

**capital**  
bank

**ANNUAL  
REPORT**

**2025**







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







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



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## Members of the Board of Directors





## Members of the Board of Directors


Members of the Board of Directors as of End of 2024	Members of the Board of Directors as of End of 2025
His Excellency Bassem Khalil Salem Al-Salem Chairman of the Board of Directors	His Excellency Bassem Khalil Salem Al-Salem Chairman of the Board of Directors
His Excellency Said Samih Taleb Darwazah Vice Chairman of the Board of Directors	His Excellency Said Samih Taleb Darwazah Vice Chairman of the Board of Directors
Social Security Corporation Saleh Hamdallah Ayesh Alshbeikat	Social Security Corporation Saleh Hamdallah Ayesh Alshbeikat
Investments and Integrated Industries Co Plc Omar M.I. Shahrour	Investments and Integrated Industries Co Plc Khalil Hatim Khalil Al-Salem
The Safety First Investment Company Muteb Mohammed S Alshathri	The Safety First Investment Company Muteb Mohammed S Alshathri
The Safety First Investment Company Lamya Mohammed N Alfozan	The Safety First Investment Company Lamya Mohammed N Alfozan
Al Khalil Company for Investments Khalil Hatem Khalil Al-Salem	The Safety First Investment company Fadi Adel Mohammad AlSaid
Hitaf Investment Company “Mohammed Ali” Khaldoun Sati’ Al-Husry	Hitaf Investment Company “Mohammed Ali” Khaldoun Sati’ Al-Husry
Al Jadarah Company for Real Estate Investment Sultan Mohammed M El Seif	Al Jadarah Company for Real Estate Investment Sultan Mohammed M El Seif
Khalid Walid Hussni Nabils	Khalid Walid Hussni Nabils
Abubaker Seddiq Mohamed Hussain Alkhoori	His Excellency Samir Zaid Samir AlRifai
Mohammad Hasan Subhi AlHaj Hasan	Dalia abdelazim Mohamed Wahba
Yousef A. Y. Ensour	Yousef A. Y. Ensour

# Our Vision

To be one of the leading banks in the region placing our customers and people at the heart of our journey and enabling them to make informed life decisions.

# Our Mission

To simplify daily banking and support economic prosperity through digitization, innovation and personalized customer experience.





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## Message from the Chairman



## Message from the Chairman

### Dear Shareholders,

At a time when the region is experiencing rapid developments and complex challenges, Jordan continues to strengthen its position as a stable and trusted destination for business and investment. This is driven by the wise vision of His Majesty King Abdullah II and the resilience of the Kingdom's economic institutions. This stability has played a key role in reinforcing the investment climate and sustaining economic momentum, enabling national institutions to move forward with confidence in implementing their strategic plans.

In this context, Capital Bank Group has continued to advance steadily along its growth trajectory, leveraging this supportive environment to deliver strong results and further expand its presence across the markets in which it operates.

Amid the developments unfolding across the region, we remain hopeful that security and stability will prevail, and we extend our wishes for safety, peace of mind, and well-being for all.

Accordingly, I am pleased to present Capital Bank Group's annual report, which highlights the group's most significant achievements and milestones during 2025. The year was exceptional by all measures, as we successfully navigated challenges while further strengthening our leading position in the banking sector. Guided by a clear strategic vision, sound management and the dedication of our team, we continued to deliver strong growth across our key financial indicators, reflecting the increasing confidence our clients place in us.

### Ladies and Gentlemen,

Despite prevailing circumstances and the geopolitical challenges the region faced toward the end of 2025, positive macroeconomic results were achieved. Most notably, economic growth strengthened alongside improvements in several key indicators, including increases in national exports, an improved trade balance, higher foreign currency reserves, rising tourism revenues and increased remittances from workers abroad. These developments were reflected in a range of monetary, financial and economic indicators, including a declining unemployment rate.

This strong performance would not have been possible without the environment of political and economic stability provided by Jordan under the leadership of His Majesty King Abdullah II bin Al-Hussein, and his continuous efforts to support the national economy, enhance the Kingdom's attractiveness to foreign investment and promote local investment. It also reflects government measures to advance economic reform and implement the Economic Modernization Vision program, as well as the launch of a new Executive Programme for 2026 through 2029. The transition from recovery toward sustained economic growth began to take shape last year, with expectations that growth will exceed 3% this year and reach 4% over the next two years. This progress has also been supported by the prudent directives of the Central Bank of Jordan under the leadership of His Excellency Governor Dr. Adel Al-Sharkas, which have strengthened the resilience of the banking system and the banks operating within it.

The International Monetary Fund, in its latest review report, commended the performance of the national economy, supported by sound macroeconomic policies and strong international backing. These factors have contributed to economic growth and established a foundation for positive expectations regarding the continued expansion of the national economy, particularly in light of the government's announcement of major strategic and investment projects in the water and energy sectors, including the National Carrier project, gas exploration initiatives and railway linkage projects.

Uncertainty continues to prevail globally and across the region, reflecting the dynamic nature of the current environment and the rapid pace of developments. In such circumstances, financial and banking institutions must develop their strategies with a high degree of prudence and on solid foundations to minimize the potential impact of global conflicts on the banking sector. Accordingly, our advanced banking environment has been built not only to support growth, but also to operate within a highly resilient framework that carefully considers risks and works to mitigate their effects to the lowest possible level.



### Ladies and Gentlemen,

Capital Bank continued to deliver positive results, reaching new historical highs. While maintaining previously achieved results and continuing to pursue new successes remained a challenge, through the dedication of the bank's team we achieved further positive outcomes, which we are proud to present in this annual report.

These results reflect the ambitious expansion strategy adopted by Capital Bank Group. In addition to achieving new record profits, the Group strengthened its position in the local and regional banking markets through the National Bank of Iraq in Iraq and Saudi Arabia. Capital Investments also maintained its leadership in providing comprehensive investment banking services, supported by its specialized team in Jordan and the United Arab Emirates and its strategic office in the Dubai International Financial Centre (DIFC).

In addition, the Group continues to closely monitor developments in the Syrian market, which has begun to experience increasing stability that may support the rebuilding of its economic, financial, and banking institutions.

### Ladies and Gentlemen,

The Group achieved its strongest results since its establishment, with net profits reaching approximately JOD 201 million, representing a growth rate of 26%. Total assets increased to approximately JOD 8.7 billion, reflecting growth of 6%. Customer deposits reached approximately JOD 6 billion, while net credit facilities grew by 12.5% to reach JOD 3.9 billion.

The group's success in 2025 was defined by strategic expansion and digital empowerment. In terms of regional expansion, particularly in Iraq, the group not only maintained its leading position

but further strengthened it through key acquisitions that reinforced the presence of Capital Bank and the National Bank of Iraq in the market. The group completed the acquisition of Union International Insurance Company, enabling the provision of integrated financial and insurance solutions under one roof. It also took an important step in the Iraqi banking sector by acquiring a majority stake in Switch and Digital Future Company, supporting the group's strategy to offer a more integrated range of financial services across the markets in which it operates.

### Ladies and Gentlemen,

As we continue taking steady steps toward achieving record results and positioning the group among the leading regional banking institutions, we remain focused on advancing technological development and strengthening our cybersecurity systems. This approach ensures the highest levels of protection while supporting the seamless delivery of banking services with the highest standards of security and reliability for our customers everywhere.

### Ladies and Gentlemen,

I would like to take this opportunity to express my sincere appreciation to governor of the Central Bank of Jordan and to this esteemed national economic institution, which over the years has played a vital role in strengthening the foundations of financial and monetary stability in the Kingdom, thereby supporting the achievement of key economic objectives and sustainable growth. I also extend my thanks to the executive management team, directors and employees across all administrative levels and branches for their dedicated efforts in ensuring that the Group remains at the forefront of financial and banking institutions.

I pray that our beloved homeland continues to stand proud, strong and resilient under the wise and prudent leadership of His Majesty King Abdullah II bin Al-Hussein, and with the steadfast support of his loyal Jordanian people.

Bassem Khalil Al-Salem  
Chairman of Capital Bank Group





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## Message from the CEO



## Message from the CEO

### Dear Esteemed Shareholders,

In light of the uncertainty and rapidly evolving developments across the region, we reaffirm that the group continues to move forward steadily in executing its strategic plans in line with its established roadmap. We remain firmly focused on strengthening our banking operations and reinforcing the resilience of our financial position. This progress is supported by the strength of the Jordanian national economy, which has consistently demonstrated its resilience and stability through various challenges, thanks to the wise leadership of His Majesty King Abdullah II. This stability gives us the confidence to continue investing, expanding our operations, and driving growth in our performance and results as we pursue our long-term ambitions. We also hope that our homeland will continue to enjoy greater security and stability, and that peace and reassurance will prevail across our region and the world.

Building on this momentum, it is my pleasure to present to you the annual report of Capital Bank Group for a year of special significance for all of us, as we celebrate the 30th anniversary of the founding of this banking institution. Over three decades of dedicated effort, the group has evolved from a local bank into a leading regional banking group, guided by a clear strategic vision and a promise that we have consistently upheld and translated into action: "Ready." We concluded this year with an exceptional performance, recording the highest results in the group's history in terms of profits, assets, and revenues. Despite the economic and geopolitical developments across the region, the group's business model once again demonstrated its resilience and strength. We delivered strong operating performance and improved asset quality in Jordan, while further reinforcing our financial position through the signing of a Green Subordinated Loan that strengthened our capital base and supported our long-term sustainable growth strategy.

### Dear Shareholders,

The year 2025 marked an important turning point in the group's journey, centered on achieving balanced growth and accelerating the adoption of digital solutions. This direction was reflected in the continued development of our business model and stronger integration across the group's various activities, reinforcing our position as a comprehensive financial institution that brings together banking, insurance, and digital solutions under one umbrella.

Our expansion during the year was not limited to geographic growth. It also included enhancing our organizational structure, improving operational efficiency, and strengthening coordination across different business units to deliver sustainable value.

Throughout the year, the group continued to implement strategic initiatives aimed at expanding the range of solutions offered to our clients and strengthening our ability to respond to evolving market needs through more flexible and integrated operating models. At the same time, we focused on building a cohesive business ecosystem that combines technological innovation with deep banking expertise, enhancing our competitiveness and laying the foundation for a more diversified and sustainable phase of growth across the markets in which we operate.

This approach reflects a clear strategic vision built on diversifying income streams, deepening client relationships, and strengthening our risk management capabilities. It ensures a balanced approach that supports strong growth while maintaining long-term institutional sustainability.

On the digital transformation front, the group translated its slogan into tangible results through the ambitious LEAP initiative, making significant investments in its technology infrastructure to align with global standards. The LEAP initiative will deliver several key benefits across the bank, including the modernization of core systems, the unification of enterprise platforms, and enhanced financial and risk management across the group.

We were also among the first banking institutions in Jordan to prioritize technological advancement through the adoption of a dedicated data management strategy, alongside investments in modern data technologies and artificial intelligence supported by advanced NVIDIA AI servers. These investments have not only improved operational efficiency, as reflected in the fact that non-cash transactions now account for nearly 98% of total transactions, but have also enabled us to leverage artificial intelligence to enhance customer service and streamline internal processes.

In parallel, the bank continued to develop digital solutions that support the business sector, enabling us to provide fast, flexible banking services that meet the needs of small and medium-sized enterprises. We also continued investing in the development of young talent through Capital Academy, particularly through its technology track, which focuses on equipping graduates with the skills needed to succeed in an increasingly digital and evolving banking environment.

### Dear Shareholders,

The group firmly believes that financial growth goes hand in hand with our responsibility toward both society and our people. Guided by our conviction that human capital is the key driver of sustainable growth, the bank invested during the past year in strengthening its institutional leadership framework. A select group of employees participated in advanced executive programs at leading global academic institutions such as Harvard University and London Business School, further enhancing leadership capabilities and aligning with global best practices in management.

From a societal perspective, the group views social responsibility as a natural extension of its business model rather than a parallel activity. Our strategy is therefore built around four key pillars that guide our developmental impact: promoting financial literacy and expanding financial inclusion; supporting entrepreneurship and economic growth; empowering women and strengthening their participation in the workforce; and embedding environmental sustainability practices across our operations and initiatives.

Through this structured and institutional approach, the group aims to create measurable and lasting impact, empowering youth, expanding economic opportunities, and supporting a more inclusive and balanced development model that benefits both society and the broader economy over the long term.

Esteemed Shareholders,

As the group closes the chapter on its 30th year, we look ahead to the future with ambition and confidence. Our priorities are clear: maintaining our leadership in existing markets, actively exploring new opportunities, and assessing expansion prospects in promising markets when the right conditions emerge, including the Syrian market, in a way that supports businesses and exporters and contributes to the reconstruction phase.

The group will continue to carefully balance strong growth with disciplined risk management, in line with our commitment to delivering sustainable value and the highest returns to our shareholders.

In closing, I would like to extend my sincere thanks and appreciation to the Governor of the Central Bank of Jordan and the Central Bank team, as well as to the Chairman of the Jordan Securities Commission, for their continued efforts in strengthening the resilience of the banking sector and fostering a stable investment environment that supports its growth and sustainability.

I would also like to express my gratitude to the Chairman and members of the Board of Directors for their vision and guidance, which have provided a strong foundation for the group's progress. My appreciation also goes to all the bank's employees whose dedication and commitment have been instrumental in achieving these results. Finally, I extend my sincere thanks to our clients and partners for their continued trust, which remains the true foundation that enables us to deliver leading banking services that meet their expectations and aspirations.

With sincere appreciation,

**Tamer Ghazaleh**

Chief Executive Officer of Capital Bank





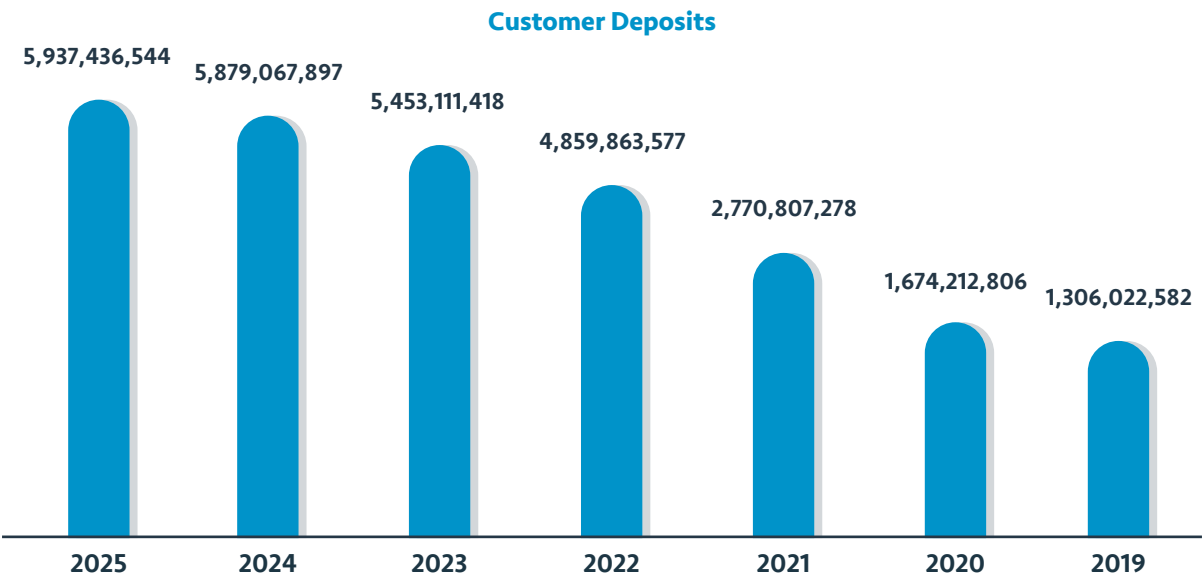
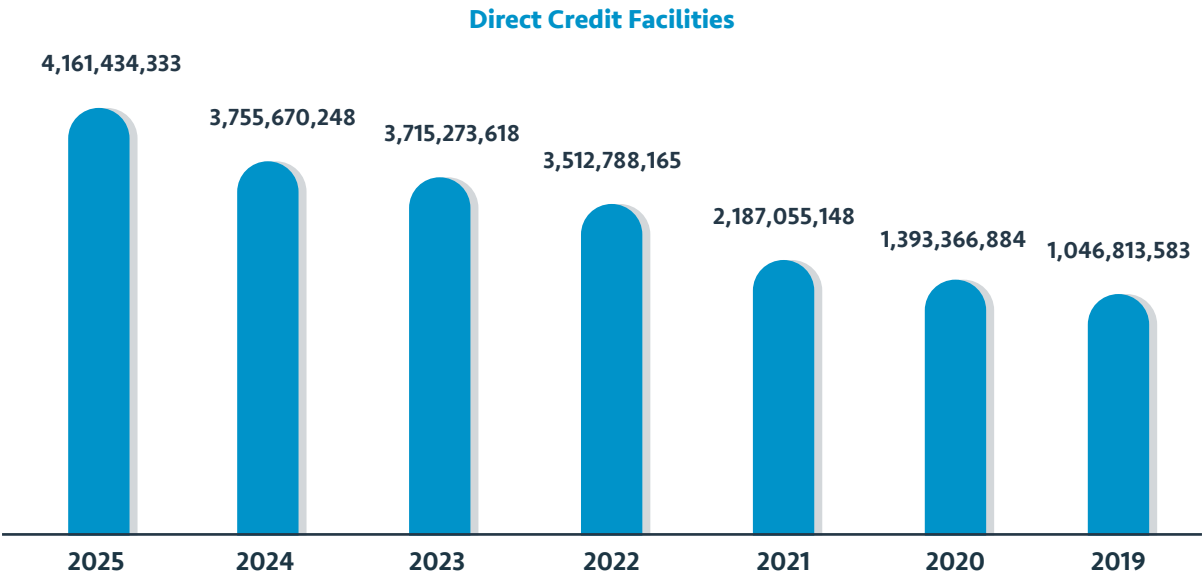


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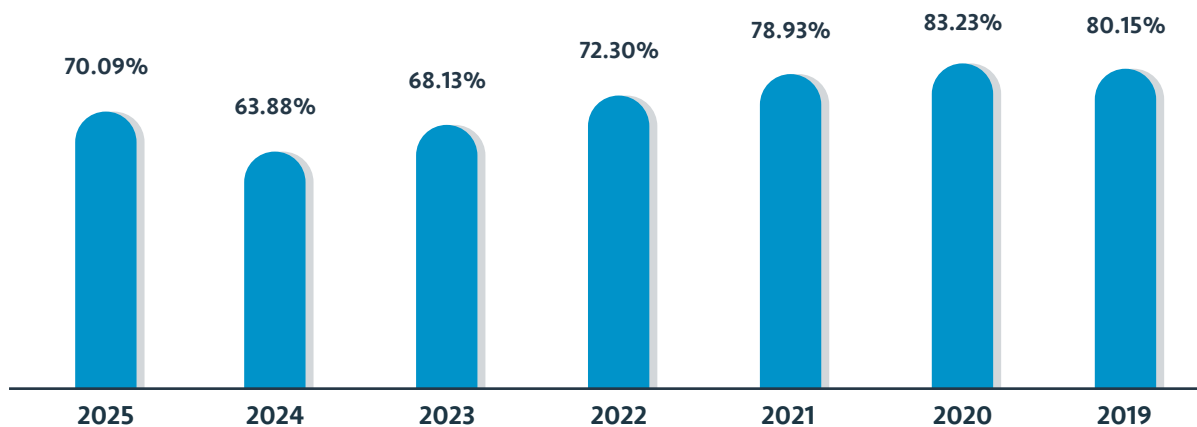
## Financial Ratios



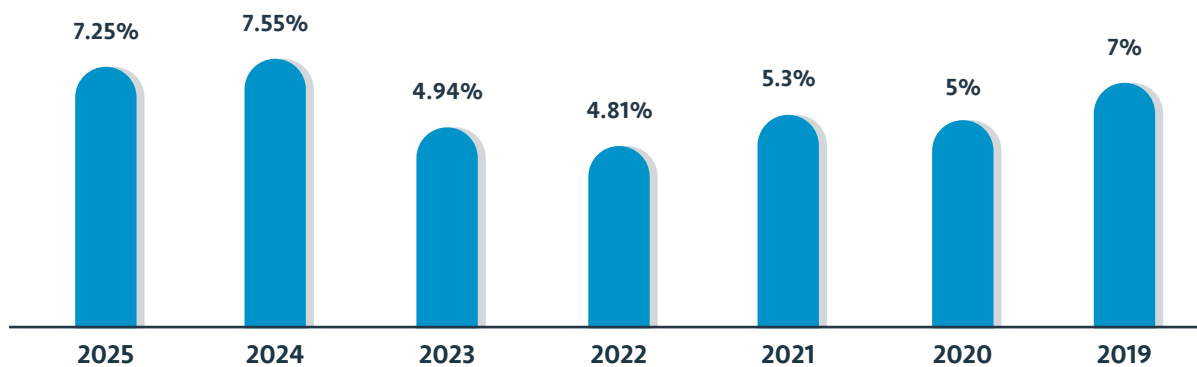
# Financial Ratios



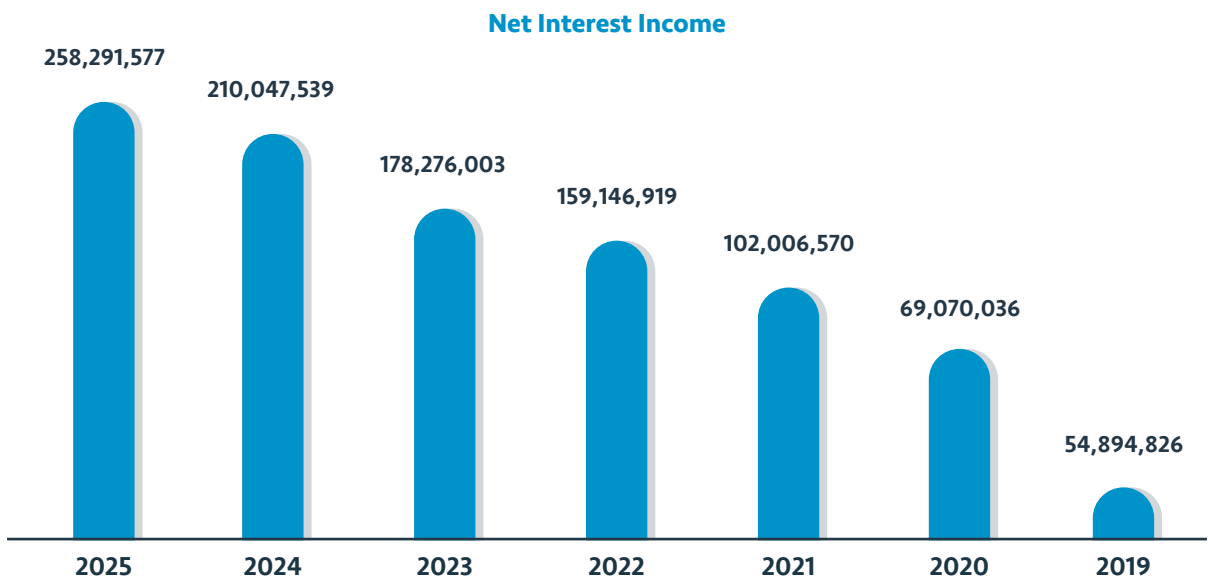
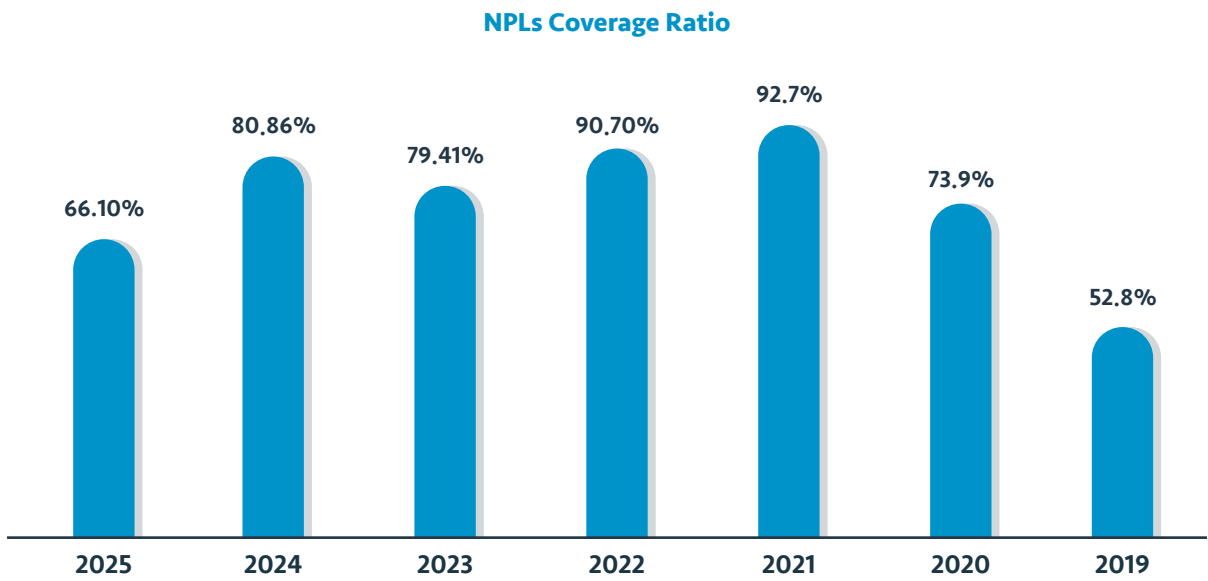
### Loans to Deposits Ratio

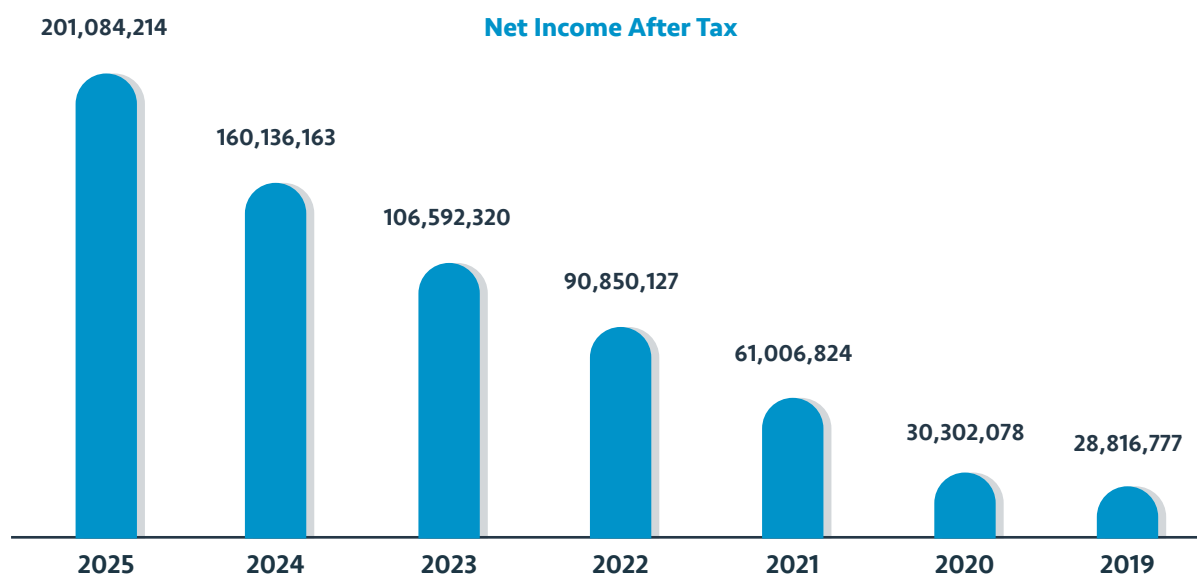


### Non-performing Loans Ratio



# Financial Ratios









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## Board of Directors Report



## Board of Directors Report

### **Institutional Banking**

In 2025, the Jordanian banking sector, including Capital Bank Group, faced significant challenges arising from global economic volatility, inflationary pressures, and the impact of ongoing geopolitical developments on economic activity and business sectors. Despite these conditions, the group demonstrated strong operational resilience, supported by sound planning and prudent policies, which enabled it to mitigate adverse effects on its corporate financing portfolio.

Throughout the year, Capital Bank's corporate banking function continued to play a vital role in supporting large, medium, and small enterprises by delivering financing solutions tailored to the needs and financial capacities of its clients within the prevailing economic environment. This approach was underpinned by rigorous financial assessments and enhanced credit risk mitigation measures, including the strengthening of acceptable collateral and guarantees. As a result, the bank was able to safeguard its interests while supporting the sustainable growth and quality of its corporate credit portfolio.

### **Corporate Banking**

In 2025, Capital Bank continued to strengthen its position as one of the leading banks operating in Jordan, with a sustained focus on maintaining and expanding its market share in corporate banking services. This was supported by the development of specialized, large-scale corporate banking products and services, reinforcing the bank's role as a preferred financial partner for corporate clients.

During the year, the department focused on expanding its core current account base and increasing its share of corporate deposits. These deposits represent a key pillar in supporting liquidity and enabling the bank to expand its financing capacity, thereby contributing to improved profitability and long-term sustainable growth.

In the area of credit risk management, the department continued to enhance portfolio quality by attracting new clients through a prudent and balanced approach that carefully considers both returns and risks. This strategy included increasing the volume of indirect credit facilities, such as letters of credit, import and export bills, and bank guarantees, as part of a broader effort to diversify income sources and support the business activities of its clients.

### **Large Corporate Banking**

Throughout 2025, the Large Corporate Banking Department continued to deliver strong performance in managing the credit portfolio, maintaining a balanced approach between loan growth and risk management. The department provided tailored banking solutions designed to meet the diverse needs of large corporate clients across various sectors.

During the year, the user interface of Capital Bank's corporate digital banking platform was further enhanced. The platform offers a comprehensive and secure suite of banking solutions, enabling corporate clients to conduct their internal and external banking operations electronically at any time and from any location, using advanced technologies and secure systems.

In parallel, the bank strengthened its competitive positioning as a leading provider of financial and banking solutions by expanding its offering of hedging instruments and financial derivatives to corporate clients. These solutions, delivered in line with applicable international standards, support clients in managing risks related to foreign exchange, interest rates, and commodity prices, based on a sound understanding of the operating environment and established banking principles.

During 2025, the bank also continued to refine its credit risk classification mechanisms and to link risk levels to product pricing. This approach contributed to further improvements in the quality of the credit portfolio while ensuring the continued delivery of high-quality banking services. The department remained focused on supporting the growth and development of the businesses of existing clients, attracting new clients from targeted economic sectors and expanding relationships with major corporate current account holders through customized products and services aligned with their specialized operational needs.

### **Commercial Corporate Banking**

Throughout 2025, the Commercial Corporate Banking Department continued to strengthen its relationships with commercial, industrial and service-sector companies by comprehensive understanding of their operational and financial needs and delivering customized banking solutions. These efforts reinforced Capital Bank's position as a trusted financial partner providing sustainable value to the business community.

During the year, the department provided flexible financing solutions to support the client's operational activities, considering cash flow dynamics and prevailing market conditions, while effectively managing associated risks to enhance the financial stability of its customers.

The department also expanded its foreign trade finance services, including the issuance of letters of credit, processing export collection transactions, issuance of bank guarantees and other services that facilitate the international trade activities of Jordanian companies.

In line with the bank's digital transformation strategy, the department increased the level of banking automation for corporate clients by promoting the use of the specialized corporate digital platform, which enables customers to securely and efficiently manage their accounts and conduct financial transactions. Additionally, the department offered business solutions and specialized corporate card products to support the day-to-day operational needs.

### **SMEs Banking**

Throughout 2025, Capital Bank maintained its strong focus on supporting the small and medium enterprises (SMEs) sector, recognizing its critical role in driving economic growth and providing the largest share of private-sector employment. During the year, the sector was affected by economic fluctuations and tighter cash flows, underscoring the importance of offering flexible, sustainable financing solutions tailored to their needs.

In line with its developmental mandate and the policies of the Central Bank of Jordan, the bank continued to provide medium-term financing facilities at preferential rates. These facilities targeted key economic sectors, including industry, renewable energy, tourism, agriculture, information technology, engineering services, healthcare, education, transportation, and export-oriented activities.

The bank also entered into several agreements with regional and international financial institutions to support SMEs through concessional financing programs. These initiatives aim to enhance growth opportunities, support job creation, and facilitate access to finance for entrepreneurs, including in cases where collateral is limited. In this context, the bank continued its cooperation with the Jordan Loan Guarantee Corporation and international partners to provide guarantee mechanisms that mitigate financing risks.

## Board of Directors Report

As part of its commitment to supporting the transition toward a green economy, the bank signed a US\$135 million financing agreement in collaboration with international financial institutions, led by the European Bank for Reconstruction and Development (EBRD), to finance green and sustainable projects for SMEs.

During the year, the bank also strengthened customer relationships through the establishment and expansion of specialized SME service centers across several branches, including the Free Zone branch, which serves companies operating within the zone, and the Business Center in Irbid, which supports companies in northern Jordan.

In addition, the bank expanded its point-of-sale (POS) services, enabling it to capture a significant market share while helping SMEs accelerate the collection of sales proceeds and deposit funds directly into their accounts, thereby improving operational efficiency.

Capital Bank continued to enhance its digital banking offerings for SMEs through the development of innovative financial packages tailored to diverse customer needs. This included the activation of advanced payment solutions and electronic services, as well as the introduction of corporate deposit and cash withdrawal cards to support SMEs' daily operations with greater flexibility.

### Transaction Banking and Institutional Growth

In line with the bank's strategic objectives, an Institutional Growth Department was established within the Transaction Banking Department in 2025. The department's mandate is to develop banking systems tailored to the needs of the business sector and to enhance operational efficiency through performance analysis and the preparation of periodic reports that support informed decision-making and improve the quality of services provided to customers.

During the year, the Cash Unit within the Treasury Department was further developed and integrated into the bank's comprehensive suite of corporate banking solutions. The unit expanded its services to include daily cash deposits and withdrawals, offering corporate clients a convenient alternative to branch-based transactions. These enhancements supported improved liquidity management while saving customers time and operational effort.

In addition, the bank launched an instant cash deposit service at its Abdali branch, becoming the first Jordanian bank to offer this service through cash deposit machine. This initiative strengthened the bank's digital service readiness and supported business operations by enabling faster cash handling without service fees.

The department continued its efforts to enhance the overall customer experience by strengthening communication and delivering customized banking solutions. These initiatives support the sustainability of long-term relationships and strategic partnerships with the business sector across the Kingdom.

## Consumer Banking

In 2025, the Consumer Banking Department achieved several significant milestones that strengthened Capital Bank's market position and expanded its customer base.

### Key Achievements in 2025

- **Geographical Expansion:** The bank continued to implement its expansion plans, increasing its branch and office network to 34 locations. This expansion focused on strengthening presence in key commercial and high-traffic areas, alongside further development of the ATM network, ensuring the delivery of a comprehensive and accessible banking experience that meets the evolving needs of customers.
- **Savings Campaigns:** A major savings account prize campaign was launched for individual customers, featuring cash prizes of JOD 100,000 for four winners (two in June and two in December), in addition to a monthly salary prize of JOD 3,333 for two winners over a period of 30 months.
- **Premier Savings Account:** The department introduced the Premier Savings Account, offering competitive interest rates of up to 4% on Jordanian dinars and 2% on U.S. dollars annually, paid monthly, subject to maintaining a minimum average balance of JOD/USD 10,000 and limiting withdrawals to two per month.
- **Capital Protect Insurance Product:** A new insurance product was launched in partnership with MetLife, providing comprehensive worldwide coverage against death or disability resulting from accidents, with affordable premiums designed for customers aged 18 to 55.
- **Insurance-Linked Housing Loans:** A unique housing loan campaign was introduced, combining financing with an insurance and retirement investment program. Under this offering, the bank contributes toward part of the insurance premium, delivering combined benefits of housing finance, insurance protection, and long-term financial security.
- **Digital Insurance Services:** Instant travel insurance purchases were made available through the bank's mobile application, supported by a comprehensive digital marketing campaign to enhance product awareness.

### Debit and Credit Cards Performance in 2025

The cards segment continued to record strong growth, reflecting the bank's commitment to innovation and customer convenience:

- **Growth in Digital Payments:** Adoption of digital payment solutions via Apple Pay and Google Pay increased significantly, underscoring the success of the bank's digital transformation strategy.
- **Enhanced Card Management:** A new suite of card management services was launched through the bank's mobile application, giving customers greater control and flexibility over their cards.
- **Convenient Installment Program:** The network of partner merchants participating in the installment program expanded across diverse sectors, allowing customers to benefit from installment plans of up to 36 months at 0% interest.



## Board of Directors Report

### Individual Customer Campaigns and Products

To better serve individual customers, the department introduced several targeted products and campaigns, including:

- **Salary Transfer Campaign:** A strategic campaign targeting customers earning more than JOD 1,000, offering direct cash incentives and competitive benefits, contributing to customer base growth and increased market share.
- **Doctors and Clinics Program:** A specialized financing program designed for doctors and clinic owners, tailored to their professional experience and specialties, providing liquidity and flexibility to support business expansion.
- **Professionals and Expatriates Program:** Flexible credit solutions were introduced for self-employed professionals and Jordanian expatriates, enabling access to personal loans with adaptable guarantees.

Ongoing improvements were made to the bank's mobile application, enabling customers to complete transactions instantly without the need to visit branches.

The bank also placed strong emphasis on improving customer experience across all touchpoints, including:

- **Financial Inclusion:** Eight branches and 126 ATMs were upgraded to be accessible for people with disabilities. Braille complaints and suggestion booklets were distributed across branches, alongside educational awareness videos promoting inclusive banking.
- **Enhanced Communication:** SMS and notification content were reviewed and standardized to ensure clarity, consistency, and respect for customer privacy.
- **Customer Onboarding:** A new welcome message framework was developed to provide new customers with a clear overview of products and key benefits.
- **Customer Journey Enhancement:** Customer journey analysis was expanded to cover additional contact points, supporting the design of more seamless and engaging experiences.
- **Relationship Building:** Customer engagement initiatives included participation in special and public occasions, reinforcing the bank's role as a long-term financial partner.
- **Premium Banking Experience:** A comprehensive plan was developed to enhance services for premium banking customers, aligned with their expectations and service requirements.

### Call Center Performance

The Call Center continued to play a vital role in customer service delivery:

- **Transaction Handling:** Successfully handled 232,000 inbound calls and 48,000 digital interactions across various channels.
- **Self-Service Enhancement:** IVR services were enhanced to enable customers to complete transactions quickly and independently.

## Business Excellence and Service Quality

To unify service quality standards and ensure policy compliance, the Service Quality Department implemented several initiatives:

- **Call Center Quality Assurance:** Periodic evaluations of calls and digital interactions were conducted to identify training needs and drive continuous improvement.
- **Measurement and Systems Development:** The Voice of the Customer (VOC) system was redesigned for real-time responsiveness, with full integration into the CRM platform.
- **Internal Quality Management System (IQMS):** Enhanced evaluation models aligned with international standards were introduced, improving service quality across branches.
- **Elite and Private Banking Engagement:** Targeted communication and research initiatives were conducted to assess satisfaction levels and strengthen long-term relationships.

## Operational Efficiency and Service Levels

- **Service Level Agreements (SLAs):** SLAs were implemented across products and segments to ensure timely responses.
- **Process Optimization:** First Contact Resolution (FCR) mechanisms were established to accelerate loan processing.
- **Performance Measurement:** A digital KPI framework was adopted to assess employee performance and identify training needs.
- **Operational Improvements:** Branch operations were streamlined to reduce workload and allow staff to focus on customer service.
- **Training and Development:** Specialized training programs were delivered to enhance communication skills and complaint handling.
- **Root Cause Analysis:** Collaboration with the Complaints Department enabled the identification of recurring issues and the implementation of corrective and preventive measures.

## Affluent banking:

In 2025, the Bank strengthened its Affluent banking value propositions through its two core segments: Capital Select and Capital Private Banking, as both are designed to serve high-value clients with differentiated service levels and tailored financial solutions.

Capital Select is about delivering a premium experience for emerging affluent customers. The segment offers priority servicing with centers, dedicated relationship managers and preferential pricing. Enhancements to service channels is key for deeper customer engagement and retention during the year.

Capital Private Banking is positioned the Bank as a trusted partner for high-net-worth individuals. The segment offers tailored wealth planning, global investment access and exclusive lifestyle benefits through Visa Infinite Privilege metal credit card as the first and only bank in Jordan to launch this product that is designed exclusively for High-net-worth customers to offer unmatched benefits and exceptional experiences.

Affluent Banking continues to contribute significantly to the Bank's performance through strong deposit growth and better customer experience.

## Board of Directors Report

### **Wealth Management:**

The Bank established a dedicated Wealth Management team to enhance the quality across investment products and enabling a well established advisory service model. This structure strengthens collaboration between affluent relationship managers and wealth relationship managers to ensure that our private banking customers receive comprehensive and high quality financial guidance.

Our aim in 2026 is to expand our wealth management capabilities and strengthening the value delivered to our high-net-worth individuals by positioning the Bank as the first stop for affluent customers.

### **Treasury and Investment Department**

In 2025, global financial markets continued to be shaped by shifts in monetary policy. Major central banks, most notably the US Federal Reserve, adopted a gradual approach to interest rate cuts amid easing inflation, signs of slower economic growth, and labor market moderation. These developments influenced bond and currency market dynamics, creating new investment opportunities while underscoring the need for disciplined risk management in the context of geopolitical uncertainty and volatility in global energy and commodity prices.

Locally, the Central Bank of Jordan (CBJ) maintained its policy alignment with US interest rate trends and implemented a series of gradual rate cuts during the year to support economic activity and stimulate lending. At the same time, the CBJ preserved the attractiveness of the Jordanian dinar and the stability of the banking sector. This prudent monetary stance, together with rising foreign currency reserves, contributed to sustaining confidence in the national economy.

Capital Bank's Treasury and Investment Department continued to play a pivotal role in managing liquidity and market risks while optimizing returns within acceptable risk parameters. During 2025, the department achieved growth in operating revenues through efficient portfolio management and diversification of income streams across fixed-income instruments, foreign exchange trading, and derivatives. In close coordination with the Asset and Liability Management Committee (ALCO), the department enhanced its management of interest rate and liquidity gaps, contributing to a reduction in the cost of funds and an improvement in return on assets.

The department continued to expand its investment portfolio in high-credit-quality local and international debt instruments and increased its prudent exposure to medium-term bonds to benefit from the declining interest rate environment, while maintaining liquidity levels well above regulatory requirements. In addition, the department supported the expansion of the corporate client base by offering integrated hedging and financial risk management solutions, including currency futures, swaps, and interest rate options, tailored to meet diverse customer needs.

In line with Capital Bank's commitment to sustainability, the department directed part of its investment strategy toward green and sustainable financial instruments, such as green bonds and environmentally focused investment funds. These initiatives support the transition toward a low-carbon economy and align with the bank's broader approach to responsible finance and long-term environmental and social objectives.

To strengthen the bank's regional presence, the department continued to support the National Bank of Iraq by contributing to the development of the foreign exchange market in Iraq and expanding relationships with local and regional banks. These efforts positively impacted revenue growth and reinforced the bank's position as a key market participant. The department also provided ongoing support to the National Bank of Iraq's branch in Saudi Arabia, particularly in the areas of liquidity management and the development of investment products denominated in Saudi riyals and foreign currencies.

#### Key Treasury and Investment Activities in 2025

- Investing in debt instruments issued or guaranteed by the Jordanian government.
- Investing in debt instruments issued by Jordanian, regional, and international companies with strong credit profiles.
- Participating in companies and investment funds with high growth potential and attractive returns.
- Managing the bank's assets and liabilities to ensure an optimal balance between returns and liquidity.
- Managing foreign exchange positions and providing competitive pricing in spot and forward markets.
- Developing hedging and financial risk management solutions for corporate and institutional clients.
- Providing underwriting and custodial services for government and private securities.
- Issuing certificates of deposit in Jordanian dinars and major foreign currencies across various tenors at competitive rates.

The department also remained fully committed to the implementation of international best practices in risk management and compliance with regulatory requirements issued by the Central Bank of Jordan. These efforts have further strengthened Capital Bank's financial position and supported its strategy for sustainable growth at both the local and regional levels.

### **Financial Institutions**

The Financial Institutions Department delivered a strong performance in 2025, supported by robust relationships with correspondent banks, non-banking financial institutions, and sovereign entities, as well as an extensive network of regional and international partnerships. These relationships strengthened the bank's presence in local and global markets and enhanced its ability to provide advanced banking and investment solutions aligned with the evolving needs of its customers.

During the year, the department played a key role in opening new channels of cooperation with a wide range of banks and financial institutions and in expanding Capital Bank's network of high-credit-quality correspondent banks. This expansion increased flexibility in executing international transactions, particularly in trade finance, treasury operations, and credit facilities. It also reinforced the Bank's strong relationships with regional banks, enabling broader access to sophisticated investment and commercial services.

This progress was further underscored by international recognition, as Capital Bank received the Best Banking Deal award from the European Bank for Reconstruction and Development (EBRD) at its annual meeting in London on May 13, 2025. The award reflects the bank's leading role in sustainable finance and its commitment to integrating environmental, social, and governance (ESG) principles into its banking model.

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The department's efforts also resulted in the signing of several strategic agreements and partnerships with prominent international financial institutions, including the following:

**First:** Capital Bank signed a USD 155 million, 10-year Tier 2 Green Subordinated Loan, the largest of its kind, in cooperation with international financial institutions, led by the European Bank for Reconstruction and Development (EBRD). This agreement reflects growing international confidence in the Jordanian economy, the strength of Capital Bank's strategy, and the resilience of its financial position. It also supports the bank's capital enhancement in line with Basel III regulatory capital guidelines issued by the Central Bank of Jordan.

The financing involved a consortium of leading international and Arab institutions, including the ILX Fund, the OPEC Fund for International Development, Arab Fund for Economic and Social Development (Arab Fund), Green for Growth Fund (GGF), and SANAD Fund for Micro, Small and Medium Enterprises (MSMEs). The facility will support the Bank's future growth strategy, expand its green financing activities, and strengthen support for SMEs, contributing to sustainable economic development in Jordan.

**Second:** The signing of a USD 5 million green financing agreement for the benefit of Capital Financial Leasing Company in partnership with the European Bank for Reconstruction and Development, the European Union, and the Green Climate Fund, under the Green Economy Financing Facility (GEFF) program in Jordan. This financing includes a USD 1.25 million syndicated loan with the Green Climate Fund, marking the first agreement signed with a leasing company in Jordan under the program and the seventh nationwide. The facility aims to enhance the access that MSMEs have to financing green technologies that support climate change mitigation and adaptation, particularly in energy services, technology supply, and industrial innovation. In addition, the European Union is providing a grant of up to € 560,000 to support local companies in accelerating climate solutions, raising awareness of environmentally friendly technologies, and offering innovative financing tools to eligible borrowers.

**Third:** The completion of GuarantCo's first transaction in Iraq, providing a USD \$70 million credit guarantee ceiling for Capital Bank's credit portfolio in the Iraqi market. This milestone highlights the improving economic environment in Iraq and its ability to attract international financial institutions, while supporting the bank's expansion in this strategic market and strengthening its role in financing commercial and investment activities.

**Fourth:** The finalization of the EBRD's first investment agreement in Iraq, valued at USD 100 million, to support trade finance and enhance integration with international markets. Provided under the EBRD's Trade Facilitation Program, this financing will support import and export activities and strengthen the trade finance operations of the National Bank of Iraq through guarantees to approved banks and advance payments for import, export, and local distribution of goods. The facility will also improve access to finance for MSMEs, promote intra-regional trade, diversify correspondent banking relationships, and strengthen trade finance links with EBRD member countries.

## Marketing and Corporate Communications Department

In 2025, the Marketing and Corporate Communications Department continued to play a pivotal role in supporting Capital Bank's strategic direction by implementing a comprehensive portfolio of campaigns and projects that reflected the Bank's vision and reinforced its position as a leading banking institution with sustainable impact. These efforts contributed to enhanced business efficiency, supported long-term growth, and strengthened the bank's presence in local and regional markets through the effective

promotion of carefully developed banking products and services designed to meet the needs of individuals and businesses, elevate customer experience, and enhance competitive advantage.

## Marketing

The Marketing Department focused on developing and launching diverse campaigns highlighting the evolution of Capital Bank's financial solutions for its growing customer base. These efforts built on the successes of previous years, particularly in positioning the Capital Bank app as a comprehensive digital platform that provides easy and secure access to a wide range of banking services.

Coinciding with Capital Bank's 30th anniversary, the department launched impactful campaigns showcasing the bank's rich history of achievements and its longstanding partnership with local businesses, individuals and the Jordanian community positioning the bank as an active banking partner for three decades of responsible banking.

All marketing campaigns and programs carried clear and direct messages emphasizing Capital Bank's readiness to provide genuine, accessible and efficient banking solutions, carefully designed to meet the current and future financial needs of its individual and corporate clients. This reflects the bank's deep understanding of the aspirations of its customers at different stages of their financial lives.

The department also continued to promote Capital Bank's mobile app and enhanced website, improving the user experience and facilitating access to financial services. These efforts contributed to a 25% increase in website traffic, driven by improved search functionality, and a 36% rise in financial service requests from website visitors. Furthermore, the department continued to enhance its customer relationship management (CRM) system to enable more targeted and effective communication, while strengthening its digital presence through campaigns focused on innovation and digital excellence.

## Key Campaigns and Initiatives in 2025

### Promotional Campaigns of Products

- **Savings Account Campaign:** Offered customers the opportunity to win valuable prizes allowing them to choose their rewards. The campaign included a grand prize of up to JOD 100,000, a monthly salary of JOD 3,333 for 30 months, as well as other prizes. This campaign reinforced the bank's commitment to customer needs, promoted a culture of saving and encouraged long-term investment.
- **Housing Loan Campaign:** These loans combined home ownership and investment through a unique product that enabled individuals to own their homes while benefiting from an investment return on the insurance policy of up to JOD 60,000 at the end of the repayment period.
- **Salary Acquisition Campaign:** The bank launched a dedicated campaign targeting employees, offering exclusive benefits and cash prizes linked to the value of the transferred salary, encouraging them to benefit from the bank's products and services.
- **Premier Savings Account Campaign with 4% Annual Return:** Offered attractive returns and distinguished banking benefits to customers maintaining a minimum balance of JOD 10,000.
- **Various Offers and Discounts Campaigns:** Provided customers with a broad package of exclusive benefits and privileges across multiple sectors.
- **Credit Card Promotional Campaigns:** Implemented multiple distinctive initiatives to promote credit card usage and deliver added value to customers.



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### Advanced Banking Programs and Services

Capital Bank continued to develop its banking programs to meet the diverse needs of its customers, including:

- Capital Advance Program: Provided flexible financial solutions tailored to the monthly income of customers and their daily needs.
- Capital Select Program: Delivered a premium banking experience through a comprehensive suite of exclusive services.
- Easy Installment Programs: Enhanced customer purchasing power and contributed to increased credit card usage.

### Social and Awareness Campaigns

- Ramadan Campaign in Partnership with Atfaluna: Building on the campaign's strong success in previous years, the Bank reaffirmed its commitment for the third consecutive year by providing medical coverage for 30 underprivileged children.
- Deer Malak Campaign: Designed to enhance financial literacy and awareness across diverse segments of Jordanian society through social media and field engagements.

### Events and Sponsorships

The Bank actively participated in and sponsored several local and regional events and exhibitions, strengthening engagement with customers and partners while reinforcing its public presence. These included:

- Pluma Circus.
- Cybersecurity Advancement, Innovation, and Technology Conference and Exhibition.
- Smartech Digital Technology and Smart Applications Exhibition.
- HCAC Quality Health Care Conference and Exhibition.
- Ove' Carnival at the Royal Botanical Garden.

In addition to year-round partnerships and sponsorships with:

- Dunes Club.
- The Orthodox Club.
- Magma Lifestyle and Fitness Center.
- Special events were also organized for Capital Investments and Private Banking clients to introduce them to the latest investment services and market developments.

### Corporate Communication and Social Responsibility Department

The department highlighted Capital Bank Group's position and its pivotal role in the national economy through effective media engagement and targeted campaigns that ensured the Bank's messages reached diverse segments of society.

### Key achievements in 2025 included:

- Preparing and publishing news articles and press releases highlighting the bank's achievements and awards.
- Issuing the third Sustainability Report for 2024 in compliance with GRI standards, SDGs 2030, Jordan's Vision 2025, and the National Green Growth Action Plan 2021–2025.
- Organizing the bank's 30th anniversary celebrations, honoring long-serving employees and customers.
- Coordinating meetings for events and signing agreements.
- Organizing employee events in cooperation with the Human Resources Department.
- Managing internal communication platforms in coordination with Human Resources Department.
- Executing external promotional events promote the bank's key programs and products.
- Sponsoring local conferences, exhibitions and events.
- Arranging local and regional press interviews.

### Corporate Social Responsibility

In line with its commitment to fostering positive social impact, the Bank developed a CSR strategy focused on addressing key national challenges and supporting sustainable development.

The strategy was implemented through initiatives that enhance community well-being, with a focus on financial literacy and entrepreneurship, women's empowerment, environmental protection and philanthropy.

### Key achievements in 2025 included:

- Promoting financial literacy through youth-targeted programs under the Deer Malak umbrella, including collaboration with the Edraak platform, female empowerment events and the second year of the Deer Malak Schools program.
- Supported visually impaired individuals, in partnership with the Cultural Forum for the Blind, by conducting workshops on podcast production and AI-based content creation.
- Supporting Tkiyet Um Ali by funding food parcels for 300 families during Ramadan.
- Supported the fourth edition of the "Inspiring Change through Digital World" Award, launched by Orange Jordan, in collaboration with the Information and Communications Technology Association of Jordan. The initiative aims to enhance women's participation in the ICT sector and enable more female entrepreneurs to contribute to national economic growth.
- Capital Bank participated as a main sponsor of the "Seven Mountains" initiative, a youth-led initiative aimed at raising funds to support the treatment of children on waiting lists at King Hussein Cancer Center.
- Renewing partnership with Atfaluna for the third consecutive year as part of the Ramadan campaign to provide medical coverage for the treatment of 30 children.
- Supporting Haya Cultural Center activities and encouraging employee volunteering.
- Signing an agreement with Al Aman Fund for the Future of Orphans to support student education.
- Honoring female employees on International Women's Day.
- Expanding support for SOS Children's Villages to cover two homes in Amman.

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- Employees participated in the Green Caravan initiative, planting 1,000 trees in collaboration with the Arab Group for the Protection of Nature to mark World Environment Day.
- Signed a strategic partnership agreement with the Jordan Fencing Federation to support Jordanian youth.
- As part of its commitment to supporting the local community and education, and its longstanding partnership with Al Bunayyat Center for Special Education, Capital Bank donated a new bus to expand the Center's service coverage.
- With the aim of promoting health awareness and well-being, the bank organized various initiatives, including health days and cancer awareness activities for both women and men, held throughout the months of October and November.
- Organizing the ninth annual employee blood donation drive.
- Sponsored "Jordan Young Scientists 2025" initiative, a national program designed to inspire and empower Jordanian youth in science, technology, engineering, and mathematics (STEM).

## Operations Department

In 2025, the Operations Department continued to implement its upgrade plans in line with the strategic direction set by the Bank's senior management. The department focused on enhancing staff capabilities through the delivery of specialized training programs, while also strengthening the team through the hiring of qualified and experienced professionals. These efforts contributed to improved operational efficiency, stronger institutional discipline, and more consistent service delivery.

During the year, the bank engaged a global consulting firm to conduct a comprehensive review of the Operations Department's processes. All tasks were classified according to risk and complexity, followed by a detailed assessment of selected processes aimed at enhancing existing procedures and automating time-intensive workflows. In coordination with relevant departments, the Operations Department continues to assess remaining activities to redesign and automate processes where appropriate. Implementation of the consultant's recommendations is currently underway.

## Internal Control Department

In 2025, the Internal Control Department continued to play a key role in supporting operational efficiency and strengthening the internal control framework. The department issued oversight reports based on comprehensive assessments of risk levels within the Joint Operations and Services Department, with a focus on evaluating the effectiveness of control procedures, workflow quality, and the early identification of operational gaps.

To enhance the quality and analytical depth of its oversight activities, the department further developed its methodology by incorporating additional review elements informed by prior audit findings, operational incidents, and recurring observations. This approach improved the accuracy of follow-up actions and increased the practical value of oversight reports.

The department also implemented targeted improvements to address the root causes of operational incidents and introduced corrective measures to prevent recurrence. In parallel, enhancements were made to the settlement system to reduce manual intervention, improve productivity, and elevate the level of service provided to customers.

As part of ongoing institutional development, a quality assurance unit was established during the year to ensure that oversight activities are conducted in accordance with approved policies and professional standards. The unit reviews reports and procedures and analyzes oversight outputs to identify development opportunities that enhance the accuracy, consistency, and reliability of internal control processes.

## **Business and IT Transformation in 2025**

As part of the Bank's ongoing commitment to innovation and digital transformation, 2025 marked a year of significant progress in business transformation, information technology, data management, artificial intelligence (AI), and cybersecurity. These achievements reinforced Capital Bank's leading position in delivering secure, innovative, and customer-centric banking services aligned with the best global practices.

The bank's strategy in this area focused on digital enablement, operational excellence, integrated innovation, and strengthened governance, supported by the adoption of advanced technologies to ensure sustainable growth and transformation.

The following highlights summarize Capital Bank's key achievements across the strategic pillars of digital transformation during 2025:

### **Digital Empowerment**

- Launched a wide range of internally developed services through the Capital Mobile application, including deposit and saving accounts management, card services, travel insurance programs, electronic vouchers and loyalty points redemption, without the need to visit a branch.
- Developed and enhanced a customer relationship management (CRM) system to better serve both retail and corporate customers.
- Launched a new human resources management system.
- Adopted a new internally developed microservices platform and upgraded application interfaces in line with modern architecture design principles, alongside expanding open banking published services.
- Initiated a comprehensive data infrastructure and surrounding capabilities transformation project, enabling real-time access to critical and analytical information across channels.

### **Operational Efficiency**

- Completed the first phase of the LEAP transformation program, including a comprehensive diagnostic review of the effectiveness, efficiency, integration, and fitment of all systems, , developed a roadmap for new systems to be introduced, and decisions for upgrades, replacements, or decommissioning of existing ones. Progressed with the second phase of LEAP, which included the solicitation and evaluation of financial and technical bids for the new core capabilities and the selection of leading global providers, paving the way for the launch of the implementation phase in early 2026.
- Conducted comprehensive upgrades to IT infrastructure, applications, databases, platforms, and operating systems, reducing the IT technical debt and establishing readiness for developments in digital banking, cybersecurity, business continuity and system resilience.
- Executed several cost optimization initiatives and redirected technology investments toward more efficient and cost-effective systems that better fit for purpose.

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### Integrated Innovation

- Continued attracting and recruiting talented professionals across technical and business development fields, hence relying on internal innovation and development resources.
- Developed several microservices and system enhancements internally, in alignment with modernized enterprise architecture principles and long-term strategic objectives.
- Introduced a specialized AI development team formed of leading university graduates, tasked to learn, develop, and test AI models, supported by advanced NVIDIA-powered servers that we acquired and hosted in our internal datacenter
- Upgraded internal applications to versions incorporating advanced features and AI capabilities.
- Integrated AI technologies and predictive analytics into banking operations.
- Developed a machine-learning AI model that identifies customers with high potential for cross-selling, contributing to revenue growth and enhanced customer experience.
- Received an eminent award at the Middle East AI Summit, in recognition to success in applying predictive analytics, intelligent automation, and personalized banking solutions.

### Effective Governance

- Developed and updated policies and procedures for steering and executive committees, including data and AI governance frameworks, ensuring full regulatory compliance.
- Established a dedicated Enterprise Architecture unit staffed with specialized solution architects to design systems and solutions in accordance with global industry standards.
- Integrated the core banking transformation team, open banking and ecosystem partnerships team into the Business Transformation Unit, and recruited qualified expertise in relevant domains.
- Prioritized initiatives and directives issued by the Central Bank of Jordan and regulatory authorities, ensuring timely compliance and alignment.
- Completed the first phase of the data governance program, identifying critical data elements, assessing data quality, accuracy, and identifying their sources, also training data stewards on data quality controls and policy implementation. Launched the second phase of the data governance program, expanding coverage to additional critical data elements.
- Maintained an advanced level of compliance with the Central Bank of Jordan's guidelines for information systems governance, further advancing process maturity.

### Cybersecurity

- Conducted a comprehensive review of the 2024-2025 information security program in collaboration with a leading international cybersecurity firm, assessing effectiveness and alignment with information security objectives.
- Adopted a new 2026 cybersecurity program, developed in coordination with the Risk Management Department, with a focus on data protection and modern application security.
- Initiated systematic control self-assessments of application and system security, addressing identified gaps and vulnerabilities.
- Implemented approved security standards across applications, operating systems, databases, and network infrastructure.
- Deployed new security systems and ensured their integration with existing platforms.
- Expanded the Cybersecurity Operations Center (SOC) to operate 24/7, and implemented an advanced security information and event management system.

These achievements reflect Capital Bank's commitment to digital transformation, , and sustainable innovation, offering differentiated banking experience relevant to customer needs and industry trends. As the Bank continues to execute its strategic programs, it remains focused on strengthening its leadership position, enhancing security and operational agility, and generating sustainable value for all stakeholders.

## **Risk Management**

The Risk Management Department at Capital Bank Group operates as an independent oversight function, led by the Group Chief Risk Officer and reporting directly to the Board of Directors' Risk Management Committee. This structure establishes a robust risk governance framework that ensures comprehensive oversight of risks arising from the Group's activities and operating units, including credit, market, liquidity, operational, strategic, and compliance risks. The framework enhances the Bank's ability to address emerging challenges effectively and respond promptly to regulatory and supervisory developments.

In line with this institutional approach, the bank adopts a comprehensive risk management framework designed to identify, measure, monitor and control risks across all business units, in alignment with the group's strategic objectives. This framework is supported by a consistent set of policies, procedures and advanced risk models, promoting a unified risk management methodology across subsidiaries and enhancing transparency in the exchange of risk-related information.

The department develops both quantitative and qualitative analytical tools to support informed decision-making and foster a strong risk-aware culture across the organization. It also places emphasis on enhancing employee awareness through targeted training and specialized programs, while continuously improving the quality and reliability of data used in risk assessment and risk measurement processes.

Increasing focus is placed on strengthening the bank's capabilities in managing climate-related financial risks, as well as environmental, social, and governance (ESG) risks. These efforts support organizational readiness in line with regulatory requirements and international best practices, while contributing to the long-term sustainability of the group's business model.

To further enhance the effectiveness of the risk management framework and its contribution to strategic decision-making, the bank is implementing several key technical and institutional initiatives, most notably the Integrated Finance and Risk Management Project (IFRM) and the Risk Data Mart Project. These initiatives aim to improve data quality, strengthen analytical capabilities and ensure consistency of risk measurement across business units. This enables executive management to rely on accurate, timely and comprehensive information to support proactive decision-making, improve service and product quality, and integrate digital innovation and advanced analytics into daily operations.

Capital Bank's risk management organizational structure is founded on the principle of segregation between operational and control functions, ensuring independence in decision-making and reinforcing governance effectiveness. The structure follows a hierarchical model that clearly defines roles and responsibilities across multiple levels and ensures consistent application of risk management practices across all business units. The department comprises several specialized units, each focused on a specific risk category, operating within clearly defined mandates in accordance with regulatory requirements and leading banking practices. These units include the following:



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### Credit Risk

The Credit Risk function is responsible for managing and monitoring risks associated with the bank's credit portfolio, including credit concentration risks, exposure classification, and the calculation of provisions and expected credit losses, in full compliance with IFRS 9 and Central Bank Directive No. 08/2024. The function applies the risk-adjusted return on equity (RAROC) methodology in credit pricing to ensure that financing solutions are appropriately priced in line with risk levels, while safeguarding the interests of both the bank and its customers.

The function conducts ongoing analysis of credit tier classifications and monitors account migrations between risk categories. It also closely tracks facilities with outstanding receivables, distributes exposures according to risk levels, and monitors collateral coverage ratios. This disciplined approach supports the maintenance of acceptable risk thresholds and enables proactive risk mitigation, ensuring a balanced approach between portfolio growth and sound governance.

In addition, the function places strong emphasis on enhancing transparency and accuracy in credit risk assessment, particularly within the retail portfolio, through comprehensive reviews and continuous analytical monitoring. This enables early identification of potential risk exposures and supports the development of appropriate credit policies that promote sustainable business growth while protecting both customers and the bank.

As part of its risk oversight responsibilities, the function also contributes to the implementation of annual stress testing exercises to assess the impact of various risk scenarios, including geopolitical developments and credit concentration risks, on the bank's financial position. These exercises support the adoption of effective precautionary measures and reinforce the bank's ability to maintain the continuity and resilience of its banking operations under changing economic conditions.

### Market Risk and Capital Management

The Market Risk and Capital Management function is responsible for overseeing risks arising from financial market volatility. This includes monitoring the bank's investment positions, liquidity risk, and foreign exchange exposures, as well as analyzing risks related to debt instruments and interest rate movements. The function represents a key line of defense in ensuring compliance with regulatory requirements issued by the Central Bank of Jordan related to market and liquidity risks.

The function applies an integrated framework for the measurement and management of market and liquidity risks, aligned with the bank's strategic objectives and regulatory standards. This framework relies on advanced measurement models that support accurate assessment of potential fluctuations in exchange rates and returns, while ensuring continuous monitoring of regulatory liquidity ratios, including the liquidity coverage ratio (LCR) and the net stable funding ratio (NSFR). In addition, the function develops and updates risk management policies governing treasury and investment activities.

Capital planning is a core responsibility of the function, supporting the bank's long-term strategy and growth objectives. This includes assessing the impact of business expansion and macroeconomic pressures on the bank's capital base through the calculation of the capital adequacy ratio (CAR) and the preparation of the internal capital adequacy assessment process (ICAAP). These processes ensure that adequate capital buffers are maintained to absorb potential shocks, while remaining fully compliant with regulatory requirements and leading banking practices.

The function also plays a strategic role in supporting the work of the Assets and Liabilities Committee (ALCO) by providing periodic analytical reports and well-founded recommendations based on both quantitative and qualitative assessments. This enables informed, data-driven decision-making related to liquidity management, investment allocation and financial planning, in line with the bank's strategic direction.

## Operational Risk

The Operational Risk Management function operates within the bank's overall risk management framework, with a mandate to strengthen and enhance internal control systems. The function is responsible for identifying, measuring, monitoring, and mitigating operational risks across all activities and products, enabling the bank to achieve its strategic objectives while maintaining operational risks within acceptable levels.

To support effective risk management, the function adopts multiple mechanisms, including the self-assessment of control procedures. This process involves identifying risks specific to each function and unit and evaluating existing controls to verify their effectiveness and efficiency in mitigating those risks.

The function also develops key risk indicators (KRIs) that enhance the bank's risk monitoring capabilities and serve as early warning tools. These indicators enable management to anticipate potential incidents and losses before they materialize. In addition, the function is responsible for overseeing the implementation of the bank's business continuity plans, aimed at strengthening operational resilience, improving the bank's ability to respond to and recover from disruptions, and supporting the establishment of a robust long-term operational framework.

During 2025, the function implemented several strategic initiatives that significantly enhanced operational security and safeguarded the bank's assets and customers. Most notably, a specialized Fraud Prevention and Risk Management Unit was established in response to the growing risks associated with the digital environment. This initiative underscores the bank's commitment to the highest standards of integrity and its dedication to maintaining customer trust. The unit is staffed with qualified professionals who receive continuous training to ensure readiness and effectiveness.

To further strengthen business continuity and operational resilience, the function coordinated with relevant units to operate several critical systems from the Disaster Recovery Site (DR Site) for five consecutive working days. This exercise demonstrated the bank's agility and its preparedness to respond effectively to crises and operational disruptions.

The function continues to carry out its core responsibilities by regularly reviewing and updating the regulatory control matrix to ensure comprehensive coverage of potential operational risks. In addition, periodic stress tests are conducted to assess the bank's ability to withstand shocks and high-risk scenarios, in full compliance with regulatory requirements and international best banking practices.

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### Information and Cyber Security

The Information and Cyber Security function plays a critical role in safeguarding the bank's information assets and customer data by ensuring their confidentiality, integrity, and availability at all times. The function is responsible for protecting internal systems and data, as well as customer information, while developing a secure digital infrastructure that supports business continuity and mitigates growing cybersecurity risks and challenges.

The function focuses on implementing internationally recognized standards, including ISO 27001 and PCI-DSS for payment card security, to ensure the reliability of banking operations and the protection of customer assets. It actively identifies digital risks, analyzes potential threats, and implements appropriate preventive controls aligned with the bank's business nature, ensuring a timely and effective response to emerging cyber threats.

In parallel, the function is committed to strengthening security awareness among employees and customers through specialized training programs, regular workshops and targeted awareness campaigns. These initiatives promote a strong culture of information security and support the proper handling of sensitive systems and data. The function also continuously monitors technological developments and evolving cyberattack techniques, enabling the proactive adoption of solutions that enhance the bank's defensive capabilities.

The bank's information security management framework is aligned with globally recognized governance models, including COBIT, and complies with the requirements of the SWIFT Customer Security Program (SWIFT-CSP) for international financial transfers. This includes the development and enforcement of comprehensive policies and procedures to ensure organization-wide compliance. Collectively, these efforts enhance customer confidence and provide a secure and resilient digital environment that supports business continuity and reflects the bank's commitment to the highest standards of governance and information security.

### Risk Governance

The Risk Governance function is responsible for overseeing the group's overall risk management framework, including the Group Risk Appetite Framework, to ensure that risk management practices are fully aligned with the bank's strategic objectives and applicable regulatory requirements.

The function supervises the development and periodic review of approved risk management policies, methodologies, and parameters, ensuring their continued relevance considering evolving business activities, legislative developments and regulatory changes at both the local and international levels.

In addition, the function designs and implements governance controls related to risk management functions. This includes clearly defining roles and responsibilities, establishing and maintaining effective lines of defense and ensuring that all business units adhere to approved policies and procedures. The department also oversees compliance with regulatory reporting requirements and coordinates with relevant stakeholders to ensure the accuracy, quality and integrity of risk-related data and processes.

Furthermore, the function plays a key role in promoting a strong risk management culture across the organization through targeted awareness initiatives, training programs, and ongoing coordination with business units. These efforts enhance the bank's decision-making processes by ensuring a clear understanding of risk exposures and reinforcing the consistent application of risk management practices in line with the bank's strategic framework.

## Compliance Department

The Compliance Department plays a central role in ensuring the effective implementation of the Group's policies, procedures, systems, and control frameworks. It maintains continuous oversight of regulatory and legislative developments to ensure ongoing compliance with applicable requirements and alignment with international best practices.

The department's core mandate focuses on identifying and mitigating financial crime risks, with particular emphasis on compliance with anti-money laundering (AML) and counter-terrorism financing (CTF) regulations. This is achieved through the adoption of a comprehensive compliance framework designed to safeguard the group against non-compliance risks, including reputational, operational, and legal risks.

During 2025, the Compliance Department successfully implemented its annual plan, as approved by the Board of Directors, in alignment with the Group's strategic objectives and the instructions of the Central Bank of Jordan (CBJ). Key achievements during the year included:

- Completion of a project to update customer identification systems and data across all service channels, including branches and mobile applications, to enhance customer experience while ensuring full compliance with regulatory requirements and best practices.
- Development of enhanced financial crime prevention systems for the Bank's digital channel, Blink, and its customers, including the establishment of clear workflows with multiple layers of control, improved automated monitoring mechanisms, enhanced reporting capabilities to meet regulatory requirements, and improved report quality in line with international best practices.

To further strengthen compliance effectiveness, the department adopted a more robust, risk-based approach to regulatory oversight by conducting system self-assessments and detailed testing in accordance with an approved risk-based plan. This included sampling and testing to assess the effectiveness of existing control measures and ensure compliance with regulatory instructions.

The department also launched a Certified Compliance Officer Program for business line employees, covering regulatory compliance requirements, AML/CTF obligations, and economic sanctions frameworks.

In addition, the bank continued to deliver e-learning programs and conduct regular training courses and workshops for all employees, led by qualified Compliance Department team members. These initiatives aim to enhance awareness, strengthen the control environment, and reduce financial crime risks across the organization. Compliance Department employees also pursued specialized professional certifications to further develop their expertise and remain aligned with evolving regulatory standards and industry best practices.

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### Internal Audit Department

The Internal Audit Department provides independent assurance and advisory services to the Board of Directors and the Audit Committee, supporting the enhancement of efficiency and effectiveness across the group's banking operations. The department contributes to the achievement of the group's objectives through the application of a systematic and disciplined approach to evaluating and improving internal controls, risk management, and corporate governance processes.

The Department operates in accordance with the Internal Audit Charter approved by the Board of Directors and performs its activities in line with the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors (IIA). In carrying out its responsibilities, the department adheres to the core principles of integrity, objectivity, confidentiality, and professional competence. Audit findings and recommendations are communicated to the Audit Committee, executive management, and relevant departments, with follow-up on the implementation of agreed corrective actions.

The internal audit function maintains full independence from executive management and reports directly to the Audit Committee. Audit activities are conducted at both the bank and subsidiary levels in accordance with a risk-based audit plan approved by the Audit Committee, ensuring comprehensive oversight and continuous improvement of governance, risk management, and internal control frameworks.

The bank places strong emphasis on the ongoing training and professional development of its internal auditors. This is achieved through collaboration with leading local and international institutes and training organizations.

