



# Annual Report 2024





**His Majesty**  
**King Abdullah II Bin Al Hussein**



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

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## Chairman of the Social Security Investment Fund Board Message\*



### Honorable Ladies and Gentlemen,

I am honored to present to you the 2024 Annual Report of the Social Security Investment Fund, at a time when the world is witnessing rapid economic and financial transformation that is reshaping the role of major investment institutions within the framework of growth and stability.

Throughout 2024, the Fund continued to strengthen its position as a leading institutional investor and a key pillar of the Jordanian economy. This was achieved through a strategic approach that balances the maximization of long-term returns, the protection of members' and retirees' savings, and active contribution to stimulating economic activity. By the end of the year, the Fund's assets reached approximately JOD 16.2 billion, compared to JOD 14.8 billion at the end of 2023—reflecting a 9% growth. Net investment income rose to JOD 905 million, marking an increase of 13.6% over the previous year.

These figures, while indicating strong operational efficiency, carry deeper strategic significance through their broader impact on the national economy. The Fund's role encompasses more than the management of financial assets; it stands as one of the foundational pillars of the national economic equation—providing long-term liquidity to the economy, directing capital toward promising sectors, enhancing the efficiency of resource allocation, and reinforcing macro-financial stability.

Accordingly, investment performance is not measured solely by returns, but by the Fund's ability to build a solid, long-term investment base that leads to stable future cash flows. These flows, in turn, support the sustainability of the social security system and enhance its capacity to meet long-term obligations. Through this approach, the Fund—being a pivotal institutional investor—plays an active role in driving productive investment, optimizing capital allocation, and strengthening the national economy's resilience.

This strategic vision has been reflected in the Fund's diversified investments across key sectors such as banking, mining, services, agriculture, renewable energy, infrastructure, tourism, and real estate. Notably, 2024 also marked the Fund's first

investment in the financial technology (fintech) sector, aligning with a deliberate shift toward the digital economy and emerging industries. This diversification is not merely an asset allocation strategy—it is a tool to implement a national vision that seeks to integrate both economic and social values. This is done by supporting projects with direct productive impact, creating high-quality job opportunities in the governorates, and fostering partnerships with the private sector within an evolving investment environment.

The Fund manages the social security funds as a core national responsibility. Responsible investment aligns with the broader national vision, particularly the Economic Modernization Vision. In this context, the Investment Board is committed to implementing well-organized policies that link investment decisions to purpose, and return to impact, within a framework of effective governance and institutional transparency. This ensures that savings are directed toward productive investments that positively impact GDP and enhance the Jordanian economy's ability to withstand challenges and fluctuations.

As we thrust forward, we recognize that managing these funds goes beyond operational efficiency. It is a strategic responsibility that requires foresight, institutional stability, and an ambitious long-term vision. The continuous and close cooperation between the Investment Board of the Social Security Fund, the Board of Directors of the Social Security Corporation, and the Investment Fund's executive management has been a cornerstone of this approach. It has enhanced the effectiveness of the investment decision-making framework and ensured alignment with national priorities in development, social justice, and sustainability.

In this regard, the vision of His Majesty King Abdullah II ibn Al Hussein, and His Royal Highness Crown Prince Al Hussein ibn Abdullah II—may God protect them—continues to serve as our guiding compass in building an inclusive, productive economy that links growth to justice and strengthens confidence in the future of investment and national institutions.

**Respectfully yours,**

**Chairman of the Investment Board of the Social Security Fund**

**Omar Malhas**

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\* H.E Mr. Omar Malhas was appointed Chairman of the Social Security Investment Fund (SSIF) as of May 14, 2025, succeeding H.E. Dr. Umayya Toukan.

## CEO of the Social Security Investment Fund Message



### **Distinguished Social Security Subscribers and Retirees,**

I am pleased to present the Social Security Investment Fund (SSIF) annual report of 2024 that highlights the Fund's key results, strategic direction, and its evolving role in advancing Jordan's long-term economic and social stability.

More than an asset manager, the SSIF safeguards the social security reserves, transforming today's capital into tomorrow's economic security. Our mandate extends beyond financial returns; it is anchored in long-term stewardship, value creation, and strategic alignment with the national priorities.

By year-end, total assets had reached JOD 16.2 billion, compared to JOD 14.8 billion at the end of 2023—an increase of JOD 1.3 billion, reflecting a 9% year-on-year growth. Net investment income amounted to JOD 905 million in 2024, compared to JOD 797 million in the previous year, an increase of JOD 108 million or 13.6%.

This performance was driven by strong returns across most asset classes, led by the fixed income portfolio, which generated an additional JOD 60 million in income due to strategic participation in high-yield, low-risk Treasury bond issuances. The money market portfolio also recorded robust growth, with income rising by JOD 32 million, while the equity and lending portfolios continued to show steady improvement.

These results highlight the Fund's ability to respond effectively to dynamic market conditions through a disciplined and adaptive investment approach.

Throughout 2024, the Fund remained steadfast in its commitment to a disciplined, forward-looking investment strategy. This included expanding its exposure across key sectors that serve as pillars of economic growth such as banking, mining, infrastructure, renewable energy, tourism, and agriculture, through a disciplined integration of financial performance and national priorities, the Fund continues to deliver long-term value while reinforcing its developmental mandate.

A notable milestone was the Fund's entry into the financial technology space, marking a strategic step toward diversifying instruments and engaging with the digital economy. These investment directions reflect a broader mandate: to generate sustainable value, enhance regional development, and crowd in private capital, all while reinforcing the Fund's role in supporting national stability and delivering on the aspirations of Jordan's Economic Modernization Vision.

Internally, SSIF continued to strengthen its institutional architecture by advancing risk management practices, refining decision-making mechanisms, and embedding governance enhancements across its operations. The Fund also maintained transparent engagement with regulatory partners and external stakeholders, while prioritizing accountability at every level.

This momentum reflects not only a disciplined strategy and sound execution, but also the strength of Jordan's institutional framework, anchored by the Social Security Corporation Board of Directors and the Investment Board, and reinforced by regulators, strategic partners across the public and private sectors, civil society, and the media.

As we look to the future, we reaffirm our commitment to this shared mission guided by the vision of His Majesty King Abdullah II and His Royal Highness Crown Prince Al Hussein to help shape a dynamic and inclusive economy that reflects Jordan's ambitions, safeguards its social fabric, and delivers enduring value to its citizens.

**Dr. Ezzeddin Kanakrieh**

**CEO of the Social Security Investment Fund**

## The Social Security Investment Fund in Brief

The Social Security Investment Fund (SSIF) commenced its operations in 2003, undertaking its role as the investment arm of the Social Security Corporation. Since inception, the Fund has been committed to managing and growing the Corporation's assets in accordance with solid institutional principles, thereby enhancing institutional financial strength and ensuring long-term sustainability.

The Fund fulfills this role by building and managing a dynamic and diversified investment portfolio, both sectorally and geographically, with the objective of generating sound and stable returns within acceptable risk levels. This enables the Corporation to meet its future obligations toward contributors and retirees, while also stimulating economic growth, creating job opportunities, and fostering sustainable development, in alignment with the national vision for economic modernization and the country's strategic direction to maximize the developmental impact of investments.

In its investment decision-making, the Fund adopts an institutional approach based on financial and technical analysis and a thorough evaluation of investment alternatives. It also places great emphasis on strengthening partnerships with the private sector, thereby expanding the pool of available opportunities and delivering added value to the national economy.

## Strategic Core



### Vision

We invest to secure generations' future.



### Mission

Achieve profitable and sustainable investment returns, provide liquidity to meet future obligations of the Social Security Corporation and contribute to the national economy growth according to the best international standards and practices.

### Core Values



#### We believe in Corporate Governance

- Our decisions are based on methodologies that reflect the utmost levels of transparency.
- Corporate social responsibility enhances the investment environment.
- We adopt an organizational framework and structure that ensures conformance with legislation and policies.

#### We Invest Responsibly

- We are proud of our independence in making investment decisions.
- We adopt best practices and performance indicators.
- We adopt risk adjusted economic feasibility as the basis of our investment.

#### We Work Professionally

- We are committed to integrity, objectivity, and the ability of our employees to make the right decisions.
- We cooperate on all levels to realize our mission and strategic objectives.
- We adhere to an environment conducive to outstanding performance and we continuously aim to develop our technical and professional capabilities.

# Organizational Structure





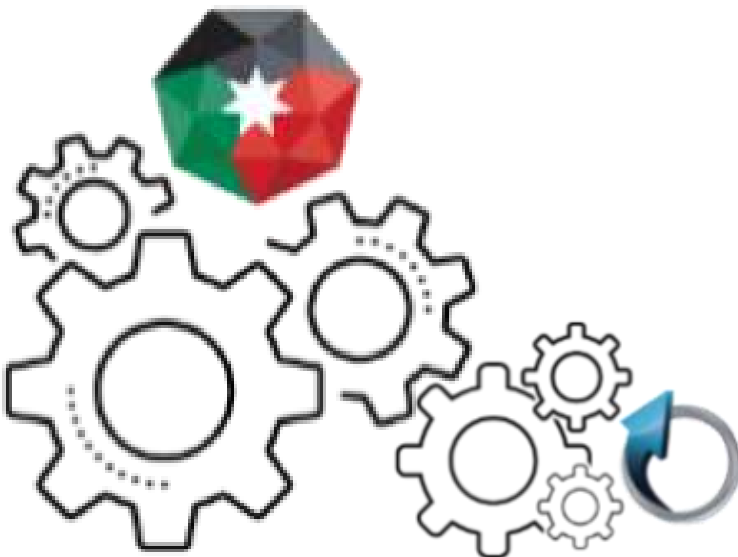
# Strategic Alignment with the National Transformation

## Strategic Alignment with the National Transformation Agendas

Jordan is navigating a pivotal chapter in its modern development journey—one that seeks to unlock economic potential, strengthen social cohesion, and ensure environmental sustainability. At the center of this comprehensive reform agenda lies the national modernization project, a cross-cutting framework that integrates the Economic Modernization Vision, the Public Sector Modernization roadmap, and the Political Modernization track into one unified blueprint for national progress.

As a long-term institutional investor and custodian of Jordan’s social protection reserves, the Social Security Investment Fund (SSIF) plays an indispensable role in this transformation. The Fund aligns its investment strategies with the national agenda by channeling capital toward priority sectors with high developmental and economic multipliers—including financial services, mining, real estate development, agriculture, tourism, and infrastructure. These sectors not only offer attractive risk-adjusted returns, but also contribute to inclusive growth, job creation, and regional investment dispersion.

SSIF continues to evaluate opportunities that emerge from the Economic Modernization Vision’s Executive Program and public-private partnership pipeline. By adopting this strategic orientation, the Fund ensures that its investment decisions remain rooted in financial discipline while reinforcing national objectives and unlocking long-term value for generations to come.





## Objectives of the National Modernization Project

Creating economic opportunities for Jordanians

Stimulating inclusive and sustainable economic growth

Enhancing Jordan's global competitiveness

Achieving the vision of public sector reform by strengthening governance, attaining an efficient government apparatus, and developing an institutional culture that supports productivity, development, and innovation.

Enhancing Jordan's competitiveness by developing digital services and bridging the gender gap in the workplace.

Achieving Public Sector Modernization Vision through creating an attractive work environment that attracts talents and facilitates achievement, while also enhancing the efficiency and effectiveness of the public sector, and developing an institutional culture that supports productivity, development, and innovation.

Enhancing Jordan's global competitiveness by improving the alignment between provided and required skills, increasing research and development, and strengthening government performance.

Achieving the vision of public sector modernization by creating a work environment that attracts talent and enables achievement, building an efficient and high-performing government apparatus, and fostering an institutional culture that supports productivity, development, and innovation.

Strengthening Jordan's global competitiveness through improved quality of life and enhanced sustainability measures.



## SSIF Strategic Objectives

Achieving the highest possible returns within acceptable risk levels thereby enhancing the sustainability of the Fund's investments.

Providing liquidity to meet future obligations of the Social Security Corporation.

Solidifying SSIF image as the largest institutional long-term investor in Jordan.

Consolidating the rules of corporate and good governance.

Creating a motivating and supportive work environment.

Adopting best standards and practices.

Elevating the skills and expertise of the SSIF personnel.

Enhancing corporate social responsibility.



# 2024 In Perspective

## SSIF Financial Performance



### SSIF Assets



### Income



## Corporate Governance



### Investment Board:



13 meetings

### Investment Committee:



138 meetings

## SSIF Employees



**Total Staff:**

**122 employees**



**Job Satisfaction Rate :**

**84%**



**Females in top management positions:**

**%29**



**Percentage of women employees:**

**%33.6**



**Females in middle management positions:**

**%36**



**Women's representation as board members:**

**%17.8**

## Indicators of an Enabling Work Environment



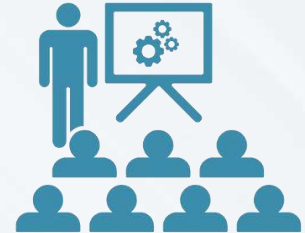
Total number of training hours for all employees:

**2,830 Training Hours**



Total number of training hours for female employees:

**1,193 Training Hours**



## Stakeholders



Supplier's Satisfaction Rate:  
**84.6%**



Service Recipient's Satisfaction Rate:  
**%90**

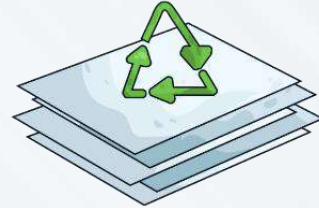


Public Awareness of the Fund's Activities:  
**%82.3**

## The Environment



**Fuel Consumption**  
**6247 Liters**



**Weight of Recycled Paper**  
**2215 kg**



**Electricity Consumption:**  
**378549 kWh**



**Water Consumption:**  
**1168 m<sup>3</sup>**



**Electricity bill savings from Solar Power Plant  
Connections:**  
**%71**



# Corporate Governance

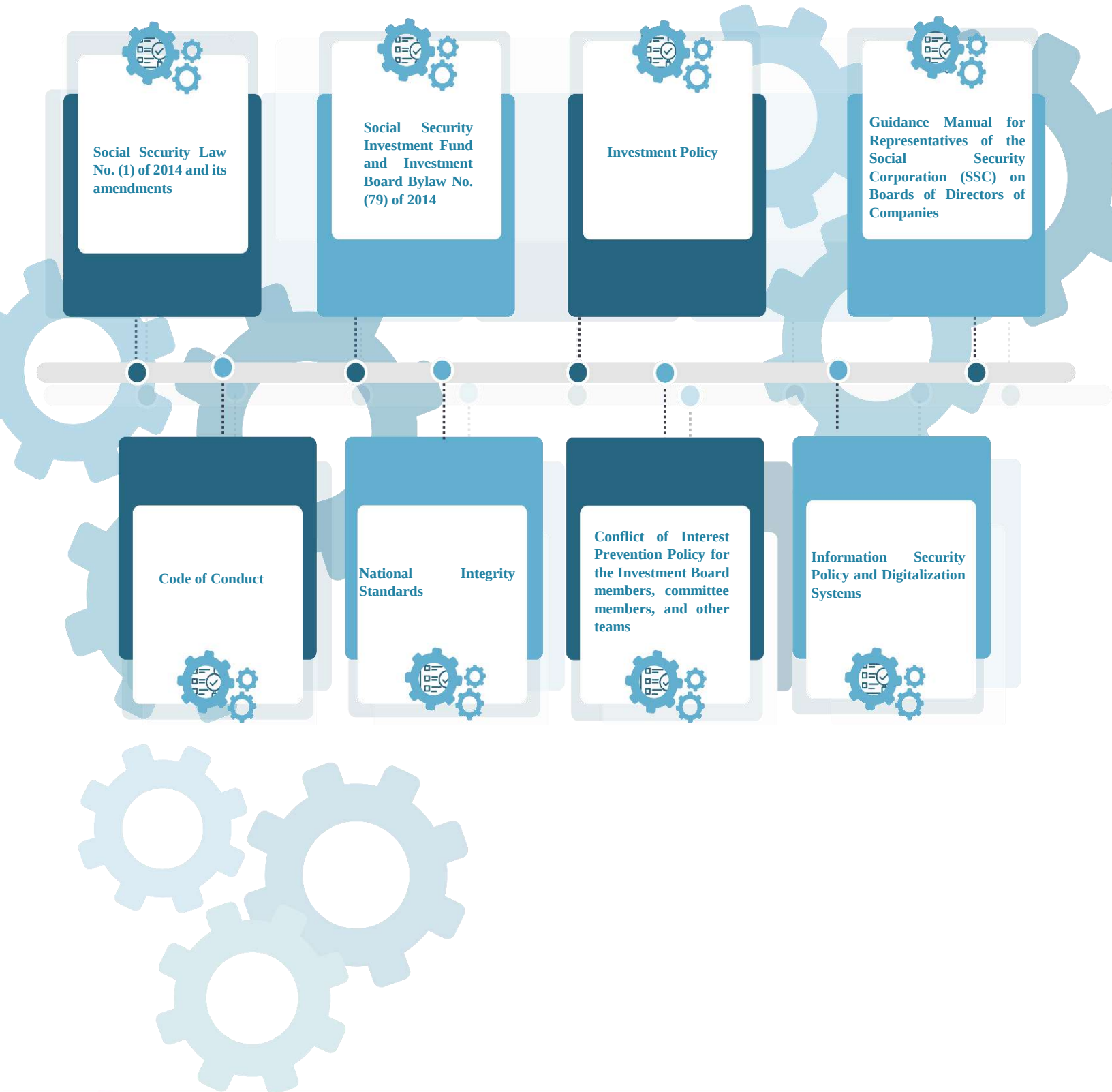
## Corporate Governance

The Social Security Investment Fund (SSIF) is committed to implementing sound corporate governance practices in accordance with the highest standards of integrity, transparency, and accountability.

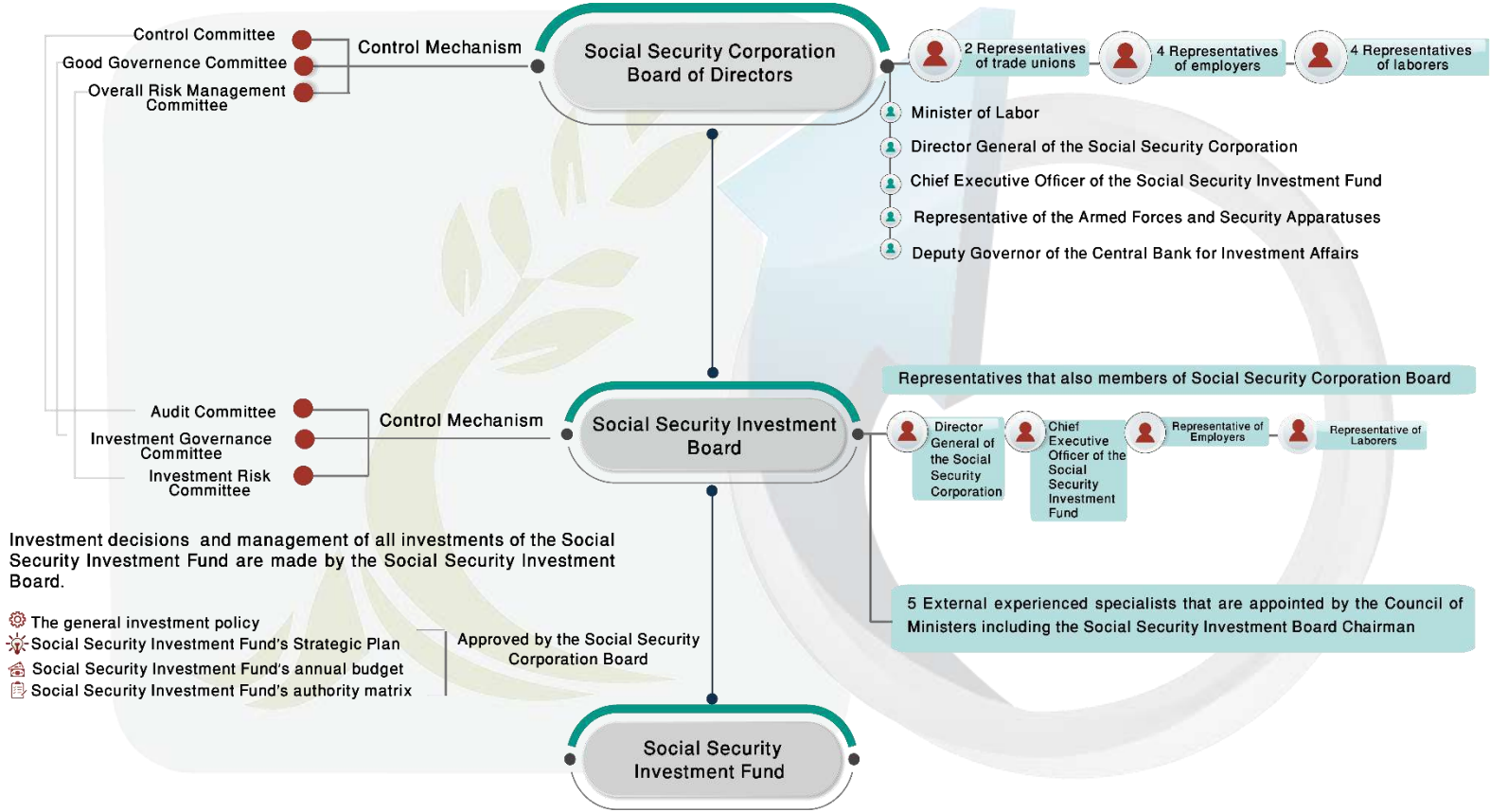
As a financially independent investment entity managing SSC assets, SSIF recognizes that robust governance is essential to the sustainable and efficient management of its portfolios and the protection of insured persons' interests.



## SSIF Corporate Governance Framework



## The Relationship between the Investment Board and SSC Board of Directors



## Oversight Framework

SSIF applies a comprehensive, multi-tiered oversight framework that ensures the soundness of all investment and operational activities, prudent decision-making, and full compliance with all applicable laws and regulations.



## Regulatory Framework

The Fund operates under the provisions of the applicable Social Security Law, the Social Security Investment Fund and Investment Board Bylaw, the Financial Regulation of the Social Security Corporation, the Procurement Regulation of the Corporation, the Works Regulation of the Corporation, and the Civil Service Regulation, in addition to all laws and regulations in force in the Hashemite Kingdom of Jordan.

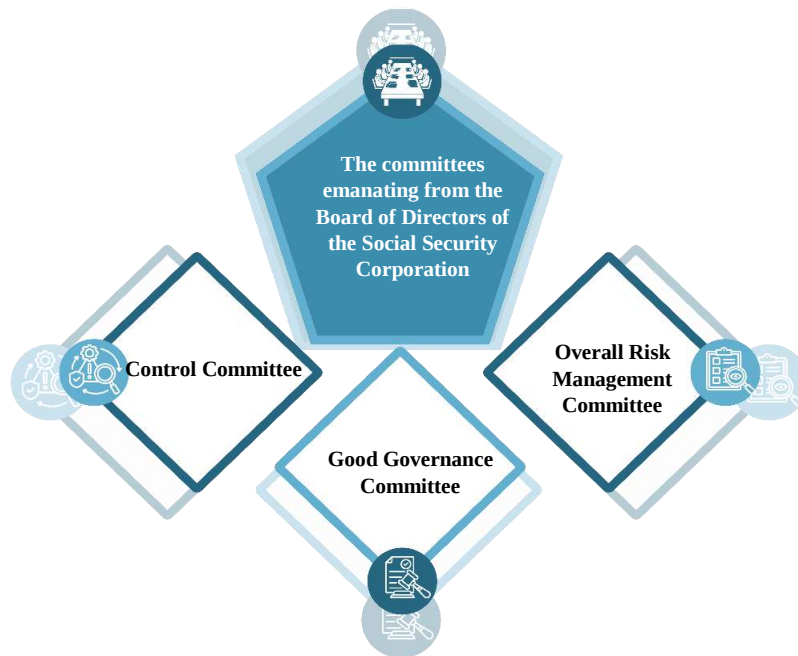
The Legal Affairs Unit also contributes to the drafting of internal regulations and policies to ensure their soundness and consistency with applicable laws and regulations.



## Oversight by the Social Security Corporation Board of Directors

The Social Security Law defines the roles and powers of the SSC Board with respect to the investment arm of the institution. The Board exercises direct oversight of the Fund's activities and receives monthly updates on all decisions and meeting minutes of the Investment Board, as well as monthly reports tracking the implementation of the Board's investment-related resolutions.

There are three committees emanating from the SSC Board that oversee the Fund's activities:



Each of these committees has distinct responsibilities defined by the applicable provisions of the Social Security Law and the resolutions of the Board of Directors of the Social Security Corporation. These committees oversee both the insurance and investment arms of the Corporation.



### **Oversight by the Social Security Investment Board**

The Social Security Law defines the roles and powers of the Investment Board. The Board exercises direct oversight over the Fund's executive management. There are three committees emanating from the Investment Board that oversee the Fund's activities.



Each of these committees has its own specific responsibilities as defined by the provisions of the Social Security Investment Fund and Investment Board Regulation, issued pursuant to the applicable Social Security Law.

To strengthen the oversight function of these committees, the executive management of the Fund does not participate in the membership of any of the Investment Board's subcommittees.



## Internal Oversight

Several directorates and internal control units within the Fund monitor the soundness and prudence of procedures implemented by various departments and units in accordance with applicable regulations and operational procedures. These include:

- **Risk Management and Strategic Planning Directorate**, which submits regular reports to the Investment Risk Committee of the Investment Board.

- **Financial Control Directorate**, which prepares financial performance reports and financial statements and submits them to the Investment Board.
- **Internal Audit Unit**, which submits monthly reports to the Audit Committee of the Investment Board.
- **Operations and Administrative Affairs Directorate**, which executes all financial transactions, account openings, payment orders, and ensures compliance with internal procedures and the availability of supporting documentation.

These directorates and units carry out both preventive and post-audit reviews of the Fund's activities in accordance with applicable regulations and procedures.



### External Oversight

The Fund is subject to post-audit oversight by the Audit Bureau, as well as review by an external auditor appointed by SSC Board to audit the accounts of both the insurance and investment arms.

Additionally, the Fund submits quarterly reports on its performance, financial results, and investments to SSC Board, which in turn submits them to the Cabinet, the Senate, and the House of Representatives.



### Professional Integrity

The Fund is committed to implementing a comprehensive framework of integrity controls, including a Code of Conduct, financial disclosure forms, and conflict of

interest declarations. This framework reinforces institutional discipline and ensures the highest levels of transparency and accountability in performance.

### **A. Code of Conduct and Public Service Ethics**

The Fund places special emphasis on upholding professional conduct and institutional values through strict adherence to the Code of Conduct and Public Service Ethics, issued under the provisions of the Civil Service Regulations. Every employee is required to sign a formal pledge to comply with this code prior to assuming their duties. This fosters a culture of integrity, transparency, equal opportunity, and institutional belonging.

The Code sets out a clear ethical framework to guide employee behavior, reinforce self-discipline, and enhance public trust in institutions. It also serves as a reference to enable staff to make ethical decisions that serve the Fund's interests and align with its strategic objectives.

### **B. Collaboration with National Institutions**

In line with its national commitment to supporting the public integrity system, the Fund participated in the 2024 Cybersecurity Awareness Month campaign launched by the National Cybersecurity Center. It redistributed awareness content through its official channels and shared messages internally via email to ensure full outreach and promote a culture of cybersecurity awareness among staff.

### **C. Disclosure and Conflict of Interest Policy**

The Fund implements a comprehensive Conflict of Interest Policy that applies to employees, committee members, team leads, and rapporteurs. The policy is based on the Code of Conduct and the Civil Service Regulation. It requires periodic

financial disclosures, confidentiality undertakings, and regular declarations of assets and any changes thereto. Supervisory staff are also required to sign a conflict of interest declaration.

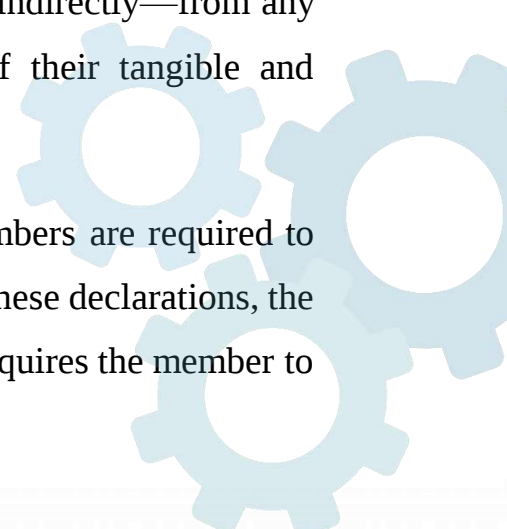
#### - **Investment Board Members**

In March 2017, the Board of the Social Security Corporation approved the Conflict of Interest Policy applicable to members of the Corporation's Board and the Investment Board. This policy aims to strengthen governance across both the insurance and investment arms and to help the institution achieve its objectives and fulfill its obligations to partners, contributors, and retirees.

The policy prohibits any conflict between a member's personal interests and the interests of the Corporation or the Fund. Upon appointment, each member must review the policy, commit to it, and sign a conflict of interest disclosure form listing any existing or potential conflicts or any matter that could be interpreted as such.

The policy is part of the Fund's implementation of the Social Security Law and aligns with applicable Jordanian legislation, which requires members to refrain from using their official powers for personal or financial gain for themselves or their families. Members are also required to disclose any personal interests that could result in a conflict and must completely abstain—directly or indirectly—from any preferential dealings. They must provide full disclosure of their tangible and financial assets and liabilities.

At the beginning of each Investment Board meeting, all members are required to declare any actual or potential conflicts of interest. Based on these declarations, the Board determines whether a conflict exists. If so, the policy requires the member to



either refrain from attending the discussion, participating in deliberations, or voting on the matter.

## **- Fund Employees**

The Conflict of Interest Policy also applies to all Fund employees, including committee members and team leaders. It is implemented in accordance with the Code of Conduct and Public Service Ethics under the Civil Service Regulation.

Employees are required to sign a confidentiality agreement and submit periodic disclosures of their assets and any changes thereto using the designated financial disclosure form. Those in supervisory roles must also sign a conflict of interest declaration.

## **• Investment Decision-Making Process**

The Fund adopts an institutional model for investment decision-making, based on its Investment Governance Policy and the core principles that guide its implementation. This policy serves as the reference framework that governs the Fund's investment approach—from the initial assessment of an opportunity to the final decision on whether or not to invest.

The policy outlines the overarching principles that govern investment performance, including the generation of sustainable returns within acceptable levels of risk, preserving and enhancing the real value of assets over the long term. These principles span the entire investment process, beginning with opportunity assessment, moving through the review of recommendations from the relevant

directorate, and culminating in a final decision by the authorized body. This reflects the Fund's commitment to good governance at every stage.

The policy applies to all parties involved in the investment process within the Fund, including the Investment Board and its committees, the Fund CEO, internal committees and taskforces, and the relevant directorates. At its core, the policy embeds transparency, accountability, and integration into the decision-making process.

The investment decision-making framework is built on seven foundational principles that underpin the Fund's governance philosophy:

Responsibility, Transparency, Inclusiveness, Rule of Law, Participation, Dynamism, and Sustainability.

To operationalize these principles effectively, four institutional levels with interlinked responsibilities are defined:

- **The Board of Directors of the Social Security Corporation and its committees**, which approve the general investment policy and the Fund's annual budget, and provide supervisory and oversight functions.
- **The Investment Board and its committees**, which are mandated to set detailed policies and guidelines for managing the Fund's assets in line with applicable laws and regulations.
- **The Fund CEO**, who is responsible for ensuring compliance with the regulatory and policy framework and supervising policy implementation within approved limits.

- **Directorates, committees, and technical working groups**, which are responsible for due diligence, opportunity evaluation, and exercising delegated decision-making authority in accordance with governance standards.

The investment process begins with the relevant directorates studying available opportunities, evaluating their alignment with the Fund's strategic objectives, and analyzing their financial viability. These studies are then submitted to the Investment Committee, chaired by the Fund CEO and composed of four executive directors, with the Risk Management and Strategic Planning Directorate participating as an observer.

The Committee reviews the submitted proposals and makes decisions within its delegated authority. If a proposal exceeds the Committee's mandate, it is forwarded to the Investment Board for final approval, in accordance with the general investment policy approved by the Board of the Social Security Corporation.

This system as a whole reflects the Fund's philosophy of institutional investment management. Decisions are not made in isolation but are grounded in a comprehensive institutional perspective that balances investment objectives with organizational discipline, and feasibility analysis with compliance requirements.

As the Fund continues to enhance its investment tools and structures, it places a high priority on improving the efficiency of its decision-making and reinforcing governance as a critical pillar for safeguarding contributors' and retirees' funds, sustaining long-term returns, and generating meaningful economic impact.

A visual diagram illustrating the investment decision-making process is provided below:

**Concerned Directorate:**

Reviews investment opportunities to ensure alignment with SSIF's investment objectives and policies, and submits recommendations to the Investment Committee.

**Social Security Corporation Board of Directors:**

Approves the overall investment policy, strategic asset allocation, and general investment plan, and provides directives that guide investment governance.

**Investment Committee:**

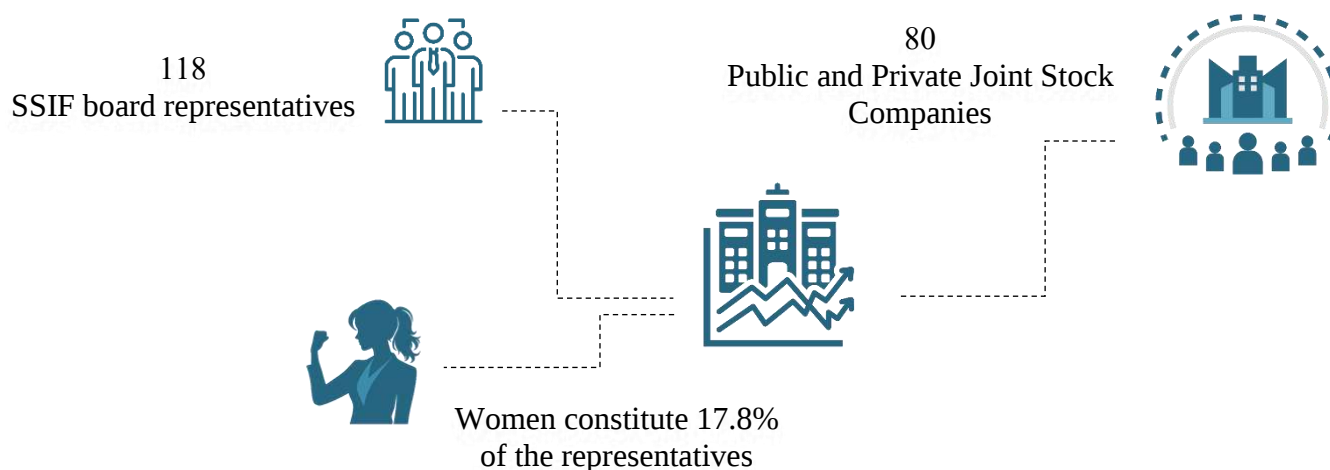
Evaluates proposals submitted by SSIF's directorates and either makes decisions within its delegated authority or escalates recommendations to the Investment Board.

**The Social Security Investment Board:**

Exercises investment decision-making authority in accordance with SSIF's investment policy and strategic plan, within the limits defined by the governance framework.

- **Representation on Company Boards**

The Fund holds equity in approximately 80 public and private shareholding companies, with the Social Security Corporation represented by 118 members on the boards of directors and management committees of these companies. The Fund continues to implement policies that promote gender balance, with women representing 17.8% of its board representatives.



## Active Role of Board Representatives

These representatives play an active role in shaping strategies to improve the financial and operational performance of companies, strengthen corporate governance, and contribute to community development initiatives. The Fund also coordinates with other shareholders to enhance the effectiveness of boards and reinforce their oversight and strategic roles—supporting sustainable growth, improving corporate performance, and bolstering confidence in the national economy.

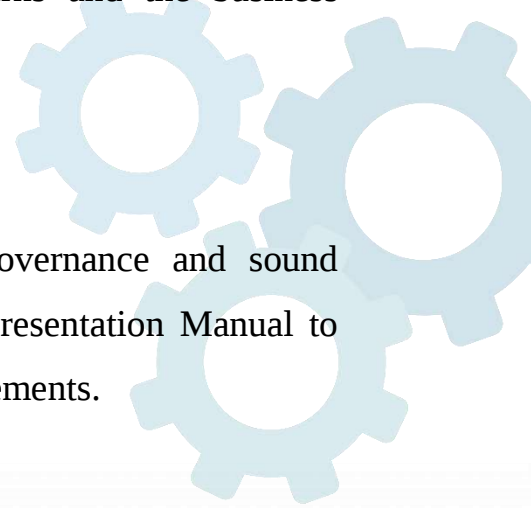
- **Board Representation Framework**

The Fund follows an integrated institutional approach to the selection, empowerment, and performance evaluation of its representatives on company boards. This approach is designed to ensure they play an effective and accountable role. It includes guidance, performance tracking, and periodic evaluation based on clear criteria such as financial performance, internal control effectiveness, adherence to governance principles, and the competence of executive management.

The Fund continues to develop this framework to ensure that representatives effectively steer companies toward their strategic visions and long-term sustainability—positively impacting both investment returns and the business environment.

- **Board Representation Manual**

In line with international best practices in corporate governance and sound management, the Fund periodically updates its Board Representation Manual to reflect the latest governance standards and regulatory requirements.



The manual serves as a comprehensive reference for representatives, outlining their duties, responsibilities, and authority. It also governs their relationship with the Fund, which oversees their guidance and performance. The manual includes performance evaluation mechanisms and reporting requirements, covering financial performance indicators, internal control systems, compliance with governance standards, and the effectiveness of executive management—as well as relevant legal and financial matters.

- **Effective Communication with Representatives**

Believing in the importance of institutional communication, the Fund maintains regular contact with its company representatives through periodic meetings to review performance and discuss strategic and operational developments.

Representatives are required to submit regular reports covering financial and operational performance, levels of compliance and transparency, effectiveness of governance implementation, and any major strategic developments or material events that may impact business continuity or the value of the Fund's shareholding. In the event of exceptional developments, the Fund promptly initiates appropriate action through special reports and emergency meetings with representatives to ensure a timely and responsible response.

- **Capacity Building and Empowerment of Representatives**

The Fund places strong emphasis on equipping its representatives to perform their roles with competence and impact, as they are a core component of the corporate governance system. To that end, the Fund organizes periodic governance forums with participation from local and international experts to exchange insights and remain abreast of regulatory developments.

These forums aim to enhance the strategic and oversight capabilities of representatives, enabling them to actively support corporate plans and lead institutional transformation efforts. The goal is to ensure that company strategies align with national development priorities and sustainable investment objectives.

- **Ninth Governance Forum**

In November 2024, the Fund held its ninth annual Governance Forum under the theme: “The Role of Board Members in Strategy Building and Sustaining Results.” The event reaffirmed the Fund’s commitment to promoting sound governance practices and activating the strategic role of its representatives in major national companies.

The forum introduced participants to advanced tools for strategic analysis and economic foresight, alongside best practices in data-driven decision-making and continuous performance evaluation. It served as an interactive platform for knowledge exchange and strengthened the link between effective governance and sustainable corporate growth.





**SSIF Investment Board**



## SSIF Investment Board

In accordance with paragraph (A) of Article 14 of the Social Security Law No. 1 of 2014 and its amendments, the Social Security Investment Board is formed within the Social Security Corporation (SSC) and consists of the following members:

1. The Chief Executive Officer of the Social Security Investment Fund
2. The Director General of the Social Security Corporation
3. Two members selected by the Social Security Corporation Board; one of which shall be from the Employees' Representatives and the other from the Employers' Representatives; both of which shall be competent investment specialists.
4. Five external members with relevant experience and qualifications, appointed by the Council of Ministers upon the recommendation of the SSC Board of Directors; the Council of Ministers also designates one of them to serve as Chairman of the Investment Board.

Pursuant to paragraph (B) of the same article, the Investment Board elects a Vice Chairman from among its members - excluding SSIF CEO of and SSC Director General - who acts on behalf of the Chairman man during their absence.

In accordance with paragraph (D), the Council of Ministers appoints a full-time Chief Executive Officer for SSIF upon recommendation of the SSC Board of Directors, for a two-year renewable term, with salary determined by the Council of Ministers.

## **Mandate and Functions of the Investment Board**

According to paragraph (C) of Article 14, the responsibilities of the Investment Board include:

1. Setting the general investment policy for SSIF and submitting it to the SSC Board of Directors for approval.
2. Developing the overall investment plan and submitting it for approval.
3. Overseeing the implementation of the investment policy and formulating relevant plans and programs.
4. Making investment decisions in line with the approved policies, the Social Security Law, and relevant regulations.
5. Recommending the annual SSIF budget to the SSC Board, including detailed expenditure allocations.
6. Submitting periodic performance and activity reports to the SSC Board.
7. Reviewing the annual report and financial statements and recommending their approval
8. Appointing specialized investment committees in line with internal regulations.
9. Drafting executive regulations for SSIF to ensure alignment with the SSC's objectives.
10. Exercising any other powers delegated by the SSC Board or assigned under applicable regulations and instructions.

## SSIF Investment Board



**H.E. Dr. Umayya Toukan<sup>(1)</sup>**

Chairman



**Dr. Anis Al Shatnawi**

Member



**H.E. Dr. Ezzeddin Kanakrieh**

Chief Executive Officer / Member



**Dr. Mohammad Al-Tarawneh**

SSC Director General / Member



**Mr. Khaled Abu Marjoub**

Representative of Workers / Member



**Mr. Hussam Odeh<sup>(2)</sup>**

Representative of Employers



**Ms. Dina Al Dabbas**

Member



**Mr. Wamid Mujalli**

Member



**Dr. Michael Swaidan**

Member

(1) H.E. Dr. Umayya Toukan served as Chairman of the Investment Board from May 12, 2024 to May 13, 2025.  
H.E. Mr. Mazen Al-Khatib served as Chairman of the Investment Board from May 7, 2018 to May 6, 2024

(2) H.E. Eng. Hussam Odeh has been serving as a member of the Investment Board since March 1, 2024.  
- H.E. Eng. Ihab Qadri served as a member of the Investment Board from March 20, 2023 to February 28, 2024, and was elected as Vice Chairman of the Board for the period from May 7, 2023 to February 28, 2024.

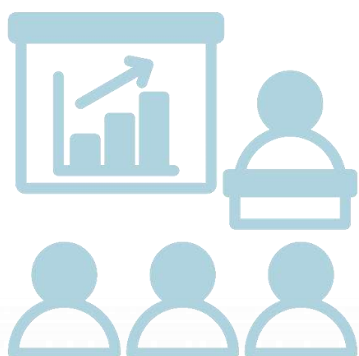
◆ **Social Security Investment Board meetings:** The Board held 13 meetings.

◆ **Remunerations of the Social Security Investment Board:**

Pursuant to the provisions of Article 14, Paragraph (E) of the Social Security Law No. 1 of 2014 and its amendments, members of the Social Security Investment Board shall receive a monthly remuneration of JD 500, disbursement of which is conditional on attending the Board's monthly meetings, except for the Chairman of the Social Security Investment Board whose remuneration is set by a resolution of the Council of Ministers based on the recommendation of the Chairman of the Social Security Corporation Board of Directors.

Based on the foregoing, the monthly remunerations of the Chairman and members of the Social Security Investment Board were as follows :

| <b>Chairman of the Social Security Investment Board</b> | <b>Members of the Social Security Investment Board</b>                                                         | <b>Secretary of the Social Security Investment Fund Board</b>                                                  |
|---------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|
| Monthly remuneration of JD 4000                         | Monthly remuneration of JD 500, disbursement of which is conditional on attending the Board's monthly meetings | Monthly remuneration of JD 200, disbursement of which is conditional on attending the Board's monthly meetings |



## Social Security Investment Board Sub Committees



### ◆ First: The Audit Committee:

#### Mandate:

1. Monitor financial and investment-related activities.
2. Review internal and external audit reports.
3. Recommend approval of the annual internal audit plan.
4. Verify accounting and internal control procedures.
5. Ensure compliance with applicable laws and regulations.
6. Exercise any additional powers as specified by internal regulations.
7. Execute any assignments from the Investment Board.

#### ■ Members of the Audit Committee:

|                        |                                                        |
|------------------------|--------------------------------------------------------|
| Dr. Michael Swaidan    | Chairman                                               |
| Ms. Dina Al Dabbas     | Member                                                 |
| Mr. Khaled Abu Marjoub | Member                                                 |
| Mr. Fadi Abu Ghoush    | Internal Audit Unit Manager /<br>Committee's Secretary |

#### ▪ **Committee Meetings:**

- The committee held 13 meetings.
- The Chairman and members of the committee shall receive a monthly remuneration of JD 300, disbursement of which is linked to attending of the committee meetings.
- The Committee's Secretary shall receive a monthly remuneration of JD 200, disbursement of which is linked to attending the committee meetings.

### ◆ **Second: The Investment Governance Committee:**

#### ▪ **Mandate:**

1. Recommend investment governance policy to the SSC Governance Committee.
2. Oversee adherence to codes of conduct.
3. Verify effectiveness and independence of internal/external control systems and risk management.
4. Ensure implementation of approved governance principles.
5. Define clear governance structures and responsibilities in investment decisions.
6. Recommend rules for SSC representation on company boards.
7. Ensure alignment with conflict-of-interest and disclosure policies.
8. Oversee standards for personal trading and staff performance evaluation.
9. Ensure availability of qualified investment staff.
10. Review effectiveness of investment reporting systems.
11. Execute other responsibilities assigned by the Board.

#### ▪ **Members of the Investment Governance Committee:**

|                          |                                                               |
|--------------------------|---------------------------------------------------------------|
| Dr. Mohammad Al-Tarawneh | Chairman                                                      |
| Mr. Khaled Abu Marjoub   | Member                                                        |
| Mr. Wamid Mujalli        | Member                                                        |
| Mr. Mohammad Madi        | Equity Support Directorate Manager<br>/ Committee's Secretary |

#### ▪ **Committee Meetings:**

- The committee held 8 meetings.
- The Chairman and members of the committee shall receive a monthly remuneration of JD 300, disbursement of which is linked to attending of the committee meetings.
- The Committee's Secretary shall receive a monthly remuneration of JD 200, disbursement of which is linked to attending the committee meetings.

### ◆ **Third: Investment Risks Committee:**

#### ▪ **Mandate:**

1. Validate risk assessment and management methodologies
2. Review periodic risk reports and deviations
3. Recommend corrective actions
4. Perform tasks in accordance with regulations or assigned by the Board

▪ **Members of the Investment Risks Committee:**

|                      |                                                                                    |
|----------------------|------------------------------------------------------------------------------------|
| Ms. Dina Al Dabbas   | Chairman                                                                           |
| Dr. Anis Al Shatnawi | Member                                                                             |
| Dr. Michael Swaidan  | Member                                                                             |
| Mr. Nidal Al Qubbaj  | Risk Management and Strategic Planning Directorate Manager / Committee's Secretary |

▪ **Committee Meetings:**

- The committee held 12 meetings.
- The Chairman and members of the committee shall receive a monthly remuneration of JD 300, disbursement of which is linked to attending of the committee meetings.
- The Committee's Secretary shall receive a monthly remuneration of JD 200, disbursement of which is linked to attending the committee meetings.



# **Executive Management and Human Capital**

## Executive Management

The executive structure of the Social Security Investment Fund (SSIF) comprises specialized directorates and units responsible for managing the Fund's investment portfolios, operations, strategic planning, and institutional development. Each directorate plays a distinct and integrated role in delivering the Fund's mission and ensuring the efficient and transparent management of public funds.



### **Real Estate Portfolio Directorate**

The Directorate is responsible for managing the Fund's real estate investments, including land holdings and commercial complexes. It also evaluates new investment opportunities in the real estate sector.

**Manager:** Eng. Ahmad Malkawi

### **Equity Investment Directorate:**

The Directorate is responsible for managing and monitoring SSIF's investments in public and private shareholding companies. It also conducts performance analysis, forecasting, and opportunity assessment in the equity space.

**Manager:** Mr. Arafat Asaad





### **Treasury and Lending Directorate**

The Directorate is responsible for managing the Fund's cash surplus through investments in money market instruments, bonds, and syndicated loans. It also follows up on projects financed by Daman Financial Leasing Company (wholly owned).

**Manager:** Mr. Fadi Al-Alawneh

### **Project Finance and Tourism Portfolio Directorate**

The Directorate is responsible for evaluating new investment opportunities, conducting feasibility studies, and overseeing the tourism investment portfolio managed by the National Company for Tourism Development (wholly owned).



**Manager:** Mr. Sameer Shahrour



### **Equity Support Directorate**

The Directorate is responsible for monitoring the performance of SSC representatives on corporate boards, evaluating their contribution, and promoting sound corporate governance and oversight.

**Manager:** Mr. Mohammad Madi

## Risk and Strategic Planning Directorate

The Directorate is responsible for preparing the Fund's strategic plan, identifying and measuring investment and operational risks, and evaluating performance using the Balanced Scorecard.



**Manager:** Mr. Nidal Qubbaj <sup>(1)</sup>

## Information Technology Directorate

The Directorate is responsible for managing information systems, databases, automation initiatives, and information security in line with global best practices.



**Manager:** Eng. Falah Tbishat

## Financial Control Directorate

The Directorate is responsible for preparing financial statements in accordance with IFRS, managing the annual budget, processing financial transactions, and producing reports.

**Manager:** Ms. Manal Oreikat



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(1) Also served as Acting Director of Business Development and Research until October 15, 2024



### **Operations and Administrative Affairs Directorate**

The Directorate is responsible for executing financial transactions, maintaining investment portfolio systems, managing procurement, archiving, and internal administrative support.

**Manager:** Mr. Dawood Al-Faqeer

### **Human Resources Directorate**

The Directorate is responsible for attracting and retaining talent, providing training, and overseeing institutional development aligned with excellence frameworks.



**Manager:** Ms. Shorouq Al-Saud



### **Internal Audit Unit**

The Unit is responsible for ensuring the integrity of the Fund's operations through independent audits and verifying compliance with relevant laws, regulations, and audit standards.

**Manager:** Mr. Fadi Abu Ghoush

## Legal Affairs Unit

The Unit is responsible for drafting and reviewing legal documents, contracts, regulations, and providing legal counsel to the executive management.

**Manager:** Ms. Reem Abzak



## Business Development and Research Unit

The Unit is responsible for conducting economic studies, preparing analytical reports, and benchmarking global pension fund practices to support strategic development.

**Acting Manager:** Mr. Fadi Al-Alawneh (2)



## Public Relations and Media Unit

The Unit is responsible for managing the Fund's institutional image and external communications through media outreach, digital platforms, and stakeholder engagement.

**Manager:** Ms. Amani Elkayed



## Decision and Follow-up Unit

The Unit is responsible for serving as the secretariat of the Investment Board and Committee, tracking decisions, and coordinating with the SSC Board of Directors.

**Acting Manager:** Ms. Reem Abzakh



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(2) (as of October 16, 2024)

## Human Capital

At the Social Security Investment Fund (SSIF), human capital is the foundation of achievement and growth. Employees are not merely implementers of tasks, they are partners in shaping the Fund's vision and driving its success. Accordingly, SSIF adopts a holistic human resources policy centered on empowerment, continuous development, fairness, and a work environment that nurtures talent and celebrates accomplishments.



### Workforce Composition

By the end of 2024, SSIF's workforce comprised 122 employees, including 41 women. Employees are distributed across three employment categories:

#### Category employees



**99 employees** (including 39 women **39.4%**)

#### Category employees



**3 employees**

#### Category employees



**20 employees** (including 2 women – **10%**)



## Academic Qualifications

SSIF actively seeks and develops qualified talent. **81%** of its employees hold a bachelor's degree or higher, including:



**36** employees with a master's degree,  
**33%** of whom are women



**2** employees with a PhD



## Leadership and Female Representation:

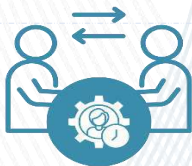
The Fund is committed to inclusive leadership and merit-based advancement.



**14** employees hold leadership positions,  
including 4 women (29%)



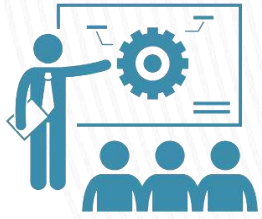
**25** employees serve in supervisory  
roles, including 9 women (36%)



**10** women serve as first or second backups  
to directorates /unit heads, representing 37%  
of all such positions



**13** women hold either leadership or  
supervisory roles

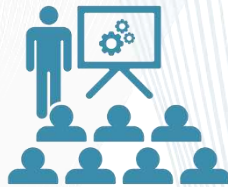


## Training and Capacity Building

SSIF views training as a core tool for institutional excellence and individual growth. Staff members regularly participate in specialized training programs, workshops, and conferences, based on systematically identified development needs aligned with performance evaluations and job requirements.

The Fund also promotes peer-to-peer learning through in-house workshops conducted by employees, and it provides access to diverse training materials via an internal e-learning platform, fostering a collaborative and knowledge-sharing culture.

### Total training hours in 2024:



**Female employees: 1,193 hours**



**All employees: 2,830 hours**



## Team Culture and Collaboration

SSIF fosters a culture of trust, openness, and active participation. Employees are encouraged to take initiative and engage in teamwork that is agile, responsive, and results-driven. Staff are involved in institutional processes through cross-functional committees and working groups reinforcing values of collaboration and shared responsibility.



