

THE HOUSING BANK FOR TRADE AND FINANCE  
(PUBLIC SHAREHOLDING LIMITED COMPANY)  
AMMAN - THE HASHEMITE KINGDOM OF JORDAN

CONDENSED CONSOLIDATED INTERIM FINANCIAL  
INFORMATION FOR THE  
THREE MONTHS ENDED MARCH 31, 2021  
TOGETHER WITH THE REVIEW REPORT

THE HOUSING BANK FOR TRADE AND FINANCE  
(PUBLIC SHAREHOLDING LIMITED COMPANY)  
AMMAN - THE HASHEMITE KINGDOM OF JORDAN  
MARCH 31, 2021

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## Review Report on the Condensed Consolidated Interim Financial Information

AM/ 010923

H.E. The Chairman and Board of Directors Members  
The Housing Bank for Trade and Finance  
(Public Shareholding Limited Company)  
Amman – The Hashemite Kingdom of Jordan

### **Introduction**

We have reviewed the accompanying condensed consolidated interim statement of financial position of The Housing Bank for Trade and Finance (Public Shareholding Limited Company) as of March 31, 2021 and the related condensed consolidated interim statements of profit or loss and comprehensive income for the three months and three months ended on March 31, 2021, and changes in owners' equity and cash flows for the three-months then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of these condensed consolidated interim financial information in accordance with the international accounting standard No.(34) " Interim Financial Reporting " as adopted by the Central Bank of Jordan. Our responsibility is to express a conclusion on these condensed consolidated interim financial information based on our review.

### **Scope of Review**

We conducted our review in accordance with International Standard on Review Engagements No.2410, "Review of Condensed Interim Financial Information Performed by the Independent Auditor". A review of condensed interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters in the bank, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information are not prepared, in all material respects in accordance with the International Accounting Standard No. (34)" interim financial reporting" as adopted by the Central Bank of Jordan.

### **Other Matter**

The accompanying condensed consolidated interim financial information are a translation of the statutory condensed consolidated interim financial information in the Arabic language to which reference is to be made.

Amman – Jordan  
April 26, 2021

Deloitte & Touche (M.E.) – Jordan

Deloitte & Touche (M.E.)  
ديلويت أند توش (الشرق الأوسط)  
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**THE HOUSING BANK FOR TRADE AND FINANCE**  
**(PUBLIC SHAREHOLDING LIMITED COMPANY)**  
**AMMAN - THE HASHEMITE KINGDOM OF JORDAN**  
**CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION**

	Note	March 31, 2021 (Reviewed)	December 31, 2020 (Audited)
<b>Assets:</b>			
		<b>JD</b>	<b>JD</b>
Cash and balances at central banks - net	5	778,625,560	1,125,774,294
Balances at banks and financial institutions - net	6	371,552,607	360,632,307
Deposits at banks and financial institutions - net	7	15,826,072	53,681,863
Financial assets at fair value through profit or loss	8	4,500,245	4,455,791
Financial assets at fair value through other comprehensive income	9	370,072,071	371,882,600
Direct credit facilities at fair value through profit or loss	10	131,982,638	130,690,360
Direct credit facilities at amortized cost - net	11	4,056,170,052	3,976,743,772
Financial assets at amortized cost - net	12	1,950,879,297	1,833,842,295
Property and equipment - net		172,285,268	174,997,134
Intangible assets - net		19,480,758	18,995,985
Right of use asset		24,850,179	25,269,889
Deferred tax assets		110,715,575	105,241,081
Other assets - net	13	129,941,214	123,841,846
<b>TOTAL ASSETS</b>		<b>8,136,881,536</b>	<b>8,306,049,217</b>
<b>LIABILITIES AND OWNERS' EQUITY:</b>			
<b>LIABILITIES:</b>			
Banks and financial institutions deposits		707,382,792	777,725,622
Customers' deposits	14	5,348,363,124	5,466,474,965
Cash margins		235,642,200	234,263,330
Borrowed funds	15	299,610,060	314,578,622
Sundry provisions		41,469,007	41,573,033
Income tax provision	16/a	53,217,277	48,515,568
Deferred tax liabilities		8,259,824	8,981,193
Lease liability		23,648,232	24,365,216
Other liabilities	17	235,901,042	227,714,160
<b>TOTAL LIABILITIES</b>		<b>6,953,493,558</b>	<b>7,144,191,709</b>
<b>OWNERS' EQUITY:</b>			
<b>BANK'S SHAREHOLDERS' EQUITY:</b>			
Authorized and paid-up capital		315,000,000	315,000,000
Share premium		328,147,537	328,147,537
Statutory reserve		243,460,970	243,461,008
Special reserve		11,436,586	11,433,336
Foreign currencies translation		(121,759,659)	(120,824,117)
Fair value reserve - net	19	7,061,791	9,654,188
Retained earnings	20	313,922,622	313,925,834
Profit for the period		24,280,377	-
<b>TOTAL BANK'S SHAREHOLDERS' EQUITY</b>		<b>1,121,550,224</b>	<b>1,100,797,786</b>
Non-controlling interest		61,837,754	61,059,722
<b>TOTAL OWNERS' EQUITY</b>		<b>1,183,387,978</b>	<b>1,161,857,508</b>
<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>		<b>8,136,881,536</b>	<b>8,306,049,217</b>

THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL PART OF THESE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION AND SHOULD BE READ WITH THEM AND WITH THE REVIEW REPORT

**THE HOUSING BANK FOR TRADE AND FINANCE  
(PUBLIC SHAREHOLDING LIMITED COMPANY)  
AMMAN - THE HASHEMITE KINGDOM OF JORDAN  
CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS**

	Note	For the Three Months Ended March 31,	
		2021 (Reviewed)	2020 (Reviewed)
		JD	JD
Interest income	21	93,987,455	110,556,308
Interest expense	22	(19,188,440)	(32,090,613)
<b>Net Interest Income</b>		<b>74,799,015</b>	<b>78,465,695</b>
Net commission income		5,864,631	6,615,300
<b>Net Interest and Commission Income</b>		<b>80,663,646</b>	<b>85,080,995</b>
Gain from foreign currencies		2,035,685	3,086,919
Gain (Loss) from financial assets at fair value through profit or loss	23	(391,104)	(233,685)
Other income		6,802,775	7,272,422
<b>Total Income</b>		<b>89,111,002</b>	<b>95,206,651</b>
<b>Expenses:</b>			
Employees' expenses		18,065,778	21,497,981
Depreciation and amortization		6,137,075	6,301,657
Other expenses		12,782,394	13,662,695
Allowance for expected credit loss	18	12,632,000	25,930,959
Sundry provisions		284,762	(83,047)
<b>Total Expenses</b>		<b>49,902,009</b>	<b>67,310,245</b>
Profit for the period before income tax expense		39,208,993	27,896,406
Income tax expense	16/b	(13,842,306)	(11,324,453)
<b>Profit for the Period</b>		<b>25,366,687</b>	<b>16,571,953</b>
<u>Attributable to:</u>			
Bank's Shareholders		24,280,377	15,647,739
Non-Controlling Interest		1,086,310	924,214
		<b>25,366,687</b>	<b>16,571,953</b>
Basic and diluted earnings per share for the period attributable to the Bank's Shareholders	24	<b>0,077</b>	<b>0.050</b>

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**THE HOUSING BANK FOR TRADE AND FINANCE**  
**(PUBLIC SHAREHOLDING LIMITED COMPANY)**  
**AMMAN - THE HASHEMITE KINGDOM OF JORDAN**  
**CONDENSED CONSOLIDATED INTERIM**  
**STATEMENT OF COMPREHENSIVE INCOME**

