u>	<u>JD/Share</u>
Basic and diluted earnings per share from the profit for the period	<u>0.121</u>	<u>0.092</u>

The basic earnings per share from the net profit for the period equals the diluted earnings per share as the Group did not issue any financial instruments that may have an impact on the basic earnings per share.

JORDAN FACILITIES COMPANY FOR SPECIALIZED FINANCING
(PUBLIC SHAREHOLDING LIMITED COMPANY)
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025

(15) CONTINGENT LIABILITIES

At the date of the consolidated condensed interim financial statements, the Group had the following contingent liabilities:

	<u>31 March 2025</u>	<u>31 December 2024</u>
	<u>JD</u>	<u>JD</u>
	<u>(Unaudited)</u>	<u>(Audited)</u>
Bank Guarantees	<u>-</u>	<u>250,000</u>

Lawsuits against the Group

Jordan Facilities Company for Specialized Financing (Parent company):

The value of legal cases filed against the Company amounted to JD 133,946 as at 31 March 2025 (31 December 2024: JD 116,389), while the balance of provisions recorded against these cases amounted to JD 230,000 as at 31 March 2025 (31 December 2024: JD 230,000) and in the opinion of the management and the legal counsel of the Company, the Company will not incur any additional obligations in respect of with these cases.

Jordan Facilities for Leasing Company LLC (Subsidiary)

The value of the cases filed against the company amounted to JD zero as of 31 March 2025 (31 December 2024: JD zero), while the balance of allocations to confront these cases amounted to JD zero as of 31 March 2025 (31 December 2024: JD zero), according to the estimation of the management and the company's legal advisor. The company will not have any additional obligations for these issues.