## Equality and Opportunity

SSIF promotes workplace equity across gender lines in recruitment, training, and promotion.

- 50% of the 8 total promotions in 2024 were awarded to women
- Of the 3 job openings announced, 2 (66%) had no gender-based eligibility criteria



A total of 4 promotions were granted to female employees, accounting for 50% of all promotions.



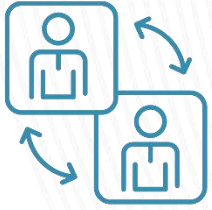
The total number of promotions is 8



## Talent Management and Institutional Culture

To further strengthen its performance culture, the Fund launched the “Distinguished Employee Award” in 2023, presented twice annually based on clear and transparent criteria reflecting both individual and organizational contributions.

- In 2024, the award was granted to Ali Al-Diriyyeh (first half) and Osama Al-Tamimi (second half).



### Employee Retention

The Fund recorded a staff turnover rate of 2.46% in 2024, reflecting high levels of institutional stability and employee satisfaction.



### Quality of Work Life

SSIF is committed to enhancing workplace well-being through various initiatives, including social activities, improved facilities (e.g., expanded parking), and exclusive telecom service offers for staff.

In terms of occupational health and safety, the Fund adheres to the highest standards of workplace protection. No work-related injuries were recorded in 2024, reflecting the effectiveness of preventive measures such as regular inspections, the proper maintenance of alarm and firefighting systems, and the availability of first-aid kits on every floor. Staff are routinely encouraged to report any observations or concerns that may affect public safety.

As for healthcare, all employees benefit from dual health coverage:

- Civil service health insurance, and
- Comprehensive private insurance, with access to an extensive medical network at no additional cost.

Additionally, employees have the option to enroll in the “Care Insurance Program” offered by the King Hussein Cancer Foundation.



# Strategic Plan Summary

## Strategic Plan Summary

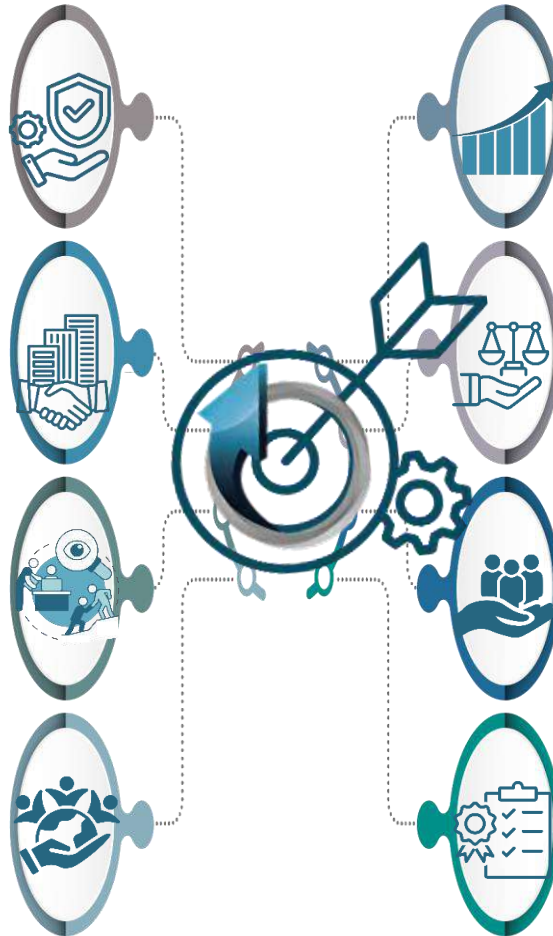
Strategic planning stands as a cornerstone of the institutional framework of the Social Security Investment Fund (SSIF), grounded in the conviction that financial sustainability and investment excellence cannot be achieved without a clear, forward-looking roadmap. Such a plan enables the alignment of efforts and the optimal allocation of resources to realize the Fund's strategic, national, and societal objectives.

In this context, SSIF adopted its Strategic Plan for the years 2022–2024 .The plan's implementation was extended through 2025, pending the completion of the actuarial study by the Social Security Corporation. The plan seeks to position the Fund as a strategic institutional investor, channeling capital into economically viable, large-scale ventures with sustainable developmental impact and tangible added value to the Jordanian economy—all within the parameters of acceptable risk as defined by the Fund's Investment Policy.



## Strategic Objectives

- Generate attractive returns within acceptable risk thresholds to enhance the value and long-term sustainability of the Social Security Corporation's assets.
- Strengthen the Fund's profile as a committed national, long-term investor.
- Foster a dynamic and supportive work environment.
- Embrace international standards and best practices.



- Secure adequate liquidity to meet the Corporation's long-term obligations.
- Uphold the principles of sound governance and transparency.
- Invest in the development of human capital.
- Promote corporate social responsibility within the national context.



# Investment Policy

## Investment Policy

The Fund's Investment Policy is grounded in a clear institutional philosophy that reflects the Fund's core mandate: managing the assets of the Social Security Corporation in a manner that balances risk and return, while ensuring the long-term financial sustainability of the social security system for future generations.

This philosophy emphasizes directing investments in line with both local and global economic indicators, and in accordance with the strategic directions set by the Corporation's Board of Directors. It also considers the Corporation's liquidity needs to ensure its ability to meet future obligations to retirees and beneficiaries, as well as to seize future investment opportunities.

The Fund places particular emphasis on investing in large-scale, economically viable national projects that generate the targeted return within acceptable risk levels. Such investments contribute to achieving the Fund's strategic objectives, enhancing the national economy, and creating new employment opportunities.

In line with this philosophy, the Investment Policy is built upon a set of key pillars and objectives, including:



### **1. Liquidity:**

The Fund manages its investments across a range of liquidity levels and varying maturities, ensuring sufficient cash flows to meet the Corporation's obligations in accordance with the actuarial studies conducted by the Social Security Corporation. The asset allocation strategy is designed to match the Fund's liability profile.

### **2. Diversification and Asset Allocation:**

The Fund invests across a wide spectrum of asset classes, including money market instruments, bonds, equities (both public and private), loans (including financial leasing), real estate, and tourism-related investments. This diversification reduces portfolio correlation and mitigates investment risk, while preserving the real value of the Corporation's assets.

The Fund also considers geographic diversification (including foreign investments) subject to the approval of the Corporation's Board of Directors, based on recommendations from SSIF Investment Board and endorsement by the Council of Ministers, in accordance with the Fund's legal framework.

### **3. Economically Viable National Investments:**

SSIF prioritizes national investments that offer sustainable returns within acceptable risk parameters, in line with the Fund's strategic goals and its role in supporting the national economy.

#### **4. Economic Data and Indicators:**

Investment decisions are based on both domestic and international economic indicators. The Fund refrains from engaging in speculative or economically disconnected instruments that do not align with prevailing market realities.

#### **5. Operational Risk Management:**

Investment operations are executed in accordance with leading practices and procedures to ensure efficiency, effectiveness, and investment security. Strong internal controls are in place, including segregation of duties and the use of highly rated custodians for relevant investment instruments.

#### **6. Ethical Standards:**

The Fund refrains from investing in prohibited sectors - locally or internationally - or in activities that contradict public ethical norms. Investment decisions must reflect public interest and adhere to the Fund's commitment to ethical and responsible investing.



# SSIF Investments

## SSIF Investments

The Social Security Investment Fund (SSIF) plays a pivotal role in supporting the national economy through its strategic investments. The Fund's portfolio spans a wide range of high-impact economic sectors, including banking and finance, mining, telecommunications, industry, conventional and renewable energy, real estate development, tourism, agriculture, and development areas. It also contributes to the financing of major national infrastructure projects across health, transport, and public services.

All investments are guided by SSIF's Investment Policy, which is grounded in the principles of sound governance, risk management, and the proactive identification of value-creating opportunities in promising sectors, ensuring the financial sustainability of the Social Security Corporation.

This sectoral and geographical diversification helps stimulate economic activity, create quality job opportunities, and promote balanced development across Jordan's governorates.

### Banking and Financial Sector

The banking sector constitutes the largest portion of the Fund's investment portfolio in both size and impact, serving as a primary source of recurring cash dividends.

SSIF holds long-term strategic equity positions in most Jordanian commercial and Islamic banks, which help ensure stable returns over time. These investments are actively managed in accordance with corporate governance standards, including

effective participation in boards and board committees, aligning institutional performance with the Fund's long-term investment outlook.

This sector is characterized by relative stability and contributes significantly to national liquidity



## Manufacturing and Mining Industries

The manufacturing sector, including mining, is a key economic driver given its role in generating added value, supporting exports, and creating employment. SSIF invests strategically in leading publicly listed industrial and mining companies on Amman Stock Exchange.



## Services Sector

As a cornerstone of Jordan's economy, contributing nearly two-thirds of GDP, the services sector features prominently in the Fund's portfolio. SSIF holds strategic equity in companies operating across telecommunications, air and maritime transport, financial services, insurance, and fintech. These investments aim to generate stable returns while also advancing digital and service-based economic development across the Kingdom.



## Energy

SSIF balances investments between conventional and renewable energy, recognizing the sector's importance in securing energy supply, fostering economic stability, and diversifying revenue streams.

In the conventional energy space, SSIF invests in companies involved in electricity generation, distribution, and petroleum refining, generating solid medium- to long-term returns.



In the renewable energy space, the Fund has established solar power stations to meet the electricity needs of its major facilities and is currently developing a new plant in line with national green economy goals and carbon footprint reduction efforts.



## Pharmaceuticals

Pharmaceutical investments reflect SSIF's focus on high-value-added industries that drive innovation, exports, and job creation. The Fund holds direct and indirect stakes in leading Jordanian pharmaceutical firms with strong regional and global market presence, recognized for their product quality and adherence to international standards.

These investments strengthen national industry, enhance pharmaceutical security, and promote research and development.



## Real Estate Development

Real estate investments are a strategic tool for diversifying the Fund's portfolio and securing long-term returns. SSIF develops and manages prime real estate assets owned by the Social Security Corporation across key locations in Jordan.

Its approach emphasizes mixed-use development and long-term investment leasing, including Build-Operate-Transfer (BOT) agreements. The Fund has also launched

an online investment portal showcasing real estate opportunities nationwide to attract investors.



## Tourism

Tourism is a high-impact sector that supports Jordan's economy through revenue generation and job creation, while linking with transport, services, and local industries. SSIF's tourism investments aim to enhance the competitiveness of Jordan's tourism offering, improve hospitality standards, and expand the visitor experience.

These investments are managed through the National Company for Tourism Development—wholly owned by the Fund—which oversees a portfolio of 3-, 4-, and 5-star hotels, as well as rest areas in strategic tourism locations. SSIF also holds equity in prominent companies developing major tourism projects across the country.

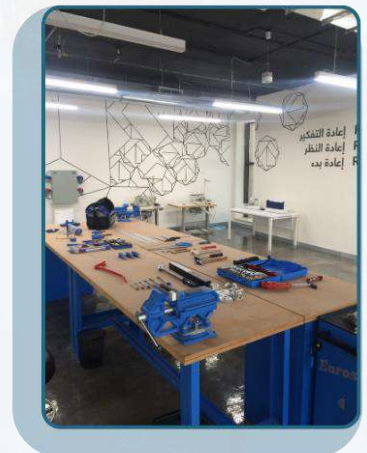


## Development Areas

Investments in development areas reflect SSIF's commitment to decentralized economic development and regional empowerment. These areas are designed to attract high-value industrial and service projects across Jordan's governorates.

Managed by SSIF-owned Daman Company for Development Areas, the Fund serves as the master developer of two royal initiative-backed special economic areas: King Hussein Bin Talal Development Area (Mafraq) and Irbid Development Zone.

These areas have attracted local, regional, and international investments in light industry, IT, logistics, and renewable energy, supported by modern infrastructure, competitive incentives, and high-level development services.



## Financial Leasing

Leasing is an investment tool deployed by SSIF to support the development of national infrastructure through financing solutions for projects with significant economic and social impact.

These activities are executed via the wholly owned SSIF subsidiary, Daman Leasing, which has financed projects in healthcare, transport, and logistics sectors.

Key projects include:

- Tafileh Government Hospital
- Amman-Zarqa Bus Rapid Transit (BRT)
- New Amman Customs Center (Madouneh)
- Ma'an Military Hospital (under construction)

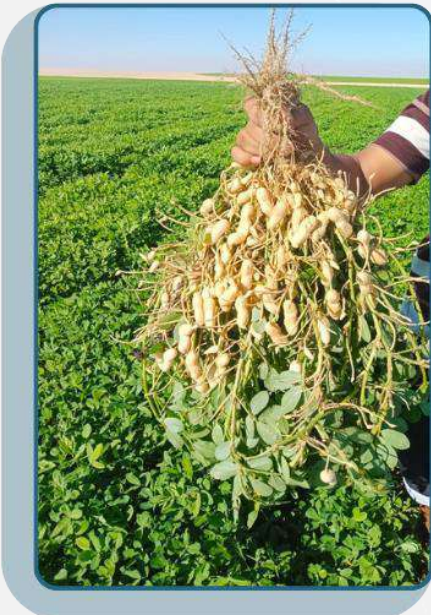


## Agriculture

SSIF's agricultural investments align with national goals for food security, green economy transition, and rural employment generation.

The Fund launched a large-scale agricultural project in southern Jordan spanning 30,000 dunums. Managed by SSIF's fully owned subsidiary, Daman Investment and Agricultural Industries Company, the project is one of the largest in Jordan in terms of area and workforce.

It produces key crops such as wheat, processing potatoes, onions, and livestock fodder, supplying local and regional markets.





# Partnership with the Private Sector

## Partnership with the Private Sector

The Social Security Investment Fund (SSIF) firmly believes that partnerships with the private sector are a strategic pillar for achieving sustainable growth and maximizing the economic impact of its investments. These partnerships are essential to realizing the Fund's investment objectives, fostering the localization of domestic capital, developing key economic sectors, and attracting high-quality foreign investments.

Over the past years, SSIF has solidified its position as a trusted institutional investor through long-term partnerships with private sector operators and stakeholders—locally, regionally, and globally. These partnerships have taken various forms, including equity participation in strategic companies and management and operations agreements for a range of projects with specialized entities. Such arrangements strike a balance between investment returns and operational and economic sustainability, while also facilitating the exchange of expertise.





# **Risk Management & Business Continuity**

## Risk Management

The Social Security Investment Fund (SSIF) adopts a proactive and comprehensive approach to risk management, aimed at achieving its strategic objectives and ensuring the long-term sustainability of its operations. This approach is rooted in an integrated policy that governs both investment and operational risks, aligning with the Fund's goals and enhancing its institutional efficiency.

The policy entails identifying and classifying the various types of risks associated with the Fund's activities, as well as assessing their likelihood and potential impact. It also involves evaluating the effectiveness of existing control mechanisms, defining appropriate mitigation measures, and periodically reviewing these safeguards. The policy ensures consistent compliance with investment guidelines and risk thresholds, thereby preserving the Fund's assets and enabling the achievement of targeted returns within acceptable risk parameters.

Through scenario analysis and forward-looking risk forecasting, the Fund develops and implements robust response plans backed by the necessary resources, enhancing its resilience and adaptability in the face of unforeseen challenges and market volatility.

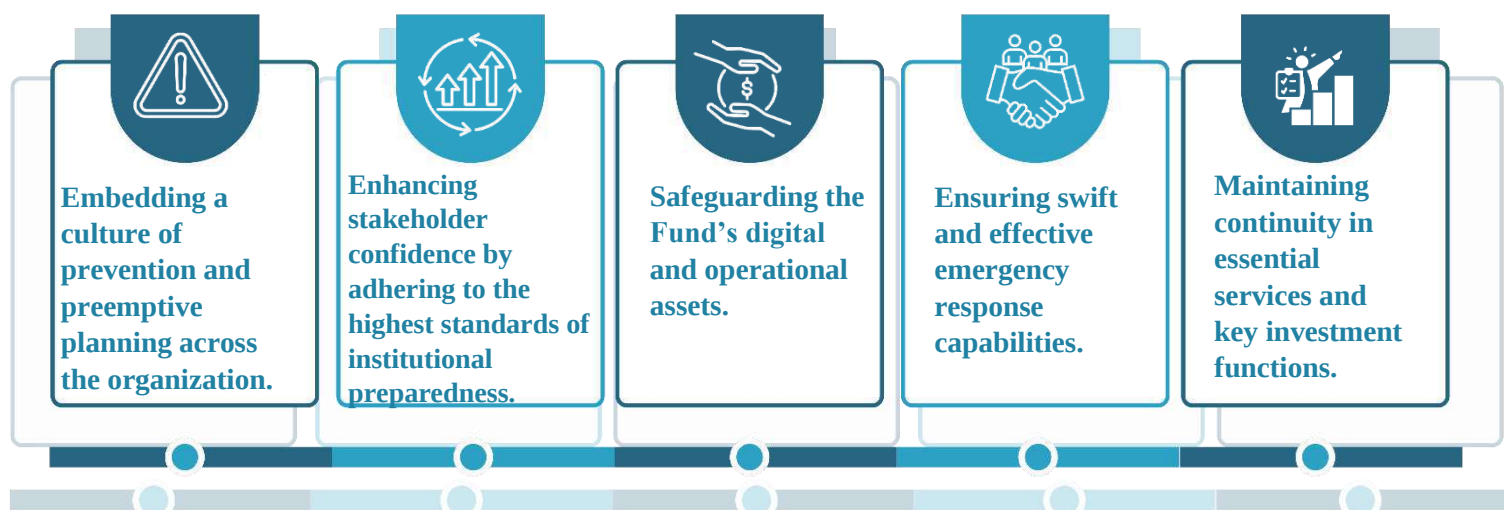
Within this framework, SSIF places particular emphasis on information security as a critical enabler of operational continuity. Its information security policy outlines preventive and mitigating measures to address cyber risks and ensure business continuity.

The Fund also organizes specialized workshops and training programs in information and cyber security, delivered by internal experts or in collaboration with relevant public sector authorities. These initiatives serve to strengthen institutional preparedness and bolster the Fund's ability to safeguard its data and investments within an advanced and secure digital environment.

## Business Continuity

In line with its steadfast commitment to corporate governance and operational resilience, SSIF has strengthened its capacity to withstand and adapt to crises by developing a comprehensive Business Continuity Plan. This plan was crafted by the Fund's Crisis Management and Business Continuity Team and is designed to ensure the uninterrupted functioning of the Fund's critical activities during emergencies, disruptions, or unforeseen events.

The Business Continuity Plan reflects the strategic and supervisory role of the Crisis Management Team in advancing the following priorities:



The plan is built upon a thorough analysis of potential risks that could disrupt operations and establishes a practical and agile framework for continuity. This includes developing realistic recovery plans, deploying technologies that ensure data integrity, and restoring critical functions promptly and effectively. The team is responsible for monitoring the implementation of key requirements, assessing institutional readiness, and updating the plan regularly in response to evolving challenges and emerging threats.



**Sustainability**

## Sustainability

The Social Security Investment Fund (SSIF) continues to play a pivotal role as a responsible national investor, committed to integrating sustainability practices across its investment and operational activities. The Fund seeks to generate long-term positive economic, social, and environmental impact, in alignment with national priorities aimed at stimulating economic activity and improving quality of life.

### 1. Strategic Commitment to Sustainability

SSIF's strategic objectives are aligned with national priorities and the overarching modernization visions, which seek to unlock economic potential and enhance the developmental impact of investments. The Fund adopts a long-term, responsible investment approach that balances risk, return, and impact, considering environmental, social, and governance (ESG) criteria.



## 2. Good Governance and Transparency

SSIF applies a comprehensive and effective corporate governance model based on a robust legal framework, including the Social Security Law and SSIF Bylaw, and is subject to rigorous internal and external oversight mechanisms that ensure compliance and accountability.

Best practices in corporate governance are applied across all operations, from decision-making processes to transparency, disclosure, and risk management.

This approach also extends to SSIF's representation on the boards of companies in which it invests. A governance framework has been adopted to guide representatives toward active participation in decision-making, improved performance, and the protection of shareholder rights, all with the aim of maximizing financial returns and operational excellence.

## 3. Human Capital and Institutional Empowerment

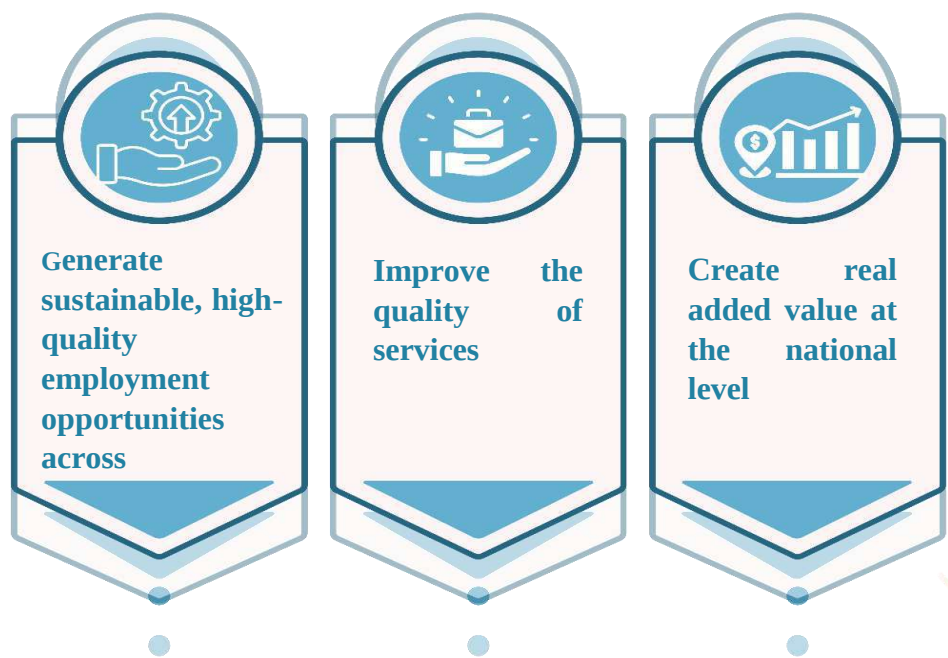
SSIF views its human capital as the driving force behind its performance. It places special emphasis on capacity building through.



The Fund is also committed to cultivating a culture of innovation and digital transformation in line with institutional modernization requirements.

4. Developmental Impact of Investments

SSIF is dedicated to directing its investments toward productive sectors that generate tangible developmental impact. These investments aim to:



5. Environment and Green Investment

The Fund incorporates environmental sustainability into its investment approach, particularly through:



Investing in sustainable agricultural projects



Developing resource-efficient projects

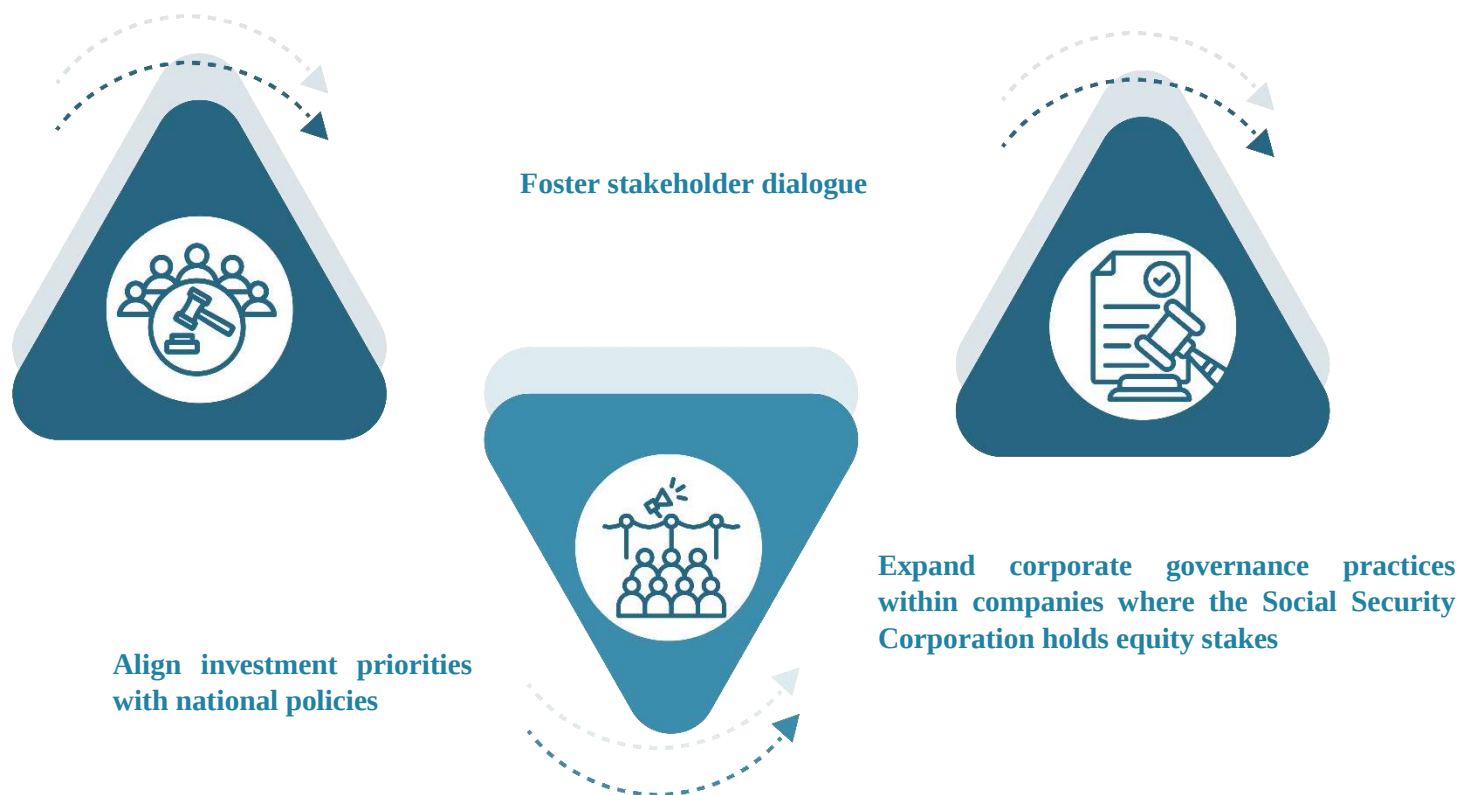


Supporting the shift toward clean



## 6. Partnerships and Extended Governance

SSIF engages in active partnerships with public and private sector entities and participates in national sustainability dialogues and forums to:



Since 2016, SSIF has voluntarily issued sustainability reports that highlight key activities and investments from a sustainability perspective. [The eighth Sustainability Report](#), covering the year 2024, is now available for public access.



**Digital Transformation**



## Digital Transformation



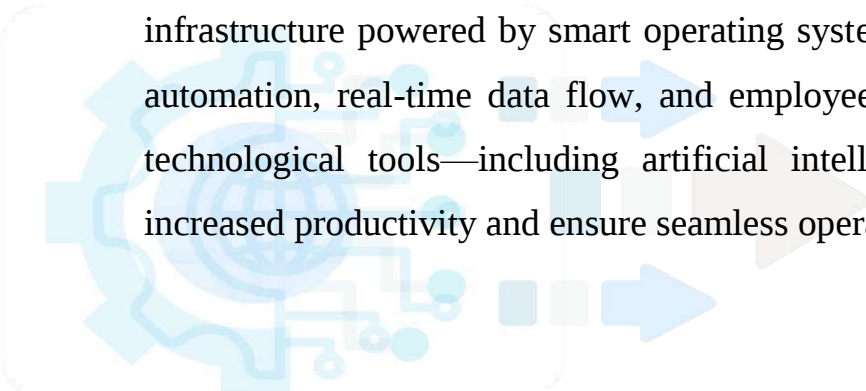
Digital transformation represents a core pillar of SSIF's institutional framework. The Fund has adopted a comprehensive digital strategy aimed at enhancing operational efficiency, ensuring business continuity, and fostering a smart working environment in line with Jordan's National Digital Transformation Strategy (2021–2025) and the Public Sector Modernization Roadmap.

### Integrated Digital Strategy

SSIF implements this transformation through an integrated annual digital plan approved by the IT and Cybersecurity Steering Committee. This plan focuses on embedding digital solutions across all workflows to simplify procedures, promote digital inclusion, and accelerate institutional development.

The plan is continuously updated to keep pace with global developments in cybersecurity, networking systems, automation, data analytics, and system integration.

### Digital Infrastructure and Smart Operations



To support this transformation, the Fund has invested in a modern digital infrastructure powered by smart operating systems. These systems enable process automation, real-time data flow, and employee empowerment through advanced technological tools—including artificial intelligence (AI) which contribute to increased productivity and ensure seamless operations under all circumstances.

## Digital Culture and Human Capital Readiness

To build an institutional culture rooted in digital excellence, SSIF prioritizes human capital development by:

- Organizing training workshops on adopted digital systems
- Ensuring staff participation in digital transformation processes.
- Participating in national programs focused on digital transformation, cybersecurity, and artificial intelligence
- Deploying digital evaluation and performance measurement tools to guide institutional improvement

## Forward-Looking Innovation

Through this integrated approach, SSIF seeks to foster a flexible and innovative work environment that can adapt to future challenges and contribute to institutional, economic, and social sustainability.





# Cybersecurity

## Cybersecurity

The Social Security Investment Fund (SSIF) places high importance on cybersecurity as a core enabler of operational, investment, and financial sustainability, and as a safeguard for digital assets against potential threats.

### Institutional Policies and Frameworks

SSIF has adopted a set of cybersecurity policies and frameworks that strengthen its technological infrastructure and ensure compliance with both national and international best practices. These include:

- The Jordanian National Cybersecurity Framework (JNCSEF)
- The COBIT Framework for IT Governance and Control
- The Information Security and Data Protection Policy, aligned with applicable laws and regulations



## Secure Digital Infrastructure

The Fund has developed a robust digital environment built on advanced protection systems, including firewalls, Extended Detection and Response (XDR) solutions, multi-factor authentication, and access control mechanisms. A detailed permissions matrix is applied to ensure segregation of duties and protect sensitive data.

## Risk Management and Business Continuity

To ensure uninterrupted operations, SSIF has established three specialized sub-teams under its Crisis and Business Continuity Management Team; prevention, response, continuity.

These teams execute coordinated emergency response plans and scenario-based crisis simulations in collaboration with the National Center for Security and Crisis Management.

## Capacity Building and Awareness

SSIF regularly conducts internal training programs and awareness campaigns to promote a cybersecurity culture among staff and encourage safe and responsible use of digital systems.

## Institutional Collaboration and Partnerships

The Fund maintains an active partnership with the National Cybersecurity Center, which conducts regular penetration tests, identifies system vulnerabilities, and implements immediate corrective actions to strengthen the Fund's resilience against cyber threats.



# Strategic Directions

## Strategic Directions

As a strategic financial investor, the Social Security Investment Fund (SSIF) recognizes the importance of its role in reinforcing confidence in the Jordanian economy and enhancing the Kingdom's position as an attractive destination for sustainable investment. In this capacity, the Fund plays a pivotal role in supporting domestic investment and attracting high-quality partnerships with private sector investors and developers, both locally and internationally. This is achieved through the expansion of existing projects and the launch of new investments in key and promising sectors, generating solid returns for the Fund while contributing to national economic growth and the creation of quality job opportunities for Jordanians.

The Fund also leverages its accumulated institutional experience and draws on the expertise of its partners to expand into new economic sectors that generate dual developmental impact - economic and social - while aligning with national priorities and accelerating inclusive development.

The Fund's strategic focus areas include:





# Summary of National Economic Performance 2024

## Summary of National Economic Performance 2024

The Jordanian economy demonstrated resilience in the face of regional geopolitical tensions, recording a real GDP growth rate of 2.5% in 2024.

This section presents the key macroeconomic indicators for the year, covering:

1. Gross Domestic Product (GDP) and unemployment
2. Price trends and inflation
3. Fiscal policy
4. Monetary policy and the banking sector
5. Balance of payments
6. Amman Stock Exchange performance

### 1. GDP and Unemployment

Jordan's economy posted positive growth of 2.5% in 2024, compared to 2.9% in 2023. This growth was largely driven by the strong performance of several economic indicators, especially in the external sector, which exceeded expectations despite regional and global challenges—particularly in terms of export growth and remittances from Jordanians abroad.

This growth contributed to a gradual decline in unemployment over recent years. Despite the slowdown in 2024 due to geopolitical tensions, the unemployment rate continued to fall, reaching 21.4% compared to 22.0% in 2023 and 22.8% in 2022. This downward trend follows a peak of 24.1% in 2021, which reflected the economic aftermath of the COVID-19 pandemic.



## 2. Inflation

Inflation, as measured by the Consumer Price Index (CPI), declined to 1.56% in 2024 from 2.08% in 2023. This reduction was supported by the easing of global inflationary pressures and the implementation of balanced domestic economic policies.

On a monthly basis, inflation began at 1.95% in January, fell to its lowest point in October (0.76%), and then gradually increased again to 1.77% in December.

## 3. Fiscal Policy and Public Debt

- **Fiscal Policy:**

The overall budget deficit (after foreign grants) widened by JD 238 million in 2024 to reach approximately JD 2.1 billion (5.5% of GDP), compared to JD 1.86 billion (5.1%) in 2023. The deficit excluding grants stood at JD 2.8 billion (7.4% of GDP), up from JD 2.57 billion (7.1%) in 2023.

- **Public Debt:**

Public debt rose by approximately JD 2.98 billion, reaching JD 44.2 billion by the end of 2024, equivalent to 116.6% of GDP, up from 113.5% in 2023. This included JD 24.3 billion in domestic debt and JD 19.8 billion in external debt.

## 4. Monetary Policy and the Banking Sector

After two years of contractionary monetary policy aimed at containing inflation (2022–2023), the Central Bank of Jordan adopted an easing stance beginning in

September 2024 to support monetary stability. It cut interest rates across all monetary tools three times during the year, totaling 100 basis points.

In the banking sector:

- Currency in circulation declined by 4.7% to JD 6.1 billion, compared to JD 5.8 billion at the end of 2023.
- Total deposits with licensed banks rose by JD 3.0 billion (6.8%), reaching JD 46.7 billion, largely driven by an increase in deposits denominated in Jordanian dinar.

## 5. External Sector

Despite the challenging regional environment, including the ongoing war in Gaza, Jordan's external sector remained relatively adaptive. Key contributing factors included export diversification, adjustments in energy imports, and increased remittances from Jordanians abroad.

- **National exports grew by 4.1%**
- **Imports rose by 4.5%**
- **Remittances increased by 2.8%**
- **Tourism revenues declined by 2.3%**

The current account deficit (including grants) widened to 5.9% of GDP in 2024, up from 3.6% in 2023.

The Central Bank maintained comfortable foreign currency reserves, which reached approximately USD 21 billion at the end of 2024, compared to USD 18.1 billion in

2023. These reserves covered 8.2 months of imports, nearly triple the international benchmark.

## 6. Amman Stock Exchange

The weighted market capitalization index of the Amman Stock Exchange rose by 2.4% in 2024, reaching 2,488.8 points. This reflected:

- A 17.2% increase in the industrial sector index
- A 3.0% increase in the services sector index
- A 2.4% decrease in the financial sector index

The market capitalization of listed shares rose to JD 17.7 billion, up 4.23% from 2023.



# Financial Performance

## Financial Performance of the Social Security Investment Fund – 2024

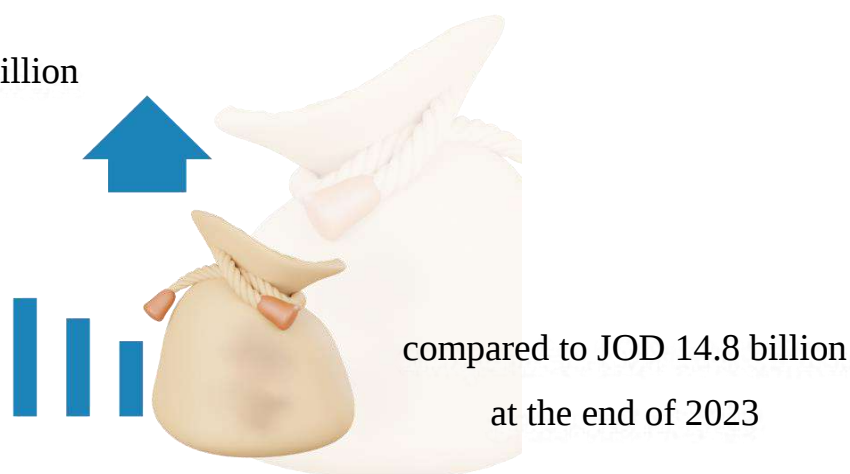
The Social Security Investment Fund (SSIF) delivered solid financial results in 2024, driven by the Fund's continued expansion into well-considered investments in financial instruments characterized by high, stable returns and low risk.

This chapter of the report outlines the financial performance of SSIF, structured into four main sections. The first presents a summary of the Fund's financial performance in 2024. The second covers the historical development of the Fund's total assets since it commenced operations in 2003 through the end of 2024. The third analyzes asset allocation trends over the past five years (2020–2024). The final section reviews the evolution of investment returns across the Fund's portfolios during the same period.

- **First: Summary of SSIF's Financial Performance in 2024**

SSIF achieved positive results in 2024, with total assets increasing by 9% to:

approximately JOD 16.2 billion  
by the end of 2024



In parallel, net income grew by 13.6%, reaching approximately JOD 905 million in 2024, up from JOD 797 million in 2023, an increase of JOD 108 million.

The composition of the Fund's investment portfolios witnessed marginal changes in 2024 compared to 2023, reflecting economic and financial developments in the national economy. The relative weight of the money market instruments portfolio increased, as did the weight of the bond portfolio. Meanwhile, the allocations for the loans, equities, real estate, and tourism investment portfolios recorded slight declines.

By the end of 2024, bonds accounted for approximately 57.7% of total assets, compared to 57.3% at the end of 2023. The money market instruments portfolio represented 14.6% of total assets, up from 13.7% a year earlier.

Other portfolios experienced slight declines in their relative weights. The loan portfolio comprised 3.4% of total assets at year-end 2024, compared to 3.7% at the end of 2023.

The equity portfolio declined from 15.8% in 2023 to 15.3% in 2024. Real estate investments made up 5.4% of total assets in 2024, down from 5.8% in 2023, while tourism investments decreased slightly to 2.0% in 2024 compared to 2.1% in the previous year.

The Fund regularly reviews its investment allocation through the formulation and evaluation of its strategic plan, in pursuit of maximizing financial efficiency and achieving the highest possible returns with minimal risk. This strategic planning process includes a comprehensive review of the asset allocation, guided by the Fund's vision, mission, and core values, and aligned with national economic

objectives. It also considers current and anticipated global and regional economic developments and their projected impact on the Jordanian economy.

In light of the Economic Modernization Vision and the Public Sector Modernization Roadmap launched by the government in 2023, the Fund has updated its strategic objectives to align with these frameworks. It also issued a dedicated reference document mapping the Fund's strategic goals to both modernization agendas.

Recognizing the importance of sustainable development as a key driver of both its financial performance and broader national economic outcomes, the Fund has integrated environmental, social, and governance (ESG) principles and the Sustainable Development Goals (SDGs) into its strategic objectives.

- **Second: Growth in Total Assets (2003–2024)**

Since its inception in early 2003, the Fund's total assets have grown from JOD 1.6 billion to approximately JOD 16.2 billion by the end of 2024. This increase is attributable to cumulative investment income of JOD 8.5 billion—representing the investment arm of the Fund—as well as JOD 6.1 billion in net cash transfers from the Social Security Corporation, which reflect the insurance side of the Fund's capital. Over this period, the Fund recorded an average annual growth rate of approximately 12.3%, with positive growth in most years, except for 2006 and 2008.

approximately JOD 16.2 billion

by the end of 2024



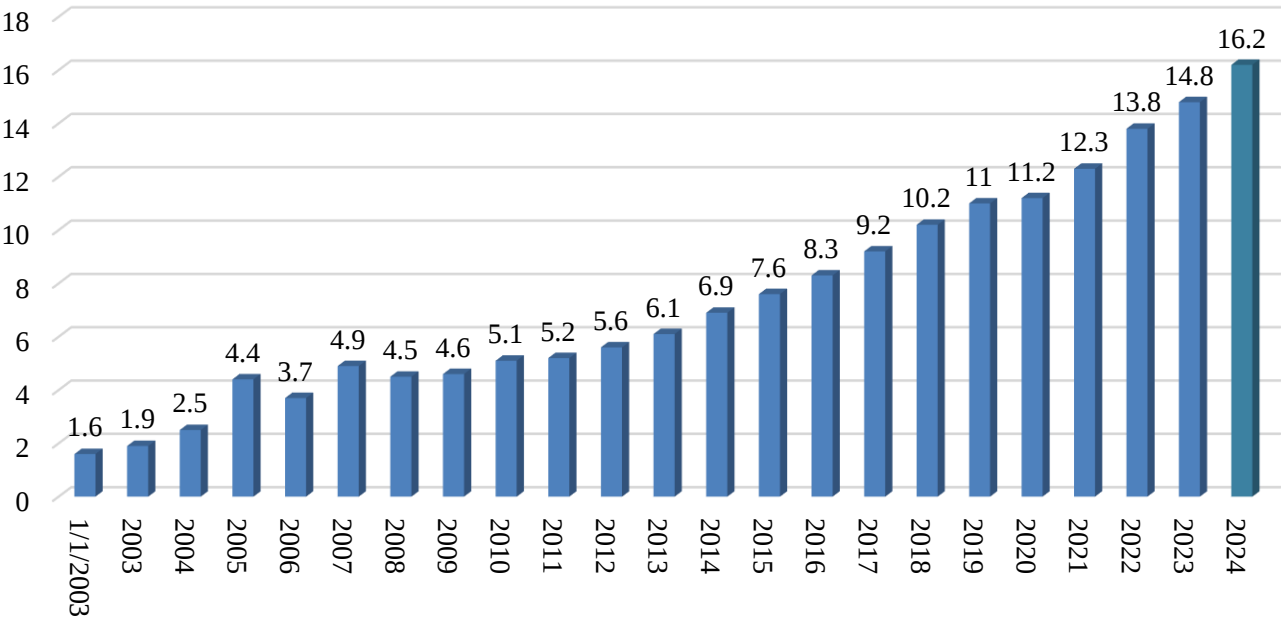
JOD 1.6 billion  
at the beginning of 2003

In line with international best practices in disclosing the performance of pension funds, the Fund tracks and reports the compound average growth rates (CAGR) for its assets over the past ten, five, and three years. Over these periods, total assets have grown by average annual rates of approximately 9.0%, 8.1%, and 9.5%, respectively.

In 2024 alone, the Fund’s total assets increased by approximately JOD 1.3 billion compared to the previous year, reaching JOD 16.2 billion at year-end—up from JOD 14.8 billion in 2023, representing an annual growth rate of around 9%.

This growth was primarily driven by the expansion of the Fund’s investment portfolios—most notably the bond portfolio, which benefitted from new subscriptions to Treasury bond issuances, given their attractive yield, low risk profile, and stability. The growth was also supported by the expansion of the real estate portfolio following the acquisition of new land plots, in addition to the cash surpluses transferred to the Fund from the Social Security Corporation during the year.

The following chart (Figure 1) illustrates the growth trajectory of the Fund’s total assets from 2003 through 2024.



- **Third: Asset Allocation Trends (2020–2024):**

The Social Security Investment Fund (SSIF) allocates its assets across a diversified range of investment portfolios with the objective of generating sustainable and meaningful returns on the assets of the Social Security Corporation (SSC), ensuring sufficient liquidity to meet future obligations, and contributing to national economic growth.

In line with global best practices for similar institutional investors, the Fund adheres to a disciplined asset diversification strategy designed to minimize overall risk. This is achieved through asset allocation across different portfolios and further diversification within each portfolio, based on sound financial principles and professional standards, and guided by the Fund’s overarching Investment Policy Statement and Strategic Plan.

The Fund regularly reviews its target asset allocation through periodic revisions to its strategic plan, which is updated every three years. This review considers regional, global, and domestic economic and financial developments, as well as the results of the actuarial studies conducted by the SSC on a triennial basis.

Over the past five years, the Fund’s asset allocation has witnessed a number of shifts—most notably a gradual move toward fixed-income instruments such as bonds and money market instruments. This trend reflects a strategic preference for investments that offer greater income stability and lower risk compared to other asset classes.

As of the end of 2024, the SSIF's investment structure consists of six primary portfolios:

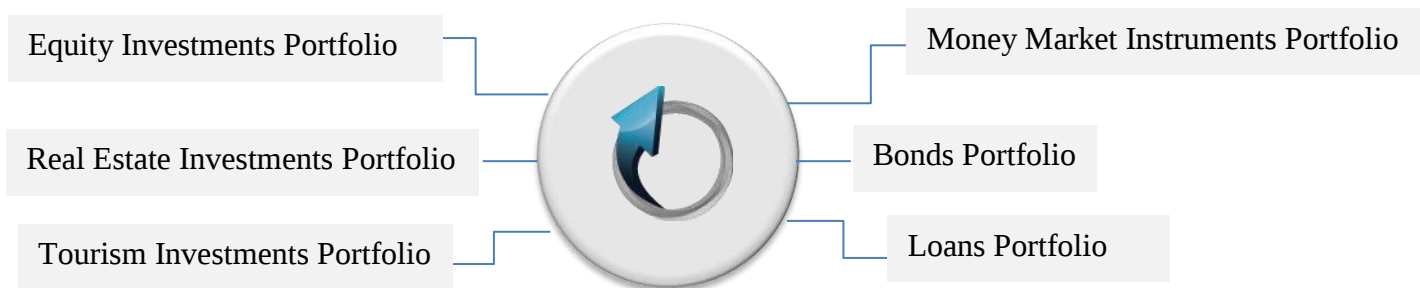
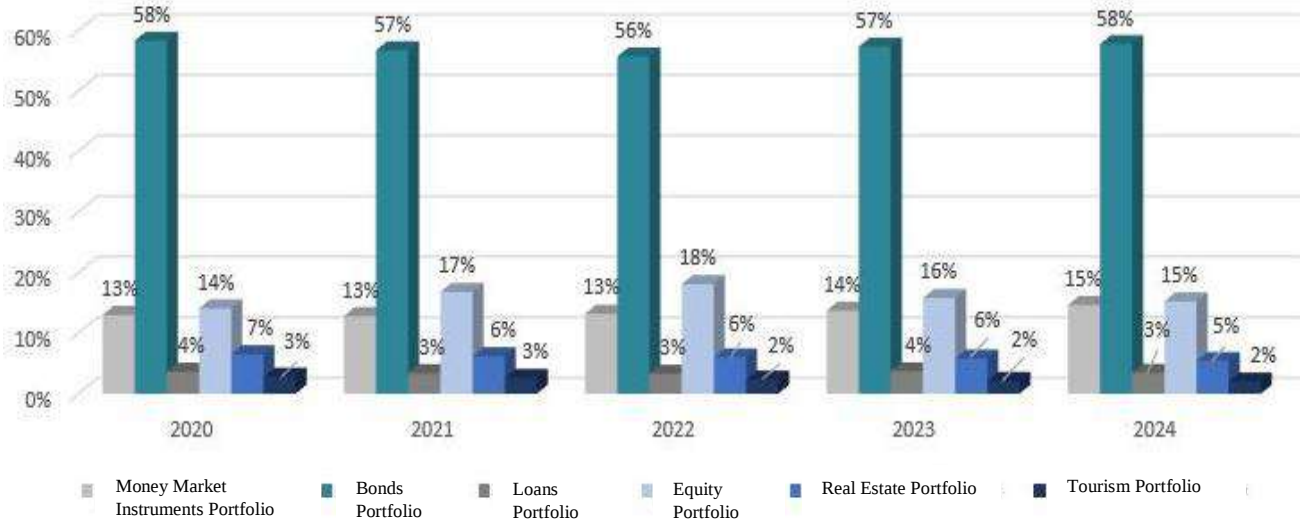


Table (1) below presents a comparative view of the Fund's portfolio allocation and its development over the five-year period from 2020 to 2024. Chart (2) illustrates the annual relative weights of these portfolios as a share of total investments during the same period.

**Table (1): Comparative Distribution of Investment Portfolios (2020-2024)**  
(JOD Million)

| Fund's portfolio allocation              |                                    | 2024            | 2023            | 2022            | 2021            | 2020            |
|------------------------------------------|------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| 1                                        | Money Market Instruments Portfolio | 2,354.6         | 2,023.3         | 1,808.6         | 1,558.4         | 1,434.0         |
| 2                                        | Bonds Portfolio                    | 9,277.5         | 8,446.1         | 7,645.4         | 6,893.6         | 6,410.3         |
| 3                                        | Loans Portfolio                    | 551.7           | 545.6           | 447.9           | 412.1           | 396.5           |
| 4                                        | Equity Portfolio                   | 2,451.7         | 2,329.6         | 2,479.9         | 2,040.8         | 1,555.2         |
| 5                                        | Real Estate Portfolio              | 865.9           | 851.1           | 817.3           | 748.2           | 716.9           |
| 6                                        | Tourism Portfolio                  | 320.6           | 314.4           | 317.7           | 314.3           | 308.1           |
| 7                                        | Others                             | 353.3           | 327.9           | 286.5           | 373.8           | 346.7           |
| <b>Fund's Total Assets (JOD Million)</b> |                                    | <b>16,175.3</b> | <b>14,838.0</b> | <b>13,803.2</b> | <b>12,341.2</b> | <b>11,167.7</b> |

**Chart (2): Percentage Distribution of the Investment Portfolio  
(2020-2024) (%)**



The following is a brief on the important developments to each portfolio of the Fund's portfolios for the past five years.

### 1. The Money Market Instruments Portfolio:

Money Market Instruments Portfolio is characterized by its high liquidity and low risk, as its maturity period does not exceed one year upon acquisition.

The portfolio has maintained relatively stable proportions of the Fund's total assets during the period from 2020 to 2024, with its value increasing year after year.

By the end of 2024, the share of the Money Market Instruments Portfolio in relation to the Fund's total assets increased to approximately 14.6%, up from about 13.7% at the end of 2023 and 13.0% at the end of 2020.

The total value of this portfolio grew to about JOD 2355 million by the end of 2024, compared to approximately JOD 2023 million at the end of 2023 and around JOD 1434 million at the end of 2020.

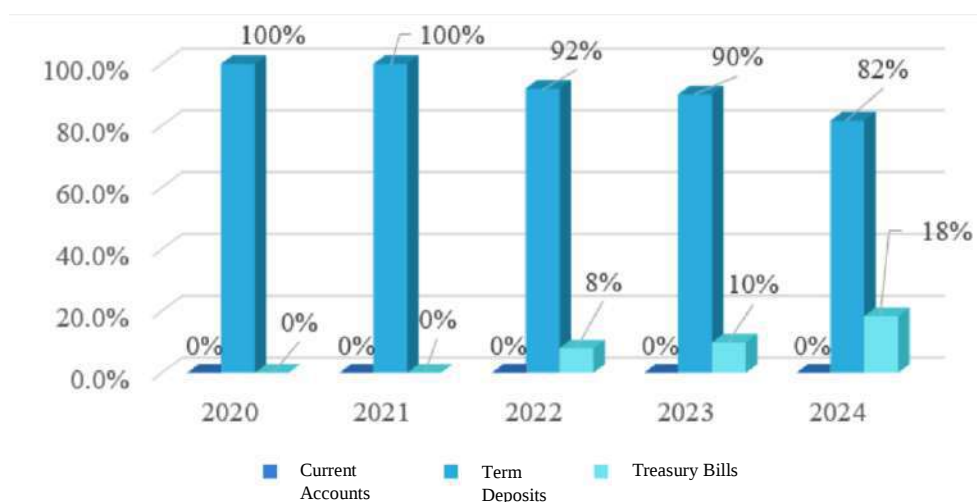
The Money Market Instruments Portfolio consists of three main components: current accounts, term deposits (all placed with local banks), and treasury bills. Over the past five years, term deposits made up, on average, about 92.7% of this portfolio, while treasury bills accounted for approximately 7.2%, with the remaining portion held in current accounts.

Table 2 below shows the total value and main components of money market instruments portfolio from 2020 to 2024.

**Table (2): Distribution of Money Market Instruments Portfolio (2020-2024)**  
(JOD Million)

| Item/ Year       | 2024         | 2023         | 2022         | 2021         | 2020         |
|------------------|--------------|--------------|--------------|--------------|--------------|
| Current Accounts | 0.2          | 0.3          | 0.8          | 0.4          | 0.3          |
| Term Deposits    | 1,922        | 1,823        | 1,664        | 1,558        | 1,434        |
| Treasury Bills   | 432          | 199          | 144          | 0            | 0            |
| <b>Total</b>     | <b>2,355</b> | <b>2,023</b> | <b>1,809</b> | <b>1,558</b> | <b>1,434</b> |

**Figure (3): Percentage distribution of the Money Market Instruments Portfolio (2020-2024) (%)**



## 2. Bonds Portfolio:

The Fund invests in its bonds portfolio through three primary instruments: treasury bonds, bonds issued by public institutions, and corporate loan bonds. Treasury bonds constitute the vast majority of this portfolio, accounting for an average of approximately 97.9% over the past five years. Corporate loan bonds represented around 1.8%, while bonds issued by public institutions accounted for less than 0.4%.