### Human Resources Department

In 2025, the strategic initiatives of the Human Resources Department were employee-centric, with a strong focus on education, development, integration, inclusion, and leadership. These initiatives were guided by immense belief that human capital is the foundation of sustainable growth and a key driver of the Bank's long-term success.

The Department's strategy emphasized investment in digital transformation, operational efficiency, and the continuous enhancement of the work environment in a manner that supports a healthy work-life balance. Particular attention was given to women's empowerment and the support of working mothers, reflecting the Bank's values and its commitment to building a resilient, future-ready workforce.

#### Key Achievements in 2025

**1. Launch of the Business Academy and AI Academy:** The Department launched both a business academy and an AI academy, each attracting a cohort of university graduates. The academies offer comprehensive, six-month training programs designed to gradually integrate participants into work teams while equipping them with specialized skills that support long-term career development within the bank.

**2. Internal Mobility and Career Development:** The Department facilitated more than 65 internal transfers in 2025, compared to 45 in 2024. In addition, job shadowing programs were implemented to allow employees to learn directly from experienced colleagues, gain practical insights into different roles, and prepare for future responsibilities.

**3. Implementation of a New Human Resources System:** A new human resources system was introduced to enhance operational efficiency, support data-driven decision-making, and provide employees with more seamless and advanced user experience.

**4. Enhancement of Work-Life Balance Benefits:** The employee benefits framework was further developed to better support work-life balance, with consideration given to the needs of working mothers.

**5. Leadership Development:** The department continued to invest in the development of future leaders by enrolling employees in advanced leadership programs at leading international institutions, including Harvard Business School and London Business School. These initiatives aim to strengthen leadership capabilities, enhance strategic thinking, and prepare high-potential employees for future leadership roles.

**6. Women's Empowerment, Diversity, and Inclusion:** A range of training and development initiatives was implemented with a focus on women's empowerment, diversity and inclusion. These programs aimed to increase women's participation in leadership roles and foster an inclusive workplace that values diversity and different perspectives.

**7. Corporate Wellness Program:** Capital Bank continued to prioritize the physical, mental, financial, and emotional well-being of its employees. For the fourth consecutive year, the bank partnered with corporate wellness providers to deliver a comprehensive program featuring workshops, seminars, engagement activities, rewards, and events designed to support holistic employee well-being.

**8. Employee Recognition Initiatives:** Management maintained its focus on employee recognition through programs such as Capital Stars and the Thank You Letter, celebrating individual and team achievements and reinforcing a culture of appreciation aligned with the bank's corporate values.

## **Blink by Capital**

Capital Bank continued to develop its digital banking channel, Blink by Capital, reaffirming its commitment to delivering a modern and seamless banking experience, while promoting financial inclusion and digital innovation in Jordan.

Blink by Capital enables customers to open accounts in less than five minutes and instantly obtain a debit card, either digital or physical. The platform provides a comprehensive suite of banking services, including instant and free money transfers, transaction tracking, bill payments through the eFawateercom service, cash withdrawals from local and international ATMs, e-voucher purchases, and airline ticket bookings. Customers can also request an instant credit card directly through the application, along with access to a wide range of additional digital services, including:

1. A rewards campaign offering an annual 3% interest rate on account balances, calculated on daily balances and credited monthly, in addition to weekly prizes and a grand prize.
2. The launch of a fixed deposit product allowing customers to open and close deposits directly through the application, with competitive interest rates and terms ranging from one to 12 months.

## Board of Directors Report

3. The introduction of promotional offers through partnerships with various commercial brands providing customers with discounts across a wide network of merchants.
4. A cashback program applicable to all local and international purchases made using Blink credit cards throughout the year.

### Payment Services

The Payment Services Department provides a range of digital solutions and secure payment methods for its corporate and small and medium enterprise (SME) customers, in line with the bank's strategy to support merchants in growing their businesses and enhancing customer experience. These solutions enable merchants to manage their operations and sales more efficiently and at lower cost, while ensuring high levels of security and flexibility for payment transactions within Jordan and across international markets.

During 2025, the bank continued to deliver advanced payment solutions that allow merchants to accept Visa, MasterCard, and American Express cards through a variety of specialized offerings. These include Smart POS devices, whether deployed as standalone solutions or integrated within the operating systems of merchants, as well as Capital SoftPOS, a smart electronic payment application that serves as a payment gateway for merchant websites or enables the issuance of direct payment links to facilitate fast and seamless digital transactions.

In parallel, the bank continued to upgrade its payment infrastructure to meet the evolving needs of merchants. These enhancements focused on applying advanced security standards, improving system efficiency, increasing transaction processing speed, and introducing new features that deliver superior and secure customer experience.

### Subsidiary Companies

#### Capital Investments

In 2025, Capital Investments, the investment arm of Capital Bank Group in Jordan and the United Arab Emirates, continued to provide a comprehensive range of investment services to its clients, including major corporations, government institutions, and high-net-worth individuals. This performance further reinforced the company's position as a trusted and reliable financial partner across the region.

Despite significant geopolitical challenges affecting the broader regional environment, Capital Investments demonstrated strong resilience, achieving net profits before tax of approximately JOD 2.3 million. Assets under management exceeded US\$ 1 billion during the year.



## Key Sector Achievements

### First: Financial Brokerage – Local, Regional, and International Markets

The local brokerage department maintained its solid performance, accounting for 4.4% of total trading volume on the Amman Stock Exchange. At the same time, the regional and international brokerage operations continued to expand their digital offerings through the CapInvest Trader Application, a unified electronic platform that enables investors to:

- Buy and sell shares and securities across Arab and international markets via smart devices.
- Access real-time prices, investment information, and analytical charts.
- Invest efficiently in mutual funds managed by leading global investment managers.
- In addition, Capital Investments continued to provide trading services in currencies, precious metals, and major equity indices through the CapInvest Forex platform in Jordan.

### Second: Asset Management

In 2025, Capital Bank Group continued to expand its presence in the field of asset management. The group successfully oversaw the growth of assets under management to more than US\$ 1 billion by year-end, enabling Capital Investments to offer a diversified range of investment solutions and products to clients in Jordan and Dubai (DIFC).

The External Asset Manager (EAM) model, implemented through Capital Investments in the DIFC, delivered several strategic advantages, most notably enabling high-net-worth clients to open investment accounts with reputable international banks in Switzerland and Singapore. This model further enhanced the group's ability to serve clients seeking global exposure within robust regulatory environments.

Throughout the year, the Asset Management Department provided a comprehensive suite of investment services tailored to the needs of both individual and corporate clients across diverse investment profiles. These services included portfolio management, specialized investment advisory, wealth management solutions, and investment and financing products offered through a network of leading global banks.

A dedicated team of specialists continued to deliver integrated and innovative solutions in investment portfolio management and financial analysis, with a focus on medium- and high-net-worth individuals, financial and banking institutions, insurance companies, pension and provident funds, endowments, and family or private offices. The department also supported institutional clients in accessing international markets in alignment with their investment objectives and established governance frameworks.

The Asset Management Department offers access to a broad range of traditional and Sharia-compliant investment products, reinforcing the group's commitment to building trust and long-term client relationships. Investment solutions are structured to align with the objectives and risk tolerance of clients, supported by the group's deep expertise across local, regional, and international financial markets.

## Board of Directors Report

Asset management services include:

- Portfolio management
- Investment advisory services
- Fixed income and money market solutions
- Investment funds and exchange-traded fund solutions
- Sharia-compliant products
- Structured and specialized products
- Alternative investments

The department maintained its market presence through the publication of weekly and monthly investment bulletins, regular media engagement on leading economic platforms such as CNBC, Asharq Bloomberg, and Al Arabiya, and active participation across social media channels. Looking ahead, the Asset Management Department remains focused on supporting the group's continued growth by expanding its service offerings, increasing assets under management, and leveraging a broad network of global financial institutions to deliver sustainable, long-term returns.

### Third: Corporate Finance

In 2025, the Corporate Finance Department continued to play a pivotal role in supporting the growth of companies across Jordan, Iraq, and the Gulf markets, delivering integrated advisory and investment services grounded in deep technical expertise. The department successfully executed a number of notable transactions during the year, reinforcing its position as a trusted financial advisor to an expanding base of governmental, private, and financial institutions.

The department follows a relationship-driven approach, focused on building long-term partnerships with clients to support the achievement of their financial objectives and strategic goals. This approach is underpinned by a strong commitment to excellence and the delivery of tailored solutions that enable sustainable business growth.

Corporate finance services include:

- Equity Instruments: Advising companies and investors on public and private placements, subscriptions to securities, and initial and secondary public offerings
- Debt Instruments: Structuring and arranging short- and long-term financing solutions, including bond issuances, Islamic bonds (sukuk), and the arrangement and management of syndicated loans
- Mergers and Acquisitions: Advising on mergers and acquisitions aimed at driving growth and expansion, as well as structuring corporate finance transactions through share sales and the establishment of strategic partnerships
- Financial Advisory: Providing advisory services related to capital raising, financial structuring and restructuring, corporate valuation, and guidance on optimal capital structures across debt and equity instruments
- Government Advisory: Advising governmental entities on a wide range of transactions, including the financing of public-sector projects, joint ventures, privatization initiatives, and public-private partnership programs
- Project Finance: Delivering tailored financing solutions for projects across key sectors, including real estate, infrastructure, water, energy, and other development initiatives

## **Capital Investments (Dubai International Financial Center) Ltd.**

Capital Investments Limited (DIFC), a subsidiary of Capital Bank Group, is licensed by the Dubai Financial Services Authority (DFSA) and registered in the Dubai International Financial Centre. Serving as the Group's strategic platform in the United Arab Emirates and across the GCC, the company provides financial advisory, asset management, and custodial services in accordance with the highest international regulatory standards.

It serves as a strategic gateway connecting the Group's clients in Jordan and Iraq with international companies and investors across the region. The company also enables Emirati and regional corporates to access attractive investment opportunities in the Jordanian and Iraqi markets, while offering an integrated platform for investment portfolio management, financial advisory, and custodial services.

Operating within the robust regulatory and institutional framework of the DIFC strengthens the company's position as a trusted financial partner within a sophisticated global financial ecosystem. This regional presence provides a solid foundation for the group's sustained growth and supports its strategic access to external markets as part of its long-term growth strategy.

The company's core areas of activity include corporate finance, regional business development, asset management, and custodial services.

## **Business Development**

Leveraging its unique market position, Capital Investments acts as a key gateway for Emirati and multinational companies seeking to operate or invest in Jordan and Iraq. Over recent years, it has successfully built a broad network of corporate clients, many of whom now work closely with the National Bank of Iraq and Capital Bank in Jordan across a wide range of investment products and financial services.

During 2025, Capital Investments provided advisory services to a number of major clients in the UAE. This advisory role remains a key value driver for the group, particularly given the UAE's position as a regional hub for international companies operating in and with the Iraqi market.

Capital Investments also continued to attract investors from global financial markets through its Asset Management Department, which has a long-standing track record in wealth management and investment advisory services. As of the end of 2025, customer assets reached approximately US\$ 483 million, including managed portfolios, assets held under custodial services, and investments managed through Swiss banking institutions. This growth reflects strong client confidence in Capital Investment's capabilities and its ability to deliver sustainable investment value.

## Board of Directors Report

### Jordan Capital for Financial Leasing

#### Company's Legal Status and Description of Main Activities

Jordan Capital for Financial Leasing was established pursuant to the approvals of the Central Bank of Jordan and the Companies Controller General as a private limited shareholding company, registered under number 1216 on September 20, 2017. The company is a wholly owned subsidiary of Capital Bank – Jordan, with a paid-up capital of JD8 million.

The company provides financing solutions based on the lease-to-own model. It finances the acquisition of usable and consumable fixed assets for individuals working in the public and private sectors, professionals, tradespeople, freelancers, and companies of all sizes. The company also places a strong focus on supporting the real estate and industrial sectors, recognizing their role as key contributors to economic growth.

Jordan Capital for Financial Leasing aims to enhance its competitiveness by diversifying its product offerings, introducing forward-looking solutions, expanding its customer base, and achieving sustainable revenue growth.

In addition, the company has attracted qualified and experienced professionals in the financial leasing sector, with the objective of delivering efficient, flexible, and value-added services.

#### How Financial Leasing Works

- The customer selects the fixed assets, whether equipment or real-estate projects, from the seller or real-estate developer.
- The company purchases the assets and leases them to the customer for the duration of the contract.
- Ownership of the assets (equipment or real estate) is transferred to the customer at the end of the lease term upon full payment of all lease installments.

#### Financial Leasing Solutions

##### 1. Financing Real Estate Projects

- Residential or commercial properties, whether completed or under construction.
- Land ownership for individual investment or for the development of residential or commercial projects by real estate developers.

##### 2. Financing Means of Transportation for Personal or Commercial Use

- Private vehicles, rental vehicles, vehicles for companies, factories, and other transportation assets.

##### 3. Financing Equipment and Machinery for Various Industrial Sectors

- Production machinery.
- Construction equipment and vehicles.
- Fixed assets for professionals, workshop, craft equipment, and similar assets.

#### 4. Equipment for Various Industries

- Medical equipment for hospitals, laboratories, clinics, and similar facilities.
- Equipment for engineering and information technology laboratories, including digital panels and related tools.
- Green energy and environmentally friendly equipment.

#### **Advantages of Financial Leasing**

- Competitive financing rates and costs.
- Flexible repayment periods.
- Financing available without requiring additional guarantees, guarantors, salary assignments, or mortgaging the financed asset.
- Exemption from registration fees for residential and commercial real estate projects financed through the company.
- Financial leasing is fundamentally compatible with Islamic finance principles.

#### **Target Audience**

Public and private sector employees, professionals, tradespeople, freelancers, as well as institutions and companies with stable income sources, seeking to acquire productive or real estate assets.

#### **Financial Performance in 2025**

The company maintained a solid financial position despite a 9% decline in revenues in 2025 compared to the previous year, with revenues reaching JOD 3.72 million, compared to JOD 4.1 million in 2024. Losses before taxes and fees amounted to JOD 475,000, while net losses after tax and provisions exceeded JOD 340,877 in 2025, compared to a net profit of JOD 800,437 in 2024.

Total assets increased by approximately 29.5% by the end of 2025, reaching JOD 63.22 million, compared to JOD 48.81 million at the end of 2024. This increase was primarily driven by higher financing volumes for financial leasing contracts granted to real estate developers. Shareholder equity declined to approximately JD8.66 million at the end of 2025, compared to JD8.99 million at the end of 2024.

#### **National Bank of Iraq**

The National Bank of Iraq (NBI) continues its dedicated efforts to contribute to the development of the Iraqi banking sector by offering high-quality banking services and products, along with comprehensive and integrated digital solutions that meet the needs of both individual and corporate clients.

These efforts reflect the strategic vision of Capital Bank Group and are aligned with the policies and directives of the Central Bank of Iraq and the Central Bank of Jordan. NBI maintained its position as the largest private bank in Iraq in terms of assets. In 2025, it was recognized with several local and international awards and was rated by the international agencies Capital Intelligence and Moody's.

## Board of Directors Report

NBI's branch in the Kingdom of Saudi Arabia reflects the bank's ambitious direction and commitment to developing its operations, particularly in the area of corporate banking services. This underscores the promising growth opportunities in this sector and contributes to facilitating trade between Iraq and Saudi Arabia. The branch offers a range of banking services, including current accounts and deposits, outgoing and incoming commercial transfers, issuance of letters of guarantee in both countries, advising and discounting incoming letters of credit, issuance of documentary credits and the provision of direct credit facilities.

NBI offers a diverse range of banking services, including:

- All types of customer accounts, including current, savings and fixed deposit accounts in Iraqi dinars and U.S. dollars.
- Salary transfer service for customers in both the private and public sectors.
- Incoming and outgoing transfer services.
- VIP customer services.
- Deposit certificates.
- Savings accounts / Zanageen.
- Gold Road Account.
- Credit facilities for individuals, including personal loans and credit cards.

In the corporate segment, the bank provides specialized banking services to large corporates. These include trade finance services such as issued and received letters of credit, letters of guarantee, bank transfers, a full range of banking facilities, foreign currency transactions, and participation in the foreign currency buying and selling window, in addition to services provided to SMEs.

The bank's range of services also includes financial brokerage through Iraqi Money for Brokerage Company, covering securities trading, as well as car financing through the National Iraqi Installments Company, in addition to the marketing of investment services in Iraq in cooperation with Capital Investments Company.

The bank also offers payment card and ATM services, online banking, and a dedicated call center to ensure fast and efficient customer service. Its digital services include the National Bank of Iraq mobile app for individuals, the Business Online app for companies, electronic statements, a call center, WhatsApp banking, debit cards, and e-wallets and electronic channels. Furthermore, a discount programme is available through cards issued by the Bank.

### Most prominent achievements in 2025

- The National Bank of Iraq accomplished the following during the year:
- Increasing the bank's capital from IQD 400 billion to IQD 520 billion, equivalent to \$397 million.
- Opening 9 new branches across Iraqi governorates, bringing the total to 44 branches, including the branch in the Kingdom of Saudi Arabia and 3 offices.
- Increasing the number of ATMs across Iraqi governorates to 424.
- Opening 32 accounts for government institutions and 2,400 accounts for various Iraqi companies, while the total number of customers reached 537,000.
- In terms of digital transformation, expanding the electronic payment network to 7,049 points of sale devices distributed across 5,387 merchants.
- Obtaining ISO 9001:2015 certification for personal loans and ISO 9001:2015 certification for international money transfers during 2025.
- Launching a mobile application service for submitting loan applications, granting loans and increasing personal loan limits for more than 45,763 customers.
- As part of its efforts to enhance its investments:
- The bank acquired 51% of the capital of Union International Insurance Company, 51% of the capital of Iraq Electronic Gate for Financial Services and 51% of the capital of Digital Future Company for electronic distribution services and electronic systems and software services.
- NBI signed a financing agreement with Guarant Co. for \$75 million and a financing ceiling agreement with the European Bank for Reconstruction and Development (EBRD) for \$100 million.
- The bank's achievements also extended to the area of social responsibility through projects supporting education and training, most notably:
- Renovating the Distinguished Girls' High School.
- Renovating the discussion room at the University of Technology, Department of Architectural Engineering.
- Renovating the computer lab at the College of Media, University of Baghdad.
- The Banking Ready graduate training camp program in Baghdad and Basra to prepare graduates for the Iraqi market.



## Board of Directors Report

### **Our Commitment to Sustainability: Creating Sustainable Value**

Recognizing the role of the banking sector as an active partner in advancing sustainable development, Capital Bank is committed to aligning its strategic objectives with key national initiatives, most notably the Economic Modernization Vision (2023-2025), launched under the patronage of His Majesty King Abdullah II bin Al-Hussein, and the Green Finance Strategy (2023-2028) issued by the Central Bank of Jordan.

Our commitment to sustainability extends beyond regulatory compliance. The bank actively adopts and implements leading practices aimed to reduce its environmental footprint while maximizing positive social and economic impact. Through the effective integration of sustainability principles into the core of our banking and commercial operations, we reinforce our role as a catalyst for sustainable development across the Hashemite Kingdom of Jordan




Guided by this vision, the bank's sustainability journey began several years ago and reached a key milestone in 2022 with the publication of its first Sustainability Report. This ongoing effort reflects its commitment to embedding environmental, social, and governance (ESG) considerations throughout our operations. Building on this foundation, the Bank is preparing to issue its fourth Sustainability Report in addition to Climate Disclosure Report, further enhancing transparency and accountability while creating long-term sustainable value for stakeholders, the community, and the environment. This will include the disclosure of climate-related risks and opportunities and their impact on the bank's operations, strategy, and financial performance.

### **Evaluating Key Areas: Establishing the Strategic Foundation**

As part of its ongoing sustainability journey, Capital Bank conducted a comprehensive materiality assessment of key areas to identify matters of relative importance to its operations and activities. This assessment established a robust foundation for more focused and effective ESG reporting, ensuring that sustainability efforts are directed toward priority issues and deliver measurable, positive impact.

The identified focus areas are closely aligned with the three pillars of sustainability, environmental, social, and governance, and are strategically linked to the United Nations Sustainable Development Goals (SDGs). This alignment ensures that the bank's initiatives address global challenges while supporting long-term strategic objectives and maximizing sustainable value creation.

## Pillars and Aspects of Sustainability

Climate action and environmental protection	Providing value to our employees and our communities	Implementation of strong and responsible governance
		
<ul style="list-style-type: none"> <li>• Climate change and carbon elimination.</li> <li>• Environmental management.</li> <li>• Lending and sustainable investment.</li> </ul>	<ul style="list-style-type: none"> <li>• Gender equality and workforce welfare development.</li> <li>• Local communities.</li> <li>• Financial inclusion and financial culture.</li> <li>• Growth of SMEs.</li> <li>• Customer experience and satisfaction.</li> </ul>	<ul style="list-style-type: none"> <li>• Data security.</li> <li>• Innovation and digitization.</li> <li>• Integration of ESG aspects into credit analysis.</li> <li>• Compliance and ethical conduct.</li> </ul>

## Our Path to the Future

Looking ahead, Capital Bank will continue to advance its ESG initiatives in alignment with the requirements of the Amman Stock Exchange and the Central Bank of Jordan, while adopting international best practices that enhance transparency and support measurable outcomes. The Bank reaffirms its commitment to embedding sustainability principles across all levels of the organization and throughout its operations, supporting both the long-term resilience of the business and the creation of lasting positive impact on society and the environment.

Capital Bank also remains dedicated to environmental stewardship through continued investment in ESG initiatives and the expansion of green finance solutions that support the transition to a more sustainable economy.

Through these efforts, the bank is working collaboratively with stakeholders to help build a more sustainable future for generations to come.



# 6

## Analytical Overview of Domestic and Global Economic Performance



# Analytical Overview of Domestic and Global Economic Performance

## Analytical Overview of Global, Regional and Domestic Economic Performance

Economic reports from leading international institutions indicate that global economic growth is expected to hover around 2.7% in 2025 and remain at similar levels through 2026 and 2027. The global economy has demonstrated resilience in the face of multiple challenges since the end of the COVID-19 pandemic, the effects of which continue to be felt, alongside regional developments that have significantly impacted global trade and investment flows.

In its latest report, the World Bank noted that despite the sharp increase in tariffs and heightened political uncertainty, global GDP is projected to grow by 2.7% in 2025. With inflation and interest rates declining in 2025 and expected to stabilize in early 2026, investor sentiment has shown renewed optimism, particularly as the global recovery from the pandemic-induced recession continues to gain traction. Global GDP per capita is projected to rise by 10% in 2025 compared with pre-pandemic levels in 2019.

Observers also expect global inflation to decline to 2.6% in 2026, reflecting weaker labor markets and lower energy prices. Growth is anticipated to strengthen in 2027 as trade flows adjust and policy uncertainty gradually subsides.

Overall, the global economy appears increasingly less capable of achieving strong growth while becoming more resilient to policy uncertainty. This dynamic is expected to place additional pressure on public finances and credit markets, raising concerns about the potential for a global recession and higher unemployment rates. Consequently, governments will need to focus on liberalizing private sector investment and trade, controlling public consumption, and investing in modern technologies and education.

For developing economies, international institutions project growth to slow to 4% in 2026, compared with 4.2% in 2025, with a potential rebound in 2027 as trade tensions ease, commodity prices stabilize, and financial conditions improve. Growth in low-income countries is also expected to rise to 5.6% during 2026 and 2027, supported by strong domestic demand, a recovery in exports, and moderating inflation.

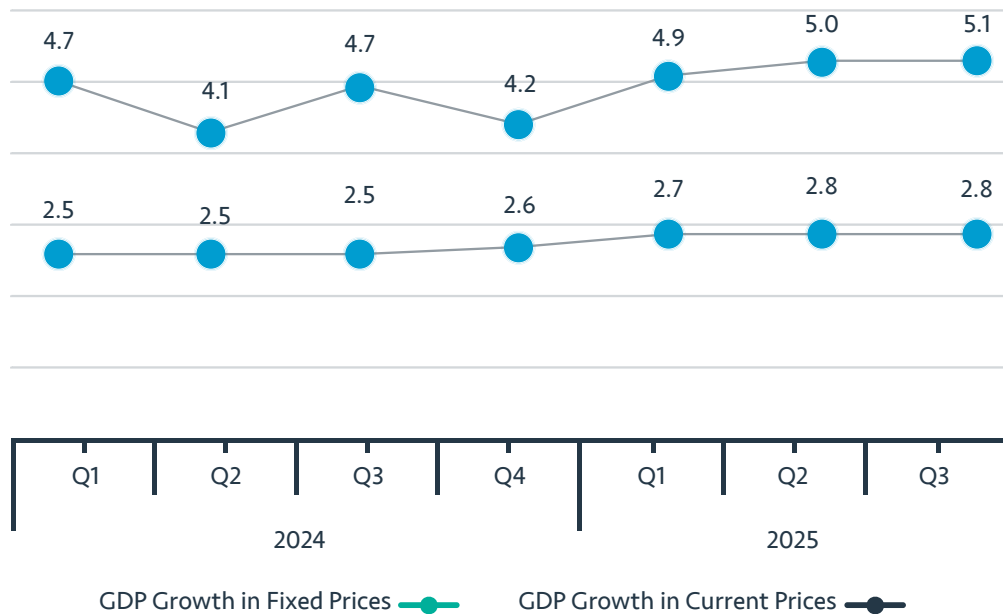
## Economic Indicators

### Economic Growth

The national economy continued to record gradual improvement across most economic sectors in 2025. According to GDP estimates issued by the Department of Statistics, GDP at constant prices grew by 2.8% in the third quarter of 2025, compared to 2.5% during the same period in 2024.

During the first three quarters of 2025, real GDP growth reached 2.75%, compared with 2.53% for the corresponding period in 2024.

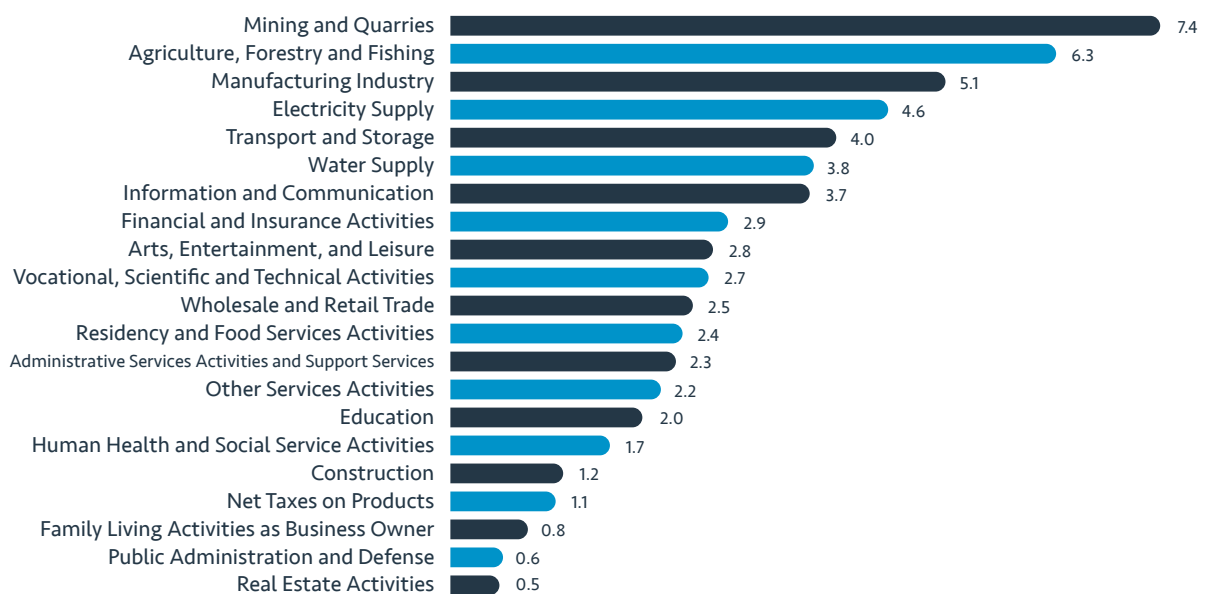
## Economic Growth for End of Third Quarter between 2024 and 2025



The national economy demonstrated strong stability and sustained growth despite ongoing regional and international pressures. Supported by the government's monetary, fiscal and economic measures, the economy continued to expand, as these policies contributed to maintaining balance and stimulating economic activity. This reflects Jordan's ability to navigate exceptional circumstances and convert them into opportunities to sustain growth with stability and confidence.

In terms of sectoral contributions to overall growth, preliminary estimates indicate that the mining and quarrying sector recorded the highest growth rate at 7.4%; followed by agriculture, forestry, and fishing at 6.3%; manufacturing at 5.1%; electricity supply at 4.6%; and transport and storage at 4%.

## Contribution of Economic Sectors to GDP Growth



## Analytical Overview of Domestic and Global Economic Performance

Regarding sectoral contributions to overall economic growth, the manufacturing sector recorded the largest contribution at 0.89 percentage points, followed by the agriculture sector at 0.27 percentage points and the mining and quarrying sector at 0.23 percentage points of total growth achieved.

Preliminary estimates also indicate that the economic activities contributing most to GDP growth by the end of the third quarter of 2025, when GDP reached JOD 11.137 billion, were distributed across several key sectors, with the manufacturing sector ranking first, accounting for 17.7%; followed by the real estate sector at 11.3%; the wholesale and retail trade sector at 8.7%; and the public administration and defense sector at 7.3%.

### Growth of Economic Sectors, Contribution in GDP and Achieved Growth in Fixed Prices – Third Quarter 2025

Sector	Sectoral Growth (%)	Sectoral Contribution in GDP (%)	Achieved Growth Distribution over Sectors (percentage)
Agriculture, forestry, and fishing	6.3	4.4	0.27
Mining and quarries	7.4	3.2	0.23
Manufacturing industries	5.1	17.7	0.89
Electricity, gas, steam, and air conditioning supplies	4.6	2.7	0.12
Water supplies; sewage activities; waste management and treatment	3.8	0.7	0.03
Construction	1.2	4.0	0.05
Wholesale and retail trade; repairing engine equipped vehicles and motorcycles	2.5	8.7	0.22
Transport and storage	4.0	5.0	0.20
Residency activities and food services	2.4	1.9	0.05
Information and communication	3.7	2.9	0.11
Financial and insurance activities	2.9	5.8	0.17
Real estate activities	0.5	11.3	0.06
Vocational, scientific and technical activities	2.7	1.0	0.03
Administrative and support services activities	2.3	0.7	0.02
Public administration and defense; compulsory social security	0.6	7.3	0.04
Education	2.0	5.6	0.11
Human health and social service activities	1.7	3.2	0.05
Arts, entertainment, and leisure	2.8	0.5	0.01
Other services activities	2.2	1.0	0.02
Families living activities as business owners; and families living activities to produce commodities and services not designed for their particular purpose	0.8	0.6	0.00
Net taxes on products	1.1	11.7	0.13
GDP	2.8%	100%	2.8%

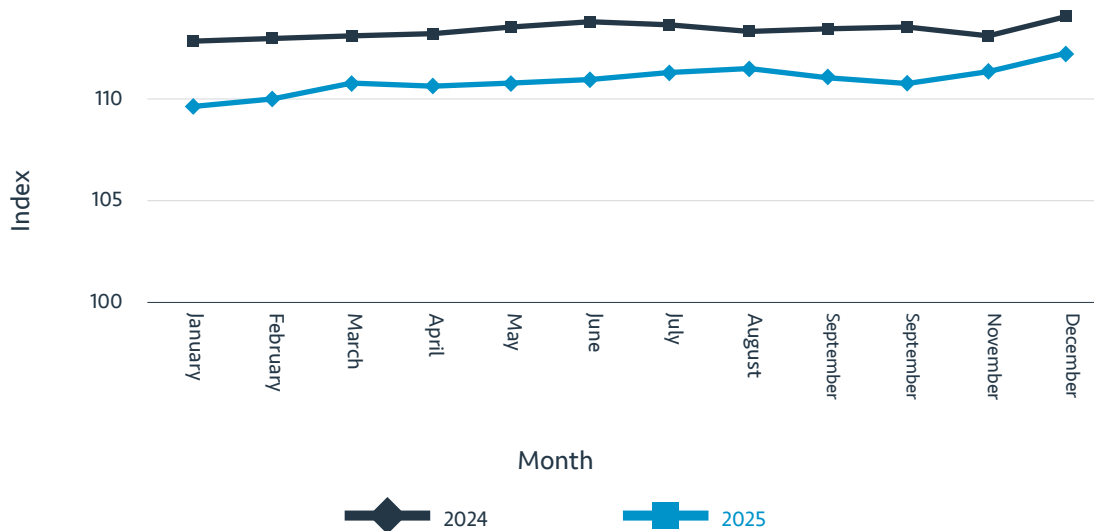
It is worth noting that the Department of General Statistics has revised the base year for calculating the GDP by adopting the 2023 data instead of the 2016 data, in order to take into consideration, the important developments witnessed by some sectors, primarily the digital economy and related activities.



### Inflation Rate

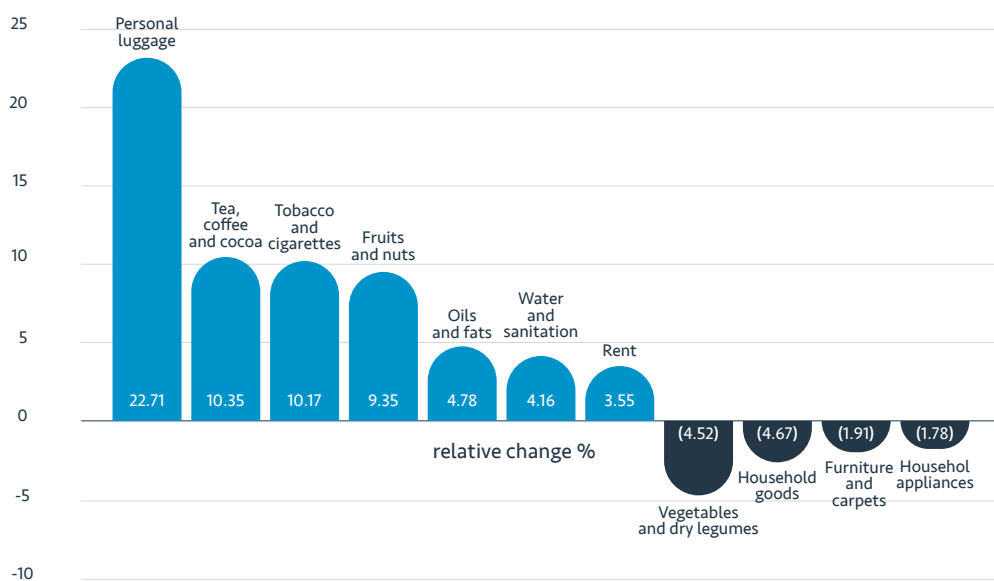
The general Consumer Price Index (inflation) in Jordan rose by 1.77% for 2025, compared to 2024, registering 112.67 points in 2025 compared to 110.71 points for 2024.

### Monthly Consumer Price Index for 2025-2024



Regarding commodity groups for 2025 compared to 2024, the index for personal luggage rose by 22.71%; tea, coffee and cocoa by 10.35%; tobacco and cigarettes by 10.17%; fruits and nuts by 9.35%; and oils and fats by 4.78%. In addition, the index for dry and canned vegetables and legumes fell by 4.52%; household goods by 2.67%; furniture, carpets and bedding by 1.91%; and household appliances by 1.78%.

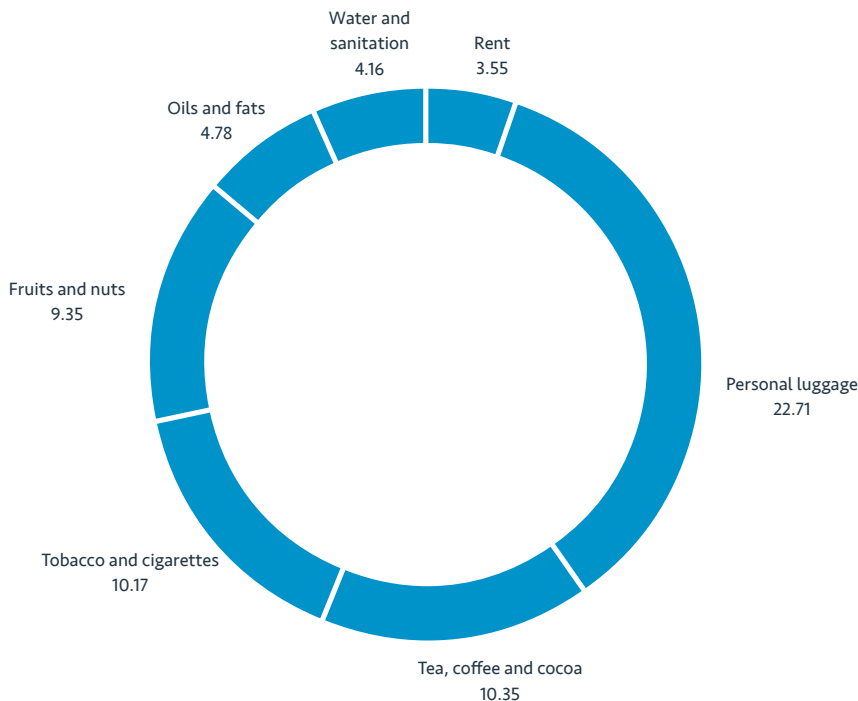
### Commodity Groups with Increasing and Decreasing Prices



It is worth noting that the calculation of the Consumer Price Index (inflation) is based on a survey of the prices of a basket of consumer goods comprising 850 items, including 325 food items and 525 non-food items.

# Analytical Overview of Domestic and Global Economic Performance

The percentage contribution of the most important commodity groups to the rise in the cumulative index, which constitutes a relative importance of 28.75%

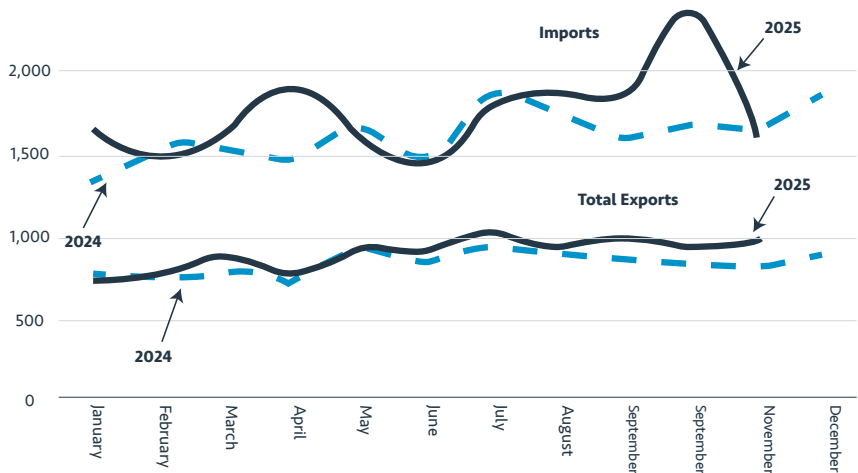


## Foreign Trade

National exports increased by 9.1% by the end of November 2025, while re-exports rose by 8.8% compared to the same period in 2024. This was accompanied by a 9.7% increase in imports over the corresponding period in 2024.

According to foreign trade data, the total exports reached JOD 9.55 billion, comprising JOD 8.694 billion in national exports and JOD 856 million in reexports. Meanwhile, the value of imports reached JOD 18.938 billion during the same period in 2024. As a result, the ratio of total exports to imports stood at 50%, compared to 51% in the corresponding period of 2024.

Monthly Foreign Trade Values in First 11 Months of 2025-2024 (JOD million)



The data indicates that the increase in exports was driven by higher national exports in nitrogenous or chemical fertilizers, precious jewelry, pharmaceuticals and raw phosphates and potash. This was partially offset by a slight decline in exports of clothing and related manufactured goods.

On the imports side, the value of vehicles and bicycles, precious jewelry, machinery and mechanical appliances, electrical machinery and equipment, and grains all increased. Meanwhile, lower imports of crude oil and its derivatives contributed to a reduction in the overall value of imports.

### Most important exported and imported goods until end of November 2024 and November 2025

National exports				Imports			
Goods	*2024	*2025	% of Change	Goods	*2024	*2025	% of Change
Clothing & similar	1,522	1,495	-1.8	Crude oil, derivatives & mineral oils	2,471	2,405	-2.7
Nitrogenous & chemical fertilizers	908	996	9.7	Vehicles, motorcycles & parts	1,522	1,729	13.6
Jewelry & precious jewelry	671	780	16.2	Jewelry & precious jewelry	1,039	1,676	61.3
Pharmaceutical ingredients	541	575	6.3	Automatic machines, tools & parts	1,192	1,471	23.4
Crude phosphate	491	545	11.0	Electric machines & parts	871	908	4.2
Crude potash	440	503	14.3	Grains	619	659	6.5
Other materials	3,396	3,800	11.9	Other materials	9,556	10,090	5.6
National exports	7,969	8,694	9.1				
Re-exports	787	856	8.8				
Total exports (1)	8,756	9,550	9.1	Total imports (2)	17,270	18,938	9.7
Trade deficit (1) – (2)					-8,514	-9,388	10.3

National exports to the Greater Arab Free Trade Area increased, including exports to Syria, which more than doubled by 351%. Exports also rose to non-Arab Asian countries such as India, as well as to European Union countries, including Italy. In contrast, national exports recorded a slight decline to North American Free Trade Agreement countries, including the United States.

# Analytical Overview of Domestic and Global Economic Performance

## Key Trading Partners and Economic Blocs during the First 11 Months of 2024-2025

(Value in JOD millions)

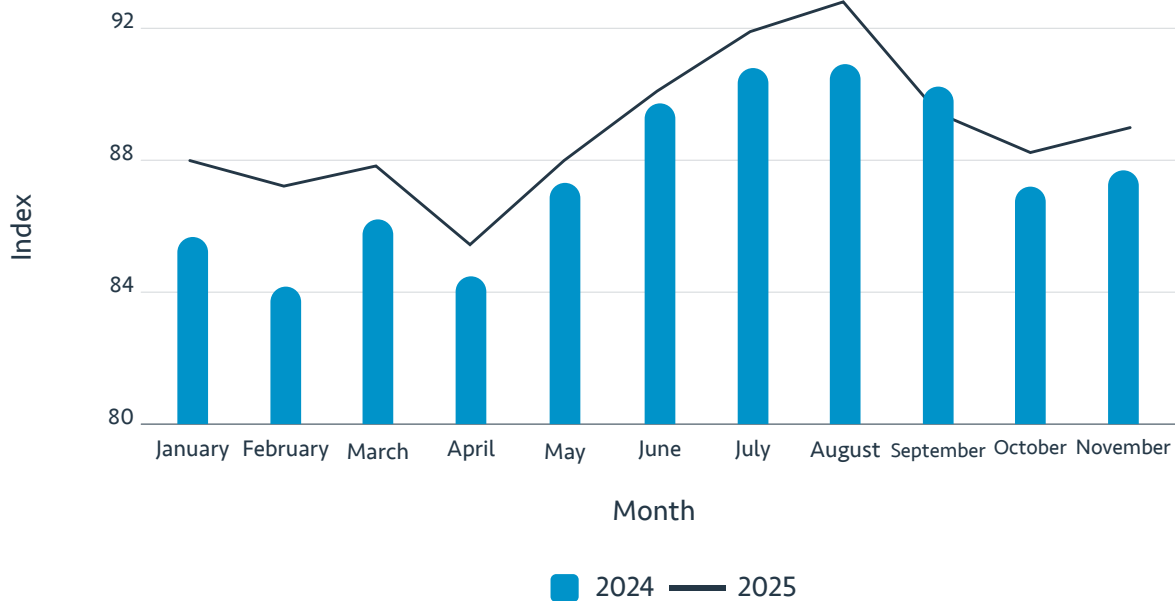
National exports to				Imports from			
Economic blocs	2024*	2025*	Change percentage (%)	Economic blocs	2024*	2025*	Change percentage (%)
Greater Arab Free Trade Area, including	3,275	3,599	9.9	Greater Arab Free Trade Area, including	4,689	5,052	7.7
Saudi Arabia	1,039	1,152	10.9	Saudi Arabia	2,699	2,730	1.1
Syria	51	230	351.0	Syria	57	78	36.8
Iraq	837	895	6.9	Iraq	172	141	18.0-
North American Free Trade Agreement including	2,194	2,083	5.1-	North American Free Trade Agreement including	1,211	1,637	35.2
United States	2,114	1,999	5.4-	United States	1,128	1,545	37.0
Non-Arab Asian countries including	1,635	1,857	13.6	Non-Arab Asian countries including	6,530	6,958	6.6
India	930	1,048	12.7	China	3,252	3,757	15.5
EU countries including	398	576	44.7	EU countries including	2,611	2,906	11.3
Italy	51	192	276.5	Germany	598	630	5.4
Rest of economic blocs including	467	579	24.0	Rest of economic blocs including	2,229	2,385	7.0
Switzerland	64	99	54.7	Switzerland	338	575	70.1

Imports increased from countries in the Greater Arab Free Trade area, including Saudi Arabia, and from countries in the North American Free Trade Agreement, including the United States and non-Arab Asian countries.

### Industrial Production

Industrial production in the Kingdom increased by 1.44% by the end of November 2025 compared to the same period in 2024, following the Department of Statistics' revision of the industrial production index base to 2018 instead of 2010.

The increase in the industrial production index was driven by a 1.34% rise in manufacturing output, which accounts for 88.7% of the index; a 0.99% increase in mining and quarries output, which accounts for 5.4%; and a 2.91% increase in electricity production, which accounts for 5.9%.

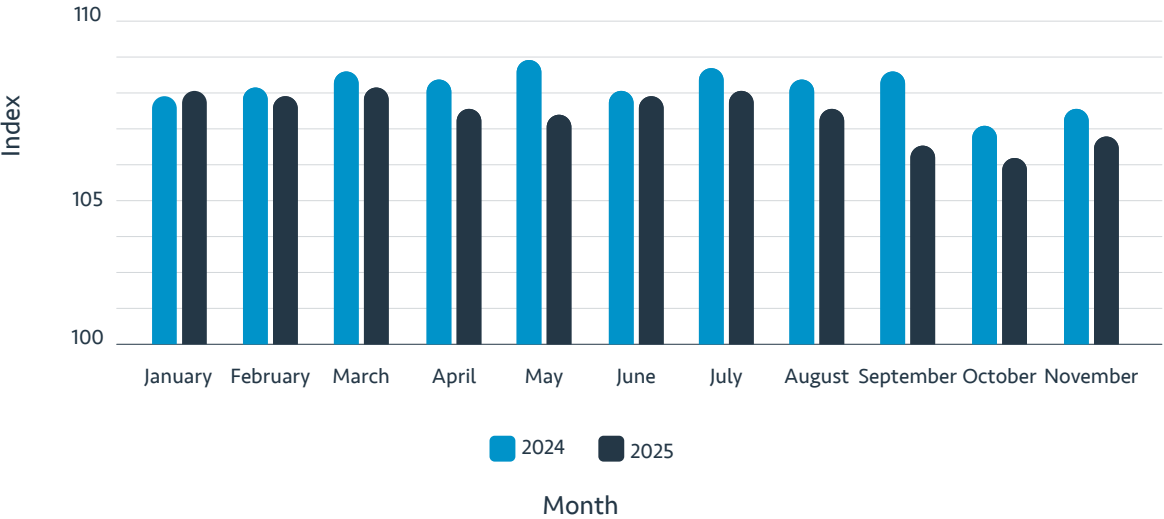


Industrial producer prices decreased by 0.7% by the end of November 2025, based on 2018 as the base year, reaching 106.46 points compared to 107.20 points for the same period in 2024.

This decline was primarily driven by a 0.95% drop in manufacturing prices, which carry a relative weight of 88.74%; a 2.19% increase in extractive industry prices, with a relative weight of 5.36%; and a 0.59% increase in electricity prices, with a relative weight of 5.91%.

# Analytical Overview of Domestic and Global Economic Performance

## Monthly Index for Industrial Producers' Prices for 2024-2025



### Unemployment

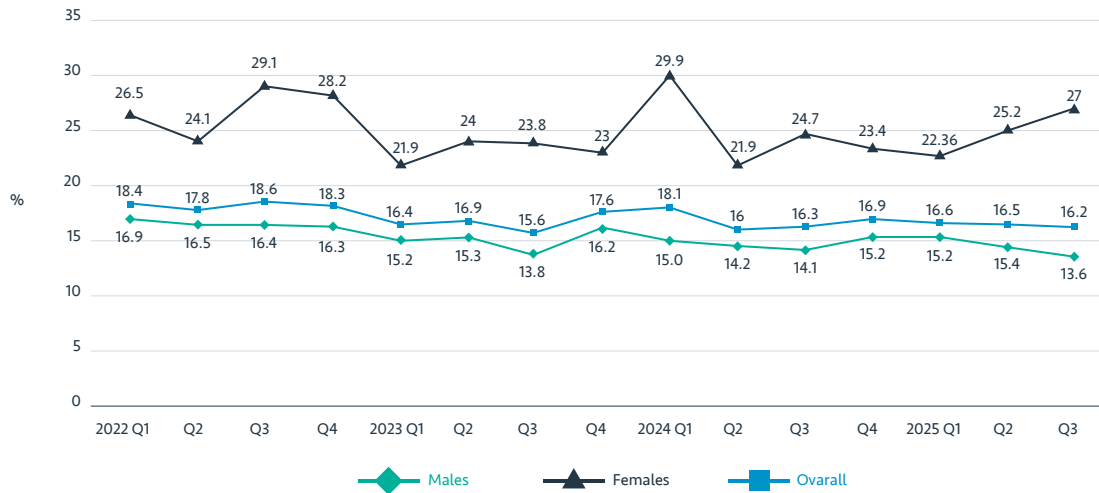
The overall unemployment rate for the population (Jordanians and non-Jordanians) reached 16.2% in the third quarter of 2025, reflecting a decrease of 0.1 percentage points compared to the third quarter of 2024.

The unemployment rate among Jordanian males stood at 18% in the third quarter of 2025, declining by 1.7 percentage points over the past three years compared to the same quarter of 2022. Since 2021, unemployment among Jordanian males has decreased by 4.4 percentage points.

For the first time, the number of Jordanian subscribers to the Social Security Corporation increased, reaching 96,000 new subscribers between January 1, 2025, and November 15, 2025.

Nationwide, the unemployment rate among males reached 13.6% by the end of the third quarter of 2025, a decline of 0.5 percentage points, while the unemployment rate among females reached 27%, representing an increase of 2.3 percentage points compared with the same period in 2024.

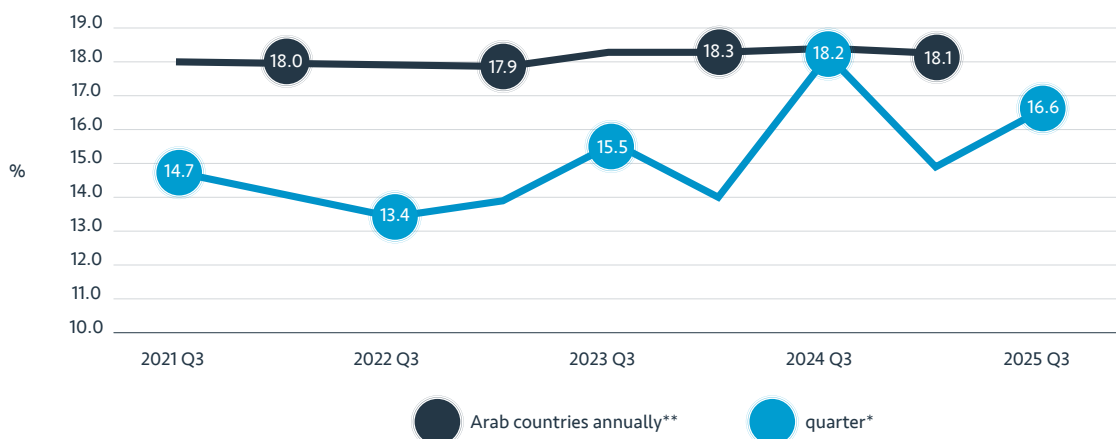
## Total Unemployment Average According to Gender and Quarters for 2022-2025



Data for the third quarter of 2025 indicates that expatriate workers accounted for 46.4% of total employment, compared with 46.1% during the same period in 2024, representing an increase of 0.3 percentage points.

The revised economic participation rate of the population (labor force as a percentage of the population aged 15 years and over) reached 40.5% in the third quarter of 2025, compared with 41.6% in the third quarter of 2024. The revised economic participation rate for males stood at 61.7% in the third quarter of 2025, compared with 62.2% in the corresponding period of 2024, while the revised rate for females reached 16.6%, compared with 18.2% in the same period of 2024. This reflects a decline of 1.6 percentage points in female economic participation between the two periods. For reference, the average female economic participation rate in Arab countries stands at 18.1%.

## Revised Economic Participation Rate for Females in Jordan and Arab Countries



It is worth noting that the labor force survey is based on a sample of 16,560 households distributed across all governorates of the Kingdom and is conducted in the middle of each quarter.

Meanwhile, the net number of jobs created in the Jordanian labor market reached 48,403 during the first half of 2025, with the private sector accounting for 88% of these positions. Official projections indicate that the total number of new jobs created throughout the year will reach approximately 100,000 opportunities.



# Analytical Overview of Domestic and Global Economic Performance

## Monetary Indicators

### Foreign Reserves

Foreign reserves at the Central Bank of Jordan rose to USD 25.503 billion by the end of 2025, marking an increase of 21.4% compared with the 2024 balance. These reserves cover approximately nine months of the Kingdom's imports of goods and services, up from eight months in 2024.

The money supply reached JOD 47.506 billion by the end of November 2025, compared with JOD 45.269 billion in 2024. Of this total, domestic assets accounted for JOD 35.22 billion, while foreign assets amounted to JOD 12.484 billion as of the end of November 2025.

### Most Important Monetary Indicators

JOD million and growth rates compared to previous year

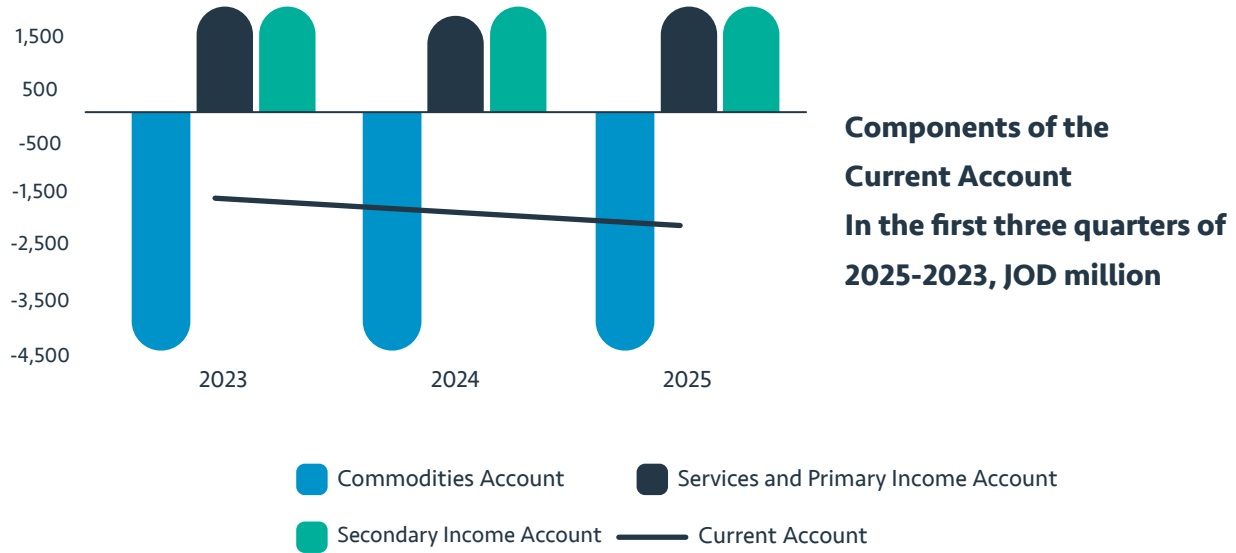
		November	
2024		2024	2025
US\$ 21,014.8 16.0% 8.0	Central Bank's total foreign reserves* Coverage in months	US\$ 20,144.4 11.2% 7.7	US\$ 24,597.5 17.0% 8.8
45,269.3 6.1%	Local liquidity	45,035.0 5.6%	47,506.1 4.9%
34,777.6 4.2%	Credit facilities	35,026.9 4.9%	36,199.6 4.1%
29,988.4 2.3%	Private sector facilities (resident)	30,282.7 3.3%	30,759.6 2.6%
46,698.6 6.8%	Total customers deposits	46,459.3 6.2%	49,801.3 6.6%
36,700.0 6.5%	Deposits in JOD	36,458.7 5.8%	38,896.5 6.0%
9,998.6 7.8%	Deposits in foreign currencies	10,000.5 7.8%	10,904.9 9.1%
36,304.4 6.3%	Private sector deposits (resident)	36,513.1 6.9%	38,248.4 5.4%
29,157.4 5.6%	Deposits in JOD	29,359.2 6.3%	30,882.2 5.9%
7,147.0 9.2%	Deposits in foreign currencies	7,154.0 9.3%	7,366.2 3.1%

\* Including reserves of gold and special withdrawal rights

The ratio of non-performing loans to total loans reached 5.8% at the end of October 2025, compared with 5.6% in 2024. Capital adequacy stood at 18% in both 2025 and 2024. Legal liquidity reached 142.4% at the end of October 2025, compared with 144.7% in 2024. The coverage ratio for non-performing loans stood at 71.3%, compared with 74.5% during the same comparative period.

### Balance of Payments

With regard to the balance of payments, the current account deficit reached JOD 2.128 billion, equivalent to 6.6% of GDP, during the first three quarters of 2025, compared with JOD 1.916 billion for the same period in 2024. Net foreign direct investment inflows into the Kingdom totaled JOD 1.082 billion during the first three quarters of 2025, compared with JOD 847 million in the corresponding period of 2024.



Inbound tourism revenue to the Kingdom increased by 7.6% in 2025, reaching USD 7.790 billion, compared with a 2.3% decline to USD 7.239 billion in 2024. The increase is primarily attributed to a 15.3% rise in the number of incoming tourists. Meanwhile, outbound tourism spending rose by 5.8%, reaching USD 2.049 billion.

Remittances from Jordanian workers abroad reached approximately USD 4.083 billion by the end of November 2025, reflecting a 4.6% increase compared with the same period in 2024. Outbound remittances from the Kingdom also increased by 15.2%, reaching USD 1.612 billion.

## Analytical Overview of Domestic and Global Economic Performance

### Assets of Banks Operating in the Kingdom

With regard to the assets of banks operating in the Kingdom, total assets reached JOD 73.153 billion by the end of October 2025. Of this total, JOD 56.716 billion were held by commercial banks and JOD 16.437 billion by Islamic banks.

Domestic assets held by commercial banks amounted to JOD 51.067 billion, while foreign assets reached JOD 5.649 billion. Meanwhile, domestic assets held by Islamic banks totaled JOD 14.877 billion, with foreign assets amounting to JOD 1.560 billion. Assets held by Jordanian banks operating in Palestine reached JOD 6.704 billion.

### Credit Facilities Granted

The value of credit facilities granted by banks reached JOD 35.98 billion by the end of the third quarter of 2025, compared to JOD 34.778 billion at the end of 2024, representing an increase of 3.4%.

Amman accounted for the largest share of total credit facilities granted in 2025, representing 81.8% or JOD 29.434 billion. Irbid Governorate followed with 5.2% (JOD 1.886 billion), followed by Zarqa Governorate with 3.5% (JOD 1.267 billion). Tafilah Governorate received the smallest share of bank credit facilities, totaling approximately JOD 151.4 million.

### Geographic Distribution of Credit Facilities According to Governorates in 2025

	Capital Gov.	Zarqa Gov.	Irbid Gov.	Mafraq Gov.	Karak Gov.	Tafeleh Gov.	Maan Gov.	Aqaba Gov.	Balqa Gov.	Jarash Gov.	Ajloun Gov.	Madaba Gov.	Total
Period													
2020	23,469.8	1,006.3	1,442.8	300.3	557.3	122.6	192.7	528.3	452.6	175.6	151.6	239.2	28,639.1
2021	24,331.4	1,102.1	1,587.2	330.5	617.8	131.7	215.0	557.5	526.5	198.2	166.5	264.3	30,028.5
2022	26,421.3	1,195.7	1,752.8	368.2	650.3	143.5	234.5	563.7	571.3	218.9	182.7	288.6	32,591.5
2023	27,017.9	1,202.7	1,841.0	373.7	664.8	148.3	239.4	585.9	585.5	255.4	179.1	293.2	33,387.1
2022													
Q1 2022	24,918.5	1,135.3	1,639.0	338.0	626.1	132.7	218.8	564.8	529.7	200.8	168.7	255.3	30,727.7
Q2 2022	25,739.3	1,193.7	1,706.8	356.6	634.5	137.0	228.7	582.4	551.5	244.7	177.0	275.9	31,828.0
Q3 2022	26,195.5	1,185.6	1,726.8	359.1	646.5	140.1	230.3	577.7	558.7	248.9	180.6	283.0	32,332.7
Q4 2022	26,421.3	1,195.7	1,752.8	368.2	650.3	143.5	234.5	563.7	571.3	218.9	182.7	288.6	32,591.5
2023													
Q1 2023	26,841.2	1,228.8	1,836.0	379.5	656.6	144.3	236.6	589.8	572.7	255.7	182.0	292.8	33,216.1
Q2 2023	27,142.6	1,239.0	1,850.5	377.9	654.7	145.3	234.4	583.4	571.3	220.0	180.3	293.8	33,493.3
Q3 2023	26,894.2	1,237.7	1,849.3	381.7	658.5	146.9	238.2	584.8	576.6	256.6	180.5	294.3	33,299.4
Q4 2023	27,017.9	1,202.7	1,841.0	373.7	664.8	148.3	239.4	585.9	585.5	255.4	179.1	293.2	33,387.1
2024													
2024	28,302.3	1,261.6	1,891.1	389.0	673.0	148.5	243.4	575.5	587.8	222.0	179.3	304.2	34,777.6
Q1 2024	27,402.9	1,249.9	1,876.3	383.6	666.7	146.6	240.0	577.5	590.9	256.3	178.5	302.1	33,871.4
Q2 2024	27,697.9	1,268.4	1,890.1	383.7	662.7	145.7	241.3	586.8	591.7	219.6	178.0	304.7	34,170.7
Q3 2024	28,234.9	1,259.7	1,899.5	391.4	668.7	146.5	243.6	585.5	596.2	222.0	180.0	306.2	34,734.2
Q4 2024	28,302.3	1,261.6	1,891.1	389.0	673.0	148.5	243.4	575.5	587.8	222.0	179.3	304.2	34,777.6
2025													
Q1 2025	28,653.6	1,235.4	1,888.7	395.4	675.0	147.8	242.0	601.1	591.8	221.5	178.9	307.1	35,138.4
Q2 2025	28,989.0	1,266.4	1,868.5	393.7	675.1	148.3	239.8	596.7	586.0	221.8	178.8	309.2	35,473.3
Q3 2025	29,434.0	1,266.7	1,885.8	400.8	689.1	151.4	242.5	604.3	593.4	221.2	180.9	310.4	35,980.5

Regarding the distribution of credit facilities granted by banks, totaling JOD 35.609 billion, by economic activity, the construction sector ranked first, accounting for 22.1% or JOD 7.890 billion. The services and public utilities sector followed, representing 17.7% or JOD 6.307 billion, while the general trade sector ranked third with 16.3%, amounting to JOD 5.807 billion.

## Bank Deposits

Total deposits in banks operating in the Kingdom reached JOD 49.093 billion by the end of the third quarter of 2025, compared with JOD 46.699 billion at the end of 2024, representing an increase of 5.1%.

Amman accounted for the largest share of total deposits, amounting to JOD 41.337 billion, or 84.2%. This was followed by Irbid Governorate with JOD 2.524 billion (5.1%) and Zarqa Governorate with JOD 1.945 billion (approximately 4%).

## Geographic Distribution of Deposits according to Governorates in 2025

	Capital Gov.	Zarqa Gov.	Irbid Gov.	Mafraq Gov.	Karak Gov.	Tafeleh Gov.	Maan Gov.	Aqaba Gov.	Balqa Gov.	Jarash Gov.	Ajloun Gov.	Madaba Gov.	Total
Period													
2020	30,702.5	1,580.0	2,092.3	244.2	342.4	71.2	114.0	383.2	645.9	183.2	155.6	274.6	36,789.1
2021	32,989.9	1,669.4	2,220.9	272.0	329.3	75.2	121.7	441.8	731.5	201.9	171.1	297.6	39,522.3
2022	35,360.3	1,644.7	2,263.1	271.2	375.4	88.4	145.5	484.4	771.4	227.2	170.3	304.9	42,106.7
2023	36,775.7	1,736.5	2,302.4	276.6	390.4	77.7	148.5	513.9	797.1	237.9	176.3	311.2	43,744.3
2024	39,309.2	1,840.3	2,451.7	315.0	402.1	79.4	149.3	587.5	829.5	216.4	184.6	333.6	46,698.6
2022													
Q1 2022	33,591.3	1,657.9	2,238.0	264.7	327.5	74.4	124.3	436.7	750.1	220.5	174.0	278.7	40,138.2
Q2 2022	34,259.8	1,668.3	2,268.3	266.9	349.4	75.7	126.9	434.5	780.0	202.5	177.3	302.5	40,912.2
Q3 2022	35,068.7	1,675.2	2,293.9	275.7	362.0	77.3	127.1	465.8	788.7	197.8	176.1	309.6	41,817.9
Q4 2022	35,360.3	1,644.7	2,263.1	271.2	375.4	88.4	145.5	484.4	771.4	227.2	170.3	304.9	42,106.7
2023													
Q1 2023	35,695.0	1,653.0	2,277.0	272.2	384.9	79.1	147.8	481.2	769.6	229.0	170.8	291.2	42,450.7
Q2 2023	35,581.3	1,727.1	2,303.8	271.1	409.2	80.7	154.1	502.1	792.7	205.3	174.5	309.9	42,512.0
Q3 2023	36,281.1	1,751.3	2,300.3	277.9	412.4	79.0	151.2	516.2	792.1	236.3	173.4	318.0	43,289.2
Q4 2023	36,775.7	1,736.5	2,302.4	276.6	390.4	77.7	148.5	513.9	797.1	237.9	176.3	311.2	43,744.3
2024													
Q1 2024	37,211.4	1,781.1	2,361.9	284.0	418.9	80.5	145.7	487.7	818.7	247.8	174.8	326.9	44,339.4
Q2 2024	37,732.1	1,812.7	2,404.4	290.3	405.1	80.8	144.8	535.8	828.6	209.4	177.8	332.0	44,953.9
Q3 2024	38,993.4	1,847.4	2,443.7	309.3	405.0	77.5	142.2	554.5	836.1	213.8	181.2	341.7	46,345.9
Q4 2024	39,309.2	1,840.3	2,451.7	315.0	402.1	79.4	149.3	587.5	829.5	216.4	184.6	333.6	46,698.6
2025													
Q1 2025	39,898.3	1,824.9	2,494.5	324.8	416.4	83.0	153.2	554.8	861.3	224.2	188.5	342.4	47,366.3
Q2 2025	40,672.7	1,846.5	2,484.2	332.2	413.4	81.4	148.6	566.2	845.0	225.5	189.5	351.7	48,156.9
Q3 2025	41,337.3	1,944.8	2,523.8	344.4	420.2	81.2	144.7	600.3	897.3	223.8	195.8	379.7	49,093.2

# Analytical Overview of Domestic and Global Economic Performance

## Public Finance

### Key Indicators of General Budget Performance

By the end of November 2025, total public revenues reached approximately JOD 8.388 billion, representing about 21.1% of the estimated GDP. This reflects an 11.1% decrease compared with total public revenues of JOD 9.439 billion in 2024, which accounted for 22.7% of GDP.

Domestic revenues amounted to JOD 8.343 billion, compared with JOD 8.735 billion during the same period in 2024, while external grants totaled JOD 45 million, compared with JOD 705 million for the corresponding period in 2024.

Total expenditures in the central government's general budget reached JOD 10.799 billion by the end of November 2025, representing 27.2% of the estimated GDP. This reflects a 6.4% decrease compared with JOD 11.538 billion during the same period in 2024, which accounted for 27.7% of GDP.

Current expenditures constituted the largest share of total expenditures, reaching JOD 9.750 billion by the end of November 2025, compared with JOD 10.368 billion for the same period in 2024. Capital expenditures amounted to JOD 1.050 billion, compared with JOD 1.170 billion during the corresponding period in 2024.

The budget deficit after grants reached JOD 2.411 billion by the end of November 2025, compared with a deficit of JOD 2.099 billion during the same period in 2024. The deficit before grants amounted to JOD 2.456 billion, compared with JOD 2.803 billion for the corresponding period in 2024.

Public debt reached approximately JOD 36.27 billion by the end of November 2025, representing 83.2% of GDP (based on 2023 data as the base year). This compares with JOD 34.178 billion by the end of November 2024, equivalent to 82.1% of GDP.

Domestic public debt, excluding Social Security Fund debt, amounted to JOD 16.08 billion, while the outstanding balance of external debt reached JOD 20.191 billion in 2025.

With regard to the general government's financial indicators, which include the central government and independent units, domestic revenues and foreign grants reached JOD 11.7 billion by the end of November 2025, of which JOD 6.294 billion were derived from direct and indirect taxes.

Total expenditures amounted to JOD 12.994 billion, including JOD 11.910 billion in current expenditures and JOD 1.084 billion in capital expenditures. This resulted in a total deficit of JOD 1.294 billion after foreign grants and JOD 1.347 billion before grants.

## Most Significant Public Finance Indicators for the End of the Second Quarter of 2025

	2021	2022	2023	2024	2025
<b>Public Finance Sector / Budget</b>	<b>JAN. - NOV.</b>				
Total revenues and grants (Million JD)	8,128.2	8,914.1	9,143.7	9,439.1	8,388.4
In percent of GDP	22.6	23.5	22.9	22.7	21.1
Domestic revenues*	7,324.9	8,121.9	8,432.0	8,734.5	8,343.4
In percent of GDP	20.3	21.4	21.2	21.0	21.0
Foreign grants	803.3	792.2	711.7	704.6	45.0
In percent of GDP	2.2	2.1	1.8	1.7	0.1
Total expenditures	9,858.8	10,466.6	11,004.0	11,537.6	10,799.2
In percent of GDP	27.4	27.5	27.6	27.7	27.2
Current expenditures	8,720.6	8,954.3	9,626.8	10,368.0	9,749.5
In percent of GDP	24.2	23.6	24.2	24.9	24.5
Capital expenditures	1,138.2	1,512.3	1,377.2	1,169.6	1,049.7
In percent of GDP	3.2	4.0	3.5	2.8	2.6
<b>Overall balance</b>					
Including Grants (Million JD)	-1,730.6	-1,552.5	-1,860.3	-2,098.5	-2,410.7
In percent of GDP	-4.8	-4.1	-4.7	-5.0	-6.1
Excluding Grants (Million JD)	-2,533.9	-2,344.7	-2,572.1	-2,803.1	-2,455.7
In percent of GDP	-7.0	-6.2	-6.5	-6.7	-6.2
	<b>NOV.</b>				
<b>Debt outstanding excluding the debt holding by SSIF</b>	<b>28,763.1</b>	<b>30,667.6</b>	<b>32,289.3</b>	<b>34,178.4</b>	<b>36,270.0</b>
In percent of GDP	79.9	80.7	81.0	82.1	83.2
Outstanding External Public debt excluding ssif	15,137.5	16,488.9	18,207.9	19,335.0	20,190.5
In percent of GDP	42.0	43.4	45.7	46.5	46.3
Domestic debt excluding ssif	13,625.6	14,178.7	14,081.4	14,843.4	16,079.5
In percent of GDP	37.8	37.3	35.3	35.7	36.9





# 7

## Corporate Governance Guide



## Corporate Governance Guide

### **Dear Shareholders,**

We would like to inform you that Capital Bank's new Corporate Governance Code has been issued and can be accessed through the link below:

<https://www.capitalbank.jo/en/personal/about-us/investor-relations>





# 8

## Auditor's Report



# Auditor's Report

## INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Capital Bank of Jordan

Amman – Jordan

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

#### Opinion

We have audited the consolidated financial statements of Capital Bank of Jordan (the Company), and its subsidiaries (the Group) which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of income, 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 policies 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 2025, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards, are further described in the Auditor's Responsibilities for the Audit of the 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), as applicable to audits of consolidated financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the consolidated financial statements of public interest entities in Jordan. We have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter provided in that context .