	<b>For the Three Months Ended March 31,</b>	
	<b>2021 (Reviewed)</b>	<b>2020 (Reviewed)</b>
	<b>JD</b>	<b>JD</b>
Profit for the period	25,366,687	16,571,953
<b><u>Other comprehensive income items which may be reclassified to profit or loss in the subsequent period</u></b>		
Foreign currencies translation	(1,243,820)	(10,631,057)
Net change in valuation reserve of financial assets at fair value through comprehensive income after tax – debt instrument	(2,592,397)	(3,118,248)
<b><u>Other comprehensive income items that will not be reclassified to profit or loss in the subsequent period</u></b>		
Net change in valuation reserve of financial assets at fair value through comprehensive income after tax – equity instrument	-	(212,255)
<b>Total other comprehensive income for the period after tax</b>	<b><u>(3,836,217)</u></b>	<b><u>(13,961,560)</u></b>
<b>Total Comprehensive Income for the Period</b>	<b><u>21,530,470</u></b>	<b><u>2,610,393</u></b>
<u>Attributable to:</u>		
Bank's shareholders	20,752,438	4,694,213
Non-controlling interest	<u>778,032</u>	<u>(2,083,820)</u>
	<b><u>21,530,470</u></b>	<b><u>2,610,393</u></b>

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**THE HOUSING BANK FOR TRADE AND FINANCE  
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AMMAN - THE HASHEMITE KINGDOM OF JORDAN  
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN OWNERS' EQUITY**

	Bank's Shareholders Equity										
	Paid-up Capital	Share premium	Reserves		Foreign Currency Translation	Fair value reserve - net	Retained Earnings	profit for the Period	Total Shareholder's Equity	Non- controlling Interest	Total Owners' Equity
			Statutory	Special Reserve							
JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	
<b>For the Three Months Ended</b>											
<b>March 31, 2021 (Reviewed)</b>											
<b>Beginning Balance for the Period (Audited)</b>	<b>315,000,000</b>	<b>328,147,537</b>	<b>243,461,008</b>	<b>11,433,336</b>	<b>(120,824,117)</b>	<b>9,654,188</b>	<b>313,925,834</b>	<b>-</b>	<b>1,100,797,786</b>	<b>61,059,722</b>	<b>1,161,857,508</b>
Prior years adjustments	-	-	(38)	3,250	-	-	(3,212)	-	-	-	-
<b>Adjusted Beginning Balance (Reviewed)</b>	<b>315,000,000</b>	<b>328,147,537</b>	<b>243,460,970</b>	<b>11,436,586</b>	<b>(120,824,117)</b>	<b>9,654,188</b>	<b>313,922,622</b>	<b>-</b>	<b>1,100,797,786</b>	<b>61,059,722</b>	<b>1,161,857,508</b>
Profit for the period	-	-	-	-	-	-	-	<b>24,280,377</b>	<b>24,280,377</b>	<b>1,086,310</b>	<b>25,366,687</b>
Net change in valuation reserve of financial assets at fair value through other comprehensive income after tax- debit instruments	-	-	-	-	-	(2,592,397)	-	-	<b>(2,592,397)</b>	-	<b>(2,592,397)</b>
Foreign currencies translation	-	-	-	-	(935,542)	-	-	-	<b>(935,542)</b>	<b>(308,278)</b>	<b>(1,243,820)</b>
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(935,542)</b>	<b>(2,592,397)</b>	<b>-</b>	<b>24,280,377</b>	<b>20,752,438</b>	<b>778,032</b>	<b>21,530,470</b>
<b>Ending Balance for the Period (Reviewed)</b>	<b>315,000,000</b>	<b>328,147,537</b>	<b>243,460,970</b>	<b>11,436,586</b>	<b>(121,759,659)</b>	<b>7,061,791</b>	<b>313,922,622</b>	<b>24,280,377</b>	<b>1,121,550,224</b>	<b>61,837,754</b>	<b>1,183,387,978</b>
<b>For the Three Months Ended</b>											
<b>March 31, 2002 (Reviewed)</b>											
<b>Beginning Balance for the Period (Audited)</b>	<b>315,000,000</b>	<b>328,147,537</b>	<b>235,755,327</b>	<b>11,184,797</b>	<b>(112,455,441)</b>	<b>5,400,864</b>	<b>285,267,050</b>	<b>-</b>	<b>1,068,300,134</b>	<b>55,513,708</b>	<b>1,123,813,842</b>
Prior years adjustments	-	-	(1,357)	117,655	-	-	(116,298)	-	-	-	-
<b>Adjusted Beginning Balance</b>	<b>315,000,000</b>	<b>328,147,537</b>	<b>235,753,970</b>	<b>11,302,452</b>	<b>(112,455,441)</b>	<b>5,400,864</b>	<b>285,150,752</b>	<b>-</b>	<b>1,068,300,134</b>	<b>55,513,708</b>	<b>1,123,813,842</b>
Profit for the period	-	-	-	-	-	-	-	15,647,739	<b>15,647,739</b>	<b>924,214</b>	<b>16,571,953</b>
Net change in valuation reserve of financial assets at fair value through other comprehensive income after tax- debit instruments	-	-	-	-	-	(3,118,248)	-	-	<b>(3,118,248)</b>	-	<b>(3,118,248)</b>
Net change in valuation reserve of financial assets at fair value through other comprehensive income after tax - equity instruments	-	-	-	-	-	(212,255)	-	-	<b>(212,255)</b>	-	<b>(212,255)</b>
Foreign currencies translation	-	-	-	-	(7,623,023)	-	-	-	<b>(7,623,023)</b>	<b>(3,008,034)</b>	<b>(10,631,057)</b>
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(7,623,023)</b>	<b>(3,330,503)</b>	<b>-</b>	<b>15,647,739</b>	<b>4,694,213</b>	<b>(2,083,820)</b>	<b>2,610,393</b>
Realized gain from sold financial assets at fair value through other comprehensive income	-	-	-	-	-	-	(1,350)	-	<b>(1,350)</b>	-	<b>(1,350)</b>
<b>Ending Balance for the Period (Reviewed)</b>	<b>315,000,000</b>	<b>328,147,537</b>	<b>235,753,970</b>	<b>11,302,452</b>	<b>(120,078,464)</b>	<b>2,070,361</b>	<b>285,149,402</b>	<b>15,647,739</b>	<b>1,072,992,997</b>	<b>53,429,888</b>	<b>1,126,422,885</b>