This allocation reflects the Fund's preference for Treasury bonds due to their stable returns and low-risk profile. The total value of the bonds portfolio has grown steadily year over year during the 2020–2024 period, reaching approximately JOD 9,278 million at the end of 2024, compared to JOD 8,446 million in 2023 and JOD 6,410 million in 2020.

Despite the increase in absolute value, the portfolio's share of total Fund investments has remained relatively stable, with minor fluctuations over the five-year period. As

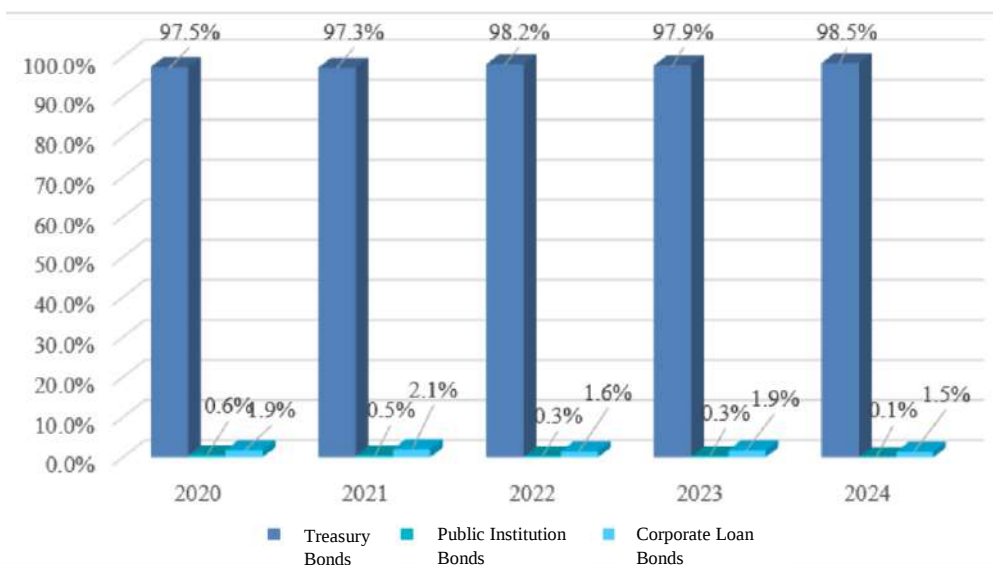
of the end of 2024, the bonds portfolio represented approximately 57.7% of total investments, compared to 57.3% at the end of 2023 and 58.3% at the end of 2020.

Table (3) below outlines the development of the bonds portfolio and its components during the period 2020–2024. The following chart illustrates the relative distribution of the bonds portfolio components during the same period. Another chart thereafter presents the corresponding distribution for the money market instruments portfolio.

**Table (3): Distribution of the Bonds Portfolio (2020–2024)  
(JOD Million)**

| Item/ Year               | 2024         | 2023         | 2022         | 2021         | 2020         |
|--------------------------|--------------|--------------|--------------|--------------|--------------|
| Treasury Bonds           | 9,135        | 8,266        | 7,505        | 6,710        | 6,249        |
| Public Institution Bonds | 6            | 22           | 22           | 37           | 41           |
| Corporate Loan Bonds     | 137          | 158          | 119          | 147          | 120          |
| <b>Total</b>             | <b>9,278</b> | <b>8,446</b> | <b>7,645</b> | <b>6,894</b> | <b>6,410</b> |

**Figure (4): Relative Distribution of the Bonds Portfolio (2020–2024) (%)**



### 3. Loans Portfolio:

The loans portfolio has experienced gradual growth over the period 2020–2024, reaching a total value of JOD 552 million by the end of 2024, compared to JOD 546 million in 2023 and JOD 396 million in 2020. As a share of the Fund’s total investment portfolios, loans accounted for approximately 3.4% at the end of 2024, compared to 3.7% in 2023 and 3.6% in 2020.

Despite the nominal increase in value, the relative weight of the loans portfolio declined in 2024 due to higher growth across other investment portfolios.

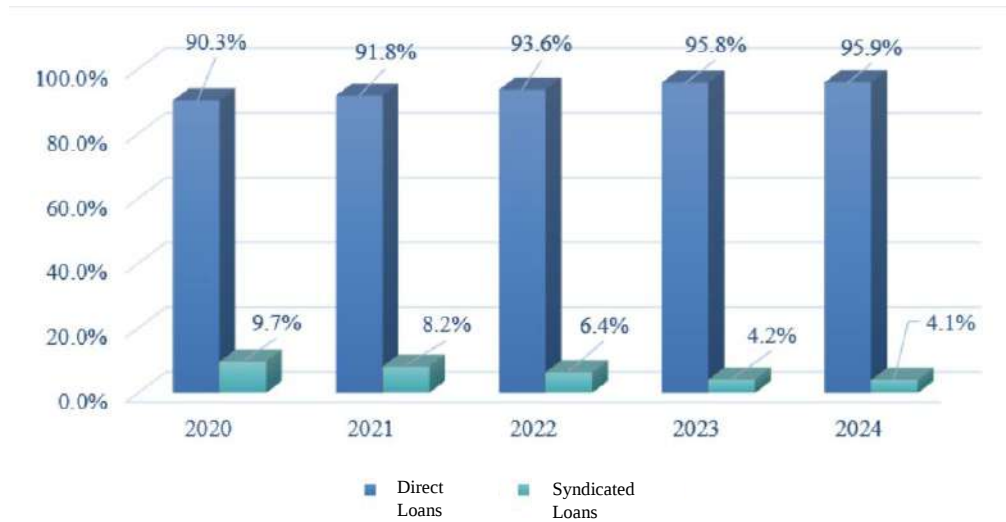
The loans portfolio consists of two primary instruments: direct loans and syndicated loans. On average, direct loans accounted for approximately 93.5% of the portfolio over the past five years, while syndicated loans made up the remaining 6.5%. It is worth noting that most direct loans were issued through the Social Security Leasing Company to public institutions, government departments, and state-owned enterprises.

Table (4) below presents the composition and development of the loans portfolio during the period 2020–2024. The chart that follows illustrates the relative distribution of its components over the same period.

**Table (4): Distribution of the Loans Portfolio (2020–2024)  
(JOD Million)**

| Item/ Year       | 2024       | 2023       | 2022       | 2021       | 2020       |
|------------------|------------|------------|------------|------------|------------|
| Direct Loans     | 529        | 523        | 419        | 378        | 358        |
| Syndicated Loans | 23         | 23         | 29         | 34         | 38         |
| <b>Total</b>     | <b>552</b> | <b>546</b> | <b>448</b> | <b>412</b> | <b>396</b> |

**Figure (5): Relative Distribution of the Loans Portfolio (2020–2024) (%)**



#### 4. Equity Investment Portfolio:

The equity investment portfolio witnessed substantial changes in its market value over the past five years (2020–2024). Its value increased from approximately JOD 1,555 million at the end of 2020 to around JOD 2,452 million at the end of 2024. In 2024 alone, the portfolio grew by 5.2% compared to its 2023 value of JOD 2,330 million. This growth was driven by improved corporate earnings, which in turn contributed to a 6.76% increase in the market capitalization of listed shares on the Amman Stock Exchange by the end of 2024, compared to 2023.

The equity portfolio accounted for approximately 15.3% of the Fund's total investment portfolios at the end of 2024, compared to 15.8% at the end of 2023. On average, over the past five years, the portfolio represented around 16% of total assets.

The following chart illustrates the relative distribution of the equity portfolio as a share of total investment portfolios from 2020 to 2024.

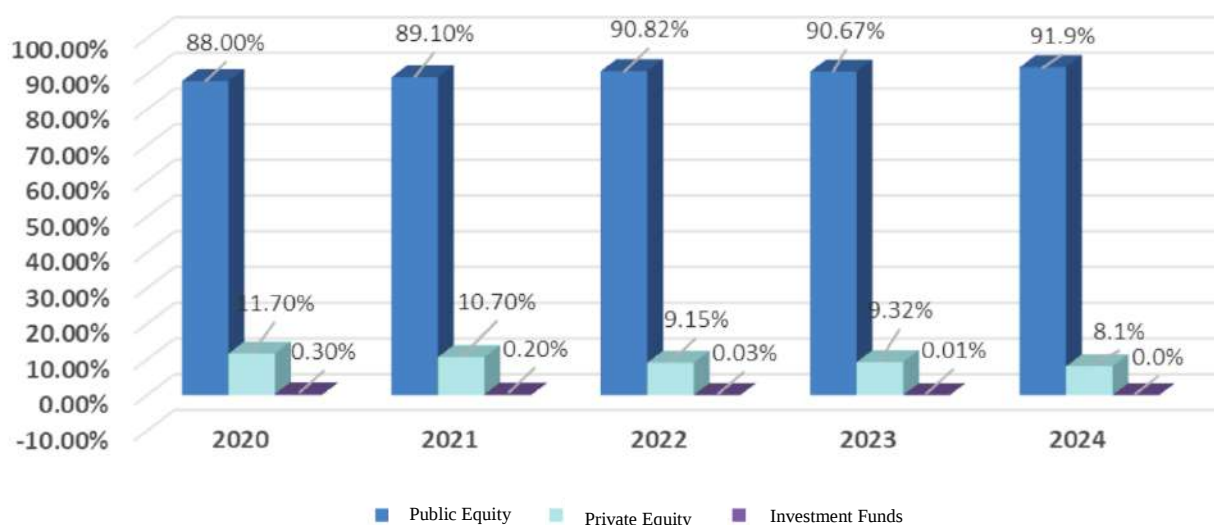
The equity investment portfolio consists of three main components: public equity holdings, private equity holdings, and investment funds. Public equity holdings represented an average of 90.1% of the portfolio during 2020–2024, while private equity holdings accounted for approximately 9.8%, and investment funds comprised just 0.1%.

Table (5) below provides a breakdown of the total equity investment portfolio and its components over the period 2020–2024. The subsequent chart illustrates the evolution of the portfolio’s relative distribution during the same period.

**Table (5): Distribution of the Total Equity Investment Portfolio (2020–2024)**  
**(JOD Million)**

| Item/ Year       | 2024         | 2023         | 2022         | 2021         | 2020         |
|------------------|--------------|--------------|--------------|--------------|--------------|
| Public Equity    | 2,252        | 2,112        | 2,252        | 1,818        | 1,369        |
| Private Equity   | 199          | 217          | 227          | 219          | 182          |
| Investment Funds | 0.00         | 0.2          | 0.8          | 3.8          | 4.7          |
| <b>Total</b>     | <b>2,452</b> | <b>2,330</b> | <b>2,480</b> | <b>2,041</b> | <b>1,555</b> |

**Figure (7): Relative Distribution of the Total Equity Investment Portfolio and Its Components (2020–2024) (%)**



## 5. Real Estate Investment Portfolio:

The Investment Fund targets the real estate sector as a key component of its diversified investment strategy, given the sector's reputation for safety, long-term value appreciation, and stability. The primary objective of investing in real estate is to generate capital gains through appreciation in market value over time. In addition, real estate acts as an effective hedge against inflation and provides steady cash flows from leased properties.

Accordingly, the Fund continues to expand its real estate holdings by acquiring land and properties across various governorates in Jordan, under different zoning classifications. It also continuously explores opportunities to develop and optimize the use of these assets.

Over the five-year period from 2020 to 2024, the real estate portfolio recorded consistent growth, increasing from JOD 717 million in 2020 to approximately JOD

866 million by the end of 2024, with an average annual growth rate of around 6%. However, despite the absolute growth in value, the portfolio's share of total Fund assets declined in recent years - from 6.5% in 2020 to 5.8% in 2023 and 5.4% in 2024 - due to comparatively faster growth in other investment portfolios.

The real estate portfolio comprises two main asset classes: investment land and investment buildings. It also includes two marginal components: joint development projects with specialized institutions and other real estate holdings. Investment land represented the largest portion of the portfolio, accounting for an average of approximately 95.4% of total real estate holdings during 2020–2024, while investment buildings made up about 4.6%.

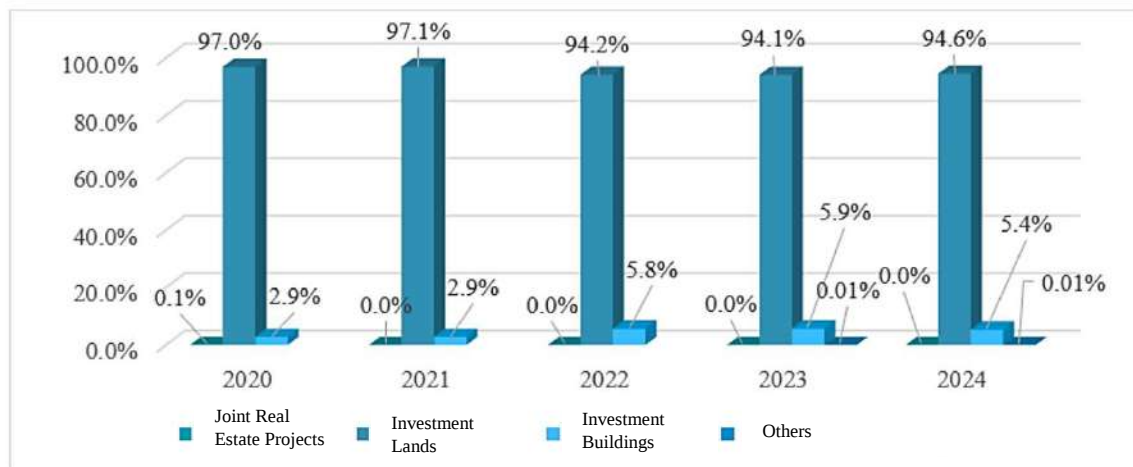
The Fund ensures geographic and regulatory zoning diversification across all components of the portfolio.

Table (6) below presents the total value of the real estate investment portfolio and its key components for the years 2020–2024. The following chart illustrates the portfolio's relative distribution during the same period.

**Table (6): Distribution of the Real Estate Investment Portfolio (2020–2024)  
(JOD Million)**

| Item/ Year                 | 2024       | 2023       | 2022       | 2021       | 2020       |
|----------------------------|------------|------------|------------|------------|------------|
| Investment Lands           | 819        | 801        | 770        | 727        | 695        |
| Investment Buildings       | 47         | 50         | 47         | 21         | 21         |
| Joint Real Estate Projects | 0.0        | 0          | 0          | 0          | 1          |
| Others                     | 0.05       | 0.08       | –          | –          | –          |
| <b>Total</b>               | <b>866</b> | <b>851</b> | <b>817</b> | <b>748</b> | <b>717</b> |

**Figure (8): Relative Distribution of the Real Estate Investment Portfolio  
(2020–2024) (%)**



## 6. Tourism Investment Portfolio:

The Fund holds both direct and indirect investments in the tourism sector across various regions of the Kingdom. The tourism investment portfolio primarily comprises investments in several five-star hotels, geographically distributed across Amman, Dead Sea, Petra, and Aqaba. The overall value of this portfolio witnessed consecutive increases during the 2020–2024 period, driven mainly by the launch of new projects in the sector. The exception was in 2023, when the portfolio's value declined by approximately JOD 3 million due to the reclassification of the Amman Paradise Hotel (formerly known as Amman Cham Palace), which was transferred from the tourism investment portfolio to the real estate investment portfolio.

The value of the tourism portfolio rose from approximately JOD 308 million at the end of 2020 to around JOD 321 million by the end of 2024, up from JOD 314 million at the end of 2023. However, the portfolio's share of the Fund's total investment

portfolios witnessed a slight decline - from around 2.8% at the end of 2020 to approximately 2.0% at the end of 2024 - due to faster growth in other investment portfolios. On average, the tourism portfolio accounted for about 2.4% of total Fund assets over the past five years.

Table (7) below presents the total value and key components of the tourism investment portfolio for the 2020–2024 period, while the subsequent chart illustrates the relative distribution of the portfolio’s components over the same period.

**Table (7): Distribution of the Tourism Investment Portfolio (2020–2024)**  
(JOD Million)

| Item                                                | 2024       | 2023       | 2022       | 2021       | 2020       |
|-----------------------------------------------------|------------|------------|------------|------------|------------|
| Crowne Plaza Hotel- Dead Sea                        | 101        | 101        | 101        | 101        | 96         |
| InterContinental Hotel – Aqaba                      | 60         | 60         | 59         | 59         | 56         |
| Holiday Inn- Dead Sea                               | 48         | 48         | 48         | 48         | 45         |
| Crowne Plaza Hotel - Amman                          | 40         | 40         | 40         | 40         | 32         |
| Crowne Plaza Hotel – Petra                          | 14         | 14         | 14         | 14         | 14         |
| Amman Paradise Hotel (formerly Amman Cham Palace) * | 0          | 0          | 10         | 10         | 10         |
| Projects under implementation                       | 58         | 52         | 47         | 43         | 55         |
| <b>Total</b>                                        | <b>321</b> | <b>314</b> | <b>318</b> | <b>314</b> | <b>308</b> |

\* During 2023, the Amman Paradise Hotel (formerly known as Amman Cham Palace) was reclassified and transferred from the tourism investment portfolio to the real estate investment portfolio.

#### 4. Investment Returns for the Period 2020–2024:

The Social Security Investment Fund (SSIF) achieved a cumulative increase of approximately 78% in its investment returns over the past five years. Net income from the Fund’s investment portfolios rose from around JOD 509 million in 2020 to approximately JOD 905 million in 2024, reflecting an average annual growth rate of about 10.7%.

In 2024 alone, the Fund recorded a year-on-year increase in net income of approximately JOD 108 million, or 13.6%, compared to 2023, with total net income reaching JOD 905 million by year-end, up from JOD 797 million in 2023. This performance was primarily driven by higher returns across most investment portfolios.

Specifically, the bond portfolio generated an additional JOD 60 million in income, a 12.4% increase compared to 2023. The money market instruments portfolio saw a significant rise of JOD 32 million, or nearly 27%. The equity portfolio contributed an additional JOD 11 million, marking a 7.3% increase, while income from the loans portfolio increased by approximately JOD 5 million, reflecting a 16% growth.

Table (8) below presents the investment income generated from each portfolio, along with the associated administrative expenses, over the period 2020–2024

| Item                               | 2024 | 2023 | 2022 | 2021 | 2020 |
|------------------------------------|------|------|------|------|------|
| Money Market Instruments Portfolio | 150  | 118  | 70   | 56   | 58   |
| Bonds Portfolio                    | 544  | 484  | 431  | 403  | 379  |
| Loans Portfolio                    | 34   | 30   | 11   | 21   | 19   |
| Equity Portfolio                   | 158  | 148  | 122  | 92   | 36   |
| Real Estate Portfolio              | *(3) | 21   | 46   | 16   | 2    |

|                        |            |            |            |            |            |
|------------------------|------------|------------|------------|------------|------------|
| Other Revenues         | 28         | 7          | 9          | 10         | 20         |
| Total Expenses         | (5)        | ** (9)     | (5)        | (5)        | (6)        |
| <b>SSIF Net Income</b> | <b>905</b> | <b>797</b> | <b>684</b> | <b>594</b> | <b>509</b> |

\* Net losses from the revaluation of the real estate portfolio and operating income from leasing activities totaled approximately JOD (3) million as of year-end 2024. This was primarily due to the fact that the gains realized on the properties acquired during 2023 - which were revalued for the first time at the end of 2024 - were not sufficient to offset revaluation losses on other properties in the portfolio. Although the properties purchased in 2023 generated a return of 34.7%, with acquisition costs totaling JOD 11.8 million and resulting gains of JOD 4.1 million, they could not fully cover the broader revaluation losses.

\*\* The above figure includes the cumulative operating results of Amman Cham Palace Hotel, amounting to approximately negative JOD (3) million. These losses stem from the hotel's closure and its repurposing under an investment contract, with the majority of the recorded loss attributable to annual depreciation expenses - non-cash charges - related to the hotel's assets.



# Standalone Financial Statements 2024

**SOCIAL SECURITY CORPORATION –**

**SOCIAL SECURITY INVESTMENT FUND**

**SEPARATE FINANCIAL STATEMENTS**

**31 DECEMBER 2024**

**INDEPENDENT AUDITOR'S REPORT**  
**TO HIS EXCELLENCY THE CHAIRMAN AND THE MEMBERS OF INVESTMENT BOARD**  
**AMMAN - JORDAN**

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

**Opinion**

We have audited the separate financial statements of Social Security Investment Fund (the "Fund"), which comprise the separate statement of financial position as at 31 December 2024, and the separate statement of revenues and expenses, separate statement of comprehensive income, separate statement of changes in Social Security Corporation equity and separate statement of cash flows for the year then ended, and notes to the separate financial statements, including material accounting policy information.

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

**Basis for Opinion**

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

## **Emphasis of matters**

- We draw attention to note (2-1) to the financial statements, these financial statements represent the separate financial statements of the Fund; accordingly, the financial statements of the subsidiaries were not consolidated. The Fund prepared and issued consolidated financial statements as at 31 December 2024 in accordance with the International Financial Reporting Standards.
- The financial statements have been prepared for management purposes only, and as a result, these financial statements may not be suitable for any other purposes. Our report is intended solely for the management of the Fund and should not be distributed or used by any party other than the management.

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

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

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

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

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

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

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

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

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

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

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

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

**SOCIAL SECURITY CORPORATION – SOCIAL SECURITY INVESTMENT FUND**  
**SEPARATE STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2024**  
**(IN THOUSANDS OF JORDANIAN DINARS)**

|                                                                  | Notes | 2024              | 2023              |
|------------------------------------------------------------------|-------|-------------------|-------------------|
| <b><u>Assets</u></b>                                             |       |                   |                   |
| Bank balances                                                    | 4     | 163               | 333               |
| Deposits at banks and financial institutions                     | 5     | 1,924,356         | 1,825,707         |
| Financial assets at fair value through profit or loss            | 6     | 136,354           | 141,795           |
| Loans and granted debts                                          | 7     | 551,667           | 545,591           |
| Financial asset at fair value through other comprehensive income | 8     | 1,651,465         | 1,529,187         |
| Investments in subsidiaries                                      | 9     | 254,220           | 287,014           |
| Investments in associates                                        | 10    | 409,620           | 371,583           |
| Financial assets at amortized cost                               | 11    | 9,805,372         | 8,735,986         |
| Due from related parties                                         | 25/A  | 32,247            | 28,818            |
| Investment properties                                            | 12    | 865,874           | 850,943           |
| Investments in joint operations                                  | 13    | 15                | 15                |
| Investments in hotels                                            | 14    | 262,787           | 262,753           |
| Property and equipment                                           | 15    | 5,556             | 5,404             |
| Other assets                                                     | 16    | 275,577           | 252,952           |
| <b>Total assets</b>                                              |       | <b>16,175,273</b> | <b>14,838,081</b> |
| <b><u>Liabilities and Social Security Corporation Equity</u></b> |       |                   |                   |
| <b>Liabilities -</b>                                             |       |                   |                   |
| Other liabilities                                                | 17    | 19,100            | 19,886            |
| Income tax provision                                             | 26    | 542               | 512               |
| <b>Total liabilities</b>                                         |       | <b>19,642</b>     | <b>20,398</b>     |
| <b>Social Security Corporation Equity -</b>                      |       |                   |                   |
| Social Security Corporation current account                      |       | 7,717,691         | 7,409,339         |
| Social Security Corporation current account – Unemployment Fund  | 18    | 98,838            | 93,573            |
| Fair value reserve                                               | 27    | 716,552           | 587,384           |
| Accumulated surplus of revenues over expenses                    |       | 7,622,550         | 6,727,387         |
| <b>Total Social Security Corporation Equity</b>                  |       | <b>16,155,631</b> | <b>14,817,683</b> |
| <b>Total liabilities and Social Security Corporation Equity</b>  |       | <b>16,175,273</b> | <b>14,838,081</b> |

The attached notes from 1 to 34 represent part of these separate financial statements

**SOCIAL SECURITY CORPORATION – SOCIAL SECURITY INVESTMENT FUND**  
**SEPARATE STATEMENT OF REVENUES AND EXPENSES**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**  
**(IN THOUSANDS OF JORDANIAN DINARS)**

|                                                                         | <u>Notes</u> | <u>2024</u>    | <u>2023</u>    |
|-------------------------------------------------------------------------|--------------|----------------|----------------|
| <b>Revenues -</b>                                                       |              |                |                |
| Interest income                                                         | 19           | 734,620        | 638,193        |
| Losses of financial assets at fair value through profit or loss, net    | 20           | (5,236)        | (3,912)        |
| (Losses) gains on investment properties, net                            | 21           | (2,124)        | 18,260         |
| Dividends distribution                                                  | 22           | 163,514        | 151,437        |
| Other income (expenses), net                                            |              | 1,813          | (720)          |
|                                                                         |              | <u>892,587</u> | <u>803,258</u> |
| <b>Expenses -</b>                                                       |              |                |                |
| Administrative expenses                                                 | 23           | (4,301)        | (4,132)        |
| Recovered from expected credit (losses)                                 |              | 17,926         | (1,102)        |
| <b>Surplus of revenues over expenses for the year before income tax</b> |              | 906,212        | 798,024        |
| Income tax expense                                                      | 26           | (993)          | (911)          |
| <b>Surplus of revenues over expenses for the year</b>                   |              | <u>905,219</u> | <u>797,113</u> |

The attached notes from 1 to 34 represent part of these separate financial statements

**SOCIAL SECURITY CORPORATION – SOCIAL SECURITY INVESTMENT FUND**  
**SEPARATE STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**  
**(IN THOUSANDS OF JORDANIAN DINARS)**

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|                                                                                                                            | <u>2024</u>             | <u>2023</u>           |
|----------------------------------------------------------------------------------------------------------------------------|-------------------------|-----------------------|
| Surplus of revenues over expenses for the year                                                                             | 905,219                 | 797,113               |
| <b>Add: other comprehensive income items not to be<br/>reclassified to revenues and expenses in subsequent<br/>periods</b> |                         |                       |
| Change in the fair value of financial assets at fair value<br>through other comprehensive income                           | <u>124,377</u>          | <u>(147,838)</u>      |
| <b>Total comprehensive income for the year</b>                                                                             | <u><u>1,029,596</u></u> | <u><u>649,275</u></u> |

The attached notes from 1 to 34 represent part of these separate financial statements

**SOCIAL SECURITY CORPORATION – SOCIAL SECURITY INVESTMENT FUND**  
**SEPARATE STATEMENT OF CHANGES IN SOCIAL SECURITY CORPORATION EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**  
**(IN THOUSANDS OF JORDANIAN DINARS)**

|                                                                                                | Notes | Social Security Corporation current account | Social Security Corporation current account – unemployment fund | Fair value reserve | Accumulated surplus of revenues over expenses | Total             |
|------------------------------------------------------------------------------------------------|-------|---------------------------------------------|-----------------------------------------------------------------|--------------------|-----------------------------------------------|-------------------|
| <b>For the year ended 31 December 2024 -</b>                                                   |       |                                             |                                                                 |                    |                                               |                   |
| Balance as at 1 January                                                                        |       | 7,409,339                                   | 93,573                                                          | 587,384            | 6,727,387                                     | 14,817,683        |
| Total comprehensive income for the year                                                        |       | -                                           | -                                                               | 124,377            | 905,219                                       | 1,029,596         |
| Realized losses from sale of financial assets at fair value through other comprehensive income |       | -                                           | -                                                               | 4,791              | (4,791)                                       | -                 |
| Transferred during the year, net                                                               |       | 308,352                                     | -                                                               | -                  | -                                             | 308,352           |
| Unemployment Fund's share of the Investment Fund's returns                                     | 18    | -                                           | 5,265                                                           | -                  | (5,265)                                       | -                 |
| <b>Balance as at 31 December</b>                                                               |       | <b>7,717,691</b>                            | <b>98,838</b>                                                   | <b>716,552</b>     | <b>7,622,550</b>                              | <b>16,155,631</b> |
| <b>For the year ended 31 December 2023 -</b>                                                   |       |                                             |                                                                 |                    |                                               |                   |
| Balance as at 1 January                                                                        |       | 7,026,832                                   | 84,910                                                          | 720,823            | 5,949,500                                     | 13,782,065        |
| Total comprehensive income for the year                                                        |       | -                                           | -                                                               | (147,838)          | 797,113                                       | 649,275           |
| Realized losses from sale of financial assets at fair value through other comprehensive income |       | -                                           | -                                                               | 14,399             | (14,399)                                      | -                 |
| Transferred during the year, net                                                               |       | 382,507                                     | 3,836                                                           | -                  | -                                             | 386,343           |
| Unemployment Fund's share of the Investment Fund's returns                                     | 18    | -                                           | 4,827                                                           | -                  | (4,827)                                       | -                 |
| <b>Balance as at 31 December</b>                                                               |       | <b>7,409,339</b>                            | <b>93,573</b>                                                   | <b>587,384</b>     | <b>6,727,387</b>                              | <b>14,817,683</b> |

The attached notes from 1 to 34 represent part of these separate financial statements

**SOCIAL SECURITY CORPORATION – SOCIAL SECURITY INVESTMENT FUND**  
**SEPARATE STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**  
**(IN THOUSANDS OF JORDANIAN DINARS)**

|                                                                                          | Notes | 2024               | 2023             |
|------------------------------------------------------------------------------------------|-------|--------------------|------------------|
| <b><u>Operating activities</u></b>                                                       |       |                    |                  |
| Surplus of revenues over expenses for the year before income tax                         |       | 906,212            | 798,024          |
| <b><u>Adjustments-</u></b>                                                               |       |                    |                  |
| Gains from sale of property and equipment                                                |       | (2)                | -                |
| Depreciation                                                                             | 15    | 336                | 271              |
| Losses from valuation of financial assets at fair value through profit or loss           | 20    | 5,217              | 4,046            |
| Realized losses (gains) on sale of financial assets at fair value through profit or loss | 20    | 18                 | (136)            |
| Recovered from (provision for) expected credit losses                                    |       | (17,926)           | 1,102            |
| Losses (gains) on valuation of investment properties at fair value                       | 21    | 8,664              | (12,646)         |
| (Recovered from) provision for contingent liabilities                                    | 17    | (1,239)            | 1,034            |
| <b><u>Working capital changes-</u></b>                                                   |       |                    |                  |
| Deposits at banks and financial institutions with maturity of more than 3 months         |       | 137,528            | (577,078)        |
| Financial assets at fair value through profit or loss                                    |       | 206                | 421              |
| Other assets                                                                             |       | (23,353)           | (42,227)         |
| Due from related parties                                                                 |       | 3,135              | 1,326            |
| Other liabilities                                                                        |       | 1,191              | (1,799)          |
| Paid from provision for other liabilities                                                | 17    | (738)              | -                |
| Income tax paid                                                                          | 26    | (963)              | (934)            |
| <b>Net cash flows from operating activities</b>                                          |       | <b>1,018,286</b>   | <b>171,404</b>   |
| <b><u>Investing activities</u></b>                                                       |       |                    |                  |
| Loans and granted debts                                                                  |       | 6,096              | (97,017)         |
| Financial assets at fair value through other comprehensive income                        |       | (2,909)            | 283              |
| Financial assets at amortized cost                                                       |       | (1,070,989)        | (865,299)        |
| Investments in associates                                                                |       | (235)              | -                |
| Investments in subsidiaries                                                              |       | -                  | (2,132)          |
| Purchases of investment properties                                                       | 12    | (23,595)           | (11,892)         |
| Purchases of property and equipment                                                      | 15    | (489)              | (222)            |
| Proceeds from the sale of property and equipment                                         |       | 3                  | -                |
| Investments in hotels                                                                    |       | (34)               | (902)            |
| <b>Net cash flows used in investing activities</b>                                       |       | <b>(1,092,152)</b> | <b>(977,181)</b> |
| <b><u>Financing activities</u></b>                                                       |       |                    |                  |
| Net cash amounts transferred from the Social Security Corporation                        |       | 308,352            | 382,507          |
| Social Security Corporation Current account - Unemployment Fund                          |       | -                  | 3,836            |
| <b>Net cash flows from financing activities</b>                                          |       | <b>308,352</b>     | <b>386,343</b>   |
| <b>Net increase (decrease) in cash and cash equivalents</b>                              |       | <b>234,486</b>     | <b>(419,434)</b> |
| Cash and cash equivalents at 1 January                                                   |       | 651,408            | 1,070,842        |
| <b>Cash and cash equivalents at 31 December</b>                                          | 24    | <b>885,894</b>     | <b>651,408</b>   |

The attached notes from 1 to 34 represent part of these separate financial statements

**SOCIAL SECURITY CORPORATION – SOCIAL SECURITY INVESTMENT FUND**  
**NOTES TO THE SEPARATE FINANCIAL STATEMENTS**  
**31 DECEMBER 2024**  
**(IN THOUSANDS OF JORDANIAN DINARS)**

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**(1) GENERAL**

Social Security Investment Fund was established in accordance with the Social Security Fund's Investment Law No. (111) for the year 2001 and in conjunction with article (76) of the Social Security Law No. (19) for the year 2001. The date 1 January 2003 was considered the date for commencing the Fund's activities, as the balances of investment accounts and other related accounts on that date were transferred from the records of the Social Security Corporation to the records of the Fund pursuant to the decision of the Board of Directors of the Social Security Corporation No. 1/2003 dated 2 January 2003.

In accordance with Social Security temporary law No. (7) of 2010 the name of the Investment Fund was modified to become "Social Security Investment Fund" (The Fund). The Fund's registered address Abdul Rahman Arshidat St. Shmeisani, P.O.Box 850633, Amman 11185, The Hashemite Kingdom of Jordan.

The Fund's main activity is to manage the investments of the Social Security Corporation in a manner that ensures the development of its financial resources, and in order to achieve the Social Security Corporation's objectives, the Fund undertakes the following tasks:

- Establishing projects in cooperation with the public and private sectors on corporation investments.
- Underwriting purchasing and selling of bonds, bills and other securities.
- Purchasing and selling quoted or unquoted shares in Amman Stock Exchange.
- Investing in cash deposits with the banking system with appropriate returns.
- Contributing in mutual investment funds.
- Contributing in the financing of national projects of economic feasibility by providing long-term loans and against appropriate guarantees.
- Purchase, sale and development of properties for the purpose of acquisition, participation, investment or trading.
- Carry out any investment activities approved by the Investment Board and approved by the Board of Directors of the Social Security Corporation.
- Conducting economic feasibility studies for the projects it intends to invest in, and in this field, to use the role of experts and specialists.
- Follow-up on the performance of the institutions in which the corporation contributes, and report on the performance of these companies, along with recommendations to the Board of Investment.

The Investment Fund is committed to the general investment policy of the corporation and the overall plan for investing its funds, as approved by the council, including the following:

- Maximizing the market value of assets.
- Adhering to the targeted ratios for investment portfolios and the targeted investment range approved by the council based on the recommendation of the Investment Board.
- Complying with the evaluation model approved by the Investment Board for assessing investment projects.
- Working to align the maturities of debt instruments with the results of actuarial studies.
- Reducing risks by diversifying the corporation's investments among different investment instruments.
- Adhering to quantitative restrictions on external investments classified geographically and economically, as approved by the council.
- The council issues the necessary instructions to define investment objectives, criteria, mechanisms, and investment determinants.

The separate financial statements of the Social Security Investment Fund for the year 2024 were approved by the Board of Directors on its meeting held on 30 April 2025.

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

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

These financial statements represent the separate financial statements of the Fund; accordingly, the financial statements of the subsidiaries were not consolidated. The Fund prepared and issued its consolidated financial statements as at 31 December 2024 in accordance with International Financial Reporting Standards.

The separate financial statements are prepared under the historical cost convention, except for the financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties and investments in subsidiaries and associates which have been presented at fair value at the date of the separate financial statements.

The separate financial statements are presented in Jordanian Dinars (JD) which is the functional currency of the Fund, all amounts are rounded to the nearest thousand in Jordanian Dinars unless stated otherwise.

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

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

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

The amendments in IFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendments had no impact on the Fund's Separate financial statements.

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

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

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, an entity is required to disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

The amendments had no impact on the Fund's Separate financial statements.

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

The amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendments had no impact on the Fund's Separate financial statements.

**(2-3) MATERIAL ACCOUNTING POLICIES INFORMATION**

The material accounting policies used are as follows:

**Financial assets at amortized cost**

Financial assets at amortized cost are financial assets that the Fund's management aims, according to its business model, to hold to collect their contractual cash flows which represents the principal amount and the interest on the outstanding principal amount.

These financial assets are initially measured at cost plus transaction costs. Subsequently the premium/discount are amortized using the effective interest rate method less provision for impairment, increasing or decreasing the interest. The losses arising from impairment are recognized in the separate statement of revenues and expenses.

A provision for expected credit losses for financial assets at amortization cost is recognized through reaching the probability of default and loss rates of assuming default. The Fund relies on numerous main economic indicators in building a number of assumptions, most importantly GDF growth indicators, the financial market index and debt indicators, in addition to the classification issued by credit rating institutions based on statistical data of global default rates for such classification.

**Financial assets at fair value through profit or loss**

These assets represent investments in companies' shares for trading purposes and are intended to generate profits from fluctuations in short-term market prices or trading profit margins.

The assets are recognized at fair value upon acquisition (acquisition expenses are recorded in the separate statement of revenues and expenses at the time of purchase) and are subsequently revalued at fair value. Changes in fair value are reflected in the separate statement of revenues and expenses, including changes in fair value resulting from foreign currency translation differences of non-monetary assets. In the event of selling these assets or part of them, the resulting gains or losses are recorded in the separate statement of revenues and expenses.

Dividends distributed or interest income are recorded in the separate statement of revenues and expenses.

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

These assets represent investments in equity instruments which are intended to be held long-term.

These assets are recognized upon purchase at fair value plus acquisition costs, and they are subsequently revalued at fair value. The change in fair value is reflected in the separate statement of comprehensive income and within the separate statement of changes in Social Security Corporation equity, including the change in fair value resulting from the translation differences of non-monetary assets in foreign currencies. In the event of selling these assets or part of them, the resulting gains and losses are recorded in the separate statement of comprehensive income and within the separate statement of changes in Social Security Corporation equity. The balance of the revaluation reserve for the sold assets is directly transferred to the accumulated surplus of revenues over expenses and not through the separate statement of revenues and expenses.

These financial assets are not subject to impairment testing, and dividends distributed are recognized in the separate statement of revenues and expenses.

### **Investments in associates**

An associate is an entity over which the Fund has significant influence. Significant influence is the power to participate in the financial and operating decisions of the investee without having control over it. Considerations used to determine control or joint control is similar to those used to determine control over a subsidiary. Investments in associates are stated at fair value.

### **Investments in subsidiaries**

Subsidiaries are entities controlled by the Fund and control is achieved when the Fund is exposed to the variable results arising from an investment in a subsidiary or have rights to such returns and are able to influence such returns through its authority over these subsidiaries. Investments in subsidiaries are stated at fair value.

### **Investments in hotels**

Investments in hotels are stated at cost and the depreciation of the hotels' assets are included in their respective financial statement and reflected in the consolidated financial statements of the Fund.

### **Loans and granted debts**

Loans are recognized at fair value, subsequently they are amortized using the effective interest rate method.

A provision for expected credit losses for direct loans and granted debts is recognised through reaching the probability of default and loss rates assuming default. The Fund relies on numerous main economic indicators in building a number of assumptions, most importantly GDP growth indicators, the financial market index and debt indicators, in addition to the classification issued by credit rating institutions based on statistical data of global default rates for such classification.

### **Fair value**

The Fund evaluates its financial instruments such as financial assets at fair value through other comprehensive income, financial assets at fair value through profit or loss, investment in subsidiaries, investments in associates and investment properties at fair value at the date of the separate financial statements.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place in the principal market for the asset or liability.

In the absence of a principal market, most advantageous market for the asset or liability is used.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Fund uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

**SOCIAL SECURITY CORPORATION – SOCIAL SECURITY INVESTMENT FUND**  
**NOTES TO THE SEPARATE FINANCIAL STATEMENTS**  
**31 DECEMBER 2024**  
**(IN THOUSANDS OF JORDANIAN DINARS)**

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The Fund uses the following order for valuation methods and alternatives in measuring and recording the fair value of financial instruments:

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the separate financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Fund has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value.

**Current versus non-current classification**

The Fund presents assets and liabilities in the separate statement of financial position based on current and non-current classification.

An asset as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

### **Impairment of financial assets**

The fund, on the date of each report, assesses whether there is objective evidence of impairment of a financial asset or a group of financial assets.

Financial assets or a group of financial assets are considered impaired if there is objective evidence of impairment resulting from one or more events that occurred since the initial recognition of the asset, and the loss event has affected the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

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

The Fund assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Fund estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs to sell and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies, or other available fair value indicators.

### **Property and equipment**

Property and equipment are measured at cost less accumulated depreciation and accumulated impairment in value. When assets are sold or retired, their cost and accumulated depreciation are eliminated from the accounts and any gain or loss resulting from their disposal is included in the separate statement of revenues and expenses.

Depreciation is calculated using the straight-line method (except for lands), when the assets become ready to use. Depreciation rates used are as follows:

|                                   | <u>%</u> |
|-----------------------------------|----------|
| Buildings                         | 2        |
| Machines, equipment and furniture | 10-15    |
| Vehicles                          | 15       |
| Computers                         | 25       |
| Computers software                | 25       |

When the recoverable value of property and equipment is less than their carrying amount, assets are written down to its recoverable amount and impairment losses are recognized in the separate statement of revenues and expenses.

Useful lives of property and equipment are reviewed at the end of each year. If the expectations of useful lives are different from the previous estimates, the change is accounted for as a change in estimates in future periods.

Expenditure incurred to replace a component of an item of property and equipment that is accounted for separately is capitalized and the carrying amount of the component that is replaced is written off.

Other subsequent expenditure is capitalized only when it increases future economic benefits of the related item of property and equipment. All other expenditure is recognized in the separate statement of revenues and expenses is expensed as incurred.

An item of property and equipment is derecognized upon disposal or when no economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and carrying amount of the asset) is included in the separate statement of revenues and expenses in the year the asset is derecognized.

### **Investments properties**

Investment properties are stated at cost including acquisition costs and is measured subsequently at fair value which primarily reflects the conditions and market prices as of the date of the separate financial statements.

Gains and losses resulting from changes in the fair value of investment properties are recognized in the separate statement of revenues and expenses.

Investment properties are valued using assumptions that reflect market prices and conditions using the average valuation amounts for five independent real estate experts after excluding the highest and lowest valuations. Investment properties are valued at the date of purchase using the purchase price.

### **Revenue and expense recognition**

Revenues and expenses are recognized on an accrual basis, except for interest and commissions of non-performing loans which are not recognized as revenue and are recorded as interest and commission in suspense account.

Profits from the distribution of company shares are recognized when they are realized (approved by the general assembly of shareholders).

### **Recognition of financial assets**

Purchases and sales of financial assets are recognized at the date of trade (that is the date the Fund commits to purchase or sell the asset).

### **Repurchase and resale agreements**

Assets sold with a corresponding commitment to repurchase them at a future date continue to be recognized in the separate financial statements as a result of the Fund's continuous control over these assets and as the related risks and rewards are transferred to the Fund upon occurrence. They also continue to be measured in accordance with the adopted accounting policies. Amounts received against these contracts are recorded within liabilities under borrowed funds. The difference between the sale price and the repurchase price is recognized as an interest expense amortized over the contract period using the effective interest rate method.

Assets purchased with a corresponding commitment to resell at a defined future date are not recognized in the separate financial statements, as a result of lack of control by the Fund over these assets and as the related risks and rewards are not transferred to the Fund upon occurrence. Amounts related to those contracts are recognized within deposits at banks and financial institutions or within loans and granted debts, the difference between the resale and the purchase price is recognized as interest income realized over the period of the contract using the effective interest rate method.

### **Income tax**

- Income tax provision is calculated in accordance with Income Tax Law (38) of year 2018 amending Income Tax Law No. (34) of year 2014.
- Income tax expense represents accrued tax.
- Income tax expenses are accounted for based on taxable income. Taxable income differs from income disclosed in the separate financial statements as the disclosed income includes non-taxable revenue or non-deductible expenses in the current year, but deductible in subsequent years, accumulated losses accepted by the tax authorities, and items not accepted for tax purposes or subject to tax.
- Taxes are calculated based on the tax rates prescribed according to the prevailing laws, regulations and instructions of the Hashemite Kingdom of Jordan. Social Security Corporation revenues are exempted from income tax by law, except for foreign investments and revenues from leased properties.

### **Foreign Currencies**

Transactions in foreign currencies during the year are recorded at the exchange rates prevailing at the date of the transaction.

Financial assets and financial liabilities denominated in foreign currencies are translated at the average rates prevailing on the date of the statement of financial position as declared by the Central Bank of Jordan. Gains or losses resulting from foreign currency translation are recognized in the separate statement of revenues and expenses.

Exchange differences for non-monetary assets and liabilities denominated in foreign currencies (such as the financial assets at fair value through profit or loss) are recorded as part of the change in fair value.

### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, balances with the Central Bank of Jordan, and balances at banks and financial institutions with a maturity of three months or less.

### **Trade receivables**

Trade receivables are stated at original invoice amount less any provision of expected credit losses. The Fund applies a simplified approach in calculating estimated credit losses. The Fund has historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment in accordance to International Financial Reporting Standard (9).

### **Trade payables and accruals**

Liabilities are recognized for amounts to be paid in the future for services or goods received whether billed by the supplier or not.

### **Joint operations**

Joint operations are a contractual agreement between the Fund and other parties in jointly-controlled economic activities where financial, operational and strategic policy decisions on project activities require the unanimous approval of the parties involved in the control.

Assets, liabilities, revenues and expenses related to joint operations are recognized by the Fund according to its percentage of ownership in these operations.

### **Offsetting**

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

### **Contingent assets and liabilities**

Contingent liabilities are not recorded in the Fund's separate financial statements but are disclosed when the possibility of future economic benefits flowing is minimal.

Potential assets are not recorded in the Fund's separate financial statements but are disclosed when the possibility of future economic benefits flowing is probable.

**(3) SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS**

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

Management has made some judgements in applying the Fund's accounting policies. Judgments made by management that have major impact on amounts recognized in the separate financial statements are disclosed in the relevant notes to the separate financial statements.

Key assumptions relating to the future and other sources of estimation at the audit report date that may pose significant risk of material changes in the carrying amount of assets and liabilities during the next financial year are also disclosed in the relevant notes to the separate financial statements, the Fund included its assumptions and estimates in preparing the separate financial statements. However, current conditions and estimates related to further developments may change as a result of market changes or circumstances that may arise out of the Fund's control. The Fund reflects these changes to assumptions once they occur.

Reasonable judgments used in the preparation of the separate financial statements are detailed as follows:

- Impairment of investment properties is recorded based on recent valuations approved by accredited real estate evaluators which are used for impairment testing purposes and are reviewed periodically.
- Fiscal year is charged with its related income tax expense in accordance with laws, regulations and accounting standards.
- Management periodically reviews the useful lives of property and equipment for the purpose of annual depreciation calculation based on the general state of those assets and expected future useful lives, impairment losses are recorded in the separate statement of revenues and expenses.
- Provisions recognized for lawsuits raised against the Fund are based on legal studies prepared by the Fund's legal counsel and legal advisors, upon which future probable risks are determined, those studies are reviewed periodically.
- Management periodically reviews financial assets stated at cost to evaluate any impairment in value, this impairment is recorded in the separate statement of revenues and expenses.
- Fair value levels:

The level of the fair value hierarchy in which fair value measurements are categorized is determined and disclosed, and fair value measurements are separated to the stages specified in IFRS. The difference between stage (2) and stage (3) for fair value measurements is an assessment of whether information or inputs are observed and the extent of information that is not observable, which requires careful judgment and analysis of inputs used to measure fair value including consideration of all factors that concern the asset or obligation.

- Provision for expected credit losses:

The determination of a provision for impairment of financial assets requires the Fund's management to make significant judgment to estimate the amounts and timing of future cash flows, as well as to estimate any significant increase in the credit risk of financial assets after initial recognition, and to take into account further measurement information for expected credit losses.

The Fund determined the value of the provision for impairment of financial assets in accordance with international financial reporting standards.

The Fund's policy is to determine common elements on which credit risk and expected credit losses are measured on a (Collective Basis) or an (Individual Basis).

**Methodology used to calculate expected credit losses**

Key concepts that have a material impact and require a high degree of management's judgment and which have been considered by the Fund when applying the standard include the following:

- **Assessment of significant increase in credit risk:**

An assessment is made as to whether there has been a significant increase in credit risk since inception, the Fund compares the risk of default to the financial instrument at the end of each financial period with the risk of default when the financial instrument arises using key concepts of the Funds' risk management processes.

The significant increase in credit risk is assessed annually and separately for each exposure to credit risk based on three factors. If one of these factors indicates a significant increase in credit risk, the financial instrument is reclassified from stage 1 to stage 2:

- 1- The Fund had set limits to measure the significant increase in credit risk based on the change in the risk of default of the financial instrument as compared its date of inception.
- 2- Any reschedules or adjustments made to customer accounts during the evaluation period shall be recognized as an indication of significant increase in credit risk.
- 3- IFRS 9 (financial instruments) includes an assumption that there is a significant increase in the credit risk of financial instruments that have been impaired and have been recognized for more than 30 days. A substantial increase in the credit risk of financial instruments that have defaulted and matured for over 60 days which will be reduced to 30 days within 3 years. In this respect the Fund adopted a 45 days period.

The change between stage 2 and stage 3 depends on whether the financial instruments are impaired at the end of the financial period.

- **Macroeconomic factors, expected future events and the use of more than one scenario:**

Historical information, current conditions and expected future events should be considered based on reliable information when measuring expected credit losses for each stage. The measurement and application of expected future information requires the Fund's management to make substantial efforts based on cooperation with international entities with expertise in this area.

Probability of default, loss ratio assuming default, impact upon default and inputs used in stage 1 and stage 2 of the credit facility impairment are designed based on variable economic factors (or factors related to macroeconomic changes) that are directly related to the credit risk associated with the portfolio.

Each macroeconomic scenario used to calculate the expected credit loss linked to changing macroeconomic factors.

In our estimates used to calculate expected credit losses for stages 1 and 2 discounted weighted scenarios that include future macroeconomic information for the subsequent three years.

The base line scenario is based on macroeconomic forecasts (i.e. GDP, inflation, and interest rates). The ups and downs of economic factors will be developed on the basis of possible alternative economic conditions.

- **Definition of default:**

The definition of default used to measure expected credit losses and in the assessment of change between stages is consistent with the concept of default used by the Fund's internal credit risk management. There is a presumption that default occurs when the payment is ceased for 90 days or more.

- **Expected life:**

When measuring expected credit losses, the Fund considers the maximum extent of expected cash flows that the Fund considers to be at risk of impairment. All contractual obligations for life expectancy are considered including prepayment options and extension options. The expected life of some revolving credit facilities with no fixed repayment date is measured based on the Fund's exposure to credit risk that management cannot avoid.

- **Scope of application:**

The provision for expected credit losses was measured and calculated on all the financial assets of the Investment Fund, as follows:

- Monetary market instruments which include current bank accounts and bank deposits, deposits against pledged bonds and swap contracts.
- Bonds which include Jordanian treasury bonds, government bonds denominated in US dollars, public institution bonds and private companies' bonds and debts.
- Loans including direct loans, syndicated loans and other loans.
- Due from subsidiaries

- **Hypotheses and methodology of work**

Each of the above investment instruments, which is subject to the scope of IFRS 9, has been examined to determine the probability of default and the loss ratios assuming default. A number of key economic indicators have been based on the construction of a number of assumptions, most importantly GDP growth indicators, the index of the financial market, indicators of public debt of the country, in addition to the sovereign classification of Jordan issued by credit rating institutions and according to the statistical data of the cumulative global default rates of the classification, a number of scenarios have been assumed for the purpose of calculating the probability default, using available data on companies either from outside or within the Investment Fund, in addition to using the self-assessment system for the classification of companies and banks approved within the Investment Fund.

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**(4) BANK BALANCES**

This item consists of the following:

|                                  | 2024 | 2023 |
|----------------------------------|------|------|
| Current and on demand accounts * | 163  | 333  |

\* This item includes the amount of JD 10 thousand as current accounts related to the Unemployment Fund as at 31 December 2024 (31 December 2023: JD 2 thousand).

- As at 31 December 2024 and 2023, current accounts did not include any balances with foreign banks and financial institutions.
- There were no restricted balances as at 31 December 2024 and 2023.

**(5) DEPOSITS AT BANKS AND FINANCIAL INSTITUTIONS**

This item consists of the following:

|                                             | 2024      | 2023      |
|---------------------------------------------|-----------|-----------|
| Deposits maturing within 3 months or less   | 885,731   | 651,075   |
| Deposits maturing within 3 to 6 months      | 668,380   | 416,869   |
| Deposits maturing within 6 to 12 months     | 382,270   | 771,309   |
|                                             | 1,936,381 | 1,839,253 |
| Less: provision for expected credit losses* | (12,025)  | (13,546)  |
|                                             | 1,924,356 | 1,825,707 |

- Interest rates and yearly returns on deposits in Jordanian Dinar range between 5.75% to 7% for the year ended 31 December 2024 and between 3.72% to 7% for the year ended 31 December 2023.
- There are no deposits with foreign banks and financial institutions and there are no restricted balances as at 31 December 2024 and 2023.
- Deposits include an amount of JD 166,9 million which represent deposits against the mortgage of government bonds for the benefit of the Fund held at Capital Bank of Jordan (2023: JD 166,9 million).