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

**1. Inadequate allowances (ECL) for credit facilities****Refer to the notes (2-3), (9) and (45) to the consolidated financial statements**

Key Audit matter	How the key audit matter was addressed in the audit
<p>As of 31 December 2025, the Group reported total gross direct credit facilities at amortized cost of JD 4,161,434,333, with expected credit loss provisions of JD 253,852,814. The significance of these amounts highlights the critical importance of accurately estimating credit risk associated with them.</p> <p>The estimation of ECL, governed by IFRS 9, requires significant management judgment and involves complex assumptions, which introduces a high degree of estimation uncertainty. Management must determine if there has been a significant increase in credit risk since the initial recognition of these facilities and apply a three-stage impairment model to calculate ECL. This process includes categorizing loans into stages 1, 2, or 3 and making assumptions about expected future cash flows and macroeconomic factors.</p> <p>Given that credit facilities at amortized cost represent a major portion of the Group's assets, there is a risk that inappropriate impairment provisions could be recorded due to inaccurate data or unreasonable assumptions. The material impact of these judgments on the consolidated financial statements, along with the complexity of the ECL estimation process, makes this area a Key Audit Matter.</p> <p>The impairment provision policy and methodologies are presented in the material accounting policies information and risk management policies within the consolidated financial statement.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• Gained an understanding of the Group's key credit processes, including granting, booking, and impairment provisioning, and tested the effectiveness of controls related to granting and booking of the facilities.</li> <li>• Reviewed the Group's impairment provisioning policy and compared it with the requirements of IFRS 9.</li> <li>• Evaluated the Group's expected credit loss model, focusing on its methodology and compliance with IFRS 9 requirements.</li> <li>• Selected samples of credit facilities, including rescheduled ones, to evaluate the determination of significant increases in credit risk and the classification of exposures into various stages.</li> <li>• For a sample of exposures moved between stages we have checked the appropriateness of the Group's determination of significant increase in credit risk and the basis for classification of exposures into various stages.</li> <li>• Involved specialists to review key parameters such as Probability of Default (PD), Loss Given Default (LGD), and Exposure at Default (EAD), and assessed the overlays considered by management.</li> <li>• Verified the appropriateness of the Group's staging criteria and the accuracy of ECL calculations, including the eligibility and value of collateral.</li> <li>• Assessed the completeness and accuracy of data inputs used in the ECL models and performed checks for mathematical integrity.</li> <li>• Assessed the impairment allowance for a sample of individually impaired credit facilities (Stage 3) in accordance with IFRS 9.</li> <li>• Evaluated the disclosures in the consolidated financial statements to ensure compliance with IFRS 9 requirements.</li> </ul>



## Auditor's Report

### Other information included in the Group's 2025 annual report

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

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

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

### Responsibilities of Management and Those Charged with Governance for the 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's 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 exist, 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.

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

## Auditor's Report

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

### Report on Other Legal and Regulatory Requirements

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

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

Amman – Jordan  
18 February 2026

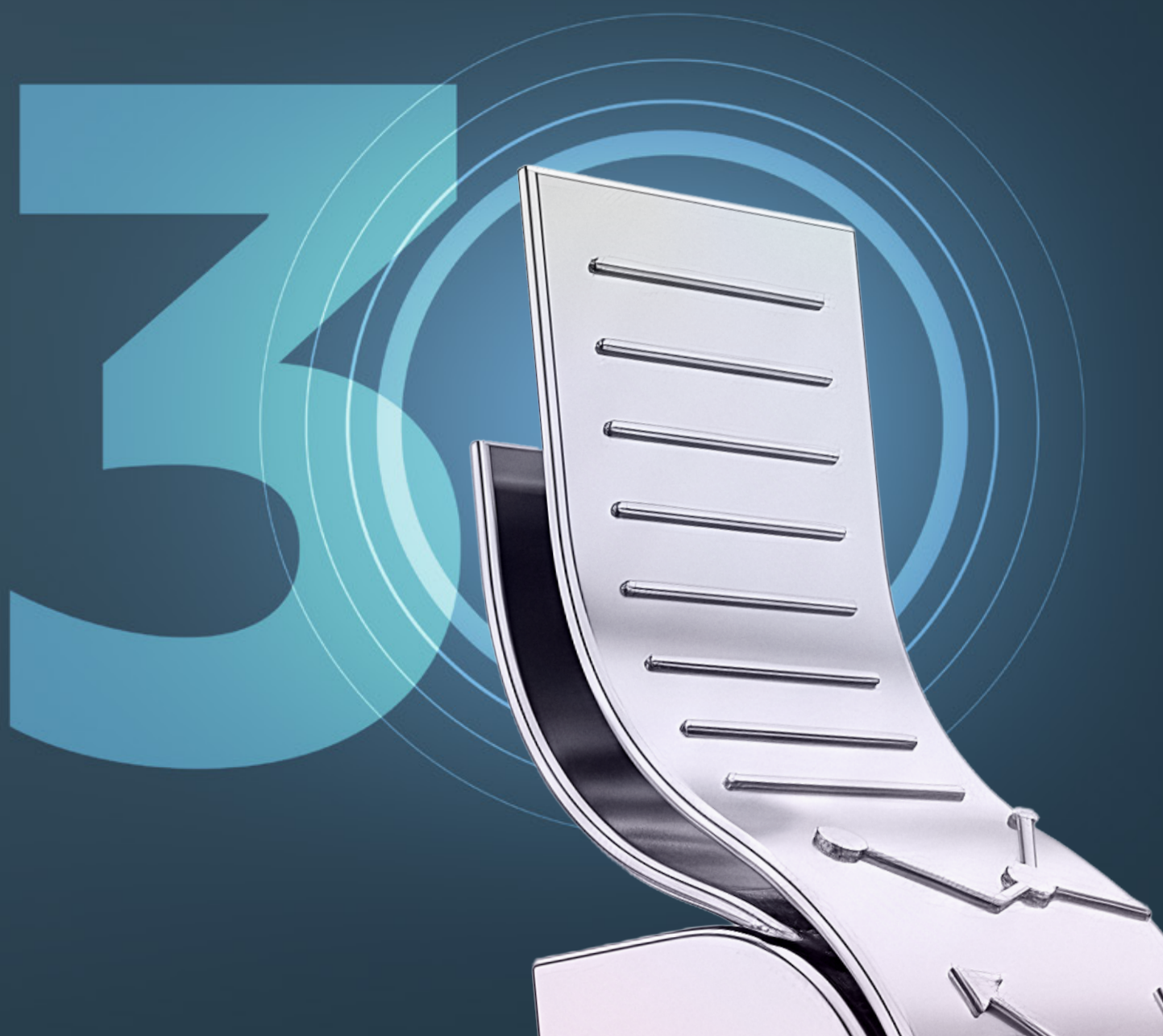
**ERNST & YOUNG**  
Amman - Jordan





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**Consolidated Financial  
Statements 31 December  
2025**



# Consolidated Financial Statements 31 December 2025

## Consolidated Statement of Financial Position

As at 31 December 2025

	Notes	2025 JD	2024 JD
<b>Assets</b>			
Cash and balances with central banks	5	1,192,159,375	1,654,204,813
Balances at banks and financial institutions	6	275,316,920	221,567,195
Deposits with banks and financial institutions	7	3,973,860	-
Financial assets at fair value through other comprehensive income	8	364,689,878	77,917,575
Direct credit facilities at amortized cost, net	9	3,858,067,733	3,429,168,025
Financial assets at amortized cost, net	10	2,151,161,311	2,115,702,468
Pledged financial assets at amortized cost	11	207,412,772	226,054,164
Property, plant and equipment, net	12	117,570,733	105,823,935
Intangible assets, net	13	151,533,604	67,610,165
Right-of-use leased assets	18	22,451,251	18,531,892
Deferred tax assets	22-B	51,004,994	51,876,710
Other assets	14	331,601,308	269,927,425
<b>Total Assets</b>		<b>8,726,943,739</b>	<b>8,238,384,367</b>
<b>Liabilities And Equity</b>			
<b>Liabilities</b>			
Banks' and financial institutions' deposits	15	118,213,626	152,901,755
Customers' deposits	16	5,937,436,544	5,879,067,897
Margin accounts	17	763,819,530	651,071,794
Loans and borrowings	19	438,265,523	499,532,102
Income tax provision	22-A	33,296,961	23,767,686
Deferred tax liabilities	22-B	3,742,367	3,751,165
Sundry provisions	21	5,002,223	857,987
Expected credit losses provision against off-balance sheet items	50	12,394,250	10,182,949
Lease liabilities	18	22,987,550	18,879,870
Other liabilities	23	293,335,149	150,651,218
Subordinated loans	20	109,895,000	15,172,600
<b>Total Liabilities</b>		<b>7,738,388,723</b>	<b>7,405,837,023</b>
<b>Equity</b>			
Equity attributable to the Bank's shareholders			
Authorised, issued and paid in capital	1,25	263,037,122	263,037,122
Additional paid in capital	1,25	68,872,349	68,872,349
Perpetual bonds	24	70,900,000	70,900,000
Statutory reserve	27	94,572,647	81,157,605
Foreign currency translation reserve	28	(4,397,422)	(4,397,422)
Fair value reserve	29	3,747,190	3,967,607
Retained earnings	31	321,357,887	241,048,908
<b>Net equity attributable to the Bank's shareholders</b>		<b>818,089,773</b>	<b>724,586,169</b>
Non-controlling interest	30	170,465,243	107,961,175
<b>Net Equity</b>		<b>988,555,016</b>	<b>832,547,344</b>
<b>Total Liabilities and Equity</b>		<b>8,726,943,739</b>	<b>8,238,384,367</b>



## Consolidated Income Statement

For the Year Ended 31 December 2025

	Notes	2025 JD	2024 JD
Interest income	32	500,883,128	474,723,255
Less: Interest expense	33	242,591,551	264,675,716
Net interest income		258,291,577	210,047,539
Commission income		191,597,495	199,620,489
Less: commission expense		24,345,305	27,669,476
Net commission income	34	167,252,190	171,951,013
Gain from foreign currencies	35	22,248,532	12,793,295
Dividends income from financial assets at fair value through other comprehensive income	8	1,330,248	1,371,601
Gain on sale of financial assets at fair value through other comprehensive income -debt instruments	8	28,295	30,285
Other Income	36	16,834,238	6,691,419
Gross profit		465,985,080	402,885,152
Employees' expenses	37	67,799,698	66,860,774
Depreciation and amortization	12,13,18	35,610,484	31,211,155
Other expenses	38	79,470,982	57,599,052
Losses (gain) on sale of seized assets	14	95,782	(88,355)
Expected credit losses on financial assets	45-A-1	40,600,190	44,241,302
Impairment provision on seized assets	14	13,407,353	3,721,979
Sundry provisions	21	(6,175,847)	13,726,883
Total expenses		230,808,642	217,272,790
Net income before tax		235,176,438	185,612,362
Less: Income tax expense	22	34,092,224	25,476,199
Net income for the year		201,084,214	160,136,163
Attributable to:			
Bank's shareholders		133,384,683	107,946,902
Non - controlling interest		67,699,531	52,189,261
		201,084,214	160,136,163
		0	0
		<b>JD/Fils</b>	<b>JD/Fils</b>
Basic and diluted earnings per share from profit for the year attributable to the bank's shareholders	39	0.495	0.398

## Consolidated Financial Statements 31 December 2025

### Consolidated Statement of Comprehensive Income

For the Year Ended 31 December 2025

	2025 JD	2024 JD
Net income for the year	201,084,214	160,136,163
Add: items that will be reclassified to profit or loss in subsequent periods after excluding the impact of tax		
Change in fair value of the financial assets through other comprehensive income-debt instruments	213,330	104,311
Gain on sale of debt instruments at fair value through other comprehensive income transferred to income statement	(28,295)	(30,285)
Add: income statement items that will not be reclassified to profit or loss in subsequent periods after excluding the impact of tax		
Change in the fair value of financial assets at fair value through other comprehensive income-equity instruments	(368,250)	(736,413)
Total other comprehensive income for the year net of tax	(183,215)	(662,387)
Total comprehensive income for the year	200,900,999	159,473,776
Attributable to:		
Bank's shareholders	133,164,297	107,270,632
Non-controlling interest	67,736,702	52,203,144
	200,900,999	159,473,776

## Consolidated Statement of Changes in Equity

For the Year Ended 31 December 2025

31 December 2025	Authorised, issued and paid in capital JD	Additional paid in capital JD	Perpetual bonds JD	Statutory reserve JD	Foreign currency translation reserve JD	Fair value reserve JD	Retained earnings JD	Equity attributable to the Banks shareholders JD	Non- controlling interest JD	Total equity JD
Balance as at the beginning of the year	263,037,122	68,872,349	70,900,000	81,157,605	(4,397,422)	3,967,607	241,048,908	724,586,169	107,961,175	832,547,344
Net income for the year	-	-	-	-	-	-	133,384,683	133,384,683	67,699,531	201,084,214
Change in fair value of financial assets at fair value through other comprehensive income - debt instruments	-	-	-	-	-	213,330	-	213,330	-	213,330
Gain on sale of financial assets at fair value through other comprehensive income transferred to income statement-debt instruments (Note 8)	-	-	-	-	-	(28,295)	-	(28,295)	-	(28,295)
Change in fair value of financial assets at fair value through other comprehensive income - equity instruments	-	-	-	-	-	(405,421)	-	(405,421)	37,171	(368,250)
Total comprehensive income for the year	-	-	-	-	-	(220,386)	133,384,683	133,164,297	67,736,702	200,900,999
Loss on sale of equity instruments held at fair value through other comprehensive income transferred to retained earnings (Note 8,29)	-	-	-	-	-	(31)	31	-	-	-
Interest related to perpetual bonds, net of tax (Note 24)	-	-	-	-	-	-	(3,117,055)	(3,117,055)	-	(3,117,055)
Expenses related to the subsidiaries' capital increase	-	-	-	-	-	-	(261,131)	(261,131)	(161,069)	(422,200)
Transferred to reserves	-	-	-	13,415,042	-	-	(10,241,981)	3,173,061	(3,173,061)	-
Acquisition of subsidiaries (Note 53)	-	-	-	-	-	-	-	-	14,619,572	14,619,572
Dividends (Note 26)	-	-	-	-	-	-	(39,455,568)	(39,455,568)	(16,518,076)	(55,973,644)
Total balance at the end of the year	263,037,122	68,872,349	70,900,000	94,572,647	(4,397,422)	3,747,190	321,357,887	818,089,773	170,465,243	988,555,016

## Consolidated Financial Statements 31 December 2025

31 December 2025	Authorised, issued and paid in capital		Additional paid in capital		Perpetual bonds		Statutory reserve		Foreign currency translation reserve		Fair value reserve		Retained earnings		Equity attributable to the Banks's shareholders		Non-controlling interest		Total equity	
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balance as at the beginning of the year	263,037,122	68,872,349	70,900,000	69,714,499	(4,397,422)	4,388,724	185,054,830	657,570,102	70,928,966	728,499,068										
Net income for the year	-	-	-	-	-	-	107,946,902	107,946,902	52,189,261	160,136,163										
Change in fair value of financial assets at fair value through other comprehensive income - debt instruments	-	-	-	-	-	104,311	-	-	-	104,311										
Gain on sale of financial assets at fair value through other comprehensive income transferred to income statement-debt instruments (Note 8)	-	-	-	-	-	(30,285)	-	-	-	(30,285)										
Change in fair value of financial assets at fair value through other comprehensive income - equity instruments	-	-	-	-	-	(750,296)	-	-	-	(750,296)										
Total comprehensive income for the year	-	-	-	-	-	(676,270)	107,946,902	107,270,632	52,203,144	159,473,776										
Loss on sale of equity instruments held at fair value through other comprehensive income transferred to retained earnings (Note 8, 29)	-	-	-	-	-	255,153	(255,153)	-	(556)	(556)										
Interest related to perpetual bonds, net of tax and its related expenses (Note 24)	-	-	-	-	-	-	(3,206,386)	(3,206,386)	-	(3,206,386)										
Expenses related to the subsidiaries' capital increase	-	-	-	-	-	-	(231,315)	(231,315)	(143,118)	(374,433)										
Transferred to reserves	-	-	-	11,443,106	-	-	(8,804,402)	2,638,704	(2,638,704)	-										
Dividends (Note 26)	-	-	-	-	-	-	(39,455,568)	(39,455,568)	(12,388,557)	(51,844,125)										
Total balance at the end of the year	263,037,122	68,872,349	70,900,000	81,157,605	(4,397,422)	3,967,607	241,048,908	724,586,169	107,961,175	832,547,344										

Retained earnings include JD 51,004,994 which represents deferred tax assets balance as at 31 December 2025 against JD 51,876,710 as at 31 December 2024, according to the Central Bank of Jordan's and security exchange commission regulations these balances are restricted.

Retained earnings balance as at 31 December 2025 and 31 December 2024 includes an amount of JD 958,330 which represents the effect of the early adoption of IFRS 9 which is related to the measurement and classification. This amount is not available for distribution according to the Securities and Exchange Commission regulations until the amount becomes realized .

An amount equals to the negative balance of fair value reserve is restricted within retained earnings and cannot be utilized according to the Central Bank of Jordan's and security exchange commission regulations.

The Central Bank of Jordan issued Circular No. 10/1/1359 on 25 January 2018 which states the regulations related to IFRS 9 adoption which allowed the Banks to transfer the general banking risks reserve balance to the retained earnings to offset the effect of applying IFRS (9) on the opening balance of the retained earnings as of 1 January 2018. The circular also stated that the unutilized balance from the general banking risks reserve cannot be distributed to shareholders and / or used for other purposes except with the approval of the Central Bank of Jordan. The unutilized balance amounted to JD 8,840,593.

## Consolidated Statement of Cash Flows

For the Year Ended 31 December 2025

	Notes	2025 JD	2024 JD
Operating Activities			
Net income for the year before tax		235,176,438	185,612,362
Adjustments for Non-Cash Items			
Depreciation and amortization	12,13,18	35,610,484	31,211,155
Expected credit losses on financial assets	45-A-1	40,600,190	44,241,302
Gain on sale of financial assets at fair value through other comprehensive income -debt instruments		(28,295)	(30,285)
Impairment provision on seized assets	14	13,407,353	3,721,979
Loss on sale of property and equipment		15,926	165,603
Dividends received from financial assets at fair value through other comprehensive income	8	(1,330,248)	(1,371,601)
Sundry provisions	21	(6,175,847)	13,726,883
Loss (gain) on sale of seized assets	14	95,782	(88,355)
Net accrued interest payable		(21,192,963)	3,571,192
Loss on sale of intangible assets	34	4,832	-
Cash flows from operating activities before changes in assets and liabilities		296,183,652	280,760,235
Changes in assets and liabilities -			
Restricted balances at banks and financial institutions		(299,482)	8,169,055
Restricted balances at central banks		(110,168,538)	(35,420,050)
Direct credit facilities at amortized cost		(480,237,154)	(40,396,630)
Other assets		164,336,255	(20,597,443)
Banks and financial institutions' deposits (maturing in more than three months)		(19,346,211)	-
Customers' deposits		58,368,647	425,956,479
Margin accounts		92,682,730	168,532,045
Other liabilities		(124,636,354)	(16,662,517)
Paid sundry provisions	21	(1,703,890)	(14,064,241)
Net cash flow (used in) from operating activities before income tax		(124,820,345)	756,276,933
Income tax paid	22	(26,035,691)	(24,693,467)
Net cash flow (used in) from operating activities -		(150,856,036)	731,583,466
Investing Activities			
Sale/maturity of financial assets at fair value through other comprehensive income		2,022,309	5,603,491
Purchases of financial assets at fair value through other comprehensive income		(282,713,995)	(5,650,169)
Dividends received from financial assets at fair value through other comprehensive income received		1,330,248	1,371,601
Maturity of financial assets at amortized cost		644,216,544	653,967,855
Purchases of financial assets at amortized cost		(661,710,659)	(877,268,331)
Proceeds from the sale of seized assets		15,329,694	9,897,679
Purchases of property and equipment	12	(16,336,115)	(10,126,156)
Proceeds from sale of property and equipment		194,019	9,252,119
Purchases of intangible assets		(9,169,404)	(15,507,587)
Acquisition of subsidiaries, net of cash acquired	53	(17,256,061)	-
Net cash flow used in investing activities -		(324,093,420)	(228,459,498)
Financing Activities			
Proceeds from loans and borrowings		118,195,528	102,325,667
Repayment of loans and borrowings		(179,462,107)	(188,560,629)
Subordinated Loans		94,722,400	-
Interest related to perpetual bonds and its related expenses		(4,963,000)	(4,751,294)
Dividend paid to non-controlling interests	26	(13,857,574)	(12,388,557)
Lease commitment payments	18	(6,314,736)	(5,122,360)
Cash dividends paid		(38,055,607)	(39,470,455)
Net cash flow used in financing activities -		(29,735,096)	(147,967,628)
Net (Decrease) increase in cash and cash equivalents		(504,684,552)	355,156,340
Cash and cash equivalent at the beginning of the year		1,391,998,445	1,036,842,105
Cash and cash equivalent at the end of the year	41	887,313,893	1,391,998,445

# Consolidated Financial Statements 31 December 2025

## Notes to the Consolidated Financial Statements

As at 31 December 2025

### (1) General Information

Capital Bank is a public shareholding company incorporated in Jordan on 30 August 1995 in accordance with Companies law No.1 for the year 1989 under registration number 291. Its registered office is at Abdali Boulevard, Suliman Al Nabulsi Street, Amman Jordan.

Capital Bank, together with its subsidiaries (the Group) and through its thirty four branches across Jordan, provides retail, corporate banking, and investment banking services. Capital Bank is the ultimate parent of the Group.

The Bank increased its capital during prior years from JD 20 million to reach JD 200 million, through capitalizing reserves, retained earnings and private underwriting.

During 2022, The Bank entered into an agreement with the Saudi Investment Fund, a strategic partner, under which the Fund became one of the Bank's shareholders by investing JD 131,200,000. This investment was allocated as an increase in capital through the issuance of new shares valued at JD 63,037,122, priced at one JD per share. Consequently, the authorized, subscribed, and paid-in capital increased to JD 263,037,122, with the remaining JD 68,162,877 recorded as a share premium (additional paid in capital).

The shares of Capital Bank are fully listed on the Amman Stock Exchange in Jordan.

The Bank also issued (Tier 1) perpetual bonds worth 70,900,000 dinars (\$100 million), which are listed on the Dubai Financial Market.

The consolidated financial statements for the year ended 31 December 2025 were authorised for issue in accordance with a resolution 2/2026 of the board of the directors on 12 February 2026.

### (2) Basis of preparation of the consolidated financial statements and material accounting policies

#### (2-1) Basis of the preparation of the consolidated financial statements

- The accompanying consolidated financial statements of the Bank and its subsidiaries (together the «Group») have been prepared in accordance with IFRS accounting Standards as issued by the International Accounting Standards Board.
- The consolidated financial statements have been presented in Jordanian Dinars which represents the bank's functional currency.
- The consolidated financial statements have been prepared in accordance with the historical cost principle, except for financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income, and financial derivatives, which are measured at fair value as of the date of the consolidated financial statements.

The bank has fully transitioned to and implemented International Financial Reporting Standards (IFRS) starting from January 1, 2024, instead of the modified International Financial Reporting Standards according to the instructions of the Central Bank of Jordan. The differences between these two frameworks are not material to the consolidated financial statements.

The bank presents the items of the consolidated statement of financial position in order of liquidity based on the bank's intention and expected ability to recover/settle most assets/liabilities. Details of the analysis of the distribution of assets and liabilities according to expectations of recovery/settlement of assets and liabilities within 12 months after the date of the financial statements (current) or more than 12 months after the date of the financial statements (non-current) are shown in Note 49.

## (2-2) Basis of consolidation of the financial statements

The consolidated financial statements of Capital Bank of Jordan Group, include the financial statements of Capital Bank of Jordan («the Bank») and its subsidiaries, which are as follows:

Company Name	Percentage of ownership (%)		Date of Acquisition	Principal Activity	Place of Incorporation	Paid-up Capital
	31 December 2025	31 December 2024				
Capital Investment and Brokerage Company Limited	100%	100%	16 May 2005	Brokerage services	Jordan	12,110,000
Capital Investments (DIFC) Ltd	100%	100%	22 December 2013	Financial consulting services	United Arab Emirates	250,000 USD
Capital leasing Company Limited	100%	100%	As a result of the acquisition of Société Générale Bank - Jordan (formerly) in 2022.	Financial leasing activities	Jordan	8,000,000
National Bank of Iraq (NBI) and its branch in Saudi Arabia and its following subsidiaries :	61.85%	61.85%	1 January 2005	Banking services	Iraq	520 Billion Iraq Dinar
* AL-Mal Iraqi Company	100%	100%	29 April 2008	Brokerage services	Iraq	one Billion Iraq Dinar
*National Iraqi Installment Company	51%	51%	As a result of the acquisition of Société Générale Bank - Jordan (formerly) in 2022.	Financial leasing activities	Iraq	10 Billion Iraq Dinar
* Digital future Company for Electronic Distribution Services, General Trading	51%	0%	Decmeber 2025	Electronic Payment Services	Iraq	one Billion Iraq Dinar
* Iraq Gate Electronic Financial Services Limited Liability Company	51%	0%	Decmeber 2025	Electronic Payment Services	Iraq	10 Billion Iraq Dinar
* Union International for Insurance	51%	0%	November 2025	Insurance services	Iraq	5 Billion Iraq Dinar



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Control is achieved when the Bank is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Generally, there is a presumption that a majority of voting rights results in control. However, in individual circumstances, the Bank may still exercise control with a less than 50% shareholding, or may not be able to exercise control even with ownership over 50% of an entity's shares. When assessing whether it has power over an investee and therefore controls the variability of its returns, the Bank considers all relevant facts and circumstances, including:

- The purpose and design of the investee
- The relevant activities and how decisions about those activities are made and whether the Bank can direct those activities
- Contractual arrangements such as call rights, put rights and liquidation rights

Whether the Bank is exposed, or has rights, to variable returns from its involvement with the investee, and has the power to affect the variability of such returns.

Profit or loss and each component of OCI are attributed to the equity holders of the parent of the Bank and to the non-controlling interests (NCIs), even if this results in the NCIs having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Bank's accounting policies. All intra-group assets, liabilities, equity, income, expenses and cash flows relating to transactions between members of the Bank are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without loss of control, is accounted for as an equity transaction. If the Bank loses control over a subsidiary, it derecognizes the related assets (including goodwill), liabilities, NCI and other components of equity, while any resultant gain or loss is recognized in profit or loss. Any investment retained is recognized at fair value at the date of loss of control.

### (2-3) Material accounting policies

#### Segments Information

The business sector represents a group of assets and operations that jointly provide products or services that are subject to risks and returns that differ from those related to other business sectors and which are measured according to the reports used by the executive directors and key decision makers of the bank.

The geographical segment provides services and products in a certain economic environment that is subject to returns and risks that differ from other segments that operate in other economical environments.

#### Net interest income

Interest income and expense for all financial instruments with the exception of those classified as held for trading or measured at fair value is recognized through the consolidated statement of income in "net interest income" as interest income and interest expense using the Effective interest method. Interest on financial instruments measured at fair value through the consolidated statement of income is also included in the fair value movement during the year.

An effective interest rate is the rate at which the estimated future cash flows of a financial instrument are discounted during the expected life of the financial instrument or, when appropriate, for a shorter period, to the net carrying amount of the financial asset or financial liabilities. Future cash flows are estimated by taking into account all contractual terms for the instrument.

Interest income / interest expense is calculated by applying the effective interest rate principle on the total carrying value of financial assets that are not credit impaired (i.e. on the basis of the amortized cost of the financial asset before settlement for any expected credit loss allowance) or to the amortized cost of financial liabilities. With regard to low credit financial assets (the third stage), interest will continue to be calculated and suspended during the same period.

### **Net commission income**

Net commission income and expense includes fees other than the fees that are an integral part of the effective interest rate. The commissions included in this part of the bank's consolidated income list also include commissions charged for the loan service, non-use commissions related to loan obligations when this is unlikely to result in a specific arrangement for lending and co-financing of loans.

For contracts with clients that result in recognition of financial instruments, part of which may be related to IFRS 9 or IFRS 15, case commissions are recognized in the part that relates to IFRS 9 and the remainder is recognized according to IFRS 15.

### **Net trading income (Gains on financial assets at fair value through income statement)**

Net trading income includes all gains and losses from changes in the fair value of financial assets and financial liabilities held for trading. The Bank has elected to display the full fair value movement of the trading assets and liabilities in the trading income, including any related revenue, expenses and dividends.

### **Net income from other financial instruments at fair value through income statement**

Net income from other financial instruments at fair value through the consolidated statement of income includes all gains and losses resulting from changes in the fair value of financial assets and financial liabilities at fair value through the consolidated statement of income except for the assets held for trading. The Bank has elected to present the transaction at full fair value of the assets and liabilities at fair value through the consolidated statement of income in this line, including interest income, expenses and dividends.

The fair value movement of derivatives held for economic hedging is presented where hedge accounting is not applied in «net income from other financial instruments at fair value through the consolidated statement of profits or losses». However, with respect to the designated and effective fair value hedge relationship, the gains and losses on the hedging instrument are presented on the same line item in the consolidated income statement as a hedged item. With regard to certain and effective cash flows and hedge accounting relationships with respect to net investment, the hedging instrument gains and losses, including any hedging ineffectiveness included in the consolidated statement of income, are included in the same item as a hedged item that affects the consolidated statement of income.

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### Dividend income

Dividend income is recognized when the right to receive payment is established, which is the preceding date for listed shares dividends, and usually the date on which shareholders agree to unquoted shares dividends.

The distribution of dividends in the consolidated statement of profits or losses depends on the classification and measurement of investment in shares, that is:

In respect of equity instruments held for trading, dividend income is included in the consolidated statement of income within the gain or (losses) from financial assets at fair value through the consolidated statement of income;

For equity instruments classified at fair value through other comprehensive income, dividends are included in the consolidated statement of income in the item of dividends from financial assets at fair value through other comprehensive income;

For equity instruments not classified at fair value through other comprehensive income and not held for trading purposes, dividend income is recognized as net income from other instruments at fair value through the consolidated statement of income.

### Financial instruments

#### Initial Recognition and Measurement:

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instrument and is recognized in the consolidated statement of financial position and loans are recognized when credited to the clients' account.

Financial assets and financial liabilities are initially measured at fair value, and transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to the fair value of the financial assets or financial liabilities, or deducted from them, as necessary, upon initial recognition, and the transaction costs directly related to acquiring financial assets or financial liabilities at fair value are recognized directly in the consolidated income statement.

If the transaction price differs from the fair value at initial recognition, the bank addresses this difference as follows:

- If the fair value is established at a specified price in an active market for identical assets or liabilities or based on a valuation technique that uses only observable inputs in the market, the difference in income is recognized using initial recognition (i.e. income or loss on the first day);
- In all other cases, the fair value is adjusted to match the transaction price (i.e. the first day's income or loss will be deferred by being included in the initial carrying amount of the asset or liability).

After initial recognition, the deferred income will be taken to the consolidated statement of income on a logical basis, only to the extent that it arises from a change in a factor (including time) that market participants take into account when pricing the asset or liability or when the recognition is revoked of this tool.

## Financial assets

### A) Initial Recognition

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. Transaction costs that are directly attributable to the acquisition of financial assets designated at fair value through income are recognized in the consolidated statement of income.

### B) Subsequent measurement

All recognized financial assets that fall within the scope of IFRS (9) later are required to be measured at amortized cost or fair value based on the entity's business model for managing financial assets and the contractual cash flow characteristics of the financial assets, specifically the following:

- The financing instruments maintained in the business model that aims to collect contractual cash flows, and which have contractual cash flows that are only principal and interest payments on the principal outstanding, are subsequently measured at amortized cost;
- Funding instruments held within the business model that aims to both collect contractual cash flows and sell debt instruments, which have contractual cash flows that are only principal and interest payments on the principal amount outstanding, and are subsequently measured at fair value through other comprehensive income
- All other financing instruments (such as debt instruments managed on a fair value basis, or held for sale) and equity investments are subsequently measured at fair value through the statement of income.

However, the bank can choose for that to be irrevocable after initial recognition of the financial asset on a per-asset basis, as follows:

- The bank can make the irreversible selection by including subsequent changes in the fair value of the investment in non-held property rights for trading or a possible replacement recognized by the buyer within the business merger to which the IFRS 3 applies, in other comprehensive income
- The bank can determine indefinitely the financing instruments that meet the amortized cost or fair value criteria through other comprehensive income as measured by the fair value from the statement of profits or losses if that abolishes or significantly reduces the inconsistency in accounting (referred to as the fair value option).

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### C) Debt instruments at amortized cost or fair value through other comprehensive income

The Bank assesses the classification and measurement of financial assets based on the contractual cash flow characteristics of the asset and the Bank's business model for managing the financial asset.

For a financial asset to be classified and measured at amortized cost or at fair value through other comprehensive income, its contractual terms must give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For the purposes of testing principal and interest principal payments (SPPI), the asset is the fair value of the financial asset upon initial recognition. This principal amount may change over the life of the financial asset (for example, if the principal is repaid). Interest consists of the allowance for the time value of money, the credit risk associated with the principal amount outstanding during a specified period of time and other basic lending options and risks, as well as the profit margin. An evaluation of principal and interest payments is made on the principal amount in the currency in which the financial asset is denominated.

The contractual cash flows that represent principal and interest payments on the principal amount outstanding are consistent with the underlying financing arrangement. Contractual terms that involve exposure to risks or fluctuations in contractual cash flows that are not linked to the primary financing arrangement, such as exposure to changes in stock prices or commodity prices, do not lead to contractual cash flows that are only payments of principal and interest. Also, the granted or acquired financial asset can be a basic financing arrangement regardless of whether it is a loan in its legal form.

### D) Business Model Assessment

The bank adopts more than one business model to manage its financial instruments that reflect how the bank manages its financial assets in order to generate cash flows. The bank's business models determine whether the cash flows will result from collecting contractual cash flows or selling financial assets, or both.

The bank considers all relevant information available when conducting an evaluation of the business model. However, this assessment is not performed on the basis of scenarios that the bank does not reasonably expect to occur, such as so-called «worst-case» or «stress-case» scenarios. The bank also takes into account all available relevant evidence such as the following:

- The policies and objectives announced for the portfolio and the application of those policies whether the management strategy focuses on obtaining contractual revenue, maintaining a specific rate of profit, and matching the period of financial assets with the period of financial liabilities that finance those assets or achieving cash flows through the sale of assets.
- How to assess the performance of the business model and the financial assets held in this business model and inform key management personnel about this; and
- Risks that affect the performance of the business model (and the financial assets present in that model), and in particular the way those risks are managed.
- How to compensate business managers (for example, whether compensation is based on the fair value of assets under management or on contractual cash flows collected).

Upon initial recognition of the financial asset, the bank determines whether the recently recognized financial assets are part of an existing business model or whether it reflects the beginning of a new business model. The bank reassesses its business models in each reporting period to determine whether the business models have changed since the previous period.

When the debt instrument measured at fair value through other comprehensive income is derecognized, the cumulative gain / loss previously recognized in other comprehensive income in equity is reclassified to the consolidated statement of income. In contrast, for equity investment measured at fair value through other comprehensive income, the cumulative gain / loss previously recognized in other comprehensive income is not subsequently reclassified to the consolidated statement of income but rather is transferred directly to retained earnings within equity.

Debt instruments that are subsequently measured at amortized cost or fair value through other comprehensive income are subject to a impairment test.

### **E) Financial assets - assess whether contractual cash flows are payments of principal and interest only:**

For the purposes of this evaluation, «principal amount» is defined as the fair value of a financial asset at the date of the initial recognition. “Interest” is defined as the consideration of the time value of money, the credit risk associated with the principal of the amount outstanding during a specific time period, and other underlying borrowing costs (such as liquidity risk and administrative costs), as well as a profit margin.

In assessing whether contractual cash flows are only payments of principal and interest, the bank has considered the contractual terms of the instrument. This includes assessing whether the financial assets involve a contractual period that can change the timing or amount of contractual cash flows and therefore the condition does not meet payments only for principal and interest. In making this assessment, the bank considers:

- Emergency events that change the amount or timing of cash flows.
- Prepaid features and the possibility to extend.
- Conditions that define the bank's claim for cash flows from a specified asset.

### **F) Financial assets at fair value through income statement**

Financial assets at fair value through income are the following:

- Assets with contractual cash flows that are not principal and interest payments on the principal outstanding, or / and
- Assets held within the business model other than those held to collect contractual cash flows or held for collection and sale; or
- Assets designated at fair value through income statement using the fair value option.

These assets are measured at fair value, with any gains / losses arising from re-measurement recognized in the consolidated statement of income.

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### G) Reclassification

If the business model under which the bank holds financial assets changes, the financial assets that are affected by this change will be reclassified. The classification and measurement requirements for the new category will apply prospectively, starting from the first day of the reporting period following the change in the business model that results in the reclassification of the bank's financial assets. Changes in contractual cash flows are considered within the accounting policy related to the modification and derecognition of financial assets as outlined below. The bank does not reclassify financial assets after their initial recognition, except in exceptional cases where the bank acquires or sells a business unit. Financial liabilities are not reclassified permanently.

### Foreign exchange gains and losses

The carrying amount of financial assets recorded in foreign currency is determined and translated at the rates prevailing at the end of each reporting period. More specifically:

- Financial assets measured at amortized cost that are not part of a specific hedging relationship, it recognizes the difference in currency in the statement of profits or losses; and
- Debt instruments measured at fair value through other comprehensive income that are not part of a specific hedging relationship, exchange differences on the amortized cost of the debt instrument are recognized in the statement of income. Other exchange differences in other comprehensive income are recognized in the investment revaluation reserve; and
- Financial assets measured at fair value through the consolidated statement of profits or losses that are not part of a specific hedge accounting relationship, exchange differences from income are recognized in the consolidated statement of income;
- Equity instruments measured at fair value through comprehensive income, exchange rate differences in other comprehensive income are recognized in the investment revaluation reserve.

### Fair value option:

A financial instrument with a fair value can be measured reliably at fair value through the consolidated statement of income (fair value option) upon initial recognition, even if the financial instruments are not acquired or incurred primarily for the purpose of selling or repurchasing. The fair value option for financial assets can be used if it substantially eliminates or reduces the inconsistency of the measurement or recognition that would otherwise have arisen from the measurement of assets or liabilities, or the recognition of related profit and loss on a different basis ("accounting mismatch"). The fair value option for financial liabilities can be chosen in the following cases:

- If the choice leads to the cancellation or substantially reduces accounting mismatch.
- If the financial liabilities are part of a portfolio managed on a fair value basis, according to a documented risk or investment management strategy.
- If there is a derivative included in the underlying financial or non-financial contract and the derivative is not closely related to the underlying contract.

These tools cannot be reclassified to fair value through the consolidated statement of income while they are held or issued. Financial assets designated at fair value through the consolidated statement of income are recorded at fair value with any unrealized gains or losses arising from changes in the fair value recognized in investment income.



## Impairment

The Bank recognizes loss allowances for expected credit loss on The following financial instruments that are not measured at fair value through The consolidated statement of income:

- Balances and deposits with banks and banking institutions.
- Direct credit facilities (loans and advances to customers).
- Financial assets at amortized cost (debt instrument securities).
- Financial assets at fair value through the statement of other comprehensive income - debt instruments
- Exposures off the balance sheet subject to credit risk (financial guarantee contracts issued).

Impairment loss is not recognized in equity instruments.

With the exception of Purchased or Originated rating-Impaired' (POCI) financial assets (which are considered separately below), ECL are required to be measured through a loss allowance at an amount equal to:

- 12-month ECL, i.e. lifetime ECL that result from those default events on the financial instrument that can be realized within 12 months after the reporting date, referred to in Stage 1.
- 12-month ECL, i.e. lifetime ECL that result from those possible default events over the age of the financial instrument, referred to in Stage 2 and Stage 3.

A loss allowance for lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition. For all other financial instruments, ECL are measured at an amount equal to the 12-month ECL.

ECL are a probability-weighted estimate of the present value of credit losses. These are measured as the present value of the difference between the cash flows due to the Bank under the contract and the cash flows that the Bank expects to receive, which arise from the weighting of multiple future economic scenarios, discounted at the asset's effective interest rate.

For the limits not utilized, the expected credit loss is the difference between the present value of the difference between the contractual cash flows due to the Bank if the borrower withdraws the financing and the cash flows that the Bank expects to receive if the financing is utilized.

For financial guarantee contracts, the ECL is the difference between the expected payments to reimburse the holder of the guaranteed debt instrument less any amounts that the Bank expects to receive from the instrument holder, the customer or any other party.

All other financial assets, with the exception of debt instruments carried at amortized cost, are subsequently measured at fair value.

The Bank measures ECL on an individual basis, or on the portfolio basis that share similar economic risk characteristics. The measurement of the loss allowance is based on the present value of the asset's expected cash flows using the asset's original EIR, regardless of whether it is measured on an individual basis or a portfolio basis.



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### Credit-impaired financial assets:

A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Credit-impaired financial assets are referred to as Stage 3 assets. Evidence of credit-impairment includes observable data about the following events:

- Significant financial difficulty faced by borrower or issuer.
- Breach of contract, for example, default or delay in payment.
- The Bank grants the borrower a waiver for economic or contractual reasons related to the borrower's financial difficulty.
- The disappearance of an active market for that financial asset because of financial difficulties.
- The purchase of a financial asset at a deep discount that reflects the incurred credit losses.

It may not be possible to identify a single discrete event, instead, the combined effect of several events may have caused financial assets to become credit-impaired. The Bank assesses whether debt instruments that are financial assets measured at amortized cost or FVTOCI are credit-impaired at each reporting date. To assess if sovereign and corporate debt instruments are credit impaired, the Bank considers factors such as bond yields, credit ratings and the ability of the borrower to raise funding.

A loan is considered credit-impaired when a concession is granted to the borrower due to a deterioration in the borrower's financial condition, unless there is evidence that as a result of granting the concession the risk of not receiving the contractual cash flows has reduced significantly and there are no other indicators of impairment. For financial assets where concessions are contemplated but not granted, the asset is deemed credit impaired when there is observable evidence of credit-impairment including meeting the definition of default. The definition of default includes possibility of a backstop if amounts are overdue for 90 days or more. However, cases where the asset's impairment is not recognized after (90) days of maturity, are supported by reasonable information.

### Financial assets purchased or originated that are credit - impaired:

Financial assets that are purchased or originated with credit impairment are treated differently, since the asset has low credit quality at initial recognition. For such assets, the bank recognizes all changes in lifetime expected credit losses from the time of initial recognition as a loss allowance, and any changes are reflected in the consolidated income statement. A positive change in these assets results in a reversal of impairment, leading to impairment gains.

### Definition of default:

The definition of default is deemed critical to the determination of ECL. The definition of default is used in measuring the amount of ECL and in the determination of whether the loss allowance is based on 12-month or lifetime ECL, as default is a component of the probability of default (PD) which affects both the measurement of ECL and the identification of a significant increase in credit risk as shown below.

The Bank considers the following as an event of default:

- The borrower defaults for more than 90 days on any significant credit obligation to the Bank.
- The borrower is unlikely to pay his credit obligations to the of the Bank in full.

The definition of default is appropriately tailored to reflect different characteristics of different types of assets. Overdrafts are considered as being past due once the customer has breached an advised limit or has been advised of a limit smaller than the current amount outstanding.

When assessing if the borrower is unlikely to pay its credit obligation, the Bank takes into account both qualitative and quantitative indicators. The information assessed depends on the type of the asset, for example in corporate lending a qualitative indicator used is the breach of covenants, which is not relevant for retail lending. Quantitative indicators, such as overdue status and non-payment of another obligation to the same counterparty are key inputs in this analysis. The Bank uses a variety of sources of information to assess default which are either developed internally or obtained from external sources.

- Interest and commissions are suspended on non-performing credit facilities granted to clients.
- Credit facilities and their suspended interest covered by provisions are transferred entirely off the consolidated statement of financial position, in accordance with the decisions of the Board of Directors in this regard.
- Interest is suspended on the accounts with law suits outside the consolidated statement of financial position in accordance to the management decision regarding this matter.

When the Group purchases a financial asset and concludes an agreement simultaneously to resell the asset (or a substantially similar asset) at a fixed price at a later date (repurchase or borrowing shares), the consideration paid is calculated as a loan or advance, and the asset is not recognized in the Group's financial statements.

### **Significant increase in credit risk:**

The Bank monitors all financial assets, issued loan commitments and financial guarantee contracts that are subject to impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk, the Bank will measure the loss allowance based on lifetime rather than 12-month ECL.

The Bank will not consider that financial assets with 'low' credit risk at the reporting date did not have a significant increase in credit risk. As a result, the Bank monitors all financial assets, issued loan commitments and financial guarantee contracts that are subject to impairment for significant increase in credit risk.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Bank compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognized. In making this assessment, the Bank considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort, based on the Bank's historical experience and expert credit assessment including forward-looking information.

Multiple economic scenarios form the basis of determining the probability of default at initial recognition and at subsequent reporting dates. Different economic scenarios will lead to a different probability of default. It is the weighting of these different scenarios that forms the basis of a weighted average probability of default that is used to determine whether credit risk has significantly increased.

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For corporate financing, forward-looking information includes the future prospects of the industries in which the Bank's counterparties operate, that can be obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organizations, as well as taking into consideration various internal and external sources of actual and forecast economic information. For retail financing, forward looking lending information includes the same economic forecasts as corporate lending with additional forecasts of local economic indicators, particularly for regions with a concentration to certain industries, as well as internally generated information of customer payment behavior. The Bank allocates its counterparties to a relevant internal credit risk grade depending on their credit quality. The quantitative information is a primary indicator of significant increase in credit risk and is based on the change in lifetime PD by comparing:

- The remaining lifetime PD at the date of reporting.
- The remaining lifetime PD at a point in time that was estimated based on facts and circumstances at the initial recognition of the exposure.

The PDs are considered forward-looking, and the Bank uses the same methodologies and data used to measure the expected credit loss provisions.

The qualitative factors that indicate significant increase in credit risk are reflected in PD models on a timely basis. However, the Bank still considers separately some qualitative factors to assess if credit risk has increased significantly. For corporate lending, there is particular focus on assets that are included on a 'watch list' given an exposure is on a watch list once there is a concern that the creditworthiness of the specific counterparty has deteriorated. For retail lending, the Bank considers the expectation of forbearance and payment holidays, credit scores and events such as unemployment, bankruptcy, divorce or death.

Given that a significant increase in credit risk since initial recognition is a relative measure, a given change, in absolute terms, in the PD will be more significant for a financial instrument with a lower initial PD than compared to a financial instrument with a higher PD.

As a back-stop when an asset becomes 30 days past due, the Bank considers that a significant increase in credit risk has occurred and the asset is in stage 2 of the impairment model, i.e. the loss allowance is measured as the lifetime ECL.

### Modification and de-recognition of financial assets

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/ or timing of the contractual cash flows either immediately or at a future date. In addition, the introduction or adjustment of existing covenants of an existing loan would constitute a modification even if these new or adjusted covenants do not yet affect the cash flows immediately but may affect the cash flows depending on whether the covenant is or is not met (e.g. a change to the increase in the interest rate that arises when covenants are breached).

The bank renegotiates loans with customers who face financial difficulties to increase collection and reduce the risk of default. The terms of repayment of the loan are facilitated in cases where the borrower has made all reasonable efforts to pay under the original contractual terms, and an important risk of default or default has occurred and it is expected that the borrower will be able to fulfil the revised

terms. The revised terms in most of the cases include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan (principal and interest repayment), reduction in the amount of cash flows due (principal and interest forgiveness) and amendments to covenants. The bank has a waiting policy that applies to corporate and individual lending.

When a financial asset is modified, the bank assesses whether this amendment leads to de-recognition. As per the Bank's policy, the modification leads to de-recognition when it causes a significant difference in the terms

- Qualitative factors, such as the non-existence of contractual cash flows after modification as SPPI, change in currency or change in the counterparty, or extent of change in interest rates, maturity, or covenants. If this does not clearly indicate a fundamental modification.
- Conducting a quantitative evaluation to compare the present value of the remaining contractual cash flows under the original terms with the contractual cash flows in accordance with the revised terms, and deduct both amounts based on the original effective interest.

In the case where the financial asset is derecognized, the loss allowance for ECL is remeasured at the date of de-recognition to determine the net carrying amount of the asset at that date. The difference between this revised carrying amount and the fair value of the new financial asset with the new terms will lead to a gain or loss on de-recognition. The new financial asset will have a loss allowance measured based on 12-month ECL except in the rare occasions where the new loan is considered to be originated as credit-impaired. This applies only in the case where the fair value of the new loan is recognized at a significant discount to its revised par amount because there remains a high risk of default which has not been reduced by the modification. The Bank monitors credit risk of modified financial assets by evaluating qualitative and quantitative information, such as if the borrower is in past due status under the new terms.

When the contractual terms of a financial asset are modified and the modification does not result in de-recognition, the Bank determines if the financial asset's credit risk has increased significantly since initial recognition by comparing:

- The remaining lifetime PD estimated based on data at initial recognition and the original contractual terms.
- The remaining PD at the reporting date based on the revised terms.

For financial assets modified as part of the Bank's forbearance policy, where modification did not result in de-recognition, the estimate of PD reflects the Bank's ability to collect the modified cash flows taking into account the Group's previous experience of similar forbearance action, as well as various behavioral indicators, including the borrower's payment performance against the modified contractual terms. If the credit risk remains significantly higher than what was expected at initial recognition, the loss allowance will continue to be measured at an amount equal to lifetime ECL. The loss allowance on forborne loans will generally only be measured based on 12-month ECL when there is evidence of the borrower's improved repayment behavior following modification leading to a reversal of the previous significant increase in credit risk.

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Where a modification does not lead to de-recognition, the Bank calculates the modification gain/loss comparing the gross carrying amount before and after the modification (excluding the ECL allowance). Then, the Bank measures ECL for the modified asset, where the expected cash flows arising from the modified financial asset are included in calculating the expected cash shortfalls from the original asset.

The Bank derecognizes a financial asset only when the contractual rights to the asset's cash flows expire, or when the financial asset and substantially all the risks and rewards of ownership of the asset are transferred to another entity. If the Bank neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Bank recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Bank retains substantially all the risks and rewards of ownership of a transferred financial asset, the Bank continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain/ loss that had been recognized in OCI and accumulated in equity is recognized in the consolidated statement of income, with the exception of equity investment designated as measured at FVTOCI, where the cumulative gain/ loss previously recognized in OCI is not subsequently reclassified to the consolidated statement of income.

### Write-offs

Financial assets are written off when there is no reasonable expectation of recovery, such as the customer not participating in a payment plan with the Bank. The Bank classifies the funds or amounts due for write-off after exhausting all possible payment methods and taking the necessary approvals. However, if the financing or receivable is written off, the Bank continues the enforcement activity to try to recover the outstanding receivables, which are recognized in the consolidated statement of income upon recovery.

Presentation of expected credit loss allowances in consolidated financial statements

- For financial assets measured at amortized cost: as a deduction from the gross carrying amount of the assets.
- For debt instruments measured at FVTOCI: no loss allowance is recognized in the consolidated statement of financial position as the carrying amount is at fair value. However, the loss allowance is included as part of the revaluation amount in the investments revaluation reserve;
- Loans commitments and financial guarantee contracts: as a provision.
- Where a financial instrument includes both a drawn and an undrawn component, and the Bank cannot identify the ECL on the loan commitment component separately from those on the drawn component, the Bank presents a combined loss allowance for both components. The combined amount is presented as a deduction from the gross carrying amount of the drawn component. Any excess of the loss allowance over the gross amount of the drawn component is presented as a provision.

## Loans and advances

The «loans and advances» included in the statement of financial position comprise the following:

- Loans and advances measured at amortized cost; initially measured at fair value plus incremental direct transaction costs, and subsequently measured at amortized cost using the effective interest method.
- Loans and advances, which are measured at FVTPL or designated as at FVTPL; are measured at fair value with changes recognized immediately in income.

## Financial liabilities and equity

Issued Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

A financial liability is a contractual obligation to deliver cash or another financial asset or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the Bank or a contract that will or may be settled in the Bank's own equity instruments and is a non-derivative contract for which the Bank is or may be obliged to deliver a variable number of its own equity instruments, or a derivative contract over own equity that will or may be settled other than by the exchange of a fixed amount of cash (or another financial asset) for a fixed number of the Bank's own equity instruments.

## Equity instruments

Equity instruments are any contract that evidences a residual interest in the assets of the entity after deducting all of its liabilities. The equity instruments issued by the bank are recognized according to the returns received, after deduction of direct issuance costs.

### A) Share capital

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Bank are recognized at the proceeds received, net of direct issue costs.

### B) Composite instruments

The component parts of the composite instruments (such as convertible notes) issued by the Bank are classified separately as financial liabilities and equity in accordance with the content of the contractual arrangements, definitions of financial liabilities and equity instruments. The transfer option that will be settled by exchanging a fixed cash amount or other financial asset for a specified number of the company's equity instruments is an equity instrument. At the date of issue, the fair value of the liability component is estimated using the prevailing interest rate in the market for similar non-convertible instruments. In the case of non-embedded related derivatives, they are first separated and the remaining financial liabilities are recorded on an amortized cost basis using the effective interest method until they are extinguished upon conversion or on the instrument's maturity date.

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### C) Perpetual Bonds

Perpetual bonds issued by the Group for capital support purposes are classified as part of equity and the interest earned on them is recorded as a deduction from retained earnings.

### Financial liabilities

Financial liabilities are classified as either financial liabilities at fair value through income statement or other financial liabilities.

#### A) Financial liabilities at fair value through income statement

Financial liabilities are classified at fair value through the statement of profits or losses when financial liabilities (1) are held for trading or (2) are classified at fair value through the statement of income. A financial liability is classified as held for trading if:

- It was primarily incurred for the purpose of repurchasing it in the short term; or
- At initial recognition, this is part of the portfolio of specific financial instruments that are managed by the bank and which have a modern pattern of profit taking in the short term; or
- It is a non-specific and effective derivative as a hedging instrument.

A financial liability other than a financial liability held for the purpose of trading or the possible consideration that a buyer may pay as part of a business combination at fair value is determined through the statement of income upon initial recognition if:

- This classification would substantially eliminate or reduce the inconsistency of the measurement or recognition that might otherwise arise; or
- The financial obligation was part of the group of financial assets, financial liabilities, or both, whose performance is managed and evaluated on a fair value basis, in accordance with the documented risk or investment management strategy of the bank, and information related to the formation of the group was provided internally on this basis; or
- If the financial obligation forms part of a contract that contains one or more derivatives, and IFRS 9 allows a fully hybrid contract (compound) to be determined at fair value through the statement of income.

Financial liabilities are stated at fair value through the statement of income at fair value, and any gains or losses arising from re-measurement are recognized in the statement of income to the extent that they are not part of a specific hedge relationship. The net profit / loss recognized in the statement of income includes any interest paid on financial liabilities and is included in the item "net income from other financial instruments at fair value through the statement of income."

However, in respect of non-derivative financial liabilities designated at fair value through the statement of income, the amount of the change in the fair value of the financial liabilities that resulted from changes in the credit risk of those liabilities is included in other comprehensive income, unless recognition of the effects of changes in credit risk arises Liabilities in other comprehensive income to create or increase accounting inconsistencies in the consolidated statement of income. The remaining amount of changes



in the fair value of the liability is recognized in the consolidated statement of income, and changes in the fair value attributable to the credit risk of the financial liabilities recognized in other comprehensive income are subsequently reclassified as income. Instead, it is transferred to retained earnings upon derecognition of the financial liability.

With regard to loan obligations issued and financial guarantee contracts classified at fair value through the statement of income, all gains and losses are included in the consolidated statement of income.

When determining whether recognition of changes in the credit risk of liabilities in other comprehensive income will create or increase the accounting mismatch in the consolidated statement of income, the bank assesses whether it expects to offset the effects of changes in the credit risk of the liabilities in the consolidated statement of income. A change in the fair value of another financial instrument that was measured at fair value through the consolidated statement of income.

## **B) Other financial liabilities**

Other financial liabilities, including deposits and loans, are initially measured at fair value, net of transaction costs. Other financial liabilities are then measured at amortized cost, using the effective interest method.

The effective interest method is a method for calculating the amortized cost of a financial liability and allocating interest expenses over the relevant period. An effective interest rate is the rate that exactly discounts estimated future cash payments during the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount at initial recognition to obtain details on the effective interest rate.

## **C) Derecognition of financial liabilities**

Financial liabilities are derecognized when they are extinguished (i.e. when the obligation specified in the contract is discharged, cancelled or expired), the difference between the book value of the financial liabilities derecognized and the consideration paid and payable is recognized in the consolidated statement of profit or loss.

When the bank exchanges one debt instrument with the current lender for another instrument on significantly different terms, this exchange is accounted for as amortization of the original financial liabilities and new financial liabilities are recognized. Likewise, the bank treats the material amendment to the terms of the existing obligation or part thereof as amortization of the original financial liability and recognition of the new obligation. The terms are assumed to differ materially if the reduced present value of the cash flows is under the new terms, including any fees paid, net of any fees received and discounted using the original effective rate of at least 10% from the reduced present value of the remaining cash flows of the original financial liabilities.



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### Derivative financial instruments:

The bank enters into a variety of derivative financial instruments, some of which are held for trading while others are maintained to manage exposure to interest rate risk, credit risk, and foreign exchange rate risk. Financial derivatives include foreign currency forward contracts, interest rate swaps, interest rate swaps across currencies and credit default swaps.

Derivatives are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at their fair value at the date of each statement of financial position. The resulting profits/ losses are recognized in the consolidated statement of income immediately unless the derivative is identified and are effective as a hedging instrument, in which case the timing of recognition in the consolidated statement of income depends on the nature of the hedge relationship. The Bank identifies certain derivatives as either fair value hedges for recognized assets and liabilities, or for the company's obligations (fair value hedges), potential forecasting hedges, foreign currency risk hedges for fixed obligations (cash flow hedges) or net investments in foreign operations (net investment hedges).

Derivatives with positive fair value are recognized as a financial asset, while derivatives with negative fair value are recognized as financial liabilities. Derivatives are presented as non-current assets or non-current liabilities if the residual maturity of the instrument is more than (12) months and is not expected to be realized or settled within (12) months. Other derivatives are presented as current assets or current liabilities.

### Embedded derivatives

Derivatives embedded in financial liabilities or other non-financial asset host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at fair value through the consolidated statement of income.

An embedded derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the hybrid instrument to which the embedded derivative relates is more than 12 months and is not expected to be realized or settled within 12 months. Other embedded derivatives are presented as current assets or current liabilities.

### Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss incurred because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Bank's entity are initially measured at their fair value, and if they are not determined at fair value through the consolidated statement of income that does not result from the transfer of a financial asset, they are subsequently measured:

- The amount of the loss allowance determined in accordance with IFRS (9).
- The amount initially recognized, less, where appropriate, the amount of accumulated income recognized in accordance with the Bank's revenue collection policies, whichever is greater.

Financial guarantee contracts that are not designated at fair value through the consolidated statement of income are presented as provisions in the consolidated statement of financial position and remeasurement is presented in other income.

The Bank did not specify any financial guarantee contracts at fair value through the consolidated statement of income.

Commitments to provide a loan at an interest rate lower than the market price:

Commitments to provide a loan at an interest rate lower than the market price are measured initially at their fair value, and if they are not determined at fair value through the consolidated statement of income, they are subsequently measured:

- The amount of the loss allowance determined in accordance with IFRS (9).
- The amount initially recognized, less, where appropriate, the amount of accumulated income recognized in accordance with the Bank's revenue collection policies, whichever is greater.

Commitments to provide a loan at an interest rate lower than the market price, which are not designated at fair value through the consolidated statement of income are presented as provisions in the consolidated statement of financial position, and remeasurement is presented in other income.

The bank did not designate any commitments to provide a loan at an interest rate lower than the market price, which are designated at fair value through the consolidated statement of income.

## **Derivative financial instruments**

### **A) Trading derivatives**

The fair value of financial instrument derivatives held for trading purposes (such as foreign currency forward contracts, future interest contracts, swap contracts, foreign exchange rate options rights) is recorded in the consolidated statement of financial position, and the fair value is determined according to prevailing market prices. valuation, and the amount of changes in fair value is recorded in the consolidated statement of income.

### **B) Hedge accounting**

The bank identifies certain derivatives as hedging instruments with respect to foreign currency and interest rate risks in fair value hedges, cash flow hedges or net investment hedges in foreign operations as appropriate. Hedges of foreign exchange risk on bank liabilities are also accounted for as cash flow hedges. The Bank does not apply fair value hedge accounting to interest rate risk portfolio hedges. In addition, the bank does not use the exemption to continue using the hedge accounting rules using International Accounting Standard No. (39), meaning that the bank applies the hedge accounting rules of IFRS 9.

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At the inception of the hedge relationship, the bank documents the relationship between the hedging instrument and the hedged item, as well as its risk management objectives and strategy for undertaking various hedging transactions. Furthermore, at hedge inception and on an ongoing basis, the bank documents whether the hedging instrument is effective in offsetting the changes in the fair value or cash flows of the hedged item that can be attributed to the hedged risk, and at which all hedging relationships meet the following hedge effectiveness requirements:

- There is an economic relationship between the hedged item and the hedging instrument; and
- The impact of credit risk does not dominate the changes in value resulting from this economic relationship; and
- The hedging ratio for the hedging relationship is the same resulting from the quantity of the hedged item for which the bank is actually hedging and the amount of the hedging instrument that the bank actually uses to hedge that quantity of the hedged item.

The bank re-balances the hedge relationship in order to comply with the requirements of the hedge ratio as necessary. In such cases, the stopover may be applied to only part of the hedging relationship. For example, the hedge ratio may be adjusted in such a way that a portion of the hedging item is no longer part of the hedge relationship, and hence hedge accounting is discontinued only for the size of the hedging item that is no longer part of the hedging relationship.

If the hedging relationship ceases to meet the hedge effectiveness requirements for the hedge ratio but the risk management objective for that hedge relationship remains the same, then the Group adjusts the hedge ratio for the hedge relationship (such as rebalancing the hedge again) so that the criteria for the hedge are regrouped.

In some hedge relationships, the bank only determines the true value of the options. In this case, the change in the fair value of the time value component of the option contract in other comprehensive income, over the hedging period, is deferred to the extent that it relates to the hedged item and is reclassified from equity to the income statement when the hedged item does not lead to the recognition of the non-financial items. . The Bank's risk management policy does not include hedging of items that lead to recognition of non-financial items, because the bank's risk relates to financial substances only.

The hedged items determined by the bank are period-related hedging items, which means that the original time value of the option relating to the hedged item of equity is amortized to the income statement on a rational basis (for example, according to the straight-line method) over the life of the hedge.

In some hedging relationships, the bank excludes from the determination of the forward component of a forward contract or a currency difference of the currency hedging instrument. In this case, the same treatment applies as for the time value of the options. The treatment of the forward component of the forward contract and the component on a currency basis is optional, and the option is applied on a hedged basis separately, unlike the treatment of the time value of the options that are considered mandatory. With regard to hedging relationships and forward derivatives or foreign currencies such as interest rate swaps across currencies, when the forward component or the difference on a currency basis is excluded from the rating, the bank generally recognizes the excluded component in other comprehensive income.

Detail the fair values of the derivative instruments used for hedging purposes and the movements in equity hedge reserve.

### C) Fair value hedges

Changes in the fair value of qualifying hedging instruments are recognized in the consolidated statement of profit or loss, except when the hedging instrument hedges an equity instrument designated at fair value through other comprehensive income, in which case the changes in fair value are recognized in other comprehensive income.

The Bank has not designated any fair value hedge relationships in which the hedging instrument hedges an equity instrument designated at fair value through other comprehensive income.

The book value of the hedged item that is not measured at fair value is adjusted for the change in fair value attributable to the hedged risk with a corresponding entry recognized in the consolidated statement of profit or loss; however, for debt instruments measured at fair value through other comprehensive income, the carrying amount is not adjusted as it is already measured at fair value, and instead the portion of the fair value gain or loss attributable to the hedged risk is recognized in the consolidated statement of profit or loss rather than in other comprehensive income, while for equity instruments designated at fair value through other comprehensive income, the hedging gains or losses remain in other comprehensive income.

When the hedge gain / loss is recognized in the income statement, it is recognized in the same line as the hedged item.

The bank discontinues hedge accounting only when the hedging relationship (or part thereof) ceases to fulfill the qualifying criteria (after rebalancing, if any). This includes cases where the hedging instrument has expired, sold, terminated, or exercised, and the disposal is accounted for for future effect. Also, the fair value adjustment to the carrying value of hedged items for which the effective interest rate method is used (i.e. debt instruments measured at amortized cost or at FVOCI) arising from the cessation of the hedged risk in the statement of income does not exceed Hedge accounting.

### D) Cash flow hedges

The effective portion of changes in the fair value of derivatives and other qualifying hedging instruments that are designated and qualify as cash flow hedges is recognized in the cash flow hedge reserve, a separate component of other comprehensive income, limited to the cumulative change in the fair value of the hedged item from the inception of the hedge less any amounts reclassified to the consolidated statement of profit or loss.

Amounts previously recognized in other comprehensive income and accumulated in equity are reclassified to the consolidated statement of profit or loss in the periods in which the hedged item affects profit or loss, on the same line as the remeasured hedged item; if the Bank no longer expects the transaction to occur, such amounts are reclassified immediately to the consolidated statement of profit or loss.

The bank discontinues hedge accounting only when the hedging relationship (or part thereof) ceases to fulfill the qualifying criteria (if any, and after rebalancing if any). This includes situations where the hedging instrument expires or is sold, terminated, or exercised, or when the occurrence of a specific hedging transaction is not considered highly probable and the discontinuation is accounted for with future effect. Any gain / loss recognized in other comprehensive income and accumulated in equity at that time remains in equity and is recognized when the eventual expected transaction is recorded in profit or loss. When the occurrence of a forecast transaction becomes unexpected, the cumulative gain / loss is reclassified in shareholders' equity and recognized directly in the income statement.

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### E) Hedges of net investments in foreign operations

Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges. Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognized in the consolidated statement of comprehensive income and accumulated under the heading of cumulative translation reserve.

Gains and losses on the hedging instrument relating to the effective portion of the hedge accumulated in the cumulative translation reserve are reclassified to the consolidated statement of income on the disposal of the foreign operation.

### Offsetting of financial assets and liabilities

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

### Accounts managed for the interest of clients

Accounts managed by the bank on behalf of clients are not considered assets of the bank. The fees and commissions for managing these accounts are shown in the statement of income. A provision is made against the decrease in the value of the portfolios managed for the benefit of clients from their capital.

### Fair value measurement

The fair value is defined as the price that will be received to sell any of the assets or pay for transferring any of the liabilities in an orderly transaction between market participants on the date of measurement, regardless of whether the price can be achieved directly or whether it is estimated thanks to another valuation method. When estimating the fair value of any of the assets or liabilities, the bank takes into consideration when determining the price of any of the assets or liabilities whether market participants should take those factors into consideration at the measurement date. Fair value is determined for measurement and / or disclosure purposes in these financial statements according to those principles, except for those related to measurement procedures that are similar to fair value procedures and are not fair value such as fair value as used in International Accounting Standard No. (36).

Portfolios of financial assets and financial liabilities that are exposed to market risk and credit risk that are managed by the Bank on the basis of the net exposure to either market or credit risk, are measured on the basis of a price that would be received to sell a net long position (or paid to transfer a net short position) for a particular risk exposure. Those portfolio-level adjustments are allocated to the individual assets and liabilities on the basis of the relative risk adjustment of each of the individual instruments in the portfolio.

The Bank recognizes transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

Fair value levels are as follows:

- Level 1: Quoted 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.

## Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

## Employees' benefits

### Employees' short term benefits

Employee's short term benefits are recognized as expenses when providing related services. The commitment relating to the amount expected to be paid is recognized when the Bank has a current legal or constructive obligation to pay for the previous services provided by the employee and the obligation can be estimated reliably.

## Income Tax

Tax expense comprises current tax and deferred taxes.

Current tax is based on taxable profits, which may differ from accounting profits disclosed in the consolidated statement of income. Accounting profits may include non-taxable profits or tax-deductible expenses which may be exempted in the current or subsequent financial years.

Taxes are calculated based on tax rates confirmed under the laws, regulations and instructions of the Hashemite Kingdom of Jordan and the countries which subsidiaries are operating in.

The deferred taxes are taxes expected to be paid or refunded as a result of the temporary differences between assets and liabilities – in the consolidated financial statements and the value of the tax basis profit. Deferred taxes are measured by adhering to the consolidated financial position statement and calculated based on tax rates that are expected to apply in the period when assets are realized or liabilities are settled.

The carrying amount of the deferred assets are reviewed at the date of the consolidated financial statements and are reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets be utilized.

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### Assets seized in settlement of debts

Assets whose ownership has been transferred to the bank appear in the consolidated statement of financial position among other assets at the value that has been transferred to the bank or the fair value, whichever is less, and they are re-evaluated on the date of the consolidated financial statements individually, and any decline in their value is recorded as a loss in the consolidated income statement and is not Recording the increase as revenue, the subsequent increase is taken into the consolidated income statement to the extent that it does not exceed the value of the decline that was previously recorded. As of the beginning of the year 2015, a gradual provision was calculated against the expropriated real estate against debts that were expropriated for a period of more than 4 years, according to the bank's circular. The Central Bank of Jordan No. 15/1/4076 dated March 27, 2014 and No. 10/1/2510 dated February 14, 2017. Noting that the Central Bank of Jordan had issued Circular No. 10/1/13967 dated October 25, 2019 approving the extension of Circular No. 16607/ 1/10 on December 17, 2017, in which he confirmed the postponement of calculating the provision until the end of the year 2020. This is in accordance with Central Bank Circular No. 1/16239 dated November 21, 2020. 5%) of the total book values of those real estates (regardless of the period of their violation) as of the year 2021, so that the required percentage of (50%) of those real estates is reached by the end of the year 2030, and this is in accordance with the Central Bank of Jordan Circular No. 13246/3/ 10 On September 2, 2021, it was approved to extend the work again in Circular 1/1/2510, which is to postpone calculating the deduction of allocations for one year, and to postpone the work of Circular No. 1/1/16607 until the year 2022, based on the circular received from the Central Bank of Jordan No. 3/16234 10 It was decided to cancel Clause (Second) of Circular No. (4076/1/10) dated 3/27/2014 related to the request to deduct an allowance for expropriated real estate in violation of the provisions of Banking Law No. (28) of 2000 and its amendments, and based on what was stated in the circular, it has been It stipulated the need to maintain the allocated allocations against expropriated real estate in violation of the provisions of the Banking Law, and that only the allocated provision be released against any of the infringing real estate that is disposed of.

The instructions of the Central Bank of Iraq, according to the Iraqi Banking Law, require the disposal of seized assets by the bank within a maximum period of two years from the date of transfer. The Central Bank of Iraq may approve an extension for the bank to retain the properties for up to two additional periods, each of two years. These instructions are in accordance with the regulations issued on November 26, 2020, which amend the provisions for calculating impairment allowances on seized assets in which full provision of 100% is calculated within 6 years.

### Financial assets pledged as collateral

The financial assets pledged by the Bank are for the purpose of providing collateral for the counterparty to the extent that counterparty is permitted (to sell and /or re-pledge the assets). The method of valuation is related to the financial policies for its original classification.

### Repurchase and resale agreements

Assets sold with a simultaneous commitment to repurchase at a specified future date (repos) will continue to be recognized in the Bank's financial consolidated statements due to the Bank's continuing exposure to the risks and rewards of these assets using the same accounting policies (where the buyer has the right to use these assets (sell or re-lien) they are reclassified as liened financial assets).



The proceeds of the sale are recorded under loans and borrowings. The difference between the sale and the repurchase price is recognized as an interest expense over the agreement term using the effective interest method.

Assets purchased with a corresponding commitment to resell at a specified future date (reverse repos) are not recognized in the Bank's consolidated financial statements as assets since the Bank is not able to control these assets. The related payments are recognized as part of deposits at banks and financial institutions or direct credit facilities as applicable, and the difference between purchase and resale price is recognized in the consolidated statement of income over the agreement term using the effective interest method.

### Property and equipment

Property and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Bank and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the consolidated income statement during the financial period in which they are incurred. Land are not depreciated.

Depreciation is recognized so as to write-off the cost of assets, using the straight-line method, over the estimated useful lives of the respective assets, as follows:

	%
Buildings	2
Equipment and furniture	2.5-15
Vehicles	15
Computers	25
Other	10

When the recoverable amount of any property and equipment is less than its net book value, its value is reduced to the recoverable value and the impairment value is recorded in the income statement.

The useful life of property and equipment is reviewed at the end of each year. If the expected useful life differs from the previously prepared estimates, the change in the estimate for subsequent years is recorded as a change in the estimates.

Property and equipment are excluded upon disposal or when there are no future benefits expected from their use or disposal.



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### Intangible assets

#### A) Goodwill

Goodwill is recorded at cost which represents the increase in the acquisition or purchase cost of an investment over the fair value of the company's net assets at the acquisition date. Goodwill resulting from investing in subsidiaries is recorded in a separate item as intangible assets. Goodwill resulting from investing in associates appears as part of the investment account in the associate and the cost of goodwill is subsequently reduced by any impairment in the investment value.

Goodwill is allocated to cash-generating unit(s) for the purpose of impairment testing.

Goodwill impairment is tested at the reporting date. Goodwill is written down if there is an indication that it is impaired and if the estimated recoverable amount of cash-generating unit (s) to which the goodwill belongs is lower than the carrying amount of the cash-generating unit (s). Impairment is recognized in the consolidated statement of income.

#### B) Other intangible assets

Intangible assets that are acquired through the merger are stated at fair value at the date of acquisition. The intangible assets that are obtained by a method other than the merger are stated at cost.

Intangible assets are classified on the basis of their estimated lifetime for a definite or indefinite period. Intangible assets that have a definite lifetime are amortized during this lifetime and are recognized in the consolidated statement of income. For intangible assets that have a indefinite lifetime, their impairment is reviewed at the date of the consolidated financial statements and any impairment is recognized in the consolidated statement of income.

Intangible assets resulting from the Bank's business are not capitalized and are recognized in the consolidated statement of income in the same period.