\* Movement on the provision for expected credit losses for deposits at banks and financial institutions during the year was as follows:

|                                             | 2024    |         |         |         | 2023   |
|---------------------------------------------|---------|---------|---------|---------|--------|
|                                             | Stage 1 | Stage 2 | Stage 3 | Total   | Total  |
| Balance as at 1 January                     | 13,546  | -       | -       | 13,546  | 11,194 |
| (Recovered from) provision for year         | (1,539) | -       | -       | (1,539) | 2,384  |
| Provision for (recovered from) unemployment | 18      | -       | -       | 18      | (32)   |
| Balance as at 31 December                   | 12,025  | -       | -       | 12,025  | 13,546 |

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**(6) FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS**

This item consists of the following:

|                       | <u>2024</u>    | <u>2023</u>    |
|-----------------------|----------------|----------------|
| <b>Quoted shares:</b> |                |                |
| Local                 | 126,855        | 130,387        |
| Foreign               | 9,499          | 11,408         |
|                       | <u>136,354</u> | <u>141,795</u> |

**(7) LOANS AND GRANTED DEBTS**

This item consists of the following:

|                                             | <u>2024</u>     | <u>2023</u>     |
|---------------------------------------------|-----------------|-----------------|
| Direct loans                                | 514,834         | 525,111         |
| Syndicated loans                            | 25,324          | 25,803          |
| Housing loans                               | 23,597          | 18,937          |
|                                             | <u>563,755</u>  | <u>569,851</u>  |
| Less: provision for expected credit losses* | <u>(12,088)</u> | <u>(24,260)</u> |
|                                             | <u>551,667</u>  | <u>545,591</u>  |

\* Movements on the provision for expected credit losses for loans and granted debts during the year were as follows:

|                                                                | <u>2024</u>    |                |                |               | <u>2023</u>   |
|----------------------------------------------------------------|----------------|----------------|----------------|---------------|---------------|
|                                                                | <u>Stage 1</u> | <u>Stage 2</u> | <u>Stage 3</u> | <u>Total</u>  | <u>Total</u>  |
| Balance as at 1 January                                        | 21,364         | -              | 2,896          | 24,260        | 24,976        |
| Recovered from provision during the year<br>(Direct loans)     | (12,252)       | -              | 120            | (12,132)      | (114)         |
| Recovered from provision during the year<br>(Syndicated loans) | (40)           | -              | -              | (40)          | (602)         |
| Balance as at 31 December                                      | <u>9,072</u>   | <u>-</u>       | <u>3,016</u>   | <u>12,088</u> | <u>24,260</u> |

The below table illustrates interest rates, maturity dates, and collaterals for the aforementioned loans:

|                  | <u>Balance</u> | <u>Interest rate</u> | <u>The maturity date of</u> | <u>Guarantees</u>                |
|------------------|----------------|----------------------|-----------------------------|----------------------------------|
|                  |                | %                    | the last installment        |                                  |
| Direct loans     | 514,834        | 1 – 8.916            | 1 January 2040              | Governmental, real estate, legal |
| Syndicated loans | 25,324         | 9.084-10.937         | 17 February 2035            | Governmental, real estate, legal |
| Housing loans    | 23,597         | 4.75                 | 31 March 2060               | Mortgage                         |
|                  | <u>563,755</u> |                      |                             |                                  |

Non-performing loans and granted debts amounted to JD 1,924 thousand representing 0.34% of loans and granted debts as at 31 December 2024 compared of JD 1,924 thousand representing 0.34% of loans and granted debts at 31 December 2023. A provision was provided for those amounts in full.

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

This item consists of the following:

|                                           | <u>2024</u>      | <u>2023</u>      |
|-------------------------------------------|------------------|------------------|
| Quoted shares in local financial markets* | 1,614,130        | 1,486,559        |
| Non-quoted shares in financial markets    | 37,335           | 42,475           |
| <b>Other financial assets:</b>            |                  |                  |
| Investments in mutual funds** (in USD)    | -                | 153              |
|                                           | <u>1,651,465</u> | <u>1,529,187</u> |

\* Quoted financial assets are distributed according to sectors as follows:

|                      | <u>Percentage</u> | <u>2024</u>      | <u>Percentage</u> | <u>2023</u>      |
|----------------------|-------------------|------------------|-------------------|------------------|
|                      | %                 |                  | %                 |                  |
| Banking sector       | 47.2              | 762,192          | 53                | 787,802          |
| Manufacturing sector | 50.9              | 821,763          | 44.7              | 664,505          |
| Services sector      | 1.8               | 28,528           | 2.2               | 32,364           |
| Insurance sector     | 0.1               | 1,647            | 0.1               | 1,888            |
|                      |                   | <u>1,614,130</u> |                   | <u>1,486,559</u> |

\*\* Catalyst Investment Management/Jordan Fund closed on 16 January 2024 and Fursan Capital Partners Fund 1 closed on 1 March 2024.

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**(9) INVESTMENTS IN SUBSIDIARIES**

This item consists of the following:

|                                                 |            | Number of  |            |                         | Value of investment |                |
|-------------------------------------------------|------------|------------|------------|-------------------------|---------------------|----------------|
|                                                 | Capital's  | shares     | Ownership  |                         |                     |                |
| Company name                                    | number of  | owned by   | percentage | Nature of Business      | 2024                | 2023           |
|                                                 | shares     | the Fund   | %          |                         |                     |                |
| <b><u>Listed in Amman Stock Exchange*:</u></b>  |            |            |            |                         |                     |                |
| Jordanian Duty-Free Shops                       | 22,500,000 | 12,711,006 | 56.5       | Duty free shops         | 87,452              | 104,993        |
| Al Daman for Investment Company                 | 10,000,000 | 6,140,000  | 61.4       | Investment              | 4,728               | 5,833          |
| Jordan Press Foundation (Al-Rai)                | 10,000,000 | 5,492,000  | 54.9       | Press and publishing    | 384                 | 439            |
|                                                 |            |            |            |                         | <u>92,564</u>       | <u>111,265</u> |
| <b><u>Non-listed *:</u></b>                     |            |            |            |                         |                     |                |
| Kingdom Electricity Company                     | 50,000     | 35,000     | 70         | Energy Investment       | 93,100              | 87,601         |
| Al Daman for Development Zones                  | 40,000,000 | 40,000,000 | 100        | Investment              | 29,105              | 46,914         |
| National Company for Touristic Development      | 2,050,000  | 2,050,000  | 100        | Tourism services        | 26,711              | 28,876         |
| United Traveling Center                         | 1,500,000  | 1,500,000  | 100        | Rental services         | 994                 | 861            |
| Rama for Investment and Saving                  | 560,000    | 560,000    | 100        | Investment              | 3,101               | 2,901          |
| Al Daman for Finance Leasing                    | 500,000    | 500,000    | 100        | Finance leasing         | 566                 | 541            |
| Al Daman for Investment and Agriculture**       | 8,500,000  | 8,500,000  | 100        | Agricultural Investment | 7,655               | 7,624          |
| Al Daman for Hotel Transport Services           | 100,000    | 100,000    | 100        | Tourism services        | 151                 | 166            |
| Jordan Daman Company for International Business | 300,000    | 300,000    | 100        | Investment              | 273                 | 265            |
|                                                 |            |            |            |                         | <u>161,656</u>      | <u>175,749</u> |
|                                                 |            |            |            |                         | 254,220             | 287,014        |

\* Listed and non-listed investments in subsidiaries are stated at fair value at the date of the separate financial statements.

\*\* The General Assembly of Al Daman for Investment and Agriculture decided in its extraordinary meeting held on 19 December 2023 to increase its capital by JD 2,300 thousand, increasing the authorized and paid-in capital to JD 8,500 thousand, as the capital increase procedures were completed during the year 2024.

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**(10) INVESTMENTS IN ASSOCIATES**

This item consists of the following:

|                                                | Capital's<br>number of<br>shares | Number of<br>shares<br>owned by<br>the Fund | Ownership<br>percentage<br>% | Nature of Business                | Value of investment |         |
|------------------------------------------------|----------------------------------|---------------------------------------------|------------------------------|-----------------------------------|---------------------|---------|
| Company Name                                   |                                  |                                             |                              |                                   | 2024                | 2023    |
| <b>Listed in Amman Stock Exchange*:</b>        |                                  |                                             |                              |                                   |                     |         |
| Jordan Telecommunication Company               | 187,500,000                      | 54,150,000                                  | 28.9                         | Telecommunication                 | 154,869             | 137,541 |
| Jordan Petroleum Refinery Company              | 100,000,000                      | 20,140,624                                  | 20.1                         | Petrochemical                     | 100,703             | 94,661  |
| Jordan Kuwait Bank                             | 150,000,000                      | 31,562,466                                  | 21                           | Banking and<br>Financial services | 90,900              | 81,116  |
| Jordan Electricity Company***                  | 91,761,444                       | 19,802,902                                  | 21.6                         | Energy                            | 43,764              | 37,817  |
| Jordan Worsted Mills Factories                 | 15,000,000                       | 3,000,000                                   | 20                           | Textiles                          | 6,060               | 6,480   |
| Jordan Cement Factories                        | 60,444,460                       | 13,197,226                                  | 21.8                         | Construction                      | 8,183               | 8,841   |
|                                                |                                  |                                             |                              |                                   | 404,479             | 366,456 |
| <b>Non-listed*:</b>                            |                                  |                                             |                              |                                   |                     |         |
| National Company for Infrastructure Investment | 80,000                           | 39,000                                      | 48.8                         | Investment                        | 23                  | 27      |
| South Dead Sea Development Co.                 | 17,000,000                       | 5,100,000                                   | 30                           | Investment                        | 5,117               | 5,100   |
| Green World Water and Energy Company **        | 50,000                           | 13,771                                      | 27.5                         | Energy and water                  | 1                   | -       |
|                                                |                                  |                                             |                              |                                   | 5,141               | 5,127   |
|                                                |                                  |                                             |                              |                                   | 409,620             | 371,583 |

\* Listed and non-listed investments in associates are stated at fair value at the date of the separate financial statements.

\*\* The Social Security Investment Fund owns 13,771 shares in Green World Water and Energy Company at a fair value equal to zero after valuation.

\*\*\* The General Assembly of the Jordan Electric Power Company decided in its extraordinary meeting held on 20 February 2023 to increase its capital by JD 3,529 thousand to become the authorized and paid-in capital of JD 91,761 thousand, as the capital increase procedures were completed on 22 June 2023.

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

This item consists of the following:

|                                                   | <u>Average interest rates</u> | <u>2024</u>      | <u>2023</u>      |
|---------------------------------------------------|-------------------------------|------------------|------------------|
|                                                   | <u>%</u>                      |                  |                  |
| <b>A- Government and public institution bonds</b> |                               |                  |                  |
| Treasury bills                                    | 6.502 – 6.868                 | 351,007          | 199,498          |
| Treasury bonds*                                   | 3.487 - 7.999                 | 9,230,046        | 8,356,599        |
| Public institutions bonds                         | 6.411 - 6.989                 | 6,348            | 21,645           |
|                                                   |                               | <u>9,587,401</u> | <u>8,577,742</u> |
| <b>B- Bonds, debts and other securities</b>       |                               |                  |                  |
| Private companies' bonds and debts                | 4.00 – 7.650                  | 225,210          | 163,880          |
| Less: provision for expected credit losses**      |                               | <u>(7,239)</u>   | <u>(5,636)</u>   |
|                                                   |                               | <u>217,971</u>   | <u>158,244</u>   |
|                                                   |                               | <u>9,805,372</u> | <u>8,735,986</u> |

Financial assets at amortized costs maturity dates range from one month up to the year 2047.

\* This item includes an amount of JD 95,507 thousand as at 31 December 2024 which represents bonds related to the Unemployment Fund (31 December 2023: JD 90,426 thousand).

\*\* Movements on the provision for expected credit losses for financial assets at amortized cost during the year were as follows:

|                                            | <u>2024</u>    |                |                |              | <u>2023</u>  |
|--------------------------------------------|----------------|----------------|----------------|--------------|--------------|
|                                            | <u>Stage 1</u> | <u>Stage 2</u> | <u>Stage 3</u> | <u>Total</u> | <u>Total</u> |
| Balance as at 1 January                    | 4,591          | -              | 1,045          | 5,636        | 6,632        |
| Provision (recovered from) during the year | <u>1,523</u>   | <u>-</u>       | <u>80</u>      | <u>1,603</u> | <u>(996)</u> |
| Balance as at 31 December                  | <u>6,114</u>   | <u>-</u>       | <u>1,125</u>   | <u>7,239</u> | <u>5,636</u> |

**(12) INVESTMENT PROPERTIES**

This item consists of the following:

|                      | <u>2024</u>    | <u>2023</u>    |
|----------------------|----------------|----------------|
| Investment lands     | 818,966        | 801,228        |
| Investment buildings | <u>46,908</u>  | <u>49,715</u>  |
|                      | <u>865,874</u> | <u>850,943</u> |

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The movement on investment properties during the year was as follows:

|                                                                              | <u>2024</u>           | <u>2023</u>           |
|------------------------------------------------------------------------------|-----------------------|-----------------------|
| Balance as at 1 January                                                      | 850,943               | 817,164               |
| Purchase of investment properties                                            | 23,595                | 11,892                |
| Transferred from tourism portfolio (investment in hotels)*                   | -                     | 9,241                 |
| (Losses) gains on valuation of investment properties at fair value (Note 21) | <u>(8,664)</u>        | <u>12,646</u>         |
| Balance as at 31 December                                                    | <u><u>865,874</u></u> | <u><u>850,943</u></u> |

- \* During 2023, the Fund converted the Amman Paradise Hotel (formerly Amman Cham Palace Hotel) from investing in hotels to real estate investments, where the Fund signed an investment contract for the building with a local investor for a period of ten years, and the land and building was recorded at fair value like the rest of the real estate investments.

**(13) INVESTMENTS IN JOINT OPERATIONS**

This item consists of Al-Zaytuna project (1) which represent lands that the Fund invested in, jointly with Housing and Urban development Corporation as well as other partners. These lands have been sorted and are to be distributed to investors based on their percentage of ownership in these projects. Investments in joint operations are stated at cost as at 31 December 2024 and 2023, the details of the operations were as follows:

|                         | <u>2024</u> | <u>2023</u> |
|-------------------------|-------------|-------------|
| Al-Zaytuna project (1)* | <u>15</u>   | <u>15</u>   |

- \* This item represents the Funds share of the cost of the last piece of land remaining from the project.

**(14) INVESTMENTS IN HOTELS**

This item consists of the following:

|                                 | <u>2024</u>           | <u>2023</u>           |
|---------------------------------|-----------------------|-----------------------|
| Crown Plaza Resort - Dead sea   | 100,683               | 100,666               |
| Intercontinental Resort – Aqaba | 59,536                | 59,529                |
| Holiday Inn Resort - Dead sea   | 48,293                | 48,287                |
| Crown Plaza Hotel – Amman       | 39,922                | 39,918                |
| Crown Plaza Resort - Petra      | <u>14,353</u>         | <u>14,353</u>         |
|                                 | <u><u>262,787</u></u> | <u><u>262,753</u></u> |

- Investments in hotels are presented at cost, and the assets of these hotels are depreciated in their separate financial statements, they are also consolidated in the consolidated financial statements of the Fund.

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**(15) PROPERTY AND EQUIPMENT**

|                                              | Land         | Buildings    | Machinery,<br>equipment<br>and furniture | Vehicles   | Computers  | Computer<br>Software | Total        |
|----------------------------------------------|--------------|--------------|------------------------------------------|------------|------------|----------------------|--------------|
| <b>2024 -</b>                                |              |              |                                          |            |            |                      |              |
| <b>Cost:</b>                                 |              |              |                                          |            |            |                      |              |
| Balance as at 1 January                      | 3,012        | 3,201        | 319                                      | 185        | 393        | 675                  | 7,785        |
| Additions                                    | -            | 30           | 37                                       | 50         | 1          | 371                  | 489          |
| Reclassifications                            | -            | (417)        | 415                                      | -          | 1          | 1                    | -            |
| Disposals                                    | -            | -            | (16)                                     | (70)       | (39)       | -                    | (125)        |
| <b>Balance as at 31 December</b>             | <b>3,012</b> | <b>2,814</b> | <b>755</b>                               | <b>165</b> | <b>356</b> | <b>1,047</b>         | <b>8,149</b> |
| <b>Accumulated depreciation:</b>             |              |              |                                          |            |            |                      |              |
| Balance as at 1 January                      | -            | 1,205        | 172                                      | 136        | 320        | 548                  | 2,381        |
| Depreciation for the year (Note 23)          | -            | 102          | 149                                      | 15         | 28         | 42                   | 336          |
| Reclassifications                            | -            | (314)        | 312                                      | -          | 1          | 1                    | -            |
| Disposals                                    | -            | -            | (15)                                     | (70)       | (39)       | -                    | (124)        |
| <b>Balance as at 31 December</b>             | <b>-</b>     | <b>993</b>   | <b>618</b>                               | <b>81</b>  | <b>310</b> | <b>591</b>           | <b>2,593</b> |
| <b>Net book value as at 31 December 2024</b> | <b>3,012</b> | <b>1,821</b> | <b>137</b>                               | <b>84</b>  | <b>46</b>  | <b>456</b>           | <b>5,556</b> |

- The balance of fully depreciated property and equipment amounted to JD 705 thousand as at 31 December 2024.

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|                                              | Land         | Buildings    | Machinery,<br>equipment<br>and furniture | Vehicles   | Computers  | Computer<br>Software | Total        |
|----------------------------------------------|--------------|--------------|------------------------------------------|------------|------------|----------------------|--------------|
| <b>2023 -</b>                                |              |              |                                          |            |            |                      |              |
| <b>Cost:</b>                                 |              |              |                                          |            |            |                      |              |
| Balance as at 1 January                      | 3,012        | 3,197        | 220                                      | 185        | 367        | 582                  | 7,563        |
| Additions                                    | -            | 4            | 99                                       | -          | 26         | 93                   | 222          |
| <b>Balance as at 31 December</b>             | <u>3,012</u> | <u>3,201</u> | <u>319</u>                               | <u>185</u> | <u>393</u> | <u>675</u>           | <u>7,785</u> |
| <b>Accumulated depreciation:</b>             |              |              |                                          |            |            |                      |              |
| Balance as at 1 January                      | -            | 1,053        | 146                                      | 123        | 289        | 499                  | 2,110        |
| Depreciation for the year (Note 23)          | -            | 152          | 26                                       | 13         | 31         | 49                   | 271          |
| <b>Balance as at 31 December</b>             | <u>-</u>     | <u>1,205</u> | <u>172</u>                               | <u>136</u> | <u>320</u> | <u>548</u>           | <u>2,381</u> |
| <b>Net book value as at 31 December 2023</b> | <u>3,012</u> | <u>1,996</u> | <u>147</u>                               | <u>49</u>  | <u>73</u>  | <u>127</u>           | <u>5,404</u> |

- The balance of full depreciated property and equipment amounted to JD 827 thousand as at 31 December 2023.

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**(16) OTHER ASSETS**

This item consists of the following:

|                                                            | 2024           | 2023           |
|------------------------------------------------------------|----------------|----------------|
| Accrued interest*                                          | 210,185        | 191,911        |
| Projects under construction**                              | 58,045         | 52,214         |
| Receivables and fines of lessees'                          | 9,746          | 8,481          |
| Housing Fund deposits                                      | 1,987          | 2,233          |
| Advance payments to Petra Hotel                            | 654            | 1,649          |
| Advance payments to Central Electricity Generation company | -              | 810            |
| Advance payments to purchase lands                         | 3              | 1              |
| Others                                                     | 1,111          | 1,079          |
|                                                            | <u>281,731</u> | <u>258,378</u> |
| Less: provision for expected credit losses***              | <u>(6,154)</u> | <u>(5,426)</u> |
|                                                            | <u>275,577</u> | <u>252,952</u> |

\* This item includes an amount of JD 1,035 thousand as of 31 December 2024, which represents accrued interests related to Unemployment Fund (31 December 2023: JD 920 thousand).

\*\* Projects under construction consists of the following:

- An amount of JD 32,173 thousand represents the value of the touristic beach project land and what is on it. In 2024, National Company for Touristic Development that is fully owned by the Social Security Corporation has conducted an economic feasibility study to determine the mechanism of benefiting from this land or completing the project that was to be built on it. A 4-star hotel has been approved to be established under the international brand (Voco), in which the final approval depends on the results of the studies that will be prepared by Arabtech Jardaneh. A letter of interest has previously been signed with Intercontinental Hotels Group to establish this hotel, and work is currently in progress to prepare the necessary designs.

The expected cost for establishing the hotel is around JD 18.8 million, and it is anticipated to start implementation by the end of 2025 for approximately two years.

- The amount of JD 23,144 thousand represents the Crowne Plaza Petra Hotel development project. The expected cost of the project is JD 25,372 thousand, and it is expected to be completed during 2025.

\*\*\* Movements on the provision for expected credit losses for other assets during the year were as follows:

|                                                  | 2024     |              |              |              | 2023         |
|--------------------------------------------------|----------|--------------|--------------|--------------|--------------|
|                                                  | Stage 1  | Stage 2      | Stage 3      | Total        | Total        |
| Balance as at 1 January                          | -        | 723          | 4,703        | 5,426        | 4,965        |
| Recovered during the year from other receivables | -        | -            | -            | -            | (1)          |
| Provision for the year                           | -        | 728          | -            | 728          | 462          |
| Balance as at 31 December                        | <u>-</u> | <u>1,451</u> | <u>4,703</u> | <u>6,154</u> | <u>5,426</u> |

**(17) OTHER LIABILITIES**

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This item consists of the following:

|                                                 | 2024          | 2023          |
|-------------------------------------------------|---------------|---------------|
| Deferred revenues                               | 14,397        | 15,718        |
| Accounts payable                                | 2,795         | 308           |
| Provision for contingent liabilities* (Note 32) | 81            | 2,058         |
| Others                                          | 1,827         | 1,802         |
|                                                 | <u>19,100</u> | <u>19,886</u> |

\* Movements on the provision for contingent liabilities during the year were as follows:

|                                         | 2024      | 2023         |
|-----------------------------------------|-----------|--------------|
| Balance as at 1 January                 | 2,058     | 1,024        |
| (Recovered from) provision for the year | (1,239)   | 1,034        |
| Paid during the year                    | (738)     | -            |
| Balance as at 31 December               | <u>81</u> | <u>2,058</u> |

**(18) SOCIAL SECURITY CORPORATION CURRENT ACCOUNT - UNEMPLOYMENT FUND**

Based on the Corporation's Board of Directors' decision No. 14/2013 dated 4 February 2013, the investments related to the Unemployment Fund were separated into a safe portfolio in an independent manner of other insurance funds. Accordingly, amounts related to the Unemployment Fund were transferred from the accounts of the Corporation to a separate account within the Fund's accounts during the year 2013, those amounts were invested in Jordanian treasury bonds based on the decision of the Board of Investment on 26 June 2013. The Corporation's Board of Directors decided in its meeting held on 25 April 2019 to allow insured individuals to withdraw their accumulated or a portion of their savings balance, for the purposes of enrolling their children in higher education institutions or vocational institutions, or for the purpose of covering medical expenses for the individual or a family member, in accordance with the Board's issued terms and conditions.

Movements on the account during the year were as follows:

|                                                                                     | 2024          | 2023          |
|-------------------------------------------------------------------------------------|---------------|---------------|
| Balance as at 1 January                                                             | 93,573        | 84,910        |
| Net cash transferred during the year from the Corporation for the Unemployment Fund | -             | 3,836         |
| Unemployment Fund's share of the Investment Fund's returns for the year             | 5,265         | 4,827         |
| Balance as at 31 December                                                           | <u>98,838</u> | <u>93,573</u> |

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**(19) INTEREST INCOME**

This item consists of the following:

|                                                                        | <u>2024</u>           | <u>2023</u>           |
|------------------------------------------------------------------------|-----------------------|-----------------------|
| Interest of bonds and treasury bills*                                  | 580,618               | 505,775               |
| Interest of balances and deposits at banks and financial institutions* | 119,866               | 102,883               |
| Interest of loans and granted debts                                    | <u>34,136</u>         | <u>29,535</u>         |
|                                                                        | <u><u>734,620</u></u> | <u><u>638,193</u></u> |

\* These items include an amount of JD 5,275 thousand as of 31 December 2024 which represents interest income for the benefit of the Unemployed Fund (2023: JD 4,799 thousand).

**(20) LOSSES OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS, NET**

This item consists of the following:

|                                    | <u>2024</u>           | <u>2023</u>           |
|------------------------------------|-----------------------|-----------------------|
| Realized (losses) gains            | (18)                  | 136                   |
| Unrealized valuation losses        | (5,217)               | (4,046)               |
| Commissions of purchases and sales | <u>(1)</u>            | <u>(2)</u>            |
|                                    | <u><u>(5,236)</u></u> | <u><u>(3,912)</u></u> |

**(21) (LOSSES) GAINS ON INVESTMENT PROPERTIES, NET**

This item consists of the following:

|                                                                              | <u>2024</u>           | <u>2023</u>          |
|------------------------------------------------------------------------------|-----------------------|----------------------|
| <b>Revenues:</b>                                                             |                       |                      |
| Revenues from leased properties                                              | 7,027                 | 6,162                |
| <b>Expenses:</b>                                                             |                       |                      |
| Management fees, valuation and other expenses                                | (487)                 | (548)                |
| <b>Change in fair value:</b>                                                 |                       |                      |
| (Losses) gains on valuation of investment properties at fair value (Note 12) | <u>(8,664)</u>        | <u>12,646</u>        |
|                                                                              | <u><u>(2,124)</u></u> | <u><u>18,260</u></u> |

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**(22) DIVIDENDS DISTRIBUTION**

This item consists of the following:

|                                                                    | 2024           | 2023           |
|--------------------------------------------------------------------|----------------|----------------|
| Dividends from financial assets through other comprehensive income | 118,136        | 105,607        |
| Dividends from associates                                          | 27,270         | 26,281         |
| Dividends from financial assets through profit or loss             | 7,246          | 7,988          |
| Dividends from subsidiaries                                        | 10,862         | 11,561         |
|                                                                    | <u>163,514</u> | <u>151,437</u> |

**(23) ADMINISTRATIVE EXPENSES**

This item consists of the following:

|                                                       | 2024         | 2023         |
|-------------------------------------------------------|--------------|--------------|
| Salaries and wages                                    | 1,883        | 1,874        |
| Incentives and rewards                                | 606          | 538          |
| Depreciation (Note 15)                                | 336          | 271          |
| Contribution to Social Security                       | 295          | 289          |
| Insurance                                             | 160          | 179          |
| Maintenance and support of software                   | 139          | 127          |
| Professional fees and legal and technical consultancy | 121          | 159          |
| Investment's Board members' remuneration              | 93           | 87           |
| Transportation                                        | 64           | 59           |
| Subscriptions                                         | 48           | 49           |
| Cleaning                                              | 47           | 43           |
| Remuneration of Investment Board committee            | 34           | 32           |
| Stationery                                            | 29           | 32           |
| General maintenance                                   | 28           | 12           |
| Electricity, water and heating                        | 24           | 16           |
| Training and courses                                  | 24           | 16           |
| Telephone, mail and internet                          | 19           | 21           |
| Advertising and public relations                      | 18           | 21           |
| Contribution to Saving Fund                           | 18           | 17           |
| Bank charges                                          | 6            | 5            |
| Daily wages and travel expenses                       | 3            | 1            |
| Others                                                | 306          | 284          |
|                                                       | <u>4,301</u> | <u>4,132</u> |

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**(24) CASH AND CASH EQUIVALENTS**

This item consists of the following:

|                                                        | 2024           | 2023           |
|--------------------------------------------------------|----------------|----------------|
| Current and on demand accounts (Note 4)                | 163            | 333            |
| Deposits maturing within three months or less (Note 5) | 885,731        | 651,075        |
|                                                        | <u>885,894</u> | <u>651,408</u> |

**(25) RELATED PARTIES TRANSACTIONS**

Related parties represent associates and subsidiaries, major shareholders in associates and subsidiaries, directors and key management personnel and companies of which they are principal owners. The Fund entered into transactions with the Social Security Corporation, associates and subsidiaries in its normal course of business with normal pricing, policies and terms. All loans and granted debts to related parties are considered performing loans.

The following is a summary of related parties' transactions during the year:

|                                                    | 2024        |              |            |         | 2023    |
|----------------------------------------------------|-------------|--------------|------------|---------|---------|
|                                                    | Parent      |              |            |         |         |
| Separate statements of financial position items    | Corporation | Subsidiaries | Associates | Total   | Total   |
| <b>Assets and liabilities:</b>                     |             |              |            |         |         |
| <b>Bank balances and deposits-</b>                 |             |              |            |         |         |
| Jordan Kuwait Bank (current account)               | -           | -            | 19         | 19      | 6       |
| Jordan Kuwait Bank (deposits)                      | -           | -            | 180,850    | 180,850 | 169,585 |
| <b>A- Due from related parties-</b>                |             |              |            |         |         |
| National for Tourism Development Company*          | -           | 9,787        | -          | 9,787   | 10,359  |
| Jordanian Daman Company for International Business | -           | 24,599       | -          | 24,599  | 27,162  |
|                                                    | -           | 34,386       | -          | 34,386  | 37,521  |
| Less: provision for expected credit losses**       | -           | (2,139)      | -          | (2,139) | (8,703) |
|                                                    | -           | 32,247       | -          | 32,247  | 28,818  |
| <b>B- Loans-</b>                                   |             |              |            |         |         |
| Social Security Corporation                        | 130,000     | -            | -          | 130,000 | 120,000 |
| Al-Daman for International Investments             | -           | 51,060       | -          | 51,060  | 51,060  |
| Kingdom Electricity Company                        | -           | 11,721       | -          | 11,721  | 15,628  |
| Daman for Finance Leasing Company                  | -           | 158,737      | -          | 158,737 | 171,524 |

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| Items of the separate statements of revenues and expenses   | 2024               |              |            |       |        | 2023   |
|-------------------------------------------------------------|--------------------|--------------|------------|-------|--------|--------|
|                                                             | Parent Corporation | Subsidiaries | Associates | Other | Total  | Total  |
| <b>C- Interest-</b>                                         |                    |              |            |       |        |        |
| Current account interest with Jordan Kuwait Bank            | -                  | -            | 17         | -     | 17     | 15     |
| Deposits with Jordan Kuwait Bank                            | -                  | -            | 10,366     | -     | 10,366 | 7,160  |
| Kingdom Electricity Company loan                            | -                  | 1,278        | -          | -     | 1,278  | 1,584  |
| Al-Daman for Finance Leasing loan                           | -                  | 11,077       | -          | -     | 11,077 | 11,664 |
| Al-Daman for International Investments loan                 | -                  | 519          | -          | -     | 519    | 518    |
| Social Security Corporation loan                            | 7,088              | -            | -          | -     | 7,088  | 5,161  |
| <b>D- Dividends Income (Note 22)-</b>                       |                    |              |            |       |        |        |
| Jordanian Duty-Free shops                                   | -                  | 6,356        | -          | -     | 6,356  | 7,627  |
| The Kingdom's Electricity Company                           | -                  | 2,450        | -          | -     | 2,450  | 3,850  |
| Rama Investment and Savings Company                         | -                  | 56           | -          | -     | 56     | 84     |
| Al-Daman Company for the Development of Developmental Areas | -                  | 2,000        | -          | -     | 2,000  | -      |
| The Jordanian Electricity Company                           | -                  | -            | 3,348      | -     | 3,348  | 1,894  |
| Jordan Petroleum Refinery Company                           | -                  | -            | 9,064      | -     | 9,064  | 10,070 |
| Jordan Worsted Milles Company                               | -                  | -            | 420        | -     | 420    | 420    |
| Jordan Telecommunication Company                            | -                  | -            | 11,913     | -     | 11,913 | 11,372 |
| Jordan Kuwait Bank                                          | -                  | -            | 2,525      | -     | 2,525  | 2,525  |
|                                                             | -                  | 10,862       | 27,270     | -     | 38,132 | 37,842 |
| <b>E- Rental income-</b>                                    |                    |              |            |       |        |        |
| National Tourism and Development Company                    | -                  | 31           | -          | -     | 31     | 30     |
| Al-Daman Company for the Development of Developmental Areas | -                  | 15           | -          | -     | 15     | 15     |
| <b>F- Other line items-</b>                                 |                    |              |            |       |        |        |
| Management fees and salaries                                | -                  | -            | -          | 728   | 728    | 766    |
| Board of Investment Remuneration                            | -                  | -            | -          | 127   | 127    | 119    |

\* This item includes the cost of purchasing Al-Muthalathya land in Aqaba with an amount of JD 9.9 million, the amount was paid by the Social Security Investment Fund and the ownership of the land was registered in the name of the National Company for Touristic Development.

\*\* Movements on the provision for expected credit losses for due from related parties during the year were as follows:

|                                       | 2024    |         |         |         | 2023  |
|---------------------------------------|---------|---------|---------|---------|-------|
|                                       | Stage 1 | Stage 2 | Stage 3 | Total   | Total |
| Balance as at 1 January               | 8,703   | -       | -       | 8,703   | 8,703 |
| Recovered from provision for the year | (6,564) | -       | -       | (6,564) | -     |
| Balance as at 31 December             | 2,139   | -       | -       | 2,139   | 8,703 |

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**(26) INCOME TAX**

Movements on the income tax provision during the year were as follows:

|                                 | 2024       | 2023       |
|---------------------------------|------------|------------|
| Balance as at 1 January         | 512        | 535        |
| Income tax expense for the year | 993        | 911        |
| Income tax paid                 | (963)      | (934)      |
| Balance as at 31 December       | <u>542</u> | <u>512</u> |

Income tax provision for the years ended 31 December 2023 and 2024 have been calculated in accordance with Income Tax Law No. (34) of 2014 and its amendments. Management believes that the provision amounting to JD 542 thousand is sufficient and there is no need to recognize any additional provision. Noting that most of the Fund's activities are tax exempted in accordance with the Income Tax Law except for the net income from rents as well as dividends from foreign investments.

The self-assessment statement on the fund's performance results for the year 2023 has been submitted within the legal period. The Income and Sales Tax Department did not audit the Fund's records until the date of preparing these separate financial statements. There is a balance in favor of the corporation amounting to JD 829 thousand, of which 621 thousand JD is due to semi-annual payments for 2024.

The Fund obtained a final clearance from the Income and Sales Tax Department up to the year 2014.

The self-assessment statement was submitted on the results of the Fund's operations for the years 2015 to 2022, and the Income and Sales Tax Department estimated tax differences of a total of JD 1,565 thousand for those years. The Fund objected to the amounts claimed and filed a lawsuit against the Department at the Court of First Instance of Income Tax. The case is still pending before the Court as of the date of preparation of the separate financial statements.

The income tax expense is calculated as follows:

|                                                                | 2024         | 2023         |
|----------------------------------------------------------------|--------------|--------------|
| Gross lease income                                             | 5,655        | 5,217        |
| Less:                                                          |              |              |
| Direct expenses related to investment properties               | (487)        | (548)        |
| Investment properties depreciation                             | (348)        | (348)        |
| Salaries of the investment properties department employees     | (214)        | (207)        |
| Leases portion of shared expenses                              | (44)         | (51)         |
| <b>Leases net income</b>                                       | <u>4,562</u> | <u>4,063</u> |
| Accrued income tax on rent fees (20%)                          | 898          | 804          |
| Accrued income tax on dividends from foreign investments (10%) | 45           | 60           |
| National contribution (1%)                                     | 50           | 47           |
| <b>Income tax expense</b>                                      | <u>993</u>   | <u>911</u>   |

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**(27) FAIR VALUE RESERVE**

Movements on fair value reserve during the year were as follows:

|                                                                                  | 2024           | 2023           |
|----------------------------------------------------------------------------------|----------------|----------------|
| Balance as at 1 January                                                          | 587,384        | 720,823        |
| Changes in fair value of financial assets through other comprehensive income     | 119,746        | (156,456)      |
| Changes in fair value of investments in subsidiaries                             | (33,178)       | (14,700)       |
| Changes in fair value of investments in associates                               | 37,809         | 23,318         |
| Realized losses from sale of financial assets through other comprehensive income | 4,791          | 14,399         |
| Balance as at 31 December                                                        | <u>716,552</u> | <u>587,384</u> |

**(28) FAIR VALUES OF FINANCIAL INSTRUMENTS**

The Fund's financial instruments comprise of financial assets and liabilities.

Financial assets consist of bank balances, deposits at banks and financial institutions, financial assets at fair value through profit or loss, loans and granted debts, financial assets at fair value through other comprehensive income, investments in subsidiaries and associates, financial assets at amortized cost, due from related parties and some other debit balances. Financial liabilities consist of some other credit balances.

The fair value of financial instruments is not materially different from their carrying values.

The following table analyzes financial instruments recorded at fair value based on the valuation method, where the different levels are defined as follows:

- Level 1 : Quoted market prices in active markets for identical assets or liabilities.
- Level 2 : Valuation techniques for which the input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 : Valuation techniques for which the input that is significant to the fair value measurement, but it is unobservable.

| 2024 -                                              | Level (1)        | Level (2) | Level (3)      | Total            |
|-----------------------------------------------------|------------------|-----------|----------------|------------------|
| <b>Financial Assets:</b>                            |                  |           |                |                  |
| Financial assets through profit or loss             | 136,354          | -         | -              | 136,354          |
| Financial assets through other comprehensive income | 1,614,130        | -         | 37,335         | 1,651,465        |
| Investments in subsidiaries                         | 92,564           | -         | 161,656        | 254,220          |
| Investments in associates                           | 404,479          | -         | 5,141          | 409,620          |
|                                                     | <u>2,247,527</u> | <u>-</u>  | <u>204,132</u> | <u>2,451,659</u> |

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| 2023 -                                              | <u>Level (1)</u> | <u>Level (2)</u> | <u>Level (3)</u> | <u>Total</u>     |
|-----------------------------------------------------|------------------|------------------|------------------|------------------|
| <b>Financial Assets:</b>                            |                  |                  |                  |                  |
| Financial assets through profit or loss             | 141,795          | -                | -                | 141,795          |
| Financial assets through other comprehensive income | 1,486,559        | -                | 42,628           | 1,529,187        |
| Investments in subsidiaries                         | 111,265          | -                | 175,749          | 287,014          |
| Investments in associates                           | 366,456          | -                | 5,127            | 371,583          |
|                                                     | <u>2,106,075</u> | <u>-</u>         | <u>223,504</u>   | <u>2,329,579</u> |

**(29) RISK MANAGEMENT**

The Fund manages financial risks through a systematic methodology and a comprehensive strategy to identify the sources, types of risks and the mechanism of measuring, analyzing and planning to mitigate and manage the risk by reducing the effect of such risks and the probability of occurrence through available hedging instruments.

Risk management represents a continuous process where the Fund monitors the risks and then handles the variances that exceed allowed limits.

In addition, the Fund also ensures the full compliance with laws and regulations that govern the Fund's activities which is reflected in its policies and procedures.

Risk management is managed by a specialized department that operates according to an integrated methodology and specializes in studying investment and operational risks, as well as information security and protection risks, in addition to its presence in some committees such as the investment committee as a monitoring member.

**CREDIT RISK**

Credit risk is the risk that one party to financial instrument will fail to discharge an obligation at their due dates.

The Fund performs necessary financial and credit analysis when acquiring any bonds for public shareholding companies or when granting loans. Moreover, the Fund sets deposit ceiling for the local banks based on defined methodology and the credit rating of the bank. In addition, the Fund sets a ceiling for the volume of transactions with the brokers based on a defined methodology.

**OPERATING RISK**

Operating risks are the risks that result in losses due to the failure or inadequacy of internal procedures, human elements, information technology systems, or those arising from external events.

The Fund issues policies and procedures to ensure proper execution of the transactions in addition to providing the best information systems and specialized technical personnel and develops plans to maintain business continuity under any emergency.

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**MARKET RISK**

Market risk arises from fluctuations in the prices of investment instruments, particularly the risks associated with fluctuations in stock prices and real estate investments. The Fund measures these risks through recognized statistical measures (standard deviation, variance and covariance, correlation, beta, and value at risk) and thus determines acceptable risk levels based on the approved investment policy.

In order to mitigate the impact of these risks, especially in the absence of necessary hedging instruments, the Fund raises the levels of diversification within the portfolio and reduces the degree of correlation between portfolio instruments through proper sector distribution.

**INTEREST RATE RISK**

Interest rate risk is the risk that results from changes in market value or future cash flows of financial instruments as a result of changes in interest rate.

The Fund manages such risk through increasing or decreasing the recovery period of the investment instrument portfolio which is affected directly by the interest rates such as deposits and bonds based on the Fund's expectations of interest rate trends.

The Fund performs analysis on the gaps of the investment instruments maturities and links it with the investment maturities and other liabilities which is performed by the management of assets and liabilities committee, by allocating cash market management portfolio and bonds portfolio to fit its maturities with the Fund's liabilities due dates.

The sensitivity of the separate statement of revenues and expenses is affected by the assumed changes in interest rates on the Fund's profit for one year and is calculated for financial assets and financial liabilities with floating rates held at 31 December.

The following table demonstrates the sensitivity of the separate statement of revenues and expenses to reasonable and possible changes in interest rates as of 31 December while other variables held constant:

| <b>Currency</b> | <b>Increase in interest rate</b> | <b>Effect on surplus of revenues over expenses for the year</b> |
|-----------------|----------------------------------|-----------------------------------------------------------------|
|                 | <b>%</b>                         |                                                                 |
| <b>2024-</b>    |                                  |                                                                 |
| JD              | 1                                | 118,024                                                         |
| USD             | 1                                | 4,791                                                           |
| <b>2023-</b>    |                                  |                                                                 |
| JD              | 1                                | 106,339                                                         |
| USD             | 1                                | 4,737                                                           |

The effect of the decrease in interest rates with the same percentage is expected to be equal and opposite to the effect of the increase shown above.

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The sensitivity of interest rates is as follows:

| <b>2024 -</b>                                                        | Up to<br>one<br>month | One<br>to three<br>months | Three<br>to six months | More than<br>six<br>months up<br>to a year | More than<br>one year<br>up to three<br>years | More than three<br>years | Non-interest<br>bearing | Total             |
|----------------------------------------------------------------------|-----------------------|---------------------------|------------------------|--------------------------------------------|-----------------------------------------------|--------------------------|-------------------------|-------------------|
| <b><u>Assets -</u></b>                                               |                       |                           |                        |                                            |                                               |                          |                         |                   |
| Bank Balances                                                        | 163                   | -                         | -                      | -                                          | -                                             | -                        | -                       | 163               |
| Deposits at banks and financial institutions                         | 360,270               | 525,461                   | 668,380                | 370,245                                    | -                                             | -                        | -                       | 1,924,356         |
| Financial assets at fair value through profit or loss                | -                     | -                         | -                      | -                                          | -                                             | -                        | 136,354                 | 136,354           |
| Loans and granted debts                                              | 9,732                 | 13,564                    | 34,183                 | 34,048                                     | 171,488                                       | 288,652                  | -                       | 551,667           |
| Financial assets at fair value through other<br>comprehensive income | -                     | -                         | -                      | -                                          | -                                             | -                        | 1,651,465               | 1,651,465         |
| Investments in subsidiaries                                          | -                     | -                         | -                      | -                                          | -                                             | -                        | 254,220                 | 254,220           |
| Investments in associates                                            | -                     | -                         | -                      | -                                          | -                                             | -                        | 409,620                 | 409,620           |
| Financial assets at amortized cost                                   | 110,758               | 495,696                   | 353,304                | 220,512                                    | 3,333,331                                     | 5,291,771                | -                       | 9,805,372         |
| Due from related parties                                             | -                     | -                         | -                      | -                                          | -                                             | -                        | 32,247                  | 32,247            |
| Investments properties                                               | -                     | -                         | -                      | -                                          | -                                             | -                        | 865,874                 | 865,874           |
| Investments in joint operations                                      | -                     | -                         | -                      | -                                          | -                                             | -                        | 15                      | 15                |
| Investment in hotels                                                 | -                     | -                         | -                      | -                                          | -                                             | -                        | 262,787                 | 262,787           |
| Property and equipment                                               | -                     | -                         | -                      | -                                          | -                                             | -                        | 5,556                   | 5,556             |
| Other assets                                                         | -                     | -                         | -                      | -                                          | -                                             | -                        | 275,577                 | 275,577           |
| <b>Total Assets</b>                                                  | <b>480,923</b>        | <b>1,034,721</b>          | <b>1,055,867</b>       | <b>624,805</b>                             | <b>3,504,819</b>                              | <b>5,580,423</b>         | <b>3,893,715</b>        | <b>16,175,273</b> |
| <b><u>Social Security Corporation Equity and</u></b>                 |                       |                           |                        |                                            |                                               |                          |                         |                   |
| <b><u>Liabilities -</u></b>                                          |                       |                           |                        |                                            |                                               |                          |                         |                   |
| <b>Social Security Corporation Equity -</b>                          |                       |                           |                        |                                            |                                               |                          |                         |                   |
| Social Security Corporation current account                          | -                     | -                         | -                      | -                                          | -                                             | -                        | 7,717,691               | 7,717,691         |
| Social Security Corporation current account -<br>Unemployment Fund   | -                     | -                         | -                      | -                                          | -                                             | -                        | 98,838                  | 98,838            |
| Fair value reserve                                                   | -                     | -                         | -                      | -                                          | -                                             | -                        | 716,552                 | 716,552           |
| Accumulated surplus of revenues over expenses                        | -                     | -                         | -                      | -                                          | -                                             | -                        | 7,622,550               | 7,622,550         |
| <b>Total Social Security Corporation Equity</b>                      | <b>-</b>              | <b>-</b>                  | <b>-</b>               | <b>-</b>                                   | <b>-</b>                                      | <b>-</b>                 | <b>16,155,631</b>       | <b>16,155,631</b> |
| <b><u>Liabilities -</u></b>                                          |                       |                           |                        |                                            |                                               |                          |                         |                   |
| Other liabilities                                                    | -                     | -                         | -                      | -                                          | -                                             | -                        | 19,100                  | 19,100            |
| Income tax provision                                                 | -                     | -                         | -                      | -                                          | -                                             | -                        | 542                     | 542               |
| <b>Total liabilities</b>                                             | <b>-</b>              | <b>-</b>                  | <b>-</b>               | <b>-</b>                                   | <b>-</b>                                      | <b>-</b>                 | <b>19,642</b>           | <b>19,642</b>     |
| <b>Total Social Security Corporation Equity and</b>                  |                       |                           |                        |                                            |                                               |                          |                         |                   |
| <b>Liabilities</b>                                                   | <b>-</b>              | <b>-</b>                  | <b>-</b>               | <b>-</b>                                   | <b>-</b>                                      | <b>-</b>                 | <b>16,175,273</b>       | <b>16,175,273</b> |
| <b>Sensitivity variance</b>                                          | <b>480,923</b>        | <b>1,034,721</b>          | <b>1,055,867</b>       | <b>624,805</b>                             | <b>3,504,819</b>                              | <b>5,580,423</b>         | <b>(12,281,558)</b>     | <b>-</b>          |
| <b>Accumulated sensitivity variance</b>                              | <b>480,923</b>        | <b>1,515,644</b>          | <b>2,571,511</b>       | <b>3,196,316</b>                           | <b>6,701,135</b>                              | <b>12,281,558</b>        | <b>-</b>                | <b>-</b>          |

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The sensitivity of interest rates is as follows:

|                                                                      | Up to<br>one<br>month | One<br>to three<br>months | Three<br>to six<br>months | More than<br>six<br>months<br>up to a<br>year | More than<br>one year up<br>to three<br>years | More than three<br>years | Non-interest<br>bearing | Total             |
|----------------------------------------------------------------------|-----------------------|---------------------------|---------------------------|-----------------------------------------------|-----------------------------------------------|--------------------------|-------------------------|-------------------|
| <b>2023 -</b>                                                        |                       |                           |                           |                                               |                                               |                          |                         |                   |
| <b>Assets -</b>                                                      |                       |                           |                           |                                               |                                               |                          |                         |                   |
| Bank Balances                                                        | 333                   | -                         | -                         | -                                             | -                                             | -                        | -                       | 333               |
| Deposits at banks and financial institutions                         | 192,545               | 458,530                   | 416,869                   | 757,763                                       | -                                             | -                        | -                       | 1,825,707         |
| Financial assets at fair value through profit or loss                | -                     | -                         | -                         | -                                             | -                                             | -                        | 141,795                 | 141,795           |
| Loans and granted debts                                              | 3,277                 | 11,236                    | 22,802                    | 15,272                                        | 164,884                                       | 328,120                  | -                       | 545,591           |
| Financial assets at fair value through other<br>comprehensive income | -                     | -                         | -                         | -                                             | -                                             | -                        | 1,529,187               | 1,529,187         |
| Investments in subsidiaries                                          | -                     | -                         | -                         | -                                             | -                                             | -                        | 287,014                 | 287,014           |
| Investments in associates                                            | -                     | -                         | -                         | -                                             | -                                             | -                        | 371,583                 | 371,583           |
| Financial assets at amortized cost                                   | 307,354               | 183,998                   | 166,052                   | 299,766                                       | 2,417,279                                     | 5,361,537                | -                       | 8,735,986         |
| Due from related parties                                             | -                     | -                         | -                         | -                                             | -                                             | -                        | 28,818                  | 28,818            |
| Investments properties                                               | -                     | -                         | -                         | -                                             | -                                             | -                        | 850,943                 | 850,943           |
| Investments in joint operations                                      | -                     | -                         | -                         | -                                             | -                                             | -                        | 15                      | 15                |
| Investment in hotels                                                 | -                     | -                         | -                         | -                                             | -                                             | -                        | 262,753                 | 262,753           |
| Property and equipment                                               | -                     | -                         | -                         | -                                             | -                                             | -                        | 5,404                   | 5,404             |
| Other assets                                                         | -                     | -                         | -                         | -                                             | -                                             | -                        | 252,952                 | 252,952           |
| <b>Total Assets</b>                                                  | <b>503,509</b>        | <b>653,764</b>            | <b>605,723</b>            | <b>1,072,801</b>                              | <b>2,582,163</b>                              | <b>5,689,657</b>         | <b>3,730,464</b>        | <b>14,838,081</b> |
| <b>Social Security Corporation Equity and</b>                        |                       |                           |                           |                                               |                                               |                          |                         |                   |
| <b>Liabilities -</b>                                                 |                       |                           |                           |                                               |                                               |                          |                         |                   |
| <b>Social Security Corporation Equity -</b>                          |                       |                           |                           |                                               |                                               |                          |                         |                   |
| Social Security Corporation current account                          | -                     | -                         | -                         | -                                             | -                                             | -                        | 7,409,339               | 7,409,339         |
| Social Security Corporation current account -<br>Unemployment Fund   | -                     | -                         | -                         | -                                             | -                                             | -                        | 93,573                  | 93,573            |
| Fair value reserve                                                   | -                     | -                         | -                         | -                                             | -                                             | -                        | 587,384                 | 587,384           |
| Accumulated surplus of revenues over expenses                        | -                     | -                         | -                         | -                                             | -                                             | -                        | 6,727,387               | 6,727,387         |
| <b>Total Social Security Corporation Equity</b>                      | <b>-</b>              | <b>-</b>                  | <b>-</b>                  | <b>-</b>                                      | <b>-</b>                                      | <b>-</b>                 | <b>14,817,683</b>       | <b>14,817,683</b> |
| <b>Liabilities -</b>                                                 |                       |                           |                           |                                               |                                               |                          |                         |                   |
| Other liabilities                                                    | -                     | -                         | -                         | -                                             | -                                             | -                        | 19,886                  | 19,886            |
| Income tax provision                                                 | -                     | -                         | -                         | -                                             | -                                             | -                        | 512                     | 512               |
| <b>Total liabilities</b>                                             | <b>-</b>              | <b>-</b>                  | <b>-</b>                  | <b>-</b>                                      | <b>-</b>                                      | <b>-</b>                 | <b>20,398</b>           | <b>20,398</b>     |
| <b>Total Social Security Corporation Equity and</b>                  |                       |                           |                           |                                               |                                               |                          |                         |                   |
| <b>Liabilities</b>                                                   | <b>-</b>              | <b>-</b>                  | <b>-</b>                  | <b>-</b>                                      | <b>-</b>                                      | <b>-</b>                 | <b>14,838,081</b>       | <b>14,838,081</b> |
| <b>Sensitivity variance</b>                                          | <b>503,509</b>        | <b>657,974</b>            | <b>608,013</b>            | <b>1,066,301</b>                              | <b>2,582,163</b>                              | <b>5,689,657</b>         | <b>(11,107,617)</b>     | <b>-</b>          |
| <b>Accumulated sensitivity variance</b>                              | <b>503,509</b>        | <b>1,161,483</b>          | <b>1,769,496</b>          | <b>2,835,797</b>                              | <b>5,417,960</b>                              | <b>11,107,617</b>        | <b>-</b>                | <b>-</b>          |

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**SHARE PRICE RISK**

Share price risk represents the risk resulting from changes in fair value of investment in shares. The Fund manages these risks by diversifying investments in several economic sectors and geographical areas. The investment in shares included within the separate financial statements are mainly listed in Amman Stock Exchange.

The following table demonstrates the sensitivity of the separate statement of revenues and expenses (financial assets at fair value through profit or loss) and Social Security Corporation equity (financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income and investments in subsidiaries and associates) as a result of possible and reasonable changes in share prices, assuming that other variables held constant:

|                          | Change in<br>indicator | Effect on surplus of<br>revenues over<br>expenses for the<br>year | Effect on items<br>of other<br>comprehensive<br>income | Effect on Social<br>Security Corporation<br>equity |
|--------------------------|------------------------|-------------------------------------------------------------------|--------------------------------------------------------|----------------------------------------------------|
| 2024-                    | %                      |                                                                   |                                                        |                                                    |
| <b>Indicator</b>         |                        |                                                                   |                                                        |                                                    |
| Amman stock exchange     | 5                      | 6,343                                                             | 105,559                                                | 111,902                                            |
| Palestine stock exchange | 5                      | 475                                                               | -                                                      | 475                                                |
|                          |                        | <u>6,818</u>                                                      | <u>105,559</u>                                         | <u>112,377</u>                                     |
| <b>2023-</b>             |                        |                                                                   |                                                        |                                                    |
| <b>Indicator</b>         |                        |                                                                   |                                                        |                                                    |
| Amman stock exchange     | 5                      | 6,519                                                             | 98,214                                                 | 104,733                                            |
| Palestine stock exchange | 5                      | 570                                                               | -                                                      | 570                                                |
|                          |                        | <u>7,089</u>                                                      | <u>98,214</u>                                          | <u>105,303</u>                                     |

The effect of the decreases in share prices with the same percentage is expected to be equal and opposite to the effect of the increases shown above.

**FOREIGN CURRENCY RISK**

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to the changes in foreign exchange rates. The Fund's functional currency is the Jordanian Dinar, and the US Dollar is considered as the base currency for foreign investments. Therefore, due to the fact that the Jordanian Dinar is fixed against the US Dollar, the Fund is not exposed to significant currencies risk in relation to the US Dollar. Furthermore, the Fund does not have any obligations in foreign currencies, accordingly, no hedging was performed against their obligations.

**LIQUIDITY RISK**

Liquidity risk is defined as the Fund's inability to cover its obligations at their respective due dates. Since the Fund does not have short term and middle term obligations, the liquidity is managed to provide the required funding for investing activities to balance between the maturities of investment instruments and investment obligations.

The contractual maturity dates of assets are determined based on the remaining period of the contractual maturity date without taking into account the actual benefits reflected by the historical facts to maintain deposits and provide liquidity.

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The following table summarizes the maturities of assets and liabilities:

| <b>2024 -</b>                                                      | Up to one month | One to three months | Three to six months | More than six months up to a year | More than one year up to three years | More than three years | Non-interest bearing | Total             |
|--------------------------------------------------------------------|-----------------|---------------------|---------------------|-----------------------------------|--------------------------------------|-----------------------|----------------------|-------------------|
| <b><u>Assets -</u></b>                                             |                 |                     |                     |                                   |                                      |                       |                      |                   |
| Bank balances                                                      | 163             | -                   | -                   | -                                 | -                                    | -                     | -                    | 163               |
| Deposits at banks and financial institutions                       | 360,270         | 525,461             | 668,380             | 370,245                           | -                                    | -                     | -                    | 1,924,356         |
| Financial assets at fair value through profit or loss              | -               | -                   | -                   | -                                 | -                                    | -                     | 136,354              | 136,354           |
| Loans and granted debts                                            | 9,732           | 13,564              | 34,183              | 34,048                            | 171,488                              | 288,652               | -                    | 551,667           |
| Financial assets at fair value through other comprehensive income  | -               | -                   | -                   | -                                 | -                                    | -                     | 1,651,465            | 1,651,465         |
| Investments in subsidiaries                                        | -               | -                   | -                   | -                                 | -                                    | -                     | 254,220              | 254,220           |
| Investments in associates                                          | -               | -                   | -                   | -                                 | -                                    | -                     | 409,620              | 409,620           |
| Financial assets at amortized cost                                 | 110,758         | 495,696             | 353,304             | 220,512                           | 3,333,331                            | 5,291,771             | -                    | 9,805,372         |
| Due from related parties                                           | -               | -                   | -                   | -                                 | -                                    | -                     | 32,247               | 32,247            |
| Investments properties                                             | -               | -                   | -                   | -                                 | -                                    | -                     | 865,874              | 865,874           |
| Investments in joint operations                                    | -               | -                   | -                   | -                                 | -                                    | -                     | 15                   | 15                |
| Investments in hotels                                              | -               | -                   | -                   | -                                 | -                                    | -                     | 262,787              | 262,787           |
| Property and equipment                                             | -               | -                   | -                   | -                                 | -                                    | -                     | 5,556                | 5,556             |
| Other assets                                                       | -               | -                   | -                   | -                                 | -                                    | -                     | 275,577              | 275,577           |
| <b>Total Assets</b>                                                | <b>480,923</b>  | <b>1,034,721</b>    | <b>1,055,867</b>    | <b>624,805</b>                    | <b>3,504,819</b>                     | <b>5,580,423</b>      | <b>3,893,715</b>     | <b>16,175,273</b> |
| <b><u>Social Security Corporation equity and Liabilities -</u></b> |                 |                     |                     |                                   |                                      |                       |                      |                   |
| <b>Social Security Corporation Equity -</b>                        |                 |                     |                     |                                   |                                      |                       |                      |                   |
| Social Security Corporation current account                        | -               | -                   | -                   | -                                 | -                                    | -                     | 7,717,691            | 7,717,691         |
| Social Security Corporation current account – Unemployment Fund    | -               | -                   | -                   | -                                 | -                                    | -                     | 98,838               | 98,838            |
| Fair value reserve                                                 | -               | -                   | -                   | -                                 | -                                    | -                     | 716,552              | 716,552           |
| Accumulated surplus of revenues over expenses                      | -               | -                   | -                   | -                                 | -                                    | -                     | 7,622,550            | 7,622,550         |
| <b>Total Social Security Corporation Equity</b>                    | <b>-</b>        | <b>-</b>            | <b>-</b>            | <b>-</b>                          | <b>-</b>                             | <b>-</b>              | <b>16,155,631</b>    | <b>16,155,631</b> |
| <b>Liabilities -</b>                                               |                 |                     |                     |                                   |                                      |                       |                      |                   |
| Other liabilities                                                  | -               | -                   | -                   | -                                 | -                                    | 19,100                | -                    | 19,100            |
| Income tax provision                                               | -               | -                   | 542                 | -                                 | -                                    | -                     | -                    | 542               |
| <b>Total liabilities</b>                                           | <b>-</b>        | <b>-</b>            | <b>542</b>          | <b>-</b>                          | <b>-</b>                             | <b>19,100</b>         | <b>-</b>             | <b>19,642</b>     |
| <b>Total Social Security Corporation Equity and Liabilities</b>    | <b>-</b>        | <b>-</b>            | <b>542</b>          | <b>-</b>                          | <b>-</b>                             | <b>19,100</b>         | <b>16,155,631</b>    | <b>16,175,273</b> |

**SOCIAL SECURITY CORPORATION – SOCIAL SECURITY INVESTMENT FUND**  
**NOTES TO THE SEPARATE FINANCIAL STATEMENTS**  
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| <b>2023 -</b>                                                     | Up to one month | One to three months | Three to six months | More than six months up to a year | More than one year up to three years | More than three years | Non-interest bearing | Total             |
|-------------------------------------------------------------------|-----------------|---------------------|---------------------|-----------------------------------|--------------------------------------|-----------------------|----------------------|-------------------|
| <b>Assets -</b>                                                   |                 |                     |                     |                                   |                                      |                       |                      |                   |
| Bank balances                                                     | 333             | -                   | -                   | -                                 | -                                    | -                     | -                    | 333               |
| Deposits at banks and financial institutions                      | 192,545         | 458,530             | 416,869             | 757,763                           | -                                    | -                     | -                    | 1,825,707         |
| Financial assets at fair value through profit or loss             | -               | -                   | -                   | -                                 | -                                    | -                     | 141,795              | 141,795           |
| Loans and granted debts                                           | 3,277           | 11,236              | 22,802              | 15,272                            | 164,884                              | 328,120               | -                    | 545,591           |
| Financial assets at fair value through other comprehensive income | -               | -                   | -                   | -                                 | -                                    | -                     | 1,529,187            | 1,529,187         |
| Investments in subsidiaries                                       | -               | -                   | -                   | -                                 | -                                    | -                     | 287,014              | 287,014           |
| Investments in associates                                         | -               | -                   | -                   | -                                 | -                                    | -                     | 371,583              | 371,583           |
| Financial assets at amortized cost                                | 307,354         | 183,998             | 166,052             | 299,766                           | 2,417,279                            | 5,361,537             | -                    | 8,735,986         |
| Due from related parties                                          | -               | -                   | -                   | -                                 | -                                    | -                     | 28,818               | 28,818            |
| Investments properties                                            | -               | -                   | -                   | -                                 | -                                    | -                     | 850,943              | 850,943           |
| Investments in joint operations                                   | -               | -                   | -                   | -                                 | -                                    | -                     | 15                   | 15                |
| Investments in hotels                                             | -               | -                   | -                   | -                                 | -                                    | -                     | 262,753              | 262,753           |
| Property and equipment                                            | -               | -                   | -                   | -                                 | -                                    | -                     | 5,404                | 5,404             |
| Other assets                                                      | -               | -                   | -                   | -                                 | -                                    | -                     | 252,952              | 252,952           |
| <b>Total Assets</b>                                               | <b>503,509</b>  | <b>653,764</b>      | <b>605,723</b>      | <b>1,072,801</b>                  | <b>2,582,163</b>                     | <b>5,689,657</b>      | <b>3,730,464</b>     | <b>14,838,081</b> |
| <b>Social Security Corporation Equity and Liabilities -</b>       |                 |                     |                     |                                   |                                      |                       |                      |                   |
| <b>Social Security Corporation Equity -</b>                       |                 |                     |                     |                                   |                                      |                       |                      |                   |
| Social Security Corporation current account                       | -               | -                   | -                   | -                                 | -                                    | -                     | 7,409,339            | 7,409,339         |
| Social Security Corporation current account – Unemployment Fund   | -               | -                   | -                   | -                                 | -                                    | -                     | 93,573               | 93,573            |
| Fair value reserve                                                | -               | -                   | -                   | -                                 | -                                    | -                     | 587,384              | 587,384           |
| Accumulated surplus of revenues over expenses                     | -               | -                   | -                   | -                                 | -                                    | -                     | 6,727,387            | 6,727,387         |
| <b>Total Social Security Corporation Equity</b>                   | <b>-</b>        | <b>-</b>            | <b>-</b>            | <b>-</b>                          | <b>-</b>                             | <b>-</b>              | <b>14,817,683</b>    | <b>14,817,683</b> |
| <b>Liabilities -</b>                                              |                 |                     |                     |                                   |                                      |                       |                      |                   |
| Other liabilities                                                 | -               | -                   | -                   | -                                 | -                                    | 19,886                | -                    | 19,886            |
| Income tax provision                                              | -               | -                   | 512                 | -                                 | -                                    | -                     | -                    | 512               |
| <b>Total liabilities</b>                                          | <b>-</b>        | <b>-</b>            | <b>512</b>          | <b>-</b>                          | <b>-</b>                             | <b>19,886</b>         | <b>-</b>             | <b>20,398</b>     |
| <b>Total Social Security Corporation Equity and Liabilities</b>   | <b>-</b>        | <b>-</b>            | <b>512</b>          | <b>-</b>                          | <b>-</b>                             | <b>19,886</b>         | <b>14,817,683</b>    | <b>14,838,081</b> |

**SOCIAL SECURITY CORPORATION – SOCIAL SECURITY INVESTMENT FUND**  
**NOTES TO THE SEPARATE FINANCIAL STATEMENTS**  
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**(IN THOUSANDS OF JORDANIAN DINARS)**

**(30) SEGMENT INFORMATION**

Assets and liabilities are distributed according to business segments as follows:

|                            | 2024              |               | 2023              |               |
|----------------------------|-------------------|---------------|-------------------|---------------|
|                            | Assets            | Liabilities   | Assets            | Liabilities   |
| <b>Business segments</b>   |                   |               |                   |               |
| Financial investments      | 14,069,377        | -             | 12,778,599        | -             |
| Investments in associates  | 409,620           | -             | 371,583           | -             |
| Investment properties      | 865,874           | -             | 850,943           | -             |
| Investment in hotels       | 262,787           | -             | 262,753           | -             |
| Investment in subsidiaries | 254,220           | -             | 287,014           | -             |
| Others                     | 313,395           | 19,642        | 287,189           | 20,398        |
|                            | <u>16,175,273</u> | <u>19,642</u> | <u>14,838,081</u> | <u>20,398</u> |

The Fund and its subsidiaries mainly operate in the Hashemite Kingdom of Jordan and its assets and liabilities are distributed according to the following geographical regions:

|                            | 2024              |               | 2023              |               |
|----------------------------|-------------------|---------------|-------------------|---------------|
|                            | Assets            | Liabilities   | Assets            | Liabilities   |
| <b>Geographical region</b> |                   |               |                   |               |
| Inside the Kingdom         | 16,165,774        | 19,642        | 14,826,673        | 20,398        |
| Arab countries (Note 6)    | 9,499             | -             | 11,408            | -             |
|                            | <u>16,175,273</u> | <u>19,642</u> | <u>14,838,081</u> | <u>20,398</u> |

The Fund's revenues and capital expenses are distributed according to business sectors as follows:

|                             | 2024           |              | 2023           |              |
|-----------------------------|----------------|--------------|----------------|--------------|
|                             | Revenues       | Expenses     | Revenues       | Expenses     |
| <b>Business segments</b>    |                |              |                |              |
| Financial investments       | 872,692        | -            | 746,774        | -            |
| Investments in associates   | 27,270         | -            | 26,281         | -            |
| Investments in subsidiaries | 10,862         | -            | 11,561         | -            |
| Investment properties       | (2,124)        | -            | 18,260         | -            |
| Others                      | 1,813          | 4,301        | (720)          | 4,132        |
|                             | <u>910,513</u> | <u>4,301</u> | <u>802,156</u> | <u>4,132</u> |

**SOCIAL SECURITY CORPORATION – SOCIAL SECURITY INVESTMENT FUND**  
**NOTES TO THE SEPARATE FINANCIAL STATEMENTS**  
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The following table sets out the distribution of the Fund's revenues and capital expenses inside and outside Jordan:

|                       | Inside Jordan |         | Outside Jordan |       | Total   |         |
|-----------------------|---------------|---------|----------------|-------|---------|---------|
|                       | 2024          | 2023    | 2024           | 2023  | 2024    | 2023    |
| Total revenues        | 889,315       | 802,933 | 1,459          | 1,045 | 890,774 | 803,978 |
| Capital expenditure   | 489           | 222     | -              | -     | 489     | 222     |
| Depreciation expenses | 336           | 271     | -              | -     | 336     | 271     |

**(31) CONTINGENT LIABILITIES**

There are no bank guarantees or letters of credit as of 31 December 2024 and 2023.

**(32) LAWSUITS**

As at 31 December 2024, the Fund was defendant in a number of lawsuits which amounted to JD 591 thousand (31 December 2023: JD 924 thousand). In the opinion of the management and the legal counselor, the Fund's position is moderate and the recorded provision of JD 81 thousand (note 17) is sufficient for any future commitments against these lawsuits.

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

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

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

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

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

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

The Fund is currently not intending to early adopt the Amendments.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**(34) COMPARATIVE FIGURES**

The Fund has reclassified some of 2023 figures in order to conform with the figures for the year ended 31 December 2024. Such reclassification did not affect previously reported surplus of revenues over expenses or social security corporation equity for the year 2023.



# Consolidated Financial Statements 2024

**SOCIAL SECURITY CORPORATION –**

**SOCIAL SECURITY INVESTMENT FUND**

**CONSOLIDATED FINANCIAL STATEMENTS**

**31 DECEMBER 2024**

**INDEPENDENT AUDITOR'S REPORT  
TO HIS EXCELLENCY THE CHAIRMAN AND THE MEMBERS OF INVESTMENT BOARD  
SOCIAL SECURITY CORPORATION – SOCIAL SECURITY INVESTMENT FUND  
AMMAN - JORDAN**

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

**Opinion**

We have audited the consolidated financial statements of Social Security Investment Fund (the "Fund") and its subsidiaries (together referred to as the "Group"), which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of revenues and expenses, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

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

**Basis for Opinion**

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

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

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

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

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

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

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

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

**SOCIAL SECURITY CORPORATION – SOCIAL SECURITY INVESTMENT FUND**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2024**  
**(IN THOUSANDS OF JORDANIAN DINARS)**

|                                                                  | Notes | 2024              | 2023              |
|------------------------------------------------------------------|-------|-------------------|-------------------|
| <b><u>Assets</u></b>                                             |       |                   |                   |
| Cash and bank balances                                           | 3     | 17,528            | 22,623            |
| Deposits at banks and financial institutions                     | 4     | 2,004,504         | 1,921,614         |
| Financial assets at fair value through profit and loss           | 5     | 136,354           | 141,795           |
| Loans and granted debts, net                                     | 6     | 496,804           | 499,240           |
| Financial asset at fair value through other comprehensive income | 7     | 1,730,457         | 1,601,068         |
| Investments in associates                                        | 8     | 636,447           | 542,084           |
| Financial assets at amortized cost                               | 9     | 9,805,937         | 8,735,986         |
| Subscribers' contributions and rural files assets                | 10    | 212,023           | 205,888           |
| Projects in progress                                             | 11    | 137,064           | 122,222           |
| Inventories                                                      | 12    | 35,457            | 33,255            |
| Property and equipment, net                                      | 13    | 431,431           | 408,664           |
| Investment properties                                            | 14    | 914,160           | 898,449           |
| Investments in joint operations                                  | 15    | 15                | 15                |
| Investments in a joint venture                                   | 16    | 1,379             | -                 |
| Due from related parties                                         | 38/A  | 7,955             | 181               |
| Intangible assets, net                                           | 17    | 61,105            | 65,356            |
| Other assets                                                     | 18    | 584,389           | 419,129           |
| <b>Total assets</b>                                              |       | <b>17,213,009</b> | <b>15,617,569</b> |
| <b><u>Liabilities and Equity</u></b>                             |       |                   |                   |
| <b><u>Liabilities-</u></b>                                       |       |                   |                   |
| Subscribers' contributions and rural files liabilities           | 10    | 212,023           | 205,888           |
| Electricity service subscribers' deposits                        | 19    | 96,592            | 90,838            |
| Advance payments from electricity subscribers                    | 20    | 27,411            | 24,751            |
| Due to National Electric Power Company                           | 21    | 290,827           | 143,949           |
| Bank loans                                                       | 22    | 129,744           | 117,959           |
| Income tax provision                                             | 45    | 6,394             | 5,914             |
| End of service indemnity provision                               | 23    | 24,498            | 24,078            |
| Due to banks                                                     | 24    | 27,683            | 35,692            |
| Due to related parties                                           | 38/B  | 88                | 537               |
| Other liabilities                                                | 25    | 219,522           | 205,026           |
| <b>Total liabilities</b>                                         |       | <b>1,034,782</b>  | <b>854,632</b>    |
| <b><u>Equity-</u></b>                                            |       |                   |                   |
| <b><u>Social Security Corporation Equity-</u></b>                |       |                   |                   |
| Social security corporation current account                      |       | 7,652,546         | 7,349,136         |
| Social security corporation current account – unemployment fund  | 28    | 98,838            | 93,573            |
| Property and equipment revaluation reserve                       | 26    | 87,804            | 31,812            |
| Fair value reserve, net                                          | 27    | 582,475           | 453,487           |
| Cash flow hedges reserve                                         |       | 4,371             | 3,860             |
| Surplus of revenues over accumulated expenses                    |       | 7,695,523         | 6,779,205         |
| <b>Net Social Security Corporation Equity</b>                    |       | <b>16,121,557</b> | <b>14,711,073</b> |
| Non-controlling interest                                         |       | 56,670            | 51,864            |
| <b>Net Equity</b>                                                |       | <b>16,178,227</b> | <b>14,762,937</b> |
| <b>Total liabilities and equity</b>                              |       | <b>17,213,009</b> | <b>15,617,569</b> |

The attached notes from 1 to 47 represent part of these consolidated financial statements

**SOCIAL SECURITY CORPORATION – SOCIAL SECURITY INVESTMENT FUND**  
**CONSOLIDATED STATEMENT OF REVENUES AND EXPENSES**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**  
**(IN THOUSANDS OF JORDANIAN DINARS)**

|                                                                  | <u>Notes</u> | <u>2024</u> | <u>2023</u> |
|------------------------------------------------------------------|--------------|-------------|-------------|
| <b>Operating revenues -</b>                                      |              |             |             |
| Hotels                                                           |              | 25,097      | 38,680      |
| Press and publication                                            |              | 5,039       | 5,764       |
| Energy                                                           |              | 616,481     | 581,998     |
| Commercial                                                       |              | 80,476      | 66,821      |
| Others                                                           |              | 6,972       | 8,256       |
| <b>Gross revenues</b>                                            |              | 734,065     | 701,519     |
| Cost of revenues                                                 |              | (576,953)   | (542,206)   |
| <b>Net operating revenues</b>                                    | 30           | 157,112     | 159,313     |
| <br>                                                             |              |             |             |
| Interest income                                                  | 31           | 739,380     | 642,266     |
| Losses on financial assets at fair value through profit and loss | 32           | (5,236)     | (3,912)     |
| Group's share of associates' net operating results               | 8            | 69,132      | 51,785      |
| Group's share of a joint venture's operating results             | 16           | (498)       | -           |
| (Losses) gains on investment properties, net                     | 33           | (1,017)     | 28,096      |
| Cash dividends distribution                                      | 34           | 127,898     | 115,572     |
| Other revenues                                                   |              | 31,625      | 19,861      |
| <b>Net revenues</b>                                              |              | 1,118,396   | 1,012,981   |
| <br>                                                             |              |             |             |
| <b>Expenses -</b>                                                |              |             |             |
| General and administrative expenses                              | 35           | (98,122)    | (90,579)    |
| Energy and maintenance expenses                                  |              | (14,489)    | (15,099)    |
| Selling and distribution expenses                                |              | (7,445)     | (7,037)     |
| Depreciation of property and equipment                           | 13           | (33,870)    | (32,134)    |
| Amortization of intangible assets                                | 17           | (4,319)     | (4,316)     |
| Provision for expected credit losses                             |              | (2,149)     | (3,214)     |
| Provision for slow-moving inventory                              | 12           | (795)       | (633)       |
| Finance costs                                                    | 36           | (8,926)     | (7,845)     |
| Recovered from (provision of) contingent liabilities             | 25           | 1,977       | (1,092)     |
| Other expenses                                                   |              | (3,271)     | (2,547)     |
| <b>Total expenses</b>                                            |              | (171,409)   | (164,496)   |
| Surplus of revenues over expenses for the year before income tax |              | 946,987     | 848,485     |
| Income tax expense                                               | 45           | (7,574)     | (7,359)     |
| <b>Surplus of revenues over expenses for the year</b>            |              | 939,413     | 841,126     |
| <br>                                                             |              |             |             |
| <b>Attributable to:</b>                                          |              |             |             |
| Social Security Investment Fund                                  |              | 926,441     | 831,654     |
| Non-controlling interest                                         |              | 12,972      | 9,472       |
|                                                                  |              | 939,413     | 841,126     |

The attached notes from 1 to 47 represent part of these consolidated financial statements

**SOCIAL SECURITY CORPORATION – SOCIAL SECURITY INVESTMENT FUND**  
**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**  
**(IN THOUSANDS OF JORDANIAN DINARS)**

|                                                                                                                  | 2024             | 2023           |
|------------------------------------------------------------------------------------------------------------------|------------------|----------------|
| Surplus of revenues over expenses for the year                                                                   | 939,413          | 841,126        |
| <b>Add: other comprehensive income not to be reclassified<br/>to revenues and expenses in subsequent periods</b> |                  |                |
| Change in fair value of financial assets through other<br>comprehensive income                                   | 124,163          | (138,803)      |
| Group's share of net gains (losses) of hedging cash flow                                                         | 730              | (870)          |
| <b>Total comprehensive income for the year</b>                                                                   | <b>1,064,306</b> | <b>701,453</b> |
| <b>Attributable to:</b>                                                                                          |                  |                |
| Social Security Investment Fund                                                                                  | 1,051,082        | 692,237        |
| Non-controlling interest                                                                                         | 13,224           | 9,216          |
|                                                                                                                  | <b>1,064,306</b> | <b>701,453</b> |

The attached notes from 1 to 47 represent part of these consolidated financial statements

**SOCIAL SECURITY CORPORATION – SOCIAL SECURITY INVESTMENT FUND**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**  
**(IN THOUSANDS OF JORDANIAN DINARS)**

|                                                                                | Social Security Corporation current account | Social Security Corporation current account – Unemployment Fund | Property and equipment revaluation reserve | Fair value reserve, net | Cash flow hedges reserve | Surplus of revenues over accumulated expenses | Net Social Security Corporation equity | Non-controlling interest | Net equity        |
|--------------------------------------------------------------------------------|---------------------------------------------|-----------------------------------------------------------------|--------------------------------------------|-------------------------|--------------------------|-----------------------------------------------|----------------------------------------|--------------------------|-------------------|
| <b>2024-</b>                                                                   |                                             |                                                                 |                                            |                         |                          |                                               |                                        |                          |                   |
| Balance as at 1 January 2024                                                   | 7,349,136                                   | 93,573                                                          | 31,812                                     | 453,487                 | 3,860                    | 6,779,205                                     | 14,711,073                             | 51,864                   | 14,762,937        |
| Surplus of revenues over expenses for the year                                 | -                                           | -                                                               | -                                          | -                       | -                        | 926,441                                       | 926,441                                | 12,972                   | 939,413           |
| Change in fair value of financial assets through other comprehensive income    | -                                           | -                                                               | -                                          | 124,130                 | -                        | -                                             | 124,130                                | 33                       | 124,163           |
| Group's share of the gain from cash flow hedges reserve (Note 8)               | -                                           | -                                                               | -                                          | -                       | 511                      | -                                             | 511                                    | 219                      | 730               |
| Group's share of the property and equipment revaluation (Note 8)               | -                                           | -                                                               | 55,992                                     | -                       | -                        | -                                             | 55,992                                 | -                        | 55,992            |
| Realized losses on sale of financial assets through other comprehensive income | -                                           | -                                                               | -                                          | 4,858                   | -                        | (4,858)                                       | -                                      | (50)                     | (50)              |
| Cash transferred during the year, net                                          | 303,410                                     | -                                                               | -                                          | -                       | -                        | -                                             | 303,410                                | -                        | 303,410           |
| Transfers to the unemployment fund, net                                        | -                                           | 5,265                                                           | -                                          | -                       | -                        | (5,265)                                       | -                                      | -                        | -                 |
| Net change in non-controlling interest                                         | -                                           | -                                                               | -                                          | -                       | -                        | -                                             | -                                      | (8,368)                  | (8,368)           |
| <b>Balance as at 31 December 2024</b>                                          | <b>7,652,546</b>                            | <b>98,838</b>                                                   | <b>87,804</b>                              | <b>582,475</b>          | <b>4,371</b>             | <b>7,695,523</b>                              | <b>16,121,557</b>                      | <b>56,670</b>            | <b>16,178,227</b> |
| <b>2023-</b>                                                                   |                                             |                                                                 |                                            |                         |                          |                                               |                                        |                          |                   |
| Balance as at 1 January 2023                                                   | 6,972,968                                   | 84,910                                                          | 31,812                                     | 577,896                 | 4,469                    | 5,966,777                                     | 13,638,832                             | 53,427                   | 13,692,259        |
| Surplus of revenues over expenses for the year                                 | -                                           | -                                                               | -                                          | -                       | -                        | 831,654                                       | 831,654                                | 9,472                    | 841,126           |
| Change in fair value of financial assets through other comprehensive income    | -                                           | -                                                               | -                                          | (138,808)               | -                        | -                                             | (138,808)                              | 5                        | (138,803)         |
| Group's share of the losses from cash flow hedges reserve                      | -                                           | -                                                               | -                                          | -                       | (609)                    | -                                             | (609)                                  | (261)                    | (870)             |
| Realized losses on sale of financial assets through other comprehensive income | -                                           | -                                                               | -                                          | 14,399                  | -                        | (14,399)                                      | -                                      | -                        | -                 |
| Cash transferred during the year, net                                          | 376,168                                     | 3,836                                                           | -                                          | -                       | -                        | -                                             | 380,004                                | -                        | 380,004           |
| Transfers to the unemployment fund, net                                        | -                                           | 4,827                                                           | -                                          | -                       | -                        | (4,827)                                       | -                                      | -                        | -                 |
| Net change in non-controlling interest                                         | -                                           | -                                                               | -                                          | -                       | -                        | -                                             | -                                      | (10,779)                 | (10,779)          |
| <b>Balance as at 31 December 2023</b>                                          | <b>7,349,136</b>                            | <b>93,573</b>                                                   | <b>31,812</b>                              | <b>453,487</b>          | <b>3,860</b>             | <b>6,779,205</b>                              | <b>14,711,073</b>                      | <b>51,864</b>            | <b>14,762,937</b> |

The attached notes from 1 to 47 represent part of these consolidated financial statements

**SOCIAL SECURITY CORPORATION – SOCIAL SECURITY INVESTMENT FUND**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**  
**(IN THOUSANDS OF JORDANIAN DINARS)**

|                                                                                           | Notes | 2024               | 2023               |
|-------------------------------------------------------------------------------------------|-------|--------------------|--------------------|
| <b><u>Operating activities</u></b>                                                        |       |                    |                    |
| Surplus of revenues over expenses for the year before income tax                          |       | 946,987            | 848,485            |
| <b>Adjustments -</b>                                                                      |       |                    |                    |
| Depreciation of property and equipment                                                    | 13    | 33,870             | 32,134             |
| Amortization of intangible assets                                                         | 17    | 4,319              | 4,316              |
| Depreciation on right-of-use assets                                                       | 35    | 1,024              | 781                |
| Group's share of a joint venture's operating results                                      | 16    | 498                | -                  |
| End of service indemnity provision                                                        | 35    | 2,233              | 3,987              |
| Group's share of associates' net operating results                                        | 8     | (69,132)           | (51,785)           |
| Losses of valuation of financial assets at fair value through profit and loss             | 32    | 5,217              | 4,046              |
| Realized losses (gains) on sale of financial assets at fair value through profit and loss | 32    | 18                 | (136)              |
| Provision for slow-moving inventory                                                       | 12    | 795                | 633                |
| Provision for expected credit losses                                                      |       | 2,149              | 3,214              |
| Losses (gains) on investment property valuation at fair value                             | 33    | 9,617              | (22,425)           |
| Finance costs                                                                             |       | 8,926              | 7,845              |
| (Recovered from) provision for contingent liabilities                                     | 25    | (1,977)            | 1,092              |
| <b>Working capital changes -</b>                                                          |       |                    |                    |
| Deposits at banks and financial institutions with maturity of more than three months      |       | 143,145            | (568,956)          |
| Financial assets at fair value through profit and loss                                    |       | 206                | 421                |
| Inventories                                                                               |       | (2,997)            | 2,461              |
| Other assets                                                                              |       | (168,051)          | 20,457             |
| Electricity service subscribers' deposits                                                 |       | 5,754              | 5,382              |
| Advance payments from electricity subscribers                                             |       | 2,660              | 2,201              |
| Due to National Electric Power Company                                                    |       | 146,878            | (83,588)           |
| Due to related parties                                                                    |       | (449)              | 482                |
| Other liabilities                                                                         |       | 16,489             | 2,958              |
| Payments of end of service indemnity                                                      | 23    | (2,535)            | (3,496)            |
| Income tax paid                                                                           | 45    | (7,324)            | (12,004)           |
| <b>Net cash flows from operating activities</b>                                           |       | <b>1,078,320</b>   | <b>198,505</b>     |
| <b><u>Investing activities</u></b>                                                        |       |                    |                    |
| Financial assets at fair value through other comprehensive income                         |       | (3,729)            | 632                |
| Financial assets at amortized cost                                                        |       | (1,071,554)        | (865,299)          |
| Investments in associates                                                                 | 8     | 2,304              | 3,318              |
| Dividends received from associates                                                        | 8     | 27,640             | 26,580             |
| Investment properties                                                                     | 14    | (25,328)           | (11,892)           |
| Property and equipment and projects in progress, net                                      |       | (70,757)           | (66,211)           |
| Loans and granted debts                                                                   |       | 2,366              | (100,919)          |
| Investments in a joint venture                                                            | 16    | (1,877)            | -                  |
| Due from related parties                                                                  |       | (7,774)            | 70                 |
| Intangible assets                                                                         | 17    | (68)               | (43)               |
| <b>Net cash flows used in investing activities</b>                                        |       | <b>(1,148,777)</b> | <b>(1,013,764)</b> |
| <b><u>Financing activities</u></b>                                                        |       |                    |                    |
| Net amounts transferred from Social Security Corporation                                  |       | 303,410            | 380,004            |
| Bank loans                                                                                |       | 11,785             | 47,330             |
| Dividends distribution to non-controlling interest                                        |       | (8,368)            | (10,779)           |
| Finance costs paid                                                                        |       | (8,926)            | (7,845)            |
| Paid from contingent liabilities provision                                                | 25    | (16)               | (1,211)            |
| <b>Net cash flows from financing activities</b>                                           |       | <b>297,885</b>     | <b>407,499</b>     |
| <b>Net increase (decrease) in cash and cash equivalents</b>                               |       | <b>227,428</b>     | <b>(407,760)</b>   |
| Cash and cash equivalents at 1 January                                                    |       | 680,829            | 1,088,589          |
| <b>Cash and cash equivalents at 31 December</b>                                           | 37    | <b>908,257</b>     | <b>680,829</b>     |

The attached notes from 1 to 47 represent part of these consolidated financial statements

**SOCIAL SECURITY CORPORATION – SOCIAL SECURITY INVESTMENT FUND**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**31 DECEMBER 2024**

**(IN THOUSANDS OF JORDANIAN DINARS)**

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**(1) GENERAL**

Social Security Investment Fund was established in accordance with the Social Security Fund's Investment Law No. (111) for the year 2001 and in conjunction with article (76) of the Social Security Law No. (19) for the year 2001. The date 1 January 2003 was considered the date for commencing the Fund's activities, as the balances of investment accounts and other related accounts on that date were transferred from the records of the Social Security Corporation to the records of the Fund pursuant to the decision of the Board of Directors of the Social Security Corporation No. 1/2003 dated 2 January 2003.

In accordance with Social Security temporary law No. (7) of 2010 the name of the Investment Fund was modified to become "Social Security Investment Fund" (The Fund). The Fund's registered address Abdul Rahman Arshidat St. Shmeisani, P.O.Box 850633, Amman 11185, The Hashemite Kingdom of Jordan.

The Fund's main activity is to manage the investments of the Social Security Corporation in a manner that ensures the development of its financial resources, and in order to achieve the Social Security Corporation's objectives, the Fund undertakes the following tasks:

- Establishing projects in cooperation with the public and private sectors on corporation investments.
- Underwriting purchasing and selling of bonds, bills and other securities.
- Purchasing and selling quoted or unquoted shares in Amman Stock Exchange.
- Investing in cash deposits with the banking system with appropriate returns.
- Contributing in mutual investment funds.
- Contributing in the financing of national projects of economic feasibility by providing long-term loans and against appropriate guarantees.
- Purchase, sale and development of properties for the purpose of acquisition, participation, investment or trading.
- Carry out any investment activities approved by the Investment Board and approved by the Board of Directors of the Social Security Corporation.
- Conducting economic feasibility studies for the projects it intends to invest in, and in this field, to use the role of experts and specialists.
- Follow-up on the performance of the institutions in which the corporation contributes, and report on the performance of these companies, along with recommendations to the Board of Investment.

The Investment Fund is committed to the general investment policy of the corporation and the overall plan for investing its funds, as approved by the council, including the following:

- Maximizing the market value of assets.
- Adhering to the targeted ratios for investment portfolios and the targeted investment range approved by the council based on the recommendation of the Investment Board.
- Complying with the evaluation model approved by the Investment Board for assessing investment projects.
- Working to align the maturities of debt instruments with the results of actuarial studies.
- Reducing risks by diversifying the corporation's investments among different investment instruments.
- Adhering to quantitative restrictions on external investments classified geographically and economically, as approved by the council.
- The council issues the necessary instructions to define investment objectives, criteria, mechanisms, and investment determinants.

The consolidated financial statements of the Social Security Investment Fund for the year 2024 have been approved by the Board of Directors on its meeting held on 30 June 2025.

**SOCIAL SECURITY CORPORATION – SOCIAL SECURITY INVESTMENT FUND**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**31 DECEMBER 2024**

**(IN THOUSANDS OF JORDANIAN DINARS)**

**(2) ACCOUNTING POLICIES**

**(2-1) BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS**

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

The consolidated financial statements have been prepared in accordance with historical cost convention, except for the financial assets at fair value through profit and loss, financial assets at fair value through other comprehensive income and investment properties which have been presented at fair value at the date of these consolidated financial statements.

The consolidated financial statements have been presented in Jordanian Dinars (JD) which is the functional currency of the Fund and all amounts in Jordanian dinars are rounded to the nearest thousand unless stated otherwise.

**(2-2) BASIS OF CONSOLIDATION**

The consolidated financial statements comprise the financial statements of the Social Security Investment Fund and the financial statements of its subsidiaries.

The consolidated financial statements comprise the financial statements of the Social Security Investment Fund and the financial statements of its subsidiaries. ("the Group") as at 31 December 2024. The subsidiaries that have been included in the consolidated financial statements are as follows:

|                                                                          | Sector                 | Paid in capital |            | Percentage of Ownership |      |
|--------------------------------------------------------------------------|------------------------|-----------------|------------|-------------------------|------|
|                                                                          |                        | 2024            | 2023       | 2024                    | 2023 |
|                                                                          |                        | JD              | JD         | %                       | %    |
| Jordan Press Foundation Public Shareholding Company / Al-Rai             | Press and publication  | 10,000,000      | 10,000,000 | 54.9                    | 54.9 |
| Jordanian Duty Free Shops Public Shareholding Company                    | Trading                | 22,500,000      | 22,500,000 | 56.5                    | 56.5 |
| Al-Daman for Investment Public Shareholding Company                      | Investment and leasing | 10,000,000      | 10,000,000 | 61.4                    | 61.4 |
| Rama for Investments and saving LLC                                      | Investment             | 560,000         | 560,000    | 100                     | 100  |
| National Company for Touristic Development LLC                           | Tourism services       | 2,050,000       | 2,050,000  | 100                     | 100  |
| United Terminal Travelling Center for Foreign Travel Cars LLC            | Leasing                | 1,500,000       | 1,500,000  | 100                     | 100  |
| Al Daman for Lease Financing LLC                                         | Finance leasing        | 500,000         | 500,000    | 100                     | 100  |
| Al Daman for Hotel Transport Services LLC                                | Tourism services       | 100,000         | 100,000    | 100                     | 100  |
| Kingdom Electricity Company for Energy Investments Private Shareholding* | Energy investments     | 50,000          | 50,000     | 70                      | 70   |
|                                                                          | Land leasing and       |                 |            |                         |      |
| Daman for Development Zones Private Shareholding **                      | development            | 40,000,000      | 40,000,000 | 100                     | 100  |
| Jordan Daman Company for International Business LLC***                   | Investment             | 300,000         | 300,000    | 100                     | 100  |
|                                                                          | Agricultural           |                 |            |                         |      |
| Al-Daman Investment and Agricultural Industries Private Shareholding     | investments            | 8,500,000       | 6,200,000  | 100                     | 100  |

**SOCIAL SECURITY CORPORATION – SOCIAL SECURITY INVESTMENT FUND**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**31 DECEMBER 2024**

**(IN THOUSANDS OF JORDANIAN DINARS)**

\* The financial statements of Kingdom Electricity Company for Energy Investment Private Shareholding Company include the following subsidiaries:

|                                                                                    | <u>Percentage of<br/>Ownership</u> | <u>Country of<br/>Incorporation</u> |
|------------------------------------------------------------------------------------|------------------------------------|-------------------------------------|
| Electricity Distribution Company Public Shareholding Company<br>and its subsidiary | 100%                               | Jordan                              |
| Irbid District Electricity Company Public Shareholding Company*                    | 55.52%                             | Jordan                              |

\* Electricity Distribution Company owns 55.46% of Irbid District Electricity Company, which represents the actual ownership percentage of the Group, in addition to 0.06% of direct ownership of Kingdom Electricity Company for Energy Investment in Irbid District Electricity Company.

\*\* The financial statements of Daman for Development Zone Private Shareholding Company include the following subsidiaries:

|                               | <u>Percentage of<br/>Ownership</u> | <u>Country of<br/>Incorporation</u> |
|-------------------------------|------------------------------------|-------------------------------------|
| Al-Mafraq Development Company | 80%                                | Jordan                              |
| North Development Company     | 100%                               | Jordan                              |

\*\*\* The financial statements of Jordan Daman Company for International Business include the following subsidiary:

|                                                    | <u>Percentage of<br/>Ownership</u> | <u>Country of<br/>Incorporation</u> |
|----------------------------------------------------|------------------------------------|-------------------------------------|
| Jordan Daman Company for International Investments | 100%                               | Jordan                              |

Hotels and resorts that have been included in the consolidated financial statements and are fully owned by the Fund are as follows:

- Amra Crowne Plaza Hotel - Amman
- Crowne Plaza Hotel Petra and its Rest House
- Intercontinental Hotel - Aqaba
- Holiday Inn Hotel – Dead Sea
- Crowne Plaza Resort – Dead Sea

The financial statements of the Fund and its subsidiaries are prepared using the same accounting period as the Funds and using the same accounting policies, except for Investment properties for Al Daman for Investments Public Share Holding Company and National Company for Touristic Development which are presented at cost in the company's financial statements. However, they are presented at fair value and proper reconciliations are prepared in the Fund's consolidated financial statements.

Control is achieved when the Group has the rights to variable returns from its involvement with the company it has invested in and has the ability to affect those returns through its power over the investee. Control over the investee is exercised when the following factors exist:

- Power over the investee (i.e., existing rights that give the Group the ability to direct the relevant activities of the investee).
- Exposure, or rights, to variable returns from its involvement with the investee.
- The ability to use its power over the investee to affect its returns.

**(IN THOUSANDS OF JORDANIAN DINARS)**

When the Group owns less than a majority of the voting rights in an investee, in this case, the Group considers all factors and circumstances to determine whether it has control over the investee, which include the following:

- Contractual agreements with shareholders that have voting rights in the investee
- Rights resulting from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, expenses and revenues of a subsidiary acquired during the year are included in the consolidated financial statements from the date the Group obtains control until the date the Group ceases to control the subsidiary.

Profit and loss and each component of other comprehensive income are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income and expenses relating to transactions between members of the Group are eliminated in full.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group's loses control over a subsidiary, it:

- Derecognizes the assets (including goodwill) and liabilities of subsidiary.
- Derecognizes the carrying amount of any non-controlling interest.
- Derecognizes the cumulative translation differences recorded in equity.
- Recognizes the fair value of the consideration received.
- Recognizes the fair value of any investment retained by subsidiary.
- Recognizes any gains or losses as a result of losing control.
- Reclassifies the Group's share of components previously recognized in other comprehensive income to profit and loss.

### **(2-3) CHANGES IN ACCOUNTING POLICIES**

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

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

The amendments in IFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendments had no impact on the Group's consolidated financial statements.

**(IN THOUSANDS OF JORDANIAN DINARS)**

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

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

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, an entity is required to disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

The amendments had no impact on the Group's consolidated financial statements.

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

The amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendments had no impact on the Group's consolidated financial statements.

### **(2-4) MATERIAL ACCOUNTING POLICIES INFORMATION**

#### **Financial assets at amortized cost**

Financial assets that the Group's management aims, according to its business model to hold to collect their contractual cash which represents the principal amount and the interest on the outstanding principal amount.

These financial assets are initially measured at cost plus transaction costs. Subsequently premium/discount is amortized using the effective interest rate method, increasing or decreasing the interest. Any provisions resulting from the impairment in their value that lead to the inability to recover the asset or a part of it shall be written-off. The losses arising from impairment are recognized in the consolidated statement of revenues and expenses.

The amount of the impairment consists of the difference between the book value and present value of the expected future cash flows discounted at the original effective interest rate.

No assets may be reclassified from/to this item except in the cases specified in IFRS and, (if any such asset is sold before its maturity date, the result of the sale is recognized in the consolidated statement of revenues and expenses in a separate line and disclosed in accordance with the requirements of International Financial Reporting Standards in particular).

#### **Financial assets at fair value through profit and loss**

These assets represent investments in companies' shares for trading purposes and are intended to generate profits from fluctuations in short-term market prices or trading profit margins.

**(IN THOUSANDS OF JORDANIAN DINARS)**

Financial assets at fair value through profit and loss are initially measured at fair value (transaction costs are recorded in the consolidated statement of revenues and expenses at the purchase date), subsequently, these assets are revalued at fair value. Gains or losses arising on subsequent measurement of these financial assets including the change in fair value arising from non-monetary assets in foreign currencies are recognized in the consolidated statement of revenues and expenses. When these assets or portion of these assets are sold, the gain or loss arising is recorded in the consolidated statement of revenues and expenses.

Dividends distributed or interest income are recorded in the consolidated statement of revenues and expenses.

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

These assets represent investments in equity instruments for the purpose of retention over the long-term.

These assets are recognized upon purchase at fair value plus acquisition costs, and they are subsequently revalued at fair value. The change in fair value is reflected in the consolidated statement of comprehensive income and within the consolidated statement of equity, including the change in fair value resulting from the translation differences of non-monetary assets in foreign currencies. In the event of selling these assets or part of them, the resulting gains and losses are recorded in the consolidated statement of comprehensive income and within the consolidated statement of equity. The balance of the revaluation reserve for the sold assets is directly transferred to retained earnings and not through the consolidated statement of revenues and expenses.

It is not permitted to reclassify assets from/to this item except in certain circumstances determined in IFRS.

These financial assets are not subject to impairment testing.

Dividends distributed are recognized in the consolidated statement of revenues and expenses.

#### **Loans and granted debts**

Loans are recognized at fair value, subsequently they are amortized using the effective interest rate method.

A provision for expected credit losses for loans and granted debts is recognized through reaching an estimation for the probability of default and the percentage of loss assuming default. The Fund relies on several main economic indicators in building a number of assumptions, mainly GDP growth indicators, the financial market index and debt indicators in addition to the classification issued by the credit rating institution and according to the statistical data of the global default rate of this classification.

#### **Fair value**

The Group measures its financial instruments such as financial assets at fair value through other comprehensive income at the date of the consolidated financial statements as disclosed in (note 39).

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place in the principal market for the asset or liability.

In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

The Group uses the following valuation methods and alternatives in measuring and recording the fair value of financial instruments.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements or have been written-off are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

#### **Impairment of financial assets**

The Group's recognizes a provision for expected credit losses for all debt instruments not held at fair value, in the consolidated of revenue or expenses. Expected credit losses rely on the difference between accrued Contractual cash flows in accordance to the contract and all cash flows the Group expects to receive, discounted at the original effective interest rate. The expected cash flows include cash flows from the sale of held collaterals or other credit enhancement that are an integral part of the contractual terms (if any).

The Group's management calculates the provision based on its historical credit loss experience adjusted for the future factors of debtors and the economic environment.

#### **Property and equipment**

Property and equipment are measured at cost less accumulated depreciation and accumulated impairment in value. Depreciation is calculated using the straight-line method, (except for lands), over the estimated useful lives of property and equipment when they are ready for use, Depreciation rates used are as follows:

|                             | <u>%</u> |
|-----------------------------|----------|
| Buildings                   | 2-10     |
| Meters, cables, and pumps   | 10       |
| Furniture and fixtures      | 9-25     |
| Machinery and equipment     | 3-20     |
| Vehicles                    | 15-20    |
| Additions and improvements  | 15       |
| Computers                   | 20-25    |
| Electromechanical equipment | 15       |
| Sanitary extensions         | 15       |
| Others                      | 10-20    |

When the recoverable value of property and equipment is less than their carrying amount, assets are written down to its recoverable amount and impairment losses are recognized in the consolidated statement of revenues and expenses.

**(IN THOUSANDS OF JORDANIAN DINARS)**

Useful lives of property and equipment are reviewed at the end of each year. If the expectations of useful lives are different from the previous estimates, the change is accounted for as changes in estimate in future periods.

### **Goodwill**

Goodwill is initially measured at cost which represents the excess of the cost of acquisition or purchase of investment in an associate or subsidiary company over the Group's share in the net fair value of the identifiable assets at the date of acquisition. Goodwill arising from the investment in subsidiaries is separately presented within intangible assets, while goodwill arising from the investment in associates is recognized within investment in associates and subsequently adjusted for any impairment losses.

Goodwill is allocated to each of the Group's cash-generating units, or groups of cash generating units for the purpose of impairment testing.

Goodwill is reviewed for impairment at the date of the consolidated of the financial statements, if events or conditions indicate that the estimated recoverable amount of a cash-generating unit or group of cash-generating units is less than their carrying amount, impairment losses are recognized in the consolidated statement of revenues and expenses.

### **Intangible assets**

Intangible assets are classified based on the assessment of their useful life to definite and indefinite. Intangible assets with definite lives are amortized over the useful economic life and amortization expenses are recognized in the consolidated statement of revenues and expenses, while intangible assets with indefinite useful lives are assessed for impairment at each reporting date and impairment loss is recognized in the consolidated statement of revenues and expenses.

Internally generated intangible assets are not capitalized and are expensed in the consolidated statement of revenues and expenses during the same year.

Indications of impairment of intangible assets are reviewed and their useful economic lives are reassessed at each reporting date. Adjustments are reflected in the subsequent periods.

### **Investment properties**

Investment properties are stated at cost including the acquisition costs and is measured subsequently at fair value which primarily reflects the conditions and market prices as of the date of the consolidated financial statements.

Gains and losses resulting from changes in the fair value of investment properties are recognized in the consolidated statement of revenues and expenses.

Investment properties are valued using assumptions that reflect market prices using the average valuation for five independent real estate experts after excluding the highest and lowest valuations. Investment properties purchased during the year are valued using the purchase price.

### **End of service indemnity provision**

Provision for end of service indemnity is recognized when the Group is committed to providing its employees with end of service indemnities. The Group is obligated when it has a detailed formal compensation plan and there is no real prospect of withdrawing the plan. Provision for end of service indemnity is measured based on the Group's number of employees at the date of the consolidated financial position in accordance with the Group's internal policies and IAS (19) social Security Investment Fund's employees are subject to human resources rules.

**(IN THOUSANDS OF JORDANIAN DINARS)**

### **Trade payables and accruals**

Liabilities are recognized for amounts to be paid in the future for services received, whether billed by the supplier or not.

### **Loans**

After initial recognition, interest bearing loans are subsequently measured at amortized cost using the effective interest method. Profits and losses are recognized in the consolidated statement of revenues and expenses when the obligation is paid. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The finance costs are included in the consolidated statement of revenues and expenses.

### **Accounts receivable**

Accounts receivable are stated at original invoice amount less any provision of expected credit losses. The Group applies a simplified approach in calculating estimated credit losses. The Group has historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. A balance is written off when there is no reasonable expectation of recovering the contractual cash flows.

### **Leases**

#### **The Group as a lessee**

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease obligations to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### **Right-of-use assets**

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right of use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets is depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

#### **Lease contracts liabilities**

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate in accordance with the terms of the contract, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate.

The variable lease payments that do not depend on an index or a rate are recognized as expense in the period on which the event or condition that triggers the payment occurs.

**(IN THOUSANDS OF JORDANIAN DINARS)**

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

#### **Short-term leases and leases of low-value assets**

The Group applies the short-term lease recognition exemption to some of its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

#### **The Group as a lessor**

Operating lease income is recognized as rental income in the consolidated statement of revenues and expenses on a straight-line basis over the lease term.

#### **Revenue and expense recognition**

Revenues and expenses are recognized on an accrual basis, except for interest and commissions on non-performing loans, which are not recognized as revenues and are recorded in the account of suspended interest and commissions.

Profits from the distribution of company shares are recognized when they are realized (approved by the general assembly of shareholders).

Revenues are recognized in accordance with IFRS (15) – Five step model, which specifies the contract, price, performance obligations and recognizing revenues based on the fulfillment of performance obligations.

The Group recognizes revenue from the sale of newspapers, distribution of advertisements and commercial press revenues at a certain point in time at which the control of the asset is transferred to the customer upon the delivery of goods.

Interest income is recognized on a timely basis to reflect the return on assets.

Dividends on investment securities are recognized when approved by the General Assemblies of the investees.

Revenue from the sale of energy is recognized when used by consumer and an invoice has been issued.

Hotel revenues represent revenues recognized from providing hotel rooms to customers. Hotel revenues (stay in) are recognized once the service is provided.

Food and beverage revenues represent revenues recognized from providing food and beverage to consumers through the room service department in addition to restaurants inside the hotel. Food and beverage revenues are recognized once the service is provided and an invoice is issued to the customer which usually occurs at a certain period of time.

Rent revenues represent revenues recognized through providing rental services to customers where payments from tenants are recorded as unrealized and are recognized at the start of the contract period over the life of the contract.

#### **Revenue and expense recognitions**

The Group recognizes revenues from the sale of goods at the fair value of considerations received or to be received and when there is a reasonable possibility for collection in accordance with IFRS (15). The Group recognizes revenues from the sale of goods at a certain point in time at the date in which control is transferred to the customer. Generally, when goods are delivered, and an invoice is issued to the customer.