Any indications for the impairment of intangible assets are reviewed at the date of the financial statements. The estimate of the useful lives of those assets is reviewed and any adjustments are made for subsequent periods.

Any indicators of impairment of intangible assets are reviewed at the reporting date, and the estimated useful lives of such assets are also reassessed, with any adjustments accounted for in subsequent periods. Intangible assets include software, computer systems, and trademarks, and the Bank's management estimates the useful life of each item, with these assets amortized on a straight-line basis at a rate of 25%.

Below is the accounting policy for each item of intangible assets at the bank:

Computer software and systems ( main & others ): Amortized using the straight line method with a fixed ratio from 10% to 25%.

## Impairment of non-financial assets

- The carrying value of the Group's non-financial assets is reviewed at the end of each fiscal year except for the deferred tax assets, to determine whether there is an indication of impairment. In the event of an indication of impairment, the amount recoverable from these assets will be estimated.
- If the carrying amount of the assets exceeds the recoverable amount from those assets, the impairment loss is recorded in those assets.
- The recoverable amount is the higher of an asset's fair value -less costs to sale - and the value in use.
- All impairment losses are taken to the consolidated statement of income and other comprehensive income.
- The impairment loss for goodwill is not reversed. For other assets, the impairment loss is reversed only if the carrying amount of the asset does not exceed the carrying amount that was determined after the depreciation or amortization has taken place if the impairment loss is not recognized.

## Foreign currencies

For the purpose of the consolidated financial statements, the results and financial position of each company in the Group are expressed in the functional currency of the Bank, and the presentation currency of the consolidated financial statements.

The separate financial statements of the Bank's subsidiaries are prepared, and the separate financial statements of each of the Group's companies are presented in the main functional economic currency in which they operate. Transactions are recorded in currencies other than the Bank's functional currency, according to the exchange rates prevailing on the dates of those transactions. On the date of the statement of financial position, the financial assets and liabilities are translated into foreign currencies at the exchange rates prevailing on that date. Non-monetary items carried at fair value and denominated in foreign currencies are also translated at the exchange rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not reclassified.

Exchange differences are recognized in the consolidated statement of income in the period in which they arise, except for:

- Foreign currency exchange differences on transactions made in order to hedge foreign currency risk.
- Foreign currency exchange differences on monetary items required to/ from a foreign operation that are not planned or unlikely to be settled in the near future (and therefore these differences are part of the net investment in the foreign operation), which is recognized initially in the calculation of other consolidated comprehensive income, and are reclassified from equity to the consolidated statement of income upon sale or partial disposal of net investment

For the purpose of the presentation of the consolidated financial statements, assets and liabilities of foreign operations of the Bank are transferred according to the exchange rates prevailing at the date of the statement of financial position. Revenue is also transferred according to the average exchange rates for the period, unless exchange rates change significantly during that period, in which case exchange rates are used on the date of transactions. Emerging differences, if any, are recognized in the consolidated statement of comprehensive income and grouped into a separate component of equity.

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When excluding foreign operations (i.e. eliminating the Bank's entire share in foreign operations, or that resulting from the loss of control of a subsidiary within foreign operations or partial disposal of its share in a joint arrangement or an associate of a foreign nature in which the held share becomes a financial asset), all foreign currency exchange differences accumulated in the separate item that represent the equity of that operation attributable to the owners of the bank, are reclassified to the consolidated statement of income.

In addition, with regard to partial disposal of a subsidiary that includes foreign operations and does not result in the Bank losing control of the subsidiary, its share of the accumulated exchange differences is reversed to net comprehensive income at a rate that is excluded and is not recognized in the consolidated statement of income. As for all other partial liquidations (such as partial liquidation of associates or joint ventures that do not result in the Bank losing significant influence or joint control), the share of accumulated exchange differences is reclassified to the consolidated statement of income.

### Leases

The Bank has implemented IFRS (16) "Leases" that have replaced existing guidance on leases as of 1 January 2019, including IAS (17) "Leases" and IFRIC (4) "Determining whether an arrangement contains a lease", SIC (15) "Operating lease -incentives" and SIC (27) retrospectively from 1 January 2018 "Evaluating the substance of transactions involving the legal form of a lease". The right-of-use asset is generally measured at the amount of the lease liability determined using the interest rate at initial recognition.

The bank determines whether the contract is a lease or includes lease clauses. The contract is considered a lease contract or includes a lease if it includes the transfer of control over a specified asset for a specified period in exchange for compensation as defined in the leasing contract in the standard.

### The Bank as a lessee

On the date of signing the contract, or on the date of the revaluation of the contract that contains the lease elements, the Bank distributes the entire contract value to the contract components in a proportional manner consistent with the value. It is to be noted that the Bank has decided for leases that include land and building to treat the components of the contract as one item.

The bank recognizes the right to use the obligations of the lease at the beginning of the lease. The right to use is measured at the initial recognition of the cost, which includes the initial value of the rental contract obligation adjusted for the lease payments that took place at the beginning or before the contract, until any initial direct costs are realized or any costs less the impact of any rental incentives received.

The right to use the asset is subsequently depreciated using the straight-line method from the date of the beginning of the contract, considering the lower of useful life of either the lease term or the remaining life of the rental asset. The useful life of the leased asset is estimated on the basis of estimating the useful life of the property and equipment. The value of the right to use the asset is periodically reduced to reflect the lower value (if any) and is modified to reflect the effect of the amendments on the item of obligations related to lease contracts.

The obligations associated with the lease are measured at the initial recognition of the present value of the unpaid lease payments at the date of the lease, deducted using the interest rate presented in the lease, and if it is not possible to determine, the borrowing rate used by the bank is used. Usually the borrowing rate used by the bank is what ends up being used.

The bank determines the borrowing rate by analyzing its loans from various external sources and making some adjustments to reflect the lease terms and the type of leased assets.

The lease payments taken into account for the purposes of calculating the obligations related to the lease include the following:

- Fixed payments, including substantial fixed payments,
- Variable payments that depend on an index or ratio and that are measured upon initial recognition taking into account this indicator or the ratio at the date of the lease,
- The amounts expected to be paid under the residual value guarantee clause; and
- Purchase option price when the bank is confident that it will implement the purchase option disclosure, lease payments when an optional renewal clause exists and the bank has the intention to renew the lease contract, and fines related to early termination of the contract unless the bank is confident that it will not perform early termination.

Obligations related to lease contracts are measured based on amortized cost, using the effective interest rate. The liabilities are re-measured when there is a change in the future rental payments as a result of the change in a specific index or ratio, and when there is a change in the management's estimates regarding the payable amount under the item of the residual value guarantee, or when the bank's plan in relation to exercising the option to buy, renew or terminate the contract changes.

When the obligations related to lease contracts are measured this way, adjustments are recorded in the right to use the asset or in the statement of income in the case where the carrying amount of the right to use the asset has been fully amortized.

The bank offers the right to use the assets under property and equipment, and the liabilities related to lease contracts are displayed among other liabilities (borrowed funds) in the consolidated statement of financial position.

### **Short-term leases and leases for low-value assets:**

The Bank chose not to recognize the right of use assets and lease obligations for short-term leases for items with a 12-month lease term or less and the low-value leases. The Bank recognizes the lease payments associated with these contracts as operating expenses on a straight-line basis over the lease term.

## Consolidated Financial Statements 31 December 2025

### The Bank as a lessor

When the bank is lessor, at the start of the lease, it determines whether each lease is a finance lease or an operating lease.

To classify each lease, the Bank performs a comprehensive evaluation to demonstrate whether the lease largely transfers all risks and benefits associated with ownership of this asset. If this is the case, the lease is a finance lease; if not, it is an operating lease. As part of this assessment, the Bank takes into account certain indicators such as whether the lease is the greater part of the economic life of the asset.

The Bank applies the requirements of de-recognition and impairment in IFRS 9 for net investment in the lease. The Bank performs a periodic review of the expected non-guaranteed residual value that was used to calculate the total investment amount in the lease.

### Cash and Cash equivalents

Cash and cash equivalents comprise of cash on hand and cash balances at banks and financial institutions that mature within three months, less banks and financial institutions' deposits that mature within three months from acquisition date and restricted balances, the mandatory cash reserve with the Central Bank of Jordan is not excluded from cash and cash equivalents.

### Basic and diluted earnings per share

Basic and diluted earnings per share relating to ordinary shares are calculated. Basic earnings per share is calculated by dividing the profit or loss for the year attributable to the Bank's shareholders, after deducting interest expense on perpetual bonds, by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share is calculated by adjusting the profit or loss for the year attributable to the Bank's shareholders and the weighted average number of ordinary shares outstanding to reflect the impact of all dilutive potential ordinary shares outstanding during the year.

### Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments, is measured at fair value with changes in fair value recognised in the consolidated statement of comprehensive income.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

### **(3) Changes In Accounting Policies and Standards Issued but not yet effective**

#### **(3-1) 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 2025 except for the adoption of new amendments on the standards effective as of 1 January 2025 shown below:

#### **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 Group's consolidated financial statements.

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### (3-2) 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 Bank's consolidated financial statements are disclosed below. The Bank 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:

- Clarify that a financial liability is derecognized on the «settlement date,» and provide an accounting policy option (if certain criteria are met) to derecognize financial liabilities settled through an electronic payment system prior to the settlement date.
- Additional guidance on how to assess the contractual cash flows of financial assets that incorporate environmental, social, and corporate governance (ESG) features or similar characteristics.
- Clarifications on what constitutes «non-recourse features» and the contractual characteristics of the associated instruments.
- Provide disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income.

The amendments are effective for annual periods beginning on or after 1 January 2026. Early application is permitted, with the option to apply early only the amendments relating to the classification of financial assets and the related disclosures.

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

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

In December 2024, the International Accounting Standards Board (IASB) issued amendments to IFRS 9 and IFRS 7 – Contracts Referencing Nature-Based Electricity. These amendments apply only to contracts referencing nature-based electricity and include the following:

- Clarification on the application of the “own use” requirements to contracts within the scope.
- Amendments to the requirements for identifying the hedged item in cash flow hedge relationships for contracts within the scope
- Additional disclosure requirements to enable investors to understand the impact of these contracts on the Group's financial performance and cash flows.



The amendments are effective for annual periods beginning on or after 1 January 2026. Early application is permitted, provided it is disclosed. The amendments relating to the “own use” exemption must be applied retrospectively, while the hedge accounting amendments must be applied prospectively to new hedging relationships designated from the date of initial application. In addition, the disclosure amendments relating to IFRS 7 must be applied together with the amendments to IFRS 9. If the entity does not restate comparative information, comparative disclosures may not be presented.

The amendments are not expected to have a material impact on the Group’s consolidated financial statements.

The amendments are effective for annual periods beginning on or after 1 January 2026. Early application is permitted, with the option to apply early only the amendments relating to the classification of financial assets and the related disclosures.

The amendments are not expected to have a material impact on the Group’s consolidated financial statements.

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

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

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

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

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

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

The Group is currently assessing all the impacts of the amendments on the primary consolidated financial statements and the related notes.



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### 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 consolidated financial statements.

### Translation into a Presentation Currency in Hyperinflationary Economies – Amendments to IAS 21

In November 2025, the International Accounting Standards Board (IASB) issued amendments to IAS 21, titled Translation into a Presentation Currency in Hyperinflationary Economies. These amendments require translation from a functional currency that is not hyperinflationary into a presentation currency that is hyperinflationary using the closing rate.

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

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

The amendments also require certain additional disclosures.

The amendments are effective for annual periods beginning on or after 1 December 2027. Early application is permitted, provided it is disclosed.

### (4) Critical accounting judgements and estimates

The preparation of consolidated financial statements and the application of accounting policies require the bank's management to make efforts, judgments, and assumptions that impact the amounts of financial assets, financial liabilities, and the disclosure of potential obligations. These estimates and judgments also affect revenues, expenses, provisions in general, expected credit losses, and changes in fair value that appear in the consolidated statement of comprehensive income and within shareholders' equity.

Specifically, the bank's management is required to make significant judgments and estimates to assess the amounts of future cash flows and their timing. These mentioned estimates are necessarily based on assumptions and multiple factors with varying degrees of estimation and uncertainty, and actual results may differ from the estimates due to changes arising from circumstances and conditions affecting those estimates in the future.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. Significant areas where management has used estimates, assumptions, or exercised judgements are as follows:

### **Impairment of seized assets**

Impairment of seized assets is calculated based on recent real estate valuations and approved by accredited valuers for the purpose of calculating the impairment of assets seized. The Impairment is reviewed periodically.

### **Tangible and Intangible assets useful lives**

Useful life for property and equipment is reviewed each year. If expected useful life is different from the previous one, the difference is adjusted prospectively as a change in accounting estimate.

### **Income Tax**

The group is subject to income tax and therefore this requires judgment in determining the income tax provision. The Group recognizes income tax liabilities based on its expectations of whether the tax audit will result in any additional tax. If the final tax estimate is different from what was recorded, then the differences will affect the current income tax in the period in which these differences are found.

### **Legal provision**

Legal provisions are taken for lawsuits raised against the Bank based on the Bank legal advisor's opinion.

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

Management reviews, on a regular basis, the assets and liabilities that are stated at cost to estimate impairments, if any. Impairment losses are recognized in the consolidated statement of income for the year.

### **Provision for expected credit loss**

The Bank's management is required to use significant judgments and estimates to estimate future cash flows amounts and timings, and estimate the risks of a significant increase in credit risk for financial assets after initial recognition and future measurement information for expected credit losses. The most significant policies and estimates used by the Bank's management are detailed in Note (45).

## Consolidated Financial Statements 31 December 2025

### Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Bank determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence, including how the performance of the assets is evaluated and their performance is measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Bank monitors financial assets measured at amortized cost or fair value through other comprehensive income that are derecognized prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

### Significant increase in credit risk

ECLs are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL assets for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. IFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased, the Bank takes into account qualitative and quantitative reasonable and supportable forward looking information. Estimates used by the Bank's management, which are related to the significant change in credit risk that lead to a change in classification within the three stages (1, 2, and 3) are detailed in Note (45).

### Establishing groups of assets with similar credit risk characteristics

When the expected credit losses are measured on a collective basis, the financial instruments are grouped based on common risk characteristics (such as the type of instrument, the degree of credit risk, the type of collateral, the initial recognition date, the remaining period of maturity date, the industry, the borrower's geographic location, etc.). The Bank monitors the appropriateness of the credit risk characteristics on an ongoing basis to assess whether they continue to be similar. This is required in order to ensure that should credit risk characteristics change there is appropriate re-segmentation of the assets. This may result in new portfolios being created or assets moving to an existing portfolio that better reflects the similar credit risk characteristics of that group of assets.

### Re-segmentation of portfolios and movement between portfolios

Re-segmentation of portfolios and movement between portfolios is more common when there is a significant increase in credit risk (or when that significant increase reverses) and so assets move from 12-month to lifetime ECL, or vice versa, but it can also occur within portfolios that continue to be measured on the same basis of 12-month or lifetime ECL but the amount of ECL changes because the credit risk of the portfolios differ.

## Models and assumptions used

The Bank uses various models and assumptions in measuring fair value of financial assets as well as in estimating ECL, as outlined in Note (45). Judgement is applied in identifying the most appropriate model for each type of asset, as well as for determining the assumptions used in these models, including assumptions that relate to key drivers of credit risk.

### a) Classification and measurement of financial assets and liabilities

The Bank classifies financial instruments or components of financial assets upon initial recognition, either as a financial asset, financial liability, or an equity instrument in accordance with the substance of the contractual agreements and the definition of the instrument. Reclassification of a financial instrument in the consolidated financial statements is subject to its substance rather than its legal form.

The Bank determines the classification upon initial recognition as well as a reassessment of that determination, if possible and appropriate, at the date of each consolidated statement of financial position.

When measuring financial assets and liabilities, some of the Bank's assets and liabilities are remeasured at fair value for the purposes of preparing financial reports. When estimating the fair value of any of the assets or liabilities, the Bank uses the observable available market data. In the absence of Level 1 inputs, the Bank performs the assessments using professionally qualified independent evaluators. The Bank works in close cooperation with qualified external evaluators to develop appropriate valuation techniques and data on the fair value estimation model.

### b) Fair value of financial instruments

Where the fair values of financial assets and financial liabilities recorded on the consolidated statement of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of mathematical models. The inputs to these models are derived from observable market data where possible, but where observable market data are not available, judgment is required to establish fair values. The judgments include considerations of liquidity and model inputs such as volatility for longer dated derivatives and discount rates, prepayment rates and default rate assumptions for asset-backed securities. The management believes that the chosen valuation techniques and assumptions used are appropriate in determining the fair value of financial instruments.

## Consolidated Financial Statements 31 December 2025

### c) Derivative Financial Instruments

The fair value of derivatives measured at fair value is generally obtained by referring to the listed market prices, discounted cash flow models and recognized pricing models, if appropriate. In the absence of market price, fair value is determined using valuation techniques that reflect observable market data. These techniques include comparing similar instruments when there are observable market prices, discounted cash flow analysis, pricing option models and other valuation techniques commonly used by market participants. The main factors that management considers when applying the model are:

- The expected timing and probability of future cash flows of the instrument, as these cash flows are generally subject to the terms of the instrument, although management judgment may be required in cases where the ability of the counterparty to pay the instrument according to the contractual terms is in doubt; and
- An appropriate discount percentage for the instrument. The management determines this percentage based on its assessment of the margin of the ratio for the instrument, which is higher than the risk-free ratio. When evaluating the instrument with reference to comparative tools, management considers the entitlement, structure and degree of classification of the instrument based on the system with which the existing position is compared. When evaluating tools based on the model using the fair value of the main components, management also considers the need to make adjustments to calculate a number of factors such as bid differences, credit status, portfolio services costs and uncertainty about the model.

### Lease extension and termination options

Extension and termination options are included in a number of leases. These conditions are used to increase operational flexibility in terms of contract management. Most of the extension and termination options held are renewable by both the Bank and the lessor.

### Determination of lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. The extension options (or periods after the termination options) are included only in the term of the lease if the lease is reasonably certain to be extended (or not terminated). The evaluation is reviewed in the event of a significant event or significant change in the circumstances that affect this evaluation and that are under the control of the lessee.

### Key sources of estimation uncertainty

The following are key estimations that the management has used in the process of applying the of the Bank's accounting policies and that have the most significant effect on the amounts recognized in the consolidated financial statements:

Establishing the number and relative weightings of forward-looking scenarios for each type of types product/ Market and determining the forward looking information relevant to each scenario:

When measuring ECL, the Bank uses reasonable and supportable forward looking information, which is

based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

### Probability of default (PD)

PD is a key entry point in the measurement of expected credit loss. PD is an estimate of the probability of default, over a certain period of time, which includes the computation of historical data, assumptions and projections related to future conditions.

### Loss given default (LGD)

LGD is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

### Measurement and assessment procedures of fair value

When estimating the fair value of assets or liabilities, the Bank uses the observable available market data. In the absence of Level 1 inputs, the Bank performs the assessments using appropriate valuation models to determine the fair value of financial instruments.

### Discounting lease payments

Lease payments are discounted using the bank's additional borrowing rate («IBR»). Management applied provisions and estimates to determine the additional borrowing rate at the start of the lease.

## (5) Cash and Balances with Central Banks

	2025 JD	2024 JD
Cash on hand	263,682,565	280,103,853
Balances at Central Banks:		
Current and demand accounts	319,415,792	507,751,631
Time and notice deposit	1,890,470	363,100,000
Statutory cash reserve	607,170,548	503,249,329
Total balances with Central Banks	1,192,159,375	1,654,204,813

- The statutory cash reserve at the Central Bank of Jordan amounted to JD 194,805,510 as at 31 December 2025 compared to JD 201,052,828 as at 31 December 2024.
- There are no balances maturing within a period exceeding three months as at 31 December 2025 and 31 December 2024.
- The statutory cash reserves with the Central Bank of Iraq amounted to JD 412,365,038 as at 31 December 2025 compared to JD 302,196,501 as at 31 December 2024, and they are excluded from cash and cash equivalents for the purpose of the consolidated cash flow statement.

## Consolidated Financial Statements 31 December 2025

The distribution of Cash and balances with Central banks based on the Bank's internal credit rating is as follows:

31 December 2025	Stage one JD	Stage Two JD	Stage Three JD	Total JD
Low risk / performing	483,799,725	-	-	483,799,725
Acceptable risk / performing	708,359,650	-	-	708,359,650
Total	1,192,159,375	-	-	1,192,159,375

31 December 2024	Stage one JD	Stage Two JD	Stage Three JD	Total JD
Low risk / performing	870,356,685	-	-	870,356,685
Acceptable risk / performing	783,848,128	-	-	783,848,128
Total	1,654,204,813	-	-	1,654,204,813

Movements of total cash balances with central banks during the year is as follows:-

31 December 2025	Stage One JD	Stage Two JD	Stage Three JD	Total JD
Balance at the beginning of the year	1,654,204,813	-	-	1,654,204,813
New balances during the year	112,059,008	-	-	112,059,008
Settled balances	(574,104,446)	-	-	(574,104,446)
Total balance at the end of the year	1,192,159,375	-	-	1,192,159,375

31 December 2025	Stage One JD	Stage Two JD	Stage Three JD	Total JD
Balance at the beginning of the year	1,318,639,618	-	-	1,318,639,618
New balances during the year	424,233,391	-	-	424,233,391
Settled balances	(88,668,196)	-	-	(88,668,196)
Total balance at the end of the year	1,654,204,813	-	-	1,654,204,813

## (6) Balances at banks and financial institutions

	Local banks and financial institutions		Foreign Banks and Financial Institutions		Total	
	2025 JD	2024 JD	2025 JD	2024 JD	2025 JD	2024 JD
Current and demand accounts	22,657,638	25,699,216	244,372,145	196,078,062	267,029,783	221,777,278
Deposits maturing within less than 3 months	-	-	8,569,044	-	8,569,044	-
Less: Expected credit losses	-	(107,237)	(281,907)	(102,846)	(281,907)	(210,083)
Total amount	22,657,638	25,591,979	252,659,282	195,975,216	275,316,920	221,567,195

Non-interest bearing balances at banks and financial institutions amounted to JD 184,310,483 as at 31 December 2025 against JD 115,629,825 as at 31 December 2024.

Restricted balances amounted to JD 156,299,009 as at 31 December 2025 against JD 6,830,527 as at 31 December 2024 which are excluded from the cash and cash equivalent for the consolidated cash flow statement purposes.

The Bank balances - customer accounts related to the brokerage amounted to JD 42,735,635 as at 31 December 2025 against JD 22,054,863 as at 31 December 2024. These balances are excluded from cash and cash equivalents for the consolidated cash flow preparation purposes.

The distribution of balances with banks and financial institutions based on the bank's internal credit rating is as follows :

31 December 2025	Stage one JD	Stage Two JD	Stage Three JD	Total JD
Low risk / performing	192,727,823	-	-	192,727,823
Acceptable risk / performing	82,633,084	167,577	1,394	82,802,055
Substandard	-	-	68,949	68,949
Total	275,360,907	167,577	70,343	275,598,827

31 December 2024	Stage one JD	Stage Two JD	Stage Three JD	Total JD
Low risk / performing	221,451,266	-	-	221,451,266
Acceptable risk / performing	56,690	198,979	70,343	326,012
Total	221,507,956	198,979	70,343	221,777,278



## Consolidated Financial Statements 31 December 2025

Movements of balances with banks and financial institutions during the year is as follows :

31 December 2025	Stage One JD	Stage Two JD	Stage Three JD	Total JD
Balance at the beginning of the year	221,507,956	198,979	70,343	221,777,278
New balances during the year	116,003,735	109,695	-	116,113,430
Settled balances	(62,223,083)	(68,798)	-	(62,291,881)
Transfer to stage one	72,299	(72,299)	-	-
Total balance at the end of the year	275,360,907	167,577	70,343	275,598,827

31 December 2024	Stage One JD	Stage Two JD	Stage Three JD	Total JD
Balance at the beginning of the year	165,316,545	-	68,949	165,385,494
New balances during the year	132,941,942	21,673	-	132,963,615
Settled balances	(76,559,762)	(12,069)	-	(76,571,831)
Transfer to stage two during the year	(189,375)	189,375	-	-
Transfer from the stage three during the year	(1,394)	-	1,394	-
Total balance at the end of the year	221,507,956	198,979	70,343	221,777,278

Movements on provision for expected credit losses on balances with banks and financial institutions during the year is as follows:

31 December 2025	Stage One JD	Stage Two JD	Stage Three JD	Total JD
Balance at the beginning of the year	139,704	36	70,343	210,083
Impairment loss on new balances during the year	71,860	(36)	-	71,824
Total balance at the end of the year	211,564	-	70,343	281,907

31 December 2024	Stage One JD	Stage Two JD	Stage Three JD	Total JD
Balance at the beginning of the year	-	-	68,949	68,949
Impairment loss on new balances	139,704	36	1,394	141,134
Total balance at the end of the year	139,704	36	70,343	210,083

### (7) Deposits with banks and financial institutions

The details of this item are as follows:

Foreign Banks and Financial Institutions	31 December 2025 JD	31 December 2024 JD
Deposits maturing within More than 3 months	3,973,860	-
Less: Expected credit losses	-	-
Total	3,973,860	-

The distribution of balances with banks and financial institutions based on the bank's internal credit rating is as follows:

31 December 2025	Stage One JD	Stage Two JD	Stage Three JD	Total JD
Low risk / performing	473,860	-	-	473,860
Acceptable risk / performing	3,500,000	-	-	3,500,000
Total	3,973,860	-	-	3,973,860

31 December 2024	Stage One JD	Stage Two JD	Stage Three JD	Total JD
Low risk / performing	-	-	-	-
Acceptable risk / performing	-	-	-	-
Total	-	-	-	-

Movements of balances with banks and financial institutions during the year is as follows:

31 December 2025	Stage One JD	Stage Two JD	Stage Three JD	Total JD
Balance at the beginning of the year	-	-	-	-
New balances during the year	3,973,860	-	-	3,973,860
Total balance at the end of the year	3,973,860	-	-	3,973,860

31 December 2024	Stage One JD	Stage Two JD	Stage Three JD	Total JD
Balance at the beginning of the year	-	-	-	-
New balances during the year	-	-	-	-
Total balance at the end of the year	-	-	-	-

Movements on provision for expected credit losses on balances with banks and financial institutions during the year is as follows:

31 December 2025	Stage One JD	Stage Two JD	Stage Three JD	Total JD
Balance at the beginning of the year	-	-	-	-
Impairment loss on new balances during the year	-	-	-	-
Total balance at the end of the year	-	-	-	-

31 December 2024	Stage One JD	Stage Two JD	Stage Three JD	Total JD
Balance at the beginning of the year	-	-	-	-
Impairment loss on new balances during the year	-	-	-	-
Total balance at the end of the year	-	-	-	-

## Consolidated Financial Statements 31 December 2025

### (8) Financial Assets at Fair Value through Other Comprehensive Income

Quoted financial assets	2025 JD	2024 JD
Corporate bonds and debt securities	4,255,874	2,577,532
Other governments bonds	279,737,678	833,643
Quoted shares	7,607,889	5,511,566
Total quoted financial assets	291,601,441	8,922,741
Unquoted financial assets		
Treasury bonds	3,745,327	3,607,723
Unquoted shares*	53,385,513	49,802,262
Investment funds	15,958,531	15,586,368
Total unquoted financial assets	73,089,371	68,996,353
Less: Expected credit losses	(934)	(1,519)
Total Financial Assets at Fair Value through Other Comprehensive Income	364,689,878	77,917,575
Analysis of bonds and bills (net):		
Fixed Rate	287,737,945	7,017,379
Total	287,737,945	7,017,379

- The unquoted shares include an amount of JD 20,963,078, representing 19.78% of the capital of Professional Real Estate Investment Company, which amounted to JD 106,000,000. This investment is made in partnership with several Jordanian banks and has been approved by the Central Bank of Jordan , under the supervision of the Association of Banks. The establishment of the Professional Real Estate Investment Company is intended to manage the banks' seized assets in Jordan. The Group reviewed the requirements of IAS 28 « Investments in associates and joint ventures» and accordingly the investment was classified as financial asset at fair value through other comprehensive income as the Group has no significant influence on the on the Company in accordance with International Accounting Standard 28.
- The Bank received dividends of JD 1,330,248 (2024: JD 1,371,601) from its fair value through other comprehensive income equities which was recorded separately in the consolidated income statement.
- Realized gain from sale of financial assets at fair value through other comprehensive income (debt instruments) amounted to JD 28,295 during the year ended 31 December 2025 against realized gain of JD 30,285 during the year ended 31 December 2024 and it has been transferred to the retained earnings through the consolidated income statement.
- During the year, the Bank also sold financial assets at fair value through other comprehensive Income equity instruments In relation to this, Realized gains resulted from sales of financial assets at fair value through other comprehensive Income amounted to JD 31 during the year ended 31 December 2025 against realized losses of JD 255,153 during the year ended 31 December 2024, and it has been transferred to the retained earnings through the Consolidated Statement of Changes in Equity.

## Financial Assets at Fair Value through other comprehensive income

Distribution of financial Assets at Fair Value through Other Comprehensive Income (debt instruments) based on the Bank's internal credit rating as at the year end is as follows:

31 December 2025	Stage one JD	Stage two JD	Stage three JD	Total JD
Low risk / performing	3,745,327	-	-	3,745,327
Acceptable risk / performing	283,993,552	-	-	283,993,552
Total	287,738,879	-	-	287,738,879

31 December 2024	Stage one JD	Stage two JD	Stage three JD	Total JD
Low risk / performing	3,607,723	-	-	3,607,723
Acceptable risk / performing	3,411,175	-	-	3,411,175
Total	7,018,898	-	-	7,018,898

Movements of debt instruments at fair value through other comprehensive income during the year is as follows :

31 December 2025	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance at the beginning of the year	7,018,898	-	-	7,018,898
New investments during the year	282,713,995	-	-	282,713,995
Settled investments	(1,376,374)	-	-	(1,376,374)
Sold during the year	(617,640)	-	-	(617,640)
Total balance at the end of the year	287,738,879	-	-	287,738,879

31 December 2024	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance at the beginning of the year	10,801,981	-	-	10,801,981
New investments during the year	150,329	-	-	150,329
Settled balances	(8,495)	-	-	(8,495)
Sold during the year	(3,924,917)	-	-	(3,924,917)
Total balance at the end of the year	7,018,898	-	-	7,018,898

## Consolidated Financial Statements 31 December 2025

Movements of provision for expected credit losses on debt instruments at fair value through comprehensive income during the year is as follows :

31 December 2025	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance at the beginning of the year	1,519	-	-	1,519
Impairment loss on new investments during the year	179	-	-	179
Recovered from impairment loss during the year	(764)	-	-	(764)
Total balance at the end of the year	934	-	-	934

31 December 2025	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance at the beginning of the year	-	-	-	-
Impairment loss on new investments during the year	1,519	-	-	1,519
Total balance at the end of the year	1,519	-	-	1,519

### (9) Direct Credit Facilities -at Amortized cost, Net

	2025 JD	2024 JD
Retail customers		
Overdrafts	22,443,276	23,382,561
Loans and notes *	1,370,506,494	1,081,940,937
Credit cards	48,764,426	57,497,918
Real estate Lending	238,374,095	254,266,898
Corporate Lending		
Overdrafts	146,771,067	146,371,988
Loans and notes *	1,542,120,590	1,437,174,185
Small and medium enterprises "SMEs" facilities		
Overdrafts	23,946,957	74,056,456
Loans and notes *	303,228,242	272,891,798
Government and public sector lending	465,279,186	408,087,507
Total	4,161,434,333	3,755,670,248
Less: Suspended interest	49,513,786	61,296,038
Less: Expected credit losses	253,852,814	265,206,185
Net direct credit facilities	3,858,067,733	3,429,168,025

- Those balances are net of interest and commissions received in advance which amounts to JD 250,159,868 as at 31 December 2025 against JD 165,590,208 as at 31 December 2024.
- Non-performing credit facilities amounted to JD 338,633,784, representing 8.14% of total direct credit facilities as of 31 December 2025, compared to JD 333,878,257 as of 31 December 2024, which represented 8.89% of total direct credit facilities.

- Non-performing credit facilities, net of suspended interest, amounted to JD 297,953,554 representing 7.25% of total direct credit facilities net of interest in suspense as of 31 December 2025, compared to JD 279,089,487 as of December 2024, which represented 7.55% of total direct credit facilities net of interest in suspense.
- Credit facilities granted to and guaranteed by the government as at 31 December 2025 amounted to JD 293,429,569 compared to JD 239,100,894 as at 31 December 2024 .

#### Direct credit facilities at amortized cost - Corporate

The Distribution of direct credit facilities at amortized cost for Corporate customers based on the Bank's internal credit rating as at 31 December 2025 and 2024 is as follows:

31 December 2025	Stage one JD	Stage two JD	Stage three JD	Total JD
Low risk / performing	412,467,025	16,613,708	-	429,080,733
Acceptable risk / performing	856,350,512	242,349,247	-	1,098,699,759
Non- Performing				
Substandard	-	-	578,488	578,488
Doubtful	-	-	14,782,937	14,782,937
Loss	-	-	145,749,740	145,749,740
Total	1,268,817,537	258,962,955	161,111,165	1,688,891,657

31 December 2024	Stage one JD	Stage two JD	Stage three JD	Total JD
Low risk / performing	338,836,044	13,651,923	-	352,487,967
Acceptable risk / performing	787,773,161	272,129,582	11,579,792	1,071,482,535
Non- Performing				
Substandard	-	-	8,316,538	8,316,538
Doubtful	-	-	27,806,137	27,806,137
Loss	-	-	123,452,996	123,452,996
Total	1,126,609,205	285,781,505	171,155,463	1,583,546,173

## Consolidated Financial Statements 31 December 2025

The movement on total direct credit facilities at amortized cost for Corporate customer during the year is as follows :

31 December 2025	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance at the beginning of the year	1,126,609,205	285,781,505	171,155,463	1,583,546,173
New balances during the year / additions*	679,846,818	96,955,806	12,251,373	789,053,997
Settled balances	(558,183,500)	(58,420,974)	(36,545,581)	(653,150,055)
Transferred to stage one	51,882,727	(51,489,850)	(392,877)	-
Transferred to stage two	(31,189,210)	33,632,578	(2,443,368)	-
Transferred to stage three	(148,503)	(47,496,110)	47,644,613	-
Written off balances	-	-	(30,558,458)	(30,558,458)
Total balance at the end of the year	1,268,817,537	258,962,955	161,111,165	1,688,891,657

31 December 2024	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance at the beginning of the year	1,297,600,637	245,625,587	137,894,409	1,681,120,633
New balances during the year / additions*	535,826,178	95,203,812	25,689,866	656,719,856
Settled balances	(652,485,712)	(69,741,316)	(21,953,031)	(744,180,059)
Transferred to stage one	11,050,566	(11,050,566)	-	-
Transferred to stage two	(54,322,526)	54,912,046	(589,520)	-
Transferred to stage three	(11,059,938)	(29,168,058)	40,227,996	-
Written off balances	-	-	(10,114,257)	(10,114,257)
Total balance at the end of the year	1,126,609,205	285,781,505	171,155,463	1,583,546,173

The new balances during the year / additions include the interest that was calculated on the non performing loans. This interest was suspended and incorporated into the interest in suspense provision.

The movement on the provision for expected credit losses on direct credit facilities at amortized cost for Corporate customers during the year is as follows :

31 December 2025	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance at the beginning of the year	7,022,054	41,490,327	90,619,172	139,131,553
Impairment loss on new balances / additions during the year	7,002,584	36,619,031	20,879,540	64,501,155
Impairment loss recoveries from settled balances	(5,608,752)	(4,259,723)	(46,407,271)	(56,275,746)
Transferred to stage one	3,404,902	(3,403,169)	(1,733)	-
Transferred to stage two	(1,379,370)	2,614,514	(1,235,144)	-
Transferred to stage three	(12,698)	(31,173,232)	31,185,930	-
Written off balances	-	-	(18,162,623)	(18,162,623)
Adjustments due to change in exchange rates	0	0	0	0
Total balance at the end of the year	10,428,720	41,887,748	76,877,871	129,194,339

31 December 2024	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance at the beginning of the year	22,804,727	41,795,131	66,870,155	131,470,013
Impairment loss on new balances / additions during the year	6,825,759	22,364,848	21,608,055	50,798,662
Impairment loss from settled balances	(16,717,887)	(6,258,863)	(11,917,388)	(34,894,138)
Transferred to stage one	388,460	(388,460)	-	-
Transferred to stage two	(1,820,102)	2,141,011	(320,909)	-
Transferred to stage three	(1,260,514)	(18,163,340)	19,423,854	-
Written off balances	-	-	(5,044,595)	(5,044,595)
Utilized to off-set purchased loans	(3,198,389)	-	-	(3,198,389)
Total balance at the end of the year	7,022,054	41,490,327	90,619,172	139,131,553



## Consolidated Financial Statements 31 December 2025

### Direct credit facilities at amortized cost - Small and Medium Enterprises

Distribution of direct credit facilities for Small and Medium enterprises based on the Bank's internal credit rating as at 31 December 2025 and 2024 is as follows:

31 December 2025	Stage one JD	Stage two JD	Stage three JD	Total JD
Low risk / performing	31,044,852	-	-	31,044,852
Acceptable risk / performing	200,828,697	35,888,496	-	236,717,193
Non- Performing				
Substandard	-	-	5,111,422	5,111,422
Doubtful	-	-	11,533,217	11,533,217
Loss	-	-	42,768,515	42,768,515
Total	231,873,549	35,888,496	59,413,154	327,175,199

31 December 2024	Stage one JD	Stage two JD	Stage three JD	Total JD
Low risk / performing	83,106,160	64,579	-	83,170,739
Acceptable risk / performing	148,946,759	41,601,796	9,100,994	199,649,549
Non- Performing				
Substandard	-	-	2,501,457	2,501,457
Doubtful	-	-	8,706,603	8,706,603
Loss	-	-	52,919,906	52,919,906
Total	232,052,919	41,666,375	73,228,960	346,948,254

Movement on total direct credit facilities at amortized cost for Small and Medium enterprises during the year is as follows :

31 December 2025	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance at the beginning of the year	232,052,919	41,666,375	73,228,960	346,948,254
New balances during the year / additions*	119,817,578	11,535,774	10,661,449	142,014,801
Settled balances	(115,911,131)	(11,653,698)	(8,958,768)	(136,523,597)
Transferred to stage one	6,620,049	(6,126,744)	(493,305)	-
Transferred to stage two	(8,975,210)	11,228,454	(2,253,244)	-
Transferred to stage three	(1,730,656)	(10,761,665)	12,492,321	-
Written off balances	-	-	(25,264,259)	(25,264,259)
Total balance at the end of the year	231,873,549	35,888,496	59,413,154	327,175,199

31 December 2024	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance at the beginning of the year	270,704,467	43,093,370	69,003,373	382,801,210
New balances during the year / additions*	102,865,890	17,056,042	10,600,438	130,522,370
Settled balances	(129,229,567)	(22,369,262)	(14,776,497)	(166,375,326)
Transferred to stage one	2,159,560	(2,091,155)	(68,405)	-
Transferred to stage two	(12,264,454)	12,460,463	(196,009)	-
Transferred to stage three	(2,182,977)	(6,483,083)	8,666,060	-
Total balance at the end of the year	232,052,919	41,666,375	73,228,960	346,948,254

The New balances during the year / additions include the interest that was calculated on the non performing loans. This interest was suspended and incorporated into the interest in suspense provision.

Movement on provision for expected credit losses for direct credit facilities for Small and Medium enterprises during the year is as follows :

31 December 2025	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance at the beginning of the year	749,615	1,680,537	38,005,972	40,436,124
Impairment loss on new balances / additions during the year	803,624	2,202,459	7,410,873	10,416,956
Impairment loss recoveries from settled balances	(377,120)	(690,335)	(3,586,095)	(4,653,550)
Transferred to stage one	103,228	(45,568)	(57,660)	-
Transferred to stage two	(75,147)	715,991	(640,844)	-
Transferred to stage three	(412,309)	(2,180,953)	2,593,262	-
Written off balances	-	-	(16,899,427)	(16,899,427)
Total balance at the end of the year	791,891	1,682,131	26,826,081	29,300,103

31 December 2024	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance at the beginning of the year	2,967,204	2,103,182	38,361,511	43,431,897
Impairment loss on new balances / additions during the year	803,049	2,438,748	7,058,163	10,299,960
Impairment loss recoveries from settled balances	(448,237)	(827,630)	(8,582,272)	(9,858,139)
Transferred to stage one	16,364	(15,830)	(534)	-
Transferred to stage two	(226,311)	230,881	(4,570)	-
Transferred to stage three	(290,449)	(2,248,814)	2,539,263	-
Utilized to off-set purchased loans	(2,072,005)	-	(1,365,589)	(3,437,594)
Total balance at the end of the year	749,615	1,680,537	38,005,972	40,436,124

## Consolidated Financial Statements 31 December 2025

### Direct credit facilities at Amortized cost - Retail

Distribution of direct credit facilities for Retail segment based on the Bank's internal credit rating as at 31 December 2025 and 2024 is as follows:

31 December 2025	Stage one JD	Stage two JD	Stage three JD	Total JD
Low risk / performing	30,546,404	3,135,273	-	33,681,677
Acceptable risk / performing	1,261,433,462	49,588,005	-	1,311,021,467
Non- Performing				
Substandard	-	-	7,774,837	7,774,837
Doubtful	-	-	15,503,224	15,503,224
Loss	-	-	73,732,991	73,732,991
Total	1,291,979,866	52,723,278	97,011,052	1,441,714,196

31 December 2024	Stage one JD	Stage two JD	Stage three JD	Total JD
Low risk / performing	698,349,927	8,548,185	20,074	706,918,186
Acceptable risk / performing	323,166,758	44,561,969	2,891,394	370,620,121
Non- Performing				
Substandard	-	-	8,490,353	8,490,353
Doubtful	-	-	16,371,295	16,371,295
Loss	-	-	60,421,461	60,421,461
Total	1,021,516,685	53,110,154	88,194,577	1,162,821,416

Movement on total direct credit facilities at amortized cost for Retail segment during the year is as follows :

31 December 2025	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance at the beginning of the year	1,021,516,685	53,110,154	88,194,577	1,162,821,416
New balances during the year / additions*	538,134,184	9,506,607	17,548,134	565,188,925
Settled balances	(244,146,267)	(13,905,511)	(13,828,864)	(271,880,642)
Transferred to stage one	15,865,787	(14,034,886)	(1,830,901)	-
Transferred to stage two	(26,852,752)	29,413,511	(2,560,759)	-
Transferred to stage three	(12,537,771)	(11,366,597)	23,904,368	-
Written off balances	-	-	(14,415,503)	(14,415,503)
Total balance at the end of the year	1,291,979,866	52,723,278	97,011,052	1,441,714,196

31 December 2024	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance at the beginning of the year	877,234,281	50,281,526	59,310,197	986,826,004
New balances during the year / additions*	392,270,374	11,881,866	19,112,737	423,264,977
Settled balances	(218,970,220)	(15,080,343)	(13,212,475)	(247,263,038)
Transferred to stage one	14,669,073	(12,706,478)	(1,962,595)	-
Transferred to stage two	(28,307,214)	30,488,484	(2,181,270)	-
Transferred to stage three	(15,379,609)	(11,754,901)	27,134,510	-
Written off balances	-	-	(6,527)	(6,527)
Total balance at the end of the year	1,021,516,685	53,110,154	88,194,577	1,162,821,416

The New balances during the year / additions include the interest that was calculated on the non performing loans. This interest was suspended and incorporated into the interest in suspense provision.

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The movement on the provision for expected credit on direct credit facilities for Retail segment during the year is as follows :

31 December 2025	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance at the beginning of the year	5,206,304	1,621,371	65,273,629	72,101,304
Impairment loss on new balances / additions during the year	6,427,115	6,429,185	21,875,297	34,731,597
Impairment loss recovered from settled balances	(1,845,220)	(910,489)	(10,884,004)	(13,639,713)
Transferred to stage one	706,038	(217,752)	(488,286)	-
Transferred to stage two	(275,276)	539,889	(264,613)	-
Transferred to stage three	(3,304,437)	(5,550,762)	8,855,199	-
Written off balances	-	-	(9,910,992)	(9,910,992)
Utilized to off-set purchased loans	(106,789)	-	-	(106,789)
Total balance at the end of the year	6,807,735	1,911,442	74,456,230	83,175,407

31 December 2024	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance at the beginning of the year	9,243,128	1,720,698	35,549,994	46,513,820
Impairment loss on new balances / additions during the year	11,415,223	8,823,507	19,559,078	39,797,808
Impairment loss recovered from settled balances	(6,335,154)	(910,185)	(6,963,837)	(14,209,176)
Transferred to stage one	356,669	(86,335)	(270,334)	-
Transferred to stage two	(641,458)	827,144	(185,686)	-
Transferred to stage three	(8,832,104)	(8,753,458)	17,585,562	-
Written off balances	-	-	(1,148)	(1,148)
Total balance at the end of the year	5,206,304	1,621,371	65,273,629	72,101,304

### Direct credit facilities at amortized cost - Real Estate

Distribution of direct credit facilities for Real Estate facilities based on the Bank's internal credit rating as at 31 December 2025 and 2024 is as follows:

31 December 2025	Stage one JD	Stage two JD	Stage three JD	Total JD
Low risk / performing	25,180,579	2,739,777	-	27,920,356
Acceptable risk / performing	162,111,112	27,244,214	-	189,355,326
Non- Performing				
Substandard	-	-	1,079,984	1,079,984
Doubtful	-	-	4,477,847	4,477,847
Loss	-	-	15,540,582	15,540,582
Total	187,291,691	29,983,991	21,098,413	238,374,095

31 December 2024	Stage one JD	Stage two JD	Stage three JD	Total JD
Low risk / performing	55,890,605	689,766	-	56,580,371
Acceptable risk / performing	143,593,858	25,306,560	3,894,598	172,795,016
Non- Performing				
Substandard	-	-	867,968	867,968
Doubtful	-	-	5,714,421	5,714,421
Loss	-	-	18,309,122	18,309,122
Total	199,484,463	25,996,326	28,786,109	254,266,898

## Consolidated Financial Statements 31 December 2025

Movement on total direct credit facilities at amortized cost for Real Estate facilities during the year is as follows :

31 December 2025	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance at the beginning of the year	199,484,463	25,996,326	28,786,109	254,266,898
New balances during the year / additions*	30,457,478	946,244	4,020,383	35,424,105
Settled balances	(35,262,060)	(3,379,115)	(8,440,884)	(47,082,059)
Transferred to stage one	7,835,558	(7,200,241)	(635,317)	-
Transferred to stage two	(13,215,866)	15,016,262	(1,800,396)	-
Transferred to stage three	(2,007,882)	(1,395,485)	3,403,367	-
Written off balances	-	-	(4,234,849)	(4,234,849)
Total balance at the end of the year	187,291,691	29,983,991	21,098,413	238,374,095

31 December 2024	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance at the beginning of the year	226,999,261	27,201,940	34,259,888	288,461,089
New balances during the year / additions*	27,097,280	3,146,270	4,943,221	35,186,771
Settled balances	(49,093,929)	(6,087,378)	(14,136,007)	(69,317,314)
Transferred to stage one	7,096,905	(6,613,084)	(483,821)	-
Transferred to stage two	(9,912,788)	12,463,010	(2,550,222)	-
Transferred to stage three	(2,702,266)	(4,114,432)	6,816,698	-
Written off balances	-	-	(63,648)	(63,648)
Total balance at the end of the year	199,484,463	25,996,326	28,786,109	254,266,898

The new balances during the year / additions include the interest that was calculated on the non performing loans. This interest was suspended and incorporated into the interest in suspense provision

Movement of provision for impairment losses for direct credit facilities for Real Estate facilities during the year is as follows :

31 December 2025	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance at the beginning of the year	486,397	964,617	12,086,190	13,537,204
Impairment loss on new balances / additions during the year	597,744	426,845	5,033,296	6,057,885
Impairment loss recoveries from settled balances	(124,606)	(576,824)	(3,909,451)	(4,610,881)
Transferred to stage one	42,396	(38,251)	(4,145)	-
Transferred to stage two	(159,625)	203,851	(44,226)	-
Transferred to stage three	(380,723)	(337,949)	718,672	-
Written off balances	-	-	(2,801,243)	(2,801,243)
Total balance at the end of the year	461,583	642,289	11,079,093	12,182,965

31 December 2024	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance at the beginning of the year	674,823	1,179,189	10,449,624	12,303,636
Impairment loss on new balances / additions during the year	659,658	1,043,957	4,176,472	5,880,087
Impairment loss recoveries from settled balances	(194,063)	(636,620)	(3,781,993)	(4,612,676)
Transferred to stage one	26,389	(24,556)	(1,833)	-
Transferred to stage two	(243,148)	320,604	(77,456)	-
Transferred to stage three	(437,262)	(917,957)	1,355,219	-
Written off balances	-	-	(33,843)	(33,843)
Total balance at the end of the year	486,397	964,617	12,086,190	13,537,204



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### Direct credit facilities at amortized cost - Government and Public Sector

Distribution of direct credit facilities for Governmental & Public sectors based on the Bank's internal credit rating as at 31 December 2025 and 2024 is as follows:

31 December 2025	Stage one JD	Stage two JD	Stage three JD	Total JD
Low risk / performing	465,279,186	-	-	465,279,186
Total	465,279,186	-	-	465,279,186

31 December 2024	Stage one JD	Stage two JD	Stage three JD	Total JD
Low risk / performing	408,087,507	-	-	408,087,507
Total	408,087,507	-	-	408,087,507

The movement on total direct credit facilities at amortized cost for Governmental & Public sectors during the year is as follows :

31 December 2025	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance at the beginning of the year	408,087,507	-	-	408,087,507
New balances during the year / additions	186,729,718	-	-	186,729,718
Settled balances	(129,538,039)	-	-	(129,538,039)
Total balance at the end of the year	465,279,186	-	-	465,279,186

31 December 2024	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance at the beginning of the year	376,064,682	-	-	376,064,682
New balances during the year / additions	89,986,857	-	-	89,986,857
Settled balances	(57,964,032)	-	-	(57,964,032)
Total balance at the end of the year	408,087,507	-	-	408,087,507

Movement of provision for expected credit losses for direct credit facilities for Governmental & Public sectors during the year is as follows :

31 December 2025	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance at the beginning of the year	-	-	-	-
Impairment loss on new balances / additions during the year	-	-	-	-
Total balance at the end of the year	-	-	-	-

31 December 2024	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance at the beginning of the year	-	-	-	-
Impairment loss on new balances / additions during the year	-	-	-	-
Total balance at the end of the year	-	-	-	-

## Direct credit facilities at amortized cost - Cumulative

Distribution of direct credit facilities based on the Bank's internal credit rating as at 31 December 2025 and 2024 is as follows:

31 December 2025	Stage one JD	Stage two JD	Stage three JD	Total JD
Low risk / performing	964,518,046	22,488,758	-	987,006,804
Acceptable risk / performing	2,480,723,783	355,069,962	-	2,835,793,745
Non- Performing				
Substandard	-	-	14,544,731	14,544,731
Doubtful	-	-	46,297,225	46,297,225
Loss	-	-	277,791,828	277,791,828
Total	3,445,241,829	377,558,720	338,633,784	4,161,434,333

31 December 2024	Stage one JD	Stage two JD	Stage three JD	Total JD
Low risk / performing	1,584,270,243	22,954,453	20,074	1,607,244,770
Acceptable risk / performing	1,403,480,536	383,599,907	27,466,778	1,814,547,221
Non- Performing				
Substandard	-	-	20,176,316	20,176,316
Doubtful	-	-	58,598,456	58,598,456
Loss	-	-	255,103,485	255,103,485
Total	2,987,750,779	406,554,360	361,365,109	3,755,670,248

The movement on total direct credit facilities at amortized cost during the year is as follows:

31 December 2025	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance at the beginning of the year	2,987,750,779	406,554,360	361,365,109	3,755,670,248
New balances during the year / additions*	1,554,985,776	118,944,431	44,481,339	1,718,411,546
Settled balances	(1,083,040,997)	(87,359,298)	(67,774,097)	(1,238,174,392)
Transferred to stage one	82,204,121	(78,851,721)	(3,352,400)	-
Transferred to stage two	(80,233,038)	89,290,805	(9,057,767)	-
Transferred to stage three	(16,424,812)	(71,019,857)	87,444,669	-
Written off balances	-	-	(74,473,069)	(74,473,069)
Adjustments due to change in exchange rates				-
Total balance at the end of the year	3,445,241,829	377,558,720	338,633,784	4,161,434,333

31 December 2024	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance at the beginning of the year	3,048,603,328	366,202,423	300,467,867	3,715,273,618
New balances during the year / additions*	1,148,046,579	127,287,990	60,346,262	1,335,680,831
Settled balances	(1,107,743,460)	(113,278,299)	(64,078,010)	(1,285,099,769)
Transferred to stage one	34,976,104	(32,461,283)	(2,514,821)	-
Transferred to stage two	(104,806,982)	110,324,003	(5,517,021)	-
Transferred to stage three	(31,324,790)	(51,520,474)	82,845,264	-
Written off balances	-	-	(10,184,432)	(10,184,432)
Total balance at the end of the year	2,987,750,779	406,554,360	361,365,109	3,755,670,248

The new balances during the year / additions include the interest that was calculated on the non performing loans. This interest was suspended and incorporated into the interest in suspense provision.

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The movement of provision for impairment losses for direct credit facilities is during the year is as follows:

31 December 2025	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance at the beginning of the year	13,464,370	45,756,852	205,984,963	265,206,185
Impairment loss on new balances / additions during the year	14,831,067	45,677,520	55,199,006	115,707,593
Impairment loss recoveries from settled balances	(7,955,698)	(6,437,371)	(64,786,821)	(79,179,890)
Transferred to stage one	4,256,564	(3,704,740)	(551,824)	-
Transferred to stage two	(1,889,418)	4,074,245	(2,184,827)	-
Transferred to stage three	(4,110,167)	(39,242,896)	43,353,063	-
Written off balances	-	-	(47,774,285)	(47,774,285)
Utilized to off-set purchased loans	(106,789)	-	-	(106,789)
Total balance at the end of the year	18,489,929	46,123,610	189,239,275	253,852,814

31 December 2024	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance at the beginning of the year	35,689,882	46,798,200	151,231,284	233,719,366
Impairment loss on new balances/ additions during the year	19,703,689	34,671,060	52,401,768	106,776,517
Impairment loss recoveries from settled balances	(23,695,341)	(8,633,298)	(31,245,490)	(63,574,129)
Transferred to stage one	787,882	(515,181)	(272,701)	-
Transferred to stage two	(2,931,019)	3,519,640	(588,621)	-
Transferred to stage three	(10,820,329)	(30,083,569)	40,903,898	-
Written off balances	-	-	(5,079,586)	(5,079,586)
Utilized to off-set purchased loans	(5,270,394)	-	(1,365,589)	(6,635,983)
Total balance at the end of the year	13,464,370	45,756,852	205,984,963	265,206,185

The cumulative movement of the provision for impairment losses of direct credit facilities by sectors during the year is as follows :

31 December 2025	Retail	Real estate	Corporate	SMEs	Government and Public Sector	Total
	JD	JD	JD	JD	JD	JD
Balance at the beginning of the year	72,101,304	13,537,204	139,131,553	40,436,124	-	265,206,185
Impairment loss of direct credit facilities during the year	34,731,597	6,057,885	64,501,155	10,416,956	-	115,707,593
Impairment loss recoveries from settled balances	(13,639,713)	(4,610,881)	(56,275,746)	(4,653,550)	-	(79,179,890)
Transfer (from) to stage one	(2,873,675)	(497,952)	2,012,834	(384,228)	-	(1,743,021)
Transfer (from) to stage two	(5,228,625)	(172,349)	(31,961,887)	(1,510,530)	-	(38,873,391)
Transferred to (from) to stage three	8,102,300	670,301	29,949,053	1,894,758	-	40,616,412
Utilized to off-set purchased loans	(106,789)	-	-	-	-	(106,789)
Written off balances	(9,910,992)	(2,801,243)	(18,162,623)	(16,899,427)	-	(47,774,285)
Total balance at the end of the year	83,175,407	12,182,965	129,194,339	29,300,103	-	253,852,814

31 December 2025	Retail	Real estate	Corporate	SMEs	Government and Public Sector	Total
	JD	JD	JD	JD	JD	JD
Balance at the beginning of the year	46,513,820	12,303,636	131,470,013	43,431,897	-	233,719,366
Impairment loss on new balances during the year	39,797,808	5,880,087	50,798,662	10,299,960	-	106,776,517
Impairment loss recoveries from settled balances	(14,209,176)	(4,612,676)	(34,894,138)	(9,858,139)	-	(63,574,129)
Transfer (from) to stage one	(9,116,893)	(654,021)	(2,692,156)	(500,396)	-	(12,963,466)
Transfer (from) to stage two	(8,012,649)	(621,909)	(16,410,789)	(2,033,763)	-	(27,079,110)
Transferred (from) to stage three	17,129,542	1,275,930	19,102,945	2,534,159	-	40,042,576
Utilized to off-set purchased loans	-	-	(3,198,389)	(3,437,594)	-	(6,635,983)
Written off balances	(1,148)	(33,843)	(5,044,595)	-	-	(5,079,586)
Total balance at the end of the year	72,101,304	13,537,204	139,131,553	40,436,124	-	265,206,185

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### Interest in suspense

The cumulative movement of the interest in suspense by sector during the year is as follows:

31 December 2025	Retail JD	Real estate JD	Corporate JD	SMEs JD	Total JD
Balance at the beginning of the year	8,850,866	3,548,197	39,041,043	9,855,932	61,296,038
Suspended interest during the year	3,160,028	538,711	17,126,446	4,947,676	25,772,861
Interest transferred to income	(772,252)	(1,030,304)	(8,173,742)	(880,031)	(10,856,329)
Written off suspended interest	(4,504,511)	(1,433,606)	(12,395,835)	(8,364,832)	(26,698,784)
Total balance at the end of the year	6,734,131	1,622,998	35,597,912	5,558,745	49,513,786

31 December 2024	Retail JD	Real estate JD	Corporate JD	SMEs JD	Total JD
Balance at the beginning of the year	5,762,312	3,450,791	30,779,245	10,548,023	50,540,371
Suspended interest during the year	3,825,924	875,232	14,946,302	2,556,236	22,203,694
Interest transferred to income	(731,991)	(748,021)	(1,614,842)	(3,248,327)	(6,343,181)
Written off suspended interest	(5,379)	(29,805)	(5,069,662)	-	(5,104,846)
Total balance at the end of the year	8,850,866	3,548,197	39,041,043	9,855,932	61,296,038

Direct gross credit facilities portfolio is distributed as per the following geographical and economic sectors classification as at 31 December 2025 and 2024 is as follows:

	Inside Jordan JD	Outside Jordan JD	31-Dec-25 JD	31-Dec-24 JD
Financial	67,248,635	-	67,248,635	57,662,764
Industrial	452,075,204	26,257,022	478,332,226	476,915,485
Commercial	392,376,659	332,552,057	724,928,716	584,262,805
Real estate and Construction	425,993,608	94,027,825	520,021,433	532,598,391
Tourism and hotels	39,692,587	-	39,692,587	59,638,662
Agriculture	32,537,185	30,989,865	63,527,050	62,455,796
Shares	68,878,708	4,946,399	73,825,107	100,258,955
Service and public utilities	149,746,279	-	149,746,279	261,104,555
Transportation services (including air transportation)	13,273,705	-	13,273,705	18,702,710
Government and public sector	465,279,186	-	465,279,186	408,087,507
Retail	421,151,261	973,676,514	1,394,827,775	1,136,315,405
Other	52,560,756	118,170,878	170,731,634	57,667,213
Total	2,580,813,773	1,580,620,560	4,161,434,333	3,755,670,248

## (10) Financial Assets At Amortized Cost, net

	31 December 2025 JD	31 December 2024 JD
Treasury bills	-	272,605,174
Governmental treasury bonds	1,504,001,093	1,205,289,242
Guaranteed governmental bonds	69,733,438	83,441,597
Corporate Bonds and bills	50,319,247	58,179,700
Other governmental bonds and bills	530,074,299	498,476,857
Total Financial Assets At Amortized Cost	2,154,128,077	2,117,992,570
Less: Expected credit losses	(2,966,766)	(2,290,102)
Net Financial Assets At Amortized Cost	2,151,161,311	2,115,702,468
Analysis of bonds and bills:		
Fixed Rate	2,144,079,260	2,107,927,304
Floating rate	7,082,051	7,775,164
Total	2,151,161,311	2,115,702,468

### Financial Assets At Amortized Cost

Distribution of financial Assets at Amortized Cost based on the Bank's internal credit rating as at 31 December 2024 and 2025 is as follows:

31 December 2025	Stage one JD	Stage two JD	Stage three JD	Total JD
Low risk / performing	2,103,808,830	-	-	2,103,808,830
Acceptable risk / performing	43,659,247	-	-	43,659,247
Non- Performing				
Loss	-	-	6,660,000	6,660,000
Total	2,147,468,077	-	6,660,000	2,154,128,077

31 December 2024	Stage one JD	Stage two JD	Stage three JD	Total JD
Low risk / performing	1,561,336,013	-	-	1,561,336,013
Acceptable risk / performing	549,996,557	-	-	549,996,557
Non- Performing				
Loss	-	-	6,660,000	6,660,000
Total	2,111,332,570	-	6,660,000	2,117,992,570

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The movement on the Financial Assets at Amortized Cost during the year is as follows :

31 December 2025	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance at the beginning of the year	2,111,332,570	-	6,660,000	2,117,992,570
New investments during the year	639,682,836	-	-	639,682,836
Settled investments	(603,547,329)	-	-	(603,547,329)
Total balance as at year end	2,147,468,077	-	6,660,000	2,154,128,077

31 December 2024	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance at the beginning of the year	1,886,478,315	-	6,660,000	1,893,138,315
New investments during the year	877,220,974	-	-	877,220,974
Settled investments	(652,366,719)	-	-	(652,366,719)
Total balance at the end of the year	2,111,332,570	-	6,660,000	2,117,992,570

Movements of provision for expected credit losses on Financial Assets at Amortized Cost during the year is as follows :

31 December 2025	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance at the beginning of the year	217,982	-	2,072,120	2,290,102
Impairment loss on new investments during the year	16,004	-	696,328	712,332
Impairment loss recovered from matured investments	(35,668)	-	-	(35,668)
Total balance at the end of the year	198,318	-	2,768,448	2,966,766

31 December 2024	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance at the beginning of the year	47,637	-	2,072,120	2,119,757
Impairment loss on new investments during the year	206,171	-	-	206,171
Impairment loss recovered from matured investments	(35,826)	-	-	(35,826)
Total balance at the end of the year	217,982	-	2,072,120	2,290,102

**(11) Pledged Financial Assets at amortized cost**

	31-Dec-25		31-Dec-24	
	Pledged Financial Assets JD	Associated Liabilities (Note 16) JD	Pledged Financial Assets JD	Associated Liabilities (Note 16) JD
Financial Assets at Amortized Cost (Jordanian Government bonds)	207,412,772	104,590,000	226,054,164	166,880,000
Total	207,412,772	104,590,000	226,054,164	166,880,000

The movement on pledged financial assets during the year is as follows:-

31 December 2025	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance at the beginning of the year	226,054,164	-	-	226,054,164
New investments during the year	22,027,823	-	-	22,027,823
Settled investments during the year	(40,669,215)	-	-	(40,669,215)
Total balance at the end of the year	207,412,772	-	-	207,412,772

31 December 2024	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance at the beginning of the year	227,607,943	-	-	227,607,943
New investments during the year	47,357	-	-	47,357
Settled investments during the year	(1,601,136)	-	-	(1,601,136)
Total balance at the end of the year	226,054,164	-	-	226,054,164



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### (12) Property, plant and Equipment - Net

2025	Land		Buildings		Furniture & Fixtures		Vehicles		Computers		Others*		Total	
	JD		JD		JD		JD		JD		JD		JD	
Cost														
Balance as at 1 January 2025	32,003,072		32,020,046		33,657,672		1,170,184		27,378,432		37,795,366		164,024,772	
Additions	-		-		6,783,045		570,387		2,312,386		422,930		10,088,748	
Disposals	-		-		(1,680,418)		(398,750)		(6,088,511)		(519,327)		(8,687,006)	
Transferred from payments for the purchase of fixed assets	-		-		2,882,865		-		927,742		870,381		4,680,988	
Acquisition of subsidiaries, Net (note 53)	-		-		7,214,359		54,491		1,611,019		-		8,879,869	
Balance as at 31 December 2025	32,003,072		32,020,046		48,857,523		1,396,312		26,141,068		38,569,350		178,987,371	
Accumulated depreciation:														
Accumulated depreciation as at 1 January 2025	-		7,739,433		19,173,710		755,452		18,943,853		20,826,936		67,439,384	
Depreciation for the year	-		706,027		6,602,771		166,758		4,062,887		1,720,798		13,259,241	
Disposals	-		-		(1,639,529)		(295,529)		(6,086,487)		(455,516)		(8,477,061)	
Accumulated depreciation as at 31 December 2025	-		8,445,460		24,136,952		626,681		16,920,253		22,092,218		72,221,564	
Net book value of Property, plant and Equipment	32,003,072		23,574,586		24,720,571		769,631		9,220,815		16,477,132		106,765,807	
Advanced payment on fixed assets	-		-		10,350,467		-		3,004		451,455		10,804,926	
Net book value of Property, plant and Equipment as at 31 December 2025	32,003,072		23,574,586		35,071,038		769,631		9,223,819		16,928,587		117,570,733	

2024		Land		Buildings		Furniture & Fixtures		Vehicles		Computers		Others*		Total	
		JD		JD		JD		JD		JD		JD		JD	
2024															
Cost															
Balance as at 1 January 2024		32,030,133		32,185,010		30,747,912		1,111,889		24,230,543		30,206,344		150,511,831	
Additions		-		-		4,254,462		140,450		3,477,077		2,254,167		10,126,156	
Disposals		(27,061)		(164,964)		(3,472,668)		(82,155)		(1,130,447)		(2,646,733)		(7,524,028)	
Transferred from payments for the purchase of fixed assets		-		-		2,127,966		-		801,259		7,981,588		10,910,813	
Balance as at 31 December 2024		32,003,072		32,020,046		33,657,672		1,170,184		27,378,432		37,795,366		164,024,772	
Accumulated depreciation:															
Accumulated depreciation as at 1 January 2024		-		6,837,540		21,157,695		694,116		14,718,806		19,921,137		63,329,294	
Depreciation for the year		-		933,293		1,391,014		112,205		5,325,837		3,462,309		11,224,658	
Disposals		-		(31,400)		(3,374,999)		(50,869)		(1,100,790)		(2,556,510)		(7,114,568)	
Accumulated depreciation as at 31 December 2024		-		7,739,433		19,173,710		755,452		18,943,853		20,826,936		67,439,384	
Net book value of Property, plant and Equipment		32,003,072		24,280,613		14,483,962		414,732		8,434,579		16,968,430		96,585,388	
Advanced payment on fixed assets		-		-		8,739,389		-		-		499,158		9,238,547	
Net book value of Property, plant and Equipment as at 31 December 2024		32,003,072		24,280,613		23,223,351		414,732		8,434,579		17,467,588		105,823,935	

Others category represent renovation, interior design and decoration of buildings and branch offices.

- The remaining cost to complete projects under construction is estimated at JD2,100,464 as of 31 December 2025, compared to JD5,903,630 as of 31 December 2024.
- Fully depreciated property and equipment amounted to JD 28,722,183 as of 31 December 2025 against JD 34,839,358 as of 31 December 2024.

## Consolidated Financial Statements 31 December 2025

### (13) Intangible Assets, Net

	Computer Software & Systems JD	2025	
		Goodwill	Total
		JD	JD
Balance at the beginning of the year	54,873,962	-	54,873,962
Additions	4,102,061	-	4,102,061
Disposal	(4,832)	-	(4,832)
Amortization for the year	(16,875,266)	-	(16,875,266)
Transferred from projects under construction	8,633,118	-	8,633,118
Acquisition of subsidiaries	4,050,914	87,583,219	91,634,133
Balance as at year end	54,779,957	87,583,219	142,363,176
Projects under Construction at year end	8,871,255	-	8,871,255
Projects under Construction related to acquisition	299,173	-	299,173
Balance as at year end	63,950,385	87,583,219	151,533,604

	Computer Software & Systems JD	2025	
		Goodwill	Total
		JD	JD
Balance at the beginning of the year	43,301,713	-	43,301,713
Additions	10,762,718	-	10,762,718
Amortization for the year	(15,491,791)	-	(15,491,791)
Disposal	(21,762)	-	(21,762)
Transferred from projects under construction	16,323,084	-	16,323,084
Balance as at year end	54,873,962	-	54,873,962
Projects under construction at year end	12,736,203	-	12,736,203
Balance as at year end	67,610,165	-	67,610,165

The remaining cost to complete projects under implementation is estimated at JD 4,779,674 as of 31 December 2025 for an amount of JD5,319,313 against 31 December 2024.

Fully amortized intangible assets amounted to JD 33,875,567 as of 31 December 2025 compared to JD 20,105,805 as of 31 December 2024.

The acquisition of Iraq Electronic Gate Company ,Digital Future Company, and Union International for Insurance Company resulted in provisional goodwill amounting to JD 87,583,219 as of 31 December 2025 (Note 53).

**(14) Other Assets**

	2025 JD	2024 JD
Accrued interest and revenues	71,830,957	72,463,293
Prepaid expenses	23,666,545	10,796,896
Seized Assets *	141,375,446	116,533,167
Purchased banks acceptances at amortized cost - net	24,669,574	26,659,730
Trade receivables net	1,096,696	1,096,696
Refundable Deposits	49,126,078	14,252,710
Others	19,836,012	28,124,933
Total	331,601,308	269,927,425

\* According to the Instructions of the Central Bank of Jordan, the bank is required to dispose seized assets in a maximum period of two years from the acquisition date. The Central Bank may approve of an extension up to two executive years at most. According to the Central Bank circular No. 10/3/16234 , no more provision should be calculated for assets held for more than four years and restricted the use of previously booked provisions only upon the disposal of the seized assets.

\* The instructions of the Central Bank of Iraq, according to the Iraqi Banking Law, require the disposal of seized assets by the bank within a maximum period of two years from the date of transfer. The Central Bank of Iraq may approve an extension for the bank to retain the properties for up to two additional periods, each of two years. These instructions are in accordance with the regulations issued on November 26, 2020, which amend the provisions for calculating impairment allowances on seized assets in which full provision of 100% is calculated within 6 years.

## Consolidated Financial Statements 31 December 2025

The following is a summary of the movement of assets seized by the bank:

	2025				2024			
	properites seized	equipment seized	Other Assets seized	Total	properites seized	equipment seized	Other Assets seized	Total
	JD	JD	JD	JD	JD	JD	JD	JD
Balance at the beginning of the year	110,828,014	-	5,705,153	116,533,167	101,728,852	-	5,457,593	107,186,445
Additions during the year	30,749,007	11,016,136	11,909,965	53,675,108	22,630,465	-	247,560	22,878,025
Disposals during the year	(15,425,476)	-	-	(15,425,476)	(9,809,324)	-	-	(9,809,324)
Impairment loss during the year	(5,275,884)	(1,245,000)	(6,892,493)	(13,413,377)	(3,371,959)	-	-	(3,371,959)
Recovered from (Provision) against seized assets during the year	6,024	-	-	6,024	(350,020)	-	-	(350,020)
Balance as at year end	120,881,685	9,771,136	10,722,625	141,375,446	110,828,014.00	-	5,705,153	116,533,167

Loss on sale of seized assets (net) amounted to JD 95,782 as at 31 December 2025 and JD 88,355 as at 31 December 2024.