**(IN THOUSANDS OF JORDANIAN DINARS)**

### **Recognition of financial assets**

Purchases and sales of financial assets are recognized at the date of trade (that is the date the Group commits to purchase or sell the asset).

### **Derivative financial instruments**

Trading financial derivatives are stated at fair value for trading purposes (such as future interest rates, swap agreements and foreign currency option contracts) in the consolidated statement of financial position within other assets or other liabilities. Fair value is measured according to the prevailing market prices, the change in their fair value is recognized in the consolidated statement of revenues and expenses.

### **Repurchase and resale agreements**

Assets sold with a corresponding commitment to repurchase them at a future date continue to be recognized in the consolidated financial statements as a result of the Group's continuous control over these assets and as the related risks and rewards are transferred to the Group upon occurrence. They also continue to be measured in accordance with the adopted accounting policies. Amounts received against these contracts are recorded within liabilities under borrowed funds. The difference between the sale price and the repurchase price is recognized as an interest expense amortized over the contract period using the effective interest rate.

Purchased assets with corresponding commitment to sell at a specific future date are not recognized in the consolidated financial statements because the Group has no control over such assets and the related risks and rewards are not transferred to the Group upon occurrence. Payments related to these contracts are recorded under deposits at banks and other financial institutions or loans. The difference between the purchase price and resale price is recorded as interest revenue amortized over the life of the contract using the effective interest rate method.

### **Investments in associates**

An affiliate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee. The Group's investments in associates are accounted for using the equity method.

Investments in affiliates appear in the consolidated statement of financial position by cost in addition to the Group's share of changes in the affiliate's net assets. The carrying amount of the investment is adjusted to recognize changes in the Group's share of net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment individually. The consolidated statement of revenues and expenses reflects the Group's share of the results of operations of the associate. In addition, when there has been a change recognized directly in the equity of the associate, the Group recognizes its share of any changes, when applicable, in the consolidated statement of changes in equity. Gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

### **Inventories**

Inventory is valued at the lower of cost or net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale.

### **Income tax**

- Income tax expense represents accrued tax and deferred tax.
- Income tax expenses are accounted for on the basis of taxable income. Taxable income differs from income declared in the consolidated financial statements as the declared income includes non-taxable revenue or non deductible expenses in the current year, but deductible in subsequent years, accumulated losses acceptable by the tax authorities, and items not accepted for tax purposes or subject to tax.

**(IN THOUSANDS OF JORDANIAN DINARS)**

- Taxes are calculated on the basis of tax rates prescribed according to the prevailing laws, regulations and instructions of the Hashemite kingdom of Jordan. Social Security Corporation revenues are exempted from income tax by law except for rental revenues, revenue of some hotels and foreign investments.
- Deferred taxes are taxes expected to be paid or recovered as a result of temporary differences in the value of assets or liabilities in the consolidated financial statements and the value upon which taxable income is calculated. Deferred taxes are calculated using the liability method on the consolidated statement of financial position and are calculated based on the tax rates expected to be implemented upon the settlement of a tax commitment or upon the realization of deferred tax asset.
- Deferred tax assets and liabilities are reviewed as of the date of the consolidated financial statements and reduced in case it is expected that no benefit will arise therefrom, partially or totally.

### **Cash and cash equivalents**

Cash and cash equivalents maturing within three months net of bank overdrafts comprise: cash on hand, balances with the Central Bank of Jordan and balances with banks and financial institutions.

### **Subscribers' contributions assets and liabilities**

These assets are stated separately based on the Energy and Mineral Regulatory Commission regulations within assets under subscribers' contributions assets, with a similar contra liability account under subscribers' contributions liabilities with the same amount.

Amortization of these assets at an annual rate of 4% along with the amortization of subscriber's contributions liabilities. The amortization of assets and liabilities of subscribers' contributions is offset, and accordingly has no impact on the consolidated statement of revenues and expenses.

### **Rural fils assets**

This term represents the infrastructure assets used to connect the electricity network to rural areas. It is recorded under asset as rural fils assets and is offset with a liability under the term rural fils liabilities carrying the same amount, and that is to conform with the legislations.

Rural fils assets are depreciated at an annual rate of 4% and the corresponding rural fils liabilities are amortized in the same proportion so that they do not affect the consolidated statement of revenues and expenses.

### **Joint operations**

Joint operations are a contractual agreement between the Fund and other parties in jointly controlled economic activities where financial, operational and strategic policy decisions on project activities require the unanimous approval of the parties involved in the control.

Assets, liabilities, revenues and expenses related to joint operations are recognized by the Group to its percentage of ownership in these operations.

### **Investments in joint ventures**

Joint ventures are collaborative projects under which 'the parties exercising joint control over the rights to the net assets of that joint venture.' Joint control is the sharing of control based on a contractually agreed arrangement and occurs only when decisions about relevant activities require unanimous consent from the participating controlling parties.

The considerations used to determine joint ventures or joint control are somewhat similar to the considerations used to determine control over subsidiaries.

Under the equity method, investments in the joint venture are shown at cost, and the carrying amount of the investment in the joint venture is adjusted to reflect the group's share of changes in the net assets of the joint venture at the acquisition date. Goodwill arising from the joint venture is included as part of the investment account and is not amortized or tested for impairment separately.

The consolidated statement of revenues and expenses reflects the group's share of the joint venture's operating results. Any changes in other comprehensive income items for this investment are classified within the group's other comprehensive income items. In the event of a change in the equity of the joint venture, such changes, if any, are shown in the consolidated statement of changes in equity of the group. Unrealized gains and losses arising from transactions between the group and the joint venture are excluded to the extent of the group's share in the joint venture.

Group's share of the joint venture's profits or losses is shown in the consolidated statement of revenues and expenses and represents profit or loss after tax and non-controlling interests in the joint venture subsidiary.

The financial statements of the joint venture are prepared for the same reporting period as those of the Group. If necessary, adjustments are made to accounting policies to align with those of the Group.

After applying the equity method, the Group determines whether there is a need to recognize an impairment loss on its investment in the joint venture. At each reporting date, the group assesses whether there is objective evidence of impairment of the investment in the joint venture. If there is evidence, the Group calculates the impairment amount as the difference between the recoverable amounts of the joint venture and its carrying amount, and the losses are recognized as the share of profits in the joint venture in the consolidated statement of revenues and expenses.

Upon losing significant influence over the joint venture, the Group measures and recognizes any retained investment at fair value. Any difference between the carrying amount of the joint venture upon losing significant influence or joint control and the fair value of the retained investment and the amounts collected from the disposal is recognized in the consolidated statement of revenues and expenses.

### **Offsetting**

Financial assets and financial liabilities are offset, and the net amount is reported in the consolidated statement of financial position only if there is a current enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

### **Foreign currency**

Transactions in foreign currencies during the year are recorded at the exchange rates prevailing at the date of the transaction.

Financial assets and financial liabilities denominated in foreign currencies are translated at the average rates prevailing on the date of the consolidated statement of financial position as declared by the Central Bank of Jordan.

Gains and losses resulting from foreign currency translation are recognized in the consolidated statement of revenues and expenses.

Translation differences for non-monetary assets and liabilities denominated in foreign currencies (such as financial assets at fair value through the statement of profit and loss) are recorded as part of the change in fair value.

**(2-5) SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS**

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

Management has made some judgements in applying the Group's accounting policies. Judgments made by management that have the greatest impact on amounts recognized in the consolidated financial statements are disclosed in the relevant notes to the consolidated financial statements.

Key assumptions relating to future key and other sources of estimation at the date of the consolidated financial statements that may pose significant risk of material changes in the carrying amount of assets and liabilities during the next financial year are also disclosed in the relevant notes to the consolidated financial statements. The Group included its assumptions and estimates in preparing the consolidated financial statements. However, current conditions and estimates related to further developments may change as a result of market changes or circumstances that may arise outside the Group's control. The Group reflects these changes to assumptions once they occur.

Reasonable judgments used in the preparation of the consolidated financial statements are detailed as follows:

- Impairment of investment properties is recorded based on recent valuations approved by the accredited real estate experts for impairment testing purposes and are reviewed periodically.
- Fiscal year is charged with its related income tax expense in accordance with laws, regulations and accounting standards.
- Management periodically reviews the useful lives of property and equipment for the purpose of annual depreciation calculation based on the general state of those assets and expected future useful lives, impairment losses are recorded in the consolidated statement of revenues and expenses.
- A provision recognized for lawsuits raised against the Group based on a legal study prepared by Group's legal counsel and legal advisors upon which future probable risks are determined, those studies are reviewed periodically.
- Management periodically reviews financial assets stated at cost to evaluate any impairment in value, this impairment is recorded in the consolidated statement of revenues and expenses.

- Fair value levels:

The level of the fair value hierarchy in which fair value measurements are categorized is determined and disclosed, and fair value measurements are separated to the stages specified in IFRS. The difference between stage (2) and stage (3) for fair value measurements is an assessment of whether information or inputs are observed and the extent of information that is not observable, which requires careful judgment and analysis of inputs used to measure fair value including consideration of all factors that concern the asset or obligation.

- Provision for expected credit losses:

The determination of a provision for impairment of financial assets requires the Group's management to make significant judgment to estimate the amounts and timing of future cash flows, as well as to estimate any significant increase in the credit risk of financial assets after initial recognition, and to take into account further measurement information for expected credit losses.

The Group determined the value of the provision for impairment of financial assets in accordance with international financial reporting standards.

The Group's policy is to determine common elements on which credit risk and expected credit losses are measured on a (Collective Basis) or an (Individual Basis).

**Methodology of application of IFRS (9) (Financial instruments):**

Key concepts that have a material impact and require a high degree of management judgment and which have been considered by the Group when applying the standard include the following:

- **Assessment of significant increase in credit risk:**

An assessment is made as to whether there has been a significant increase in credit risk since inception, The Group compares the risk of default to the financial instrument at the end of each financial period with the risk of default when the financial instrument arises using key concepts of the Group's risk management processes.

The significant increase in credit risk is assessed annually and separately for each exposure to credit risk based on three factors. If one of these factors indicates a significant increase in credit risk, the financial instrument is reclassified from stage 1 to stage 2:

- 1- The Group has set limits to measure the significant increase in credit risk based on the change in the risk of default of the financial instrument as compared its date of inception.
- 2- Any reschedules or adjustments made to customer accounts during the evaluation period shall be recognized as an indication of significant increase in credit risk.
- 3- IFRS (9) (financial instruments) includes an assumption that there is a significant increase in the credit risk of financial instruments that have been impaired and have been recognized for more than 30 days. A substantial increase in the credit risk of financial instruments that have defaulted and matured for over 60 days which will be reduced to 30 days within 3 years. In this respect the Group adopted a 45 days period.

The change between stage 2 and stage 3 depends on whether the financial instruments are impaired at the end of the financial period.

- **Macrocosmic factors, expected future events and the use of more than one scenario:**

Historical information, current conditions and expected future events should be considered based on reliable information when measuring expected credit losses for each stage. The measurement and application of expected future information requires the Group's management to make substantial efforts based on cooperation with international entities with expertise in this area.

Probability of default, loss ratio assuming default, impact upon default and inputs used in stage 1 and stage 2 of the credit facility impairment are designed based on variable economic factors (or factors related to macroeconomic changes) that are directly related to the credit risk associated with the portfolio.

**(IN THOUSANDS OF JORDANIAN DINARS)**

Each macroeconomic scenario used to calculate the expected credit loss linked to changing macroeconomic factors.

In our estimates used to calculate expected credit losses for stages 1 and 2 discounted weighted scenarios that include future macroeconomic information for the subsequent three years.

The base line scenario is based on macroeconomic forecasts (i.e. GDP, inflation, and interest rates). The ups and downs of economic factors will be developed on the basis of possible alternative economic conditions.

- **Definition of default:**

The definition of default used to measure expected credit losses and in the assessment of change between stages is consistent with the concept of default used by the Group's internal credit risk management. The default is not defined in the standard, and there is a presumption that default occurs when the payment is ceased for 90 days or more.

- **Expected life:**

When measuring expected credit losses, the Group considers the maximum extent of expected cash flows that the Group considers to be at risk of impairment. All contractual obligations for life expectancy including prepayment options and extension options of some revolving credit facilities with no fixed repayment date is measured based on the Group's exposure to credit risk that management cannot avoid.

- **Scope of application:**

Provision for expected credit losses for all financial assets of the Group is measured as follows:

- Monetary market instruments include current accounts, deposits at banks, deposits against pledged bonds and swap contracts.
- Bonds which include Jordanian treasury bonds, government bonds denominated in US dollars, public companies' bonds and private companies' bonds and debts.
- Loans including direct loans, syndicated loans and other loans.
- Account receivables.

### **Hypotheses and methodology of work**

Each of the above investment instruments, has been examined to determine the probability of default and the loss ratios assuming default. A number of key economic indicators have been based on the construction of a number of assumptions, most importantly GDP growth indicators, the index of the financial market, indicators of public debt of the country, in addition to the sovereign classification of Jordan issued by credit rating institutions and according to the statistical data of the cumulative global default rates of the classification. A number of scenarios have been assumed for the purpose of calculating the probability default, using available data on companies either from the outside or within the investment fund, in addition to using the self assessment system for the classification of companies and banks approved within the Investment Fund.

**SOCIAL SECURITY CORPORATION – SOCIAL SECURITY INVESTMENT FUND**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**31 DECEMBER 2024**

**(IN THOUSANDS OF JORDANIAN DINARS)**

**(3) CASH AND BANK BALANCES**

This item consists of the following:

|                                  | <u>2024</u>   | <u>2023</u>   |
|----------------------------------|---------------|---------------|
| Cash on hand                     | 9,739         | 6,859         |
| Current and on demand accounts * | <u>7,789</u>  | <u>15,764</u> |
|                                  | <u>17,528</u> | <u>22,623</u> |

\* This item includes the amount of JD 10 thousands of current accounts related to the Unemployment Fund as at 31 December 2024 (31 December 2023: JD 2 thousand).

- Current accounts do not include balances with foreign banks and financial institutions as at 31 December 2024 and 2023.
- There are no restricted balances as at 31 December 2024 and 2023.

**(4) DEPOSITS AT BANKS AND FINANCIAL INSTITUTIONS**

This item consists of the following:

|                                             | <u>2024</u>      | <u>2023</u>      |
|---------------------------------------------|------------------|------------------|
| Deposits maturing within 3 months or less   | 918,412          | 693,898          |
| Deposits maturing within 3 to 6 months      | 704,193          | 452,969          |
| Deposits maturing within 6 to 12 months     | <u>393,924</u>   | <u>788,293</u>   |
|                                             | 2,016,529        | 1,935,160        |
| Less: provision for expected credit losses* | <u>(12,025)</u>  | <u>(13,546)</u>  |
|                                             | <u>2,004,504</u> | <u>1,921,614</u> |

- Interest rates on Jordanian Dinar deposits range between 5.75% to 7% for the year ended at 31 December 2024 and from 3.72% to 7% for the year ended at 31 December 2023.
- There are no balances with foreign banks and financial institutions and there are no restricted balances as at 31 December 2024 and 2023.
- Deposits include an amount of JD 166,9 million which represents deposits against the mortgage of government bonds for the benefit of the Fund held at Capital Bank (2023: JD 166,9 million).

**SOCIAL SECURITY CORPORATION – SOCIAL SECURITY INVESTMENT FUND**  
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**(IN THOUSANDS OF JORDANIAN DINARS)**

\* The details of the movement on the provision for impairment of loans and debts granted are as follows:

|                                             | 2024    | 2023   |
|---------------------------------------------|---------|--------|
| Balance as at 1 January                     | 13,546  | 11,194 |
| (Recovered from) provision for the year     | (1,539) | 2,384  |
| Provision for (recovered from) unemployment | 18      | (32)   |
| Balance as at 31 December                   | 12,025  | 13,546 |

The stages of the movement occurring in the expected credit losses provision for deposits with banks and financial institutions during the year are as follows:

|                                             | 2024    |         |         |         | 2023   |
|---------------------------------------------|---------|---------|---------|---------|--------|
|                                             | Stage 1 | Stage 2 | Stage 3 | Total   | Total  |
| Balance as at 1 January                     | 13,546  | -       | -       | 13,546  | 11,194 |
| (Recovered from) provision for the year     | (1,539) | -       | -       | (1,539) | 2,384  |
| Provision for (recovered from) unemployment | 18      | -       | -       | 18      | (32)   |
| Balance as at 31 December                   | 12,025  | -       | -       | 12,025  | 13,546 |

**(5) FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS**

This item consists of the following:

| <b>Quoted shares in financial market:</b> | 2024    | 2023    |
|-------------------------------------------|---------|---------|
| Local                                     | 126,855 | 130,387 |
| Foreign                                   | 9,499   | 11,408  |
|                                           | 136,354 | 141,795 |

**SOCIAL SECURITY CORPORATION – SOCIAL SECURITY INVESTMENT FUND**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**31 DECEMBER 2024**

**(IN THOUSANDS OF JORDANIAN DINARS)**

**(6) LOANS AND GRANTED DEBTS, NET**

This item consists of the following:

|                                             | 2024    | 2023    |
|---------------------------------------------|---------|---------|
| Direct loans                                | 453,215 | 459,762 |
| Syndicated loans                            | 25,324  | 25,803  |
| Housing loans                               | 23,597  | 18,937  |
|                                             | 502,136 | 504,502 |
| Less: provision for expected credit losses* | (5,332) | (5,262) |
| Net loans and granted debts                 | 496,804 | 499,240 |

The table below illustrates interest rates, maturity dates, and collaterals for the aforementioned loans:

|                  | Balance        | Interest rate | The last installment<br>maturity date | Guarantees                                                             |
|------------------|----------------|---------------|---------------------------------------|------------------------------------------------------------------------|
|                  |                | %             |                                       |                                                                        |
| Direct loans     | 453,215        | 1 – 8.916     | 1 January 2040                        | Governmental, real estate, legal<br>Governmental, investment mortgage, |
| Syndicated loans | 25,324         | 9.41 –11.06   | 17 February 2034                      | legal                                                                  |
| Housing loans    | 23,597         | 4.75          | 31 March 2060                         | Mortgage                                                               |
|                  | <u>502,136</u> |               |                                       |                                                                        |

Non-performing loans and debts amounted to JD 1,924 thousand representing 0.34% of loans and granted debts as at 31 December 2024 compared of JD 1,924 thousand representing 0.34% of loans and granted debts at 31 December 2023. A provision was provided for those amounts in full.

\* Movements on the provision for expected credit losses for loans and granted debts during the year were as follows:

|                                            | 2024         |          |              |              | 2023         |
|--------------------------------------------|--------------|----------|--------------|--------------|--------------|
|                                            | Stage 1      | Stage 2  | Stage 3      | Total        | Total        |
| Balance as at 1 January                    | 3,218        | -        | 2,044        | 5,262        | 5,848        |
| Provision (recovered from) during the year | -            | -        | 70           | 70           | (586)        |
| Balance as at 31 December                  | <u>3,218</u> | <u>-</u> | <u>2,114</u> | <u>5,332</u> | <u>5,262</u> |

**SOCIAL SECURITY CORPORATION – SOCIAL SECURITY INVESTMENT FUND**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**31 DECEMBER 2024**

**(IN THOUSANDS OF JORDANIAN DINARS)**

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

This item consists of the following:

|                                                                                | <u>2024</u>             | <u>2023</u>             |
|--------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>Financial assets - Quoted shares*:</b>                                      |                         |                         |
| Quoted shares – local                                                          | 1,614,503               | 1,486,825               |
| Quoted shares – foreign                                                        | <u>78,619</u>           | <u>71,615</u>           |
|                                                                                | 1,693,122               | 1,558,440               |
| <br><b>Financial assets - Unquoted shares:</b>                                 |                         |                         |
|                                                                                | <u>37,335</u>           | <u>42,475</u>           |
| <br><b>Other financial assets:</b>                                             |                         |                         |
| Investments in mutual funds – USD**                                            | <u>-</u>                | <u>153</u>              |
| <b>Total financial assets at fair value through other comprehensive income</b> | <u><u>1,730,457</u></u> | <u><u>1,601,068</u></u> |

The fair value of unquoted shares and mutual funds is determined according to several methods that are appropriate to the nature of the Group, where net book value, discounted cash flows, and net assets were used.

\* Quoted Financial Assets are distributed according to the following sectors:

|                      | <u>Ratio</u> | <u>2024</u>      | <u>Ratio</u> | <u>2023</u>      |
|----------------------|--------------|------------------|--------------|------------------|
|                      | %            |                  | %            |                  |
| Manufacturing sector | 45           | 762,345          | 50.6         | 787,969          |
| Banking sector       | 53.2         | 900,621          | 47.2         | 736,183          |
| Services sector      | 1.7          | 28,509           | 2.1          | 32,400           |
| Insurance sector     | 0.1          | <u>1,647</u>     | 0.1          | <u>1,888</u>     |
|                      |              | <u>1,693,122</u> |              | <u>1,558,440</u> |

\*\* The Catalyst Investment Management Fund/Jordan was closed on 16 January 2024, and the Fursan Capital Partners Fund 1 was closed on 1 March 2024.

**SOCIAL SECURITY CORPORATION – SOCIAL SECURITY INVESTMENT FUND**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**31 DECEMBER 2024**  
**(IN THOUSANDS OF JORDANIAN DINARS)**

**(8) INVESTMENTS IN ASSOCIATES**

This item consists of the following:

|    |  |  |  |  |  |  |  |  |  |  |  |  |  | 2024 |  | 2023 |  |
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**SOCIAL SECURITY CORPORATION – SOCIAL SECURITY INVESTMENT FUND**  
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|                                        |            |            |                    |                        |                  |         |              |         |        |            |             |            |         | 2024         |             | 2023         |             |
|----------------------------------------|------------|------------|--------------------|------------------------|------------------|---------|--------------|---------|--------|------------|-------------|------------|---------|--------------|-------------|--------------|-------------|
|                                        |            |            |                    | Balance using          |                  | Share   |              |         |        | (Decrease) |             | Share      |         | Balance      |             | Balance      |             |
|                                        |            |            |                    | equity method          | at the           | of cash | Property and |         |        | increase   |             | of fair    |         | using equity | Fair market | using equity | Fair market |
|                                        |            |            |                    | audited financial      | beginning of     | flow    | equipment    |         |        | Paid-in    | Dividends   | companies' | value   | method at    | value at    | method at    | value at    |
| shares                                 | ownership  | percentage | Nature of business | statements             | the year         | Loans   | reserve      | reserve |        | capital    | distributed | results    | reserve | year end     | year end    | year end     | year end    |
| <b>Not listed in Amman Stock</b>       |            |            |                    |                        |                  |         |              |         |        |            |             |            |         |              |             |              |             |
| <b>Exchange</b>                        |            |            |                    |                        |                  |         |              |         |        |            |             |            |         |              |             |              |             |
| <i>South Dead Sea Development</i>      |            |            |                    |                        |                  |         |              |         |        |            |             |            |         |              |             |              |             |
| Private Shareholding                   | 17,000,000 | 5,100,000  | 30                 | Investment             | 31 December 2024 | 5,577   | -            | -       | -      | -          | -           | 1          | -       | 5,578        | 5,118       | 5,577        | 5,100       |
| <i>Electrical Equipment Industries</i> |            |            |                    |                        |                  |         |              |         |        |            |             |            |         |              |             |              |             |
| LLC                                    | 3,750,000  | 881,250    | 23.50              | Manufacturing          | 31 December 2024 | 1,098   | -            | -       | -      | -          | -           | 96         | -       | 1,194        | -           | 1,098        | -           |
| <i>Al Zanpaq Company Private</i>       |            |            |                    |                        |                  |         |              |         |        |            |             |            |         |              |             |              |             |
| Shareholding                           | 167,000    | 50,100     | 30                 | Electricity generation | 31 December 2024 | 1,294   | (213)        | (11)    | -      | -          | -           | 202        | -       | 1,272        | -           | 1,294        | -           |
| <i>Zahrat Al Salam Company</i>         |            |            |                    |                        |                  |         |              |         |        |            |             |            |         |              |             |              |             |
| Private Shareholding                   | 167,000    | 50,100     | 30                 | Electricity generation | 31 December 2024 | 1,299   | (213)        | (11)    | -      | -          | -           | 246        | -       | 1,321        | -           | 1,299        | -           |
| <i>Alward Aljoury Company Private</i>  |            |            |                    |                        |                  |         |              |         |        |            |             |            |         |              |             |              |             |
| Shareholding                           | 167,000    | 50,100     | 30                 | Electricity generation | 31 December 2024 | 1,391   | (213)        | (11)    | -      | -          | -           | 313        | -       | 1,480        | -           | 1,391        | -           |
| <i>Jordan Solar One Company</i>        |            |            |                    |                        |                  |         |              |         |        |            |             |            |         |              |             |              |             |
| Private Shareholding                   | 100,000    | 30,000     | 30                 | Electricity generation | 31 December 2024 | 1,490   | (213)        | (9)     | -      | -          | -           | 964        | -       | 2,232        | -           | 1,490        | -           |
| <i>Al-Zarqa Station for Electrical</i> |            |            |                    |                        |                  |         |              |         |        |            |             |            |         |              |             |              |             |
| <i>Power Generation Private</i>        |            |            |                    |                        |                  |         |              |         |        |            |             |            |         |              |             |              |             |
| Shareholding                           | 50,000     | 20,000     | 40                 | Electricity generation | 31 December 2024 | 43,324  | (1,654)      | 772     | -      | -          | -           | 4,137      | -       | 46,579       | -           | 43,324       | -           |
| <i>National Company for</i>            |            |            |                    |                        |                  |         |              |         |        |            |             |            |         |              |             |              |             |
| <i>Infrastructure Investment</i>       |            |            |                    |                        |                  |         |              |         |        |            |             |            |         |              |             |              |             |
| Private Shareholding                   | 80,000     | 39,000     | 48.75              | Investment             | 31 December 2024 | 30      | -            | -       | -      | -          | -           | (4)        | -       | 26           | 23          | 30           | 27          |
| <i>Green World for Water and</i>       |            |            |                    |                        |                  |         |              |         |        |            |             |            |         |              |             |              |             |
| Energy                                 | 50,000     | 13,771     | 27.54              | Investment             | 31 December 2024 | -       | -            | -       | -      | 6          | -           | (6)        | -       | -            | -           | -            | -           |
|                                        |            |            |                    |                        |                  | 55,503  | (2,506)      | 730     | -      | 6          | -           | 5,949      | -       | 59,682       | 5,141       | 55,503       | 5,127       |
|                                        |            |            |                    |                        |                  | 542,084 | (2,506)      | 730     | 55,992 | 202        | (27,640)    | 69,132     | (1,547) | 636,447      | 418,572     | 542,084      | 393,764     |

**SOCIAL SECURITY CORPORATION – SOCIAL SECURITY INVESTMENT FUND**  
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The following schedules illustrate summarized financial information for the Group's major investments in associates:

|                                                                           | Jordan Kuwait Bank |                |
|---------------------------------------------------------------------------|--------------------|----------------|
|                                                                           | 2024               | 2023           |
| <b>Statement of Financial Position</b>                                    |                    |                |
| Assets                                                                    | 5,630,326          | 5,244,402      |
| Liabilities                                                               | (4,744,196)        | (4,516,891)    |
| Non-controlling interest                                                  | (178,013)          | (112,768)      |
| Net equity                                                                | 708,117            | 614,743        |
| <b>Percentage of ownership</b>                                            | <b>21.04%</b>      | <b>21.04%</b>  |
| <b>Net investment as of 31 December</b>                                   | <b>131,487</b>     | <b>110,413</b> |
| <br><b>Statement of Comprehensive Income</b>                              |                    |                |
| Net Interest revenues, commissions and foreign currency                   | 381,458            | 254,777        |
| Gain from selling subsidiary shares                                       | -                  | 4,779          |
| Gain on financial assets at fair value through other comprehensive income | 44                 | -              |
| Gain on financial assets at fair value through profit and loss            | 2,464              | 3,219          |
| Cash dividends at fair value through other comprehensive income           | 1,519              | 2,486          |
| Provision for impairment of direct credit facilities                      | (43,553)           | (37,745)       |
| Provision for credit losses                                               | (9,313)            | (31,403)       |
| Employees' expenditures                                                   | (48,838)           | (48,714)       |
| Other expenses, net                                                       | (89,460)           | (57,362)       |
| Profit for the year                                                       | 194,321            | 90,037         |
| <br>Attributable to Bank's shareholders                                   | 117,329            | 59,108         |
| Attributable to non-controlling interests                                 | 76,992             | 30,929         |
|                                                                           | 194,321            | 90,037         |
| <br>Group's share of profit                                               | 24,688             | 12,437         |

**SOCIAL SECURITY CORPORATION – SOCIAL SECURITY INVESTMENT FUND**  
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|                                            | Jordan Petroleum Refinery |               |
|--------------------------------------------|---------------------------|---------------|
|                                            | 2024                      | 2023          |
| <b>Statement of Financial Position</b>     |                           |               |
| Current assets                             | 1,216,802                 | 1,138,596     |
| Non-current assets                         | 583,695                   | 299,394       |
| Current liabilities                        | (1,055,922)               | (990,506)     |
| Non-current liabilities                    | (76,370)                  | (79,403)      |
| Non-controlling interest                   | (7,001)                   | (7,945)       |
| Net equity                                 | 661,204                   | 360,136       |
| <b>Percentage of ownership</b>             | <b>20.40%</b>             | <b>20.40%</b> |
| <b>Net investment as of 31 December</b>    | <b>143,741</b>            | <b>82,092</b> |
| <b>Statement of Comprehensive Income</b>   |                           |               |
| Sales                                      | 1,516,848                 | 1,659,001     |
| Cost of sales                              | (1,356,127)               | (1,499,614)   |
| Bank interests and commissions             | (47,462)                  | (39,878)      |
| Selling and distribution expenses          | (46,698)                  | (44,287)      |
| Other revenues, net                        | 6,513                     | 7,382         |
| Profit for the year                        | 73,074                    | 82,604        |
| Attributable to the Company's shareholders | 72,415                    | 81,554        |
| Attributable to non-controlling interests  | 659                       | 1,050         |
|                                            | 73,074                    | 82,604        |
| Group's share of profit                    | 14,773                    | 16,637        |

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**31 DECEMBER 2024**  
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|                                          | Jordan Telecommunication<br>Company |                |
|------------------------------------------|-------------------------------------|----------------|
|                                          | 2024                                | 2023           |
| <b>Statement of Financial Position</b>   |                                     |                |
| Current assets                           | 204,961                             | 204,310        |
| Non-current assets                       | 584,814                             | 582,647        |
| Current liabilities                      | (288,203)                           | (357,762)      |
| Non-current liabilities                  | (196,602)                           | (124,433)      |
| Net equity                               | 304,970                             | 304,762        |
| <b>Percentage of ownership</b>           | <b>28.88%</b>                       | <b>28.88%</b>  |
| <b>Net investment as of 31 December</b>  | <b>230,416</b>                      | <b>230,356</b> |
| <b>Statement of Comprehensive Income</b> |                                     |                |
| Revenues                                 | 361,252                             | 360,716        |
| Cost of services                         | (126,221)                           | (132,187)      |
| Administrative expenses                  | (20,761)                            | (23,187)       |
| Selling and marketing expenses           | (43,995)                            | (43,457)       |
| Finance income                           | 1,796                               | 2,947          |
| Other expenses, net                      | (130,613)                           | (119,084)      |
| Profit for the year                      | 41,458                              | 45,748         |
| Group's share of profit                  | 11,973                              | 13,212         |

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|                                          | Jordan Worsted Mill Factory |               |
|------------------------------------------|-----------------------------|---------------|
|                                          | 2024                        | 2023          |
| <b>Statement of Financial Position</b>   |                             |               |
| Current assets                           | 55,333                      | 57,777        |
| Non-current assets                       | 182                         | 200           |
| Current liabilities                      | (227)                       | (263)         |
| Non-current liabilities                  | (113)                       | (76)          |
| Net equity                               | 55,175                      | 57,638        |
| <b>Percentage of ownership</b>           | <b>20%</b>                  | <b>20%</b>    |
| <b>Net investment as of 31 December</b>  | <b>9,751</b>                | <b>10,258</b> |
| <b>Statement of Comprehensive Income</b> |                             |               |
| Investment properties revenues           | 214                         | 162           |
| Administrative expenses                  | (855)                       | (860)         |
| Other revenues, net                      | 2,780                       | 2,614         |
| Profit for the year                      | 2,139                       | 1,916         |
| Group's share of profit                  | 428                         | 383           |

**SOCIAL SECURITY CORPORATION – SOCIAL SECURITY INVESTMENT FUND**  
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|                                                                  | Al-Sharq Investments Projects |               |
|------------------------------------------------------------------|-------------------------------|---------------|
|                                                                  | 2024                          | 2023          |
| <b>Statement of Financial Position</b>                           |                               |               |
| Current assets                                                   | 3,140                         | 2,921         |
| Non-current assets                                               | 19,031                        | 19,444        |
| Current liabilities                                              | (1,176)                       | (1,383)       |
| Non-current liabilities                                          | -                             | (44)          |
| Net equity                                                       | 20,995                        | 20,938        |
| <b>Percentage of ownership</b>                                   | <b>26.03%</b>                 | <b>26.03%</b> |
| <b>Net investment as of 31 December</b>                          | <b>5,561</b>                  | <b>5,546</b>  |
| <b>Statement of Comprehensive Income</b>                         |                               |               |
| Operating revenues                                               | 7,428                         | 7,629         |
| Operating costs                                                  | (2,524)                       | (2,515)       |
| Administrative expenses, maintenance, marketing and depreciation | (4,037)                       | (4,156)       |
| Other revenues                                                   | 234                           | 143           |
| Profit for the year                                              | 1,101                         | 1,101         |
| Group's share of profit                                          | 287                           | 287           |

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|                                                                                       | Jordan Electricity Company |               |
|---------------------------------------------------------------------------------------|----------------------------|---------------|
|                                                                                       | 2024                       | 2023          |
| <b>Statement of Financial Position</b>                                                |                            |               |
| Current assets                                                                        | 562,151                    | 486,636       |
| Non-current assets                                                                    | 587,196                    | 530,998       |
| Current liabilities                                                                   | (874,921)                  | (708,504)     |
| Non-current liabilities                                                               | (122,914)                  | (160,788)     |
| Net equity                                                                            | 151,512                    | 148,342       |
| <b>Percentage of ownership</b>                                                        | <b>21.58%</b>              | <b>21.46%</b> |
| <b>Net investment as of 31 December</b>                                               | <b>48,573</b>              | <b>47,574</b> |
| <b>Statement of Comprehensive Income</b>                                              |                            |               |
| Operating revenues                                                                    | 1,067,397                  | 1,001,491     |
| Operating costs                                                                       | (901,368)                  | (838,383)     |
| Administrative expenses, maintenance, marketing, depreciation and other expenses, net | (138,623)                  | (140,899)     |
| Profit for the year before tax                                                        | 27,406                     | 22,209        |
| Income tax expense                                                                    | (8,223)                    | (5,167)       |
| Profit for the year                                                                   | 19,183                     | 17,042        |
| Group's share of profit                                                               | 4,140                      | 3,661         |

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

This item consists of the following:

|                                                   | Average<br>interest rates<br>% | 2024             | 2023             |
|---------------------------------------------------|--------------------------------|------------------|------------------|
| <b>A- Government and public institution bonds</b> |                                |                  |                  |
| Treasury bills                                    | 6.502 – 6.868                  | 351,007          | 199,498          |
| Treasury bonds*                                   | 3.487 – 7.999                  | 9,230,611        | 8,356,599        |
| Public institutions bonds                         | 6.411 – 6.989                  | 6,348            | 21,645           |
|                                                   |                                | <u>9,587,966</u> | <u>8,577,742</u> |
| <b>B- Bonds, debts and other securities</b>       |                                |                  |                  |
| Private companies' bonds and debts                | 4.0 - 7.0                      | 225,210          | 163,880          |
| Less: provision for expected credit losses**      |                                | (7,239)          | (5,636)          |
|                                                   |                                | <u>217,971</u>   | <u>158,244</u>   |
|                                                   |                                | <u>9,805,937</u> | <u>8,735,986</u> |

Financial assets at amortized cost have maturity dates ranging between 1 month and up to the year 2047.

\* Treasury bonds include an amount of JD 95,507 thousand as of 31 December 2024, representing treasury bonds related to the unemployment fund (31 December 2023: JD 90,426 thousand).

\*\* Movements on the provision for expected credit losses for financial assets at amortized cost during the year were as follows:

|                                              | 2024         |          |              |              | 2023         |
|----------------------------------------------|--------------|----------|--------------|--------------|--------------|
|                                              | Stage 1      | Stage 2  | Stage 3      | Total        | Total        |
| Balance as at 1 January                      | 4,591        | -        | 1,045        | 5,636        | 6,632        |
| Provision for the year                       | 1,523        | -        | 80           | 1,603        | -            |
| Recovered from the provision during the year | -            | -        | -            | -            | (996)        |
| Balance as at 31 December                    | <u>6,114</u> | <u>-</u> | <u>1,125</u> | <u>7,239</u> | <u>5,636</u> |

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**(10) SUBSCRIBERS' CONTRIBUTIONS AND RURAL FILS ASSETS AND LIABILITIES**

This item represents the infrastructure constructed by the subsidiaries to connect customers and rural areas to electricity. The cost of infrastructures is paid by Subscribers and Jordanian Rural Fills Fund Project and recognized as assets and liabilities in the consolidated statement of financial position of the Group.

|                                         | <u>2024</u>           | <u>2023</u>           |
|-----------------------------------------|-----------------------|-----------------------|
| <b>Cost-</b>                            |                       |                       |
| Balance as at 1 January                 | 432,969               | 413,193               |
| Transfers from projects in progress     | <u>22,918</u>         | <u>19,776</u>         |
| Balance as at 31 December               | <u><u>455,887</u></u> | <u><u>432,969</u></u> |
| <br><b>Accumulated amortization-</b>    |                       |                       |
| Balance as at 1 January                 | 227,081               | 211,152               |
| Depreciation for the year*              | <u>16,783</u>         | <u>15,929</u>         |
| Balance as at 31 December               | <u><u>243,864</u></u> | <u><u>227,081</u></u> |
| <b>Net book value as at 31 December</b> | <u><u>212,023</u></u> | <u><u>205,888</u></u> |

\* Subscribers contribution and rural fils assets are depreciated at a rate of 4% annually and subscribers' contribution and rural fils liabilities are depreciated at the same rate, and thus there is no effect on the financial performance of the Group. Details of subscribers' contribution and rural fils liabilities as at 31 December are as follows:

|                                     | <u>2024</u>           | <u>2023</u>           |
|-------------------------------------|-----------------------|-----------------------|
| Subscribers' contribution liability | 150,569               | 148,188               |
| Rural fils liabilities              | <u>61,454</u>         | <u>57,700</u>         |
|                                     | <u><u>212,023</u></u> | <u><u>205,888</u></u> |

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**(11) PROJECTS IN PROGRESS**

This item consists of the following:

|                                                                  | 2024           | 2023           |
|------------------------------------------------------------------|----------------|----------------|
| Aqaba Touristic Beach project*                                   | 32,173         | 32,173         |
| Al-Mafraq project's land infrastructure cost**                   | 27,705         | 27,794         |
| Electricity connection projects ***                              | 38,521         | 31,398         |
| Development of Duty-Free Shops on border crossings****           | 1,851          | 1,247          |
| Crowne Plaza Resort renovation – Petra*****                      | 23,144         | 18,574         |
| Building and development of Irbid projects' Infrastructure ***** | 10,878         | 9,569          |
| Holiday Inn Hotel renovation-Dead sea                            | 649            | 294            |
| Intercontinental Hotel renovation – Aqaba                        | 355            | 211            |
| Amra Crowne Plaza renovation – Amman                             | 383            | 124            |
| Crowne Plaza Hotel – Dead Sea                                    | 582            | 66             |
| Other projects in progress                                       | 823            | 772            |
|                                                                  | <u>137,064</u> | <u>122,222</u> |

\* An amount of JD 32,173 thousand represents the value of the touristic beach project land and what is on it. In 2024, National Company for Touristic Development that is fully owned by the Social Security Corporation has conducted an economic feasibility study to determine the mechanism of benefiting from this land or completing the project that was to be built on it. A 4-star hotel has been approved to be established under the international brand (Voco), in which the final approval depends on the results of the studies that will be prepared by Arabtech Jardaneh. A letter of interest has previously been signed with Intercontinental Hotels Group to establish this hotel, and work is currently in progress to prepare the necessary designs.

The expected cost for establishing the hotel is around JD 18.8 million, and it is anticipated to start implementation by the end of 2025 for approximately two years.

\*\* The Group updated the study of the estimated expected cost to complete the Mafraq Development Project by an engineering company on 5 February 2018. The total estimated cost to complete the project amounted to approximately JD 143 million, and the estimated cost per developed square meter reached JD 12.78 after distributing the estimated cost over the net land area of 11.3 thousand square kilometers. The construction and development are expected to be completed by 2030. Management believes that this estimate is reasonable and reflects the prices and infrastructure development costs up to the year 2024.

\*\*\* This item represents the infrastructure projects for supplying electricity to the subsidiaries of Kingdom Electricity for Energy Investments Company, which are under implementation as of 31 December 2024. The estimated cost to complete the unexecuted portion of the projects under implementation amounts to JD 29,572 thousand as of 31 December 2024 (31 December 2023: JD 25,125 thousand).

\*\*\*\* This item represents projects for developing markets at border crossings and the fountain project in Aqaba for the Jordanian Duty Free Shops Company. On 1 March 2023, the Group capitalized and began depreciating the Fountain Mall project located in the city of Aqaba, amounting to JD 14,722 thousand, transferring it from projects under implementation to property and equipment. The estimated cost to complete the project amounted to JD 1,494 thousand and it is expected to be completed by 2026.

\*\*\*\*\* The amount of JD 23,144 thousand represents the Crowne Plaza Petra Hotel development project. The expected cost of the project is JD 25,372 thousand, and it is expected to be completed during 2025.

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\*\*\*\*\* The Group contracted with a consulting firm to study market demand and conduct a market study after the government returned the lands to the company. The tender for preparing the new master plan for the Northern Development Company project was awarded to a specialized engineering office and was completed in 2019 and approved by the authority. The estimated cost of the infrastructure is approximately JD 68 million as of 31 December 2024, and it is expected to be completed in 2046, based on the study provided by the consulting firm.

**(12) INVENTORIES**

This item consists of the following:

|                                             | <u>2024</u>   | <u>2023</u>   |
|---------------------------------------------|---------------|---------------|
| Electricity tools, material and spare parts | 15,322        | 15,795        |
| Finished goods                              | 14,194        | 12,141        |
| Raw materials                               | 612           | 589           |
| Food and beverage                           | 261           | 257           |
| Others                                      | 11,002        | 9,780         |
|                                             | 41,391        | 38,562        |
| Less: provision for slow moving inventory*  | (5,934)       | (5,307)       |
|                                             | <u>35,457</u> | <u>33,255</u> |

\* Movements on provision for slow moving inventory during the year were as follows:

|                                                    | <u>2024</u>  | <u>2023</u>  |
|----------------------------------------------------|--------------|--------------|
| Balance as at 1 January                            | 5,307        | 5,323        |
| Provision for the year                             | 795          | 633          |
| Provision for compensation of goods from suppliers | -            | 3            |
| Inventory written off during the year              | (168)        | (652)        |
| Balance as at 31 December                          | <u>5,934</u> | <u>5,307</u> |

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**(13) PROPERTY AND EQUIPMENT**

This item consists of the following:

|                                                                        | Land          | Buildings      | Meters,<br>cables,<br>and<br>pumps | Furniture<br>and<br>fixtures | Machinery<br>and<br>equipment | Vehicles      | Additions and<br>improvements | Computers     | Electro-<br>mechanical<br>equipment | Sanitary<br>extensions | Others       | Total          |
|------------------------------------------------------------------------|---------------|----------------|------------------------------------|------------------------------|-------------------------------|---------------|-------------------------------|---------------|-------------------------------------|------------------------|--------------|----------------|
| <b>2024-<br/>Cost:</b>                                                 |               |                |                                    |                              |                               |               |                               |               |                                     |                        |              |                |
| Balance as at 1 January                                                | 27,982        | 194,709        | 818                                | 46,197                       | 481,075                       | 20,270        | 5,103                         | 46,573        | 55,737                              | 9,566                  | 8,214        | 896,244        |
| Additions                                                              | -             | 799            | 240                                | 494                          | 30,833                        | 2,214         | 532                           | 2,693         | 117                                 | 18                     | 1,235        | 39,175         |
| Disposals                                                              | -             | (8)            | -                                  | (880)                        | (7,367)                       | (312)         | (74)                          | (310)         | (958)                               | (127)                  | (126)        | (10,162)       |
| Transfers from projects in progress                                    | -             | 1,243          | -                                  | 20                           | 18,863                        | -             | -                             | 113           | -                                   | -                      | -            | 20,239         |
| Reclassifications                                                      | -             | (417)          | -                                  | -                            | 415                           | -             | -                             | 1             | -                                   | -                      | 1            | -              |
| Transfers from advance payments for<br>purchase property and equipment | -             | -              | -                                  | -                            | -                             | -             | -                             | 82            | -                                   | -                      | -            | 82             |
| <b>Balance as at 31 December</b>                                       | <b>27,982</b> | <b>196,326</b> | <b>1,058</b>                       | <b>45,831</b>                | <b>523,819</b>                | <b>22,172</b> | <b>5,561</b>                  | <b>49,152</b> | <b>54,896</b>                       | <b>9,457</b>           | <b>9,324</b> | <b>945,578</b> |
| <b>Accumulated depreciation:</b>                                       |               |                |                                    |                              |                               |               |                               |               |                                     |                        |              |                |
| Balance as at 1 January                                                | -             | 71,993         | 176                                | 37,860                       | 257,279                       | 17,020        | 4,018                         | 35,246        | 47,642                              | 9,556                  | 6,790        | 487,580        |
| Depreciation for the year                                              | -             | 4,563          | 105                                | 550                          | 21,342                        | 1,016         | 85                            | 4,228         | 1,761                               | 25                     | 195          | 33,870         |
| Disposals                                                              | -             | (4)            | -                                  | (867)                        | (4,568)                       | (279)         | (74)                          | (300)         | (958)                               | (127)                  | (126)        | (7,303)        |
| Reclassifications                                                      | -             | (314)          | -                                  | -                            | 312                           | -             | -                             | 1             | -                                   | -                      | 1            | -              |
| <b>Balance as at 31 December</b>                                       | <b>-</b>      | <b>76,238</b>  | <b>281</b>                         | <b>37,543</b>                | <b>274,365</b>                | <b>17,757</b> | <b>4,029</b>                  | <b>39,175</b> | <b>48,445</b>                       | <b>9,454</b>           | <b>6,860</b> | <b>514,147</b> |
| <b>Net book value as of 31 December 2024</b>                           | <b>27,982</b> | <b>120,088</b> | <b>777</b>                         | <b>8,288</b>                 | <b>249,454</b>                | <b>4,415</b>  | <b>1,532</b>                  | <b>9,977</b>  | <b>6,451</b>                        | <b>3</b>               | <b>2,464</b> | <b>431,431</b> |
| <b>2023-<br/>Cost:</b>                                                 |               |                |                                    |                              |                               |               |                               |               |                                     |                        |              |                |
| Balance as at 1 January                                                | 27,883        | 182,815        | 743                                | 47,791                       | 441,721                       | 19,062        | 4,746                         | 44,273        | 55,511                              | 11,359                 | 8,663        | 844,567        |
| Additions                                                              | 227           | 943            | 75                                 | 855                          | 31,498                        | 1,605         | 403                           | 2,829         | 528                                 | 62                     | 126          | 39,151         |
| Disposals                                                              | -             | (12)           | -                                  | (470)                        | (5,424)                       | (397)         | (46)                          | (350)         | (126)                               | (28)                   | (27)         | (6,880)        |
| Transfers from projects in progress                                    | -             | 14,238         | -                                  | 388                          | 14,142                        | -             | -                             | 2             | -                                   | -                      | -            | 28,770         |
| Transfers to investment properties (Note 14)                           | (128)         | (3,275)        | -                                  | (2,367)                      | (862)                         | -             | -                             | (208)         | (176)                               | (1,827)                | (548)        | (9,391)        |
| Transfers from advance payments for<br>purchase property and equipment | -             | -              | -                                  | -                            | -                             | -             | -                             | 27            | -                                   | -                      | -            | 27             |
| <b>Balance as at 31 December</b>                                       | <b>27,982</b> | <b>194,709</b> | <b>818</b>                         | <b>46,197</b>                | <b>481,075</b>                | <b>20,270</b> | <b>5,103</b>                  | <b>46,573</b> | <b>55,737</b>                       | <b>9,566</b>           | <b>8,214</b> | <b>896,244</b> |
| <b>Accumulated depreciation:</b>                                       |               |                |                                    |                              |                               |               |                               |               |                                     |                        |              |                |
| Balance as at 1 January                                                | -             | 68,944         | 71                                 | 40,096                       | 241,943                       | 16,349        | 4,012                         | 31,811        | 46,145                              | 11,344                 | 7,193        | 467,908        |
| Depreciation for the year                                              | -             | 4,640          | 105                                | 535                          | 19,821                        | 1,031         | 52                            | 3,961         | 1,780                               | 38                     | 171          | 32,134         |
| Disposals                                                              | -             | (1)            | -                                  | (452)                        | (3,653)                       | (360)         | (46)                          | (336)         | (108)                               | (28)                   | (27)         | (5,011)        |
| Transfers to investment properties (Note 14)                           | -             | (1,590)        | -                                  | (2,319)                      | (832)                         | -             | -                             | (190)         | (175)                               | (1,798)                | (547)        | (7,451)        |
| <b>Balance as at 31 December</b>                                       | <b>-</b>      | <b>71,993</b>  | <b>176</b>                         | <b>37,860</b>                | <b>257,279</b>                | <b>17,020</b> | <b>4,018</b>                  | <b>35,246</b> | <b>47,642</b>                       | <b>9,556</b>           | <b>6,790</b> | <b>487,580</b> |
| <b>Net book value as of 31 December 2023</b>                           | <b>27,982</b> | <b>122,716</b> | <b>642</b>                         | <b>8,337</b>                 | <b>223,796</b>                | <b>3,250</b>  | <b>1,085</b>                  | <b>11,327</b> | <b>8,095</b>                        | <b>10</b>              | <b>1,424</b> | <b>408,664</b> |

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**(14) INVESTMENT PROPERTIES**

This item consists of the following:

|                               | <u>2024</u>    | <u>2023</u>    |
|-------------------------------|----------------|----------------|
| Land held for investment      | 855,914        | 839,341        |
| Buildings held for investment | 56,932         | 58,899         |
| Others                        | <u>1,314</u>   | <u>209</u>     |
|                               | <u>914,160</u> | <u>898,449</u> |

Movements on investment properties during the year were as follows:

|                                                                              | <u>2024</u>    | <u>2023</u>    |
|------------------------------------------------------------------------------|----------------|----------------|
| Balance as at 1 January                                                      | 898,449        | 862,192        |
| Purchase of investment properties                                            | 25,328         | 11,892         |
| Transfers from properties and equipment, net (Note 13)                       | -              | 1,940          |
| (Losses) gains on valuation of investment properties at fair value (Note 33) | <u>(9,617)</u> | <u>22,425</u>  |
| Balance as at 31 December                                                    | <u>914,160</u> | <u>898,449</u> |

**(15) INVESTMENTS IN JOINT OPERATIONS**

This item consists of Al-Zaytuna project (1) which represent lands that the Fund invested in, jointly with Urban Development Corporation as well as other partners. These lands have been sorted and are to be distributed to the investors based on their percentage of ownership. Investments in joint operations are stated at cost as at 31 December 2024 and 2023, the details of these projects were as follows:

|                         | <u>2024</u> | <u>2023</u> |
|-------------------------|-------------|-------------|
| Al-Zaytuna project (1)* | <u>15</u>   | <u>15</u>   |
|                         | <u>15</u>   | <u>15</u>   |

\* It is expected that during 2025, the projects' lands will be transferred to investment properties.

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**(16) INVESTMENTS IN A JOINT VENTURE**

On April 22, 2024, an agreement was reached to establish a founding contract between Heinemann Africa GmbH, Astra Trading and Supply Company from Saudi Arabia, and Jordanian Duty Free Shops Company (a subsidiary), with the aim of creating JAH Arabia International Duty Free Shops Limited Liability Company. This company will establish a duty free at King Abdulaziz International Airport in Jeddah, with its headquarters located in Riyadh. The company has the right to open branches both inside and outside the Kingdom of Saudi Arabia as deemed necessary for the company's interests, subject to the partners' approval.

According to the terms of the agreement, each company will own a 33% share, except for Heinemann, which will hold a 34% share.

Jordanian Duty Free Shops Company (a subsidiary) has a significant influence on the investments in the joint venture, as it has two out of six members on the board of directors of JAH Arabia International Duty Free Shops Company, and decisions are made by consensus.

Based on this, the investment has been classified as investments in a joint venture and will be accounted for using the equity method.

This item consists of the following:

| Company name                                      | Capital's<br>number of<br>shares | Number of<br>shares<br>owned by<br>the Fund | Ownership<br>percentage<br>% | Nature of<br>Business            | Country of<br>incorporation/<br>location | Value of investment                            |                                                |
|---------------------------------------------------|----------------------------------|---------------------------------------------|------------------------------|----------------------------------|------------------------------------------|------------------------------------------------|------------------------------------------------|
|                                                   |                                  |                                             |                              |                                  |                                          | 2024<br>Thousands<br>of<br>Jordanian<br>Dinars | 2023<br>Thousands<br>of<br>Jordanian<br>Dinars |
| JAH Arabia<br>International<br>Duty Free<br>Shops | 3,000,000                        | 990,000                                     | 33                           | Wholesale<br>and retail<br>trade | Kingdom of<br>Saudi<br>Arabia/Jeddah     | 1,379                                          | -                                              |

The following is a summary of the movement on the investment in the joint venture for the year ended 31 December 2024:

|                                                       | 2024         |
|-------------------------------------------------------|--------------|
| <b>Balance as at 22 April 2024</b>                    | 1,877        |
| Group's share of a joint venture's operating results* | (498)        |
| <b>Balance as at 31 December</b>                      | <b>1,379</b> |

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The following is a summary of the financial data regarding the joint venture as of 31 December:

|                                                                                         | JAH Arabia<br>International<br>Duty Free<br>Shops |
|-----------------------------------------------------------------------------------------|---------------------------------------------------|
| <b>2024-</b>                                                                            |                                                   |
| <b>Investments in a joint venture</b>                                                   |                                                   |
| Current assets                                                                          | 26,832                                            |
| Non-current assets                                                                      | 5,638                                             |
| Current liabilities                                                                     | (11,284)                                          |
| Non-current liabilities                                                                 | -                                                 |
| Equity                                                                                  | 21,186                                            |
| Percentage of ownership                                                                 | 33%                                               |
| Investment value                                                                        | 1,379                                             |
| <b>Results of operations</b>                                                            |                                                   |
| Revenues                                                                                | 10,129                                            |
| Cost of sales                                                                           | (5,176)                                           |
| Administrative expenses                                                                 | (6,462)                                           |
| Loss for the period                                                                     | (1,509)                                           |
| Group's share of loss for the period from incorporation on 22 April to 31 December 2024 | (498)                                             |

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**(17) INTANGIBLE ASSETS**

|                                         | Exclusive<br>right* | License**     | Right of<br>passing*** | Right to use<br>and<br>operate**** | Goodwill***** | Computer<br>software | Total         |
|-----------------------------------------|---------------------|---------------|------------------------|------------------------------------|---------------|----------------------|---------------|
| <b>2024-</b>                            |                     |               |                        |                                    |               |                      |               |
| <b>Cost:</b>                            |                     |               |                        |                                    |               |                      |               |
| Balance as at 1 January                 | 17,697              | 39,411        | 8,359                  | 4,184                              | 28,014        | 417                  | 98,082        |
| Additions                               | -                   | -             | 67                     | 1                                  | -             | -                    | 68            |
| <b>Balance as at 31 December</b>        | <u>17,697</u>       | <u>39,411</u> | <u>8,426</u>           | <u>4,185</u>                       | <u>28,014</u> | <u>417</u>           | <u>98,150</u> |
| <b>Accumulated amortization:</b>        |                     |               |                        |                                    |               |                      |               |
| Balance as at 1 January                 | 2,950               | 21,681        | 5,063                  | 2,818                              | -             | 214                  | 32,726        |
| Amortization for the year               | 1,770               | 1,970         | 380                    | 113                                | -             | 86                   | 4,319         |
| <b>Balance as at 31 December</b>        | <u>4,720</u>        | <u>23,651</u> | <u>5,443</u>           | <u>2,931</u>                       | <u>-</u>      | <u>300</u>           | <u>37,045</u> |
| <b>Net book value as of 31 December</b> | <u>12,977</u>       | <u>15,760</u> | <u>2,983</u>           | <u>1,254</u>                       | <u>28,014</u> | <u>117</u>           | <u>61,105</u> |
| <b>2023-</b>                            |                     |               |                        |                                    |               |                      |               |
| <b>Cost:</b>                            |                     |               |                        |                                    |               |                      |               |
| Balance as at 1 January                 | 17,697              | 39,411        | 8,339                  | 4,184                              | 28,014        | 394                  | 98,039        |
| Additions                               | -                   | -             | 20                     | -                                  | -             | 23                   | 43            |
| <b>Balance as at 31 December</b>        | <u>17,697</u>       | <u>39,411</u> | <u>8,359</u>           | <u>4,184</u>                       | <u>28,014</u> | <u>417</u>           | <u>98,082</u> |
| <b>Accumulated amortization:</b>        |                     |               |                        |                                    |               |                      |               |
| Balance as at 1 January                 | 1,180               | 19,711        | 4,687                  | 2,704                              | -             | 128                  | 28,410        |
| Amortization for the year               | 1,770               | 1,970         | 376                    | 114                                | -             | 86                   | 4,316         |
| <b>Balance as at 31 December</b>        | <u>2,950</u>        | <u>21,681</u> | <u>5,063</u>           | <u>2,818</u>                       | <u>-</u>      | <u>214</u>           | <u>32,726</u> |
| <b>Net book value as of 31 December</b> | <u>14,747</u>       | <u>17,730</u> | <u>3,296</u>           | <u>1,366</u>                       | <u>28,014</u> | <u>203</u>           | <u>65,356</u> |

\* During the year 2021, the exclusive right agreement with the Hashemite Kingdom of Jordan, represented by the Ministry of Finance, to establish duty-free shops at land crossings and seaports, signed on 30 August 2011 until 30 August 2021, expired. During 2022, the Group obtained the renewal of the exclusive right for a period of 10 years starting from 1 May 2022, provided that the Group is committed to paying an amount of JD 25 million, which will be paid over the life of the agreement. Accordingly, the agreed amount of the exclusivity agreement has been deducted to the present value and recorded as an intangible asset, as it is amortized over the life of the agreement. The Group shall be obliged to pay to the Public Treasury each of the following amounts:

- A monthly service allowance of 13.5% and a monthly customs service allowance of 1.5% of its total monthly sales realized in duty free shops that are not subject to the same duties, taxes and customs applied in the customs territory as operational costs.
- An annual allowance of 20% of the company's annual net operating profit for duty-free sales on an annual basis, starting from the fiscal year 2022 and including the full profits of 2022 and thereafter until the end of the year 2031. The value of this allowance shall be paid within three months from the date of the end of the fiscal year.

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In addition, the Jordan Duty Free Company (a subsidiary) has been exempted from income tax from income tax from its duty free activities for a period of six years starting from the date of entry into force of the agreement, and 2022 is considered the first year of exemption.

\*\* This item includes an amount of JD 39,397 thousand, which represents the fair value of electricity distribution licenses granted by the Energy and Minerals Regulatory Authority to subsidiaries as at the date of grant, and they are amortized over the 19-year life of the licenses

\*\*\* This item represents the amount of compensation paid by the Kingdom Electricity Company for Energy Investments and its subsidiaries to land owners for damages due to the passage of power lines over their property based on a court decision or a decrease in the market value of such property. Kingdom Electricity Company for Energy Investments and its subsidiaries have since the beginning of 2014 extinguished the right of way for the remaining life of the license.

\*\*\*\* This item represents the amount of the amounts paid by Unified Launch Company for the construction and development of the infrastructure of the Unified Launch Complex as intangible assets in accordance with the requirements of the interpretation of financial reports No. (12) Service Concession Arrangements issued by the International Financial Reporting Interpretation Committee as the amounts paid represent a right (license) to use and operate a public facility for a period of 27 years.

\*\*\*\*\* The details of this item are as follows:

- 1- The following subsidiary has been identified as a cash-generating unit benefiting from acquisition operations for the purposes of goodwill impairment testing:

| <u>Subsidiary</u>                                    | <u>Goodwill</u> |
|------------------------------------------------------|-----------------|
| Electricity Distribution Public Shareholding Company | <u>5,271</u>    |

The Group conducted an annual goodwill impairment test as of 31 December 2024 as follows:

- **Electricity Distribution Public Shareholding Company**

The recoverable amount of the Public shareholding Electricity Distribution Company was determined by calculating the company's expected cash flows based on the estimated budget for 2025 approved by the management. Projected cash flows after 2025 were calculated using an annual revenue growth rate of 0.3%. In the belief of the administration, the growth rate is appropriate given the nature of work and the general growth in economic activity in the region. An 11% discount rate has been used to discount projected cash flows and a final growth rate of 1%. The impairment test did not result in any impairment loss in goodwill related to the ownership of the Public Shareholding Electricity Distribution Company.

Management believes that there are no predicted changes on the basic assumptions used to determine the value in use that can reduce the recoverable amount against the net book value.

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- 2- Goodwill resulting from the acquisition of Kingdom Electricity Company for Energy Investments (previously, Al Daman for Energy Investments) by the Social Security Investment Fund with a total amount of JD 22,743 thousand in 2011, which represents the amount of revaluation difference.

The recoverable amount for Kingdom Electricity Company for Energy Investments was determined by calculating the recoverable amount based on the projected cash flows of the company. This company was identified as a cash-generating unit for the purpose of goodwill impairment testing. The impairment test utilized the following assumptions: a discount rate of 13% to discount the expected cash flows and a growth rate of 3%. The impairment testing did not result in any goodwill impairment losses.

**(18) OTHER ASSETS**

This item consists of the following:

|                                              | 2024     | 2023     |
|----------------------------------------------|----------|----------|
| Trade receivables                            | 396,103  | 253,836  |
| Accrued revenues and interests*              | 203,463  | 185,340  |
| Other debit balances                         | 25,329   | 19,949   |
| Right-of-use assets                          | 8,005    | 7,089    |
| Prepaid expenses                             | 6,841    | 5,872    |
| Deferred tax assets                          | 4,569    | 4,337    |
| Housing Fund deposits                        | 1,987    | 2,233    |
| Checks under collection                      | 1,947    | 2,331    |
|                                              | 648,244  | 480,987  |
| Less: provision for expected credit losses** | (63,855) | (61,858) |
|                                              | 584,389  | 419,129  |

\* This item includes an amount of JD 1,035 thousand as of 31 December 2024, which represents accrued interests related to the Unemployment Fund (31 December 2023: JD 920 thousand).

\*\* Movements on the provision for expected credit losses for other assets during the year were as follows:

|                          | 2024    | 2023   |
|--------------------------|---------|--------|
| Balance as at 1 January  | 61,858  | 59,416 |
| Provision for the year   | 3,662   | 2,641  |
| Recovered from provision | (1,665) | (199)  |
|                          | 63,855  | 61,858 |

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The stages of the movement occurring in the provision for expected credit losses for other assets during the year are as follows:

|                              | 2024    |         |         |         | 2023   |
|------------------------------|---------|---------|---------|---------|--------|
|                              | Stage 1 | Stage 2 | Stage 3 | Total   | Total  |
| Balance as at 1 January      | -       | 262     | 61,596  | 61,858  | 59,416 |
| Provision for the year       | -       | -       | 3,662   | 3,662   | 2,641  |
| Recovered from the provision | -       | -       | (1,665) | (1,665) | (199)  |
| Balance as at 31 December    | -       | 262     | 63,593  | 63,855  | 61,858 |

**(19) ELECTRICITY SERVICE SUBSCRIBERS' DEPOSITS**

This item represents amounts received by the subsidiaries of Kingdom Electricity Company for Energy Investments (subsidiary) from the subscribers as cash deposits for electricity connection services, based on the instructions of delivery costs of the Electricity and Minerals Regulatory Commission.

**(20) ADVANCE PAYMENTS FROM ELECTRICITY SUBSCRIBERS**

This item represents amounts received in advance by the subsidiaries of Kingdom Electricity Company for Energy Investments (subsidiary) from the subscribers for the implementation of subscribers' contributions projects. The Group closes this item after completing the project in the items of subscribers' contributions liabilities and subscribers' contributions assets excess.

**(21) DUE TO NATIONAL ELECTRIC POWER COMPANY**

This item represents the amounts due from the subsidiaries of Kingdom Electricity Company for Energy Investments (subsidiary), in addition to interest on late payments related to purchased energy from National Electric Power Company (NEPCO). Interest penalties amounted to JD 22,170 thousand as at 31 December 2024 (31 December 2023: JD 7,885 thousand).

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**(22) BANK LOANS**

This item consists of the following:

|                                       | 31 December 2024           |                           |                |
|---------------------------------------|----------------------------|---------------------------|----------------|
|                                       | Short term<br>installments | Long term<br>installments | Total          |
| Arab Bank                             | 540                        | 2,817                     | 3,357          |
| Jordan Kuwait Bank                    | 667                        | -                         | 667            |
| Housing Bank for Trade and Finance    | 6,000                      | 2,000                     | 8,000          |
| Jordan Islamic Bank                   | 3,600                      | 10,800                    | 14,400         |
| Jordan Commercial Bank                | 11                         | -                         | 11             |
| Jordan Islamic Bank – Short-term loan | 103,256                    | -                         | 103,256        |
| Cairo Amman Bank                      | 6                          | 47                        | 53             |
|                                       | <u>114,080</u>             | <u>15,664</u>             | <u>129,744</u> |

|                                       | 31 December 2023           |                           |                |
|---------------------------------------|----------------------------|---------------------------|----------------|
|                                       | Short term<br>installments | Long term<br>installments | Total          |
| Arab Bank                             | 540                        | 2,580                     | 3,120          |
| Jordan Kuwait Bank                    | 667                        | 667                       | 1,334          |
| Housing Bank for Trade and Finance    | 6,000                      | 6,000                     | 12,000         |
| Jordan Islamic Bank                   | 3,600                      | 14,400                    | 18,000         |
| Jordan Commercial Bank                | 68                         | 3                         | 71             |
| Jordan Islamic Bank – Short-term loan | 83,434                     | -                         | 83,434         |
|                                       | <u>94,309</u>              | <u>23,650</u>             | <u>117,959</u> |

**Arab Bank**

This amount represents the loan amount granted to Jordan Press Foundation / Al Rai on 13 March 2014 from Arab Bank, with a ceiling of JD 3.5 million, bearing an interest rate of 8.625% and repayable over 44 monthly installments of JD 80 thousand, except for the last installment amounting to JD 60 thousand. The first installment was due on 1 April 2015. The purpose of the loan is to repay the due payments for the previous loan from Arab Bank and to finance the remaining Al Rai printing project and support the working capital and finance some operating expenses.

The Company signed a contract with Arab Bank on 18 June 2019 to reschedule the loan payments, amending the monthly installment to become JD 25 thousand and at an interest rate of 8.875% payable over 57 installments with the first installment due 31 December 2019 until full payments. During the last quarter of 2019, the Company signed an appendix to increase the loan amount by JD 525 thousand from its overdraft bank account repayable over 45 monthly installments of JD 45 thousand at an interest rate of 9%. The first installment is due on 30 August 2021, with the last installment amounting to the remaining loan's balance.

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The Company signed a contract with Arab Bank to reschedule the loan on 29 April 2021, and on 8 July 2021 to increase the diminishing loan balance by JD 190 thousand and JD 400 thousand. Accordingly, the monthly instalment was amended to become JD 45 thousand and with an annual interest rate of 8% where the first instalment was due on 30 August 2021.

The company signed a contract with the Arab Bank to reschedule the loan on 1 October 2022, with a monthly instalment of 45 thousand, until full payment, except for the last instalment with the rest of the balance, The first instalment is due on 1 July 2023.

**Jordan Kuwait Bank**

Kingdom Electricity Company signed an agreement with Jordan Kuwait Bank Amman on 1 December 2023, to obtain a financing of 2,000,000 Jordanian Dinars, at an interest rate of 8.75%, provided that the loan is repaid in 3 equal installments plus interest, the first installment is due after one year from the date of grant.

**Housing Bank for Trade and Finance**

This item represents loan amount granted to Electricity Distribution Company (a subsidiary of Kingdom Electricity Company for Energy Investments) on 24 November 2015 from the Housing Bank for Trade and Finance with a ceiling of JD 40,000,000 with a grace period of one year, bearing an interest rates ranging between 5% to 5.4% or the rate granted to the bank's top customers less 3% whichever is lower for the first five years of the loan life, and starting from the sixth year of the loan till the maturity date an interest rate as the granted rate to the bank's top customers less 3% with a minimum rate of 5.25% annually. The loan is repayable over 20 equal semi-annual installments, the first installment was due on 31 December 2016, the interest is paid every six months.

The interest rate has been adjusted to 5.75% with a fixed rate for one year starting from 1 September 2023. Additionally, the interest rate has been adjusted to 7.75% with a fixed rate for six months from 1 September 2023. It is noted that the interest rate of 5.75% will be reinstated on 1 March 2024.

**Jordan Commercial Bank**

This item represents the amount of loan granted to the Jordan Press Foundation / Al Rai on 6 March 2018 from Jordan Commercial Bank with an amount of JD 500 thousand and an annual interest rate of 9.5%. The loan is repaid by an advertising agent for the advertisements that the company advertises on his behalf.

On 29 May 2019, the Company rescheduled the loan to become JD 192 thousand with an interest rate of 10.25%. The loan is repaid to 9 monthly installments of JD 22 thousand expect for last installment which represents the remaining amount of loan. The first installment was due on 30 June 2019. The loan was used to pay for incoming collection policy documents.

The Company signed a contract with the Jordan Commercial Bank to reschedule the loan on 10 March 2021. Accordingly, the loan is repaid to 24 monthly installments including interest, the value of each of which is 4 thousand, until full payment except for the last installment with the rest of the balance so that the first installment is due on 28 May 2021.

**Jordan Islamic Bank**

During 2023, the Irbid District Electricity Company (a subsidiary of the Kingdom Electricity Company) signed a loan agreement with Jordan Islamic Bank in the amount of JD 18,000,000, with a profit of JD 3,150,000, and with a profit rate of 3.5%, the loan will be repaid under 10 semi-annual installments of JD 1,800,000 per installment, so that the first installment is due in May 2024 and the last installment is due in November 2028, so the total amount of the loan with Murabaha is equal to JD 21,150,000.

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**Jordan Islamic Bank – Short-term loan**

The Electricity Distribution Company (a subsidiary of the Kingdom Electricity Company) signed an agreement for the supply of electric power (financing the price of electric power) with Jordan Islamic Bank during the years 2023 and 2024 to pay part of the bill for the purchase of electricity from the National Electric Power Company, with a credit limit including profit amounting to JD 39,850,000 (2023: JD 31,000,000) against an agreed annual profit rate of 5.5% (2023: 6.2%). The full loan amount will be repaid during the year 2025.

The Irbid District Electricity Company (a subsidiary of the Kingdom Electricity Company) signed an agreement for the supply of electric power (financing the price of electric power) with Jordan Islamic Bank and Arab Islamic Bank to pay part of the bill for the purchase of electricity from the National Electric Power Company, with credit limits including profit amounting to JD 75,000,000 and bearing an average interest rate of 5.03% annually (2023: 4.18%). The full loan amount will be repaid during the year 2025.

**Cairo Amman Bank**

In 2024, Al-Daman for Investment Public Shareholding Company signed a loan agreement with Cairo Amman Bank for an amount of JD 65,000 at an interest rate of 2.3%. The purpose of the loan is to finance a solar energy project to provide electricity for the Aqaba branch. On 31 October 2024, the company signed an addendum to the agreement to reduce the loan amount to JD 56,000. The loan will be repaid in 120 monthly installments of JD 466 at an interest rate of 2.3%, with the first installment due on 8 August 2024.

**(23) END OF SERVICE INDEMNITY PROVISION**

Movements on the end of service indemnity provision during the year were as follows:

|                           | 2024    | 2023    |
|---------------------------|---------|---------|
| Balance as at 1 January   | 24,078  | 22,333  |
| Provision for the year*   | 2,955   | 5,241   |
| Paid during the year      | (2,535) | (3,496) |
| Balance as at 31 December | 24,498  | 24,078  |

\* Kingdom Electricity Company for Energy Investments capitalized an amount of JD 722 thousand to projects in progress as of 31 December 2024 (31 December 2023: JD 1,254 thousand).

The employees' end of service indemnity provision during the year was distributed as follows:

|                                                                           | 2024  | 2023  |
|---------------------------------------------------------------------------|-------|-------|
| Expenses in the consolidated statement of revenues and expenses (Note 35) | 2,233 | 3,987 |
| Capitalized to projects in progress                                       | 609   | 1,085 |
| Charged to salaries and wages                                             | -     | 111   |
| Transferred to the costs of the columns factory                           | 113   | 58    |
|                                                                           | 2,955 | 5,241 |

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The actuarial assumptions used in determining the value of employees' end of service indemnity provision are as follows:

|                                                                                                            | 2024  | 2023  |
|------------------------------------------------------------------------------------------------------------|-------|-------|
| Deduction rate                                                                                             | 6.10% | 5.7%  |
| Mortality rate                                                                                             | 0.16% | 0.19% |
| Annual increments to salaries rate                                                                         | 5.13% | 5.5%  |
| Resignation rate                                                                                           | 3.0%  | 2.0%  |
| The percentage of the Company's contribution to social security net of employees' end of service indemnity | 8.0%  | 8.0%  |

The following table represents possible changes in the current value of the end of service indemnity as at 31 December driven by the change of 1% in deduction, salary increase and resignation rates:

|                                 | Impact on the current value of employees' end of service indemnity provision |         |
|---------------------------------|------------------------------------------------------------------------------|---------|
|                                 | 2024                                                                         | 2023    |
| <b>Increase by a rate of 1%</b> |                                                                              |         |
| Deduction                       | (2,468)                                                                      | (3,056) |
| Salaries                        | 4,214                                                                        | 4,511   |
| Resignations                    | 987                                                                          | 1,222   |
|                                 |                                                                              |         |
|                                 | Impact on the current value of employees' end of service indemnity provision |         |
|                                 | 2024                                                                         | 2023    |
| <b>Decrease by a rate of 1%</b> |                                                                              |         |
| Deduction                       | 3,125                                                                        | 3,666   |
| Salaries                        | (3,087)                                                                      | (3,345) |
| Resignations                    | (987)                                                                        | (1,222) |

**(24) DUE TO BANKS**

**Kingdom Electricity Company for Energy Investments Private Shareholding –**

This item represents the balance of credit facilities granted to the Group by several local banks with a ceiling of JD 83,500,000 and an average interest rate of 7.39% (2023: ceiling of JD 138,500,000, average interest rate and 6.86% commission).

**Jordan Press Foundation Public shareholding Company/ AL-Rai -**

Cairo Amman Bank filed a lawsuit against the press institution in 2015, which ruled in its favor at the end of 2022 for an amount of JD 527 thousand, in addition to legal interest at a rate of JD 131.85 per day.

This item represents the utilized balance of credit facilities granted to the company by several local banks with a total ceiling of JD 200 thousand as of 31 December 2024 (2023: JD 250 thousand) and an annual interest rate ranging from 8.2% (from 2.2% to 8.75% for 2023). Facilities were granted to the company with the Company's legal guarantee. Cash deposits against these facilities amounted to JD 200 thousand as of 31 December 2024 (2023: JD 200 thousand).

On 18 July 2022, Capital Bank acquired the mortgaged land against the financing granted to the Company and settled part of the outstanding debtor account owed by the Company.

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**(25) OTHER LIABILITIES**

This item consists of the following:

|                                                  | <u>2024</u>    | <u>2023</u>    |
|--------------------------------------------------|----------------|----------------|
| Trade payables                                   | 59,184         | 49,874         |
| Revenues and grants received in advance          | 39,938         | 41,862         |
| Lease contracts liabilities                      | 9,274          | 8,318          |
| Waste fees                                       | 11,885         | 12,146         |
| Governmental provisions and fees                 | 24,972         | 23,831         |
| Contingent liabilities provision*                | 2,464          | 4,457          |
| Rural files payable                              | 6,056          | 5,667          |
| Due to the Ministry of Finance – television fees | 5,690          | 5,660          |
| Projects deposits                                | 2,957          | 2,957          |
| Accrued expenses                                 | 9,853          | 9,592          |
| Contractors' payables and retentions             | 2,891          | 2,031          |
| Other credit balances                            | 44,358         | 38,631         |
|                                                  | <u>219,522</u> | <u>205,026</u> |

\* Movements on the provision for contingent liabilities during the year were as follows:

|                                         | <u>2024</u>  | <u>2023</u>  |
|-----------------------------------------|--------------|--------------|
| Balance as at 1 January                 | 4,457        | 4,576        |
| (Recovered from) provision for the year | (1,977)      | 1,092        |
| Paid during the year                    | (16)         | (1,211)      |
| Balance as at 31 December               | <u>2,464</u> | <u>4,457</u> |

**(26) PROPERTY AND EQUIPMENT REVALUATION RESERVE**

The land owned by the National Company for Touristic Development (a subsidiary) is stated at cost as part of Property and Equipment. However, it was classified in accordance with the Group's accounting policies as part of Investment Properties at fair value, and the necessary reconciliations were prepared in the consolidated financial statements. The difference between the book value and the fair value at the reclassification date on 1 January 2006, was recorded in the Equity as Property and Equipment Revaluation Reserve.

During 2024, the Jordan Petroleum Refinery Company (an associate) re-evaluated its owned lands and presented them at fair value to preserve the rights of the company's shareholders and enhance their value, based on the instructions for valuing and disposing of the surplus re-evaluation for the year 2022, issued under the provisions of Article (12) of the Securities Law No. (18) of 2017. The re-evaluation of the company's lands at fair value resulted in an increase in the assets of the Jordan Petroleum Refinery Company and the value of its shareholders' equity by approximately JD 274 million. The Group's share of the land re-evaluation amounted to JD 55,992 thousand.

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**(27) FAIR VALUE RESERVE**

Movements on the fair value reserve during the year were as follows:

|                                                                                 | 2024    | 2023      |
|---------------------------------------------------------------------------------|---------|-----------|
| Balance as at 1 January                                                         | 453,487 | 577,896   |
| Change in fair value of financial assets through other comprehensive income     | 124,130 | (138,808) |
| Realized gains from sale of financial assets through other comprehensive income | 4,858   | 14,399    |
| Balance as at 31 December                                                       | 582,475 | 453,487   |

**(28) SOCIAL SECURITY CORPORATION CURRENT ACCOUNT - UNEMPLOYMENT FUND**

Based on the Corporation's Board of Directors' decision No. 14/2013 dated 4 February 2013, the investments related to the Unemployment Fund were separated into a safe portfolio in an independent manner of other insurance funds. Accordingly, amounts related to the Unemployment Fund were transferred from the accounts of the Corporation to a separate account within the Fund's accounts during the year 2013, those amounts shall be invested in Jordanian treasury bonds based on the decision of the Board of Investment on 26 June 2013. The Corporation's Board of Directors decided in its meeting held on 25 April 2019 to allow insured individuals to withdraw their accumulated or a portion of their savings balance, for the purposes of enrolling their children in higher education institutions or vocational institutions, or for the purpose of covering medical expenses for the individual or a family member, in accordance with the Board's issued terms and conditions.

Movements on the account during the year were as follows:

|                                                                                                | 2024   | 2023   |
|------------------------------------------------------------------------------------------------|--------|--------|
| Balance as at 1 January                                                                        | 93,573 | 84,910 |
| Unemployment fund's share of the cash amounts transferred during the year from the Corporation | -      | 3,836  |
| Unemployment fund's share of Investment Fund's returns for the year                            | 5,265  | 4,827  |
| Balance as at 31 December                                                                      | 98,838 | 93,573 |

**(29) MATERIAL PARTIALLY OWNED SUBSIDIARIES**

Financial information of partially owned subsidiaries with a material non-controlling interest, were as follows:

| Company name                               | Country | Nature of activity     | Percentage of non-controlling interest |        |
|--------------------------------------------|---------|------------------------|----------------------------------------|--------|
|                                            |         |                        | 2024                                   | 2023   |
| Kingdom Electricity for Energy Investments | Jordan  | Energy                 | 30%                                    | 30%    |
| Jordan Press Foundation / Al-Rai           | Jordan  | Press and publishing   | 45.07%                                 | 45.07% |
| Jordanian Duty Free Shops                  | Jordan  | Trading                | 42.91%                                 | 42.91% |
| Al Daman for Investment                    | Jordan  | Investment and renting | 38.6%                                  | 38.6%  |

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Condensed financial information of these subsidiaries is shown below. This information is based on amounts before the elimination of intercompany transactions.

|                                                         | 2024          | 2023          |
|---------------------------------------------------------|---------------|---------------|
| <b>Accumulated balance for non-controlling interest</b> |               |               |
| Kingdom Electricity for Energy Investments              | 30,226        | 25,370        |
| Jordanian Duty Free Shops                               | 18,716        | 19,094        |
| Al Daman for Investment                                 | 4,285         | 4,194         |
| Al Daman for Development Zones                          | 3,443         | 3,206         |
|                                                         | <u>56,670</u> | <u>51,864</u> |

|                                                                          | 2024    | 2023    |
|--------------------------------------------------------------------------|---------|---------|
| <b>Material gains (losses) attributable to non-controlling interests</b> |         |         |
| Kingdom Electricity for Energy Investments                               | 5,691   | 3,306   |
| Jordan Press Foundation / Al-Rai                                         | (1,187) | (1,128) |
| Jordanian Duty Free Shops                                                | 4,449   | 3,249   |
| Al Daman for Investment                                                  | 134     | 199     |

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|                                                              | Kingdom Electricity for Energy<br>Investments |                |
|--------------------------------------------------------------|-----------------------------------------------|----------------|
|                                                              | 2024                                          | 2023           |
| <b>Condensed statement of financial position</b>             |                                               |                |
| Current assets                                               | 395,431                                       | 257,239        |
| Non-current assets                                           | 619,348                                       | 575,534        |
| Current liabilities                                          | (523,908)                                     | (358,367)      |
| Non-current liabilities                                      | (388,940)                                     | (385,455)      |
| Net equity                                                   | 101,931                                       | 88,951         |
| <b>Share of non-controlling interests in equity</b>          | <b>30,226</b>                                 | <b>25,370</b>  |
| <b>Condensed statement of comprehensive income</b>           |                                               |                |
| Operating revenues                                           | 618,865                                       | 583,998        |
| Operating expenses                                           | (507,819)                                     | (479,671)      |
| Administrative expenses                                      | (35,067)                                      | (33,615)       |
| Late interest charges                                        | (14,823)                                      | (5,598)        |
| Finance costs                                                | (9,852)                                       | (9,090)        |
| Other expenses, net                                          | (27,637)                                      | (38,891)       |
| <b>Profit for the year before income tax</b>                 | <b>23,667</b>                                 | <b>17,133</b>  |
| Income tax                                                   | (5,428)                                       | (5,241)        |
| <b>Profit for the year</b>                                   | <b>18,239</b>                                 | <b>11,892</b>  |
| Other comprehensive income items                             | 730                                           | (871)          |
| <b>Total comprehensive income for the year</b>               | <b>18,969</b>                                 | <b>11,021</b>  |
| Attributable to the Company's shareholders                   | 15,105                                        | 7,552          |
| Attributable to non-controlling interests                    | 3,864                                         | 3,469          |
| <b>Non-controlling interests' share of operating results</b> | <b>5,691</b>                                  | <b>3,306</b>   |
| <b>Condensed statement of cash flows:</b>                    |                                               |                |
| Operating activities                                         | 95,043                                        | 50,378         |
| Investing activities                                         | (78,106)                                      | (84,621)       |
| Financing activities                                         | (8,894)                                       | 26,000         |
| <b>Net increase (decrease) in cash and cash equivalents</b>  | <b>8,043</b>                                  | <b>(8,243)</b> |

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|                                                              | Jordan Press Foundation / AL-Rai |              |
|--------------------------------------------------------------|----------------------------------|--------------|
|                                                              | 2024                             | 2023         |
| <b>Condensed statement of financial position</b>             |                                  |              |
| Current assets                                               | 4,915                            | 4,490        |
| Non-current assets                                           | 18,199                           | 20,252       |
| Current liabilities                                          | (20,526)                         | (19,666)     |
| Non-current liabilities                                      | (6,094)                          | (6,076)      |
| Net deficit in equity                                        | (3,506)                          | (1,000)      |
| <b>Share of non-controlling interests in equity</b>          | -                                | -            |
| <b>Condensed statement of comprehensive income</b>           |                                  |              |
| Revenues                                                     | 5,039                            | 5,765        |
| Cost of revenues                                             | (5,637)                          | (5,912)      |
| Administrative expenses                                      | (2,081)                          | (2,456)      |
| Other revenues, net                                          | 46                               | 1,050        |
| <b>Loss for the year</b>                                     | (2,633)                          | (1,553)      |
| Other comprehensive income items                             | -                                | -            |
| <b>Total comprehensive income for the year</b>               | (2,633)                          | (1,553)      |
| <b>Non-controlling interests' share of operating results</b> | <b>(1,187)</b>                   | <b>(700)</b> |
| <b>Condensed statement of cash flows</b>                     |                                  |              |
| Operating activities                                         | 802                              | (972)        |
| Investing activities                                         | (6)                              | (14)         |
| Financing activities                                         | (408)                            | 912          |
| <b>Net increase (decrease) in cash and cash equivalents</b>  | <b>388</b>                       | <b>(74)</b>  |

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|                                                              | Jordanian Duty Free Shops |               |
|--------------------------------------------------------------|---------------------------|---------------|
|                                                              | 2024                      | 2023          |
| <b>Condensed statement of financial position</b>             |                           |               |
| Current assets                                               | 36,184                    | 31,909        |
| Non-current assets                                           | 43,389                    | 44,258        |
| Current liabilities                                          | (17,292)                  | (11,280)      |
| Non-current liabilities                                      | (18,663)                  | (20,387)      |
| Net equity                                                   | 43,618                    | 44,500        |
| <b>Share of non-controlling interests in equity</b>          | <b>18,716</b>             | <b>19,094</b> |
| <b>Condensed statement of comprehensive income</b>           |                           |               |
| Sales                                                        | 80,476                    | 66,821        |
| Cost of sales                                                | (49,182)                  | (41,246)      |
| Administrative expenses                                      | (8,456)                   | (7,766)       |
| Selling and distribution expenses                            | (6,118)                   | (5,403)       |
| Other expenses, net                                          | (6,004)                   | (4,350)       |
| <b>Profit for the year before tax</b>                        | <b>10,716</b>             | <b>8,056</b>  |
| Income tax expense                                           | (348)                     | (483)         |
| <b>Profit for the year</b>                                   | <b>10,368</b>             | <b>7,573</b>  |
| Other comprehensive income items                             | -                         | -             |
| <b>Total comprehensive income for the year</b>               | <b>10,368</b>             | <b>7,573</b>  |
| <b>Non-controlling interests' share of operating results</b> | <b>4,449</b>              | <b>3,249</b>  |
| <b>Condensed statement of cash flows:</b>                    |                           |               |
| Operating activities                                         | 16,007                    | 8,949         |
| Investing activities                                         | 2,840                     | 8,432         |
| Financing activities                                         | (21,716)                  | (15,468)      |
| <b>Net (decrease) increase in cash and cash equivalents</b>  | <b>(2,869)</b>            | <b>1,913</b>  |

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| <b>Condensed statement of financial position</b>             | Al Daman for Investment |              |
|--------------------------------------------------------------|-------------------------|--------------|
|                                                              | 2024                    | 2023         |
| Current assets                                               | 3,556                   | 3,668        |
| Non-current assets                                           | 9,325                   | 8,901        |
| Current liabilities                                          | (1,546)                 | (253)        |
| Non-current liabilities                                      | (255)                   | (1,471)      |
| Net equity                                                   | 11,080                  | 10,845       |
| <b>Share of non-controlling interests in equity</b>          | <b>4,285</b>            | <b>4,194</b> |
| <b>Condensed statement of comprehensive income</b>           |                         |              |
| Operating revenues                                           | 437                     | 517          |
| Operating expenses                                           | (328)                   | (342)        |
| Administrative expenses                                      | (203)                   | (183)        |
| Share of associate's operating results                       | 287                     | 287          |
| Other revenues, net                                          | 68                      | 225          |
| <b>Profit for the year</b>                                   | <b>261</b>              | <b>504</b>   |
| Other comprehensive income items                             | 87                      | 12           |
| <b>Total comprehensive income for the year</b>               | <b>348</b>              | <b>516</b>   |
| <b>Non-controlling interests' share of operating results</b> | <b>134</b>              | <b>199</b>   |
| <b>Condensed statement of cash flows:</b>                    |                         |              |
| Operating activities                                         | (116)                   | 66           |
| Investing activities                                         | 185                     | (275)        |
| Financing activities                                         | (66)                    | (67)         |
| <b>Net increase (decrease) in cash and cash equivalents</b>  | <b>3</b>                | <b>(276)</b> |

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**(30) NET OPERATING REVENUES**

|                             | Hotels<br>sector* | Press and<br>publishing<br>sector | Power<br>sector | Commercial<br>sector | Other<br>sectors | Total<br>sectors |
|-----------------------------|-------------------|-----------------------------------|-----------------|----------------------|------------------|------------------|
| <b>2024-</b>                |                   |                                   |                 |                      |                  |                  |
| Operating revenues          | 25,097            | 5,039                             | 616,481         | 80,476               | 6,972            | 734,065          |
| Operating expenses          | (11,529)          | (3,589)                           | (507,819)       | (49,182)             | (4,834)          | (576,953)        |
| <b>Net operating profit</b> | <b>13,568</b>     | <b>1,450</b>                      | <b>108,662</b>  | <b>31,294</b>        | <b>2,138</b>     | <b>157,112</b>   |
| <b>2023-</b>                |                   |                                   |                 |                      |                  |                  |
| Operating revenues          | 38,680            | 5,764                             | 581,998         | 66,821               | 8,256            | 701,519          |
| Operating expenses          | (13,542)          | (3,790)                           | (479,671)       | (41,246)             | (3,957)          | (542,206)        |
| <b>Net operating profit</b> | <b>25,138</b>     | <b>1,974</b>                      | <b>102,327</b>  | <b>25,575</b>        | <b>4,299</b>     | <b>159,313</b>   |

\* The details of the operating income of the hotel sector are as follows:

|                             | Amra<br>Crowne<br>Plaza –<br>Amman | Crowne<br>Plaza-<br>Petra | InterContinental<br>– Aqaba | Holiday Inn –<br>Dead Sea | Crowne<br>Plaza Dead<br>Sea | Total         |
|-----------------------------|------------------------------------|---------------------------|-----------------------------|---------------------------|-----------------------------|---------------|
| <b>2024-</b>                |                                    |                           |                             |                           |                             |               |
| Operating revenues          | 6,730                              | 1,487                     | 7,503                       | 2,952                     | 6,425                       | 25,097        |
| Operating expenses          | (2,565)                            | (882)                     | (2,582)                     | (1,841)                   | (3,659)                     | (11,529)      |
| <b>Net operating profit</b> | <b>4,165</b>                       | <b>605</b>                | <b>4,921</b>                | <b>1,111</b>              | <b>2,766</b>                | <b>13,568</b> |
| <b>2023-</b>                |                                    |                           |                             |                           |                             |               |
| Operating revenues          | 7,289                              | 5,008                     | 8,495                       | 6,501                     | 11,387                      | 38,680        |
| Operating expenses          | (2,460)                            | (1,588)                   | (2,750)                     | (2,393)                   | (4,351)                     | (13,542)      |
| <b>Net operating profit</b> | <b>4,829</b>                       | <b>3,420</b>              | <b>5,745</b>                | <b>4,108</b>              | <b>7,036</b>                | <b>25,138</b> |

**(31) INTEREST INCOME**

This item consists of the following:

|                                                                        | 2024           | 2023           |
|------------------------------------------------------------------------|----------------|----------------|
| Interest on bonds and treasury bills*                                  | 580,623        | 505,775        |
| Interest on balances and deposits at banks and financial institutions* | 126,418        | 109,058        |
| Interest on loans and granted debts                                    | 32,339         | 27,433         |
|                                                                        | <b>739,380</b> | <b>642,266</b> |

\* These items contain an amount of JD 5,275 thousand as of 31 December 2024 representing interest income for the unemployment fund (31 December 2023: JD 4,799 thousand).

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**(32) LOSSES ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS, NET**

This item consists of the following:

|                                                                                                                        | <u>2024</u>    | <u>2023</u>    |
|------------------------------------------------------------------------------------------------------------------------|----------------|----------------|
| Realized (losses) gains                                                                                                | (18)           | 136            |
| Unrealized valuation losses                                                                                            | (5,217)        | (4,046)        |
| Commissions on purchasing and selling of financial assets at fair value through the statement of revenues and expenses | (1)            | (2)            |
|                                                                                                                        | <u>(5,236)</u> | <u>(3,912)</u> |

**(33) (LOSSES) GAINS ON INVESTMENT PROPERTIES, NET**

This item consists of the following:

|                                                                           | <u>2024</u>    | <u>2023</u>   |
|---------------------------------------------------------------------------|----------------|---------------|
| <b>Revenues:</b>                                                          |                |               |
| Leased properties revenue                                                 | 9,012          | 6,156         |
| <b>Expenses:</b>                                                          |                |               |
| Management fees, evaluation and other fees                                | (412)          | (485)         |
| <b>Change in fair value:</b>                                              |                |               |
| (Losses) gains on investment properties valuation at fair value (Note 14) | (9,617)        | 22,425        |
|                                                                           | <u>(1,017)</u> | <u>28,096</u> |

**(34) CASH DIVIDENDS DISTRIBUTION**

This item consists of the following:

|                                                                    | <u>2024</u>    | <u>2023</u>    |
|--------------------------------------------------------------------|----------------|----------------|
| Dividends from financial assets through other comprehensive income | 120,652        | 107,584        |
| Dividends from financial assets through profit and loss            | 7,246          | 7,988          |
|                                                                    | <u>127,898</u> | <u>115,572</u> |

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**(35) GENERAL AND ADMINISTRATIVE EXPENSES**

This item consists of the following:

|                                                     | 2024          | 2023          |
|-----------------------------------------------------|---------------|---------------|
| Salaries, wages and employees' benefits             | 36,211        | 35,845        |
| Subscriber services expense                         | 16,363        | 15,740        |
| Interests on late bill payments                     | 14,823        | 5,598         |
| Governmental fees and licenses                      | 4,753         | 4,428         |
| Professional and consultancy fees                   | 4,173         | 2,464         |
| End of service indemnity (Note 23)                  | 2,233         | 3,987         |
| Insurance expense                                   | 1,590         | 1,306         |
| Spare parts and material                            | 1,543         | 1,449         |
| Vehicles, travel and transportation expenses        | 1,434         | 4,500         |
| Depreciation on right-of-use asset                  | 1,024         | 781           |
| Electricity, water and fuel                         | 898           | 1,110         |
| Interest on lease contracts obligations liabilities | 613           | 626           |
| Training and courses expense                        | 597           | 295           |
| Board of Director's remuneration and transportation | 590           | 594           |
| Legal and judicial compensation and losses expense  | 435           | 421           |
| Stationery and printings                            | 411           | 510           |
| Telephone and mail                                  | 386           | 512           |
| Hotels supervision and operating fees               | 357           | 1,071         |
| Repair and maintenance                              | 318           | 320           |
| Rent                                                | 223           | 344           |
| Others                                              | 9,147         | 8,678         |
|                                                     | <u>98,122</u> | <u>90,579</u> |

**(36) FINANCE COSTS**

This item represents the financing costs related to loans and amounts due to banks for the Group.

**(37) CASH AND CASH EQUIVALENTS**

This item consists of the following:

|                                                        | 2024           | 2023           |
|--------------------------------------------------------|----------------|----------------|
| Cash on hand, current and on demand accounts (Note 3)  | 17,528         | 22,623         |
| Deposits maturing within three months or less (Note 4) | 918,412        | 693,898        |
|                                                        | <u>935,940</u> | <u>716,521</u> |

Cash and cash equivalents in the consolidated statement of cash flows consist of the following:

|                           | 2024           | 2023           |
|---------------------------|----------------|----------------|
| Cash and cash equivalents | 935,940        | 716,521        |
| Due to banks (Note 24)    | (27,683)       | (35,692)       |
|                           | <u>908,257</u> | <u>680,829</u> |

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**(38) RELATED PARTIES TRANSACTIONS AND BALANCES**

Related parties represent associate companies, major shareholders in associates, directors and key management personnel and companies of which they are principal owners. The Group entered into transactions with the Social Security Corporation and associates in its normal course of business with normal pricing, policies and terms. All loans granted to related parties are considered performing loans.

The following is a summary of related parties' transactions during the year:

|                                                                                     | 2024                 |                          |                      |                     | 2023                |
|-------------------------------------------------------------------------------------|----------------------|--------------------------|----------------------|---------------------|---------------------|
| <b><u>Consolidated Statements of financial position items</u></b>                   | <b><u>Parent</u></b> | <b><u>Associates</u></b> | <b><u>Others</u></b> | <b><u>Total</u></b> | <b><u>Total</u></b> |
| <b>Assets and liabilities:</b>                                                      |                      |                          |                      |                     |                     |
| <b>Bank balances and deposits -</b>                                                 |                      |                          |                      |                     |                     |
| Jordan Kuwait Bank (current account)                                                | -                    | 19                       | -                    | 19                  | 6                   |
| Jordan Kuwait Bank (deposits)                                                       | -                    | 180,850                  | -                    | 180,850             | 169,585             |
| <b>(A) - Due from related parties -</b>                                             |                      |                          |                      |                     |                     |
| JAH Arabia International Duty Free Shops*                                           | -                    | -                        | 7,955                | 7,955               | -                   |
| Al-Zarqa Station for Electrical Power Generation                                    | -                    | -                        | -                    | -                   | 181                 |
|                                                                                     |                      |                          |                      | <u>188,824</u>      | <u>169,772</u>      |
| <b>(B) - Due to related parties -</b>                                               |                      |                          |                      |                     |                     |
| Related parties                                                                     | -                    | 88                       | -                    | 88                  | 537                 |
|                                                                                     |                      |                          |                      | <u>88</u>           | <u>537</u>          |
| <b>(C) - Liabilities -</b>                                                          |                      |                          |                      |                     |                     |
| Unpaid contributions to the parent corporation                                      | 5,594                | -                        | -                    | 5,594               | 5,179               |
| <b>(D) – Loans -</b>                                                                |                      |                          |                      |                     |                     |
| Social Security Corporation                                                         | 130,000              | -                        | -                    | 130,000             | 120,000             |
| Jordan Kuwait Bank (Note 22)                                                        | -                    | 667                      | -                    | 667                 | 1,334               |
| <b><u>Consolidated statement of revenue and expenses items</u></b>                  |                      |                          |                      |                     |                     |
| <b>(E) - Interest-</b>                                                              |                      |                          |                      |                     |                     |
| Interest on the current account at the Jordan Kuwait bank                           | -                    | 17                       | -                    | 17                  | 15                  |
| Deposits at Jordan Kuwait Bank                                                      | -                    | 10,366                   | -                    | 10,366              | 7,160               |
| Social Security Corporation                                                         | 7,088                | -                        | -                    | 7,088               | 5,062               |
| <b>(F) – Other Items -</b>                                                          |                      |                          |                      |                     |                     |
| Salaries and bonuses of senior executive management                                 | -                    | -                        | 728                  | 728                 | 766                 |
| Board of Investment Remuneration                                                    | -                    | -                        | 127                  | 127                 | 119                 |
| <b>(G) - Group's share of the net results of associates and the joint venture -</b> |                      |                          |                      |                     |                     |
| Jordan Kuwait Bank                                                                  | -                    | 24,688                   | -                    | 24,688              | 12,437              |
| Jordan Petroleum Refinery Co.                                                       | -                    | 14,773                   | -                    | 14,773              | 16,637              |
| Jordan Telecommunication Co.                                                        | -                    | 11,973                   | -                    | 11,973              | 13,212              |
| Jordan Cement Factories                                                             | -                    | 6,894                    | -                    | 6,894               | 340                 |
| Jordanian Electric Power Co.                                                        | -                    | 4,140                    | -                    | 4,140               | 3,699               |
| Al-Zarqa Station for Electrical Power Generation                                    | -                    | 4,137                    | -                    | 4,137               | 4,000               |
| The Jordan Worsted Mills Factory                                                    | -                    | 428                      | -                    | 428                 | 384                 |
| Al-Sharq Investments Projects                                                       | -                    | 287                      | -                    | 287                 | 287                 |
| Other associates                                                                    | -                    | 1,812                    | -                    | 1,812               | 789                 |
| JAH Arabia International Duty Free Shops*                                           | -                    | (498)                    | -                    | (498)               | -                   |

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- \* A part of this item represents a performance guarantee in favor of JEDCO (King Abdulaziz International Airport – Jeddah), where the partners are required to secure the bank that will issue this guarantee with bank guarantees from the partner and at the expense of each partner, equivalent to their share in the partnership in the JAH Arabia International Duty Free Shops from the total value of this guarantee, which amounts to JD 6,898 thousand, with the share of the Jordanian Duty Free Shops (a subsidiary) being JD 2,277 thousand.

In addition, advance payments were made by the Jordanian Duty Free Shops (a subsidiary) to increase the capital of the JAH Arabia International Duty Free Shops by an amount of JD 5,678 thousand (equivalent to SAR 30 million). This has been recorded in the partner's current account under the equity section for the JAH Arabia International Duty Free Shops related to the purpose of raising capital in subsequent periods.

#### **(39) FAIR VALUE OF FINANCIAL INSTRUMENTS**

Financial instruments comprise financial assets and financial liabilities.

Financial assets consist of cash and bank balances, deposits at banks and financial institutions, financial assets at fair value through profit and loss, loans and granted debts, financial assets at fair value through other comprehensive income, investments in associates, financial assets at amortized cost, investment properties, due from related parties and some other current assets.

Financial liabilities consist of due to banks, bank loans, due to related parties and some other current liabilities.

The fair value of financial instruments is not materially different from their carrying values.

#### **(40) RISK MANAGEMENT**

The Group manages financial risks through a systematic methodology and a comprehensive strategy to identify the sources, types of risks and the mechanism of measuring, analyzing and planning to mitigate and manage the risk by reducing the effect of such risks and the probability of occurrence through available hedging instruments.

Risk management represents a continuous process where the Group monitors risks and then handles the variances that exceed allowed limits.

In addition, the Group also ensures the compliance with laws and regulations that governs the Group's activities which is reflected in its policies and procedures.

Risk management function is performed by a specialized risk management and compliance measurement department, in addition to the existing supporting committees such as the investment committee.

**CREDIT RISK**

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation as they fall due.

The Group performs necessary financial and credit analysis when acquiring any bonds for public or private shareholding companies or when granting loans. Moreover, the Fund sets deposits ceiling for the local banks based on a defined methodology and the credit rating of the bank in addition to setting a ceiling for the volume of transactions with brokers based on a defined methodology.

**OPERATING RISK**

Operating risk is the risk that may arise during the execution of transactions and may be caused by internal factors related to employees, support services or information technology systems.

The Group issues policies and procedures to ensure proper execution of transactions in addition to providing the best information systems and specialized technical personnel and to develop plans to maintain business continuity under any emergency.

**MARKET RISK**

Market risk arises from fluctuations in the value of investment instruments, especially the fluctuations in stock prices and investment properties value, where the Group measures the risk through known statically measures (standard deviation, variance and covariance, coherence, beta, value at risk) and thus determines levels of acceptable risks based on approved strategic investment policy.

To mitigate the impact of such risks, especially in the absence of necessary hedging instruments, the Group increases the level of diversification in its portfolio and decreases the grade of correlation between the portfolio tools through proper sector distribution, and geographical distribution through approaching markets and investments that are less correlated.

**INTEREST RATE RISK**

Risks arising from changes in the underlying structure of interest rates, which in turn affect the value of investment instruments linked to interest rates, the returns on these instruments, and the reinvestment of the returns of these instruments.

The Group manages such risk through increasing or decreasing the recovery period of the investment instrument portfolio which is affected directly by interest rates such as deposits and bonds based on the Fund's expectations of interest rate trends.

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The Group performs analysis on the gaps of the investment instruments maturities and links it with the investment maturities and other liabilities which is performed by assets and liabilities committee, by allocating cash market management portfolio and bonds portfolio to fit its maturities with the obligations of the Social Security Investment Fund and other liabilities.

The sensitivity of the consolidated statement of revenues and expenses is affected by the assumed changes in interest rates on the Group's profit for one year, calculated for financial assets and financial liabilities with floating rates held at 31 December.

The following table demonstrates the sensitivity of the consolidated statement of revenues and expenses to reasonable and possible changes in interest rate as of 31 December while all other variables are held constant:

|                           | Increase in interest<br>rate | Effect on surplus of<br>revenues over expenses |
|---------------------------|------------------------------|------------------------------------------------|
| <b>2024-<br/>Currency</b> | %                            |                                                |
| JD                        | 1                            | 118,457                                        |
| USD                       | 1                            | 4,791                                          |
| <br>                      |                              |                                                |
| <b>2023-<br/>Currency</b> |                              |                                                |
| JD                        | 1                            | 107,058                                        |
| USD                       | 1                            | 4,737                                          |

The effect of the decrease in interest rates with the same percentage is expected to be equal and opposite to the effect of increase shown above.

**SHARE PRICE RISK**

Share price risk represents the risk resulting from changes in the fair value of investment in shares. The Group manages these risks by diversifying investments in several economic sectors and geographical areas. Investments in shares included within the consolidated financial statements are mainly listed in Amman Stock Exchange Market.