### Purchased Banks acceptances - Amortized cost

Distribution of bank acceptances and bills purchased based on the Bank's internal credit rating as at as at the year end is as follows:-

31 December 2025	Stage one JD	Stage two JD	Stage three JD	Total JD
Low risk / performing	24,746,217	-	2,485,165	27,231,382
Total	24,746,217	-	2,485,165	27,231,382

31 December 2024	Stage one JD	Stage two JD	Stage three JD	Total JD
Low risk / performing	26,719,786	1,373,474	14,995	28,108,255
Total	26,719,786	1,373,474	14,995	28,108,255

the movements on bank acceptances and purchased bills during the year is as follows :

31 December 2025	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance at the beginning of the year	26,719,786	1,373,474	14,995	28,108,255
New balances during the year	6,009,400	-	2,470,170	8,479,570
Settled balances	(7,982,969)	(1,373,474)	-	(9,356,443)
Total balance at the end of the year	24,746,217	-	2,485,165	27,231,382

31 December 2024	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance at the beginning of the year	20,678,873	-	-	20,678,873
New balances during the year	7,901,451	1,373,474	14,995	9,289,920
Settled balances	(1,860,538)	-	-	(1,860,538)
Total balance at the end of the year	26,719,786	1,373,474	14,995	28,108,255

## Consolidated Financial Statements 31 December 2025

Movements of provisions on bank acceptances and purchased bills during the year is as follows :

31 December 2025	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance at the beginning of the year	55,850	286,805	9,174	351,829
Impairment loss during the year	76,642	-	1,379,295	1,455,937
Impairment loss recovered during the year	(55,849)	(286,805)	-	(342,654)
Total balance at the end of the year	76,643	-	1,388,469	1,465,112

31 December 2024	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance at the beginning of the year	47,096	-	-	47,096
Impairment loss during the year	10,626	286,805	9,174	306,605
Impairment loss recovered during the year	(1,872)	-	-	(1,872)
Total balance at the end of the year	55,850	286,805	9,174	351,829

### (15) Banks and Financial Institutions' Deposits

	2025			2024		
	Inside Jordan JD	Outside Jordan JD	Total JD	Inside Jordan JD	Outside Jordan JD	Total JD
Current and demand deposits	43,098	30,764,594	30,807,692	545,848	25,896,510	26,442,358
Term deposits maturing in less than 3 months	31,438,700	36,822,282	68,260,982	98,531,837	27,927,560	126,459,397
Deposits Maturing Beyond 12 Months	-	202,204	202,204	-	-	-
Term deposits Maturing in between 6 and 12 months	-	18,942,748	18,942,748	-	-	-
Total	31,481,798	86,529,624	118,011,422	99,077,685	53,824,070	152,901,755

**(16) Customers' Deposits**

2025	Retail	Corporate	Small medium enterprises	Government and Public Sectors	Total
	JD	JD	JD	JD	JD
Current accounts and demand deposits	412,740,310	1,044,121,864	189,248,129	472,366,368	2,118,476,671
Saving accounts	475,871,176	19,631,728	445,354	-	495,948,258
Time and at notice deposits	1,861,114,899	783,500,961	138,315,427	489,718,868	3,272,650,155
Certificates of deposits	41,481,100	3,220,267	234,349	5,425,744	50,361,460
Total	2,791,207,485	1,850,474,820	328,243,259	967,510,980	5,937,436,544

2024	Retail	Corporate	Small medium enterprises	Government and Public Sectors	Total
	JD	JD	JD	JD	JD
Current and demand deposits	346,066,926	1,265,190,317	189,697,207	260,437,121	2,061,391,571
Saving accounts	386,594,193	11,160,985	396,687	-	398,151,865
Time and at notice deposits	1,848,147,268	672,673,921	229,730,126	662,124,585	3,412,675,900
Certificates of deposits	6,848,561	-	-	-	6,848,561
Total	2,587,656,948	1,949,025,223	419,824,020	922,561,706	5,879,067,897

- Jordanian government and Jordanian public sector deposits amounted to JOD 615,119,832 representing 10.36% of the total deposits as at 31 December 2025 against JD 782,322,932 representing 13.31 % as at 31 December 2024.
- Iraqi government and Iraqi, public sector deposits amounted to JOD 352,391,148 representing 5.94% of the total deposits as at 31 December 2025 against 140,238,774 representing 2.39 % as at 31 December 2024.
- Non-interest bearing deposits amounted to JOD 2,356,197,741 representing 39.68% of total deposits as at 31 December 2025 against JD 2,165,789,347 representing 36.84 % of the total deposits as at 31 December 2024.
- Reserved deposits (restricted) amounted JD18,976,285 as at 31 December 2025, against JD 243,967 as at 31 December 2024.
- Time deposits and at notice include an amount of JOD 104,590,000 as at 31 December 2025 against JOD 166,880,000 as at 31 December 2024 which represents the financial liabilities against pledged financial assets that belong to the Social Security Corporation deposits.(Note 11)
- Dormant deposits amounted to JD 37,168,481 as at 31 December 2025 against JD 33,918,807 as at 31 December 2024.



## Consolidated Financial Statements 31 December 2025

### (17) Margin Accounts

	2025 JD	2024 JD
Margins on direct credit facilities	217,018,294	180,925,912
Margins on indirect credit facilities	471,687,547	409,462,419
Margin dealings	71,193	833,982
Other Margins	75,042,496	59,849,481
Total	763,819,530	651,071,794

### (18) Right to use leased assets and leased assets contracts obligations

The Group has various lease agreements for certain branches, buildings, and other assets used in its operations. The lease terms range from 3 to 12 years. The group's lease obligations are guaranteed as the ownership of the leased assets remains with the lessor. In general, the Group is not entitled to allocate or sublease these leased assets.

The Group also has lease agreements with lease terms of 12 months or less, which the Group considers as short-term leases. The Group has applied the exemption related to short-term lease contracts to these agreements. The table below shows the carrying amount of the right-of-use assets and the movements during the year.

Right of use leased assets	2025 JD	2024 JD
Balance at the beginning of the year	18,531,892	17,566,480
Add: new contracts during the year	8,574,495	5,834,110
Add: modification on leased contract	(14,860)	413,699
Less: terminated contracts	(97,403)	(787,691)
Less: depreciation for the year	(5,475,977)	(4,494,706)
Balances resulting from the acquisition	933,104	-
Total balance at the end of the year	22,451,251	18,531,892

The lease liabilities related to the right-of-use assets are discounted in accordance with the Group's policies. The liabilities are discounted at rates ranging from 4.4% to 7.56%, depending on the contract duration, which ranges from 3 to 12 years. The table below shows the carrying amount of the lease liabilities and the movements during the year:

Obligations on leased assets contracts	2025 JD	2024 JD
Balance at the beginning of the year	18,879,870	17,428,553
Add: new contracts during the year	8,574,495	5,834,110
Add: modifications on leased contracts	(8,610)	401,829
Add: interest expense during the year	1,177,917	1,057,393
Less: terminated contracts	(144,578)	(719,655)
Less: obligations paid during the year	(6,314,736)	(5,122,360)
Balances resulting from the acquisition	823,192	-
Total balance at the end of the year	22,987,550	18,879,870

- The Group recognised rent expense from short-term leases through consolidated statement of profit or loss of JD 623,353 for the year ended 31 December 2025 (2024: JD 718,272).

The following is an analysis on the maturity of lease obligations as of 31 December 2025:

	Less than one year	From 1 year to 5 years	More than 5 years	Total
Right-of-use leased assets	10,561,010	10,799,451	1,090,790	22,451,251
Leased liabilities	10,004,335	12,311,831	671,384	22,987,550

## Consolidated Financial Statements 31 December 2025

### (19) Loans and Borrowings

2025	Amount		Number of Installments		Frequency of Installments	Collaterals (note 11) JD	Interest rate %	Re-financed Interest rate
	JOD	Total	JOD	Outstanding				
Amounts borrowed from central banks	182,622,639	18,747	8,588		Monthly, quarterly, semi annual and at maturity	-	0.00% to 6.51%	0.00% to 5.1%
Amounts borrowed from local banks and financial institutions	91,656,149	6	6		Monthly, quarterly, and at maturity	-	4.9% to 7.75%	4.00% to 11.00%
Amounts borrowed from foreign banks and financial institutions	163,986,735	220	83		Monthly, semi annual and at maturity	-	1.453% to 9.5%	2.5% to 16%
Total	438,265,523					-		

2024	Amount		Number of Installments		Frequency of Installments	Collaterals (note 11) JD	Interest rate %	Re-financed Interest rate
	JOD	Total	JOD	Outstanding				
Amounts borrowed from central banks	210,727,724	23,050	12,528		Monthly, semi annual and at maturity	-	0.00% to 6.97%	0.00% to 4.75%
Amounts borrowed from local banks and financial institutions	107,765,199	7	7		Monthly, semi annual and at maturity	-	4.9% to 8.25%	4.00% to 11.74%
Amounts borrowed from foreign banks and financial institutions	181,039,179	131	105		Monthly, semi annual and at maturity	-	1.453% to 9.5%	3.75% to 16%
Total	499,532,102					-		

- Borrowed money from the Central Bank includes JD 182,622,639 that represents amounts borrowed to refinance customers' loans under the medium term financing programs. These loans mature during the years 2026 - 2051.
- The amounts borrowed from local institutions are all borrowed from the Jordan Mortgage Refinance Company with a total amount of JD 55,000,000 that mature during the years 2026- 2028 and an overdraft amounting to JOD 36,656,149.
- Loans bearing fixed - interest rates amounted to JD 396,206,451 and loans bearing floating - interest rates amounted to JD 42,059,072 as at 31 December 2025 against JD 479,023,511 and JD 20,508,591 respectively as at 31 December 2024.
- Based on the most recent covenant assessment we are complying with all contingent rules and conditions with our financial institution leaders.

The below table shows the movement on the loans and borrowings during the year is as follows:

	2025 JD	2024 JD
Balance at the beginning of the year	499,532,102	585,767,064
Additions during the year	118,195,528	102,325,667
Settled balances	(179,462,107)	(188,560,629)
Total balance at the end of the year	438,265,523	499,532,102

## (20) Subordinated Loans

2025	Amount JD	Frequency of instalments	Collaterals JD	Interest Rate %
Subordinated Loan	109,895,000	One payment maturing on 31 November 2036	-	8.50%
	109,895,000		-	

2025	Amount JD	Frequency of instalments	Collaterals JD	Interest Rate %
Subordinated Loan	15,172,600	One payment maturing on 15 March 2026	-	7.00%
	15,172,600		-	

- During the year 2025, the Bank completed the issuance of \$155 million loan bonds, which fall within the Tier 2 according to the requirements of the Basel Standard.
- In the last quarter of 2025, the bank made an early repayment of previously issued loan bonds amounting to JOD 15,172,600

## Consolidated Financial Statements 31 December 2025

### (21) Sundry Provisions

2025	Balance at the beginning of the year	JD	Additions resulting from the acquisition	JD	Provided during the year	JD	Utilized during the year	JD	Transferred to income	JD	Adjustment during the period	JD	Balance at the end of the year	JD
Provision for lawsuits raised against the bank	246,500		-		350,000		(25,954)		(44,546)		-		526,000	
Other provisions*	611,487		3,905,437		389,867		(1,677,937)		(6,871,168)		8,118,537		4,476,223	
Total	857,987		3,905,437		739,867		(1,703,891)		(6,915,714)		8,118,537		5,002,223	

2024	Balance at the beginning of the year	JD	Additions resulting from the acquisition	JD	Provided during the year	JD	Utilized during the year	JD	Transferred to income	JD	Adjustment during the period	JD	Balance at the end of the year	JD
Provision for lawsuits raised against the bank	179,528		-		4,992,972		(4,900,000)		(26,000)				246,500	
Other provisions*	1,015,817		-		8,759,911		(9,164,241)		-				611,487	
Total	1,195,345		-		13,752,883		(14,064,241)		(26,000)		-		857,987	

- The bank has fully hedged against the differences resulting from the currency auctions as requested by the Central Bank of Iraq from the National Bank of Iraq during the year 2018, by which the National Bank of Iraq claimed these amounts from its customers according to the Central Bank of Iraq, in addition to the recourse of the judiciary to collect these amounts. A total amount of JD 2,851 was collected during the year ended 31 December 2025 compared to JD 243,304 during the year ended 31 December 2024. Those amounts are shown within the other income on the consolidated statement of income.

## (22) Income Tax

A- The movement of income tax provision during the year is as follows :

	2025 JD	2024 JD
Balance at the beginning of the year	23,767,686	21,321,909
Income tax paid	(26,035,691)	(24,693,467)
Income tax charges	32,999,925	28,684,152
Income tax for prior years	130,539	-
Income tax on perpetual bonds	(1,885,940)	(1,544,908)
Balance acquired	4,320,442	-
Total balance at the end of the year	33,296,961	23,767,686

Income tax expense presented in consolidated income statement is as follows :

	2025 JD	2024 JD
Income tax charges on previous years	32,999,925	28,684,152
Prior year income tax charges	130,539	194,261
Deferred tax assets for the year	961,760	(3,402,214)
	34,092,224	25,476,199

- The statutory income tax rates on bank profits in Jordan is 38% and on financial brokerage firms 28% and on leasing companies 28%.
- Legal income tax rate on the Bank's profits in Iraq is 15%.
- Legal income tax rate on the Bank's profits in Saudi Arabia is 20%.
- A final settlement has been made with the Income and Sales tax department regarding the income tax of (Capital Bank of Jordan) - Jordan Branches till the end of year 2020.
- A final settlement has been made with the Income Tax Department regarding the income tax of Capital Investment and Brokerage Company until the end of 2023.
- A final settlement has been made with the Income Tax Department of the National Bank of Iraq until the end of year 2024.
- A final settlement was made with the Income Tax Department regarding the Bank's tax of Capital leasing Company until the end of year 2022.
- In the opinion of management and tax advisors, the income tax provision is sufficient to meet the tax liabilities as at 31 December 2025.

## Consolidated Financial Statements 31 December 2025

### B- Deferred tax assets / liabilities

Items Included	2025					
	Balance at the beginning of the year	Amounts released	Amounts added	Balance at the end of the year	Deferred Tax	2024
	JD	JD	JD	JD	JD	JD
a) Deferred tax assets						
Provision for lawsuits held against the bank	246,000	(70,000)	350,000	526,000	199,880	93,480
Impairment loss on seized shares	7,191,841	-	6,892,493	14,084,334	5,352,047	2,732,900
Expected Credit Losses - IFRS 9 / Impairment on investments and watchlist provisions	74,624,498	(5,664,229)	16,633,253	85,593,522	32,080,067	29,688,243
Losses from revaluation of financial assets through other comprehensive income	3,746,311	(3,743,840)	4,062,200	4,064,671	1,262,946	1,172,902
Impairment losses on seized assets	9,140,264	(214,457)	2,057,880	10,983,687	4,173,801	3,473,300
Provision against risks in Iraq						-
Deferred tax assets and other provisions	45,314,952	(29,258,449)	7,666,853	23,723,356	7,936,253	14,715,885
Total	140,263,866	(38,950,975)	37,662,679	138,975,570	51,004,994	51,876,710
b) Deferred tax liabilities						
Unrealized gains – financial assets at fair value through other comprehensive income	9,781,490	(9,781,490)	10,024,624	10,024,624	3,742,367	3,751,165
Total	9,781,490	(9,781,490)	10,024,624	10,024,624	3,742,367	3,751,165

The movement on deferred tax assets/ liabilities is as follows:

	2025		2024	
	Assets	Liabilities	Assets	Liabilities
	JD	JD	JD	JD
Balance at the beginning of the year	51,876,710	3,751,165	48,382,597	3,674,761
Additions	5,907,916	(8,798)	13,689,500	76,404
Released	(6,779,632)	-	(10,195,387)	-
Total balance at the end of the year	51,004,994	3,742,367	51,876,710	3,751,165

The Income tax rates on deferred tax assets and liabilities ranged between 28% - 38% in accordance to the newly issued Income Tax Law number 38 for the year 2018, effective 1 January 2019.

### Reconciliation between taxable profit and the accounting profit is as follows:

	2025 JD	2024 JD
Accounting profit	235,176,438	185,612,362
Non-taxable income	(52,910,833)	(96,824,510)
Non-deductible expenses	18,125,812	27,540,395
Taxable profit	200,391,417	116,328,247
Effective rate of income tax	14.50%	13.73%

The statutory income tax rate on bank profits in Jordan is 38%, financial institutions is 28% and the statutory income tax rate in the countries in which the bank has investments ranges between 15% - 24%.

### (23) Other Liabilities

	2025 JD	2024 JD
Accrued interest expense	33,749,901	55,575,200
Accrued expenses	29,508,296	20,935,682
Certified cheques	14,170,243	6,793,005
Cheques payable	13,454,681	3,827,901
Board of directors' remuneration	65,000	65,000
Amount received for company registration*	37,089,790	1,159,406
Accounts under reconciliation**	42,084,177	0
Deferred payment***	22,622,418	0
Brokerage payables	42,735,635	22,054,863
Liabilities / derivatives unrealized losses	7,309,607	62,084
Guarantees	365,225	912,605
Capital leasing Company contract commitment	14,304,248	6,401,260
Other liabilities	35,875,928	32,864,212
Total	293,335,149	150,651,218

\* The bank received amounts related to capital increases, subscriptions, and fees for registering new companies.

\*\* The item 'Accounts Under Reconciliation' representing the balance of accounts under reconciliation related to the operations of acquired subsidiaries as of December 31, 2025, specifically pertaining to electronic payment activities.

\*\*\* The balance represents deferred payment in relation to the acquisition of Iraq Electronic Gate for Financial Services LLC amounting to JD 19.1 million and Digital future company for electronic distribution services and general trading (LLC) amounting to JD 3.5 million (Note 53).



## Consolidated Financial Statements 31 December 2025

### (24) Perpetual bonds

On February 24, 2022, the Bank issued tier 1 non convertible and secured bonds at 7% interest rate, total value of issuance was 100 \$ million , where the nominal value of each bond was 1000 dollars, for a total number of 100,000 bonds . These bonds were listed on the Nasdaq Dubai Stock Exchange. These bonds fall within AT1, as per Basel requirements.

Interest expense on these bonds is recorded directly to the retained earnings as they are considered (ATI) bonds, interest expense on these bonds amounted to JD 3,117,055 for the year ended 31 December 2025 compared to JD3,206,386 for the year ended 31 December 2024. The bonds constitute direct, unconditional and unsecured obligation of the Bank and are classified in accordance with IAS 32: Financial instruments - classification. These bonds do not have a fixed or final maturity date and are redeemable by the Bank at its sole discretions.

### (25) Authorized, issued and paid in capital and additional paid in capital

The authorized, issued and paid-in-capital as of 31 December 2025 and 2024 amounted to JD 263,037,122 and is divided into 263,037,122 shares at a par value of JD 1 per share.

During the month of June 2022, the bank signed an agreement with the Saudi Investment Fund (a strategic partner) through which the bank listed it as one of the bank's shareholders by paying an amount of JD 131,200,000, which were distributed as an increase in the capital by issuing new shares with a value of JD 63,037,122 at a price of one Jordanian Dinar per share. The authorized, subscribed and paid-up capital became JD 263,037,121, and the difference is an issuance premium of JD 68,162,877 bringing the total registered value to JD 68,872,349.

### (26) Cash Dividends and Proposed Cash Dividends

The Board of Directors approved in its meeting No.2/2026 held on 13 February 2026 the issuance of the consolidated financial statements and the distribution of 17% cash dividends of the Bank's authorized and paid in capital which are subject to the Central Bank and general assembly approvals.

The Bank's ordinary General Assembly approved in its meeting held on 17 April 2025 the distribution of cash dividends of 15% of the Bank's authorized and paid in capital which amounted to JOD 39,455,568.

The Bank's ordinary General Assembly approved in its meeting held on 27 March 2024 the distribution of cash dividends of 15% of the Bank's authorized and paid in capital JOD 39,455,568.

The National Bank of Iraq ordinary General Assembly approved in its meeting held on 27 March 2025 the distribution of cash dividends of 20% of the Bank's authorized and paid in capital which amounts to 43,297,710, in which the non-controlling interest portion amounted to JOD 16,518,076 (2024 : JD 12,388,557).

## (27) Reserves

### Statutory Reserve

Inside Jordan: The amounts accumulated in this account represent appropriations from annual net profits at a rate of 10% during the current and prior years, in accordance with the Banking Law and the Companies Law. These amounts are non-distributable to shareholders as required by the Banking Law and the Companies Law. Iraq: According to the Iraqi Companies Law, a minimum of 5% is deducted from the income of the year after taxes.

The use of the following reserves is restricted by law:

Description	Amount JD	Restriction Law
Statutory reserve - 31 December 2025	94,572,647	Companies and Banks law
Statutory reserve - 31 December 2024	81,157,605	Companies and Banks law

## (28) Foreign currency translation adjustments

The foreign currency translation differences represents the exchange differences resulted from translation of the operations of the National Bank of Iraq upon the consolidation of the financial statements. The movement of this account is as follows:

	2025 JD	2024 JD
Balance as at the beginning of the year	(4,397,422)	(4,397,422)
Net movement	-	-
Balance as at year end	(4,397,422)	(4,397,422)

## Consolidated Financial Statements 31 December 2025

### (29) Fair value reserve

31 December 2025	Financial assets at fair value through other comprehensive income JD
Balance as at the beginning of the year	3,967,607
Group's portion of unrealized gain from debt instruments	280,521
Gain on sale of debt instruments at fair value through other comprehensive income transferred to income statement (note 8)	(28,295)
Group's portion unrealized loss from equity instruments	(571,238)
Gain from sale of equity instruments through other comprehensive income transferred to retained earnings (note 8,31)	(31)
Deferred tax assets	90,044
Deferred tax liabilities	8,582
Total balance as at year end	3,747,190

31 December 2024	Financial assets at fair value through other comprehensive income JD
Balance as at the beginning of the year	4,388,724
Unrealized gain from debt instruments	142,083
Gain on sale of debt instruments at fair value through other comprehensive income transferred to income statement (note 8)	(30,285)
Unrealized losses from equity instruments	(805,449)
Loss from sale of equity instruments through other comprehensive income transferred to retained earnings (note 8,31)	255,153
Deferred tax assets	93,784
Deferred tax liabilities	(76,403)
Total balance as at year end	3,967,607

### (30) Significant subsidiaries and partially owned by the bank

**First: Proportion of equity interest held by non-controlling interests is as follows:**

31-Dec-25	Country	Nature of activity	Non-controlling interest ownership percentage	Non controlling interest share of dividends distributed
National Bank of Iraq	Iraq	Banking	38.15%	16,518,076

31-Dec-24	Country	Nature of activity	Non-controlling interest ownership percentage	Non controlling interest share of dividends distributed
National Bank of Iraq	Iraq	Banking	38.15%	12,388,557

**Second: The following is the summarized financial information of these subsidiaries including the non-controlling interests**

A. Summarized statement of financial position before elimination entries as of :

	2025 National Bank of Iraq JD	2024 National Bank of Iraq JD
Cash, balances and deposits	1,185,753,290	1,150,724,687
Financial assets through other comprehensive income	2,784,780	2,659,176
Credit facilities, net	1,508,059,129	964,081,254
Financial assets at amortized cost	529,884,455	498,302,206
Other assets	302,069,247	160,471,081
Total assets	3,528,550,901	2,776,238,404
Banks, customers deposits and margin accounts	2,720,655,195	2,248,396,783
Loans & borrowings	87,142,510	87,407,346
Provisions and other liabilities	213,062,358	74,624,298
Total liabilities	3,020,860,063	2,410,428,427
Shareholders' equity	488,890,524	362,476,186
Non-Controlling interest	18,800,314	3,333,791
Total Equity	507,690,838	365,809,977
Total liabilities and shareholders' equity	3,528,550,901	2,772,904,613
Non-Controlling interest *	170,465,243	107,961,175

- The financial statements of the National Bank of Iraq includes a Goodwill of JD 56.3 million resulting from the acquisition of Bank Audi's branches business in Iraq, which resulted using the fair value acquisition method, During the consolidation of the financial statements of the National Bank of Iraq with the bank, this goodwill was reversed along with the value of the outcome of the acquisition in Jordan which resulted from the acquisition of the business of Bank Audi branches in Jordan, as it was considered as a single transaction. The effect of reversing the resulted goodwill in the National Bank of Iraq has been allocated between the non-controlling interests and shareholders equity.
- The financial statements of the National Bank of Iraq includes a provisional goodwill of JD 87.6 million resulting from the acquisition of Iraq Electronic Gate Financial Services (LLC), Digital future company for electronic distribution services and general trading (LLC) and Union International for Insurance (Ltd), which resulted using the fair value acquisition method (Note 53)

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B. Summarized statement of comprehensive income before elimination entries as of:

	2025 National Bank of Iraq JD	2024 National Bank of Iraq JD
Interest and commission income, net	280,675,288	247,499,595
Other income	14,411,570	4,971,233
Total Income	295,086,858	252,470,828
General and administrative expenses	84,972,618	70,939,490
Provisions	12,571,667	27,552,692
Total expenses	97,544,285	98,492,182
Profit before tax	197,542,573	153,978,646
Income tax	26,637,471	22,491,257
Profit after tax	170,905,102	131,487,389
Other comprehensive income	97,433	34,680
Total comprehensive income for the year	171,002,535	131,522,069
Non-Controlling interest	67,699,531	52,189,261

C. Summarized cash flow for National Bank of Iraq:

Cash flows	2025 National Bank of Iraq JD	2024 National Bank of Iraq JD
Operating	83,640,212	339,242,034
Investing	(140,454,602)	(314,497,523)
Financing	(30,679,683)	(9,728,382)
Net increase	(87,494,073)	15,016,129

**(31) Retained Earnings**

	2025 JD
Balance at the beginning of the year	241,048,908
Group portion from profit of the year	133,384,683
Gain on sale of financial assets through other comprehensive income (equity instruments) transferred to retained earnings (Note 8,29)	31
Perpetual bond interest and its related expenses, net of tax (Note 24)	(3,117,055)
Expenses related to subsidiaries' capital increase	(261,131)
Transferred to reserves	(10,241,981)
Distributed dividends (Note 26)	(39,455,568)
Total balance as at year end	321,357,887

	2024 JD
Balance at the beginning of the year	185,054,830
profit of the year	107,946,902
Loss on sale of financial assets through other comprehensive income (equity instruments) transferred to retained earnings (Note 8 &29)	(255,153)
Perpetual bond interest	(3,206,386)
Expenses related to subsidiaries capital increase	(231,315)
Transferred to reserves	(8,804,402)
Distributed dividends (Note 26)	(39,455,568)
Total balance as at year end	241,048,908

Retained earnings include JD 51,004,994 which represents deferred tax assets balance as at 31 December 2025 against JD 51,876,710 as at 31 December 2024, according to the Central Bank of Jordan's and security exchange commission regulations these balances are restricted.

Retained earnings balance as at 31 December 2025 and 31 December 2024 includes an amount of JD 958,330 which represents the effect of the early adoption of IFRS 9 which is related to the measurement and classification. This amount is not available for distribution according to the Securities and Exchange Commission regulations until the amount becomes realized .

An amount equals to the negative balance of fair value reserve is restricted within retained earnings and cannot be utilized according to the Central Bank of Jordan's and security exchange commission regulations.

The Central Bank of Jordan issued Circular No. 10/1/1359 on 25 January 2018 which states the regulations related to IFRS 9 adoption which allowed the Banks to transfer the general banking risks reserve balance to the retained earnings to offset the effect of applying IFRS (9) on the opening balance of the retained earning as of 1 January 2018. The circular also stated that the unutilized balance from the general banking risks reserve cannot be distributed to shareholders and / or used for other purposes except with the approval of the Central Bank of Jordan. The unutilized balance amounted to JD 8,840,593.

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### (32) Interest Income

	2025 JD	2024 JD
Direct Credit Facilities:-		
Retail		
Overdrafts	1,120,065	1,769,927
Loans and Notes	113,669,847	97,026,836
Credit cards	6,240,711	6,799,506
Real estate mortgages	18,560,815	21,054,113
Corporate		
Overdrafts	11,902,524	20,058,226
Loans and bills	134,240,471	112,415,019
Small and medium enterprises (SMEs)		
Overdrafts	2,577,678	4,000,873
Loans and Notes	17,407,312	20,529,651
Government and public sectors	16,104,037	27,493,294
Balances at central banks	10,937,199	13,532,341
Balances at banks and financial institutions	9,558,672	5,749,346
Financial assets at fair value through other comprehensive income - debt instruments	1,705,923	443,027
Pledged financial assets	11,986,139	12,867,059
Financial assets at amortized cost	144,871,735	130,984,037
Total	500,883,128	474,723,255

### (33) Interest Expense

	2025 JD	2024 JD
Banks and financial institutions deposits	3,044,047	5,018,017
Customers» deposits :		
Current accounts and demand deposits accounts	13,274,937	14,197,783
Saving accounts	4,693,170	4,188,979
Time and at notice deposits	186,105,382	204,464,917
Certificates of deposits	1,464,046	643,944
Interest on leased asset obligations	1,162,988	1,057,393
Margin accounts	12,595,749	12,745,260
Loans and borrowings	14,509,510	17,505,718
Deposits guarantee fees	4,520,808	3,773,922
Subordinated loans	1,220,914	1,079,783
Total	242,591,551	264,675,716

**(34) Net Commission Income**

Commission income :	2025 JD	2024 JD
Direct credit facilities	21,489,347	16,472,437
Indirect credit facilities	30,498,930	27,635,543
Transfers commission	96,248,910	105,185,060
Other commission	43,360,308	50,327,449
Less: Commission expense	(24,345,305)	(27,669,476)
Net Commission Income	167,252,190	171,951,013

**(35) Gain From Foreign Currencies**

	2025 JD	2024 JD
Revaluation of foreign currencies	7,522,733	8,105,400
Revaluation trading in foreign currencies	14,725,799	4,687,895
Total	22,248,532	12,793,295

**(36) Other Income**

	2025 JD	2024 JD
Amount received from written of debts	9,719,523	918,240
Income and commission from brokerage and accounts management	6,252,610	4,673,737
Collection against auction price swaps *	203,009	243,204
Others	659,096	856,238
Total	16,834,238	6,691,419

Based on the instructions of the Central Bank of Iraq, an amount of JD 203,009 during 2025 was collected from National Bank of Iraq customers which represents the differences imposed by the Central Bank of Iraq, compared to JD 243,204 during 2024.



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### (37) Employees' Expenses

	2025 JD	2024 JD
Salaries and benefits	58,820,399	58,356,549
Bank's contribution in social security	4,861,362	4,519,621
Medical expenses	2,732,673	2,703,387
Employees' training	1,056,435	826,071
Bank's contribution to social activities fund	32,586	82,832
Paid vacations	187,306	201,739
Others	108,937	170,575
Total	67,799,698	66,860,774

### (38) Other Expenses

	2025 JD	2024 JD
Rent and building services	4,660,573	4,256,746
Advertisement	12,601,826	9,756,613
Computer expenses	14,386,258	12,153,338
Consulting and professional fees	14,932,720	7,885,550
Internet	3,133,750	2,265,643
Subscriptions	678,769	233,333
Board of Directors' transportation and remuneration	1,601,565	1,557,872
Maintenance	4,850,146	3,787,179
Post, telephone, swift	966,981	948,150
Travel and transportation	1,884,093	1,431,222
Donations	2,471,437	1,004,739
fees and licenses	3,184,733	2,725,224
Security services	1,641,964	1,541,756
Operational Loss	3,311,995	1,148,640
Insurance	932,335	1,142,630
Stationary and printing	1,044,845	1,048,397
Cash transportation services	1,117,028	872,547
Reuters' and Bloomberg subscription fees	556,104	414,201
Hospitality	513,174	596,815
Others	5,000,686	2,828,457
Total	79,470,982	57,599,052

**(39) Basic and diluted earnings per share attributable to the Banks' shareholders**

	2025 JD	2024 JD
Profit for the year attributable to Bank's shareholders (JD)	133,384,683	107,946,902
Interest related to perpetual bonds, net of tax (Note 24)	(3,117,055)	(3,206,386)
Weighted average number of shares during the year	263,037,122	263,037,122
Basic earnings per share	JD / Fils	JD / Fils
Basic and diluted earnings per share attributable to the Banks' shareholders	0.495	0.398

- The basic earning per share is equivalent to the diluted earning per share, since the bank did not issue any convertible financial instruments.

**(40) Fair Value of Financial Assets not Presented at Fair Value in the consolidated Financial Statements**

The table below compares the book value and the fair value of financial assets not recorded as fair value. This table does not include the fair value of non financial assets.

	2025			2024	
	Book value	Fair value	Level	Book value	Fair value
	JD	JD		JD	JD
Financial assets at amortized cost	2,151,161,311	2,379,547,376	One & two	2,115,702,468	2,110,719,172
Direct credit facilities at amortized cost	3,858,067,733	3,884,537,485	Two & Three	3,429,168,025	3,464,848,196
Pledged financial assets	207,412,772	209,444,236	Two	226,054,164	220,514,893

**(41) Cash and Cash Equivalents**

	2025 JD	2024 JD
Cash and balances with central banks maturing within 3 months	779,794,336	1,352,008,312
Balances at banks and financial institutions maturing within 3 months	275,598,827	221,777,278
Banks and financial institutions' deposits maturing within 3 months	(118,213,626)	(152,901,755)
Brokerage payables	(42,735,635)	(22,054,863)
Restricted balances at Banks and Financial institutions	(7,130,009)	(6,830,527)
Total	887,313,893	1,391,998,445

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### (42) Derivative financial instruments

2025	Positive fair value	Negative fair value	Par (nominal) value maturity		
			Total nominal amount	Within 3 months	3-12 months
	JD	JD	JD	JD	JD
Currency sales contracts	222	-	8,470,390	8,470,390	-
Currency purchases contracts	-	(7,195,063)	49,148,412	3,949,491	45,198,921
Currency swaps contracts	-	(114,766)	12,224,250	12,224,250	-

2024	Positive fair value	Negative fair value	Par (nominal) value maturity		
			Total nominal amount	Within 3 months	3-12 months
	JD	JD	JD	JD	JD
Currency sales contracts	-	(3,927)	22,758,091	22,758,091	-
Currency purchases contracts	-	(1,011,636)	104,561,011	41,751,768	62,809,243
Currency swaps contracts	953,479	-	28,729,678	28,729,678	-

The par (nominal) value indicates the value of the outstanding transactions at year end and does not indicate market risk or credit risk.

### (43) Related Parties Transactions

The consolidated financial statements of the Bank include the following subsidiaries:

Company Name	Ownership		Paid in capital	
	2025	2024	2025	2024
	%	%	JD	JD
Capital Investment and Brokerage Company	100 %	100 %	10,000,000	10,000,000
National Bank of Iraq and its subsidiaries	61.85 %	61.85%	86,739,855	86,739,855
Capital Investment (DIFC) Limited	100 %	100 %	177,250	177,250
Capital Leasing company	100 %	100 %	8,037,481	8,037,481

Related parties are shareholders, senior management of the Group, and companies of which they are principal owners. Pricing policies and terms of these transactions are approved by the Group's management.

The table below summarize the balances with related parties included in the consolidated statement of financial position as at the year end and transactions with related parties included in the consolidated statement of profit or loss during the year.

	Related party			Subsidiaries *		Major Shareholders		Total	
	BOD members	Executive management	JD	JD	JD	JD	JD	2025	2024
Statement of financial position items:									
Bank deposits with related parties	-	-		57,161,155	-	-		57,161,155	37,443,643
Balances and deposits at Bank	240,454,653	2,015,481		6,029,536	123,639			248,623,309	326,139,488
Margin accounts	2,155,796	160,786		146,947,692	2,200			149,266,474	111,510,008
Direct credit facilities	27,634,870	4,266,256		-	10,370,024			42,271,150	60,113,781
Off-balance sheet items:									
Indirect credit facilities	2,611,214	11,000		156,735,344	2,000			159,359,558	73,203,935
Expected credit losses stage 1	52,278	7,878		-	15,956			76,112	196,000
Expected credit losses stage 2	147,839	-		-	-			147,839	-
Statement of income items:									
Interest and commission income	3,873,600	201,888		3,019,963	892,688			7,988,139	9,438,294
Interest and commission expense	20,747,199	93,369		270,668	814			21,112,050	22,505,989

\* The effect of balances and movements with affiliate companies for purposes of consolidating financial statements.

- Interest rates on credit facilities in Jordanian Dinar range between 4.5.00% - 17.0%.
- Interest rates on credit facilities in foreign currency range between 6.5% - 8.0%.
- Interest rates on deposits in Jordanian Dinar range between 0.00% - 5.0%.

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Compensation of the key management personnel benefits for the bank and its subsidiaries as follows:

	2025 JD	2024 JD
Benefits (Salaries, wages, and bonuses) of executive management for the Group	5,380,193	5,928,688
Total	5,380,193	5,928,688

### (44) Fair Value of Financial Instruments

Financial instruments include cash balances, deposits at banks and the Central Bank of Jordan, direct credit facilities, other financial assets, customers' deposits, banks deposits and other financial liabilities.

There are no material differences between the fair value of financial instruments and their book value. (except for the financial assets as per note 40).

The Bank uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Other techniques by which all inputs significantly effect the recorded fair value may be observed, either directly or indirectly from market information.

Level 3: Other techniques using inputs significantly effecting the recorded fair values; which are not based on observable market data.

The following table shows the breakdown of the financial instruments at fair value and according to the above hierarchy:

2025	Level 1 JD	Level 2 JD	Total JD
Financial assets-			
Financial assets at fair value through other comprehensive income	291,600,507	73,089,371	364,689,878
Financial Liabilities-			
Derivative instruments (Note 23)	-	7,309,607	7,309,607

2024	Level 1 JD	Level 2 JD	Total JD
Financial assets-			
Financial assets at fair value through other comprehensive income	8,921,222	68,996,353	77,917,575
Derivative instruments (Note 23)	-	62,084	62,084

## (45) Risk Management Policies

The Bank has followed a comprehensive strategy within the best practices in managing the risks that it may be exposed to (credit risk, operational risk, market risk, liquidity risk, interest rate risk, concentration risk, information security, and any other risks) in order to preserve the Bank's financial position and profitability.

The general framework of risk management in the bank, its follow-up and mitigation, and compliance with the instructions of the regulatory authorities and the Basel Committee is a comprehensive and joint responsibility through multiple bodies in the bank, starting with the Board of Directors and its committees such as the Risk Committee, the Audit Committee and the Compliance Committee, in addition to the various internal committees in the bank such as the Internal Risk Management Committee Asset and liability management, facilities committees, in addition to all bank departments and branches.

1. The Board of Directors and its risk committee both review and approve the Bank's Risk Appetite for potential losses associated with the various risk factors, as well as review and approve the Risk Management Policies in order to ensure that these policies keep up with all developments in the banking industry in terms of growing its operations and expansion of its services. In addition the Board of Directors ensures that the Bank's strategies are being implemented in relation to the bank's risk management.
2. The Chief Executive Officer is considered the primary responsible person for implementing risk management recommendations in accordance to the principles of Board of Directors and the Risk Committee . He is also the head of the Internal Risk Management Committee.
3. The Chief Risk Officer is responsible for managing risks and the associated practices within the bank's activities structure, and submitting periodic reports to the risk management committee emanating from the Board of Directors.
4. The risk management philosophy at the Bank is based on knowledge, experience ,the judgment capability of the supervisory management , and the availability of a clear authority matrix set by the Board of Directors.
5. Continuously developing the risk management systems and taking on the necessary steps and measures needed to make sure that the Bank is in compliance with the new international standards, namely the requirements of Basel III and IFRS 9.
6. The Risk Department manages the Bank's risks according to a comprehensive centralized methodology, with the presence of systems that assist in managing these risks, and by providing various business units at the Bank with the methodologies and tools that are necessary for achieving an efficient and proper management of all types of risks. The Risk Department, which is headed by the Chief Risk Officer, is linked to the Board's Risk Management Committee. There is also a direct link that connects the Chief Risk Officer with the Chief Executive Officer.
7. Risk management is the responsibility of all employees.
8. The role of the Assets and Liabilities Committee is in planning the optimal deployment and allocation of capital, assets and liabilities and the continuous monitoring of liquidity and market risks.
9. The Internal Audit Department provides an independent assurance on the compliance of the Bank's business units with the risk management policies and procedures, and the effectiveness of the Bank's risk management framework.
10. The Chief Financial Officer (CFO) is responsible for identifying the financial risks, as well as monitoring and maintaining the quality and soundness of financial information, and ensuring the accuracy and integrity of the disclosed financial statements.
11. The Chief Compliance Officer is responsible for ensuring that the Bank complies with all the relevant regulations, legislation and laws, especially those issued by the regulatory authorities.

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Throughout 2025, the bank focused on several key pillars in the field of risk management including:

1. Prepared the Internal Capital Adequacy Assessment Process (ICAAP) and conducted comprehensive stress testing exercises.
2. Prepared detailed reports analyzing credit risks across all credit portfolios of the Bank.
3. Conducted an integrated assessment of all types of risks, including credit, market, liquidity, operational, information security, and other relevant risks.
4. Designed and developed effective frameworks and methodologies for measuring, monitoring, and controlling various risks in line with best practices and approved standards.
5. Prepared and submitted comprehensive periodic reports to the Board of Directors and senior management, including quantitative and qualitative risk indicators and analyses.
6. Enhanced the Bank's risk data infrastructure through the Risk Data Mart and IFRM projects, supporting automation, providing a comprehensive and accurate view of risk exposures, and enabling timely and data-driven strategic decisions.
7. Implemented validation and calibration processes for credit rating models, particularly for corporate and SME clients.
8. Conducted monthly monitoring and analysis of risk-weighted assets to ensure capital ratios remained above the minimum regulatory requirements.
9. Maintained the required level of maturity under COBIT 2019 for information security, operational risk, and business continuity management.
10. Reviewed, updated, and obtained Board approval for all risk management policies, procedures, and plans.
11. Achieved the Bank's seventh consecutive PCI DSS certification.
12. Implemented regulatory and security controls for SWIFT operations in compliance with relevant standards.
13. Established automated processes for assessing information security risks, implementing mitigation plans, and monitoring key risk and performance indicators.
14. Automated the process of risk data collection across departments.
15. Launched information security and anti-fraud awareness programs for both customers and employees, including targeted training to strengthen knowledge of operational risk and business continuity management.
16. Review and update the Risk and Controls Self-Assessment (CRSA) for all bank's functions.
17. Analyzing the business impact for all bank departments, projects, and new products based on the approved methodology, and conducting a comprehensive analysis of business continuity risks that the bank may face, while establishing the necessary controls to mitigate and manage these risks.
18. Operating most of the critical and high-priority systems from the Disaster Recovery site for five consecutive business days.
19. Conducting all tests related to ensuring business continuity, including high availability (HA) testing for several critical systems in collaboration with the IT Department.
20. Ensured the execution of mock evacuation drills across most Bank buildings and branches.
21. Conducted a gap analysis within the scope of fraud risk management against the guideline issued by the Central Bank of Jordan.
22. Introduced the concept of Key Fraud Indicators (KFIs) to monitor fraud risks affecting the Bank and its customers.
23. Established a clear workflow to collect and process fraud cases data in compliance with CBJ / Fincert operational fraud monthly reporting requirements.
24. Implemented Basel requirement regarding the Net Stable Funding Ratio (NSFR).

In 2026, the bank plans to focus on a number of other key aspects in the field of risk management, including:

1. Update and enhance the Bank's Risk Appetite Framework and limits to ensure alignment with the Bank's strategy and targeted risk levels.
2. Review and update the staging criteria and components used in the calculation of Expected Credit Losses (ECL) to enhance measurement accuracy and ensure compliance with regulatory and accounting standards.
3. Prepare the Internal Capital Adequacy Assessment Process (ICAAP) and conduct stress testing exercises in line with updated regulations and instructions issued by the Central Bank of Jordan, in addition to launching a dedicated project to implement newly introduced regulatory requirements.
4. Develop and update the early identification strategy for credit risk and strengthen monitoring and early warning mechanisms.
5. Develop and complete the Retail Application Scorecard project, including testing phases and gradual system implementation, to enhance the accuracy of credit risk assessment and support risk-based credit decision-making and pricing.
6. Monitoring the implementation of COBIT 2019 framework for information security, operational risk management, and business continuity, ensuring the required maturity level is maintained.
7. Continuing to update risk management policies, procedures and plans to ensure alignment with best practices, relevant international standards, and compliance with regulatory requirements.
8. Review and update of the risk matrix for the bank's entities based on the Risk and Controls Self-Assessment (CRSA).
9. Review the policies and procedures at the bank level according to the procedures classification list.
10. Developing employees' skills and enhancing their awareness of the operational risk management culture and the importance of business continuity plans to ensure their readiness to effectively handle challenges.
11. Managing all insurance-related risks, whether related to the bank's assets, properties, or its clients, in accordance with the bank's policies. This includes determining the appropriate type of insurance, selecting the best insurance offers based on cost and coverage, and ensuring continuous updates and renewals of policies.
12. Integrate fraud management in the bank's overall risk strategy.
13. Create a clear fraud incident response plan.
14. Establish an automated process to classify data based on confidentiality levels.
15. Update the authority matrix for critical and high-importance classified systems.
16. Enhance security awareness activities across the Bank for employees and customers.
17. Update information security and cybersecurity policies and procedures in line with regulatory requirements and international best practices.
18. Obtain the PCI DSS certification in accordance with Version 4 requirements.
19. Apply and maintain security controls related to the SWIFT system in accordance with applicable standards and requirements.
20. Implement an automated cybersecurity compliance assessment process through the use of a GRC tool.



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### (45-1) Credit risk management

The following is an overview of how the bank deals with each of the risks it may face:»

Credit risk is the risk of suffering financial loss, should any of the Group's customers fail to fulfil their contractual obligations to the Group. Credit risk arises mainly from loan and advances, loan commitments arising from such lending activities, trade finance and treasury activities but can also arise from financial guarantees, letter of credit, endorsements and acceptances. The Group is also exposed to other credit risks arising from investments in debts instruments, derivatives as well as settlement balances with market counterparties.

Credit risk is the single largest risk from the Bank's business of extending Loans and Advances (including loan commitments, LCs and LGs) and carrying out investment in securities and debts; management therefore carefully manages its exposure to credit risk. The credit risk management and control are centralized in a risk management department which reports regularly to the Risk Management Committee.

The Bank generally manages Credit Risk through:

- A clear and comprehensive policy for managing credit risk in addition to approved credit policies.
- Setting clear and specific limits for credit risks level that are set by the Board of Directors and then circulated to the different business units.
- Adopting the concept of credit committees to ensure that the credit decisions are not made on individual or subjective basis.
- Having a clear criteria for selecting clients, the target market and the acceptable level of credit.
- A comprehensive and thorough financial and credit analysis covering the various aspects of risk for each clients and/or credit processes.
- The results of Moody's Credit Rating System in determining each client's risk classification.
- Reviewing and analyzing the quality of the credit portfolio periodically, according to specific performance indicators.
- Evaluating and monitoring constantly to avoid high credit concentration, and implementing the required remedial actions.
- Adopting early warning indicators and recognition of possible risks in the credit portfolio while revising them on a regular basis.
- Effective management and follow up of the preservation of the legal documentation process and collateral administration to ensure that there are no negative indicators or regress that may necessitate the undertaking of pre-emptive or safety actions.
- Periodical revision, or when necessary, of all extended credit facilities on individual basis to ensure that there are no negative indicators or regress that necessitate the undertaking of pre-emptive or safety actions.

## Key Credit Risk Management Methods:

### 1- Loans and advances

The estimation of credit exposure for risk management purposes is complex and requires the use of models, as the exposure varies with changes in market conditions, expected cash flows and the passage of time. The assessment of credit risk of a portfolio of assets entails further estimations as to the likelihood of defaults occurring, of the associated loss ratios and of default correlations between counterparties. The Group measures credit risk using the concept of Expected Loss which requires the following measures:

- Probability of Default (PD)
- Loss Given Default (LGD)
- Exposure at Default (EAD)»

Under IFRS 9 expected loss is replaced by expected Credit Loss (ECL), which is based on macro adjusted PD, LGD & EAD measures. Additionally it also captures deterioration and lifetime likelihood of defaults.

### 2- Credit risk grading

In accordance with the Credit Risk Management Principle, the availability of an internal credit rating system for customers is an essential element in the process of measuring credit risk, assessing the quality of the credit portfolio and determining its credit risk structure.

At the beginning of 2014, the Bank implemented the global credit rating system (Moody's) after conducting the necessary tests on the results and outputs. This system helps the Bank to

- Assisted the Bank with Measuring customer risk scores, and improved the process of collecting and evaluating quantitative and qualitative information that can be relied upon in the risk measurement methodology.
- Collecting and analyzing historical and projected financial data in order to analyze the historical and expected financial performance and cash flows of customers, in addition to performing Sensitivity Analysis based on many factors and expected strategies.
- The process of monitoring the terms and financial covenants is contained in loan agreements
- Conducting analysis of the economic sectors and comparisons of the financial statements of clients of similar companies in the same sector based on the available system database

The system is based on two dimensions (two dimensions) first: the customer risk (Obligor Risk Rating), which reflects the degree of credit capacity of the customer independently of the guarantees provided, and is linked to the probability of default (PD%), the second: Facility risk and calculation of loss upon default (LGD%) and credit exposure upon default (EAD), using a set of rating models that reflect the nature and activities of the bank's customers, as follows:

Project Finance Model	Corporate Rating Model
Financial Institutions Scorecard Model	SMEs Model
Country Scorecard Model	High Net Worth Individual Model

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The output of the (Moody's) rating system are translated into various grades of risk that distinguish between customers on the basis of their credit risk. Institutional customer have 10 risk scores / 20 sub-grades, retail customers have 6 risk scores, while financial institutions and countries have 8 scores.

For corporate customer, the model evaluates from a financial and non-financial aspect as follows:

- Financial evaluation: which is based on an analysis of clients' financial statements, and includes:
  - Financial Ratios relating to Operations
  - Liquidity ratios
  - Financial ratios related to the capital structure
  - Debt Service Ratios
- Non-financial evaluation: which depends on qualitative factors about the customer, and includes:
  - Industry risks
  - Management quality
  - Experience and customer experience in his activity and dealing with banks (Company Standing).»

On the other hand, the system uses the Scorecard methodology in some of the classification models used, such as the classification models for individual customers, financial institutions, countries and governments, which include evaluation of various financial and non-financial factors in line with the nature of each of them.

«Regrading Retail customer sector, the bank replaced its rating system with a specialized «»Decision smart»» rating system during 2021.

The credit rating process, which forms an integral part of the Bank's credit process, is subject to established policies and procedures designed to ensure the quality and review of input data, the rating of all credit facility customers, and the updating of customers' risk grades to reflect changes and any adverse indicators. This reflects the importance of the rating system outputs in supporting the credit decision-making process.»

The Bank uses specific internal rating models tailored to the various industry segments/counterparty. Borrower and loan specific information collected at the time of application (such as disposable income, and level of collateral for retail exposures; and turnover and industry type for wholesale exposures) is fed into this rating model. This is supplemented with external data input into the model.

The credit grades are calibrated such that risk of default increases exponentially at each higher risk grade. For example, this means that the difference in the PD between a 6 and 8 rating grade is higher than the difference in the PD between a 3 and 5 rating grade.

The Risk Rating system for performing assets ranges from 1 to 10, each grade being associated with a Probability of Default ("PD"). Non-performing clients are rated 6, 7, 8, 9, and 10 corresponding to NAUR (Non-accrual under Restructuring), Substandard, Doubtful, Loss classifications and Write-off.

These risk ratings have been mapped into 8 Grades which are defined below:

Internal credit rating of balances and deposits of banks & financial institutions

Stage	Internal credit rating	Description
1	1	Financial institutions rated 1, 2, 3, and 4 possess superior intrinsic financial strength. Typically, they will be institutions with highly valuable and defensible business franchises, strong financial fundamentals, and a very predictable and stable operating environment.
	2	
	3	
	4	
	5	Financial institutions rated 5 possess strong intrinsic financial strength. Typically, they will be institutions with valuable and defensible business franchises, good financial fundamentals, and a predictable and stable operating environment.
2	6	Financial institutions rated 6 possess adequate intrinsic financial strength. Typically, they will be institutions with more limited but still valuable business franchises. These FI will display either acceptable financial fundamentals within a predictable and stable operating environment, or good financial fundamentals within a less predictable and stable operating environment.
	7	Financial institutions rated 7 display modest intrinsic financial strength, potentially requiring some outside support at times. Such institutions may be limited by one or more of the following factors: a weak business franchise; financial fundamentals that are deficient in one or more respects; or an unpredictable and unstable operating environment.
3	8	Financial institutions rated 8 display very modest intrinsic financial strength, with a higher likelihood of periodic outside support or an eventual need for outside assistance. Such institutions may be limited by one or more of the following factors: a weak and limited business franchise; financial fundamentals that are materially deficient in one or more respects; or a highly unpredictable or unstable operating environment.

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Internal Credit rating for corporate and SMEs:

Stage	Internal credit rating	Description
1	1	Obligations rated 1 are judged to be of the highest quality, and carry the lowest level of credit risk.
	2	Obligations rated 2 are judged to be of high quality and very low credit risk.
	3	Obligations rated 3 are judged to be upper-medium grade and carry a low credit risk.
	4	Obligations rated 4 are judged to be medium-grade and carry a Low to moderate credit risk and as such may possess certain speculative characteristics.
	5	Obligations rated 5 are judged to be speculative and carry a moderate credit risk.
	6	Obligations rated 6 are considered speculative with a moderate to High credit risk.
2	7	Obligations rated 7 are judged to be speculative of poor standing and carry a very high credit risk.
	8	Obligations rated 8 are highly speculative and are likely for PDs, with some prospect of recovery of principal and interest/yield.
	9	Obligations rated 9 are the lowest rated and are typically in default, with no prospect for recovery of principal or interest/yield.
3	10	Obligations rated 10 are in default, with little prospect for full recovery of principal or interest/ yield.

Internal credit rating for retail and real estate:

Stage	Internal credit rating	Description
1	A	Obligations rated A are judged to be of the highest quality, and carry the lowest level of credit risk.
	B	Obligations rated B are judged to be of high quality and low credit risk.
	C	Obligations rated C are judged to be upper-medium grade and carry a low credit risk.
	D	Obligations rated D are judged to be speculative and carry a moderate credit risk.
	E	Obligations rated E are judged to be speculative of poor standing and carry a very high credit risk.
2 and 3 based on Days past dues	F	Sectors classified as F are in default, with a low probability of full recovery of the principal or interest/yield.

### 3- Expected credit losses measurement

IFRS 9 outlines a 'three-stage' model for impairment based on changes in credit quality since initial recognition of a facility as summarized below:

- A financial instrument that is not credit-impaired on initial recognition is classified in 'Stage 1' and has its credit risk continuously monitored by the Group.
- If a significant increase in credit risk ('SICR') since initial recognition is identified, the financial instrument is moved to 'Stage 2' but is not yet deemed to be credit-impaired. The identification of SICR is measured via a change in one year probability of default between the date of inception of facility and the date of IFRS 9 ECL run.
- If the financial instrument is credit-impaired, the financial instrument is then moved to 'Stage 3'.
- Financial assets in Stage 1 have their ECL measured at an amount equal to the portion of lifetime expected credit losses that result from default events possible within the next 12 months. Instruments in Stages 2 or 3 have their ECL measured based on expected credit losses on a lifetime basis.
- A pervasive concept in measuring the ECL in accordance with IFRS 9 is that it should consider forward-looking information.
- Purchased or originated credit impaired financial assets are those financial assets that are credit impaired on initial recognition. Their ECL is always measured on a lifetime basis (Stage 3).
- All government and government-guaranteed financial instruments have been taken into account in the calculation of total expected credit losses.

### 4- Significant increase in credit risk (SICR)

The Bank considers a financial asset to have experienced a significant increase in credit risk when a significant change in one year probability of default occurs between the origination date of a specific facility and the IFRS 9 ECL run date.

### Quantitative criteria

Corporate loans:

For corporate loans, if the borrower experiences a significant increase in probability of default which can be triggered by the following quantitative factors:

- Operating Performance
- Operating Efficiency
- Debt Service
- Liquidity Assessment
- Capital structure»

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### Retail:

For Retail portfolio, if the borrowers meet one or more of the following criteria:

- Adverse findings for an account/ borrower as per credit department data;
- Loan rescheduling before 30 Days Past Due (DPD);
- Accounts overdue between 30 and 90 days»

### Treasury:

- Significant increase in probability of default of the underlying treasury instrument;
- Significant change in the investment's expected performance & behavior of borrower (collateral value, payment holiday, payment to income ratio etc.).

### Qualitative criteria:

#### Corporate Loans

For corporate loans, if the borrower experiences a significant increase in probability of default, which can be triggered by the following Default Risk dicator's (DRI):

- Past Due
- Net Worth Erosion
- Fraudulent Activity
- Mandatory Restructure
- Financial Covenants Breach
- Significant Operations Disruption»

For corporate loans, if the borrower experiences a significant increase in probability of default which can be triggered by the following qualitative factors:

- Management
- Industry Outlook
- Financial Conduct
- Income Stability
- Lifecycle Stage
- Auditor Information»

### Backstop:

If the borrower is more than 30 days past due on its contractual payments a backstop is applied and the financial asset is considered to have experienced a significant increase in credit risk.

## 5- Definition of default and credit-impaired assets

The Group defines a financial corporate, retail and investment instrument as in default, which is fully aligned with the definition of credit-impaired, when it meets one or more of the following criteria:

### Quantitative criteria

The borrower is more than 90 days past due on its contractual payments.

### Qualitative criteria:

According to the Basel definition, default is considered to have occurred with regard to particular obligors when either one of the following events have taken place:

- The Bank considers that the obligor is unlikely to pay its credit obligation to the Group in full without recourse by the Bank to actions like realizing security (if held).
- The Bank puts the credit obligation on a non-accrued status.
- The Bank makes a charge-off or account-specific provision resulting from a perceived decline in credit quality subsequent to the Bank taking on the exposure.
- The Bank sells the credit obligation at a material credit-related economic loss.
- The Bank consents to a distressed restructuring of the credit obligation where this is likely to result in a diminished financial obligation caused by the material forgiveness or postponement of principal, interest and other fees.
- The Bank has filed for the obligor's bankruptcy or similar order in respect of the obligor's credit obligation to the Banking Group.
- The obligor is past due more than 90 days on any material credit obligation to the Banking Group.»

The criteria above have been applied to all financial instruments held by the Group and are consistent with the definition of default used for internal credit risk management purposes. The default definition has been applied consistently to model the Probability of Default (PD), Exposure at Default (EAD), and Loss Given Default (LGD) throughout the Bank's expected loss calculations.

An instrument is considered to no longer be in default (i.e. to have cured) when it no longer meets any of the default criteria for a consecutive period of twelve months. This period of twelve months has been determined based on an analysis which considers the likelihood of a financial instrument returning to default status after cure using different cure definitions.

#### 1) Stage 1: 12-months ECL

For exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months is recognised.



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### 2) Stage 2: Lifetime ECL – not credit impaired

For credit exposures where there has been a significant increase in credit risk since initial recognition but that are not credit impaired, a lifetime ECL is recognised.»

### 3) Stage 3: Lifetime ECL – credit impaired

Financial assets are assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. This uses the same criteria as under IAS 39, the Bank's methodology for specific provisions remains unchanged. For financial assets that have become credit impaired, a lifetime ECL is recognised and interest revenue is calculated on the total defaulted balance from stage 3, with interest suspended and not calculated as income in the consolidated income statement.»

## 6- Measuring ECL – Explanation of inputs, assumptions and estimation techniques

The Expected Credit Loss (ECL) is measured on either a 12-month (12M) or lifetime basis depending on whether a significant increase in credit risk has occurred since the initial recognition of a specific facility or whether an asset is considered credit-impaired. The Group has adopted a forward exposure method for computing the ECL for each facility. The bank has opted for a monthly granular computation of PD, EAD and LGD.

### Probability of default (PD):

PD estimates are estimates at a certain date, which are calculated based on statistical rating models, and assessed using rating tools tailored to the various categories of counterparties and exposures. These statistical models are based on internally compiled data comprising both quantitative and qualitative factors. Where it is available, market data may also be used to derive the PD for large corporate counterparties. If a counterparty or exposure migrates between ratings classes, then this will lead to a change in the estimate of the associated PD. PDs are estimated considering the contractual maturities of exposures and estimated prepayment rates.

The mechanism for distributing the percentages of the probability of default is shown below according to the degree of risk for the sectors of large companies and small and medium enterprises.

Risk classification	Low risk	Low to medium risk	medium risk	Medium to high risk	high risk
1	0.02%	0.03%	0.03%	0.04%	0.06%
2+	0.03%	0.04%	0.05%	0.06%	0.08%
2	0.05%	0.06%	0.07%	0.08%	0.12%
2-	0.07%	0.08%	0.10%	0.12%	0.17%
3+	0.09%	0.11%	0.14%	0.17%	0.25%
3	0.13%	0.16%	0.20%	0.24%	0.36%
3-	0.19%	0.23%	0.28%	0.34%	0.51%
4+	0.28%	0.33%	0.41%	0.49%	0.73%
4	0.39%	0.48%	0.58%	0.71%	1.04%
4-	0.57%	0.69%	0.83%	1.01%	1.49%
5+	0.81%	0.98%	1.19%	1.45%	2.12%
5	1.16%	1.41%	1.70%	2.06%	3.02%
5-	1.65%	2.00%	2.43%	2.93%	4.28%
6+	2.36%	2.85%	3.45%	4.16%	6.03%
6	3.35%	4.04%	4.87%	5.86%	8.43%
6-	4.73%	5.70%	6.84%	8.20%	11.66%
7	6.66%	7.98%	9.53%	11.36%	15.92%
8	9.28%	11.06%	13.13%	15.53%	21.36%
9	12.80%	15.14%	17.82%	20.86%	28.03%
10	17.39%	20.38%	23.73%	27.44%	35.84%

The mechanism for distributing the percentages of the probability of default according to the degree of risk is shown below for the sectors of individuals and real estate loans.

Risk classification	PD Upside	PD Base case	PD down side	WA (adjusted) PD
A	0.19%	0.20%	0.22%	0.21%
B	0.50%	0.54%	0.59%	0.56%
C	1.31%	1.42%	1.56%	1.47%
D	3.43%	3.71%	4.06%	3.85%
E	8.64%	9.33%	10.22%	12.11%
F	19.97%	21.57%	23.63%	33.59%

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The mechanism for distributing the percentages of the probability of default according to the degree of risk for financial assets at amortized cost and other comprehensive income is shown below.

classification	medium risk
AAA	0.03%
AA+	0.05%
AA	0.07%
AA-	0.10%
A+	0.14%
A	0.20%
A-	0.28%
BBB+	0.41%
BBB	0.58%
BBB-	0.83%
BB+	1.19%
BB	1.70%
BB-	2.43%
B+	3.45%
B	4.87%
B-	6.84%
CCC	9.53%
CC	13.13%
C	17.82%
D	23.73%

Loss given default (LGD):

LGD is the magnitude of the likely loss if there is a default. The Bank estimates LGD parameters based on the history of recovery rates of claims against defaulted counterparties. The LGD models consider the structure, collateral, seniority of the claim, counterparty industry and recovery costs of any collateral that is integral to the financial asset. For loans secured by retail property, LTV ratios are a key parameter in determining LGD. They are calculated on a discounted cash flow basis using the effective interest rate as the discounting factor.

The Bank estimates the following haircuts for its main collaterals:

Collateral Type	LGD%
Cash Margin, Government Guarantees, Qualified Banking Guarantees, external-party guarantees	-
Stocks and financial Assets	25%
Real Estate	30%
Cars	52%
Machines	61%

#### Exposure at default (EAD):

EAD represents the expected exposure in the event of a default. The Bank derives the EAD from the current exposure to the counterparty and potential changes to the current amount allowed under the contract including amortization. The EAD of a financial asset is its gross carrying amount. As described above, and subject to using a maximum of a 12-month PD for financial assets for which credit risk has not significantly increased, the Bank measures ECL considering the risk of default over the maximum contractual period over which it is exposed to credit risk. The maximum contractual period extends to the date at which the Bank has the right to require repayment of an advance or terminate a loan commitment or guarantee.

The ECL is determined by projecting the PD, LGD and EAD for each future month and for each individual exposure or collective segment. These three components are multiplied together and adjusted for the likelihood of survival (i.e. the exposure has not prepaid or defaulted in an earlier month). This effectively calculates an ECL for each future month, which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the effective interest rate or an approximation thereof.

Lifetime expected credit losses are expected credit loss resulting from all probable default events over the expected lifetime of the financial instrument. Expected credit losses are the probability-weighted average of credit losses and the weighing factor is the Probability of Default (PD) for a lifetime.

The Bank has been applying a risk assessment model since 2014, which has enabled it to collect historical risk ratings and construct credit migration matrices for previous years and from the date of the current consolidated financial statements.

This has enabled the bank to derive a credit index using the historical transition matrices. The credit index correlates with specific macro-economic factors, which have been statistically established through regression models.

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These models were used to forecast future credit transitions using Moody's research macro-economic forecast under the IFRS 9 scenarios i.e. upwards and downwards.

- The 12-month and lifetime EADs are determined based on the expected payment profile, which varies by product type.
- For amortizing products and bullet repayments loans, this is based on the contractual repayments owed by the borrower over a 12 month period or lifetime basis.
- For revolving products (overdraft, revolving and credit cards), the exposure at default is predicted by taking current withdrawn balance and adding a "credit conversion factor" which allows for the expected drawdown of the remaining committed limit by the time of default.

The Bank has adopted a workout methodology for LGD computation. For the Corporate segment, the Bank has developed the LGD framework using more than 5 years of data.

The 12-month and lifetime LGDs are determined based on the factors which impact the recoveries made post default. These vary by product type.

- For secured products, this is primarily based on collateral type and projected collateral values, historical discounts to market/book values due to forced sales, time to repossession and recovery costs observed.
- For unsecured products, LGDs are typically set at product level due to the limited differentiation in recoveries achieved across different borrowers. These LGDs are influenced by collection strategies, including contracted debt sales and prices.
- Forward-looking economic information is also included in determining the 12-month and lifetime PD.
- There have been no significant changes in estimation techniques or significant assumptions made during the year.

### 7- Importance of staging criteria

- Staging is based on the assessment of relative movement in the credit quality of the loans from the time of initial recording.
- Loans in stage 3 are those loans for which the bank has objective evidence of impairment. Accordingly, specific provision is recorded for such exposures.
- Stage transfer is triggered by assessing the relative change in credit risk (measured using lifetime risk of default) and not by the absolute credit risk at the reporting date.
- 30 days past due.»

Bank management's main definition and criteria for significant increase in credit risk (stage 2) includes the following parameters:

For exposures (credit facilities) to corporate customers

- 30 days past due on installment
- Downgrade by 7 notches of the risk rating scale of 20 points.
- Customer rating (7,8,9).
- Rated under Watch / Restructured

For exposures (credit facilities) to retail customers

- Rated under Watch / Restructured
- 30 days past dues on installments
- A client's risk score F is associated with repayment due within 20 days and less than 60 days.»

For exposures (Deposits balances) with banks and financial institutions

- Current risk rate is 6 or 7

For exposures to (Financial assets) at amortized cost and at fair value through the statement of comprehensive income

- Current risk rate ranges from CCC to C

The Bank's definition and criteria for the significant increase in credit risk (stage 3) include the following criteria:

For exposures (credit facilities) to corporate customers

- 90 days past due.
- Customer is classified as (10).
- The customer is facing liquidity difficulties
- Classified as Non-Performing Loans (NPLs) / Rescheduled»

For exposures (credit facilities) to retail customers

- 90 days past due.
- Customer is classified under non-performing
- Customer rating (F) and has more than 60 days past due»

For exposures (Deposits balances) with banks and financial institutions

- Current risk rate is 8

For exposures to (Financial assets) at amortized cost and at fair value through the statement of comprehensive income

- Current risk rate ranges from D

## 8- Forward looking information

The Bank incorporates forward-looking information in both its assessment of whether the credit risk of a financial instrument has increased significantly since initial recognition and in the measurement of expected credit losses. In line with the forward-looking principle and considering the impact of business and economic cycles on customer default, an analysis of the relevant economic factors and indicators has been performed. A view has been established regarding the "base case" forecast of relevant economic variables, together with a representative range of alternative possible forecast scenarios (upside and downside).

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The Bank has identified and documented the key drivers of credit risk and credit losses for each portfolio of financial instruments. Using historical data analysis, the Bank has estimated the relationships between macroeconomic variables (such as gross domestic product (GDP), inflation, and interest rates) and credit risk and credit losses.

The expected relationships between the key indicators and default rates and losses across various portfolios of financial assets have been developed based on an analysis of historical data over the past five years.

### 9- Sensitivity analysis

The Group has calculated ECL at an individual financial instrument level, hence does not require any grouping of financial instruments in the process of loss calculation.

The most significant assumptions affecting the ECL allowance in respect of retail and wholesale credit portfolios are as follows:

- GDP
- Unemployment

The Bank conducted a sensitivity analysis to assess how the expected credit loss (ECL) in the credit portfolio would change if key assumptions used in its calculation were adjusted by a certain percentage. The impact on the ECL resulting from a  $\pm 10\%$  change in the projected GDP and inflation rate would respectively decrease and increase the expected credit loss by JOD 536,259. In practice, there are correlations between the various economic inputs, and the sensitivity exposure may vary depending on the economic scenarios.

### 10- IFRS 9 Governance

This section describes the roles and responsibilities of the Committees and groups, specific to the IFRS 9 process at the Bank.

#### BOARD OF DIRECTORS ("BOARD" or "BoD")

1. Approving the IFRS 9 Implementation Document, including the roles and responsibilities stated therein.
2. Approving the policies, assumptions, and models used for the implementation of IFRS 9.
3. Approving any amendments that may impact the Bank's business model, strategy, credit measurement and assessment methodologies, internal credit rating systems, pricing mechanisms, and collateral arrangements related to credit products or assets falling within the scope of IFRS 9.
4. Ensuring that the Bank manages credit risk in accordance with best practices, including maintaining Expected Credit Loss (ECL) allowances at an appropriate level and ensuring the existence of effective internal control systems within the credit process to consistently determine adequate provisions/allowances in line with the approved policies, applicable accounting standards, and relevant regulatory guidance.

#### RISK MANAGEMENT COMMITTEE ("RMC")

1. Reviewing and recommending the IFRS 9 framework to the BoD.
2. Reviewing the implementation of IFRS 9 and ensuring the appropriate steps for compliance.
3. Overlooking and recommending the periodic internal reporting.
4. Recommending adjustments to the business models, framework, methodology and policies and procedures .

#### INTERNAL RISK MANAGEMENT COMMITTEE ("IRMC")

1. Overlooking and approving the periodic reporting's according to the standards.
2. Recommending adjustments to the business models, framework, methodology and policies and procedures to the RMC.

#### IFRS9 COMMITTEE

1. Review and recommend amendments to the standard application methodology
2. Review and approve the staging of credit exposures
3. Implement justified adjustments to the staging classification

#### RISK MANAGEMENT DEPARTMENT ("RMD")

1. Create and review the framework and methodology to be implemented by the Bank.
2. Develop ECL and staging models in line with IFRS9 standards
3. Assistance in reviewing the methodologies and criteria applied in the proposed and existing business models.
4. Issuing the necessary reports with the results

#### FINANCIAL CONTROL DEPARTMENT ("FCD")

1. Creating the business models
2. Classifying and measuring the financial assets .
3. Reflecting the IFRS 9 impact on the Bank's financials.

#### CREDIT CONTROL and BUSINESS DEPARTMENTS

1. Reviewing and monitoring the stages for each account
2. Reflect any changes or signals that present a significant change in the credit risk of the customer in their determined stage.

#### INTERNAL AUDIT DEPARTMENT ("IAD")

1. Reviewing the methodology and assumptions to ensure compliance.
2. Ensure the Bank's overall compliance with the Standard.
3. Ensure appropriate levels of expected credit losses relative to the Bank's profile.



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### (45-A-1) Expected credit losses (net (recovered) expenses)

31 December 2025	Stage one JD	Stage two JD	Stage three JD	Total JD
Balances with banks and financial institutions (Note 6)	71,860	(36)	-	71,824
Debt instruments at fair value through other comprehensive income (Note 8)	(585)	-	-	(585)
Direct credit facilities at amortized cost (Note 9)	5,132,348	366,758	31,028,597	36,527,703
Financial assets at amortized cost - Debt instruments (Note 10 )	(19,664)	-	696,328	676,664
Other assets (Note 14 )	20,793	(286,805)	1,379,295	1,113,283
Letters of guarantee (Note 50 )	666,499	1,089,300	684,166	2,439,965
Unutilized direct credit facilities limits (Note 50 )	298,310	56,125	(14,506)	339,929
Letters of credit(Note 50 )	(1,524,808)	18,423	(108,953)	(1,615,338)
Acceptances (Note 50 )	1,042,446	4,299	-	1,046,745
Total	5,687,199	1,248,064	33,664,927	40,600,190

31 December 2024	Stage one JD	Stage two JD	Stage three JD	Total JD
Balances with banks and financial institutions (Note 6)	139,704	36	1,394	141,134
Debt instruments at fair value through other comprehensive income (Note 8)	1,519	-	-	1,519
Direct credit facilities at amortized cost (note 9)	(16,955,118)	(1,041,348)	61,198,854	43,202,388
Financial assets at amortized cost - Debt instruments(Note 10 )	170,345	-	-	170,345
Other assets(Note 14 )	8,754	286,805	9,174	304,733
Letters of guarantee(Note 50 )	64,821	197,499	(421,920)	(159,600)
Unutilized direct credit facilities limits (Note 50 )	218,469	10,100	(156)	228,413
Letters of credit(Note 50)	646,995	4,498	-	651,493
Acceptances(Note 50 )	(306,127)	7,004	-	(299,123)
Total	(16,010,638)	(535,406)	60,787,346	44,241,302

**(45-A-2) Credit Risk Exposures (after impairment provisions ,suspended interest and before collateral held or other mitigation factors):**

	2025 JD	2024 JD
Statement of financial position items:		
Balances at Central Banks	928,476,810	1,374,100,960
Balances and deposits at banks and financial institutions	276,432,005	222,022,897
Deposits at banks and financial institutions	3,973,860	0
Direct credit facilities at amortized cost		
Retail	1,353,477,161	1,086,406,769
Real estate	225,603,634	239,143,807
Corporate		
Large corporate	1,538,539,670	1,423,100,613
Small and medium enterprises (SMEs)	295,280,774	304,679,388
Governmental and public sector	471,636,246	411,517,619
Bonds and treasury bills:		
Financial assets at fair value through other comprehensive income	287,915,229	7,126,190
Financial assets at amortized cost	2,189,602,821	2,147,092,786
Pledged financial assets	211,671,016	230,528,208
Other assets	27,135,351	28,110,672
Total statement of financial position Items	7,809,744,577	7,473,829,909
	-	-
Off - balance sheet items		
Letters of guarantee	518,620,808	446,715,714
Export Letters of credit	369,018,318	465,512,875
Confirmed Import Letters of credit	52,336,539	33,975,734
Issued acceptances	169,748,156	161,502,753
Unutilized credit facilities limits	633,518,302	594,860,214
Forward purchase contracts	60,304,861	142,266,180
Total off balance sheet items	1,803,546,984	1,844,833,470
Total on and off balance sheet items - statement of financial position items	9,613,291,561	9,318,663,379

- The table above represents the maximum limit of the Bank's credit risk exposure as of 31 December 2025 and 2024, without taking into consideration the collateral and the other factors which will decrease the Bank's credit risk.
- For the statement of financial position items, the exposure in the above table is based on the balances as appeared on the consolidated statement of financial position, in addition to the related accrued interests.