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The following table demonstrates the sensitivity of the consolidated statement of revenues and expenses (for financial assets at fair value through profit and loss) and statement of changes in equity (for financial assets at fair value through other comprehensive income) as a result of possible and reasonable changes in share prices, assuming that other variables held constant:

|                          | Change in<br>indicator | Effect on surplus of<br>revenues over<br>expenses for the year | Effect on equity |
|--------------------------|------------------------|----------------------------------------------------------------|------------------|
|                          | %                      |                                                                |                  |
| <b>2024-</b>             |                        |                                                                |                  |
| <b>Indicator</b>         |                        |                                                                |                  |
| Amman Stock Exchange     | 5                      | 6,343                                                          | 87,068           |
| Palestine Stock Exchange | 5                      | 475                                                            | 475              |
| London Stock Exchange    | 5                      | -                                                              | 3,931            |
|                          |                        | <u>6,818</u>                                                   | <u>91,474</u>    |
| <b>2023-</b>             |                        |                                                                |                  |
| <b>Indicator</b>         |                        |                                                                |                  |
| Amman Stock Exchange     | 5                      | 6,519                                                          | 80,860           |
| Palestine Stock Exchange | 5                      | 570                                                            | 570              |
| London Stock Exchange    | 5                      | -                                                              | 3,581            |
|                          |                        | <u>7,089</u>                                                   | <u>85,011</u>    |

The effect of the decrease in share prices with the same percentage is expected to be equal and opposite to the effect of increases shown above.

**FOREIGN CURRENCY RISK**

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to the changes in foreign exchange rates. The Group's functional currency is the Jordanian Dinar, and US Dollar is considered as the base currency for foreign investments. Therefore, due to the fact that the Dinar is fixed against the US Dollar, the Group is not exposed to significant currencies risk in relation to the US Dollar. Furthermore, the Group does not have any obligations in foreign currencies, accordingly, no hedging was performed against their obligations.

**LIQUIDITY RISK**

Liquidity risk is defined as the Group's inability to cover its obligations at their respective due dates. Since the Group does not have short-term and middle term obligations, the liquidity is managed to provide the required funding for investing activities to balance the maturities of investment instruments and investment obligations.

The contractual maturity dates of assets are determined based on the remaining period of the contractual maturity date without taking into account the actual benefits reflected by the historical facts to maintain deposits and provide liquidity.

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The following table summarizes the maturities of assets, liabilities and equity:

|                                                                  | Up to<br>one<br>month | One<br>to three<br>months | Three<br>to six<br>months | More than<br>six months<br>up to a<br>year | More than<br>one year<br>up to three<br>years | More<br>than<br>three<br>years | Without<br>maturity | Total             |
|------------------------------------------------------------------|-----------------------|---------------------------|---------------------------|--------------------------------------------|-----------------------------------------------|--------------------------------|---------------------|-------------------|
| <b>2024-</b>                                                     |                       |                           |                           |                                            |                                               |                                |                     |                   |
| <b><u>Assets</u></b>                                             |                       |                           |                           |                                            |                                               |                                |                     |                   |
| Cash and bank balances                                           | 17,528                | -                         | -                         | -                                          | -                                             | -                              | -                   | 17,528            |
| Deposits at banks and financial institutions                     | 360,270               | 558,142                   | 704,193                   | 381,899                                    | -                                             | -                              | -                   | 2,004,504         |
| Financial assets at fair value through profit and loss           | -                     | -                         | -                         | -                                          | -                                             | -                              | 136,354             | 136,354           |
| Loans and granted debts                                          | 9,732                 | 13,564                    | 34,183                    | 30,141                                     | 163,673                                       | 245,511                        | -                   | 496,804           |
| Financial asset at fair value through other comprehensive income | -                     | -                         | -                         | -                                          | -                                             | -                              | 1,730,457           | 1,730,457         |
| Investments in associates                                        | -                     | -                         | -                         | -                                          | -                                             | -                              | 636,447             | 636,447           |
| Financial assets at amortized cost                               | 110,758               | 495,696                   | 353,869                   | 220,512                                    | 3,333,331                                     | 5,291,771                      | -                   | 9,805,937         |
| Subscribers' contributions and rural files assets                | -                     | -                         | -                         | -                                          | -                                             | -                              | 212,023             | 212,023           |
| Projects in progress                                             | -                     | -                         | -                         | -                                          | -                                             | -                              | 137,064             | 137,064           |
| Inventories                                                      | -                     | -                         | -                         | -                                          | -                                             | -                              | 35,457              | 35,457            |
| Property and equipment                                           | -                     | -                         | -                         | -                                          | -                                             | -                              | 431,431             | 431,431           |
| Investment properties                                            | -                     | -                         | -                         | -                                          | -                                             | -                              | 914,160             | 914,160           |
| Investments in joint operations                                  | -                     | -                         | -                         | -                                          | -                                             | -                              | 15                  | 15                |
| Investments in a joint venture                                   | -                     | -                         | -                         | -                                          | -                                             | -                              | 1,379               | 1,379             |
| Due from related parties                                         | -                     | -                         | -                         | -                                          | -                                             | -                              | 7,955               | 7,955             |
| Intangible assets                                                | -                     | -                         | -                         | -                                          | -                                             | -                              | 61,105              | 61,105            |
| Other assets                                                     | -                     | -                         | -                         | -                                          | -                                             | -                              | 584,389             | 584,389           |
| <b>Total Assets</b>                                              | <b>498,288</b>        | <b>1,067,402</b>          | <b>1,092,245</b>          | <b>632,552</b>                             | <b>3,497,004</b>                              | <b>5,537,282</b>               | <b>4,888,236</b>    | <b>17,213,009</b> |
| <b><u>Liabilities and Equity</u></b>                             |                       |                           |                           |                                            |                                               |                                |                     |                   |
| <b><u>Liabilities-</u></b>                                       |                       |                           |                           |                                            |                                               |                                |                     |                   |
| Subscribers' contributions and rural files liabilities           | -                     | -                         | -                         | -                                          | -                                             | -                              | 212,023             | 212,023           |
| Electricity service subscribers' deposits                        | -                     | -                         | -                         | -                                          | -                                             | 96,592                         | -                   | 96,592            |
| Advance payments from electricity subscribers                    | -                     | -                         | -                         | -                                          | -                                             | 27,411                         | -                   | 27,411            |
| Due to National Electric Power Company                           | -                     | -                         | -                         | -                                          | -                                             | 290,827                        | -                   | 290,827           |
| Bank loans                                                       | 2,200                 | -                         | 16,620                    | 25,253                                     | 15,252                                        | 70,419                         | -                   | 129,744           |
| Income tax provision                                             | -                     | -                         | -                         | -                                          | -                                             | 6,394                          | -                   | 6,394             |
| End of service indemnity provision                               | -                     | -                         | -                         | -                                          | -                                             | 24,498                         | -                   | 24,498            |
| Due to banks                                                     | 27,683                | -                         | -                         | -                                          | -                                             | -                              | -                   | 27,683            |
| Due to related parties                                           | -                     | -                         | -                         | -                                          | -                                             | -                              | 88                  | 88                |
| Other liabilities                                                | -                     | -                         | -                         | -                                          | -                                             | 219,522                        | -                   | 219,522           |
| <b>Total liabilities</b>                                         | <b>29,883</b>         | <b>-</b>                  | <b>16,620</b>             | <b>25,253</b>                              | <b>15,252</b>                                 | <b>735,663</b>                 | <b>212,111</b>      | <b>1,034,782</b>  |
| <b><u>Equity-</u></b>                                            |                       |                           |                           |                                            |                                               |                                |                     |                   |
| <b>Social Security Corporation Equity:</b>                       |                       |                           |                           |                                            |                                               |                                |                     |                   |
| Social Security Corporation current account                      | -                     | -                         | -                         | -                                          | -                                             | -                              | 7,652,546           | 7,652,546         |
| Social Security Corporation current account – Unemployment Fund  | -                     | -                         | -                         | -                                          | -                                             | -                              | 98,838              | 98,838            |
| Property and equipment revaluation reserve                       | -                     | -                         | -                         | -                                          | -                                             | -                              | 87,804              | 87,804            |
| Fair value reserve                                               | -                     | -                         | -                         | -                                          | -                                             | -                              | 582,475             | 582,475           |
| Cash flow hedges reserve                                         | -                     | -                         | -                         | -                                          | -                                             | -                              | 4,371               | 4,371             |
| Surplus of revenues over accumulated expenses                    | -                     | -                         | -                         | -                                          | -                                             | -                              | 7,695,523           | 7,695,523         |
| <b>Total Social Security Corporation Equity</b>                  | <b>-</b>              | <b>-</b>                  | <b>-</b>                  | <b>-</b>                                   | <b>-</b>                                      | <b>-</b>                       | <b>16,121,557</b>   | <b>16,121,557</b> |
| Non-controlling interests                                        | -                     | -                         | -                         | -                                          | -                                             | -                              | 56,670              | 56,670            |
| <b>Total liabilities and equity</b>                              | <b>29,883</b>         | <b>-</b>                  | <b>16,620</b>             | <b>25,253</b>                              | <b>15,252</b>                                 | <b>735,663</b>                 | <b>16,390,338</b>   | <b>17,213,009</b> |

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The following table summarizes the maturities of assets, liabilities and equity:

|                                                                     | Up to<br>one<br>month | One<br>to three<br>months | Three<br>to six<br>months | More than<br>six<br>months<br>up to a<br>year | More than<br>one year<br>up to<br>three<br>years | More than<br>three<br>years | Without<br>maturity | Total             |
|---------------------------------------------------------------------|-----------------------|---------------------------|---------------------------|-----------------------------------------------|--------------------------------------------------|-----------------------------|---------------------|-------------------|
| <b>2023-</b>                                                        |                       |                           |                           |                                               |                                                  |                             |                     |                   |
| <b><u>Assets</u></b>                                                |                       |                           |                           |                                               |                                                  |                             |                     |                   |
| Cash and bank balances                                              | 22,623                | -                         | -                         | -                                             | -                                                | -                           | -                   | 22,623            |
| Deposits at banks and financial institutions                        | 192,545               | 501,353                   | 452,969                   | 774,747                                       | -                                                | -                           | -                   | 1,921,614         |
| Financial assets at fair value through profit and loss              | -                     | -                         | -                         | -                                             | -                                                | -                           | 141,795             | 141,795           |
| Loans and granted debts                                             | 3,277                 | 11,236                    | 22,802                    | 11,365                                        | 157,070                                          | 293,490                     | -                   | 499,240           |
| Financial asset at fair value through other<br>comprehensive income | -                     | -                         | -                         | -                                             | -                                                | -                           | 1,601,068           | 1,601,068         |
| Investments in associates                                           | -                     | -                         | -                         | -                                             | -                                                | -                           | 542,084             | 542,084           |
| Financial assets at amortized cost                                  | 307,354               | 183,998                   | 166,052                   | 299,766                                       | 2,417,279                                        | 5,361,537                   | -                   | 8,735,986         |
| Subscribers' contributions and rural files assets                   | -                     | -                         | -                         | -                                             | -                                                | -                           | 205,888             | 205,888           |
| Projects in progress                                                | -                     | -                         | -                         | -                                             | -                                                | -                           | 122,222             | 122,222           |
| Inventories                                                         | -                     | -                         | -                         | -                                             | -                                                | -                           | 33,255              | 33,255            |
| Property and equipment                                              | -                     | -                         | -                         | -                                             | -                                                | -                           | 408,664             | 408,664           |
| Investment properties                                               | -                     | -                         | -                         | -                                             | -                                                | -                           | 898,449             | 898,449           |
| Investments in joint operations                                     | -                     | -                         | -                         | -                                             | -                                                | -                           | 15                  | 15                |
| Due from related parties                                            | -                     | -                         | -                         | -                                             | -                                                | -                           | 181                 | 181               |
| Intangible assets                                                   | -                     | -                         | -                         | -                                             | -                                                | -                           | 65,356              | 65,356            |
| Other assets                                                        | -                     | -                         | -                         | -                                             | -                                                | -                           | 419,129             | 419,129           |
| <b>Total Assets</b>                                                 | <b>525,799</b>        | <b>696,587</b>            | <b>641,823</b>            | <b>1,085,878</b>                              | <b>2,574,349</b>                                 | <b>5,655,027</b>            | <b>4,438,106</b>    | <b>15,617,569</b> |
| <b><u>Liabilities and Equity</u></b>                                |                       |                           |                           |                                               |                                                  |                             |                     |                   |
| <b><u>Liabilities-</u></b>                                          |                       |                           |                           |                                               |                                                  |                             |                     |                   |
| Subscribers' contributions and rural files liabilities              | -                     | -                         | -                         | -                                             | -                                                | -                           | 205,888             | 205,888           |
| Electricity service subscribers' deposits                           | -                     | -                         | -                         | -                                             | -                                                | 90,838                      | -                   | 90,838            |
| Advance payments from electricity subscribers                       | -                     | -                         | -                         | -                                             | -                                                | 24,751                      | -                   | 24,751            |
| Due to National Electric Power Company                              | -                     | -                         | -                         | -                                             | -                                                | 143,949                     | -                   | 143,949           |
| Bank loans                                                          | 2,000                 | -                         | 15,110                    | 22,959                                        | 13,867                                           | 64,023                      | -                   | 117,959           |
| Income tax provision                                                | -                     | -                         | 5,914                     | -                                             | -                                                | -                           | -                   | 5,914             |
| End of service indemnity provision                                  | -                     | -                         | -                         | -                                             | -                                                | -                           | 24,078              | 24,078            |
| Due to banks                                                        | 35,692                | -                         | -                         | -                                             | -                                                | -                           | -                   | 35,692            |
| Due to related parties                                              | -                     | -                         | -                         | -                                             | -                                                | -                           | 537                 | 537               |
| Other liabilities                                                   | -                     | -                         | -                         | -                                             | -                                                | 205,026                     | -                   | 205,026           |
| <b>Total liabilities</b>                                            | <b>37,692</b>         | <b>-</b>                  | <b>21,024</b>             | <b>22,959</b>                                 | <b>13,867</b>                                    | <b>528,587</b>              | <b>230,503</b>      | <b>854,632</b>    |
| <b><u>Equity-</u></b>                                               |                       |                           |                           |                                               |                                                  |                             |                     |                   |
| <b><u>Social Security Corporation Equity:</u></b>                   |                       |                           |                           |                                               |                                                  |                             |                     |                   |
| Social Security Corporation current account                         | -                     | -                         | -                         | -                                             | -                                                | -                           | 7,349,136           | 7,349,136         |
| Social Security Corporation current account –<br>Unemployment Fund  | -                     | -                         | -                         | -                                             | -                                                | -                           | 93,573              | 93,573            |
| Property and equipment revaluation reserve                          | -                     | -                         | -                         | -                                             | -                                                | -                           | 31,812              | 31,812            |
| Fair value reserve                                                  | -                     | -                         | -                         | -                                             | -                                                | -                           | 453,487             | 453,487           |
| Cash flow hedges reserve                                            | -                     | -                         | -                         | -                                             | -                                                | -                           | 3,860               | 3,860             |
| Surplus of revenues over accumulated expenses                       | -                     | -                         | -                         | -                                             | -                                                | -                           | 6,779,205           | 6,779,205         |
| <b>Total Social Security Corporation Equity</b>                     | <b>-</b>              | <b>-</b>                  | <b>-</b>                  | <b>-</b>                                      | <b>-</b>                                         | <b>-</b>                    | <b>14,711,073</b>   | <b>14,711,073</b> |
| Non-controlling interests                                           | -                     | -                         | -                         | -                                             | -                                                | -                           | 51,864              | 51,864            |
| <b>Total liabilities and equity</b>                                 | <b>37,692</b>         | <b>-</b>                  | <b>21,024</b>             | <b>22,959</b>                                 | <b>13,867</b>                                    | <b>528,587</b>              | <b>14,993,440</b>   | <b>15,617,569</b> |

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Sensitivity of interest prices were as follows:

|                                                                  | Up to<br>one<br>month | More<br>than one<br>month | More<br>than<br>three<br>months | More than<br>six<br>months up<br>to a year | More than<br>one year<br>up to three<br>years | More than<br>three years | Non-interest<br>bearing | Total             |
|------------------------------------------------------------------|-----------------------|---------------------------|---------------------------------|--------------------------------------------|-----------------------------------------------|--------------------------|-------------------------|-------------------|
| <b>2024-</b>                                                     |                       |                           |                                 |                                            |                                               |                          |                         |                   |
| <b>Assets</b>                                                    |                       |                           |                                 |                                            |                                               |                          |                         |                   |
| Cash and bank balances                                           | 17,528                | -                         | -                               | -                                          | -                                             | -                        | -                       | 17,528            |
| Deposits at banks and financial institutions                     | 360,270               | 558,142                   | 704,193                         | 381,899                                    | -                                             | -                        | -                       | 2,004,504         |
| Financial assets at fair value through profit and loss           | -                     | -                         | -                               | -                                          | -                                             | -                        | 136,354                 | 136,354           |
| Loans and granted debts                                          | 9,732                 | 13,564                    | 34,183                          | 30,141                                     | 163,673                                       | 245,511                  | -                       | 496,804           |
| Financial asset at fair value through other comprehensive income | -                     | -                         | -                               | -                                          | -                                             | -                        | 1,730,457               | 1,730,457         |
| Investments in associates                                        | -                     | -                         | -                               | -                                          | -                                             | -                        | 636,447                 | 636,447           |
| Financial assets at amortized cost                               | 110,758               | 495,696                   | 353,869                         | 220,512                                    | 3,333,331                                     | 5,291,771                | -                       | 9,805,937         |
| Subscribers' contributions and rural files assets                | -                     | -                         | -                               | -                                          | -                                             | -                        | 212,023                 | 212,023           |
| Projects in progress                                             | -                     | -                         | -                               | -                                          | -                                             | -                        | 137,064                 | 137,064           |
| Inventories                                                      | -                     | -                         | -                               | -                                          | -                                             | -                        | 35,457                  | 35,457            |
| Property and equipment                                           | -                     | -                         | -                               | -                                          | -                                             | -                        | 431,431                 | 431,431           |
| Investment properties                                            | -                     | -                         | -                               | -                                          | -                                             | -                        | 914,160                 | 914,160           |
| Investments in joint operations                                  | -                     | -                         | -                               | -                                          | -                                             | -                        | 15                      | 15                |
| Investments in a joint venture                                   | -                     | -                         | -                               | -                                          | -                                             | -                        | 1,379                   | 1,379             |
| Due from related parties                                         | -                     | -                         | -                               | -                                          | -                                             | -                        | 7,955                   | 7,955             |
| Intangible assets                                                | -                     | -                         | -                               | -                                          | -                                             | -                        | 61,105                  | 61,105            |
| Other assets                                                     | -                     | -                         | -                               | -                                          | -                                             | -                        | 584,389                 | 584,389           |
| <b>Total Assets</b>                                              | <b>498,288</b>        | <b>1,067,402</b>          | <b>1,092,245</b>                | <b>632,552</b>                             | <b>3,497,004</b>                              | <b>5,537,282</b>         | <b>4,888,236</b>        | <b>17,213,009</b> |
| <b>Liabilities and equity</b>                                    |                       |                           |                                 |                                            |                                               |                          |                         |                   |
| <b>Liabilities-</b>                                              |                       |                           |                                 |                                            |                                               |                          |                         |                   |
| Subscribers' contributions and rural files liabilities           | -                     | -                         | -                               | -                                          | -                                             | -                        | 212,023                 | 212,023           |
| Electricity service subscribers' deposits                        | -                     | -                         | -                               | -                                          | -                                             | 96,592                   | -                       | 96,592            |
| Advance payments from electricity subscribers                    | -                     | -                         | -                               | -                                          | -                                             | 27,411                   | -                       | 27,411            |
| Due to National Electric Power Company                           | -                     | -                         | -                               | -                                          | -                                             | 290,827                  | -                       | 290,827           |
| Bank loans                                                       | 2,200                 | -                         | 16,620                          | 25,253                                     | 15,252                                        | 70,419                   | -                       | 129,744           |
| Income tax provision                                             | -                     | -                         | -                               | -                                          | -                                             | 6,394                    | -                       | 6,394             |
| End of service indemnity provision                               | -                     | -                         | -                               | -                                          | -                                             | 24,498                   | -                       | 24,498            |
| Due to banks                                                     | 27,683                | -                         | -                               | -                                          | -                                             | -                        | -                       | 27,683            |
| Due to related parties                                           | -                     | -                         | -                               | -                                          | -                                             | -                        | 88                      | 88                |
| Other liabilities                                                | -                     | -                         | -                               | -                                          | -                                             | 219,522                  | -                       | 219,522           |
| <b>Total Liabilities</b>                                         | <b>29,883</b>         | <b>-</b>                  | <b>16,620</b>                   | <b>25,253</b>                              | <b>15,252</b>                                 | <b>735,663</b>           | <b>212,111</b>          | <b>1,034,782</b>  |
| <b>Equity-</b>                                                   |                       |                           |                                 |                                            |                                               |                          |                         |                   |
| <b>Social Security Corporation Equity:</b>                       |                       |                           |                                 |                                            |                                               |                          |                         |                   |
| Social Security Corporation current account                      | -                     | -                         | -                               | -                                          | -                                             | -                        | 7,652,546               | 7,652,546         |
| Social Security Corporation current account – Unemployment Fund  | -                     | -                         | -                               | -                                          | -                                             | -                        | 98,838                  | 98,838            |
| Property and equipment revaluation reserve                       | -                     | -                         | -                               | -                                          | -                                             | -                        | 87,804                  | 87,804            |
| Fair value reserve                                               | -                     | -                         | -                               | -                                          | -                                             | -                        | 582,475                 | 582,475           |
| Cash flow hedges reserve                                         | -                     | -                         | -                               | -                                          | -                                             | -                        | 4,371                   | 4,371             |
| Surplus of revenues over accumulated expenses                    | -                     | -                         | -                               | -                                          | -                                             | -                        | 7,695,523               | 7,695,523         |
| <b>Total Social Security Corporation Equity</b>                  | <b>-</b>              | <b>-</b>                  | <b>-</b>                        | <b>-</b>                                   | <b>-</b>                                      | <b>-</b>                 | <b>16,121,557</b>       | <b>16,121,557</b> |
| Non-controlling interests                                        | -                     | -                         | -                               | -                                          | -                                             | -                        | 56,670                  | 56,670            |
| <b>Total liabilities and equity</b>                              | <b>29,883</b>         | <b>-</b>                  | <b>16,620</b>                   | <b>25,253</b>                              | <b>15,252</b>                                 | <b>735,663</b>           | <b>16,390,338</b>       | <b>17,213,009</b> |
| <b>Sensitivity variance</b>                                      | <b>468,405</b>        | <b>1,067,402</b>          | <b>1,075,625</b>                | <b>607,299</b>                             | <b>3,481,752</b>                              | <b>4,801,619</b>         | <b>(11,502,102)</b>     | <b>-</b>          |
| <b>Cumulative sensitivity variance</b>                           | <b>468,405</b>        | <b>1,535,807</b>          | <b>2,611,432</b>                | <b>3,218,731</b>                           | <b>6,700,483</b>                              | <b>11,502,102</b>        | <b>-</b>                | <b>-</b>          |

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|                                                                  | Up to<br>one<br>month | More than<br>one<br>month | More than<br>three<br>months | More than<br>six<br>months<br>up to a<br>year | More than<br>one year<br>up to<br>three<br>years | More than<br>three years | Non-interest<br>bearing | Total             |
|------------------------------------------------------------------|-----------------------|---------------------------|------------------------------|-----------------------------------------------|--------------------------------------------------|--------------------------|-------------------------|-------------------|
| <b>2023-</b>                                                     |                       |                           |                              |                                               |                                                  |                          |                         |                   |
| <b><u>Assets</u></b>                                             |                       |                           |                              |                                               |                                                  |                          |                         |                   |
| Cash and bank balances                                           | 22,623                | -                         | -                            | -                                             | -                                                | -                        | -                       | 22,623            |
| Deposits at banks and financial institutions                     | 192,545               | 501,353                   | 452,969                      | 774,747                                       | -                                                | -                        | -                       | 1,921,614         |
| Financial assets at fair value through profit and loss           | -                     | -                         | -                            | -                                             | -                                                | -                        | 141,795                 | 141,795           |
| Loans and granted debts                                          | 3,277                 | 11,236                    | 22,802                       | 11,365                                        | 157,070                                          | 293,490                  | -                       | 499,240           |
| Financial asset at fair value through other comprehensive income | -                     | -                         | -                            | -                                             | -                                                | -                        | 1,601,068               | 1,601,068         |
| Investments in associates                                        | -                     | -                         | -                            | -                                             | -                                                | -                        | 542,084                 | 542,084           |
| Financial assets at amortized cost                               | 307,354               | 183,998                   | 166,052                      | 299,766                                       | 2,417,279                                        | 5,361,537                | -                       | 8,735,986         |
| Subscribers' contributions and rural files assets                | -                     | -                         | -                            | -                                             | -                                                | -                        | 205,888                 | 205,888           |
| Projects in progress                                             | -                     | -                         | -                            | -                                             | -                                                | -                        | 122,222                 | 122,222           |
| Inventories                                                      | -                     | -                         | -                            | -                                             | -                                                | -                        | 33,255                  | 33,255            |
| Property and equipment                                           | -                     | -                         | -                            | -                                             | -                                                | -                        | 408,664                 | 408,664           |
| Investment properties                                            | -                     | -                         | -                            | -                                             | -                                                | -                        | 898,449                 | 898,449           |
| Investments in joint operations                                  | -                     | -                         | -                            | -                                             | -                                                | -                        | 15                      | 15                |
| Due from related parties                                         | -                     | -                         | -                            | -                                             | -                                                | -                        | 181                     | 181               |
| Intangible assets                                                | -                     | -                         | -                            | -                                             | -                                                | -                        | 65,356                  | 65,356            |
| Other assets                                                     | -                     | -                         | -                            | -                                             | -                                                | -                        | 419,129                 | 419,129           |
| <b>Total Assets</b>                                              | <b>525,799</b>        | <b>696,587</b>            | <b>641,823</b>               | <b>1,085,878</b>                              | <b>2,574,349</b>                                 | <b>5,655,027</b>         | <b>4,438,106</b>        | <b>15,617,569</b> |
| <b><u>Liabilities and equity</u></b>                             |                       |                           |                              |                                               |                                                  |                          |                         |                   |
| <b><u>Liabilities-</u></b>                                       |                       |                           |                              |                                               |                                                  |                          |                         |                   |
| Subscribers' contributions and rural files liabilities           | -                     | -                         | -                            | -                                             | -                                                | -                        | 205,888                 | 205,888           |
| Electricity service subscribers' deposits                        | -                     | -                         | -                            | -                                             | -                                                | 90,838                   | -                       | 90,838            |
| Advance payments from electricity subscribers                    | -                     | -                         | -                            | -                                             | -                                                | 24,751                   | -                       | 24,751            |
| Due to National Electric Power Company                           | -                     | -                         | -                            | -                                             | -                                                | 143,949                  | -                       | 143,949           |
| Bank loans                                                       | 2,000                 | -                         | 15,110                       | 22,959                                        | 13,867                                           | 64,023                   | -                       | 117,959           |
| Income tax provision                                             | -                     | -                         | 5,914                        | -                                             | -                                                | -                        | -                       | 5,914             |
| End of service indemnity provision                               | -                     | -                         | -                            | -                                             | -                                                | -                        | 24,078                  | 24,078            |
| Due to banks                                                     | 35,692                | -                         | -                            | -                                             | -                                                | -                        | -                       | 35,692            |
| Due to related parties                                           | -                     | -                         | -                            | -                                             | -                                                | -                        | 537                     | 537               |
| Other liabilities                                                | -                     | -                         | -                            | -                                             | -                                                | 205,026                  | -                       | 205,026           |
| <b>Total Liabilities</b>                                         | <b>37,692</b>         | <b>-</b>                  | <b>21,024</b>                | <b>22,959</b>                                 | <b>13,867</b>                                    | <b>528,587</b>           | <b>230,503</b>          | <b>854,632</b>    |
| <b><u>Equity-</u></b>                                            |                       |                           |                              |                                               |                                                  |                          |                         |                   |
| <b>Social Security Corporation Equity:</b>                       |                       |                           |                              |                                               |                                                  |                          |                         |                   |
| Social Security Corporation current account                      | -                     | -                         | -                            | -                                             | -                                                | -                        | 7,349,136               | 7,349,136         |
| Social Security Corporation current account – Unemployment Fund  | -                     | -                         | -                            | -                                             | -                                                | -                        | 93,573                  | 93,573            |
| Property and equipment revaluation reserve                       | -                     | -                         | -                            | -                                             | -                                                | -                        | 31,812                  | 31,812            |
| Fair value reserve                                               | -                     | -                         | -                            | -                                             | -                                                | -                        | 453,487                 | 453,487           |
| Cash flow hedges reserve                                         | -                     | -                         | -                            | -                                             | -                                                | -                        | 3,860                   | 3,860             |
| Surplus of revenues over accumulated expenses                    | -                     | -                         | -                            | -                                             | -                                                | -                        | 6,779,205               | 6,779,205         |
| <b>Total Social Security Corporation Equity</b>                  | <b>-</b>              | <b>-</b>                  | <b>-</b>                     | <b>-</b>                                      | <b>-</b>                                         | <b>-</b>                 | <b>14,711,073</b>       | <b>14,711,073</b> |
| Non-controlling interests                                        | -                     | -                         | -                            | -                                             | -                                                | -                        | 51,864                  | 51,864            |
| <b>Total liabilities and equity</b>                              | <b>37,692</b>         | <b>-</b>                  | <b>21,024</b>                | <b>22,959</b>                                 | <b>13,867</b>                                    | <b>528,587</b>           | <b>14,993,440</b>       | <b>15,617,569</b> |
| <b>Sensitivity variance</b>                                      | <b>488,107</b>        | <b>696,587</b>            | <b>620,799</b>               | <b>1,062,919</b>                              | <b>2,560,482</b>                                 | <b>5,126,440</b>         | <b>(10,555,334)</b>     | <b>-</b>          |
| <b>Cumulative sensitivity variance</b>                           | <b>488,107</b>        | <b>1,184,694</b>          | <b>1,805,493</b>             | <b>2,868,412</b>                              | <b>5,428,894</b>                                 | <b>10,555,334</b>        | <b>-</b>                | <b>-</b>          |

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**(41) SEGMENT INFORMATION**

The Group mainly operates in the Hashemite Kingdom of Jordan and its assets and liabilities are distributed according to geographical regions as follows:

|                            | 31 December 2024  |                  | 31 December 2023  |                |
|----------------------------|-------------------|------------------|-------------------|----------------|
|                            | Assets            | Liabilities      | Assets            | Liabilities    |
| <b>Geographical region</b> |                   |                  |                   |                |
| Inside Jordan              | 17,124,891        | 1,034,782        | 15,534,546        | 854,632        |
| Arab countries (Note 5)    | 9,499             | -                | 11,408            | -              |
| Europe (Note 7)            | 78,619            | -                | 71,615            | -              |
|                            | <u>17,213,009</u> | <u>1,034,782</u> | <u>15,617,569</u> | <u>854,632</u> |

Assets and liabilities are distributed according to economic sectors as follows:

|                            | 31 December 2024  |                  | 31 December 2023  |                |
|----------------------------|-------------------|------------------|-------------------|----------------|
|                            | Assets            | Liabilities      | Assets            | Liabilities    |
| <b>Economic sector</b>     |                   |                  |                   |                |
| Investment                 | 15,844,361        | 21,331           | 14,431,179        | 21,825         |
| Hotels                     | 105,980           | 3,581            | 112,328           | 1,114          |
| Energy                     | 1,025,385         | 900,712          | 839,326           | 727,631        |
| Press and publishing       | 23,113            | 26,620           | 23,278            | 25,741         |
| Trading                    | 79,572            | 35,955           | 76,167            | 31,667         |
| Agricultural Manufacturing | 9,838             | 2,282            | 9,627             | 2,050          |
| Other                      | 124,760           | 44,301           | 125,664           | 44,604         |
|                            | <u>17,213,009</u> | <u>1,034,782</u> | <u>15,617,569</u> | <u>854,632</u> |

**(42) CONTINGENT LIABILITIES**

The contingent liabilities of the Group as of 31 December 2024 consist of the following:

- A. As at 31 December 2024, the outstanding letters of guarantee and letters of credit were JD 13,175 thousand (31 December 2023: JD 9,937 thousand).
- B. The expected remaining obligations to complete projects in progress for subsidiaries and Hotels owned by the Fund as at 31 December 2024 amounted to JD 284,744 thousand (2023: JD 174,798 thousand).
- C. Operating lease commitment for Al Daman for Investments (Subsidiary):

On 30 September 1998, the Company signed a lease agreement for Aqaba Gate Land with an annual amount of JD 66 thousand for a period of 30 years and will be renewed twice in a row with a written request from the Company. Starting from the eleventh year, an increase of a 4% or increase equivalent to the change in living costs in accordance with the official publications of the Central Bank of Jordan for the past year will be applied, whichever is lower.

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The minimum future lease payments as at 31 December were as follows:

|                  | 31 December   |               |
|------------------|---------------|---------------|
|                  | 2024          | 2023          |
| Less than 1 year | 258           | 253           |
| 1 to 5 years     | 1,450         | 1,421         |
| Over 5 years     | 52,394        | 53,687        |
|                  | <u>54,102</u> | <u>55,361</u> |

**(43) FAIR VALUE HIERARCHY**

The following table illustrates the fair value measurement hierarchy for financial instruments. The Group uses the following methods:

- Level (1): Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level (2): Valuation techniques for which Level (1) input that is significant to the fair value measurement is directly (such as prices) or indirectly observable (any derivative of prices).
- Level (3): Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

|                                                     | Level (1)        | Level (2) | Level (3)     | Total            |
|-----------------------------------------------------|------------------|-----------|---------------|------------------|
| <b>2024 -</b>                                       |                  |           |               |                  |
| <b>Financial assets:</b>                            |                  |           |               |                  |
| Financial assets through profit and loss            | 136,354          | -         | -             | 136,354          |
| Financial assets through other comprehensive income | 1,693,122        | -         | 37,335        | 1,730,457        |
|                                                     | <u>1,829,476</u> | <u>-</u>  | <u>37,335</u> | <u>1,866,811</u> |

**2023 -**

**Financial assets:**

|                                                     |                  |          |               |                  |
|-----------------------------------------------------|------------------|----------|---------------|------------------|
| Financial assets through profit and loss            | 141,795          | -        | -             | 141,795          |
| Financial assets through other comprehensive income | 1,558,440        | -        | 42,628        | 1,601,068        |
|                                                     | <u>1,700,235</u> | <u>-</u> | <u>42,628</u> | <u>1,742,863</u> |

**(44) LITIGATIONS**

**Social Security Investment Fund**

As at 31 December 2024, the Fund was defendant in a number of lawsuits which amounted to JD 591 thousand (31 December 2023: JD 924 thousand). In the opinion of the management and the legal counselor, the Fund's position is moderate, and the allocated provision of JD 81 thousand is sufficient to cover any obligation that may arise.

**Jordan Press Foundation (Al-Rai) - Subsidiary**

The number of lawsuits filed by third parties against the company that have been concluded from a judicial perspective, such that no claims can be made against the company, reached 50 cases with a total amount of JD 217 thousand. Meanwhile, the number of lawsuits filed by third parties against the company that are still in the judicial authorities and are being tracked by the company's former lawyer, and whose status has not been clarified definitively, amounts to 81 cases with a total amount of JD 8,538 thousand.

**Jordanian Duty Free Shops – Subsidiary**

- A. There are labor-related lawsuits filed against the Group amounting to JD 35 thousand. In the opinion of the Group's management and legal consultant, the provisions taken are sufficient to cover the expected obligations arising from these lawsuits.
- B. There is a case filed by the Group against the Eastern Company for Tobacco and Cigarettes for the amount of JD 850 thousand for the damages and harm suffered by the Jordanian Duty Free Shops Company due to damaged smoke products. Additionally, the defendant (Eastern Company for Tobacco and Cigarettes) has filed a claim to demand an amount of JD 900 thousand. According to the lawyer's opinion, the position of the Jordanian Duty Free Shops Company is excellent, and it is expected that the claim of the Eastern Company for Tobacco and Cigarettes will be fully rejected, as a decision has been made to settle the case amicably between the two parties, thus considering the case concluded without any obligation on either side towards the Eastern Company for Tobacco and Cigarettes.
- C. The group has filed a lawsuit against a contractor for an amount of JD 2,834 thousand related to the contractor's breach of contract, due fines, as well as a claim for compensation for delay and damage amounting to JD 200 thousand. Similarly, the defendant has raised a claim for an amount of JD 4,516 thousand, arguing that Jordan Duty Free Shops Company owes this sum for additional work orders and work completed. According to the lawyer's opinion, arbitration proceedings are still in the expertise phase and the position of Jordan Duty Free Shops company is very good. It is expected that the claim is likely to be reduced to approximately JD 1.2 million before any offsetting is carried out with the amount being in Favor of First shop's claim. In the opinion of the Group's management and legal consultant, provisions for these lawsuits are sufficient to cover the expected obligations arising from these lawsuits.

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**National Company for Tourism Development – Subsidiary**

The company is a defendant in a case with an unspecified value as of 31 December 2024 (31 December 2023: JD 20 thousand).

**Kingdom Electricity Company for Energy Investments – Subsidiary**

The Group is defendant in a number of lawsuits in the ordinary course of business with an amount of JD 2,853 thousand as at 31 December 2024 (2023: JD 1,721 thousand). The Group management and its legal counsel believe that the provision taken against these is adequate to meet any obligations that may arise and no need to book additional provision against these lawsuits.

**The dispute of Irbid Electricity Company (a subsidiary) with National Electric Power Co (NEPCO)**

National Electric Power Company (IDECO power provider) has requested Irbid District Electricity Company (a subsidiary) to pay an amount of JD 717 thousand. This amount represents the interest charged on late payments. Irbid District Electricity Company (the subsidiary), along with its legal counsel, is of the opinion that they have no obligations regarding this amount, as it adheres to the electricity Tariff (Wholesale Tariff) issued by the Energy & Minerals Regulatory Commission (EMRC), which should be applicable to both parties.

**Crowne Plaza Resort – Dead Sea – Fully Owned Hotel**

There are lawsuits filed against the resort totaling JD 52 thousand as of 31 December 2024 (31 December 2023: JD 32 thousand). In the opinion of the resort management and its legal consultant, the provision taken is sufficient to meet any liabilities arising from these lawsuits.

**Intercontinental Resort – Aqaba - Fully Owned Hotel**

The resort is involved in several legal cases amounting to JD 83 thousand as of 31 December 2024 (31 December 2023: JD 277 thousand), relating to legal claims associated with its activities. Management has conducted an analysis of the risks associated with these cases and the potential outcomes. Although the exact outcomes of these cases cannot be determined with certainty, management and its legal advisors believe that the provisions taken are sufficient to address any significant liabilities arising from these cases.

**Holiday Inn Resort - Dead Sea – Fully Owned Hotel**

As of 31 December 2024, the resort is involved in several labor-related lawsuits, with a total value of JD 28 thousand (31 December 2023: JD 21 thousand).

**Crowne Plaza Hotel – Amman – Fully Owned Hotel**

There are no pending lawsuits against the Company as of 31 December 2024 (2023: JD 6 thousand), and in the opinion of management and the legal consultant, the provision taken is sufficient to meet any obligations related to these lawsuits.

**Crowne Plaza Hotel Petra and its Rest House - Fully Owned Hotel**

There are no lawsuits filed against the resort as of 31 December 2024 (31 December 2023: there is a labor-related case against the resort as of 31 December 2023, with a value of JD 15,703. In the opinion of the resort's management and its legal consultant, the provision taken for this case, JD 15,703 as of 31 December 2023, is sufficient to meet any obligations that may arise from that case). During the year 2024, a court decision was issued dismissing the case, and this decision has become final, leading to the closure of the case file.

**Daman for Development Zones Private Shareholding and its subsidiaries**

There are no lawsuits filed against the group as of 31 December 2024, whereas the value of the lawsuits filed against the group was JD 280,322 as of 31 December 2023. The risks have been analyzed in terms of their likelihood of occurrence, although it is not always possible to accurately determine the outcome of these matters. In the opinion of management and the legal advisor, the provision is sufficient to cover these obligations.

**Al Daman for Lease Financing Limited Liability Company**

The company was a defendant in two lawsuits related to a claim for preventing opposition to the benefit and ownership of a portion of a plot of land transferred to the company as collateral for the repayment of a loan, as well as a claim for compensation equivalent to rental value. The lawsuits were filed against the company and were under review during 2023 and 2024. A final judgment was issued on 12 February 2024, dismissing the claims against the company and ruling in its favor, including reimbursement of court fees, expenses, and attorney's fees. The amounts awarded in both enforcement cases were collected in favor of the company during 2024. It is noted that, as of 31 December 2024, there are no other lawsuits, claims, or legal proceedings pending before Jordanian courts involving the company, whether initiated by or against it.

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**(45) INCOME TAX PROVISION**

Movements on the provision for income tax during the year were as follows:

|                           | 2024    | 2023     |
|---------------------------|---------|----------|
| Balance as at 1 January   | 5,914   | 10,034   |
| Provision for the year    | 7,806   | 7,997    |
| Income tax deposits       | (2)     | (113)    |
| Income tax paid           | (7,324) | (12,004) |
| Balance as at 31 December | 6,394   | 5,914    |

Income tax presented in the consolidated statement of revenues and expenses is as follows:

|                                   | 2024  | 2023  |
|-----------------------------------|-------|-------|
| Income tax provision for the year | 7,806 | 7,997 |
| Change in deferred tax assets     | (232) | (638) |
|                                   | 7,574 | 7,359 |

**Tax Position of Social Security Corporation Group Companies – Social Security Investment Fund:**

**Social Security Investment Fund**

Income tax provision for the years ended 31 December 2024 and 2023 have been calculated in accordance with Income Tax Law No. (34) of 2014 and its amendments. Management believes that the provision amounting to JD 542 thousand is sufficient and there is no need to recognize any additional provision. Noting that most of the Fund's activities are tax exempted in accordance with the Income Tax Law except for the net income from rents as well as dividends from foreign investments.

The Fund submitted its tax returns for the year 2023 within the legal period. The Income Tax Department did not review the Fund's records until the date of preparing the separate financial statements. There is a balance in favor of the corporation of JD 829 thousand, of which JD 621 thousand as a result of semi-annual payments for 2024.

The Fund obtained a final clearance from the Income and Sales Tax Department up to the year 2014.

The tax returns were submitted on the results of the Fund's operations for the years 2015 to 2022, and the Income Tax Department estimated tax differences of a total of JD 1,565 thousand for those years. The Fund objected to the amounts claimed and filed a lawsuit against the Department at the Court of First Instance of Income Tax. The case is still pending before the Court as of the date of preparation of the consolidated financial statements.

**Kingdom Electricity Company for Energy Investments**

The income tax provision for the Group for the years ended 31 December 2024 and 2023 has been calculated in accordance with the Income Tax Law No. (34) of 2014 and its amendments, which was implemented on 1 January 2019. The statutory income tax rate for KEIC (parent company) is 20% plus 1% due as national contribution tax, and for subsidiaries it is 24% plus 3% due as national contribution tax in the group areas except Aqaba where the statutory income tax rate according to the income and sales tax law of the Aqaba Special Economic Zone is 5% plus 3% due as national contribution tax.

The Company obtained a final clearance from the Income and Sales Tax Department until the end of 2023 except for 2021, and the Company submitted its tax return for the year 2021 and has not been reviewed by the Income and Sales Tax Department up to the date of these consolidated financial statements.

**Irbid District Electricity Company Public Shareholding Company – subsidiary of Kingdom Electricity Company for Energy Investments**

The Company has obtained the final clearance from Income Tax Department for the year 2020. The Company has submitted its self-assessment statements for the years 2021, 2022, and 2023. The company has paid the amounts due to the income tax for the period covering the first half of the year 2024. The Income and Sales Tax Department has not audited the Company's records up to the date of the consolidated financial statements.

**Electricity Distribution Company Public Shareholding Company – subsidiary of Kingdom Electricity Company for Energy Investments**

The company obtained a final clearance until 2022, and the company submitted the tax return for the year 2023 within the legal period. The Income and Sales Tax Department has not reviewed the Company's accounting records as of the date of preparation of these consolidated financial statements.

**Electricity Distribution Company – Aqaba (subsidiary of Kingdom Electricity Company for Energy Investments)**

The company has obtained the final clearance from Income tax department for all years up to 2021. The company has submitted its tax declaration for the years 2022 and 2023 which have not been reviewed by the Income and Sales Tax Department up to the date of preparation of the consolidated financial statements.

**Jordan Press Foundation Public Shareholding Company / Al-Rai – Subsidiary**

Income tax provisions for the years ended 31 December 2024 and 2023 have not been accrued due to the increase in tax-deductible expenses over taxable revenues according to Income Tax Law No. (34) of 2014 and its amendments.

The Company has filed tax returns for the years 2020 up to 2023. However, the Income and Sales Tax Department has not reviewed these returns as of the date of preparation of these consolidated financial statements.

The Company has received tax clearance up until the year 2019 from the Income Tax Department.

**Jordanian Duty Free Shops Public Shareholding Company – Subsidiary**

Income tax is calculated on interest income and other income for the year ended 31 December 2024. The income tax was adjusted starting 1 January 2019 to become 20% for income tax, in addition to 1% national contribution, to become 21% in total according to the Jordanian tax law (34) for 2014 and its amendments.

Based on the Council of Ministers decision in their meeting held on 10 April 2017, the exemption on goods and services from the main activity of the Group was renewed where income tax is calculated on interest income and other income only. Exemption from income tax on Company's activities has been extended for an additional 6 years starting from 1 May 2022 and the year 2022 is considered as the first year included in the exemption.

The Group reached a final settlement with the Income and Sales Tax Department for the years 2004 up to 2007, and for the years 2009 up to 2019.

An amount of JD 269,689 thousand was estimated as tax claim for the year 2008, whereby the Income and Sales Tax Department included the interest income and other income as part of the income tax calculation. The tax claim was rejected and the rejection was refused by the Income Tax Department, and hence the Group has filed a lawsuit against the Income and Sales Tax Department at the Tax Court of First Instance and the Court has decided to cancel the claim. The Income Tax Department appealed the judgment and a decision was issued by the Court of Appeal to transfer the case to the Court of Cassation. During 2021 the Court of Cassation returned the case to the Court of First Instance for a reassessment. The court ruled at the year end of 2022 that the company had to pay JD 145,277. The amount was fully settled during January 2023.

The Group submitted their tax returns for the years until 2023 within the legal period but they have not been audited by the Income and Sales Tax Department up to the date of these consolidated financial statements.

The Group registered in the sales tax retroactively from 1 January 2014, and the Group is committed to submitting declarations within the legal period, and its tax declarations are audited up to June 30, 2019.

The Group's share of the losses from the investment in the joint venture of the JAH Arabia International Duty Free Shops has been excluded from other revenues as it is classified as foreign investments. Income from foreign investments is subject to a 10% income tax in the case of profit, and it is treated differently and separately from other taxable income in the case of losses, as losses from foreign investments can only be offset against the profits generated from them (paragraph C of Article 3 of the law).

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**National Company for Touristic Development - Subsidiary**

Income tax provisions have been accrued for the years ended 31 December 2024 and 31 December 2023, in accordance with Income Tax Law No. (34) of 2014 and its amendments. The statutory income tax rate applicable to the company is 20%, and the national contribution tax rate is 1%. For the company's branch in Aqaba, the statutory income tax rate is 5%, with a national contribution tax rate of 1% in accordance with the Income Tax Law No. (32) of 2000 and its amendments.

**- Income Tax Provision - Amman Branch:**

The tax returns have been accepted by the Income and Sales Tax department until the end of the year 2016, while the years from 2017 to 2021 are still pending in court. The company has submitted self-assessment statements for the years 2022 and 2023, which are still under review by the Income and Sales Tax Department.

**- Income Tax Provision - Aqaba Branch:**

The tax returns have been accepted by the Income and Sales Tax Department until the end of the year 2023. There is an outstanding balance of JD 120 for the year 2019 and JD 300 for the year 2021 that remain unpaid.

**Al-Daman for Investments Public Shareholding Company – Subsidiary**

No income tax was calculated for the years ended 31 December 2024 and 2023 due to the accumulated losses from prior years in accordance with the Income Tax Law No. (34) of 2014 and its amendments and in accordance with the Income Tax Law for Aqaba Special Economic Zone Authority No. (32) of 2000 and its amendments.

The Company obtained a final clearance from the Income and Sales Tax Department for its operations in Amman up to the year 2022, and the tax return has been submitted for the year 2023.

The company obtained a final clearance from the Aqaba Special Economic Zone Authority for the company's operations in Aqaba until the end of 2021. The Company has submitted self-assessment statements for the years 2022 and 2023 within the legal deadline, and the Aqaba Special Economic Zone Authority has not reviewed it until the date of preparing the consolidated financial statements.

The Income and Sales Tax Department in the Aqaba Economic Zone has issued a claim for deductions related to professional fees, which are deductions that were imposed on unpaid amounts or transportation allowance expenses for engineers from the Social Security Corporation, and the company has appealed these claims and the case is still pending before the court.

**Rama for Investing and Saving Company – Subsidiary**

Income tax provision has been accrued for the years ended 31 December 2024, and 31 December 2023, in accordance with Income Tax Law No. (34) of 2014 and its amendments. The statutory income tax rate applicable to the company is 20%, plus an additional 1% as national contribution tax.

Self-assessment returns have been filed up to the year 2023 within the legal period, and the assessments have been accepted by the Income and Sales Tax Department, obtaining final tax clearance up to the year 2022.

**Al-Daman for Development Zones – Subsidiary**

The income tax provision has been calculated for the years ending 31 December 2024 and 31 December 2023, according to Tax Law No. (34) of 2014 and its amendments.

The Company and its subsidiaries have submitted self-assessment statements for the years 2021, 2022, and 2023. A final settlement has been reached with the Income Tax Department for Al-Mafraq Development Company Limited Liability until the end of 2020, for Al-Daman for Development Zones until the end of 2021, and for the North Development Company Limited Liability until the end of 2020.

**United Travelling Center – Subsidiary**

Income tax provision has not been accrued for the years ended 31 December 2024 and 31 December 2023, due to the presence of carried forward losses from previous years, in accordance with the Income Tax Law applicable in the Hashemite Kingdom of Jordan and Accounting Standard No. (12).

The Company has filed tax returns for the years 2021 and 2023. However, the Income Tax Department has not reviewed the Company's accounting records as of the date of these consolidated financial statements.

The company has obtained final tax clearance from the Income Tax Department up until the year 2020.

**Al-Daman for Investment and Agricultural Industries LLC - Subsidiary Company**

The company is subject to the provisions of Income Tax Law No. (34) of 2014 and its amendments. According to Article (5), the company is exempt from paying tax on the first fifty thousand dinars of income derived from agricultural activities within the kingdom, and it incurs a 20% income tax and 1% national contribution tax on the remaining income.

No provision for income tax has been accrued for the year ended 31 December 2024, due to expenses exceeding taxable income according to the Income Tax Law.

The company has submitted estimated self-assessment returns for the years 2023, 2022, and 2021. However, the Income and Sales Tax Department has not reviewed the accounting records as of the date of preparation of the company's consolidated financial statements.

**SOCIAL SECURITY CORPORATION – SOCIAL SECURITY INVESTMENT FUND**  
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**Al-Daman Jordanian International Investments LLC - Subsidiary Company**

Income tax provision has been accrued for the years ended 31 December 2024 and 2023, in accordance with Income Tax Law No. (34) of 2014 and its amendments.

The Income and Sales Tax Department accepted the tax returns submitted by Al-Daman Jordanian International Investments on a sampling basis up to the year 2020. However, the Income and Sales Tax Department has not reviewed the accounting records as of the date of preparation of these consolidated financial statements.

The Income and Sales Tax Department has accepted the tax returns submitted by the Al-Daman Jordanian International Investments under the sampling system until the year 2023, during which the company submitted a self-assessment statement to the Income and Sales Tax Department for the year 2023.

**Al-Daman Leasing & Finance Limited Liability Company – Subsidiary**

Income tax provision has been accrued for the years ended 31 December 2024 and 2023, in accordance with Income Tax Law No. (34) of 2014 and its amendments.

The Income and Sales Tax Department accepted the tax returns submitted by the company on a sampling basis for the years since 2017 until 2020.

The company has filed tax returns for the years 2023 and 2021. However, as of the date of preparation of these consolidated financial statements, the Income and Sales Tax Department has not reviewed them, and there are no outstanding balances for the company.

**Al-Daman Jordanian International Business Limited Liability Company – Subsidiary**

Income tax provision has been accrued for the years ended 31 December 2024 and 2023, in accordance with Income Tax Law No. (34) of 2014 and its amendments.

The Income and Sales Tax Department accepted the tax returns submitted by Al-Daman Jordanian International Investments on a sampling basis until the year 2020. The company has filed tax returns for the years 2021 and 2023. As of the date of preparation of these consolidated financial statements, the Income and Sales Tax Department has not reviewed them.

The Income and Sales Tax Department accepted the tax returns submitted by Al-Daman Jordanian International Business on a sampling basis until the year 2023. The company has submitted a self-assessment statement to the Income and Sales Tax Department for the year 2023.

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

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

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

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

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

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

The Group is currently not intending to early adopt the Amendments.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**(47) COMPARATIVE FIGURES**

The Group have reclassified some of 2023 figures in order to conform with the presentation of figures for the year ended 31 December 2024. Such reclassification did not affect previously reported surplus of revenues over expenses or consolidated equity for the year 2023.