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### (45-A-3) Credit risk management disclosure

#### 1) Distribution of credit exposure

Internal credit rating	Classification According to instruction number (2009/47)	Total Exposures	Expected credit loss (ECL)	Probability of Default (PD)	Classification by external classification institutions	Exposure at default (EAD)	Loss given default (LGD) %
Performing Exposures							
Balances at Central Banks							
	Low risk	483,799,725	-	0%	-	483,800	45%
	Acceptable risk	708,359,650	-	0%	-	708,360	45%
Balances and deposits at banks and financial institutions							
	Low risk	192,727,823	211,564	0.15%	-	192,728	45%
	Acceptable risk	82,871,004	70,343	48.20%	-	82,871	45%
Direct credit facilities-amortized cost:							
Corporate companies							
	Low risk	429,080,733	2,954,834	0.14%	Unrated	429,081	33.08%
	Acceptable risk	1,098,699,759	49,361,634	7.17%	Unrated	1,098,700	31.02%
Small and medium entities							
	Low risk	31,044,852	123,983	0.18%	Unrated	31,045	18.67%
	Acceptable risk	236,717,193	2,350,039	8.47%	Unrated	236,717	19.94%
Retail							
	Low risk	33,681,677	27,485	0.35%	Unrated	33,682	34.91%
	Acceptable risk	1,311,021,467	8,691,692	1.83%	Unrated	1,311,021	39.12%
Real estate							
	Low risk	27,920,356	15,359	0.20%	Unrated	27,920	20.22%
	Acceptable risk	189,355,326	1,088,513	1.83%	Unrated	189,355	18.27%
Government and public sector							
	Low risk	465,279,186	-	0%	Unrated	465,279	45%

Internal credit rating	Classification According to instruction number (2009/47)	Total Exposures	Expected credit loss (ECL)	Probability of Default (PD)	Classification by external classification institutions	Exposure at default (EAD)	Loss given default (LGD) %
Financial Assets At Amortized Cost - Debt instruments							
	Low risk	2,103,808,830	189,842	0%	BB- / B+ / A	2,103,809	45%
	Acceptable risk	43,659,247	8,476	0.1%	BB- / B+ / A	43,659	45%
Financial Assets at Fair Value through Other Comprehensive Income - Debt instruments							
	Low risk	3,745,327	-	0%	BB-	3,745	45%
	Acceptable risk	283,993,552	934	0.1%	AA- / BBB	283,994	45%
Letters of guarantee							
	Low risk	317,089,758	2,487,596	2.90%	Unrated	317,090	22.39%
	Acceptable risk	197,763,755	2,317,953	3.83%	Unrated	197,764	43.50%
Unutilized direct credit limits							
	Low risk	454,487,646	745,922	0.25%	Unrated	454,488	31.00%
	Acceptable risk	180,033,368	257,460	3.50%	Unrated	180,033	43.50%
Letters of credit							
	Low risk	331,373,958	653,609	2.00%	Unrated	331,374	24.11%
	Acceptable risk	91,020,900	386,392	2.56%	Unrated	91,021	21.08%
Issued Acceptances							
	Low risk	157,458,857	1,935,828	3.20%	Unrated	157,459	33.55%
	Acceptable risk	14,471,372	246,244	5.71%	Unrated	14,471	21.04%
Bank acceptances and claims of purchased financial receivables							
	Low risk	-	-	0%	Unrated	-	45.00%
	Acceptable risk	27,231,382	1,465,112	0.69%	Unrated	27,231	42.55%
Non-performing exposures							
Direct credit facilities - amortized cost:							
Corporate companies							

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Internal credit rating	Classification According to instruction number (2009/47)	Total Exposures	Expected credit loss (ECL)	Probability of Default (PD)	Classification by external classification institutions	Exposure at default (EAD)	Loss given default (LGD) %
	Substandard	578,488	386,219	100%	Unrated	578	44.45%
	Doubtful	14,782,937	8,962,283	100%	Unrated	14,783	58.17%
	Loss	145,749,740	67,529,369	100%	Unrated	145,750	60.32%
Small and medium enterprises							
	Substandard	5,111,422	1,062,754	100%	Unrated	5,111	63.23%
	Doubtful	11,533,217	2,899,045	100%	Unrated	11,533	56.06%
	Loss	42,768,515	22,864,282	100%	Unrated	42,769	48.13%
Retail							
	Substandard	7,774,837	2,277,813	100%	Unrated	7,775	57.93%
	Doubtful	15,503,224	7,318,000	100%	Unrated	15,503	47.68%
	Loss	73,732,991	64,860,417	100%	Unrated	73,733	59.06%
Real estate							
	Substandard	1,079,984	243,735	100%	Unrated	1,080	25.16%
	Doubtful	4,477,847	1,516,687	100%	Unrated	4,478	25.05%
	Loss	15,540,582	9,318,671	100%	Unrated	15,541	33.08%
Financial Assets At Amortized Cost - Debt instruments							
	Loss	6,660,000	2,768,448	100%	Unrated	6,660	41.57%
Letters of guarantee							
	Substandard	3,840,421	1,394,647	100%	Unrated	3,840	36.31%
	Doubtful	518,022	222,667	100%	Unrated	518	42.98%
	Loss	6,511,852	680,137	100%	Unrated	6,512	10.44%
Letters of credit							
	Loss	1,063,500	1,063,500	100%	Unrated	1,064	100%
Limits of credit facilities							
	Substandard	190	125	100%	Unrated	0	65.79%
	Doubtful	426	236	100%	Unrated	0	65.79%
	Loss	2,348	1,933	100%	Unrated	2	82.33%

## 2- Concentration in credit exposures based on economic sectors is as follows:

a) Total distribution of exposures according to financial instruments subject to impairment losses

2025	Financial		Industrial		Commercial		Real estate		Agriculture		Shares		Retail		Governmental and Public Sector		Other		Total	
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balance sheet items																				
Balances at Central Banks	708,359,650	-	-	-	-	-	-	-	-	-	-	-	-	-	220,117,160	-	-	-	928,476,810	
Balances and deposits at banks and financial institutions	276,432,005	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	276,432,005	
Deposits at banks and financial institutions	3,973,860	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,973,860	
Direct Credit facilities at amortized cost	65,618,280	427,885,661	652,978,388	482,265,828	44,612,265	70,235,993	1,338,399,368	471,636,246	330,905,456	3,884,537,485										
Bonds and treasury bills:																				
Financial assets at fair value through other comprehensive income	135,360	3,525,254	-	694,040	-	-	-	-	-	-	-	-	-	-	283,560,575	-	-	-	287,915,229	
Financial assets at Amortized cost	562,848,738	26,089,197	-	-	-	-	-	-	-	-	-	-	-	-	1,600,664,886	-	-	-	2,189,602,821	
Pledged financial assets - debt instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	211,671,016	-	-	-	211,671,016	
Other assets	27,075,417	-	-	-	-	-	-	-	-	-	-	-	-	-	-	59,934	-	-	27,135,351	
Total	1,644,443,310	457,500,112	652,978,388	482,959,868	44,612,265	70,235,993	1,338,399,368	2,787,649,883	330,965,390	7,809,744,577										
Off - balance sheet items																				
Letter of guarantee	98,831,898	91,692,169	98,015,581	128,739,847	1,561,210	15,946,430	53,836,016	1,427,879	28,569,778	518,620,808										
Letter of credit	80,113,144	22,934,388	154,992,875	71,779,083	9,698,500	-	-	-	81,836,867	421,354,857										
Other commitments	92,579,954	192,068,431	215,719,609	34,668,985	21,089,726	117,469,724	77,631,241	205,600	51,833,188	803,266,458										
Total	1,915,968,306	764,195,100	1,121,706,453	718,147,783	76,961,701	203,652,147	1,469,866,625	2,789,283,362	493,205,223	9,552,986,700										

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2024	Financial		Industrial		Commercial		Real estate		Agriculture		Shares		Retail		Governmental and Public Sector		Other		Total	
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balance sheet items																				
Balances at Central Banks	-		-		-		-		-		-		-		1,374,100,960		-		1,374,100,960	
Balances at banks and financial institutions	222,022,897		-		-		-		-		-		-		-		-		222,022,897	
Direct Credit facilities at amortized cost	58,214,613		444,560,378		473,084,456		496,385,003		45,648,011		96,973,493		1,123,740,357		411,517,620		314,724,265		3,464,848,196	
Bonds and treasury bills:																				
Financial assets at fair value through other comprehensive income	351,406		1,450,394		-		671,065		-		-		-		3,682,757		970,568		7,126,190	
Financial assets at Amortized cost	550,292,878		11,616,031		-		2,023,410		-		-		-		1,583,160,467		-		2,147,092,786	
Pledged financial assets - debt instruments	-		-		-		-		-		-		-		230,528,208		-		230,528,208	
Other assets	27,013,976		-		-		1,082,979		-		-		13,717		-		-		28,110,672	
Total	857,895,770		457,626,803		473,084,456		500,162,457		45,648,011		96,973,493		1,123,754,074		3,602,990,012		315,694,833		7,473,829,909	
Off - balance sheet items																				
Letter of guarantee	86,658,088		49,400,854		97,339,643		114,088,302		477,959		12,922,651		15,060,800		-		70,767,417		446,715,714	
Letter of credit	83,781,621		31,758,581		235,832,938		67,410,676		98,103		-		-		-		80,606,690		499,488,609	
Other commitments	34,439,205		153,510,806		184,296,998		34,812,426		5,635,481		9,330,526		214,743,410		35,265,909		84,328,206		756,362,967	
Total	1,062,774,684		692,297,044		990,554,035		716,473,861		51,859,554		119,226,670		1,353,558,284		3,638,255,921		551,397,146		9,176,397,199	

## b) Total distribution of exposures according to financial instruments subject to impairment losses

2025	Stage One JD	Stage Two JD	Stage Three JD	Total JD
Financial	1,630,713,475	9,394,989	4,334,846	1,644,443,310
Industrial	389,870,321	50,912,162	16,717,629	457,500,112
Commercial	514,548,094	87,567,023	50,863,271	652,978,388
Real estate	409,151,164	53,146,033	20,662,671	482,959,868
Agriculture	26,182,928	13,698,644	4,730,693	44,612,265
Shares	49,115,452	15,471,574	5,648,967	70,235,993
Retail	1,275,749,000	48,673,679	13,976,689	1,338,399,368
Governmental and Public Sector	2,787,649,883	-	-	2,787,649,883
Other	274,481,022	50,000,438	6,483,930	330,965,390
Total	7,357,461,339	328,864,542	123,418,696	7,809,744,577

2024	Stage One JD	Stage Two JD	Stage Three JD	Total JD
Financial	850,623,288	1,472,628	5,799,854	857,895,770
Industrial	334,517,208	103,583,013	19,526,582	457,626,803
Commercial	362,997,063	79,667,246	30,420,147	473,084,456
Real estate	405,856,812	59,251,485	35,054,160	500,162,457
Agriculture	38,613,492	3,607,844	3,426,675	45,648,011
Shares	76,095,963	15,123,637	5,753,893	96,973,493
Retail	1,050,266,497	55,018,839	18,468,738	1,123,754,074
Governmental and Public Sector	3,602,990,012	-	-	3,602,990,012
Other	268,279,294	41,275,578	6,139,961	315,694,833
Total	6,990,239,629	359,000,270	124,590,010	7,473,829,909



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### 3) Credit Concentration based on geographic distribution is as follows:

a) Total distribution of exposures according to geographic region

2025	Inside Jordan		Other Middle Eastern countries		Europe		Asia		Africa		America		Other Countries		Total	
	JD		JD		JD		JD		JD		JD		JD		JD	
Balances at Central Banks	220,117,160		708,359,650		-		-		-		-		-		928,476,810	
Balances at banks and financial institutions	99,249		136,043,165		100,524,962		7,425,800		5,153		32,333,676		-		276,432,005	
Deposits at banks and financial institutions	3,500,000		-		473,860		-		-		-		-		3,973,860	
Direct Credit facilities at amortized cost	2,372,158,674		1,512,339,421		34		39,356		-		-		-		3,884,537,485	
Bonds and bills:																
Financial assets at fair value through other comprehensive income	7,056,603		1,473,817		20,773,755		-		-		258,611,054		-		287,915,229	
Financial assets at Amortized cost	1,646,296,506		543,306,315		-		-		-		-		-		2,189,602,821	
Pledged financial assets - debt instruments	211,671,016		-		-		-		-		-		-		211,671,016	
Other assets	2,764,197		24,371,154		-		-		-		-		-		27,135,351	
Total	4,463,663,405		2,925,893,522		121,772,611		7,465,156		5,153		290,944,730		-		7,809,744,577	
Letter of guarantee	252,486,063		235,841,202		28,156,776		-		1,920,392		216,375		-		518,620,808	
Letter of Credit	43,563,509		342,570,761		35,220,587		-		-		-		-		421,354,857	
Other Commitments	557,083,218		245,440,311		499,979		15,166		85,415		142,369		-		803,266,458	
Total	5,316,796,195		3,749,745,796		185,649,953		7,480,322		2,010,960		291,303,474		-		9,552,986,700	

2024	Inside Jordan		Other Middle Eastern countries		Europe		Asia		Africa		America		Other Countries		Total	
	JD		JD		JD		JD		JD		JD		JD		JD	
Balances at Central Banks	590,252,832		783,848,128		-		-		-		-		-		1,374,100,960	
Balances at banks and financial institutions	100,457		75,233,623		102,477,970		6,534,331		5,457		37,671,059		-		222,022,897	
Direct Credit facilities at amortized cost	2,441,412,759		1,016,498,297		2,123,401		7,590		205,236		4,600,913		-		3,464,848,196	
Bonds and bills:																
Financial assets at fair value through other comprehensive income	4,002,623		1,341,897		133,502		-		485,971		1,162,197		-		7,126,190	
Financial assets at Amortized cost	1,634,378,125		512,714,661		-		-		-		-		-		2,147,092,786	
Pledged financial assets - debt instruments	230,528,208		-		-		-		-		-		-		230,528,208	
Other assets	6,399,340		21,711,332		-		-		-		-		-		28,110,672	
Total	4,907,074,344		2,411,347,938		104,734,873		6,541,921		696,664		43,434,169		-		7,473,829,909	
Letter of guarantee	248,590,353		173,561,210		23,369,927		645,796		332,054		216,374		-		446,715,714	
Letter of Credit	76,334,562		347,796,590		75,209,235		-		148,222		-		-		499,488,609	
Other Commitments	581,267,304		173,114,907		1,020,369		449,357		155,650		355,380		-		756,362,967	
Total	5,813,266,563		3,105,820,645		204,334,404		7,637,074		1,332,590		44,005,923		-		9,176,397,199	

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b) Distribution of exposures according to geographic region on stages according to IFRS 9

2025	Stage One JD	Stage Two JD	Stage Three JD	Total JD
Inside Jordan	4,057,816,237	296,166,219	109,680,949	4,463,663,405
Other Middle Eastern countries	2,879,457,484	32,698,291	13,737,747	2,925,893,522
Europe	121,772,611	-	-	121,772,611
Asia	7,465,124	32	-	7,465,156
Africa	5,153	-	-	5,153
America	290,944,730	-	-	290,944,730
Total	7,357,461,339	328,864,542	123,418,696	7,809,744,577

2024	Stage One JD	Stage Two JD	Stage Three JD	Total JD
Inside Jordan	4,464,053,363	331,856,130	111,164,851	4,907,074,344
Other Middle Eastern countries	2,370,778,639	27,144,140	13,425,159	2,411,347,938
Europe	104,734,873	-	-	104,734,873
Asia	6,541,921	-	-	6,541,921
Africa	696,664	-	-	696,664
America	43,434,169	-	-	43,434,169
Total	6,990,239,629	359,000,270	124,590,010	7,473,829,909

#### 4- The fair value distribution of collateral against credit exposure (for total credit exposures) is as follows:

2025	Total Exposure	Fair value of Collaterals							Net exposures after collateral		Expected credit loss (ECL)
		Interest In Suspense	Cash Collaterals	Listed stocks	Accepted guarantees	Real estate	Cars and equipment	Others	Total Collaterals	JD	JD
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balances at central banks	928,476,810	-	-	-	-	-	-	-	-	928,476,810	-
Balances and deposits at banks and financial institutions	276,713,912	-	51,182,929	-	-	-	-	-	51,182,929	225,530,983	281,907
Deposits at banks and financial institutions	3,973,860	-	-	-	-	-	-	-	-	3,973,860	-
Direct credit facilities:											
Retail	1,443,386,699	6,734,131	100,752,437	61,912,363	-	171,596,688	94,305,218	198,986	428,765,692	1,014,621,007	83,175,407
Real estate Mortgages	239,409,597	1,622,998	1,974,564	-	-	250,954,149	1,401,120	12,468	254,342,301	(14,932,704)	12,182,965
Corporate and SMEs											
Large Corporate	1,703,331,921	35,597,912	58,149,689	87,153,890	-	531,684,930	30,777,574	-	707,766,083	995,565,838	129,194,339
Small and medium enterprises "SMEs"	330,139,622	5,558,745	11,930,246	13,111,365	-	173,726,837	11,551,641	14,130,640	224,450,728	105,688,894	29,300,103
Government and public sector lending	471,636,246	-	-	-	-	-	-	-	-	471,636,246	-
Bonds, bills and securities											
Financial assets at fair value through other comprehensive income	287,916,163	-	-	-	-	-	-	-	-	287,916,163	934
Financial assets at amortized cost	2,192,569,587	-	-	-	-	5,760,000	-	-	5,760,000	2,186,809,587	2,966,766
Pledged financial assets (debt instruments)	211,671,016	-	-	-	-	-	-	-	-	211,671,016	-
Other assets	28,600,463	-	-	-	-	-	-	-	-	28,600,463	1,465,112
Total	8,117,825,896	49,513,786	223,989,864	162,177,618	-	1,133,722,604	138,035,553	14,342,094	1,672,267,733	6,445,558,163	258,567,533
	0	0	0	0	0	0	0	0	0	0	0
Letters of guarantee	525,723,808	-	57,361,242	47,583,455	5,400,276	43,362,714	308,500	-	154,016,187	371,707,621	7,103,000
Letters of credit	423,458,358	-	12,481,744	4,290,578	-	44,038,354	-	-	60,810,676	362,647,682	2,103,501
Other commitments	806,454,207	-	4,829,705	1,315,909	-	487,210	-	-	6,632,824	799,821,383	3,187,749
Total	9,873,462,269	49,513,786	298,662,555	215,367,560	5,400,276	1,221,610,882	138,344,053	14,342,094	1,893,727,420	7,979,734,849	270,961,783

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2024	Total Exposure	Interest In Suspense		Cash Collaterals		Listed stocks	Fair value of Collaterals				Others		Total Collateral		Net exposures after collateral		Expected credit loss (ECL)	
	JD	JD	JD	JD	JD	JD	Accepted guarantees	Real estate	Cars and equipment	JD	JD	JD	JD	JD	JD	JD	JD	JD
Cash and balances at central banks	1,374,100,960	-	-	-	-	-	-	-	-	-	-	-	-	-	1,374,100,960	-	-	-
Balances at banks and financial institutions	222,232,980	-	-	-	-	-	-	-	-	-	-	-	-	-	222,232,980	210,083	-	-
Direct credit facilities:																		
Retail	1,167,358,939	8,850,866	79,250,675	48,172,638	-	-	-	62,619,334	97,108,606	-	-	-	287,151,253	880,207,686	72,101,304	-	-	-
Real estate Mortgages	256,229,208	3,548,197	4,670,065	-	-	-	-	372,400,869	4,387,905	-	-	-	381,458,839	(125,229,631)	13,537,204	-	-	-
Corporate																		
Large Corporate	1,601,273,209	39,041,043	89,721,918	125,021,176	-	-	-	544,025,919	69,228,139	-	-	-	827,997,152	773,276,057	139,131,553	-	-	-
Small and medium enterprises "SMEs"	354,971,444	9,855,932	18,096,463	13,965,444	-	-	-	176,426,912	16,870,071	465,880	-	-	225,824,770	129,146,674	40,436,124	-	-	-
Government and public sector lending	411,517,619	-	-	-	-	-	-	-	-	-	-	-	-	411,517,619	-	-	-	-
Bonds, bills and securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Financial assets at fair value through other comprehensive income	7,127,709	-	-	-	-	-	-	-	-	-	-	-	-	7,127,709	1,519	-	-	-
Financial assets at amortized cost	2,149,382,888	-	-	-	-	-	-	5,760,000	-	-	-	-	5,760,000	2,143,622,888	2,290,102	-	-	-
Pledged financial assets (debt instruments)	230,528,208	-	-	-	-	-	-	-	-	-	-	-	-	230,528,208	-	-	-	-
Other assets	28,462,501	-	-	-	-	-	-	-	-	-	-	-	-	28,462,501	351,829	-	-	-
Total	7,803,185,665	61,296,038	191,739,121	187,159,258	-	-	-	1,161,233,034	187,594,721	465,880	-	-	1,728,192,014	6,074,993,651	268,059,718	-	-	-
Letters of guarantee	451,378,749	-	120,304,369	-	-	-	-	15,100,753	446,500	-	-	-	135,851,622	315,527,127	4,663,035	-	-	-
Letters of credit	503,207,448	-	350,879,693	-	-	-	-	7,133,000	-	-	-	-	358,012,693	145,194,755	3,718,839	-	-	-
Other liabilities	758,164,042	-	3,425,382	-	-	-	-	-	-	-	-	-	3,425,382	754,738,660	1,801,075	-	-	-
Total	9,515,935,904	61,296,038	666,348,565	187,159,258	-	-	-	1,183,466,787	188,041,221	465,880	-	-	2,225,481,711	7,290,454,193	278,242,667	-	-	-

## 5 - The fair value distribution of collateral against credit exposure is as follows (for exposures under stage three):

2025	Total Exposure			Interest In Suspense			Cash Collaterals			Listed stocks			Fair value of Collaterals			Others			Total Collaterals			Net exposures after collateral			Expected credit loss (ECL)		
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD		
Balances at banks and financial institutions	70,343	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	70,343	-	-	70,343	-		
Direct credit facilities at amortized cost																											
Retail	97,011,052	6,734,131	276,668	2,076,469	12,360,575	954,546	17,411	15,685,669	81,325,383	74,456,230																	
Real estate Mortgages	21,098,413	1,622,998	12,740	-	14,496,150	133,600	-	14,642,490	6,455,923	11,079,093																	
Corporate																											
Large Corporate	161,111,165	26,764,355	2,261,012	38,158	7,641,223	2,918,371	-	12,858,764	148,252,401	76,877,871																	
Small and medium enterprises -SMEs	59,413,154	5,558,745	4,586,790	-	2,565,134	-	2,711,111	9,863,035	49,550,119	26,826,081																	
Bonds, bills and securities																											
Financial assets at amortized cost	6,660,000	-	-	-	-	-	-	-	6,660,000	2,768,448																	
Total	345,364,127	40,680,229	7,137,210	2,114,627	37,063,082	4,006,517	2,728,522	53,049,958	292,314,169	192,078,066																	
	0	0	0	0	0	0	0	0	0	0																	
Letters of guarantee	10,870,295	-	708,947	-	1,332,956	10,610	-	2,052,513	8,789,732	2,297,451																	
Letters of credit	1,063,500	-	10,000	-	-	-	-	10,000	1,053,500	1,063,500																	
Other Commitments	2,964	-	-	-	-	-	-	-	-	2,294																	
Total	357,300,886	40,680,229	7,856,157	2,114,627	38,396,038	4,017,127	2,728,522	55,112,471	302,157,401	195,441,311																	

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2024	Total Exposure		Interest In Suspense		Cash Collaterals		Listed stocks		Fair value of Collaterals			Others		Total Collateral		Net exposures after collateral		Expected credit loss (ECL)	
	JD	JD	JD	JD	JD	JD	JD	JD	Real estate	Cars and equipment	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balances at banks and financial institutions	70,343	-	-	-	-	-	-	-	-	-	-	-	-	-	-	70,343	-	70,343	-
Direct credit facilities at amortized cost																			
Retail	90,074,353	8,850,866	540,914	1,083,453	690,092	-	-	-	4,528,574	-	-	-	-	6,843,033	-	83,231,320	-	65,273,629	-
Real estate Mortgages	29,658,464	3,548,197	1,303,231	-	82,900	-	-	-	22,136,548	-	-	-	-	23,522,679	-	6,135,785	-	12,086,190	-
Corporate																			
Large Corporate	178,791,680	39,041,043	15,908,345	347,825	1,317,273	-	-	-	40,904,382	-	-	-	-	58,477,825	-	120,313,855	-	90,619,172	-
Small and medium enterprises-SMEs	80,481,913	9,855,932	3,207,868	-	80,000	-	-	-	21,897,968	-	-	-	-	25,334,836	-	55,147,077	-	38,005,972	-
Bonds, bills and securities																			
Financial assets at amortized cost	6,660,000	-	-	-	-	-	-	-	5,760,000	-	-	-	-	5,760,000	-	900,000	-	2,072,120	-
Total	385,736,753	61,296,038	20,960,358	1,431,278	2,170,265	149,000	-	-	95,227,472	-	-	-	-	119,938,373	-	265,798,380	-	208,127,426	-
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Letters of guarantee	13,800,597	-	574,489	-	10,610	-	-	-	1,115,000	-	-	-	-	1,700,099	-	12,100,498	-	1,613,285	-
Letters of credit	1,063,500	-	10,000	-	-	-	-	-	-	-	-	-	-	10,000	-	1,053,500	-	1,172,453	-
Other Commitments	35,492	-	-	-	-	-	-	-	-	-	-	-	-	-	-	35,492	-	16,800	-
Total	400,636,342	61,296,038	21,544,847	1,431,278	2,180,875	149,000	-	-	96,342,472	-	-	-	-	121,648,472	-	278,987,870	-	210,929,964	-

## 6) Total credit exposures that have been reclassified

### a) Total credit exposures that have been reclassified

2025	Stage Two		Stage Three		Net exposure that has been reclassified JD	Percentage of reclassified exposures
	Net Exposure JD	Net exposure that has been reclassified JD	Net Exposure JD	Net exposure that has been reclassified JD		
Balances at banks and financial institutions	167,577	-	-	-	-	0%
Direct Credit Facilities at amortized cost	331,435,110	85,216,560	149,394,509	44,091,606	129,308,166	27%
Bonds, bills and securities						
Financial assets at Amortized cost	-	-	3,891,552	-	-	0%
Total	331,602,687	85,216,560	153,286,061	44,091,606	129,308,166	27%
Letters of guarantee	12,074,616	2,290,476	8,572,844	996,992	3,287,468	16%
Letters of Credit	6,609,462	1,420,319	-	-	1,420,319	21%
Bank acceptances	254,898	-	-	-	-	0%
Unutilized credit facilities limits	6,514,103	4,359,150	670	2,417	4,361,567	67%
Total	25,453,079	8,069,945	8,573,514	999,409	9,069,354	27%

2024	Stage Two		Stage Three		Net exposure that has been reclassified JD	Percentage of reclassified exposures
	Net Exposure JD	Net exposure that has been reclassified JD	Net Exposure JD	Net exposure that has been reclassified JD		
Balances at Central Banks						
Balances at banks and financial institutions	198,943	189,375	-	1,394	190,769	96%
Direct Credit Facilities at amortized cost	360,797,508	106,804,363	155,380,146	41,941,366	148,745,729	29%
Bonds, bills and securities						
Financial assets at Amortized cost	-	-	4,587,880	-	-	0%
Total	360,996,451	106,993,738	159,968,026	41,942,760	148,936,498	29%
Letters of guarantee	12,856,898	7,141,899	12,187,312	7,090,973	14,232,872	57%
Letters of Credit	1,613,732	6,039	(108,953)	(108,953)	(102,914)	-7%
Bank acceptances	251,000	-	-	-	-	0%
Unutilized credit facilities	6,208,858	2,252,550	18,692	2,899	2,255,449	36%
Total	20,930,488	9,400,488	12,097,051	6,984,919	16,385,407	50%



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### b) Expected Credit Loss for the reclassified exposures

2025	Exposures that have been classified			Expected Credit Loss for the reclassified exposures		
	Net exposures that were reclassified from stage two	Net exposures that were reclassified from stage three	Net exposure that has been reclassified	Stage Two	Stage Three	Total
	JD	JD	JD	JD	JD	JD
Balances at banks and financial institutions	-	-	-	-	-	-
Direct Credit Facilities - amortized cost	85,216,560	44,091,606	129,308,166	(4,074,245)	(43,353,063)	(47,427,308)
Total	85,216,560	44,091,606	129,308,166	(4,074,245)	(43,353,063)	(47,427,308)
Letters of guarantee	2,290,476	996,992	3,287,468	1,205,207	126,154	1,331,361
Letters of Credit	1,420,319	-	1,420,319	-	-	-
Unutilized credit facilities limits	4,359,150	2,417	4,361,567	21,210	14	21,224
Total	8,069,945	999,409	9,069,354	1,226,417	126,168	1,352,585

2024	Exposures that have been classified			Expected Credit Loss for the reclassified exposures		
	Net exposures that were reclassified from stage two	Net exposures that were reclassified from stage three	Net exposure that has been reclassified	Stage Two	Stage Three	Total
	JD	JD	JD	JD	JD	JD
Balances at banks and financial institutions	189,375	1,394	190,769	-	-	-
Direct Credit Facilities - amortized cost	106,804,363	41,941,366	148,745,729	(3,519,640)	(40,903,898)	(44,423,538)
Total	106,993,738	41,942,760	148,936,498	(3,519,640)	(40,903,898)	(44,423,538)
Letters of guarantee	7,141,899	7,090,973	14,232,872	106,323	248,213	354,536
Letters of Credit	6,039	(108,953)	(102,914)	-	1,172,453	1,172,453
Unutilized credit facilities limits	2,252,550	2,899	2,255,449	736	2,373	3,109
Total	9,400,488	6,984,919	16,385,407	107,059	1,423,039	1,530,098

## 7) Credit exposures according to the Central Bank of Jordan instructions number 8/2024 are in conformity with IFRS 9

2025	According to the Central Bank of Jordan instructions number 47/2009				According to the IFRS 9					
	Stage one		Stage two		Stage Three					
	Gross Balance	Interest in suspense	Net Balance	Provision	Gross Balance	Expected credit loss	Interest in suspense	Gross Balance	Expected credit loss	Interest in suspense
Performing loans	3,445,241,829	-	3,445,241,829	-	3,445,241,829	18,489,929	-	-	-	-
Watch list	377,558,720	-	377,558,720	12,091,873	-	-	-	377,558,720	46,123,610	8,833,557
Non performing:	338,633,784	40,680,229	297,953,555	189,077,408	-	-	-	-	-	-
-Substandard	14,544,731	186,296	14,358,435	3,848,706	-	-	-	-	-	-
-Doubtful	46,297,225	1,438,012	44,859,213	20,970,432	-	-	-	-	-	-
-Loss	277,791,828	39,055,921	238,735,907	164,258,270	-	-	-	-	-	-
Total	4,161,434,333	40,680,229	4,120,754,104	201,169,281	3,445,241,829	18,489,929	-	377,558,720	46,123,610	8,833,557
								338,633,784	189,077,408	40,680,229
								14,544,731	3,848,706	186,296
								46,297,225	20,970,432	1,438,012
								277,791,828	164,258,270	39,055,921
								338,633,784	189,077,408	40,680,229

2024	7) Credit exposures according to the Central Bank of Jordan instructions number 8/2024 are in conformity with IFRS 9				According to the IFRS 9					
					Stage one		Stage two		Stage Three	
	Gross Balance	Interest in suspense	Net Balance	Provision	Gross Balance	Expected credit loss	Interest in suspense	Gross Balance	Expected credit loss	Interest in suspense
Performing loans	3,091,514,400	-	3,091,514,400	-	2,987,750,779	13,464,370	-	97,086,794	3,059,860	-
Watch list	330,277,591	-	330,277,591	6,946,999	-	-	-	309,467,566	42,696,992	5,526,757
Non performing:	333,878,257	54,788,770	279,089,487	200,133,335	-	-	-	-	-	-
-Substandard	20,176,316	241,298	19,935,018	6,924,813	-	-	-	-	-	-
-Doubtful	58,598,456	1,918,209	56,680,247	32,295,587	-	-	-	-	-	-
-Loss	255,103,485	52,629,263	202,474,222	160,912,935	-	-	-	-	-	-
Total	3,755,670,248	54,788,770	3,700,881,478	207,080,334	2,987,750,779	13,464,370	-	406,554,360	45,756,852	5,526,757

## 8- Rescheduled loans

«Are defined as loans that were classified as “Non-performing” credit facilities, and subsequently removed and included under “Watch List” based upon a proper rescheduling that complies with the Central Bank of Jordan’s regulations. These loans amounted to JD 59,469,279 as of 31 December 2025, against JD 59,660,583 as of 31 December 2024.

The rescheduled loans balances represents the scheduled loans either still classified as watch list or transferred to as performing.

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### 9- Restructured loans

Restructuring is defined as reorganizing credit facilities in terms of installments, extending the term of credit facilities, deferment of installments, or extending the grace period and accordingly are classified as "Watch List" in case of restructuring twice during the year according to the Central Bank of Jordan instructions number 8/2024 issued on 1 January 2025 December 2009 and its amendments. These debts amounted to JD 21,782,767 as of 31 December 2025 against JD 17,171,448 as of 31 December 2024.

### 10- Bonds and Treasury Bills

The following table shows the classifications of bonds and treasury bills based on the international credit rating agencies:

Risk Rating Class	2025			
	Financial assets at amortized cost	Financial assets at fair value through other comprehensive income	Pledged financial assets	Total
	JD	JD	JD	JD
Non-rated	510,357,415	134,343	-	510,491,758
Governmental	1,573,734,531	283,483,005	207,412,772	2,064,630,308
S&P (AA-)	10,488,529	-	-	10,488,529
S&P (A)	-	286,240	-	286,240
S&P (BBB+)	-	688,956	-	688,956
S&P (BBB)	-	3,146,335	-	3,146,335
S&P (B-)	59,547,602	-	-	59,547,602
Total	2,154,128,077	287,738,879	207,412,772	2,649,279,728

Risk Rating Class	2024			
	Financial assets at amortized cost	Financial assets at fair value through other comprehensive income	Pledged financial assets	Total
	JD	JD	JD	JD
Non-rated	56,194,500	-	-	56,194,500
Governmental	2,059,812,870	4,441,366	226,054,164	2,290,308,400
S&P (AA)	-	834,455	-	834,455
S&P (AA-)	-	135,895	-	135,895
S&P (A 3)	-	348,349	-	348,349
S&P (A)	-	277,911	-	277,911
S&P (BBB+)	-	530,976	-	530,976
S&P (BBB)	-	135,005	-	135,005
S&P (B+)	1,985,200	-	-	1,985,200
S&P (BBB-)	-	314,941	-	314,941
Total	2,117,992,570	7,018,898	226,054,164	2,351,065,632

## (45 - 2) Market Risk

«Market Risk is the risk of fluctuations and changes in the fair value or the cash flow of financial instruments, due to changes in market prices such as interest rates, exchange rates, and stock prices. Market risk arises from open positions in interest rates, currency rates and equity and security investments. These risks are monitored through specific policies and procedures by specialized committees and concerned business units. The risks include the following:

1. Interest Rate Risk
2. Exchange Rate Risk
3. Equity Price Risk

The Bank manages expected market risk by adopting financial and investment policies within a defined strategy, and through the Internal Risk Management Committee and the Assets and Liabilities Committee (ALCO), which supervise market risk and provide guidance regarding acceptable risk levels and policies.

The Market Risk Unit has been established and staffed by qualified and trained personnel to manage this type of risk according to the following:

1. Policies and procedures that are approved by the Board of Directors and the Central Bank of Jordan.
2. Market Risk Policy that includes principles of identifying, managing, measuring and monitoring this type of risk and having it approved by the relevant committees.
3. Monitoring reports for managing and monitoring market risk.
4. Developing tools and measures to manage and monitor market risk through:»
  - a. Sensitivity Analysis
  - b. Basis Point Analysis
  - c. Stress Testing
  - d. Stop-Loss Limit Reports
  - e. Monitoring the Bank's investment limits
  - f. Monitoring the Bank's investment portfolio at fair value through other comprehensive income and conducting revaluations of the portfolio on a regular basis.
5. The Middle Office Unit is tasked with monitoring, on a daily basis, all the investment limits in the money market and the foreign exchange transactions.

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### 1- Interest Rate Risk:

Interest rate risk arises from the potential impact of changes in interest rates on the Bank's profits or the fair value of financial instruments. The Bank is exposed to interest rate risk due to possible mismatches or gaps between the maturities of assets and liabilities, or periodic revisions of interest rates. The Bank manages these risks by reviewing the interest rates on assets and liabilities on a regular basis.

The Assets and Liabilities Management Policy includes limits for interest rate sensitivity. The Asset and Liability Committee (ALCO) evaluates interest rate risk through periodic meetings, examines the gaps in the maturities of assets and liabilities, compares them with the approved limits, and applies hedging strategies when necessary.

The Bank uses hedging instruments such as Interest Rate Swaps to curb the negative impact of fluctuations in interest rates.

### Interest Rate Risk Reduction Methods:

ALCO periodically reviews the maturity gaps of assets and liabilities and proposes solutions to mitigate the impact of interest rate changes.

The Bank seeks to harmonize the impact of interest rate changes across asset and liability maturity categories to reduce any negative effects.

### Interest Rate Gaps:

The Bank mitigates any interest rate gaps through periodic adjustment of interest rates on its assets and liabilities, linking and balancing maturities and interest rates.

The sensitivity of statement of income is represented by the effect of the possible expected changes in interest rates on the Bank's profits for one year. It is calculated based on the financial assets and liabilities that carry a variable interest rate as at 31 December 2025:

2025			
Currency	Increase in interest rate %	Sensitivity of interest income (profit and loss) JD	Sensitivity of equity JD
US Dollar	1	(4,602,869)	-
Euro	1	(2,146)	-
Pound Sterling	1	(7,123)	-
Japanese Yen	1	128,195	-
Other Currencies	1	593,481	-

2024			
Currency	Increase in interest rate %	Sensitivity of interest income (profit and loss) JD	Sensitivity of equity JD
US Dollar	1	(2,844,826)	-
Euro	1	(79,180)	-
Pound Sterling	1	(7,072)	-
Japanese Yen	1	144,213	-
Other Currencies	1	8,832	-

Assets-	Less than 1 month	1 - 3 months	3 - 6 months	6 month- 1 year	1 - 3 years	3 years or more	Non-interest bearing	Total
	JD	JD	JD	JD	JD	JD	JD	JD
Cash and balances at Central Banks	1,890,470	-	-	-	-	-	1,190,268,905	1,192,159,375
Balances and deposits at banks and financial institutions	8,569,044	541,221	-	-	-	-	266,206,655	275,316,920
Deposits at banks and financial institutions	-	-	-	3,973,860	-	-	-	3,973,860
Direct credit facilities at amortized cost	366,895,147	279,352,573	257,778,112	219,409,035	600,957,428	1,804,838,425	328,837,013	3,858,067,733
Financial assets at fair value through other comprehensive income	279,384,809	-	-	-	639,110	7,714,961	76,950,998	364,689,878
Financial assets at amortized Cost - net	54,312,289	60,407,029	39,241,791	249,951,635	1,052,084,355	691,272,659	3,891,553	2,151,161,311
Pledged financial assets	-	-	-	35,543,589	38,939,407	132,929,776	-	207,412,772
Property and equipment - net	-	-	-	-	-	-	117,570,733	117,570,733
Intangible assets - net	-	-	-	-	-	-	151,533,604	151,533,604
Deferred tax assets	-	-	-	-	-	-	51,004,994	51,004,994
Leased Assets	85,003	168,613	9,801,556	505,838	10,799,451	1,090,790	-	22,451,251
Other assets	7,202,269	17,435,974	2,660,727	6,769,030	5,155,632	30,556,052	261,821,624	331,601,308
Total Assets	718,339,031	357,905,410	309,482,186	516,152,987	1,708,575,383	2,668,402,663	2,448,086,079	8,726,943,739

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Assets-	Less than 1 month	1 - 3 months	3 - 6 months	6 month- 1 year	1 - 3 years	3 years or more	Non-interest bearing	Total
	JD	JD	JD	JD	JD	JD	JD	JD
Liabilities-								
Banks and financial institution deposits	68,260,982	-	16,236,641	2,706,107	202,204	-	30,807,692	118,213,626
Customers' deposits	1,332,167,543	856,291,661	617,844,392	724,294,891	121,452,661	7,433,500	2,277,951,896	5,937,436,544
Cash Margin accounts	75,721,941	51,789,662	51,073,140	43,108,182	123,148,956	359,107,650	59,869,999	763,819,530
Loans and borrowings	121,653	17,826,124	33,567,579	26,240,508	107,760,712	157,659,960	95,088,987	438,265,523
Income tax provisions	-	-	-	-	-	-	33,296,961	33,296,961
Deferred tax liabilities	-	-	-	-	-	-	3,742,367	3,742,367
Sundry provisions	-	-	-	-	-	-	5,002,223	5,002,223
Expected credit losses provision against off balance sheet items	-	-	-	-	-	-	12,394,250	12,394,250
Obligations for lease contracts	8,670,429	242,528	363,793	727,585	12,311,831	671,384	-	22,987,550
Other liabilities	14,083,474	7,368,248	6,909,080	5,808,008	721,630	-	258,444,709	293,335,149
Bond loans	-	-	-	-	-	109,895,000	-	109,895,000
Total liabilities	1,499,026,022	933,518,223	725,994,625	802,885,281	365,597,994	634,767,494	2,776,599,084	7,738,388,723
Interest rate sensitivity gap	(780,686,991)	(575,612,813)	(416,512,439)	(286,732,294)	1,342,977,389	2,033,635,169	(328,513,005)	988,555,016
	-	-	-	-	-	-	-	-
31 December 2024								
Total Assets	756,309,255	360,581,320	502,266,964	587,292,996	1,422,235,860	2,280,089,257	2,329,608,715	8,238,384,367
Total Liabilities	1,307,112,913	754,859,329	840,410,587	1,190,848,437	341,229,917	439,052,594	2,532,323,246	7,405,837,023
Interest rate sensitivity gap	(550,803,658)	(394,278,009)	(338,143,623)	(603,555,441)	1,081,005,943	1,841,036,663	(202,714,531)	832,547,344

## 2- Currency Risks

The currency risk is the risk of change in the value of financial instruments due to change in exchange rates. The Jordanian Dinar is the base currency of the Bank. The Board of Directors imposes limits for the financial position of each currency at the Bank. The foreign currency positions are monitored on a daily basis, and hedging strategies are implemented to ensure the maintenance of foreign currencies' positions within the approved limits.

The Bank's investment policy states that it is possible to hold positions in major foreign currencies, provided that they do not exceed 5% of shareholders' equity for each currency, and that the gross foreign currencies position does not exceed 15% of shareholders equity. Also, the foreign currency positions are monitored on a daily basis. In addition, complex market instruments can be used to hedge against fluctuations in currency exchange rates according to limits that ensure the Bank is not exposed to additional risks.

The following table illustrates the possible effect on the statement of income as a result of fluctuations in exchange rates against the Jordanian Dinar, assuming that all other variables remain constant:

2025		
Currency	Change in currency exchange rate %	Effect on profit and loss JD
Euro	5	(92,232)
British Pound Sterling	5	(6,427)
Japanese Yen	5	15,791
Other currencies	5	21,432,147

2024		
Currency	Change in currency exchange rate %	Effect on profit and loss JD
Euro	5	(32,640)
British Pound Sterling	5	137,950
Japanese Yen	5	85
Other currencies	5	2,033,330

In the event of negative change in the indicator, the effect will remain constant but with an opposite sign.



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Concentration in Foreign currency risk:

2025	US Dollar	Euro	Pound sterling	Japanese Yen	Other	Total
Assets						
Cash and balances at Central Bank of Jordan	252,895,615	2,483,580	738,393	-	757,991,756	1,014,109,344
Balances at banks and financial institutions	105,727,951	25,323,756	13,591,215	1,938,655	127,799,681	274,381,258
Deposits at banks and financial institutions	-	-	-	-	473,860	473,860
Financial assets at fair value through other comprehensive income	279,026,329	21,575,194	-	-	2,334,555	302,936,078
investment in subsidiaries	-	-	-	-	-	-
Credit facilities at amortized cost	327,049,999	941,022	333,333	15,898,203	1,448,230,400	1,792,452,957
Financial assets at amortized cost - net	767,600,580	-	-	-	470,336,854	1,237,937,434
Leased assets	1,334,806	-	-	-	15,850,993	17,185,799
Property and equipment - net	2,822	-	-	-	49,375,541	49,378,363
Intangible assets - net	37,301	-	-	-	108,265,100	108,302,401
Deferred tax assets	-	-	-	-	1,173,980	1,173,980
Other assets	76,422,677	75,952	3,713	8,273	51,865,111	128,375,726
Total Assets	1,810,098,080	50,399,504	14,666,654	17,845,131	3,033,697,831	4,926,707,200
	-	-	-	-	-	-
Liabilities						
Banks and financial institution deposits	83,596,273	9,829,449	264,380	3,449,955	16,650,801	113,790,858
Customers' deposits	1,230,977,116	30,093,778	12,595,161	1,768,258	1,934,166,162	3,209,600,475
Cash Margin accounts	176,004,280	9,716,600	107,262	234,466	356,521,729	542,584,337
Loans and borrowings	133,999,872	-	-	-	48,598,366	182,598,238
Income tax provision	(226,910)	-	-	-	30,338,323	30,111,413
Sundry provisions	-	-	-	-	4,476,223	4,476,223
Expected credit losses provision against off balance sheet items	-	-	-	-	4,834,205	4,834,205
Other liabilities	51,178,885	103,464	1,575,676	3,730	146,440,833	199,302,588

2025	US Dollar	Euro	Pound sterling	Japanese Yen	Other	Total
Bond loans	109,894,983	-	-	-	-	109,894,983
Lease obligations	-	-	-	-	17,722,703	17,722,703
Total Liabilities	1,785,424,498	49,743,291	14,542,479	5,456,409	2,559,749,345	4,414,916,023
perpetual Bond	70,900,000					70,900,000
Net concentration in the statement of financial position	(46,226,418)	656,213	124,174	12,388,722	473,948,486	440,891,177
Forward contracts	25,734,266	(2,500,853)	(252,714)	(12,072,902)	(24,813,397)	(13,905,599)
Net concentration in foreign currency	(20,492,152)	(1,844,640)	(128,540)	315,820	449,135,089	426,985,578
2024	US Dollar	Euro	Pound sterling	Japanese Yen	Other	Total
Total Assets	1,517,386,033	57,346,013	14,200,617	17,389,051	2,361,541,884	3,967,863,598
Total Liabilities	1,549,056,621	62,239,514	15,682,318	6,738,600	2,039,881,879	3,673,598,932
perpetual Bond	70,900,000	-	-	-	-	70,900,000
Net concentration in the statement of financial position	(102,570,588)	(4,893,501)	(1,481,701)	10,650,451	321,660,005	223,364,666
Forward contracts	3,925,071	4,240,693	4,240,693	(10,648,742)	(7,327,486)	(5,569,771)
Net concentration in foreign currency	(98,645,517)	(652,809)	2,758,992	1,709	314,332,519	217,794,895

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### 3- Equity Price Risk

Equity price risk arises from the change in the fair value of equity investments. The Bank manages this risk by distributing its investments over various geographic and economic sectors. Most of the Bank's equity investments are listed in Amman Stock Exchange.

The following table illustrates the statement of income sensitivity and the cumulative change in fair value as a result of possible reasonable changes in the equity prices, assuming that all other variables remain constant:

Indicator	Change in indicator	Effect on profit and loss	Effect on equity
2025	%	JD	JD
Amman Stock exchange			344,345
Regional Markets			51,602

Indicator	Change in indicator	Effect on profit and loss	Effect on equity
2024	%	JD	JD
Amman Stock exchange			344,345
Regional Markets			51,602

In the event of negative change in the indicator, the effect will remain constant but with an opposite sign.

### (45 - 3) Liquidity Risk

Liquidity risk arises from the possibility that the Bank may not be able to raise adequate funds in any geographical location, currency, or at any point in time to meet its obligations when due, or to finance its activities without incurring high costs or losses due to:

1. Selling Bank assets at low prices; leading to a decrease in the expected returns and the financial profits of the Bank.
2. Acquiring high-cost obligations in order to meet its commitments, which would lead to an increase in the costs and a consequent decrease in the expected profits of the Bank.

The impact of a liquidity risk is identified by ascertaining the extent of the liquidity of its assets and the ability of the Bank to convert liquid and semi-liquid assets into cash with the least amount of losses if the prices decrease. The Bank should provide the assets that can be sold at a price that is close to its fair value. Accordingly, the liquidity risk which the Bank may be subject to can be divided into the following:

#### A- Funding Liquidity Risk:

the inability of the Bank to convert assets into cash such as accounts receivable, or obtain financing to meet commitments

#### B- Market Liquidity Risk:

the inability of the Bank to sell assets in the market or the sale of these assets at a large financial loss due to the poor liquidity or demand in the market.

The treasury and Investment department is responsible for managing the Bank's liquidity, while the Asset and Liability Committee (ALCO) manages, measures and monitors the liquidity risk which are governed by pre-set policies and procedures as well as the Contingency Funding Plan. The Committee is tasked with monitoring and controlling liquidity and ensuring the optimum strategic distribution of the Bank assets and liabilities, whether in the on/off-statement of financial position items of it in coordination with the head of Treasury and Investment Department. The management of liquidity risk is conducted within the following group of inputs:

1. A set of policies and procedures approved by the committees which determine principles, definition, management, measurement and monitoring of liquidity risk.
2. Contingency Funding Plan, which includes:
  - a. Specific procedures for liquidity contingency management.
  - b. A specialized committee for liquidity contingency management.
  - c. Liquidity Contingency Plan.
  - d. Analysis of the liquidity position of the Bank based on the following liquidity reports:
    - Duration Gap analysis of assets and liabilities
    - Liquidity Coverage Ratio (LCR)
    - Net Stable Funding Ratio (NSFR)
    - Legal liquidity ratio, based on the maturity ladder in Jordanian Dinar and foreign currencies
    - Certificates of Deposit issued by Capital Bank in Jordanian Dinar and foreign currencies
    - Customer deposits in Jordanian Dinar and foreign currencies
    - Liquidity Indicators Report
    - Stress Testing

The Treasury and Investment Department, in coordination with the Market Risk Unit, diversifies funding sources and matches its maturity dates, and maintains sufficient liquid assets, in order to mitigate liquidity risk. Accordingly, this is accomplished through:

- Maturity analysis of assets and liabilities and liquidity monitoring

The Bank monitors the liquidity of its assets and liabilities, as well as any changes thereto, on a daily basis. Through the Asset and Liability Management Committee (ALCO), the Bank seeks to align the maturities of assets and liabilities and to monitor gaps against the limits established in the Bank's policies.

- The policy also includes a liquidity contingency plan to address potential stress scenarios.

The Asset and Liability Management Committee submits recommendations regarding liquidity risk management policies and procedures, establishes the necessary systems to implement effective internal controls, and reports on liquidity risk exposures and compliance with approved limits and policies. The Committee also provides analytical support to senior management, including monitoring developments in liquidity risk measurement and management techniques and implementing those deemed appropriate.

- Geographic and sector distribution

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The Bank's assets and liabilities are appropriately diversified between domestic and foreign investments across multiple financial and capital markets. Credit facilities are distributed across various economic sectors and geographic regions, with a balanced allocation between corporate and retail financing. The Bank also seeks to diversify its funding sources and maturities.

- Cash Reserves with Banking Regulatory Authorities

The Bank maintains a mandatory cash reserve with banking regulatory authorities amounting to JD 194,805,510.»

First: The table below summarizes the undiscounted cash flows of the financial liabilities:

31 December 2025	Less than 1 month	1 – 3 months	3 – 6 months	6 – 12 months	1 – 3 years	3 years or more	No fixed maturity	Total
Liabilities-	JD	JD	JD	JD	JD	JD	JD	JD
Banks and financial institution deposits	61,170,982	7,090,000	16,236,641	2,706,107	202,204	-	30,807,692	118,213,626
Customers' deposits	937,449,803	856,291,661	617,844,392	724,294,891	121,452,661	7,433,500	2,672,669,636	5,937,436,544
Margin accounts	43,515,890	52,853,584	51,470,667	44,585,434	124,610,515	362,310,429	84,473,011	763,819,530
Loans and borrowings	1,049,778	19,485,011	36,260,230	31,827,785	120,575,023	219,287,819	9,779,877	438,265,523
Income tax provision	-	-	-	-	-	-	33,296,961	33,296,961
Deferred tax liabilities	-	-	-	-	-	-	3,742,367	3,742,367
Sundry provisions	-	-	-	-	-	-	5,002,223	5,002,223
Provisions against off - balance sheet items	-	-	-	-	-	-	12,394,250	12,394,250
The rights to use leased contracts	8,670,429	242,528	363,793	727,585	12,311,831	671,384	-	22,987,550
Other liabilities	50,204,530	12,446,673	7,624,269	6,610,647	721,630	337,948	215,389,452	293,335,149
Subordinated loans	-	-	-	-	-	109,895,000	-	109,895,000
Total Liabilities	1,102,061,412	948,409,457	729,799,992	810,752,449	379,873,864	699,936,080	3,067,555,469	7,738,388,723
Total Assets	541,363,957	370,143,873	317,306,475	518,009,381	1,720,362,745	2,698,066,277	2,561,691,031	8,726,943,739

31 December 2024	Less than 1 month	1 - 3 months	3 - 6 months	6 - 12 months	1 - 3 years	3 years or more	No fixed maturity	Total
Liabilities-	JD	JD	JD	JD	JD	JD	JD	JD
Liabilities-								
Banks and financial institution deposits	126,459,397	-	-	-	-	-	26,442,358	152,901,755
Customers' deposits	674,343,608	663,045,446	755,789,279	1,089,700,691	84,709,772	-	2,611,479,101	5,879,067,897
Margin accounts	17,638,772	52,810,631	51,886,885	45,696,461	124,941,574	258,967,206	99,130,265	651,071,794
Loans and borrowings	1,988,561	30,938,715	22,444,297	44,912,968	130,872,196	260,667,685	7,707,680	499,532,102
Income tax provision	-	-	250,835	-	-	-	23,516,851	23,767,686
Deferred tax liabilities	-	-	-	-	-	-	3,751,165	3,751,165
Sundry provisions	-	-	-	-	-	-	857,987	857,987
Provisions against off - balance sheet items	-	-	-	-	-	-	10,182,949	10,182,949
The rights to use leased contracts	108,858	217,717	326,575	653,150	2,686,870	1,963,227	12,923,473	18,879,870
Other liabilities	51,415,118	11,010,597	13,063,502	15,410,622	233,176	4,195,464	55,322,739	150,651,218
Subordinated loans	-	-	-	-	15,172,600	-	-	15,172,600
Total Liabilities	871,954,314	758,023,106	843,761,373	1,196,373,892	358,616,188	525,793,582	2,851,314,568	7,405,837,023
Total Assets	469,637,896	374,304,846	507,796,872	594,823,346	1,445,134,384	2,285,234,939	2,561,452,084	8,238,384,367

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Second: The table below summarizes the maturities of financial derivatives as of the date of the consolidated financial statements:

Financial derivatives / liabilities which are settled in net include: foreign currency derivatives, off balance sheet items market currency options, currency futures, and on-statement of financial position foreign currency swap contracts:

### Foreign Currency Derivatives

2025 Derivatives held for trading	Up to 1 month JD	1 – 3 months JD	3 – 6 months JD	6 – 12 months JD	Total JD
Foreign Currency Derivatives					
Outflows	20,694,640	1,821,392	17,370,543	27,828,379	67,714,954
Inflows	20,809,184	3,952,515	17,385,257	20,286,706	62,433,662

2025 Derivatives held for trading	Up to 1 month JD	1 – 3 months JD	3 – 6 months JD	6 – 12 months JD	Total JD
Foreign Currency Derivatives					
Outflows	28,636,118	50,767,128	56,478,187	6,384,747	142,266,180
Inflows	35,236,027	58,003,510	56,431,237	6,378,005	156,048,779

### (45-4) Operational risk:

Operational risks are defined as the risk of incurring a loss that may result from failure or inadequacy of internal procedures, human factors, systems, or from external events. The Bank's management has decided to include legal risks, strategic risks, and reputational risks within this definition for the purposes of managing this type of risk.»

Given the comprehensive definition of operational risk and the Bank's commitment to keeping pace with continuous changes in the work environment, technology, and the introduction of new banking products and services, the Operational Risk Policy has been designed and developed to cover all departments and branches of the Bank. This policy includes the fundamental principles and links the objectives of risk management to the Bank's main strategic objectives.

Several methodologies have been adopted and implemented to activate the role of operational risk management. This requires identifying, assessing, monitoring, and mitigating operational risks for each department/unit/branch separately, as outlined in the Basel Committee guidelines, through conducting workshops based on analysis of approved procedures, operational events, and audit reports. This process helps identify risks, control measures, and regulatory gaps via a risk matrix. In this context, a model called "Control Assessments" is prepared, through which self-assessment of risks and controls (CRSA) is conducted by the head of the unit/department/branch or their delegate.

From this perspective, the effectiveness and continuity of operational risk management are an integral part of the responsibilities of all personnel involved in its implementation across all levels of the Bank, through:

1. Conducting CRSA testing on time and without delay.
2. Provide Operational Risk with accurate data transparently.
3. Reporting and disclosing any losses or operating events without delay or hesitation.
4. Implement “Remedial Actions/ Recommendations / Mitigations” by Operational Risk department, that would mitigate the risks which were identified through workshops / reporting of events or losses /CRSA.
5. Updating the bank’s Business Continuity Plan, including manual procedures, response plans, and overseeing their development within subsidiaries.
6. Board of Directors, related committees and top management have a major role in supporting Operational Risk activities and methodology. «

To ensure that the above is implemented, Operational Risk Department is keen on spreading knowledge and increasing awareness about Operational Risk and Business Continuity Management by conducting training courses and workshops for all Bank departments and by creating an effective work environment. In addition, the Operational Risk Department is responsible for raising reports to Risk Committee concerning any short comings or violations. This will ultimately lead to the development of risk profile at each department / unit level and the Bank level as a whole.

In addition to the above, Operational Risk Department is responsible for:

1. Reviewing the Bank’s internal policies and procedures to highlight risks and work on mitigating such prior to implementation.
2. Conducting stress testing and observing the results.
3. Ensure updating and upgrading Operational Risk system.
4. Conduct all necessary tests to ensure business continuity, including the disaster recovery site and high availability for several critical systems (High Availability) in collaboration with IT Department.
5. Manage all insurance-related risks, whether related to the bank’s assets, properties, or its clients, in accordance with the bank’s established policies.
6. Oversee fraud risk management, encompassing fraud risk assessment, monitoring, case management, reporting, and awareness initiatives.



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### Information Security :

The Information Security Department / Risk Management is responsible for maintaining the confidentiality, availability, and integrity of information across the bank, through the following:

1. Developing an information security strategy and program based on leading international standards (ISO 27k, PCI DSS), aligned with the bank's strategy.
2. Establishing plans and programs to protect the bank from all risks resulting from loss or theft of information.
3. Updating the security event monitoring system in line with the latest global standards and best practices.
4. Developing a security awareness program for customers and bank employees.
5. Providing the necessary tools and means to reduce information security risks.
6. Implementing and updating the Information Security Department governance framework in line with the COBIT 2019 framework.
7. Preparing security standards for various information systems.
8. Continuously reviewing the effectiveness of security controls identified in the bank's cybersecurity policy.
9. Supervising, following up, and reviewing the process of classifying information assets across bank departments, their importance, and the persons authorized to use and access them in accordance with the bank's policies and procedures.
10. Participating in the business continuity plan to ensure continuity of operations in the event of any disaster.
11. Developing security policies and procedures related to information systems and information security.

### (46) Segment Information

#### 1. Information about bank Activities:

For management purposes the Bank is organized into four major segments that are measured according to the reports used by the main decision maker at the Bank:

- Retail banking: Includes handling individual customers' deposits, credit facilities, credit card, and other services.
- Corporate banking: Includes monitoring deposits, credit facilities, and other banking facilities provided to corporate customers.
- Corporate finance: Principally arranging structured financing, and providing services relating to privatizations, IPOs, and mergers and acquisitions.
- Treasury: Principally providing money market, trading and treasury services, as well as the management of the Bank's funding operations.

These segments are the basis on which the Bank reports its segment information:

	Retail Banking JD	Corporate Banking JD	Corporate Finance JD	Treasury JD	Other JD	2025 JD	Total 2024 JD
Total revenue	200,913,226	314,174,079	-	204,193,834	13,640,797	732,921,936	695,230,344
Impairment and expected credit loss on financial assets	(22,553,656)	(15,628,959)	-	(747,917)	(1,669,658)	(40,600,190)	(44,241,302)
Segment results	84,627,844	154,566,757	-	176,393,490	9,796,799	425,384,890	358,643,850
Unallocated expenses						(190,208,452)	(173,031,488)
Profit before tax						235,176,438	185,612,362
Income tax						(34,092,224)	(25,476,199)
Net income						201,084,214	160,136,163
						-	
Other information						-	
Segmental assets	1,660,554,708	2,254,175,092	-	3,602,460,673	1,209,753,266	8,726,943,739	8,238,384,367
Segmental liabilities	2,894,733,713	3,873,608,143	-	616,393,121	353,653,746	7,738,388,723	7,405,837,023
Capital expenditure						(25,505,519)	(25,633,743)
Depreciation and amortization						(35,610,484)	(31,211,155)

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### 2. Geographical Information

This segment represents the geographical operations of the bank. The bank operates primarily in Jordan and also operates internationally in the Middle East, Europe, Asia, America and the Far-East.

The following table shows the distribution of the Bank's operating income and capital expenditure by geographical segment:

	Inside Jordan		Outside Jordan		Total	
	2025	2024	2025	2024	2025	2024
	JD	JD	JD	JD	JD	JD
Total revenue	378,908,967	385,953,845	354,012,969	309,276,499	732,921,936	695,230,344
Total assets	5,194,422,844	5,460,882,962	3,532,520,895	2,777,501,405	8,726,943,739	8,238,384,367
Capital expenditure	13,294,270	13,294,270	12,211,249	12,339,473	25,505,519	25,633,743

### (47) Capital Management

The Bank maintains an appropriate paid-in-capital in order to meet its operational risk, and it regularly monitors its capital adequacy in accordance with BASEL to comply with the Central Bank of Jordan's regulations.

According to Central Bank of Jordan regulations (52/2010), the minimum paid-in-capital of Jordanian banks should be JD 100 million before the end of 2011 and the capital for the foreign banks in Jordan should not be less than half of the capital for the Jordanian banks in accordance to article (12) and article (8) from the Law and Banks number (28) for the year 2000 and its adjustments. In addition, the regulation requires a minimum leverage ratio of 4% as per article 67/2016 CBJ regulations.

Through its operational years; the Bank maintained a capital adequacy ratio in excess of 12%, being the minimum capital adequacy rate required by the Central Bank of Jordan (8% as per Basel). Furthermore, the Bank regularly reviews and complies with the concentration ratios using regulatory capital as an indicator; noting that the instructions impose a ratio of no less than 14%. During year 2022 the bank was classified as D-SIBs accordingly it requires an additional Buffer of (0.5%) to be added in a gradual, cumulative manner over a period of 4 years.

The Bank manages and restructures its capital in light of the changes in the business environment. There has been no change on the Bank's capital structure during this year and previous years.

## Description of paid-in-capital

According to CBJ regulations regarding Basel III, regulatory capital comprises of:

1- Tier 1 capital, which refers to the Bank's core capital, and consists of:

- Common Equity Tier 1 (CET1) which includes the following: (paid in capital, retained earnings, statutory and voluntary reserves, cumulative change in fair value, foreign currency translation adjustment, minority interest (recognizable under CET1)), it also includes the following deductions (year/period losses, goodwill and intangible assets, deferred tax assets, treasury stocks, shortage in required provisions, shortages in tier 2 capital, restricted balances, gross insignificant investments (<10%) and significant investments (>10%) in other banks, financial institutions, insurance companies and unconsolidated subsidiaries.
- Additional Tier 1 (AT1), Additional Tier 1 capital consists of the sum of the following elements: (convertible bonds, preferred stocks, financial instruments issued by the bank and holds the characteristics of additional capital, minority interest (recognizable under AT1), it also includes the following deductions (gross insignificant investments (<10%) and significant investments (>10%) in other banks, financial institutions, insurance companies, and unconsolidated subsidiaries. «

2- Tier 2 capital, which is the supplementary capital, consists of the following elements; subordinated debt, general banking risk reserve and minority interest, and deducts the following; insignificant investments (<10%) and significant investments (>10%) in other banks, financial institution, insurance companies and unconsolidated subsidiaries.

Central Bank of Jordan emphasized on the importance of complying with Basel III regulation in building up addition capital as a percentage of risk weighted assets, which restricts cash dividends, through the following buffers:

1. Conservation Buffer
2. Countercyclical Buffer
3. D-SIBs

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### Regulatory Requirements for paid in capital

Capital adequacy ratio is calculated based on the simplified approach (standardized approach) in accordance with the regulations of the Central Bank of Jordan, which in turn are based on the verdicts of the Basel committee. Below are the comparative figures of the capital adequacy ratio:

	2025 JD	2024 JD
Primary capital-		
Authorised, issued and paid-in capital	263,037,122	263,037,122
Statutory reserves	94,572,647	81,157,605
Additional paid in capital	68,872,349	68,872,349
Retained earning	320,399,557	240,090,578
Total cumulative change in fair value	3,747,190	3,967,607
Changes due to Foreign Currency translations	(4,397,422)	(4,397,422)
Non-controlling interest	98,091,468	71,496,939
Proposed cash dividends	(44,716,311)	(39,455,568)
Less-		
Regulatory dedcution	230,818,680	115,763,194
Total Primary capital	568,787,920	569,006,016
Additional Capital -		
Perpetual bonds	70,900,000	70,900,000
Total additional capital	70,900,000	70,900,000
Supplementary Capital		
Stage 1 expected credit losses	26,209,928	20,525,087
Non-controlling interest	6,734,456	3,475,065
Subordinated loans	109,895,000	3,034,520
Total Subordinated Capital	142,839,384	27,034,672
Net Supplementary Capital Tier 2	142,839,384	27,034,672
Total Regulatory Capital	782,527,304	666,940,688
Total Risk weighted assets	5,146,897,868	4,297,912,480
Capital adequacy (%)	15.20%	15.52%
Primary Capital (%)	12.43%	14.89%

### Liquidity Coverage Ratio (LCR)

The average liquidity coverage ratio as of December 31, 2025 203.17%. The liquidity coverage ratio as at December 31, 2024 230.58%.

### Net Stable Funding Ratio (NSFR)

The Net Stable Funding Ratio as of December 31, 2025 126.16%. the Net Stable Funding Ratio as of December 31, 2025 141.43%.

## (48) Fiduciary Accounts

Investment custody accounts amounted to JD 338,691,389 as of 31 December 2025 compared to JD 581,331,271 in 31 December 2024 and its not included in the capital.

## (49) Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analyzed according to when they are expected to be recovered or settled:

2025	Up to 1 year JD	More than 1 year JD	Total JD
Assets			
Cash and balances at Central Banks	1,192,159,375	-	1,192,159,375
Balances at banks and financial institutions	275,316,920	-	275,316,920
Deposits at banks and financial institutions	3,973,860	-	3,973,860
Direct credit facilities at amortized cost, net	1,411,073,011	2,446,994,722	3,858,067,733
Financial assets at fair value through other comprehensive income	356,335,809	8,354,069	364,689,878
Financial assets at amortized cost - net	407,804,294	1,743,357,017	2,151,161,311
Pledged Financial Assets	35,543,589	171,869,183	207,412,772
Property plants and equipment -net	-	117,570,733	117,570,733
Intangible assets -net	-	151,533,604	151,533,604
Deferred tax assets	-	51,004,994	51,004,994
The right to use leased contracts	10,561,010	11,890,241	22,451,251
Other assets	305,186,155	26,415,153	331,601,308
Total Assets	3,997,954,023	4,728,989,716	8,726,943,739
Liabilities			
Banks and financial institution deposits	118,011,422	202,204	118,213,626
Customers' deposits	5,808,550,383	128,886,161	5,937,436,544
Margin accounts	276,898,586	486,920,944	763,819,530
Loans and borrowings	98,402,681	339,862,842	438,265,523
Income tax provision	-	33,296,961	33,296,961
Deferred tax liabilities	-	3,742,367	3,742,367
Sundry provisions	-	5,002,223	5,002,223
Provision against off-balance sheet items	-	12,394,250	12,394,250
Obligations for lease contracts	10,004,335	12,983,215	22,987,550
Other liabilities	292,275,571	1,059,578	293,335,149
Subordinated loans	-	109,895,000	109,895,000
Total Liabilities	6,604,142,978	1,134,245,745	7,738,388,723
Net	(2,606,188,955)	3,594,743,971	988,555,016

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2024	Up to 1 year JD	More than 1 year JD	Total JD
<b>Assets</b>			
Cash and balances at Central Banks	363,100,000	1,291,104,813	1,654,204,813
Balances at banks and financial institutions	221,567,195	-	221,567,195
Direct credit facilities at amortized cost,	1,152,340,056	2,276,827,969	3,429,168,025
Financial assets at fair value through other comprehensive income	1,376,374	76,541,201	77,917,575
Financial assets at amortized cost - net	601,129,251	1,514,573,217	2,115,702,468
Pledged Financial Assets	38,994,357	187,059,807	226,054,164
Property plants and equipment -net	-	105,823,935	105,823,935
Intangible assets -net	-	67,610,165	67,610,165
Deferred tax assets	-	51,876,710	51,876,710
The right to use leased contracts	-	18,531,892	18,531,892
Other assets	48,024,486	221,902,939	269,927,425
<b>Total Assets</b>	<b>2,426,531,719</b>	<b>5,811,852,648</b>	<b>8,238,384,367</b>
<b>Liabilities</b>			
Banks and financial institution deposits	152,901,755	-	152,901,755
Customers' deposits	3,590,883,638	2,288,184,259	5,879,067,897
Margin accounts	212,690,481	438,381,313	651,071,794
Loans and borrowings	97,628,786	401,903,316	499,532,102
Income tax provision	23,767,686	-	23,767,686
Deferred tax liabilities	-	3,751,165	3,751,165
Sundry provisions	857,987	-	857,987
Provision against off-balance sheet items	10,182,949	-	10,182,949
Obligations for lease contracts	1,306,300	17,573,570	18,879,870
Other liabilities	64,262,664	86,388,554	150,651,218
Subordinated loans	-	15,172,600	15,172,600
<b>Total Liabilities</b>	<b>4,154,482,246</b>	<b>3,251,354,777</b>	<b>7,405,837,023</b>
<b>Net</b>	<b>(1,727,950,527)</b>	<b>2,560,497,871</b>	<b>832,547,344</b>

## (50) Contingent Liabilities and Commitments (Off balance sheet items)

### a) The total outstanding commitments and contingent liabilities are as follows:

	2025 JD	2024 JD
Letters of credit	371,121,819	469,231,714
Confirmed Export Letters of credit	52,336,539	33,975,734
Acceptances	171,930,229	162,638,081
Letters of guarantee :		
- Payments	140,418,615	105,397,705
- Performance	275,003,243	219,438,341
- Others	110,301,950	126,542,703
Foreign currency Forwards	60,304,861	142,266,180
Unutilized direct credit limits	634,523,978	595,525,961
Total	1,815,941,234	1,855,016,419
Less: Expected credit losses	(12,394,250)	(10,182,949)
Contingent Liabilities and Commitments- Net	1,803,546,984	1,844,833,470

### b) The contractual commitments of the Bank are as follows:

	2025 JD	2024 JD
Intangible assets contracts	3,460,912	5,319,313
Property, Plant & Equipment contracts	-	4,677,319
Construction contracts	781,702	1,226,310
Total	4,242,614	11,222,942

The Banking Control Department at the Central Bank of Iraq imposed a fine on the National Bank of Iraq in the amount of (JD 16.2 million) regarding the mechanism of calculating the exchange rate for foreign remittances and as a result of the NBI collecting commissions considered by the CBI in excess of the official exchange rate, and the fine was calculated on the basis of a multiplier of the exchange rate difference. After discussions with the Central Bank of Iraq, the Central Bank of Iraq reversed an amount of JD 15 million after Reconsideration of the basis for calculating this penalty.



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### Impairment loss on Letter of Credit

Distribution of letter of credit by categories of the Bank's internal credit rating:

The below presentation is as required by the Central bank of Jordan instructions for implementing IFRS 9, Circular no. 13/2018

31 December 2025	Stage one JD	Stage two JD	Stage three JD	Total JD
Low risk / performing	331,373,958	-	-	331,373,958
Acceptable risk / performing	84,358,232	6,662,668	-	91,020,900
Non-performing				
doubtful	-	-	1,063,500	1,063,500
Total	415,732,190	6,662,668	1,063,500	423,458,358

31 December 2024	Stage one JD	Stage two JD	Stage three JD	Total JD
Low risk / performing	190,864,698	-	-	190,864,698
Acceptable risk / performing	309,630,735	1,648,515	1,063,500	312,342,750
Total	500,495,433	1,648,515	1,063,500	503,207,448

31 December 2025	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance as at the beginning of the year	500,495,433	1,648,515	1,063,500	503,207,448
New balances during the year	450,955,171	6,210,799	-	457,165,970
Settled balances	(534,298,095)	(2,616,965)	-	(536,915,060)
Transfer to the first stage during the year	-	-	-	-
Transferred to stage two	(1,420,319)	1,420,319	-	-
Transferred to stage three	-	-	-	-
Total balance	415,732,190	6,662,668	1,063,500	423,458,358

31 December 2024	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance as at the beginning of the year	285,577,827	1,772,217	-	287,350,044
New balances during the year	437,382,600	1,071,735	-	438,454,335
Settled balances	(222,458,955)	(137,976)	-	(222,596,931)
Transferred to stage two	(6,039)	6,039	-	-
Transferred to the third stage during the year	-	(1,063,500)	1,063,500	-
Total balance	500,495,433	1,648,515	1,063,500	503,207,448

The movement of the provision for expected credit losses:-

31 December 2025	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance as at the beginning of the year	2,511,603	34,783	1,172,453	3,718,839
Impairment loss on new balances during the year	1,135,236	37,837	-	1,173,073
Impairment loss recovered from settled balances	(2,660,044)	(19,414)	(108,953)	(2,788,411)
Total balance as at year end	986,795	53,206	1,063,500	2,103,501

31 December 2024	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance as at the beginning of the year	1,864,608	1,202,738	-	3,067,346
Impairment loss on new balances during the year	2,098,623	18,969	-	2,117,592
Impairment loss recovered from settled balances	(1,451,628)	(14,471)	-	(1,466,099)
Transferred to the third stage	-	(1,172,453)	1,172,453	-
Total balance as at year end	2,511,603	34,783	1,172,453	3,718,839

### Impairment loss on Letter of Guarantee

Distribution of letter of guarantee by categories of the Bank's internal credit rating is as follows:

31 December 2025	Stage one JD	Stage two JD	Stage three JD	Total JD
Low risk / performing	316,877,257	212,501	-	317,089,758
Acceptable risk / performing	184,266,716	13,497,039	-	197,763,755
Non- Performing				
Substandard	-	-	3,840,421	3,840,421
Doubtful	-	-	518,022	518,022
Loss	-	-	6,511,852	6,511,852
Total	501,143,973	13,709,540	10,870,295	525,723,808

31 December 2024	Stage one JD	Stage two JD	Stage three JD	Total JD
Low risk / performing	131,115,043	-	-	131,115,043
Acceptable risk / performing	293,060,587	13,402,522	13,772,547	320,235,656
Non- Performing				
Loss	-	-	28,050	28,050
Total	424,175,630	13,402,522	13,800,597	451,378,749

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The movement of letters of guarantee is as follows:-

31 December 2025	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance as at the beginning of the year	424,175,630	13,402,522	13,800,597	451,378,749
New balances during the year	205,178,161	726,102	11,778	205,916,041
Settled balances	(126,810,857)	(2,786,678)	(1,973,447)	(131,570,982)
Transferred to stage one	646,358	(366,404)	(279,954)	-
Transferred to stage two	(1,683,858)	3,495,683	(1,811,825)	-
Transferred to stage three	(361,461)	(761,685)	1,123,146	-
Total balance as at year end	501,143,973	13,709,540	10,870,295	525,723,808

31 December 2024	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance as at the beginning of the year	386,596,247	11,077,731	8,052,376	405,726,354
New balances during the year	148,699,133	1,036,576	142,800	149,878,509
Settled balances	(100,280,424)	(2,211,925)	(1,733,765)	(104,226,114)
Transferred to stage one	419,552	(419,552)	-	-
Transferred to stage two	(7,248,222)	7,248,222	-	-
Transferred to stage three	(4,010,656)	(3,328,530)	7,339,186	-
Total balance as at year end	424,175,630	13,402,522	13,800,597	451,378,749

The movement of the provision for expected credit losses (letters of guarantee)

31 December 2025	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance as at the beginning of the year	2,504,126	545,624	1,613,285	4,663,035
Impairment loss on new balances during the year	1,656,894	97,690	1,701,671	3,456,255
Impairment loss recovered from settled balances	(871,320)	(144,970)	-	(1,016,290)
Transferred to stage one	13,764	(4,405)	(9,359)	-
Transferred to stage two	(70,907)	1,205,207	(1,134,300)	-
Transferred to stage three	(61,932)	(64,222)	126,154	-
Total balance as at year end	3,170,625	1,634,924	2,297,451	7,103,000

31 December 2024	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance as at the beginning of the year	2,439,305	348,125	2,035,205	4,822,635
Impairment loss on new balances during the year	1,462,420	324,416	74,080	1,860,916
Impairment loss recovered from settled balances	(1,180,992)	(95,311)	(744,213)	(2,020,516)
Transferred to stage one	14,595	(14,595)	-	-
Transferred to stage two	(106,323)	106,323	-	-
Transferred to stage three	(124,879)	(123,334)	248,213	-
Total balance as at year end	2,504,126	545,624	1,613,285	4,663,035

## Impairment loss on Acceptances

Distribution of acceptances by categories of the Bank's internal credit rating is as follows:

31 December 2025	Stage one JD	Stage two JD	Stage three JD	Total JD
Low risk / performing	157,458,857	-	-	157,458,857
Acceptable risk / performing	14,202,410	268,962	-	14,471,372
Total	171,661,267	268,962	-	171,930,229

31 December 2024	Stage one JD	Stage two JD	Stage three JD	Total JD
Low risk / performing	101,880,724	-	-	101,880,724
Acceptable risk / performing	60,496,592	260,765	-	60,757,357
Total	162,377,316	260,765	-	162,638,081

The movement of acceptances is as follows:-

31 December 2025	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance as at the beginning of the year	162,377,316	260,765	-	162,638,081
New balances during the year	106,308,428	186,701	-	106,495,129
Settled balances	(97,024,477)	(178,504)	-	(97,202,981)
Transferred to the third stage during the year	-	-	-	-
Total balance as at year end	171,661,267	268,962	-	171,930,229

31 December 2024	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance as at the beginning of the year	186,252,000	44,628	-	186,296,628
New balances during the year	42,317,955	216,137	-	42,534,092
Settled balances	(66,192,639)	-	-	(66,192,639)
Transferred to stage two	-	-	-	-
Adjustment due to change in exchange rate	-	-	-	-
Total balance as at year end	162,377,316	260,765	-	162,638,081

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The movement of the provision for impairment losses

31 December 2025	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance as at the beginning of the year	1,125,563	9,765	-	1,135,328
Impairment loss on new balances during the year	1,312,111	11,408	-	1,323,519
Impairment loss recovered from settled balances	(269,665)	(7,109)	-	(276,774)
Total balance as at year end	2,168,009	14,064	-	2,182,073

31 December 2024	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance as at the beginning of the year	1,431,690	2,761	-	1,434,451
Impairment loss on new balances during the year	75,696	7,004	-	82,700
Impairment loss recovered from settled balances	(381,823)	-	-	(381,823)
Total balance as at year end	1,125,563	9,765	-	1,135,328

### Impairment loss on Unutilized direct credit limits

Distribution of unutilized direct credit limits by categories of the Bank's internal credit rating is as follows:

31 December 2025	Stage one JD	Stage two JD	Stage three JD	Total JD
Low risk / performing	452,122,664	2,364,982	-	454,487,646
Acceptable risk / performing	175,790,350	4,243,018	-	180,033,368
Non-performing				
Substandard	-	-	190	190
Doubtful	-	-	426	426
Loss	-	-	2,348	2,348
Total	627,913,014	6,608,000	2,964	634,523,978

31 December 2024	Stage one JD	Stage two JD	Stage three JD	Total JD
Low risk / performing	115,706,642	44,646	-	115,751,288
Acceptable risk / performing	473,537,197	6,201,984	-	479,739,181
Non-performing				
Substandard	-	-	3,117	3,117
Doubtful	-	-	26,489	26,489
Loss	-	-	5,886	5,886
Total	589,243,839	6,246,630	35,492	595,525,961

The movement of unutilized direct credit limits is as follows:-

31 December 2025	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance as at the beginning of the year	589,243,839	6,246,630	35,492	595,525,961
New balances during the year	393,002,702	7,146,960	188	400,149,850
Settled balances	(355,986,492)	(5,130,194)	(35,147)	(361,151,833)
Transferred to stage one	6,035,756	(6,035,756)	-	-
Transferred to stage two	(4,380,360)	4,380,360	-	-
Transferred to stage three	(2,431)	-	2,431	-
Total balance as at year end	627,913,014	6,608,000	2,964	634,523,978

31 December 2024	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance as at the beginning of the year	582,193,994	4,882,042	26,525	587,102,561
New balances during the year	293,556,024	3,937,575	3,899	297,497,498
Settled balances	(286,090,591)	(2,983,303)	(204)	(289,074,098)
Transferred to stage one	1,840,851	(1,840,851)	-	-
Transferred to stage two	(2,253,286)	2,253,286	-	-
Transferred to stage three	(3,153)	(2,119)	5,272	-
Total balance as at year end	589,243,839	6,246,630	35,492	595,525,961

The movement of the provision for expected credit losses

31 December 2025	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance as at the beginning of the year	611,175	37,772	16,800	665,747
Impairment loss on new balances during the year	616,932	68,420	146	685,498
Impairment loss recovered from settled balances	(303,262)	(27,641)	(14,666)	(345,569)
Transferred to stage one	5,864	(5,864)	-	-
Transferred to stage two	(21,210)	21,210	-	-
Transferred to stage three	(14)	-	14	-
Total balance as at year end	909,485	93,897	2,294	1,005,676

31 December 2024	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance as at the beginning of the year	392,706	27,672	16,956	437,334
Impairment loss on new balances during the year	360,132	40,064	1,939	402,135
Impairment loss recovered from settled balances	(141,559)	(27,695)	(4,468)	(173,722)
Transferred to stage one	2,051	(2,051)	-	-
Transferred to stage two	(736)	736	-	-
Transferred to stage three	(1,419)	(954)	2,373	-
Total balance as at year end	611,175	37,772	16,800	665,747

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### Expected credit loss on indirect credit facilities (Off balance sheet items)

Distribution of indirect credit facilities subject to IFRS 9 by categories of the Bank's internal credit rating:

31 December 2025	Stage one JD	Stage two JD	Stage three JD	Total JD
Low risk / performing	1,257,832,736	2,577,483	-	1,260,410,219
Acceptable risk / performing	458,617,708	24,671,687	-	483,289,395
Non- Performing				
Substandard	-	-	3,840,611	3,840,611
Doubtful	-	-	1,581,948	1,581,948
loss	-	-	6,514,200	6,514,200
Total	1,716,450,444	27,249,170	11,936,759	1,755,636,373

31 December 2024	Stage one JD	Stage two JD	Stage three JD	Total JD
Low risk / performing	539,567,107	44,646	-	539,611,753
Acceptable risk / performing	1,136,725,111	21,513,786	14,836,047	1,173,074,944
Non- Performing				
Substandard	-	-	3,117	3,117
Doubtful	-	-	26,489	26,489
loss	-	-	33,936	33,936
Total	1,676,292,218	21,558,432	14,899,589	1,712,750,239

The cumulative movement of indirect credit facilities subject to IFRS 9 calculation is as follows:-

31 December 2025	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance as at the beginning of the year	1,676,292,218	21,558,432	14,899,589	1,712,750,239
New balances during the year	1,155,444,462	14,270,562	11,966	1,169,726,990
Settled balances	(1,114,119,921)	(10,712,341)	(2,008,594)	(1,126,840,856)
Transferred to stage one	6,682,114	(6,402,160)	(279,954)	-
Transferred to stage two	(7,484,537)	9,296,362	(1,811,825)	-
Transferred to stage three	(363,892)	(761,685)	1,125,577	-
Total balance as at year end	1,716,450,444	27,249,170	11,936,759	1,755,636,373

31 December 2024	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance as at the beginning of the year	1,440,620,068	17,776,618	8,078,901	1,466,475,587
New balances during the year	921,955,712	6,262,023	146,699	928,364,434
Settled balances	(675,022,609)	(5,333,204)	(1,733,969)	(682,089,782)
Transferred to stage one	2,260,403	(2,260,403)	-	-
Transferred to stage two	(9,507,547)	9,507,547	-	-
Transferred to stage three	(4,013,809)	(4,394,149)	8,407,958	-
Total balance as at year end	1,676,292,218	21,558,432	14,899,589	1,712,750,239

The cumulative movement of the provision for impairment losses of indirect credit facilities (Off balance sheet items) is as follows:-

31 December 2025	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance as at the beginning of the year	6,752,467	627,944	2,802,538	10,182,949
Impairment loss on new balances during the year	4,721,173	215,355	1,701,817	6,638,345
Impairment loss recoveries from settled balances	(4,104,291)	(199,134)	(123,619)	(4,427,044)
Transferred to stage one	19,628	(10,269)	(9,359)	-
Transferred to stage two	(92,117)	1,226,417	(1,134,300)	-
Transferred to stage three	(61,946)	(64,222)	126,168	-
Total balance as at year end	7,234,914	1,796,091	3,363,245	12,394,250

31 December 2024	Stage one JD	Stage two JD	Stage three JD	Total JD
Balance as at the beginning of the year	6,128,309	1,581,296	2,052,161	9,761,766
Impairment loss on new balances during the year	3,996,871	390,453	76,019	4,463,343
Impairment loss recoveries from settled balances	(3,156,002)	(137,477)	(748,681)	(4,042,160)
Transferred to stage one	16,646	(16,646)	-	-
Transferred to stage two	(107,059)	107,059	-	-
Transferred to stage three	(126,298)	(1,296,741)	1,423,039	-
Adjustment due to change in exchange rate	-	-	-	-
Total balance as at year end	6,752,467	627,944	2,802,538	10,182,949

## (51) Lawsuits against the Bank

The lawsuits raised against the Bank, as part of the ordinary course of business, amounted to JD 55,436,069 as at 31 December 2025 against JD96,127,772 as at 31 December 2024. According to the Bank's management and legal counselor, the Bank will not be liable in any of these cases except for cases amounting to JD526,000.

The lawsuits raised against National Bank of Iraq, as part of the ordinary course of business, amounted to JD7,281,363 as at 31 December 2025 against JD 7,946,876 as at 31 December 2024. According to the Bank's management and legal counselor, the Bank will not be liable in any of these cases.

The lawsuits raised against Capital Investment and Brokerage Company Ltd/Jordan, as part of the ordinary course of business as at 31 December 2025 JD 32,500 and JD 41,000 as at 31 December 2024. According to the Company's management and legal counselor, the Company will not be liable in any of these cases.

There are no cases raised against Capital leasing company as in 31 December 2025 and 31 December 2024.

## (52) Comparative figures

Some of the comparative figures in the consolidated financial statements for the year 2024 have been reclassified to be consistent with the year 2025 with no effect on profit and equity for the year 2024.



## Consolidated Financial Statements 31 December 2025

### (53) Business Combination - Acquisition of Subsidiaries

The National Bank of Iraq Acquired several subsidiaries during the year 2025, as detailed below :

#### A) The bank's acquisition of the business of Iraq Electronic Gate Financial Services (LLC)

During 2025, the National Bank of Iraq entered into an acquisition agreement to acquire 51% of the Iraq Electronic Gate Financial services (LLC) incorporated in the Republic of Iraq. All required regulatory approvals and conditions were duly obtained, The table below presents the balance of company's assets and liabilities as at the acquisition date .

#### B) The bank's acquisition of the business of Digital future company for electronic distribution services and general trading (LLC)

During 2025, the National Bank of Iraq entered into an acquisition agreement to acquire 51% of the Digital future company for electronic distribution services and general trading (LLC) incorporated in the Republic of Iraq. All required regulatory approvals and conditions were duly obtained, The table below presents the balance of company's assets and liabilities as at the acquisition date .

#### C) The bank's acquisition of the business of Union International for Insurance (Ltd)

During 2025, the National Bank of Iraq entered into an acquisition agreement to acquire 51% of the Union International Company (Ltd) incorporated in the Republic of Iraq. All required regulatory approvals and conditions were duly obtained, The table below presents the balance of company's assets and liabilities as at the acquisition date .

Assets	Iraq Gate	Digital Future	Union international for Insurance	Total
	JD	JD	JD	JD
Cash and balances with Banks and central bank	54,565,794	5,240,502	3,092,528	62,898,824
Property, plant and equipment, net	7,899,489	972,835	7,545	8,879,869
Intangible assets, net	4,334,241	15,846	-	4,350,087
Other assets	35,296,130	5,952,454	2,068,457	43,317,041
Total Assets	102,095,654	12,181,637	5,168,530	119,445,821

Liabilities	Iraq Gate	Digital Future	Union international for Insurance	Total
	JD	JD	JD	JD
Margin accounts	20,065,006	-	-	20,065,006
Other liabilities	60,394,575	6,502,955	2,669,629	69,567,159
Total Liabilities	80,459,581	6,502,955	2,669,629	89,632,165
Net fair value of the acquired businesses at the acquisition date	21,636,073	5,678,682	2,498,901	29,813,656
non - controlling interest	(10,601,676)	(2,782,554)	(1,235,342)	(14,619,572)
Purchase consideration for the acquisition **	(84,978,968)	(15,633,450)	(2,164,885)	(102,777,303)
Goodwill resulting from the acquisition (provisional) *	(73,944,571)	(12,737,322)	(901,326)	(87,583,219)

### Results of the acquisition

Provisional goodwill resulted from the acquisition has been classified under intangible assets ( Note 13)

The total purchase consideration includes as unconditional deferred payment of approximately JD 19.1 million for Iraq gate company and JD 3.5 million for Digital futute company, which will be setteld by National Bank of Iraq one year after the acquisition date.

### Purchase Price Allocation (PPA) Study

Due to the recent completion of the acquisition, the Purchase Price Allocation (PPA) study has not been finalized as of the date of preparation of these financial statements.

Accordingly, the Purchase Price Allocation study will be performed in a subsequent period in accordance with the requirements of International Financial Reporting Standards (IFRS), in particular IFRS 3 – Business Combinations.

The completion of the Purchase Price Allocation study may result in adjustments to the carrying amounts of the acquired assets and assumed liabilities, including intangible assets and goodwill (if any), which may have an impact on the financial results and financial position in subsequent periods. Such effects will be disclosed once the study has been completed and formally approved

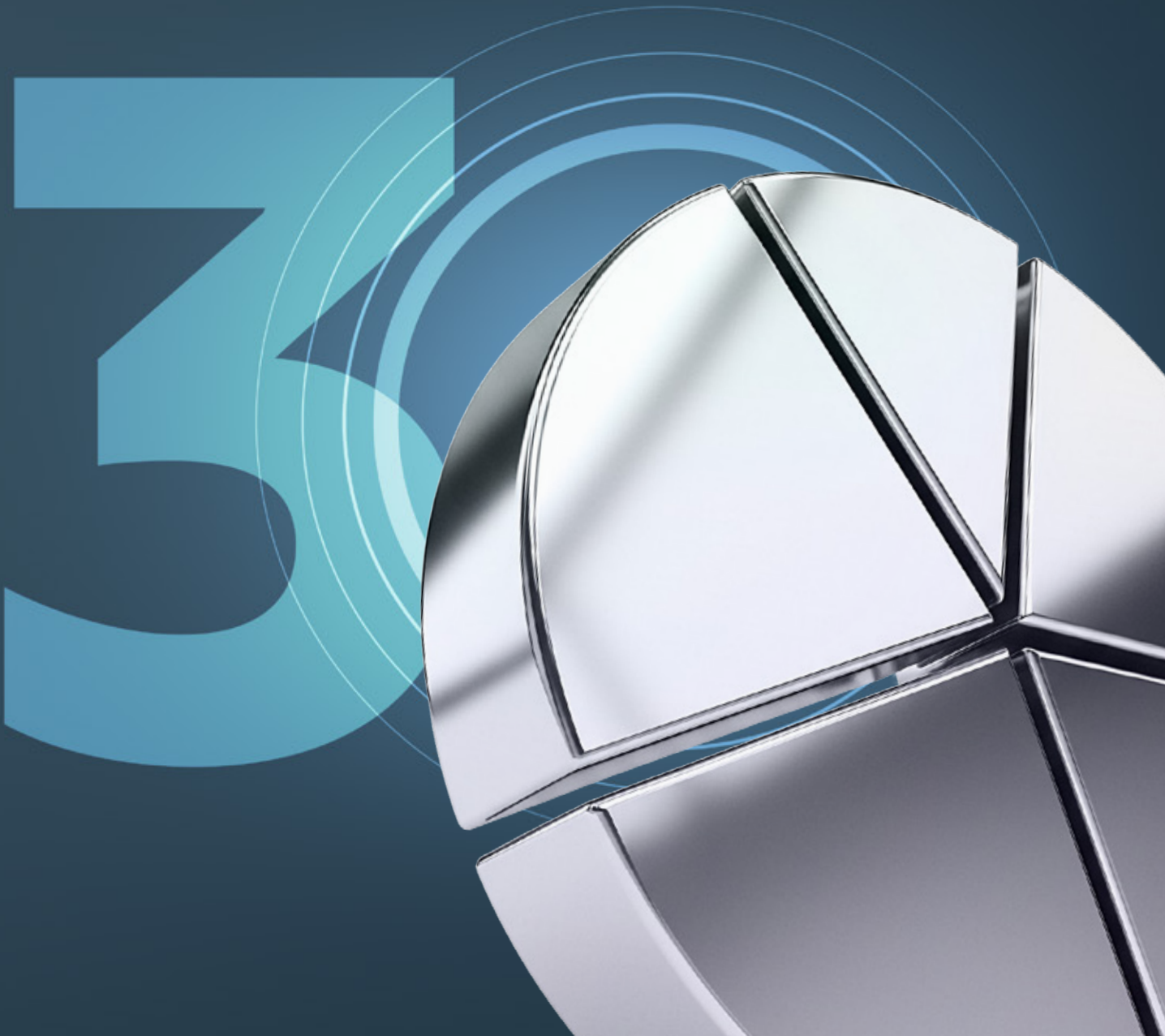
### Acquisition - related costs

For the period ended 31 December 2025, The National Bank of Iraq incurred costs related to the acquisition of the above companies which represent expenses related to financial and legal advisors, amounting to approximately JD 1,348,025.



# 10

**Securities Commission  
Required Data**



## Securities Commission Required Data

### A. Message from the Board Chairman

Included at the beginning of the annual report.

### B. Board of Directors' Report

Included at the beginning of the annual report.

### C. Description of the Bank's Main Activities

Capital Bank provides all banking and financial businesses and products and services directed towards all economic sectors in Jordan through its branches in the Hashemite Kingdom of Jordan. In addition, Capital Bank provides all investment and financial brokerage services through its investment and financial brokerage Company, which has a capital of JOD 12,110,000 and which is fully owned by Capital Bank, and through Capital Leasing Company, which has a capital of JOD 8,000,000 and is fully owned by Capital Bank. Furthermore, the bank is an investor in the National Bank of Iraq, with a capital of IQD 520 billion, %61.85 of which is owned by Capital Bank. The bank is also an investor in Capital Investments (DIFC), specializing in investment and enterprise financing consulting services and that has a capital of USD 250,000 and is fully owned by Capital Bank.

### D. Bank's Locations and Number of Employees

Capital Bank, Jordan Capital Investments and Brokerage Company, Capital Investments (DIFC), and the National Bank of Iraq employ 3,075 people distributed over the following geographic locations:

Location	Address	Number of Employees
Headquarters	Amman	1048
Capital Investments & Brokerage	Amman	61
Leasing Company	Amman	9
Private Banking and Wealth Management	Amman	47
Irbid Branch 1	Irbid	8
Irbid Branch 2	Irbid	9
Gardens Branch	Amman	10
New Zarqa Branch	Zarqa	7
Zarqa Free Zone Branch	Zarqa	3
Zarqa Mall Branch	Zarqa	8
Sweifieh Branch 1	Amman	8
Sweifieh Branch 2	Amman	3
Abdali Branch	Amman	11
Aqaba Branch	Aqaba	10
Al-Madina AL-Munawwara Branch	Amman	11
Sports City Branch	Amman	7
Wehdat Branch	Amman	4
Taj Mall Branch	Amman	13

Location	Address	Number of Employees
Jabal Hussein Branch	Amman	5
Dabouq Branch	Amman	9
Khalda and Dabouq Branch	Amman	7
Khalda Branch	Amman	5
Dahiyat Prince Rashed Branch	Amman	3
Zahran Branch	Amman	10
Shmeisani Branch	Amman	11
Jubeiha Branch	Amman	8
Fuheis Branch	Balqa'	4
Salt Branch	Salt	6
Madaba Branch	Madaba	8
Karak Branch	Karak	5
Marj Al-Hamam Branch	Amman	5
Mecca Mall Branch	Amman	14
Wadi Saqra Branch	Amman	6
City Mall Branch	Amman	15
Capital Investments (DIFC)	Dubai	15
National Bank of Iraq	Iraq	1662
Total		3075

The Bank does not operate any branches outside Jordan.

## 1. The Bank's Capital Investment

The bank's capital investment amounted to JOD 269,104,337 269,104,337, representing the net value of property, equipment, assets, and intangible assets as at the end of 2025.

## 2. Subsidiary Companies

Name of Subsidiary Company	Company Type	Company Activity	Company Capital
Capital Investments Company	Limited Liability	Investment and Financial Brokerage	JOD 12,110,000
National Bank of Iraq	Public Shareholding	Banking	IQD 520 billion
Capital Investments (DIFC)	Limited Liability	Consulting	US\$ 250,000
Jordan Capital for Financial Leasing	Limited Liability	Financial Leasing	JOD 8,000,000

## Securities Commission Required Data

### 3. Brief Introduction about Chairman and Members of the Board of Directors:



#### **H.E. Bassem Khalil Salem Al-Salem**

Position: Chairman of the Board of Directors

Date of Birth: June 19, 1956

Membership Date: April 20, 2010

Nationality: Jordanian

#### **Education:**

Mr. Al-Salem holds a Bachelor's degree with honors in Chemical Engineering from Imperial College, United Kingdom, 1978.

#### **Current Positions:**

He is the chairman of the Board of Directors of Capital Bank of Jordan and chairman of the Board of the Association of Banks in Jordan. He is also chairman of a number of boards of directors of prominent private and public companies, most importantly the Jordanian General Mining Company, Royal Jordanian, and the Jordan Airports Company.

#### **Experience:**

Mr. Al-Salem started his career in the private sector, where he established a number of industrial companies. In 2010, he became the Chairman of the Board of Directors of Capital Bank Group and is also one of Capital Bank's founders. He has steered the bank to serve 21st century clients, while focusing on providing innovative commercial and investment banking services to the Jordanian and Iraqi markets.

He held the posts of Minister of Labor and Minister of Finance in Jordan (2005-2009). He is credited for putting in place social and economic policies that contributed to the creation of job opportunities in the public and private sectors, in addition to attracting foreign companies and investments to Jordan and contributing to the growth and prosperity of local investments.

Previously, he held the post of the chairman of the board of Kings Academy and the post of chairman of the board of the Social Security Corporation (2005-2009), and he was a member of the Board of Directors of the Central Bank. He was appointed a member of the Jordanian Senate from 2010 to 2011.



### **H.E. Said Samih Talib Darwazah**

Position: Vice-Chairman of the Board of Directors

Date of Birth: May 25, 1957

Membership Date: June 14, 2021

Nationality: Jordanian

### **Education:**

Mr. Darwazah holds a Bachelor's degree in Industrial Engineering from Purdue University in the United States in 1980 and a Master's degree in Business Administration from INSEAD university in France in 1984.

### **Current Positions:**

Mr. Darwazah also holds the post of chairman of the Board of Directors of Queen Rania Foundation, which focuses on improving national educational resources in Jordan as a mean to strengthen social development. Mr. Darwazah is the founder of the Health Care Accreditation Council, which is a non-profit organization operating to improve medical standards in all areas of the Middle East and North Africa since 2016. Mr. Darwazah also holds the post of chairman of the Board of Directors of Royal Jordanian, the national carrier.

### **Experience:**

Mr. Darwazah was the Jordanian minister of health between 2003 and 2006 and a member of the Board of Directors of the Central Bank of Jordan from 2012 to 2021.



## Securities Commission Required Data



### **Social Security Corporation**

Mr. Saleh Hamdallah Ayesh AlShbikat

Position: Representative of board member the Social Security Corporation

Date of Birth: December 24, 1977

Membership Date: August 31, 2009

Nationality: Jordanian

### **Education:**

Mr. AlShbikat holds a Master's degree in Finance, Investment, and Risk from the University of Kent, the United Kingdom (2012- 2013) and a Bachelor's degree in Financial and Banking Sciences from Zarqa' University (2004-2006). He also holds the Jordanian Securities Commission's permit as an investment manager, financial consultant, and investment custodian. He has participated in seminars and training programs on assets, portfolios, financial reporting, and others.

### **Current Positions:**

He is currently the head of Equity Portfolio Management Section-Shares Investment Directorate at the Social Security Investment Fund since January 2020.

### **Experience:**

From 2006 to 2017, Mr. AlShbikat was a financial analyst at the Housing Bank for Trade and Finance / Capital Markets Investment Center, where he carried out several tasks, most notably conducting equity research, company evaluation and strategic analysis; reviewing and analyzing equity portfolios to ensure compliance with the internal investment policy, Central Bank regulations and any other relevant policies and regulations; monitoring portfolio performance and changes in sector weights on a daily basis; preparing periodic market performance reports for the Amman Stock Exchange; building financial models related to equity valuation; structuring strategic asset allocation methodologies to align the bank's requirements (return, risk tolerance and constraints) with market expectations; and conducting analysis and preparing ad hoc reports. He then worked as a senior financial analyst in the Business Development and Research Unit at the Social Security Investment Fund from 2017 to 2020.



### **Hitaf Investment Company**

Mr. "Mohamed Ali" Khaldoun Sati' Al-Husry

Position: Representative of board member Hitaf Investment Company

Date of Birth: April 20, 1957

Membership Date: August 31, 2009

Nationality: Jordanian

### **Education:**

Mr. Al-Husry has a Bachelor's degree in Mechanical Engineering from the University of Southern California in 1981 and an MBA from INSEAD Business School in France in 1985.

### **Current Positions:**

He is a non-executive member of the Board of Directors of Hikma Pharmaceuticals, a member of the consulting board for the Middle East at Carnegie Endowment for International Peace and a member of the Board of Directors of Endeavor-Jordan.

### **Experience:**

Mr. Al-Husry founded Capital Bank of Jordan and served as chairman of its Board of Directors since its establishment in 1995 until 2007. He is credited for pioneering investment banking services in Jordan and Iraq during his management of the bank.

Mr. Al-Husry is chairman of Alcazar Energy PJSC, headquartered in the Dubai International Financial Centre (DIFC), and a prominent philanthropist. He led the founding of DASH Ventures, a multi-sector investment firm supporting high-growth startups and SMEs in the Middle East and served as an executive board member. He was also instrumental in launching Endeavor in Jordan in 2008, a global nonprofit organization that seeks to stimulate sustainable economic growth by supporting impactful entrepreneurs. He served as chairman of Endeavor Jordan for over seven years.

Mr. Al-Husry has extensive involvement with local and international non-governmental organizations. He recently joined the Middle East Advisory Board of the Carnegie Endowment for International Peace and has served on the boards of the Women's Fund, the Board of Trustees of the Jordan University of Science and Technology, the Jordan Museum, the Association of Banks in Jordan, the Institute of Banking Studies, the Hussein Fund for Excellence, and the Insurance Commission, contributing to the development of policies and strategic direction for these institutions.

## Securities Commission Required Data



### **Al-Jadara Company for Real Estate Investment**

Mr. Sultan Mohammed M. ElSeif

Position: Representative of board member of Al-Jadara for Real Estate Investment

Date of Birth: March 3, 1985

Membership Date: August 31, 2009

Nationality: Saudi Arabian

### **Education:**

Mr. ElSeif has a Bachelor's degree in Finance from Roger Williams University in 2007.

### **Current Positions:**

He is the general manager of ElSeif Corporation. He is also the executive manager of the Musa'ed ElSeif and Sons company. He is the chairman of the board of Elite Construction Real Estate Development Company; vice chairman of the board of ElSeif Commercial Investment Company; and member of the board of ElSeif Operation and Maintenance Holding Company.

### **Experience:**

Mr. ElSeif held the post of deputy general manager and office director of the chairman of the board of directors in the Saudi Medicare Company in Riyadh. Previously, he was the executive manager of UK Property Specialist. He also worked as a financial analyst at UME Investment and Morgan Stanley. He has held board memberships in the Oman Medical Projects Company, Hunters Moor Neurorehabilitation, UME Group LLP, UME Diagnostics Management Company and Care Shield Holding.



### **Investments and Integrated Industries Co (Holding)**

Mr. Khalil Hatem Khalil Al-Salem

Position: Representative of board member Investments and Integrated Industries Co (Holding)

Date of Birth: December 28, 1982

Membership Date: August 31, 2009

Nationality: Jordanian

### **Education:**

Mr. Al-Salem has a Bachelor's degree in Economics from Columbia University in 2004.

### **Current Positions:**

He is currently the deputy general manager of Al-Majal Energy Services and the secretary general of the West Asian Football Federation since 2017. He is a member of the Board of Directors of Sajilni E-Commerce Company since 2009, a member of the Board of Directors of Al Abtal Real Estate Leasing and Management Company since 2021, a member of the Board of Directors of Konn for Learning Speculative Mathematics since 2021, a member of the Board of Directors of Ehya' Amman Real Estate Rehabilitation and Development Company since 2023, and a member of Bani Obaid Municipality Committee since 2023.

### **Experience:**

Previously, Mr. Al-Salem served as the director of the Office of His Royal Highness Prince Ali Bin Al-Hussein for football matters (2013-2015) and the secretary general of the Jordanian Football Association (2009-2013). He started his career as a financial analyst at J.P. Morgan in New York (2004-2006), then as a financial analyst and business development manager at Capital Investment & Brokerage (2006-2009), as well as a financial analyst at Midrar Investments Company and a member of the Board of Directors of the Modern English School (2017-2019).

## Securities Commission Required Data



### **The Safety First Investment Company**

Mr. Muteb Mohammed S Alshathri

Position: Representative of the board member The Safety First Investment Company

Date of Birth: April 4, 1985

Membership Date: September 4, 2022

Nationality: Saudi Arabian

### **Education:**

Mr. Alshathri holds an MBA from Harvard Business School in the United States in 2015 and a Bachelor's degree in Industrial Engineering and Administrative Sciences from Northwestern University in the United States in 2008.

### **Current Positions:**

He is the director of the Private Equity Investments Department in the Securities Investment Department of the General Directorate for Middle East and North African Investments.

### **Experience:**

Mr. Alshathri is a member in Boards of Directors and committees as a representative of the Public Investment Fund in companies traded on the Saudi stock market (Tadawol). He is vice chairman of the board of the Al-Qasim Cement Company and a member of the Saudi Ceramic Company. He is also a member of the board of Depa PLC, which is listed at the Dubai Nasdaq. He was nominated as the representative of the Public Investment Fund in the advanced energy systems company, ADES International Holding. He is also a member of the Board of Directors of the Saudi Jordanian Fund Company.



### **The Safety First Investment Company**

Ms. Lamya Mohammed N. Alfozan

Position: Representative of the board member The Safety First Investment Company

Date of Birth: January 30, 1981

Membership Date: September 4, 2022

Nationality: Saudi Arabian

### **Education:**

Ms. Alfozan holds a Master's degree from the London Business School (LBS) in 2018 and a Bachelor's degree in business management from the King Saud University in 2004.

### **Current Positions:**

She holds the post of senior director in the Saudi Public Investment Fund and has expertise in banking and financial markets.

### **Experience:**

Ms. Alfozan has two decades of experience in internal auditing, risk management, compliance, anti-financial crimes, project management, environmental and social governance practices, corporate governance, and institutional transformation, among others. She was previously a member of the Audit Committee of the Riyadh Financial Company, as well as compliance chief at Riyadh Bank, from 2015 to 2019. Before that, she held posts in Riyadh Bank, including the Internal Audit Department. She was also vice chairperson of the Women Empowerment Committee at the bank's executive level. She also held the post of the secretary of the bank's Investment Committee. She is a member of several boards of directors and subcommittees, most notably the Audit Committee of the Saudi Industrial Development Fund Board of Directors and a member of the Environmental and Social Governance Practices Committee of Al Mabani General Contractors, the Regional Voluntary Carbon Market and the Iraqi-Saudi Company for Investments

## Securities Commission Required Data



### **The Safety First Investment Company**

Mr. Fadi Adel Mohammad ALSaid

Position: Representative of the board member The Safety First Investment Company

Date of Birth: July 19, 1977

Membership Date: September 4, 2022

Nationality: Jordanian

### **Education:**

Mr. ALSaid holds an Executive MBA from Cass Business School, University of London and a Bachelor's degree in Economics from the University of Jordan. He is a chartered financial analyst (CFA).

### **Current Positions:**

Mr. ALSaid has been serving as a senior executive manager at the Saudi Public Investment Fund since 2020. He currently serves on the boards of Advanced Energy System International Holding Company, the Saudi-Jordanian Investment Fund and the Saudi-Jordanian Investment Company. He also serves as chairman of the board of Kingdom Healthcare Company and vice chairman of the board of Depa.

### **Experience:**

Mr. ALSaid was appointed as a non-executive member of B. Tech Trading and Distribution Company and previously held several positions, including executive director and head of Middle East and North Africa Investments at Lazard Asset Management in the UAE (2014-2020), and director and head of Middle East and North Africa Investments at ING Investment Management (2008-2014).



### **Mr. Khalid Walid Hussni Nabils**

Position: Member of the Board of Directors

Date of Birth: February 20, 1972

Membership Date: May 24, 2017

Nationality: Jordanian

### **Education:**

Mr. Nabils holds an MBA from the University of Hull in the United Kingdom in 2000 and a Bachelor's degree in Economics and Administrative Sciences from the University of Jordan in 1992, as well as a CPA.

### **Current Positions:**

He is the head of Financial Sector at Hikma Pharmaceuticals Group and is a member of the Board of Directors of Hikma Pharmaceuticals Company.

### **Experience:**

Mr. Nabils held strategic administrative posts in Hikma Pharmaceuticals' financial management. He was a main member in the team that organized the company's public underwriting in 2005. He obtained experience in mergers and acquisitions when working with Atlas Investment Group - AB Invest. He also occupied several positions at financial management and accounting, and consultation. He carried out international auditing operations while working with Arthur Andersen - Amman (Ernst & Young).



## Securities Commission Required Data



### **Mr. Yousef A. Y. Ensour**

Position: Member of the Board of Directors

Date of Birth: January 30, 1970

Membership Date: April 15, 2021

Nationality: Jordanian

### **Education:**

Mr. Ensour holds a Bachelor's degree in Business Administration from University of Jordan in 1991 and a Master's degree in Business Administration from Bowling Green State University in the United States in 1994.

### **Experience:**

Mr. Ensour has had a long career in banking, during which he held many positions that have enriched his banking expertise. Most prominently, he held the post of regional manager (general manager) of Bank Audi – Jordan branches from 2006 to 2021, as well as chief of corporate and financial institutions services at Standard Chartered Bank from June 2004 to February 2006. He held several positions during his work with HSBC Bank Middle East from June 1997 to May 2004. He also worked in Amman Investment Bank.



### **H.E. Samir Zaid Samir AlRifai**

Position: Member of the Board of Directors

Date of Birth: July 1, 1966

Membership Date: April 17, 2025

Nationality: Jordanian

### **Education:**

Mr. AlRifai graduated from Deerfield Academy in the United States in 1984. He received a Bachelor's degree in Middle Eastern Studies with a minor in Economics from Harvard University in 1988, and a Master of Arts degree in International Relations from Cambridge University in 1989.

### **Current Positions:**

Mr. AlRifai is currently the vice chairman of the Senate in the Hashemite Kingdom of Jordan.

### **Experience:**

Mr. AlRifai has held several positions, including chairman of the Royal Committee for Modernizing the Political System in 2021; chairman of the Senate's Foreign Relations Committee (2013-2015); prime minister (2009-2011); minister of the Royal Hashemite Court (2003-2005), secretary-general of the Royal Hashemite Court (1999-2003); advisor to His Majesty King Abdullah II and director of communications and public relations for His Majesty in 2000; assistant chief of royal protocol; private secretary and director of the Private Office of Crown Prince Hassan bin Talal (1988-1999). He also served as CEO and founder of Jordan Dubai Capital (JDC) (2005-2009).

He has served on the boards of directors of King's Academy, Housing Bank for Trade and Finance, the Committee for Interfaith Dialogue, the Higher Steering Committee for the Peace Process, the King Abdullah II Award for Excellence in Government Performance and Transparency, Saraya Aqaba and Amlak Real Estate Finance Company. He served as chairman of the Investment Promotion Committee at the Royal Court, chairman of the preparatory committee for Amman Message, and chairman of the board of directors of Jordan Dubai Islamic Bank (Safwa).

## Securities Commission Required Data



### **Ms. Dalia Abdelazim Mohamed Wahba**

Position: Member of the Board of Directors

Date of Birth: December 13, 1976

Membership Date: April 17, 2025

Nationality: Egyptian

### **Education:**

Ms. Wahba holds a Bachelor of Business Administration degree with a specialization in Finance from the American University in Cairo, in 1999. She enhanced her expertise through her participation in the Public-Private Partnership Infrastructure Program at Harvard Kennedy School and holds the chartered financial analyst (CFA).

### **Current Positions:**

Ms. Wahba is currently the CEO of Hassan Allam Investments Managers.

### **Experience:**

Ms. Wahba's career began in 1999 at the Commercial International Bank (CIB), where she served as head of corporate finance. She contributed to the management of strategic projects such as the initial public offering (IPO) of Telecom Egypt and the restructuring of the Egyptian insurance sector.

In 2006, Ms. Wahba joined the International Finance Corporation (IFC) as an assistant investment officer. She focused on developing the information and communications technology (ICT) sectors before becoming an investment officer in 2009. In this role, she led infrastructure projects in Egypt, Jordan, Lebanon and Libya, successfully attracting \$565 million in investments.

Ms. Wahba played a pivotal role in designing the IFC's Country Partnership Strategy and participated in developing the energy sector strategy in collaboration with the World Bank for Reconstruction and Development in Egypt. She represented the IFC at international forums, contributing to the development of innovative solutions to infrastructure challenges. She also serves on the boards of several companies, including CI Capital Holding, Hassan Allam Properties and Mylo for Consumer Finance.

Forbes Middle East included her in its list of the 100 Most Powerful Businesswomen for 2024 and 2025, reflecting her status as a leader in the business sector and her ability to make a tangible impact on emerging economies. Her exceptional communication skills, demonstrated by her fluency in Arabic, English and French, have enabled her to build bridges of cooperation with global entities.

## Brief Introduction of Members of the Board of Directors and Corporate Representatives whose membership ended in 2025:

### Members whose membership ended in 2025



#### **Al-Khalil Company for Investments**

Mr. Khalil Hatem Khalil Al-Salem

Position: Representative of board member Al-Khalil Company for Investments

Date of Birth: December 28, 1982

Membership Date: August 31, 2009

Membership ended Date: April 17, 2025

Nationality: Jordanian

#### **Education:**

Mr. Al-Salem has a Bachelor's degree in Economics from Columbia University in 2004.

#### **Current Positions:**

He is currently the deputy general manager of Al-Majal Energy Services and the secretary general of the West Asian Football Federation since 2017. He is a member of the Board of Directors of Sajilni E-Commerce Company since 2009, a member of the Board of Directors of Al Abtal Real Estate Leasing and Management Company since 2021, a member of the Board of Directors of Konn for Learning Speculative Mathematics since 2021, a member of the Board of Directors of Ehya' Amman Real Estate Rehabilitation and Development Company since 2023, and a member of Bani Obaid Municipality Committee since 2023.

#### **Experience:**

Previously, Mr. Al-Salem served as the director of the Office of His Royal Highness Prince Ali Bin Al-Hussein for football matters (2013-2015) and the secretary general of the Jordanian Football Association (2009-2013). He started his career as a financial analyst at J.P. Morgan in New York (2004-2006), then as a financial analyst and business development manager at Capital Investment & Brokerage (2006-2009), as well as a financial analyst at Midrar Investments Company and a member of the Board of Directors of the Modern English School (2017-2019).

## Securities Commission Required Data



### **Mr. Mohammad Hasan Subhi AlHaj Hasan**

Position: Member of the Board of Directors

Date of Birth: August 16, 1981

Membership Date: May 24, 2017

Membership ended Date: April 17, 2025

Nationality: Jordanian

### **Education:**

Mr. AlHaj Hasan holds a Master's degree in Business Administration and a Master's degree in Education from Stanford Graduate School in 2016. He also holds a Bachelor's degree in Finance and Microeconomics from Massachusetts Institute of Technology (MIT) in 2003.

### **Current Positions:**

He is chairman of the board and CEO of Jawaker and a member of the board of directors of Akhtaboot.

### **Experience:**

Mr. AlHaj Hasan is a partner and founder of two of the most innovative startup companies in the Middle East and North Africa: Jawaker, which is an electronic social gaming company, particularly focusing on card games; and Akhtaboot, a provider of employment solutions online. He held the post of deputy general manager for Quantitative Analysis at Rasmala, based in Dubai, in addition to his work as a financial analyst in Dresdner Kleinwort Wasserstein, which is a global financial organization specialized in banking investment in the United States.



### **Mr. Abubaker Seddiq Mohamed Hussain AlKhoori**

Position: Member of the Board of Directors

Date of Birth: November 13, 1971

Membership Date: April 15, 2021

Membership ended Date: April 17, 2025

Nationality: Emirati

### **Education:**

Mr. AlKhoori holds a Bachelor's degree in Financial Sciences from Linfield College in the United States in 1993. He also holds a CFA.

### **Current Positions:**

He is currently the CEO of Abu Dhabi Capital Group – UAE and has been since 2018.

### **Experience:**

Mr. AlKhoori has 25 years of experience in the fields of international financing and investment and real estate. He was the chairman of the boards of directors of many companies, including the National Investor Company, Khidmah, Abu Dhabi Airports and Aldar Properties. He was first vice chairman for the board of directors of Aldar Properties. He held the post of vice chairman of the board of directors of the Waha Capital and the Emirates Steel companies. He was a member in boards of directors of many companies, most prominently Abu Dhabi Ports, Shuaa Capital, Abu Dhabi Securities Exchange, Abu Dhabi Chamber of Commerce and Industry, Khalifa Fund for Enterprise Development, Abu Dhabi Retirement Pensions and Benefits Fund, and Al-Dhabi Investment. He was a delegated member in the Suruh Real Estate Company and an assistant manager in Abu Dhabi Investment Authority (ADIA).

## Securities Commission Required Data

### Corporate representatives who Served on the Bank's Board in 2025:



#### **Investments and Integrated Industries Co Plc**

Mr. Omar M. I. Shahrour

Position: Representative of the board member Investment and Integrated Industries Co Plc

Date of Birth: April 17, 1967

Membership Date: August 31, 2009

Resignation Date: April 17, 2025

Nationality: Jordanian

#### **Education:**

Mr. Shahrour holds a Bachelor's degree in Accounting from the University of Jordan in 1989, a Master's degree in Finance from Wayne State University in Detroit, Michigan, in 1991.

#### **Experience:**

Mr. Shahrour has extensive experience in financial management. Previously, he held the post of CFO of Nuqul Group. His responsibilities covered strategic financial leadership and the implementation of financial operations and controls, in addition to financial planning, auditing and investor relations.

## **4. Meetings of the Board of Directors and Board Committees in 2025**

Included in the Corporate Governance Report

## 5. Capital Bank Executive Management

Members of the senior executive management team include:



### **Mr. Tamer Mohammad Sulayman Ghazaleh**

Position: Chief Executive Officer

Date of Birth: December 12, 1976

Nationality: Jordanian

Membership Date: May 5, 2024

Since 2024, Tamer Ghazaleh has served as Chief Executive Officer at Capital Bank, a role in which he leads the development and execution of the bank's strategic vision and operational initiatives. He is responsible for driving sustainable growth, fostering innovation, and ensuring the delivery of superior financial services across all markets.

Throughout his career which spanned over 26 years, Ghazaleh has held key positions at leading financial institutions in the banking sector. Prior to his current role, he served as Deputy CEO of Bank Audi Group from 2020 to 2024, where he played a pivotal role in financial strategy development and participated in crucial decision-making as a member of key committees, including the Group Investments Committee and IT Strategic Committee. Before that, he was the Group CFO from 2015 to 2020 and previously served as Deputy CFO of the group. Throughout his career, he has focused on enhancing financial oversight, managing risks, and ensuring policy compliance.

Ghazaleh holds a Bachelor's degree in Accounting from the University of Jordan and has completed the Advanced Management Program at Harvard Business School.



### **Mr. Labib Zahi Labib Musallam**

Position: Chief Treasury and Investments Officer

Date of Birth: February 8, 1984

Nationality: Jordanian

Membership Date: December 3, 2024

Since 2024, Labib Musallam has served as Chief Treasury and Investments Officer at Capital Bank Group, a role in which he oversees the bank's liquidity management, investment portfolio, and financial market operations. He is responsible for developing strategies that optimize returns, mitigate financial risks, and support the bank's overall growth objectives.

Throughout his career which spanned over 17 years, Musallam has held key positions at leading financial institutions in treasury and investment management. Before his current role, he held various leadership positions within Capital Bank, he spearheaded the treasury work stream during the acquisitions of Societe Generale Jordan and Bank Audi Jordan, strengthening Capital Bank's position. He also led key initiatives and facilitated the successful issuance of Capital Bank's first Tier 1 perpetual bond. Prior to that, he worked at Standard Chartered Bank, where he was instrumental in developing treasury sales desks, enhancing asset and liability management (ALM) and investment strategies, and expanding financial market offerings tailored to client needs.

Musallam holds a Bachelor's degree in Electronic and Telecommunication Engineering from the University of Warwick, and a Master's degree in Management Science and Operational Research from Warwick Business School at the University of Warwick.



## Securities Commission Required Data



### **Mr. Ma'moun Mohammad Said Rasheed Al-Said**

Position: Chief Institutional Banking Officer

Date of Birth: 1973/11/21

Nationality: Jordanian

Membership Date: 2011/3/20

Since 2025, Ma'moun Al-Said has served as the Chief Institutional Banking Officer at Capital Bank of Jordan. Prior to that, he was appointed Head of the Large Corporate Banking Department in 2021, where he oversaw a portfolio approaching USD 2 billion and led a team of banking professionals. He continued in this role following the acquisition of Bank Audi by Capital Bank of Jordan.

Throughout his career, spanning over 25 years of experience in the banking sector, Al-Said has held senior positions at several leading financial institutions. He was formerly Head of Corporate and Commercial Banking at Bank Audi, where he led credit assessments, portfolio management, and structured financing transactions. Earlier, he worked in key departments at Arab Bank—including Corporate Banking, Project Finance, and Corporate Finance—serving as Senior Relationship Manager and Corporate Finance Manager and contributing to regional financing and risk management initiatives.

Al-Said holds a BA in Accounting from Yarmouk University and an MA in Finance and Accounting from the Arab Academy for Banking & Financial Studies in Jordan.



### **Mr. Nadeem Jawdat Sulayman Khitan**

Position: Chief Consumer Banking Officer

Date of Birth: September 17, 1978

Nationality: Jordanian

Membership Date: January 2, 2024

Since 2023, Nadeem Khitan has served as Chief Consumer Banking Officer at Capital Bank, a role in which he plays a key role in driving the strategic growth and development of the bank's consumer banking division. His expertise spans business planning, market research, and business development across diverse consumer sectors.

Throughout his career which spanned over 23 years, Khitan has focused on enhancing customer experience, aligning the division's strategies with the bank's core values, and fostering innovation and customer-centric solutions. Prior to joining Capital Bank, he held leadership roles at the Bank of Jordan, culminating in his position as Group Executive Manager—Head of Consumer Banking in 2022.

Khitan holds a Bachelor's degree in Civil Engineering from Jordan University of Science & Technology, and a Master's Degree in Environmental Science / Engineering, in addition to a Master's degree in Business Administration and Management from Marshall University in the United States.



### **Ms. Manar Nizar Mahmoud Aabidi**

Position: Group Chief Credit Officer

Date of Birth: May 25, 1972

Nationality: Jordanian

Membership Date: August 12, 2020

Since 2020, Manar Aabidi has served as Group Chief Credit Officer at Capital Bank. In this capacity, she leads the Group's credit risk management function, overseeing credit review, credit control, credit approval processes, portfolio monitoring, and the development of credit policies and products. She also directs the management of delinquent, non-performing, and charged-off loans in Jordan, ensuring robust credit discipline and risk mitigation across the organization.

With more than 27 years of experience in banking and finance, Manar brings deep expertise in credit, risk management, corporate finance, and commercial banking. Prior to her current role, she served as Head of Credit Review for Institutional Banking and SMEs at Capital Bank for Jordan and Iraq. Earlier in her career, she held several senior leadership positions, including Head of Commercial Banking – Vice President at Citibank Jordan, Country Business Sponsoring Officer and Level 2 Credit Officer. She worked as Credit Review Center Manager for Corporate and Investment Banking at Housing Bank. She also led the Corporate Banking Unit at HSBC Bank Middle East in Jordan. Manar began her career at Citibank Jordan, where she advanced through multiple roles in corporate banking, including Senior Relationship Manager, Credit Officer, and Credit Manager.

Manar holds a Bachelor of Science in Accounting with a minor in Economics from the University of Jordan, and a Master of Science in Finance and Investment from the University of Edinburgh, United Kingdom.



### **Ms. Manar Mohammad Abdulhalim Al Nsour**

Position: Group Chief Financial Officer

Date of Birth: September 20, 1979

Nationality: Jordanian

Membership Date: July 30, 2016

Since 2016, Manar Nsour has served as Group Chief Financial Officer at Capital Bank, a role in which she leads the bank's strategic financial operations and oversees key functions, including financial reporting, planning, analysis, and control. Her role is pivotal in driving financial stability, fostering growth, and supporting the bank's strategic objectives.

Throughout her career which spanned over 24 years, Nsour has held key positions at leading financial institutions in financial management. Prior to her current role, she served as Head of the Financial Control Department at Capital Bank, where she played a critical role in overseeing financial governance and ensuring regulatory compliance.

Nsour holds a Bachelor's degree in Accounting from the University of Jordan and completed The General Management Program (GMP) from Harvard Business School.

## Securities Commission Required Data



### **Mohammed Abdul-Karim Muaz**

Position: Group Chief Legal Officer - Legal Counsel

Date of Birth: October 27, 1969

Nationality: Jordanian

Membership Date: February 6, 2003

Since 2003, Attorney Mohammad Mu'az has served at Capital Bank Group, starting as Legal Counsel & Head of the Legal Department before being appointed as Group Chief Legal Counsel in 2016. In this role, he oversees the bank's legal operations and legislative affairs, including corporate governance, regulatory compliance, litigation, and legal consultation, in addition to that, the Real -Estate Department falls under his supervision.

Throughout his career which spanned over 27 years, Mu'az has held key positions at leading organizations in the legal and financial sectors. He previously worked as a Legal Counsel in the International Division of Arab Bank's Legal Department, where he provided legal guidance on cross-border transactions and regulatory compliance. Prior to that, he was an associate lawyer for five years at Dajani & Associates Law Firm.

Mu'az holds a Bachelor's degree in Law from the University of Jordan, a Postgraduate Diploma in International Law, and a Master of Law in Commercial Law from Staffordshire University in the United Kingdom.



### **Mr. Munis Mamdouh Hanna Haddadin**

Position: Group Chief Risk Officer

Date of Birth: October 21, 1977

Nationality: Jordanian

Membership Date: December 23, 2021

Since 2021, Munis Haddadin has served as Group Chief Compliance Officer at Capital Bank Group, a role in which he oversees regulatory compliance and leads efforts to combat financial crimes. In 2024, he was appointed as Group Chief Risk Officer. His strategic leadership ensures the bank adheres to evolving regulatory requirements while fostering a strong risk culture.

Throughout his career, which spanned over 25 years, Haddadin has held key positions at leading financial institutions in risk management and compliance. He has worked closely with industry bodies and regulatory agencies as a trusted advisor and change champion. He is recognized for building and optimizing high-performing teams and embracing digital innovation to enhance risk & compliance operations.

Haddadin holds a Bachelor's degree in Banking and Finance from Hashemite University in Jordan and a Master of Business Administration (MBA) from Lancaster University in the United Kingdom.



**Mr. Rami Bishara Shafiq Stephan**

Position: Group Chief Internal Audit Officer

Date of Birth: April 13, 1982

Nationality: Jordanian

Membership Date: December 1, 2024

Since 2024, Rami Stephan has served as Group Chief Internal Audit Officer at Capital Bank Group, a role in which he leads the internal audit function across the group and its subsidiaries, ensuring conformance with international audit standards and strengthening risk management frameworks.

Throughout his career which spanned over 20 years, Stephan has held key positions at leading banking and financial institutions. Prior to his current role, he served as Group Head of Internal Audit Quality Assurance at Bank ABC, and earlier as Regional Head of Audit for MENA region at First Abu Dhabi Bank. He held senior roles at Citibank, National Bank of Kuwait, and Arab Bank, focusing on strengthening internal controls, audit frameworks, and corporate governance practices.

Stephan is a Certified Internal Auditor (CIA), Certified Fraud Examiner (CFE), and Certified Financial Crime Specialist (CFCS), and holds advanced professional certifications in risk management, governance, audit quality assurance, and compliance. He holds a Bachelor's degree in Accounting and Finance from Yarmouk University in Jordan.



**Ms. Shereen Sameer Saliba Nasr**

Position: Group Chief Compliance Officer

Date of Birth: August 25, 1980

Nationality: Jordanian

Membership Date: December 3, 2024

Since 2025, Shereen Nasr has served as Group Chief Compliance Officer at Capital Bank Group, a role in which she leads the development and execution of comprehensive compliance frameworks, ensuring alignment with international standards and fostering a culture of transparency and accountability. She also oversees the group's financial crime prevention initiatives, driving enhancements in compliance policies and investigation processes.

Throughout her career which spanned over 20 years, Nasr has held key positions at leading financial institutions in regulatory compliance and financial crime prevention. Prior to her current role, she served as the Acting Group Chief Compliance Office at Capital Bank, in addition to holding senior roles at Etihad Bank and Standard Chartered Bank, where she played a key role in optimizing compliance operations, training teams, and designing risk assessment strategies.

Nasr holds multiple certifications in compliance, including CAMS, ICA Advanced Sanction Risks, and CCP. She also holds a Bachelor's degree from the Applied Science University in Jordan.

## Securities Commission Required Data



### **Mr. Adel Mohammad Assi Awad**

Position: Chief Information Technology and Transformation Officer

Date of Birth: 1977/2/24

Nationality: Jordanian

Membership Date: 2023/2/1

Since 2025, Adel Awad has served as Chief Information Technology and Transformation Officer at Capital Bank of Jordan, a role in which he leads the IT, Data, Analytics, AI, and Transformation functions. He is a member of the Executive, Products & Services, IT Governance, Information Security, and Business Continuity Committees.

Awad is leading the bank's large-scale transformation initiatives, including the Digital Channels, Core Banking System, Enterprise Resource Planning System, and Integrated Financial Resource Management projects.

Throughout his career spanning over 27 years, Awad has held key leadership positions in the banking and technology sectors. He also served as Group Chief Information and Security Officer at Capital Bank of Jordan, where he developed and revamped the IT strategy, enterprise architecture, governance structure, and operating model across multiple geographies. Prior to joining Capital Bank, Awad spent more than two decades at Arab Bank Plc, where he rose through various roles, including Chief Information Security Officer, Head of IT Infrastructure and Cybersecurity Management, and others, driving infrastructure modernization and digitalization, cloud computing, and enhanced cybersecurity and resiliency across the bank's global operations.

Awad holds a Bachelor of Science degree in Computer Science from Yarmouk University in Jordan.



### **Mr. Fraje Farujan Yanuvik Nersesian**

Position: Chief Strategy and Organizational Support Officer

Date of Birth: February 28, 1976

Nationality: Jordanian

Membership Date: December 3, 2024

Since 2024, Fraje Nersesian has served as Chief Strategy and Organizational Support Officer at Capital Bank, a role in which he plays a pivotal role in advancing the bank's positioning. Since joining Capital Bank in 2018, Nersesian has been instrumental in executing the bank's growth strategy, leading initiatives that have propelled the bank from the 6th to the 3rd largest in Jordan by assets, achieving a remarkable increase from USD 3 billion to USD 11 billion in under three years.

Throughout his career which spanned over 26 years, Nersesian has held key positions at leading financial institutions in strategic planning, financial analysis, and operational transformation. Prior to his current role, he was the Chief of Staff at Capital Bank. He held leadership positions at TD Bank and CIBC Mellon in Canada, as well as Arab Bank Group and Maersk Shipping Line in Jordan, where he fostered innovation and delivered sustainable growth.

Nersesian is a U.S. Certified Public Accountant (CPA) and holds a Bachelor's degree in Accounting from Yarmouk University, and he also holds an MBA with distinction from Lancaster University Management School in the United Kingdom.





### **Ms. Haya Ibrahim Hanna Abu Ata**

Position: Chief Human Resources Officer

Date of Birth: May 19, 1989

Nationality: Jordanian

Membership Date: August 12, 2020

Since 2020, Haya Abuata has served as Chief Human Resources Officer at Capital Bank, leading the design and execution of strategic talent management initiatives that drive business growth and organizational transformation. She plays a pivotal role in aligning human capital strategies with the bank's long-term objectives, addressing evolving market dynamics, and fostering a high-performance culture.

With over 14 years of progressive HR leadership, Abuata is committed to establishing mature HR practices at Capital Bank by implementing comprehensive policies and frameworks that drive strategic HR initiatives and reinforce the organization's culture.

She holds dual bachelor's degrees in human resources management & industrial Relations and Communication, Culture, and Information Technology from the University of Toronto, along with global HR certifications including SPHRi and HRBP.



### **Ms. Touleen Mohammad Mahmoud Barto**

Position: Chief Marketing and Corporate Communications Officer

Date of Birth: August 13, 1976

Nationality: Jordanian

Membership Date: March 1, 2021

Since 2021, Touleen Barto has served as Capital Bank's Chief Marketing and Corporate Communications Officer, a role that sees her leading and overseeing the development and implementation of the bank's marketing and communications strategy.

Throughout her career which spanned over 22 years, Barto has held positions at leading banking institutions and telecommunications companies in Jordan. For eight years, beginning in 2012, she was the brand and communications director for Orange Jordan, where she managed the creative, media, direct marketing, social media, digital, brand and sponsorship divisions and through her work, was able to successfully alter the brand's perception. Prior to that, between 2010 and 2012, Barto was the head of the marketing, corporate communications and corporate sustainability divisions at HSBC Jordan.

Barto received her Bachelor's degree in Business Administration from the University of Jordan, and a Master's in Advertising and Marketing from the University of Leeds Business School in the United Kingdom.

## Securities Commission Required Data



### **Ms. Tamara Ahmad Mohammad Batal**

Position: Director of the CEO's Office

Date of Birth: 1985/2/11

Nationality: Jordanian

Membership Date: 2022/10/2

Since 2024, Tamara Batal has served as Director of the Office of the CEO at Capital Bank of Jordan, a role in which she acts as a strategic partner to the CEO, ensuring alignment between executive priorities and organizational execution, leading cross-functional initiatives, and driving operational efficiency and governance across the bank.

Throughout her career spanning over 20 years, Batal has held key positions in banking and telecommunications across Jordan and the region. She previously served as Director of Business Growth at Capital Bank of Jordan, leading product development through the introduction of key retail products and features and spearheaded several digital transformation initiatives that expanded digitization efforts that secured a leading position for Capital Bank within the retail banking scene.

Before joining Capital Bank, Batal held senior roles at Bank al Etihad, including Digital Tribe Lead and Senior Director of Strategic Planning, where she oversaw enterprise strategy execution. Earlier in her career, she held several managerial positions at Zain Jordan, driving commercial, marketing, and strategic planning initiatives.

Batal holds a Bachelor's degree in Management Information Systems from The Hashemite University in Jordan. She has also completed multiple professional development programs in governance, leadership, innovation, and strategic management.

## Resigned Members of the Executive Team



### **Mr. Yasser Ibrahim Mohammad Kleib**

Position: Chief Institutional Banking Officer

Date of Birth: October 27, 1974

Nationality: Jordanian

Membership Date: December 30, 2009

Mr. Kleib has over 20 years of experience in commercial and institutional development. He joined Capital Bank in 2004 and began his career in the Banking Services and Credit Facilitations Department. Previously, he worked at the Arab Bank for eight years.

Mr. Kleib has a Bachelor's degree in Business Administration from Yarmouk University and is a Certified Lender Business Banker (CLBB) with the American Bankers Association.



### **Ms. Zain Ammar Khaldoun Malhas**

Position: Blink CEO

Date of Birth: July 10, 1985

Nationality: Jordanian

Membership Date: September 19, 2019

Ms. Malhas has over 14 years of experience in the banking sector, having worked for the Housing Bank and Standard Chartered, where her last position at Standard Chartered Bank Jordan was global subsidiaries, manager relationship, director associate, in addition to being a member of the Board of Directors of Middle East Payment Services (MEPS). She was appointed as CEO of BLINK on September 19, 2019.

Ms. Malhas holds a Master's degree in Business Administration from the Jordan German University and a Bachelor's degree in International Finance and Banking from Franklin College in Switzerland.



## Securities Commission Required Data

### Resigned Members of the Executive Team

Member Name	Position	Date of Resignation
Mr. Yasser Ibrahim Kleib	Resigned Members of the Executive Team	December 31, 2025 He was on unpaid leave during the year
Ms. Zain Ammar Khaldoun Malhas	Blink CEO	February 27, 2025

### 6. Competitive Position

Description	2025	2024
Market Share/Credit Facilities	7 %	%7.7
Market Share/Deposits	%7.6	%8.6
Market Share/Assets	%7.7	%8.1

**7. The bank does not rely on specific local or foreign suppliers or agents who constitute 10% or more of total purchases and/or sales or revenues.**

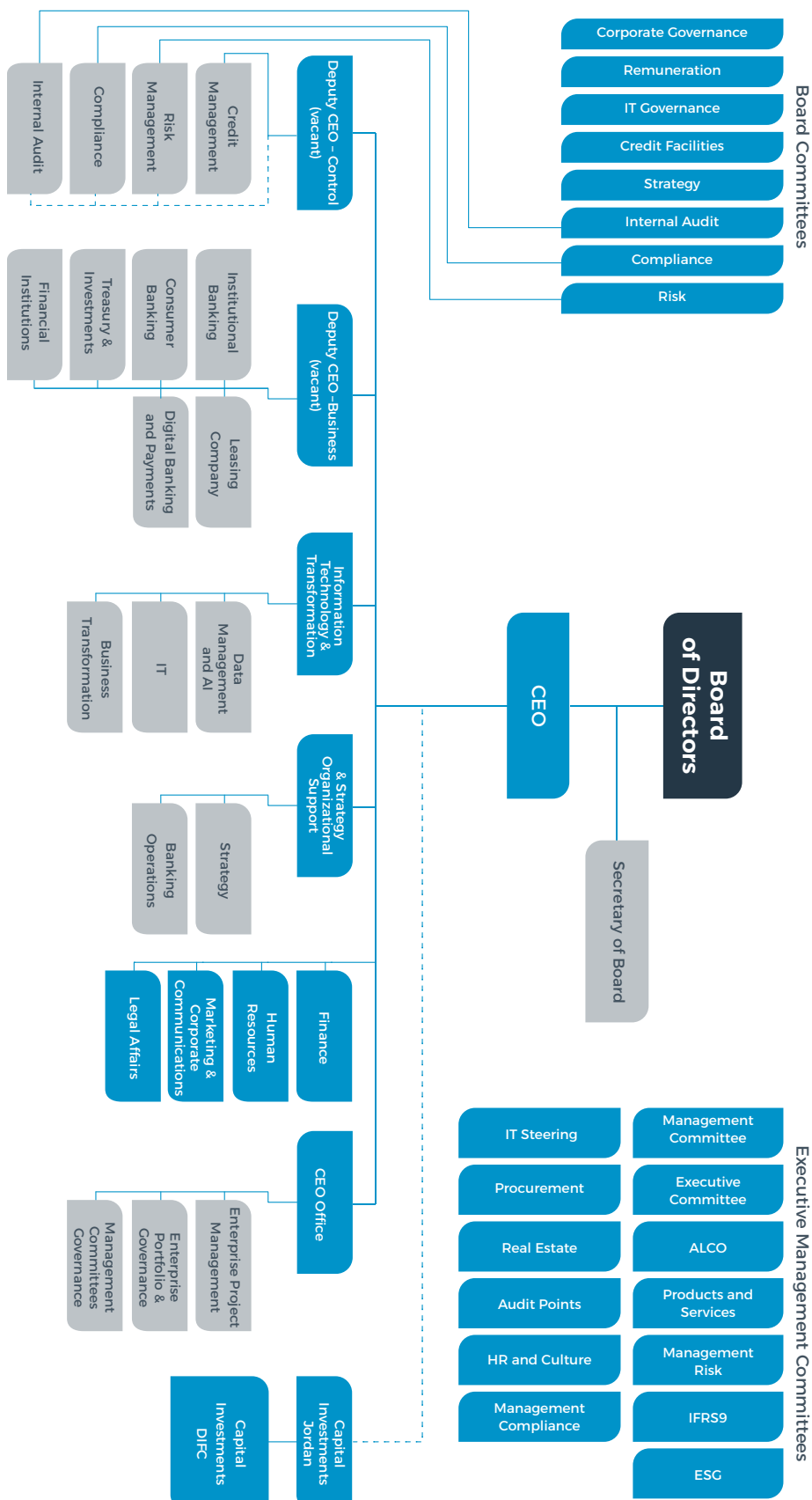
**8. The bank and its products do not enjoy any government protection or privileges under laws, regulations, or otherwise.**

**9. There are no patents or concession rights that the bank has acquired.**

**10. No decisions issued by the government, international agencies or others have impacted the Bank's work, products or competitive capability. In addition, international standards of quality do not apply to the bank.**

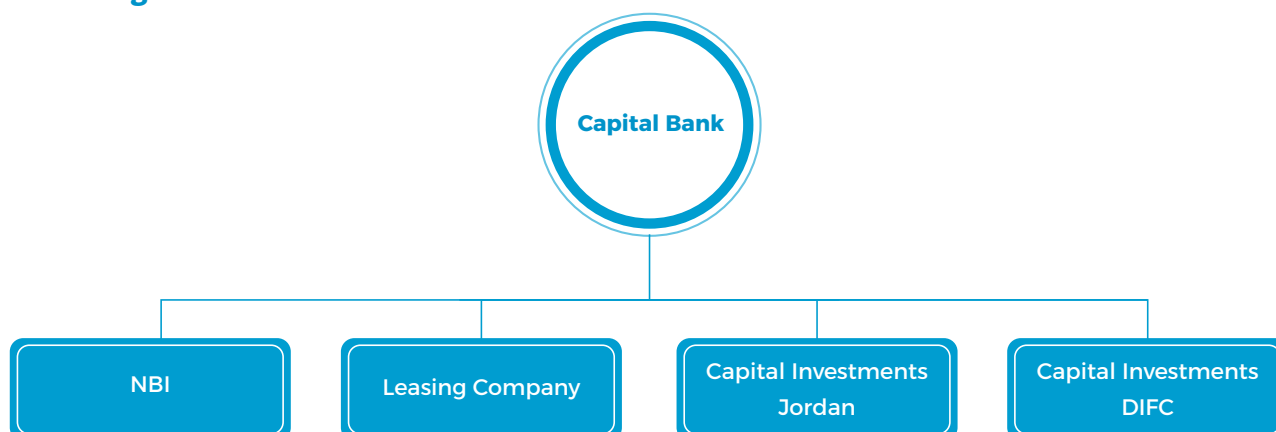
## 11. Organizational Structures

### A. The organizational structure of the bank and its subsidiaries



## Securities Commission Required Data

### B. The organizational structure of the bank's subsidiaries



### C. Academic Credentials of Employees of Capital Bank, Capital Investments and National Bank of Iraq (Subsidiary Companies)

Education	No. of Employees at Capital Bank	No. of Employees at Capital Investments DIFC	No. of Employees at Capital Investments	No. of Employees at Leasing Company	No. of Employees at National Bank of Iraq
Bachelor's Degree	1156	9	51	7	1514
High School Diploma	32	1	2	0	0
Diploma	30	0	1	2	61
Higher Diploma	3	0	0	0	0
Ph.D.	0	0	0	0	0
Less than Secondary School	29	0	2	0	46
Secretarial	1	0	1	0	0
Master's Degree	77	5	4	0	41
Total	1328	15	61	9	1662

### D. Training Programs for Employees of Capital Bank and Capital Investments

Description	Capital Bank Including Blink		Subsidiary Companies CI & Leasing	
Type of Training	Number of Participants	Number of Workshops	Number of Participants	Number of Workshops
Workshops held by the Bank's Training Centers	570	10	30	1
Local Workshops in Jordan	517	257	30	10
Workshops outside Jordan	23	14	2	1
Specialized Professional Certifications	55	42	6	5
E-Learning Platform	1366	60	76	19

## E. Names of Training Workshops for Employees of Capital Bank and Capital Investments

	Number of Courses	Number of Participants from Capital Bank Group
AI Specialized Courses	8	16
Audit Management Specialized Courses	1	2
Specialized Courses in Monitoring, Compliance and Money Laundering	24	1402
Specialized Courses in Institutional Culture	5	66
Specialized Courses in Innovation	9	43
Specialized Courses in Environmental and Social Sustainability	11	1148
Specialized Courses in Information Technology and Systems	86	61
Specialized Courses in Leadership Skills	15	73
Specialized Courses in Behavioral and Qualitative Skills	32	206
Specialized Courses in Risk Management and Information Security	10	1331
Specialized Banking Courses	26	253
Technical Courses	65	264
Specialized Professional Certifications	46	61
Various Courses on e-Learning Platform	49	1385

## 12. Risks to which the bank is exposed

Capital Bank is exposed to the following risks in the banking sector:

- Credit risks
- Market risks
- Liquidity risks
- Operational risks
- Compliance risks
- Information technology / cyber risks
- Climate risks

Specialized departments at the bank manage risk in accordance with the laws and guidelines in effect, as well as best international practices.

\* Included in the Board of Directors' report

## 13. Capital Bank's achievements in 2025

A description of the achievements was detailed and supported by figures in the Board of Directors' report on the bank's achievements.

## Securities Commission Required Data

### 14. The financial impact of non-recurring operations during 2025 that do not fall within the bank's main activities.

There were no nonrecurring transactions during 2025.

### 15. The timeline of realized profits, losses, dividend distribution and net shareholder equity for the years 2007-2025.

Fiscal Year	Shareholder Equity JD	Net Profits	Dividends		Closing Price JD
			Cash Dividends	Free Shares	
2007	172,375,124	13,508,666	-	7,000,000	2.07
2008	203,161,545	15,250,169	7,500,000	-	1.8
2009	208,070,606	1,338,383	-	17,200,000	1.56
2010	214,107,952	5,149,968	-	-	1.54
2011	221,258,745	1,428,331	-	-	1.36
2012	242,807,956	22,036,184	-	-	1.13
2013	324,291,358	37,036,290	-	15,000,000	1.6
2014	344,881,127	36,314,776	16,500,000	16,000,000	1.51
2015	324,350,413	1,068,872	10,890,000	18,500,000	1
2016	334,107,254	16,135,976	-	-	0.83
2017	349,394,463	27,311,646	10,000,000	-	0.79
2018	336,832,327	30,348,276	20,000,000	-	0.92
2019	347,479,046	28,816,777	20,000,000	-	1
2020	355,687,310	30,302,078	-	-	0.98
2021	392,150,636	61,006,824	24,000,000	-	2.03
2022	652,600,455	90,850,127	30,000,000	-	2.44
2023	728,499,068	106,592,320	44,716,311	-	2.04
2024	832,547,344	160,136,163	39,455,568	-	1.94
2025	988,555,016	201,084,214	44,716,310	-	3.14

### 16. Analysis of the bank's financial position and the results of its operations for the fiscal year:

Financial Percentages	31-12-2024	2025-12-31
Return on Average Assets	%2.0	%2.4
Return on Average Shareholder Equity	%22.6	%23.9
Return per Share	0.398	0.495
Equity to Assets Ratio	%10.11	%11.3
Capital Sufficiency	%15.52	%15.2
Non-Operational Facilities Ratio (after deducting suspended interest)	%7.55	%7.25
Coverage of Allowances for Inactive Credit (after deducting suspended interest)	%80.86	%66
Cash and Semi-Cash Liquidity Ratio	%230.6	%203.17

## 17. Capital Bank's Key Goals and Strategies for 2026

Capital Bank Group continues to implement its strategic objectives aimed at building an integrated business model that delivers sustainable growth and reinforces its leadership both locally and regionally. In line with these objectives, the group prioritizes regional expansion by capitalizing on growth opportunities in promising markets, thereby broadening its presence and strengthening its business base.

In the coming phase, the group will focus on developing tailored strategies to serve individual clients and enhance the value proposition for the micro, small and medium enterprise (MSME) sector, positioning itself as the premier banking destination for this segment in Jordan. This will be achieved through the provision of innovative financial solutions and advanced digital services, alongside strengthening business excellence in the corporate sector through the development of pricing tools, enhanced relationship management and proactive pursuit of business opportunities.

To further improve operational efficiency, the group will enhance its processes through processes redesign initiatives, expanded automation and continued investment in technological infrastructure. It will also advance its transformation into a data-driven bank by leveraging artificial intelligence and information security systems to improve the quality of banking systems and services provided to customers.

To achieve the bank's strategic objectives within its established framework, the group will continue to strengthen its prudent risk management systems and develop a comprehensive risk management framework that reinforces oversight functions and supports risk-based decision-making. It also seeks to develop its human capital and foster a positive work environment by building an agile organization that empowers employees and cultivates a corporate culture that positions it as an employer of choice.

The group will also enhance the integration of sustainability principles into its daily operations by advancing environmental, social and governance initiatives that align with global trends, contribute to the achievement of the Sustainable Development Goals (SDGs) and open new avenues for sustainable finance.

In addition, the group will continue to support the promotion of financial inclusion in line with the Central Bank of Jordan's strategy and the national vision for economic modernization. This will be achieved by enabling individuals and businesses to access financial services more conveniently and by upgrading both traditional and digital banking products and channels through its branch network, ATMs and digital platforms.

## 18. Auditing Fees for the Bank and its Subsidiaries

Auditing fees for Messrs. Ernst & Young for the bank and its subsidiaries for 2025 amounted to JOD 574,029 including taxes as detailed below:

Name	Amount (JD)
Capital Bank	171,933
Capital Investments (subsidiary)	15,625
Jordan Capital for Financial Leasing	18,096
National Bank of Iraq	328,738
National Bank of Iraq-KSA Branch	
Capital Investments (DFIC)	39,637
Total	574,029

## Securities Commission Required Data

### 19. Statement of Number of Securities

Following is the statement of the number of securities owned by members of the Board of Directors and the executive management team, their relatives, and companies controlled by board members, the executive management team, and their relatives.

#### A. Number of Securities Owned by Members of the Board of Directors:

Member	Position	Nationality	Number of Shares owned as on December 31, 2024	Number of Shares owned as on December 31, 2025
Mr. Bassem Khalil Salem Al-Salem	Chairman of the Board	Jordanian	10,440,709	10,434,435
Mr. Said Samih Taleb Darwazah	Vice Chairman of the Board	Jordanian	14,188,433	13,631,657
Social Security Corporation	Member	Jordanian	18,920,939	19,384,961
Represented by Mr. Saleh Hamdallah Ayesh AlShbikat		Jordanian	-	-
Investments and Integrated Industries Co Plc Represented by Mr. Khalil Hatem Khalil Al-Salem since April 17, 2025	Member	Jordanian	5,338,007	1,376,641
		Jordanian	-	-
Hitaf Investment Company	Member	Jordanian	8,810,228	10,203,202
Represented by Mr. "Mohammed Ali" Khaldoun Sati' Al-Husry		Jordanian	3,023,886	3,023,886
Al-Jadarah Company for Real Estate Investment Represented by Mr. Sultan Mohammed M. ElSeif	Member	Jordanian	37,796	37,796
		Saudi	85,000	95,000
The Safety First Investment company	Member	Saudi	63,037,122	63,037,122
Represented by Mr. Muteb Mohammed S. Al Shathri		Saudi	-	-
The Safety First Investment company Represented by Ms. Lamyah Mohammed N. Alfozan	Member	Saudi	63,037,122	63,037,122
		Saudi	-	-
The Safety First Investment company Represented by Mr. Fadi Adel Mohammad AlSaid since April 17, 2025	Member	Saudi	63,037,122	63,037,122
		Jordanian	-	-
Mr. Khalid Walid Hussni Nabils	Member	Jordanian	300,000	300,000
Mr. Yousef A. Y. Ensour	Member	Jordanian	25,000	25,000
Mr. Samir Zaid Samir AlRifai since April 17, 2025	Member	Jordanian	-	25,000
Ms. Dalia Abdelazim Mohamed Wahba since April 17, 2025	Member	Egyptian	-	25,000

**B. Number of Securities Owned by Relatives of Members of the Board of Directors:**

Relatives of Members of the Board of Directors	Member Name	Relationship	Nationality	Number of Shares owned as on December 31, 2024	Number of Shares owned as on December 31, 2025
Ms. Rudayna Farhan Sa'd Abu Jaber	Bassem Khalil Salem AL- Salem	Wife	Jordanian	394,231	394,231
Ms. Mariana Farid Milhem Milhem	Said Samih Taleb Darwazah	Wife	Jordanian	397,039	407,039
Ms. Ghalia Charlie Ghaleb Bisharat	Khalil Hatem Khalil AL-Salem representing Al Khalil Company for Investments	Wife	Jordanian	5,000	14,117

**C. Number of Securities Owned by Companies Controlled by Members of the Board of Directors:**

Member	Position	Company Controlled	Company Legal Description	Number of Bank Shares Controlled by the Company	
				31/12/2024	2025/12/31
Mr. Bassem Khalil Salem AL- Salem	Chairman of the Board of Directors	Al Khalil Company for Investments	Limited Liability Company	64,567	64,567
	Member	General Mining Company	Public Shareholding Company	41,173	41,173
Mr. Said Samih Taleb Darwazah	Member	Darhold Limited	Private	3,537,497	3,537,497
	Member	General Mining Company	Public Shareholding Company	41,173	41,173
Mr. "Mohammed Ali" Khaldoun Sati' AL-Husry representing Hitaf Investment Company	Member	Darhold Limited	Private	3,537,497	3,537,497
Investments and Integrated Industries Co Plc	Member	Modern International Company for Manufacturing Vegetable Oils	Public Shareholding Company	25,825	25,825
Mr. Khalil Hatem Khalil AL-Salem representing Al Khalil Company for Investments	Vice Chairman	Al Salem for Investments	Limited Liability Company	20,000	95,000



## Securities Commission Required Data

### D. Number of Securities Owned by Companies Controlled by Relatives of Members of the Board of Directors:

Relatives of Board Members	Member Name	Relationship	Position	Name of Controlled Company	Company Legal Description	Number of Bank Shares Controlled by the Company 31/12/2024	2025/12/31
Ms. Rudayna Farhan Sa'd Abu Jaber	Mr. Bassem Khalil Salem Al-Salem	Wife	Vice Chairman of the Board	Al Khalil Company for Investments	Limited Liability Company	64,567	64,567
			Chairman of the Board	Al Salem for Investments	Limited Liability Company	20,000	95,000

### E. Number of Securities Owned by Members of the Board of Directors whose membership ended on April 17, 2025:

Member	Position	Nationality	Number of Shares owned as on December 31, 2024	Number of Shares owned as on December 31, 2025
Mr. Mohammad Hasan Subhi AlHaj Hasan	Former member	Jordanian	75,000	-
Mr. Abubaker Seddiq Mohamad Hussain Al-Khoori	Former member	Emirati	25,000	25,000
Al-Khalil Company for Investments represented by Mr. Khalil Hatem Khalil Al-Salem	Former member	Jordanian Jordanian	64,567 -	64,567 -
Mr. Omar Mohammad Ibrahim Shahrour representing Investments and Integrated Industries Co Plc	Former representative of member	Jordanian	35,942	35,942

### F. Number of Securities owned by Relatives of Members of the Board of Directors whose membership ended on April 17 2025:

Relatives of Board Members	Member Name	Relationship	Nationality	Number of Shares owned as on December 31, 2024	Number of Shares owned as on December 31, 2025
Ms. Salwa Izzedine Izzat Katkhuda	Mr. Mohammad Hasan Subhi AlHaj Hasan	Wife	Jordanian	66,000	-

### G. There are no securities owned by companies controlled by relatives of resigned members of the Board of Directors.

**H. Number of Securities owned by Members of the Executive Management Team:**

Name	Position	Nationality	Number of Shares as on	
			31/12/2024	2025/12/31
Mr. Tamer Mohammad Sulayman Ghazaleh	CEO	Jordanian	-	10,000
Ms. Manar Mohammad Abdul Halim Nsour	Group Chief Financial Officer	Jordanian	41,944	47,471
Mr. Mohammed Hafiz Abdul-Karim Mohammad Hafiz Muaz	Group Chief Legal Counsel	Jordanian	25,900	27,500
Ms. Haya Ibrahim Hanna Abu-Ata	Chief Human Resources Officer	Jordanian	2,500	8,027
Ms. Touleen Mohammad Mahmoud Barto	Chief Marketing and Corporate Communications Officer	Jordanian	23,766	23,372
Ms. Manar Nizar Mahmoud Al-Aabidi	Group Chief Credit Officer	Jordanian	35	177
Mr. Munis Mamdouh Hanna Haddadin	Group Chief Risk Management Officer	Jordanian	15,159	-
Mr. Nadeem Jawdat Sulayman Khitan	Chief Consumer Banking Officer	Jordanian	-	-
Mr. Rami Bishara Shafiq Stephan	Group Chief Internal Audit Officer	Jordanian	50	50
Ms. Shereen Sameer Saliba Nasr	Group Chief Compliance Officer	Jordanian	12,500	-
Mr. Labib Zahi Labib Musallam	Chief Treasury and Investments Officer	Jordanian	1,500	4,264
Mr. Fraje Farujan Yanuvik Nersesian	Chief Strategy Officer	Jordanian	-	-
Mr. Ma'moun Mohammad Said Rashid Al-Said since November 2, 2025	Chief Institutional Banking Officer	Jordanian	-	-
Mr. Adel Mohammad Asi Awad since November 2, 2025	Chief Information Technology and Transformation Officer	Jordanian	-	-
Ms. Tamara Ahmad Mohammad Batal since November 2, 2025	Director of the Office of the CEO	Jordanian	5,364	8,128

**I. There are no securities owned by relatives of the executive management.****J. There are no securities owned by companies controlled by members of the executive management team or their relatives.**

## Securities Commission Required Data

### K. Number of Securities Owned by Resigned Members of Executive Management:

Name	Position	Nationality	Number of Shares as on	
			31/12/2024	2025/12/31
Ms. Zain Ammar Khaldoun Malhas 2025/2/27	Blink CEO	Jordanian	-	-
Mr. Yasser Ibrahim Mohammad Kleib until 2025/12/31	Group Chief Corporate Sector Officer	Jordanian	20,000	25,000

### L. There are no securities owned by relatives of the resigned executive management team.

### M. There are no securities owned by companies controlled by the resigned members of the executive management team or their relatives.

### N. Names of major shareholders who own 5% or more and the number of shares owned compared to the previous year:

Name	Nationality	Number of Shares as on 2024/12/31	Percentage	Number of Shares as on 2025/12/31	Percentage
The Safety First Investment Company	Saudi	63,037,122	23.965	63,037,122	23.965
Social Security Corporation	Jordanian	18,920,939	7.193	19,384,961	7.370
Mr. Saad Assim A. Al Janabi	Iraqi	18,938,105	7.200	18,938,105	7.200
Mr. Said Samih Taleb Darwazah	Jordanian	14,188,433	5.394	13,631,657	5.182

**O. Shareholders who own 1% or more of the bank's capital and the statement of mortgaged shares and the ultimate beneficiaries as on 31/2025/12/:**

Shareholder	Nationality	Number of Owned Shares	Percentage of Bank Capital	Ultimate Beneficiary	Number of Mortgaged Shares	Percentage of Mortgaged Shares of Total	Mortgage Party
The Safety First Investment Company	Saudi	63,037,122	23.965	Saudi Government			
Social Security Corporation	Jordanian	19,384,961	7.370	Same			
Mr. Saad Assim A. Al Janabi	Iraqi	18,938,105	7.200	Same			
Mr. Said Samih Taleb Darwazah	Jordanian	13,631,657	5.182	Same	2,600,000	19.073	Jordan Kuwait Bank / HQ
Mr. Abdullah Saad Assim Al Janabi	Iraqi	11,501,596	4.373	Same			
Mr. Assim Saad Assim Al Janabi	Iraqi	11,494,787	4.370	Same			
Mr. Bassem Khalil Salem Al-Salem	Jordanian	10,434,435	3.967	Same	3,416,000	32.738	Jordan Kuwait Bank / HQ
					1,899,000	18.199	Housing Bank for Trade and Finance / HQ
					721,023	6.910	Housing Bank for Trade and Finance
					1,100,000	10.542	Societe Generale Bank Cyprus Limited
Hitaf Investment Company	Jordanian	10,203,202	3.879	Mr. "Mohammed Ali" Khaldoun Sati' Al-Husry Sharifa Nisreen Zaid Shaker Awn			
Sara International Holdings Ltd	Cayman Islands	10,064,669	3.826	Mr. Ali Hasan Hussein Kollaghassi	1,858,525	18.466	Cairo Amman Bank / Zara Mall branch
					8,206,144	81.534	Housing Bank for Trade and Finance

## Securities Commission Required Data

Shareholder	Nationality	Number of Owned Shares	Percentage of Bank Capital	Ultimate Beneficiary	Number of Mortgaged Shares	Percentage of Mortgaged Shares of Total	Mortgage Party
Mr. Mohammed Bin Msa'ed ElSeif	Saudi	8,684,706	3.302	Same			
Mr. Mazen Samih Taleb Darwazah	Jordanian	7,210,000	2.741	Same			
Darhold Limited	Channel Islands (Jersey)	3,537,497	1.345	Mr. Mazen Samih Taleb Darwazah; Mr. Said Samih Taleb Darwazah; Mr. Mohammad Mahmoud Mohammad Saffoury; Mr. Ghassan Bashir Youssef Mohammad Al-Alami			
Mr. "Mohammed Ali" Khaldoun Sati' Al-Husry	Jordanian	3,023,886	1.150	Same	3,000,000	99.210	Jordan Kuwait Bank / HQ
Mr. Marwan Elia Qustandi Nuqul	Jordanian	2,939,381	1.117	Same	732,628	24.925	Arab Jordan Investment Bank / Qatar
Mr. Sa'd Abu Jaber and Sons Company	Jordanian	2,727,891	1.037	Mr. Sa'd Farhan Abu Jaber; Mr. Kim Fuad Abu Jaber; Mr. Nimr Faiq Sa'd Abu Jaber; Mr. Laith Faiq Sa'd Abu Jaber; Mr. Omar Farouq Sa'd Abu Jaber			

## **P. Summary of Capital Bank's Performance Evaluation and Bonus Policy**

Capital Bank is committed to upholding the essence of its corporate identity by fostering a culture of performance and excellence. The bank engages employees at all organizational levels as partners in enhancing productivity and achieving strategic objectives.

Capital Bank's policy on employee performance evaluation, incentives, and rewards, approved by the Board of Directors, is based on the corporate governance instructions issued by the Central Bank of Jordan. These policies are linked to the bank's overall performance, the performance of the banking sector and the individual employee's performance, ensuring that employees are rewarded based on their achievements throughout the year. The performance evaluation system is an interactive process grounded in transparency and mutual dialogue between employees and managers, providing opportunities to jointly review performance and identify training and development needs during performance discussions.

This approach reinforces Capital Bank's position as a performance-driven organization. Accordingly, a performance evaluation framework has been adopted based on three main pillars: standard performance indicators (KPIs), qualitative evaluation factors and continuous training and development. The process begins with the identification of employee goals at the beginning of the year through mutual agreement. Periodic reviews are conducted between both parties to assess progress toward these goals, identify performance constraints and develop appropriate solutions.

At the end of the year, employee performance is evaluated to determine an overall rating based on achievements relative to the agreed objectives. Accordingly, this policy also considers, when determining the value of the bonus, the requirement to achieve the management KPI standards at the bank level approved by the Board of Directors.

## Securities Commission Required Data

### 20. Benefits and Bonuses of Members of the Board of Directors and Upper Management in 2025

#### A.Members of the Board of Directors

Name	Fixed Remuneration	Fees and Allowances	Reward*	Total
Board Chairman Bassem Khalil Salem Al-Salem	700,000	36,240	5,000	741,240
Board Vice Chairman Said Samih Taleb Darwazah	-	23,234	5,000	28,234
Investments and Integrated Industries Co Plc / Omar M. I. Shahrour Till 2025/4/17	-	7,206	5,000	12,206
Social Security Corporation / Saleh Al-Shubeikat	-	24,720	5,000	29,720
Al Khalil Company for Investments / Khalil Hatem Khalil Al-Salem Till 2025/4/17	-	6,720	5,000	11,720
Investments and Integrated Industries Co / Khalil Hatem Khalil Al-Salem Since 2025/4/17	-	28,006	-	28,006
Hitaf Investment Company / "Mohammed Ali" Khaldoun Sati' Al-Husry	-	28,080	5,000	33,080
Al-Jadarah Company for Real Estate Investment / Sultan Mohammed M. Elseif	-	27,400	5,000	32,400
Safety First Investment Company / Muteb Mohammed S Alshathri	-	28,080	5,000	33,080
Safety First Investment Company / Lamya Mohammed N Alfozan	-	50,260	5,000	55,260
Abubaker Seddiq Mohamed Hussain Alkhoori Till 2025/4/17	-	10,000	5,000	15,000
Yousef A. Y. Ensour	-	45,200	5,000	50,200
Mohammad Hasan Subhi AlHaj Hasan Till 2025/4/17	-	6,960	5,000	11,960
Khalid Walid Hussni Nabilsi	-	39,787	5,000	44,787
H.E. Samir Zaid Samir Rifai Since 2025/4/17	-	20,316	-	20,316
Dalia Abdel Azim Mohamed Wahba Since 2025/4/17	-	35,600	-	35,600
Safety First Investment Company / Fadi Adel Mohammad ALSaid Since 2025/4/17	-	12,959	-	12,959
Total	700,000	430,768	65,000	1,195,768

\* Rewards for 2024 were paid in 2025.

**B. Benefits and Bonuses of Members of the Executive Management Team in 2025**

Name	Benefits and Privileges until 2025/12/31	(Non-Financial Rewards) Shares paid during 2025	Total	Notes
Mr. Tamer Mohammad Sulayman Ghazaleh	593,548.384	0.000	593,548.384	
Mr. Yasser Ibrahim Kleib	12,457.999	9,350.262	21,808.261	For undertaking other managerial tasks in the group
Mr. Nadeem Jawdat Sulayman Khitan	160,000.000	0.000	160,000.000	
Mr. Labib Zahi Musallam	89,280.000	5,611.375	94,891.375	
Ms. Manar Mohammad Abdul Halim Nsour	160,000.000	5,609.345	165,609.345	
Mr. Mohammed Hafiz Abdul-Karim Hafiz Mu'az	154,400.000	11,218.691	165,618.691	
Ms. Haya Ibrahim Hanna Abu-Ata	104,527.419	5,609.345	110,136.764	
Ms. Touleen Mohammad Mahmoud Barto	112,000.000	9,348.232	121,348.232	
Mr. Fraje Farujan Yanuvik Nersesian	128,000.000	5,611.375	133,611.375	
Mr. Munis Mamdouh Hanna Haddadin	160,000.000	8,696.313	168,696.313	Group Chief Risk Management Officer
Ms. Shereen Sameer Nasr	81,294.795	0.000	81,294.795	Group Chief Compliance Officer
Mr. Rami Bishara Stephan	185,808.000	0.000	185,808.000	
Ms. Manar Nizar Mahmoud Al-Aabidi	128,400.000	4,350.187	132,750.187	
Ms. Zain Ammar Khaldoun Malhas	28,740.206	13,089.149	41,829.355	Resignation on 2025/2/27
Mr. Ma'moun Mohammad Said Rashid Al-Said	123,389.808	5,611.375	129,001.183	Acting Chief Institutional Banking Officer as of 2025/3/1; Confirmed as Chief Institutional Banking Officer as of 2025/11/27
Mr. Adel Mohammad Asi Awad	16,651.449	0.000	16,651.449	Chief Information Technology and Transformation Officer as of 2025/11/27
Ms. Tamara Ahmad Mohammad Batal	10,477.100	0.000	10,477.100	Director of the Office of the CEO as of 2025/11/27
Total	2,248,447.741	84,105.649	2,333,080.809	



## Securities Commission Required Data

The bank's Board of Directors decided to pay a bonus to the group's senior management and the chairman of the board for the performance of the year 2022 as shares in Capital Bank of Jordan, with a total value of JOD 2,351,774, equivalent to 926,145.00 shares. According to the benefits and bonuses system approved by the Board of Directors, the bonus is distributed equally over three years and is paid at the beginning of each year to employees who are currently working.

The disbursed amount of the 2022 bonus (third and final portion) in 2025 was at JOD 436,634.00, which is equivalent to 215,091 shares.

### 21. Most important donations and grants paid by the bank in 2025

Name	Amount
The National Initiative to Support the Health and Education Sectors	2,043,922
Jordan Innovation Fintech Incubator - JOIN	75,000
King's Academy	71,000
Al-Aman Fund for the Future of Orphans	50,000
Queen Rania Foundation	50,000
Atfaluna for medical coverage	30,000
SOS Children's Villages	30,000
Al Bunayyat Center	16,000
Tkiyet Um Ali	10,500
Black Iris Academy	10,000
Jordan Fencing Federation	10,000
Miscellaneous Donations	130,389
Total	2,526,811

**22. There are no contracts, projects or commitments concluded by the issuing company with its subsidiaries, sister companies, allied companies, the chairman of the board of directors, the members of the board, the chief executive officer, any employee or their relatives.**

### 23. The bank's contribution to protecting the environment and serving the local community:

This was included in the Board of Directors' report.

## C. Declarations

1. The Board of Directors hereby declares that there are no substantial matters that could affect the bank's sustainability during the upcoming fiscal year.
2. The Board of Directors hereby acknowledges its responsibility in preparing the financial statements and establishing an effective monitoring system at the bank.
3. The Board of Directors hereby declares that none of its members received material or in-kind benefits for them personally or anyone related to them for the fiscal year 2025.
4. The Board of Directors hereby acknowledges the accuracy and sufficiency of the bank's financial statements and the information in the report, as well as the sufficiency of the internal control and monitoring systems.

Chairman of the Board  
H.E. Bassem Khalil Salem Al-Salem



Board Member Investment and  
Integrated Industries Co Plc  
Represented by Mr. Khalil Hatem Khalil  
Al-Salem



Board Member The Safety First  
Investment company  
Represented by Ms. Lamya Mohammed  
N, Alfozan



Board Member Mr. Khalid Walid Hussni  
Nabils



Board Member Social Security Corporation  
Represented by Mr. Saleh Hamdallah  
Ayesh AlShbikat



Board Member Hitaf Investment Company  
Represented by Mr. "Mohammed Ali"  
Khalidoun Sati' Al-Husry




Board Member The Safety First  
Investment company  
Represented by Mr. Fadi Adel Mohammad  
AlSaid



Board Member Mr. Yousef A. Y. Ensour



Board Member Ms. Dalia Abdelazim  
Mohamed Wahba



Vice Chairman of the Board  
H.E. Said Samih Taleb Darwazah



Board Member The Safety First  
Investment company  
Represented by Mr. Muteb  
Mohammed S. AlShathri



Board Member Al-Jadarah Company  
for Real Estate Investment  
Represented by Mr. Sultan  
Mohammed M. ElSeif



Board Member H.E. Samir Zaid Samir  
AlRifai



5. We the undersigned do hereby acknowledge the accuracy and completeness of the information and date presented in the annual report.

Chairman of the Board Mr. Bassem  
Khalil Salem Al-Salem



CEO Mr. Tamer Mohammad Sulayman  
Ghazaleh



Chief Financial Officer Ms. Manar  
Mohammad Nsour





# 11

## Governance Report



## Governance Report

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## 1. Introduction

### Ladies and Gentlemen,

Capital Bank of Jordan was established in 1995 as a public shareholding company under the name Export and Finance Bank and was officially registered with the Companies Control Department. Since its inception, the bank has had several boards of directors, the most recent of which was elected in April 2021. During the general assembly meeting, 13 board members were selected from among the bank's shareholders, chosen for their expertise, experience, skills and independence. These qualities enable them to perform their duties efficiently and professionally, ensuring impartial decision-making that prioritizes the interests of the bank, its shareholders, and depositors, free from external influences or conflicts of interest.

The board includes 4 independent members out of 13 members, reflecting our commitment to enhancing independence and professionalism. Independent members contribute an additional layer of impartiality and expertise while mitigating potential conflicts of interest. To ensure the board effectively fulfills its responsibilities, specialized committees were formed, with clearly defined objectives, duties, responsibilities, and authorities outlined in an approved charter. These details are further explained in the Corporate Governance Guide, available on the bank's website (<http://www.capitalbank.jo>). This report also includes details of each board member's qualifications.

In 2014, the Central Bank of Jordan issued corporate governance guidelines, which have undergone several amendments, the most recent in 2023. Additionally, the Jordan Securities Commission introduced governance regulations for listed shareholding companies in 2017. Capital Bank has been a leader in adopting corporate governance practices, ensuring full compliance with these regulatory requirements. In collaboration with Ernst & Young, we developed the bank's Corporate Governance Guide, aligning it with the Central Bank of Jordan's regulations and international best practices. A comprehensive review of the guide was conducted to incorporate legislative and regulatory updates, including the 2017 corporate governance instructions for listed shareholding companies.

As part of our ongoing efforts to institutionalize governance principles, we have adopted a set of policies that promote the best governance practices within the bank.

Capital Bank of Jordan reaffirms its full commitment to the Corporate Governance Instructions issued by the Central Bank of Jordan No. 2023/2 and the Corporate Governance Instructions for Listed Shareholding Companies (2017).

Furthermore, the bank has approved and published the Governance and Management of Information and Related Technology Guide on its website. This guide, developed in accordance with Governance and Management of Information, and Related Technology Instructions No. 2016/56 issued by the Central Bank of Jordan, reflects the bank's dedication to upholding governance standards and implementing best practices in information management and technology.

We are pleased to present the Corporate Governance Report, which has been duly approved by the Board of Directors in accordance with Article 17 of the Corporate Governance Instructions.

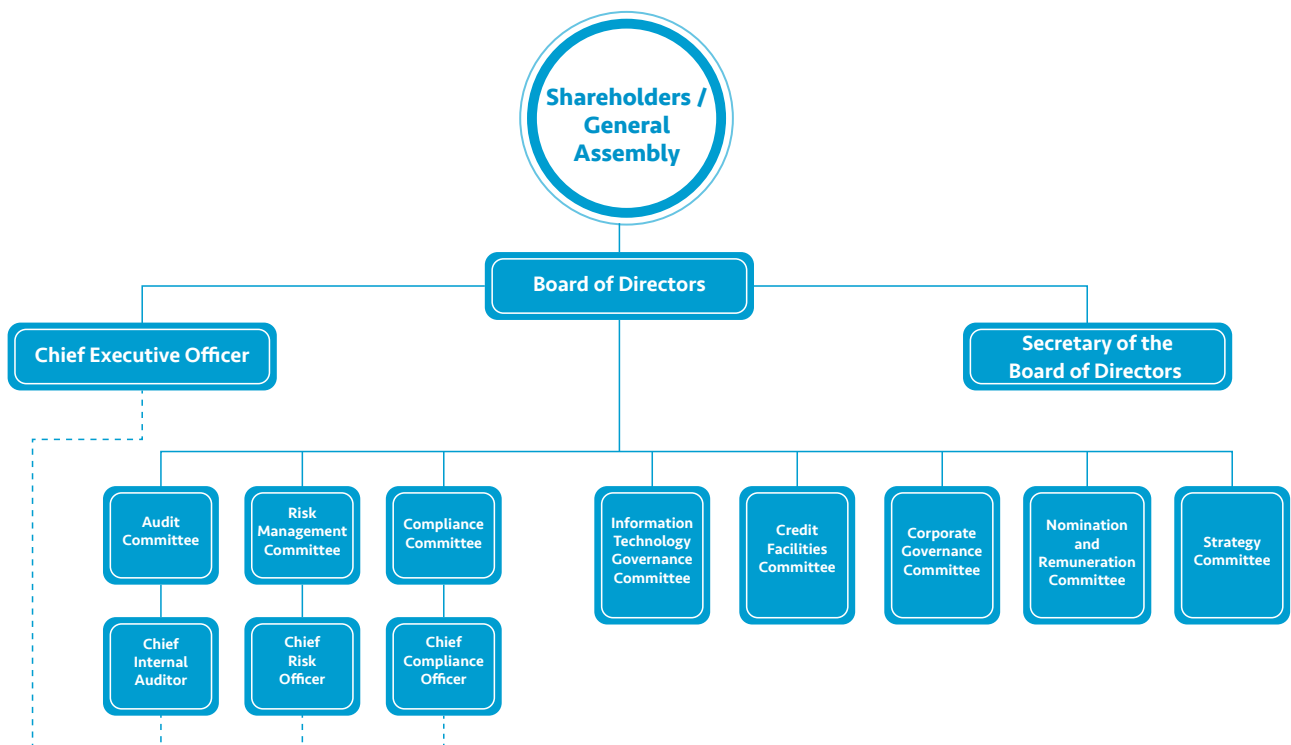
Chairman of the Board of Directors

**Bassem Khalil Al-Salem**



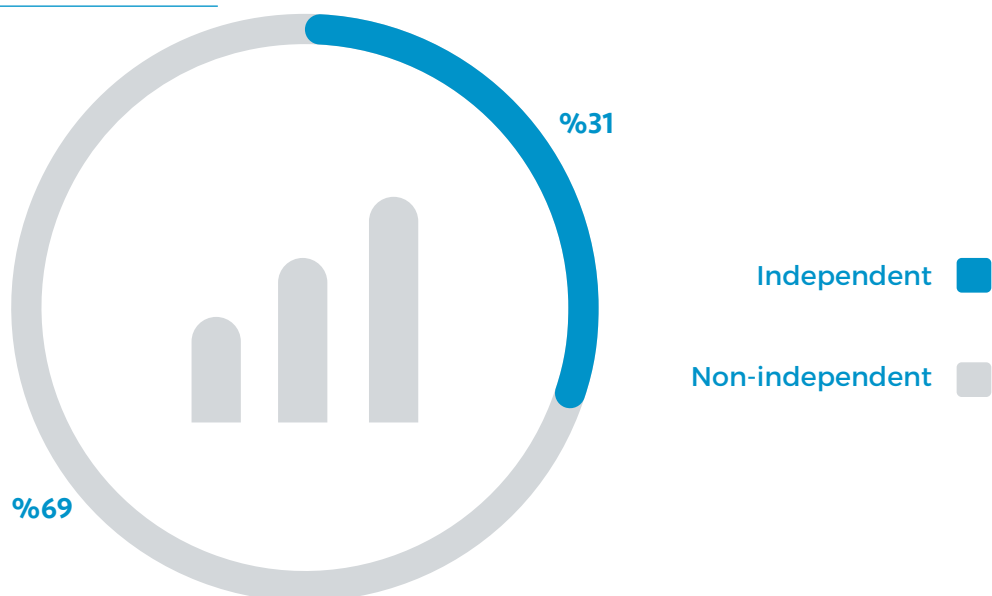
# Governance Report

## 2. General Framework of the Governance System in the Bank



## 3. Members of the Board of Directors

### 3.1 Composition of the Board



\* All board members are non-executive members

### 3.2 Names of Board Members and Representatives of Corporate Members

Board Member	Representative	Independence
H.E. Bassem Khalil Salem Al-Salem		Not independent
H.E. Said Samih Taleb Darwazeh		Not independent
Social Security Corporation	Mr. Saleh Hamdallah Ayesh Alshbikat	Not independent
Investment and Integrated Industries Co Plc	Mr. Khalil Hatem Khalil Al-Salem	Not independent
Hitaf Investment Company	Mr. "Mohammed Ali" Khaldoun Sati' AL-Husry	Not independent
Al-Jadarah Company for Real Estate Investment	Mr. Sultan Mohammed M. Elseif	Not independent
The Safety First Investment Company	Mr. Muteb Mohammed S ALShathri	Not independent
The Safety First Investment Company	Ms. Lamya Mohammed N Alfozan	Not independent
The Safety First Investment Company	Mr. Fadi Adel Mohammad Alsaid	Not independent
Mr. Khalid Walid Hussni Nabils		Independent
Mr. Yousef Ali Yousef Ensour		Independent
H.E. Samir Zaid Samir Alrifai		Independent
Ms. Dalia Abdelazim Mohamed Wahba		Independent

### 3.3 Membership of Capital Bank Board Members in Other Public Shareholding Companies in Jordan

Member Name	Membership in Public Shareholding Company
H.E. Bassem Khalil Salem Al-Salem	Board member of General Mining Company Representative of Government Contributions Investments Management Company on Board of Royal Jordanian
H.E. Said Samih Taleb Darwazeh	Chairman of Board of Royal Jordanian Board member of General Mining Company Chairman of Board of Hikma Pharmaceuticals
Mr. Khalid Walid Hussni Nabils	Board member of Hikma Pharmaceuticals
Mr. Yousef Ali Yousef Ensour	None
H.E. Samir Zaid Samir Alrifai	None
Ms. Dalia Abdelazim Mohamed Wahba	None

### 3.4 Resigned Members of the Board of Directors

Member Name	Cause	Date
Mr. Mohammad Hassan Subhi AlHaj Hasan	End of membership	17/4/2025
Mr. Abu Bakr Siddiq Muhammad Hussein Al-Khour	End of membership	17/4/2025
Al Khalil Company for Investments represented by Mr. Kahlil Hatim Khalil Al-Salem	End of membership	17/4/2025
Mr. Omar M. I. Shahroor, representative of Investment and Integrated Industries Co Plc	Change of representative	17/4/2025



## Governance Report

### 4. Name of Governance Liaison at the Bank

The Secretary of the Board of Directors is Ms. Orouba Said Ahmad Qarain, the governance liaison officer.

### 5. Board Committees

#### 5.1 Audit Committee

Members of the Audit Committee and a brief description of their qualifications and experience, including financial and accounting matters:

Mr. Yousef Ali Yousef Ensour – Committee Chairman	
Qualifications	Mr. Ensour holds a Bachelor's degree in Business Management from the University of Jordan and a Master's degree in Business Management from Bowling Green State University in the United States.
Experience	Mr. Ensour has an extensive career in the banking sector, during which he has held a number of senior positions that have significantly enriched his professional expertise. Most notably, he served as Regional Manager of Bank Audi's Jordan branches from 2006 to 2021. He also held the position of Head of Corporate and Financial Institutions Management at Standard Chartered from June 2004 to February 2006 and occupied various roles at HSBC Middle East from June 1997 to May 2004. Earlier in his career, he worked at Amman Investment Bank.
Mr. Khalid Walid Hussni Nablsi – Committee Chairman	
Qualifications	Mr. Nablsi holds a Master's degree in Business Management from the University of Hull in the United Kingdom and a Bachelor's degree in Economics and Administrative Sciences from the University of Jordan. He also holds a CPA.
Experience	Mr. Nablsi is currently the head of the financial sector for AL-Hikma Companies Group, and a board member at AL-Hikma He has held strategic administrative posts in AL-Hikma financial management and was a leading member of the team that organized the company's public underwriting in 2005. He acquired expertise in the field of mergers and acquisitions during his work with Atlas Investment Group-AB Invest. He also held several posts in management, financial accounting, and consultations. He carried out international auditing operations during his work with Arthur Andersen-Amman (currently Ernst & Young).

**Social Security Corporation represented by Mr. Saleh Hamdallah Ayesb Alshbikat – Committee Member**

Qualifications	Mr. Al-Shbeikat holds a Master's degree in Finance, Investment, and Risk from the University of Kent, United Kingdom, and a Bachelor's degree in Banking and Financial Sciences from Zarqa University. He holds a Jordanian Securities Commission license as an investment manager, financial advisor, and investment trustee, and has received many specialized training courses and programs in assets, portfolios, financial reporting preparation, and others.
Experience	<p>He is currently the head of the Public Contribution Portfolio Management Department - Equity Investment Directorate at the Social Security Investment Fund, a position he has held since December 2020.</p> <p>He worked as a financial analyst at the Housing Bank for Trade and Finance/Financial Markets Investment Center between 2006 and 2017, where he carried out many tasks, most notably stock research; company evaluation and strategic analysis; review and analysis of the stock portfolio to ensure its compliance with the internal investment policy, Central Bank regulations and any other relevant policies and regulations; portfolio performance monitoring and changes in sector weights daily; periodic reports on market performance for the Amman Stock Exchange, and building financial models related to stock valuation, in addition to structuring strategic asset allocation methodologies to match the bank's requirements (return, risk tolerance, and restrictions) and market expectations, and conducting analysis and preparing customized reports.</p> <p>He then worked as a senior financial analyst in the Business Development and Research Unit at the Social Security Fund between 2017 and 2020.</p>

**The Safety First Investment Company represented by Ms. Lamya Mohammed N Alfozan – Committee Member**

Qualifications	Ms. Al-Fozan holds a Master's degree in Business Management from London Business School (LBS) – UK in 2018 and a Bachelor's degree in Business from King Saud University – KSA In 2004
Experience	<p>Ms. Al-Fozan currently holds the position of first director in the Saudi Public Investment Fund.</p> <p>She has expertise in banking and financial markets and more than 20 years of experience in the fields of internal auditing, risk management, compliance, fighting financial crimes, project management, environmental and social governance practices, corporate governance, institutional transformations, and others.</p> <p>Ms. Al-Fozan is a member of several boards of directors and relevant subcommittees. Most prominently, she is a member of the Review Committee of the Board of Saudi Industrial Development Fund, a member of the Environmental, Social &amp; Governance Practices Committee of Almajani General Contractors, and the Regional Voluntary Carbon Market Company (RVCMC) and the Saudi-Iraqi Investment Company.</p> <p>She was previously a member of the Auditing Committee of the Riyadh Financial Company, as well as compliance chief at Riyadh Bank, from 2015 to 2019. Before that, she held posts in the Riyadh Bank, including in the Internal Auditing Department. She was also vice chairperson of the Women's Empowerment Committee at the bank's executive level and was also the secretary of the bank's Investment Committee.</p>

## Governance Report

### Ms. Dalia Abdelazim Mohamed Wahba – Committee Member

Qualifications	Ms. Wahba holds a Bachelor's degree in Business Administration with a specialization in Finance from the American University in Cairo, obtained in 1999. She enhanced her expertise through her participation in the Public-Private Partnership Infrastructure Program at Harvard Kennedy School and holds the Chartered Financial Analyst (CFA) designation.
Experience	<p>Ms. Wahba currently serves as CEO of Hassan Allam Investment Managers Company. Her career began in 1999 at the Commercial International Bank (CIB), where she was the head of corporate finance and contributed to managing strategic projects such as the initial public offering (IPO) of Telecom Egypt and the restructuring of the Egyptian insurance sector.</p> <p>In 2006, she joined the International Finance Corporation (IFC) as an assistant investment officer. Ms. Wahba focused on developing the information and communications technology (ICT) sectors before becoming an investment officer in 2009. In this role, she led infrastructure projects in Egypt, Jordan, Lebanon, and Libya, successfully attracting \$565 million in investments.</p> <p>She also played a pivotal role in designing the IFC's Country Partnership Strategy and participated in developing the energy sector strategy in collaboration with the World Bank for Reconstruction and Development in Egypt. She represented the IFC at international forums, contributing to the development of innovative solutions to infrastructure challenges. She also holds membership on several boards of Directors including Hassan Allam properties and Mylo forg, CI Capital Holding Consumer Finance.</p> <p>Forbes Middle East included her in its list of the 100 Most Powerful Businesswomen for 2024 and 2025, reflecting her status as a leader in the business sector and her ability to make a tangible impact on emerging economies.</p> <p>Her exceptional communication skills, demonstrated by her fluency in Arabic, English, and French, have enabled her to build bridges of cooperation with global entities.</p>

### 5.2 Nomination and Remuneration Committee

Committee members:

<b>Committee Chairman</b>	Mr. Khalid Walid Hussni Nabils
<b>Committee Vice Chairman</b>	H.E. Said Samih Taleb Darwazeh
<b>Committee Member</b>	Mr. Yousef Ali Yousef Ensour
<b>Committee Member</b>	The Safety First Investment Company, represented by Ms. Lamya Mohammed N Alfazan
<b>Committee Member</b>	H.E. Samir Zeid Samir Rifai

### 5.3 Corporate Governance Committee

Committee members:

<b>Committee Chairman</b>	H.E. Samir Zaid Samir Alrifai
<b>Committee Vice Chairman</b>	H.E. Bassem Khalil Salem Al-Salem
<b>Committee Member</b>	The Safety First Investment Company, represented by Ms. Lamyia Mohammed N Alfozan
<b>Committee Member</b>	Mr. Khalid Walid Hussni Nabils
<b>Committee Member</b>	Mr. Yousef Ali Yousef Ensour

### 5.4 Risk Management Committee

Committee Members

<b>Committee Chairman</b>	Ms. Dalia Abdelazim Mohamed Wahba
<b>Committee Vice Chairman</b>	Investment and Integrated Industries Co Plc represented by Mr. Khalil Hatem Khalil Al-Salem
<b>Committee Member</b>	The Safety First Investment Company represented by Mr. Fadi Adel Mohammad Alsaïd
<b>Committee Member</b>	H.E. Samir Zaid Samir Alrifai
<b>Committee Member</b>	Mr. Yousef Ali Yousef Ensour

### 5.5 Credit Facilities Committee

Committee Members

<b>Committee Chairman</b>	H.E. Bassem Khalil Salem Al-Salem
<b>Committee Vice Chairman</b>	Hitaf Investment Company represented by Mr. "Mohammed Ali" Khaldoun Sati' Al-Husry
<b>Committee Member</b>	H.E. Said Samih Taleb Darwazeh
<b>Committee Member</b>	The Safety First Investment Company represented by Mr. Muteb Mohamdd S Alshathri
<b>Committee Member</b>	The Safety First Investment Company represented by Mr. Fadi Adel Mohammad Alsaïd

## Governance Report

### 5.6 Compliance Committee

#### Committee Members

<b>Committee Chairman</b>	The Safety First Investment Company represented by Ms. Lamyia Mohammed N Alfozan
<b>Committee Vice Chairman</b>	Mr. Khalid Walid Hussni Nabils
<b>Committee Member</b>	Ms. Dalia Abdelazim Mohamed Wahba

### 5.7 Information Technology Governance Committee

#### Committee Members

<b>Committee Chairman</b>	Investment and Integrated Industries Co Plc represented by Mr. Khalil Hatem Khalil Al-Salem
<b>Committee Vice Chairman</b>	Ms. Dalia Abdelazim Mohamed Wahba
<b>Committee Member</b>	The Safety First Investment Company represented by Ms. Lamyia Mohammed Naser Alfozan
<b>Committee Member</b>	AL-Jadarah Company for Real Estate Investment represented by Mr. Sultan Mohammed M. Elseif

### 5.8 Strategic Committee

#### Committee Members

<b>Committee Chairman</b>	H.E. Bassem Khalil Salem Al-Salem
<b>Committee Vice Chairman</b>	Hitaf Investment Company represented by Mr. "Mohammed Ali" Khaldoun Sati' Al-Husry
<b>Committee Member</b>	Investment and Integrated Industries Co Plc, represented by Mr. Khalil Hatem Khalil Al-Salem
<b>Committee Member</b>	The Safety First Investment Company represented by Mr. Muteb Mohammed S Alshathri
<b>Committee Member</b>	AL-Jadarah Company for Real Estate Investment, represented by Mr. Sultan Mohammed M. Elseif
<b>Committee Member</b>	H.E. Samir Zaid Samir Alrifai

## 6. Number of Meetings of the Board and Board Committees and List of Attending Members

The Board of Directors held 12 meetings during the year. The following are the names of attending members at each meeting:

Member name	1 <sup>st</sup> Meeting 13/02/2025	2 <sup>nd</sup> Meeting 13/03/2025	3 <sup>rd</sup> Meeting 26/03/2025	4 <sup>th</sup> Meeting 29/03/2025	5 <sup>th</sup> Meeting 17/04/2025	6 <sup>th</sup> Meeting 30/04/2025	7 <sup>th</sup> Meeting 19/06/2025	8 <sup>th</sup> Meeting 30/07/2025	9 <sup>th</sup> Meeting 18/09/2025	10 <sup>th</sup> Meeting 26/10/2025	11 <sup>th</sup> Meeting 29/11/2025	12 <sup>th</sup> Meeting 18/12/2025
H.E. Bassem Khalil Salem Al-Salem	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present
H.E. Said Samih Taleb Darwazeh	Present	Not Present	Present	Present	Present	Not Present	Present	Present	Present	Present	Present	Present
Social Security Corporation / Saleh Hamdallah Ayesb Alshbikat	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present
Hitaf Investment Company / Mr. "Mohammed Ali" Khaldoun Sati' Al-Husry	Present	Not Present	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present
Investment and Integrated Industries Co Plc / Mr. Omar M. I. Shahroor until 17/4/2025	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present
Mr. Khalil Hatem Khalil Al-Salem as on 17/4/2025	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present
Al-Jadarah Company for Real Estate Investment / Mr. Sultan Mohammed M. Elseif	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present
The Safety First Investment Company / Ms. Lamiya Mohammed N Alfozan	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present
The Safety First Investment Company / Mr. Muteb Mohammed S Alshathri	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present
The Safety First Investment Company / Mr. Fadi Adel Mohammad Alsaïd as on 17/4/2025	-	-	-	-	Present	Present	Present	Not Present	Present	Not Present	Present	Present
Mr. Khalid Walid Hussni Nabili	Present	Present	Present	Present	Present	Not Present	Present	Present	Present	Present	Present	Present
Mr. Yousef Ali Yousef Ensour	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present
H.E. Samir Zaid Samir Alrifai as of 17/4/2025	-	-	-	-	Present	Present	Present	Present	Not Present	Not Present	Present	Present
Ms. Dalia Abdelazim Mohamed Wahba as of 17/4/2025	-	-	-	-	Present	Present	Present	Present	Present	Present	Present	Present
Al Khalil Company for Investments / Mr. Khalil Hatem Khalil Al-Salem until 17/4/2025	Present	Present	Present	Present	-	-	-	-	-	-	-	-
Mr. Mohammad Hasan Subhi (AlHaj Hasan) until 17/4/2025	Present	Present	Present	Present	-	-	-	-	-	-	-	-
Mr. Abu Bakr Siddiq Muhammad Hussein Al-Khourî until 17/4/2025	Present	Present	Present	Present	-	-	-	-	-	-	-	-

# Governance Report

The Audit Committee held nine meetings during the year. The following are the names of attending members at each meeting:

Member name	1 <sup>st</sup> Meeting 12/02/2025	2 <sup>nd</sup> Meeting 16/03/2025	3 <sup>rd</sup> Meeting 29/04/2025	4 <sup>th</sup> Meeting 26/05/2025	5 <sup>th</sup> Meeting 17/06/2025	6 <sup>th</sup> Meeting 29/07/2025	7 <sup>th</sup> Meeting 16/09/2025	8 <sup>th</sup> Meeting 26/10/2025	9 <sup>th</sup> Meeting 14/12/2025
Mr. Yousef Ali Yousef Ensour (Chairman)	Present	Present	Present	Present	Present	Present	Present	Present	Present
Mr. Khalid Walid Hussni Nabils (Vice Chairman)	Present	Present	Not Present	Not Present	Not Present	Present	Present	Present	Present
Social Security Corporation / Saleh Hamdallah Ayes Alshbikat	Present	Present	Present	Present	Present	Present	Present	Present	Present
The Safety First Investment Company / Ms. Lamy Mohamed N Alfozan	Present	Present	Present	Present	Present	Present	Present	Present	Present
Ms. Dalia Abdelazim Mohamed Wahba as of 14/4/2025	-	-	Present	Present	Present	Present	Present	Present	Present
Al Khalil Company for Investments / Mr. Khalil Hatem Khalil Al-Salem until 17/4/2025	Present	Present	Present	Present	Present	Present	Present	Present	Present
Mr. Mohammad Hasan Subhi (AlHaj Hasan) until 17/4/2025	Present	Not Present	-	-	-	-	-	-	-
Mr. Abu Bakr Siddiq Muhammad Hussein Al-Khour (until 17/4/2025)	Present	Present	-	-	-	-	-	-	-

The Compliance Committee held four meetings during the year. The following are the names of the attending members at each meeting:

Member Name	1 <sup>st</sup> Meeting 09/03/2025	2 <sup>nd</sup> Meeting 09/07/2025	3 <sup>rd</sup> Meeting 14/09/2025	4 <sup>th</sup> Meeting 15/12/2025
The Safety First Investment Company / Ms. Lamy Mohamed N Alfozan (Chairperson)	Present	Present	Present	Present
Mr. Khalid Walid Hussni Nabils (Vice Chairman)	Present	Present	Present	Present
Ms. Dalia Abdelazim Mohamed Wahba as of 17/4/2025	-	Present	Present	Present
Mr. Yousef Ali Yousef Ensour until 17/4/2025	Present	-	-	-

The Risk Management Committee held seven meetings during the year. The following are the names of the attending members at each meeting:

Member Name	1st Meeting 11/02/2025	2nd Meeting 02/03/2025	3rd Meeting 26/05/2025	4th Meeting 28/05/2025	5th Meeting 08/09/2025	6th Meeting 06/10/2025	7th Meeting 26/11/2025
Ms. Dalia Abdelazim Mohamed Wahba (Chairman) as of 17/4/2025	-	-	Present	Present	Present	Present	Present
Investment and Integrated Industries Co Plc / Mr. Khalil Hatem Khalil AL-Salem (Vice Chairman) as of 17/4/2025	-	-	Present	Present	Present	Present	Present
The Safety First Investment Company / Mr. Fadi Adel Mohammad Alsaïd as of 17/4/2025	Present	Present	Present	Present	Present	Present	Not Present
Ms. Lamia' Mohammed N Alfazan until 17/4/2025	Present	Present	Present	Present	Present	Present	Present
Mr. Yousef Ali Yousef Ensour	Present	Present	Present	Present	Present	Present	Present
H.E. Samir Zaid Samir Alrifai as of 17/4/2025	-	-	Present	Not Present	Not Present	Not Present	Not Present
AL Khalil Company for Investments / Mr. Khalil Hatem Khalil AL-Salem until 17/4/2025	Present	Present	-	-	-	-	-
Mr. Khalid Walid Hussni Nabilsî until 17/4/2025	Present	Present	-	-	-	-	-
Mr. Abu Bakr Siddiq Muhammad Hussein AL-Khourî until 17/4/2025	Present	Present	-	-	-	-	-
Mr. Mohammad Hasan Subhi (ALHaj Hasan) until 17/4/2025	Present	Present	-	-	-	-	-

The Nominations and Remunerations Committee held six meetings during the year. The following are the names of the attending members at each meeting:

Member Name	1st Meeting 09/02/2025	2nd Meeting 13/03/2025	3rd Meeting 23/03/2025	4th Meeting 29/03/2025	5th Meeting 23/09/2025	6th Meeting 30/12/2025
Mr. Khalid Walid Hussni Nabilsî (Chairman)	Present	Present	Present	Present	Present	Present
H.E. Said Samih Taleb Darwazeh (Vice Chairman)	Present	Present	Present	Present	Not Present	Present
The Safety First Investment Company / Ms. Lamyâ Mohammed N Alfazan	Present	Present	Present	Present	Present	Present
Mr. Yousef Ali Yousef Ensour	Present	Present	Present	Present	Present	Present
H.E. Samir Zaid Samir Alrifai as of 17/4/2025	-	-	-	-	Not Present	Present
Mr. Abu Bakr Siddiq Muhammad Hussein AL-Khourî until 17/4/2025	Present	Not Present	Present	Present	-	-



## Governance Report

The Corporate Governance Committee held two meetings during the year. The following are the names of the attending members at each meeting:

Member Name	1st Meeting 03/09/2025	2nd Meeting 13/11/2025
H.E. Samir Zaid Samir Alrifai (Chairman) as of 17/4/2025	Present	Present
H.E. Bassem Khalil Salem Al-Salem (Vice Chairman)	Present	Present
The Safety First Investment Company / Ms. Lamyia Mohammed N Alfozan	Present	Present
Mr. Yousef Ali Yousef Ensour	Present	Present
Mr. Khalid Walid Hussni Nabilsai as of 17/4/2025	Present	Present

The Credit Facilities Committee held 13 meetings during the year. The following are the names of the attending members at each meeting:

Member Name	1st Meeting 29/01/2025	2nd Meeting 12/02/2025	3rd Meeting 05/03/2025	4th Meeting 26/03/2025	5th Meeting 30/04/2025	6th Meeting 27/05/2025	7th Meeting 12/06/2025	8th Meeting 29/07/2025	9th Meeting 13/08/2025	10th Meeting 03/09/2025	11th Meeting 24/09/2025	12th Meeting 22/10/2025	13th Meeting 18/12/2025
H.E. Bassem Khalil Salem Al-Salem (Chairman)	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present
Hitaif Investment Company / Mr. "Mohammed Ali" Khaldoun Sati' Al-Husry (Vice Chairman)	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present
H.E. Said Samih Taleb Darwazeh	Present	Present	Present	Present	Not Present	Not Present	Present	Not Present	Present	Not Present	Present	Present	Present
The Safety First Investment Company / Mr. Muteb Mohammed S Alshathri	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present
H.E. Samir Zaid Samir Alrifai as of 17/4/2025 and until 3/11/2025	-	-	-	-	Present	Present	Present	Present	Not Present	Present	Not Present	Not Present	-
The Safety First Investment Company / Mr. Fadi Adel Mohammad Alsaïd as of 18/12/2025	-	-	-	-	-	-	-	-	-	-	-	-	Present
Investment and Integrated Industries Co Plc / Mr. Omar M. I. Shahroor until 17/4/2025	Present	Present	Present	Present	-	-	-	-	-	-	-	-	-

The Information Technology Governance Committee held four meetings during the year. The following are the names of the attending members at each meeting:

Member Name	1st Meeting 07/04/2025	2nd Meeting 10/08/2025	3rd Meeting 23/10/2025	4th Meeting 23/12/2025
Investment and Integrated Industries Co Plc / Mr. Khalil Hatem Khalil Al-Salem (Chairman) as of 17/4/2025	-	Present	Present	Present
Ms. Dalia Abdelazim Mohamed Wahba (Vice Chairman) as of 17/4/2025	-	Present	Present	Present
Al-Jadarah Company for Real Estate Investment / Mr. Sultan Mohammed M. Elseif	Present	Present	Present	Present
The Safety First Investment Company / Ms. Lamyia Mohammad N Alfazan as of 17/4/2025	-	Present	Present	Present
Mr. Mohammad Hasan Subhi (AlHaj Hasan) until 17/4/2025	Present	-	-	-
Al Khalil Company for Investments / Mr. Khalil Hatem Khalil Al-Salem until 17/4/2025	Present	-	-	-
Mr. Abu Bakr Siddiq Muhammad Hussein Al-Khourri until 17/4/2025	Present	-	-	-

The Strategic Committee held one meeting during the year. The following are the names of the attending members at the meeting:

Member Name	1st Meeting 16/10/2025
H.E. Bassem Khalil Salem Al-Salem (Chairman)	Present
Hitaf Investment Company / Mr. "Mohammed Ali" Khaldoun Sati' Al-Husry (Vice Chairman)	Present
Investment and Integrated Industries Co (Holding) / Mr. Khalil Hatem Khalil Al-Salem	Present
The Safety First Investment Company / Mr. Muteb Mohammed S Alshathri	Present
Al-Jadarah Company for Real Estate Investment / Mr. Sultan Mohammed M. Elseif	Present
H.E. Samir Zaid Samir Alrifai	Not Present

## Number of Audit Committee meetings with the external auditor during 2025

The Audit Committee held one meeting with the external auditor during the year and no one from higher executive management or a representative attended the meeting.

## Governance Report

### 7. Names of Executive Management Members and their Positions

Member Name	Position
Mr. Tamer Mohammad Suleiman Ghazaleh	Chief Executive Officer
Mr. Mohammad Hafez Abdel Karim Mohammad Hafez Muaz	Group Chief Legal Officer
Ms. Manar Mohammad Abdul Halim Nsour	Group Chief Financial Officer
Mr. Munis Mamdouh Hanna Haddadin	Group Chief Risk Officer
Mr. Rami Bishara Shafiq Stephan	Group Chief Internal Audit Officer
Ms. Manar Nizar Mahmoud Aabidi	Group Chief Credit Management
Ms. Haya Ibrahim Hanna Abu Ata	Chief Human Resources Officer
Ms. Touleen Mohammad Mahmoud Barto	Chief Marketing and Corporate Communications Officer
Mr. Labib Zahi Labib Musallam	Chief Treasury and Investments Officer
Ms. Shereen Sameer Saliba Nasr	Group Chief Compliance Officer
Mr. Nadeem Jawdat Sulayman Khitan	Chief Consumer Banking Officer
Mr. Fraje Varoujan Yanofek Nersesian	Chief Strategy and Organizational Support Officer
Mr. Ma'moun Mohamad Said Rashid Al-Said	Chief Institutional Banking Officer
Mr. Adel Mohammad Asi Awad	Chief Information Technology and Transformation Officer
Ms. Tamara Ahmad Mohammad Batal	Director of the Office of the CEO

## 8. Reports Issued by Board Committees on their work covering 2025

### Audit Committee

#### Most Important Issues Discussed in 2025:

Issues related to the Internal Audit Department:

- Adopt the internal audit charter for 2025.

#### Internal Audit Reports

- Discussed the internal audit reports of the activities of all duty stations at the bank's departments, branches, and subsidiaries, as well as the achievements of the Internal Audit Department in accordance with the 2025 audit plan.
- Discussed the report of the additional assignments and tasks of the Internal Audit Department outside the scope of the audit plan that took place during 2025.
- Provided and developed the Internal Audit Department's human resources.

#### Financial Statement Related Matters

- During the year, the Audit Committee undertook its responsibilities in reviewing matters related to the bank's financial statements, including:
- Reviewing periodic financial reports (annual, semi-annual, and quarterly) and recommending their approval to the Board of Directors after confirming their accuracy, completeness, and compliance with applicable accounting standards, regulatory requirements, and laws.
- Assessing the adequacy of provisions for doubtful debts and securities portfolio allocations, and expressing its views on non-performing exposures and amounts proposed for classification as bad debts.
- Reviewing and approving the settlement or cancellation of certain accounts and the accounting write-off of specific debts, where appropriate.
- Submitting recommendations to the Board of Directors regarding the appointment of external auditors and the terms and conditions governing their engagement, in accordance with the approved external audit policy.

#### Other Matters

- The internal audit report regarding the account of the customer, Credit Card Service Company.
- Management letter points.
- Letters issued by the Central Bank of Jordan.
- Group internal audit proposed key performance indicators (KPIs) for 2025.
- Related parties' transactions report.
- Meeting with the external auditor, the group's audit chief officer, and the compliance officer without the presence of the executive management one time.
- Review the relevant policies of the bank and the group.

### Corporate Governance Committee

#### Most Important Issues Discussed in 2025:

The framework regarding the assessment and review of the governance framework.

## Governance Report

### Risk Management Committee

#### Most Important Issues Discussed in 2025:

- Periodic reports prepared by the Risk Management Department covering liquidity risk, credit risk, information security risk, business continuity planning, stress testing results, and updates to the fraud risk management framework.
- Developments and events with potential impact on the bank's risk exposure, including political developments and changes in investment policies.
- Updates on the latest financial and non-financial risk developments.
- Review and approval of the internal capital adequacy assessment process (ICAAP) report, including monitoring capital adequacy against current and potential risk exposures, updates to capital adequacy calculations, and benchmarking against peer banks.
- Updates on credit risk indicators and their impact on the bank's overall risk profile.
- Developments related to projects and training initiatives.
- Review of the Risk Committee Charter.
- Risk Strategy for 2025–2026.
- Review of the three-year Risk Management work plan (2025–2027), including progress achieved and key milestones
- Assessment of the bank's actual risk profile across all activities against the approved risk appetite statement, including monitoring negative deviations and approving corrective action plans and timelines.
- Business Continuity Plan.
- Negative deviations from acceptable risk levels.
- Directives issued by the Central Bank of Jordan.
- Monitoring concentration limits for economic sectors in Jordan and Iraq, and follow-up on compliance with approved limits.
- Oversight of cybersecurity and cyber risk matters.
- Review of the latest evaluation of the Domestic Systemically Important Banks (D-SIBs) project at the bank level.
- Discussion of regulatory violations and fines, and approval of measures to address such cases.
- Review of observations raised by the internal auditor.
- Adoption of the bank's risk strategy, risk framework, and acceptable risk levels.
- Review of risk developments and stress testing results.
- Review of the information security risk assessment methodology.
- GCRO, KPIs, GCRO Mandate.
- Appointment of a Data Protection Officer (DPO).
- Climate Risk Taskforce.
- Risk management annual budget.
- Review of the organizational structure of the risk and human resources functions, including key appointments.
- Review of the Bank and Group policies.

## Nomination and Remuneration Committee

### Most Important Issues Discussed in 2025:

- Review of remuneration, incentives, and salary increases for members of senior executive management.
- Updates on developments within the Human Resources Department.
- The appointment and resignation of members of the senior executive committee.
- Review of executive management key performance indicators (KPIs) for 2025, in alignment with the bank's strategic objectives.
- Appointment of new members to the Board of Directors.
- Evaluation of the performance of the Board of Directors.
- Review of the organizational structure.
- Review and approval of the Bank's and the Group's policies.

## Information Technology Governance Committee

### Most Important Issues Discussed in 2025:

- Issues related to the bank's information technology governance framework and systems.
- LEAP Project.
- Data management.
- Review of the information governance and management manual and supporting technologies.
- Review of progress reports and assessment of the efficiency of information technology-related projects.
- Review of steering committee meeting minutes.
- Review and approval of the IT and Transformation Strategy.
- Approval and monitoring of the information technology capital budget.
- Review and approval of matters related to information technology governance requirements.
- Discussion of observations arising from internal audit reports.
- IT spend and value for 2025.
- IT organization chart change.
- Information and Technology (I&T) Governance Roadmap status.
- Mandatory and regulatory projects and reports.
- Documents for ITSC review and approval.
- Open banking and ecosystem partnerships.
- Information Technology project status and updates
- Review of relevant bank and group policies.

## Credit Facilities Committee

### Most Important Issues Discussed in 2025:

- Discuss credit facilities requests according to credit policy and accredited authorities at the bank.
- The credit policy and the authority matrix.
- Settle accounts.

## Governance Report

### Compliance Committee

#### Most Important Compliance Matters Discussed in 2025:

- Approval of the compliance plan for 2025–2027.
- Review of reports on investigations and significant compliance-related events across the group.
- Oversight of financial crime risks and compliance matters at the group level.
- Review of progress against the 2025 compliance plan, including key activities and achievements of the Compliance Department.
- Review of observations and findings related to compliance management raised by independent parties, including internal audit, external advisors and related corrective action plans.
- Review of the Central Bank of Jordan (CBJ) inspection report related to anti-money laundering (AML) and counter-terrorism financing (CTF), together with the associated corrective action plan.
- Updates on compliance oversight projects and related developments.
- Review of quarterly assessments of high-risk customers.
- Adoption of the risk appetite statement for money laundering and terrorism financing risks.
- Review of progress on projects to upgrade AML and CTF systems.
- Review of progress related to the Data Cleansing update project.
- Evaluation of the overall compliance of the bank and its subsidiaries with regulatory instructions and international best practices related to AML and CTF.
- Review of fines, penalties, or violations imposed by regulatory or contracted entities during the year, and the actions taken in response.
- Review of identified compliance risks and proposed corrective measures arising from testing, inspections and field visits.
- Review of new and existing banking products and services introduced or assessed during the year.
- Review of findings and outcomes issued by internal and external auditors, as well as CBJ inspectors, including identified cases of non-compliance.
- Review of customer complaints involving compliance-related issues and the corrective measures taken.
- Review of the number of cases investigated and reported to the Anti-Money Laundering and Terrorism Financing Unit.
- Review of reports related to violations of codes of conduct and work ethics.
- Review of training programs, awareness initiatives, and support provided to the bank's branches and departments, as well as activities undertaken by the Compliance Department.
- Review of alerts and indicators that could give rise to potential non-compliance cases.
- Review of the AML and CTF risk assessment report and the classification of risk levels in accordance with the Risk-Based Approach (RBA).
- Review and adoption of the methodology used to assess AML and CTF risks and classify risk levels based on the RBA.
- Review of the new regulatory compliance management framework, including oversight testing under the Reliance Model.
- Approval of contracting external parties to assess the governance framework and communication lines within the group.
- Review and approval of the Compliance Department's estimated budget for 2026.
- Review of amendments to the organizational structure of the Compliance Department.
- Review of matters related to the appointment or transfer of executive management.
- Review and approval of group-wide Compliance Department policies and procedures.

**Strategic Committee****Most Important Issues Discussed in 2025:**

- Developments related to the bank's strategy and Capital Investments.

Chairman of the Board

**Bassem Khalil Al-Salem**







# 12

Branches



## Branches

Branch Name	BM Name	Address	E-mail
Sweifeh Branch	Rania Yaghi	Al Yanbough Center Abd El-Rahim Al-Hajj Mohamad St, Sweifeh	Sweifiyeh-2branch@capitalbank.jo
Dabouq Branch	Ruba Ghannam	King Abdullah II St.	Dabouqbranch@capitalbank.jo
Madinah Al Munawarah St. branch	Saed Haddadin	Madinah Al Munawarah St	madinehbranch@capitalbank.jo
Aqaba	Rezan Aldeeb	Al Nahda Street	Aqababbranch@capitalbank.jo
Irbid	Qais Odetallah	Wasfi Altal St. beside smartbuy	Irbidbranch@capitalbank.jo
Shmesani 2	Odeh Odeh	Salah Center Al-Shareef Abdul Hameed Sharaf St, Shmeissani	Shmeissani-2branch@capitalbank.jo
Zahran	layal Sweidan	213 Zahran Str 6th Circle, opposite Emmar Towers	Zahranbranch@capitalbank.jo
Main Branch- Abdali	Fawaz Alnimri	26 Suliman Nabulsi St.	main.branch@capitalbank.jo
Gardenz	Dema Haddad	Wassfi Al-Tal St., Bldg 115	Algardenzbranch@capitalbank.jo
Taj Mall	Samer Thabet	Taj Mall - Prince Hashem St.	Tajmallbranch@capitalbank.jo
Mecca Mall	Musa Jreisat	Mecca Street, Mecca Mall Complex	Meccamallbranch@capitalbank.jo
New Zarqa	Abdullah Yousef	New Zarqa Branch, 36th Street Salah Al-Dein Al-Kurdi Complex	zarqanewbranch@capitalbank.jo
Irbid 2	Mahmoud Almahmoud	Firas Ajlouni St. - albsool complex	Irbid-2.branch@capitalbank.jo
Zarqaa Mall	Elham Dababneh	Bab Almadina Mall	Zarqamallbranch@capitalbank.jo
Jabal Hussein	Alaa Hussein	Al-Husseini Center, Khaled Ben Walid Street Firas Circle, Jabal Hussein	Jabalalhusainbranch@capitalbank.jo
Wadi Saqra	Rawan Shanti	Saqra Complex, Wadi Saqra Street	Wadisagrabbranch@capitalbank.jo
Jubaiha	Raed Safadi	Queen Rania Al Abdulla St.	Jubaihabbranch@capitalbank.jo
Fuhais	Firas Shawareb	King Abdullah St. beside lafarge	Fuhaisbranch@capitalbank.jo
Abdoun	Rana Taq	Building 105 Cairo St.	Abdoun.private@capitalbank.jo
Zarqa Free Zone	Mohammad Alselea	Free Zone Zarqa	freezonebranch@capitalbank.jo

Branch Name	BM Name	Address	E-mail
Khalda	BOM- Raed Haddad	Wasfi Al Tal Street Abbasi Commercial Center Building No. 302	Khalda.branch@capitalbank.jo
Salt	Murad Kharabseh	Anis Muasher Street	Al-saltbranch@capitalbank.jo
Madaba 2	Ahmad Shofyeen	Amman Street, Madaba Ghalia Center next to the Civil Defense	Madaba.branch@capitalbank.jo
Karak	Saed Suna	Al-Karak Al-Jadida, Al-Thanya - Al-Istiqlal Street Next to Al-Waslah Company	Karak.branch@capitalbank.jo
Marj Al-Hamam	Rakan Freihat	Saeed ALAbbadi St. - Sahara Complex	Marjalhamam@capitalbank.jo
Sport city	Murad Awajan	AlShahid st.	Sportcity_branch@capitalbank.jo
Sweifieh - Paris St.	Rania Yaghi	Paris St. 18	Swefieh-3.branch@capitalbank.jo
AL WAHADAT - Prince Hasan St.	Abdulla Hunaiti	Prince Hasan Street 3	Wehdat-2@capitalbank.jo
Khaldah/Dabouq Bridge	Hind Salkham	Khalda	Khalda/dabouq.branch@capitalbank.jo
Um Uthaina	Muath Tarakyeh	Al-Koufah st.	Umuthiana.center@capitalbank.jo
Dabouq - Ahl Albait St.	Nour Qahwaji	Dabouq Ahl al-Bayt Street Near Dabouq Secondary School	Dabouq.private.banking@capitalbank.jo
Business Park	Nour Shahrouri	Inside the Business Park Complex	Umuthiana.center@capitalbank.jo
Dahyet Almeer rashed	Nour Shahrouri	Princess Tharwat Street Next to the Jordanian Post	dahyetal-ameerrashed@capitalbank.jo
City Mall	Alaa Suradi	City mall - King Abdullah II street.	Citymall@capitalbank.jo

**capital**  
b a n k

**30**  
Years  
Ready