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THE HOUSING BANK FOR TRADE AND FINANCE  
(PUBLIC SHAREHOLDING LIMITED COMPANY)  
AMMAN - THE HASHEMITE KINGDOM OF JORDAN  
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

	<b>For the Three Months Ended March 31,</b>	
	<b>2021 (Reviewed)</b>	<b>2020 (Reviewed)</b>
	<b>JD</b>	<b>JD</b>
<b><u>OPERATING ACTIVITIES</u></b>		
Profit for the period before income tax	39,208,993	27,896,406
<b>Adjustments for non-cash items:</b>		
Depreciation and amortization	6,137,075	6,301,657
Provision for expected credit losses	12,632,000	25,930,959
Net unrealized (gain) loss from valuation of financial assets at fair value through profit and loss	391,320	233,685
Unrealized loss from valuation of derivatives	(429,363)	-
Net accrued interest and commission income	(196,173)	(3,306,458)
Effect of the change in exchange rates on cash and cash equivalents	(1,119,791)	(1,190,366)
Provision for end of service indemnity expense	209,369	3,173,989
Premiums and discounts amortization	(365,156)	(293,593)
Sundry provisions	284,762	325,557
Others	978,019	821,950
<b>Cash flows from operating activities before changes in assets and liabilities</b>	<b>57,731,055</b>	<b>59,893,786</b>
<b>Increase (Decrease) in Assets:</b>		
Deposits at banks and financial institutions (maturing within more than 3 months)	37,933,379	(15,441,950)
Direct credit facilities	(95,793,542)	(72,613,560)
Financial assets at fair value through profit or loss	(6,411)	12,380
Other assets	(6,509,290)	(14,367,975)
<b>Increase (Decrease) in Liabilities:</b>		
Banks and financial institutions' deposits (maturing within more than 3 months)	40,644,993	123,729,415
Customers' deposits	(118,111,841)	(168,818,839)
Cash margins	1,378,870	(33,460,241)
Other liabilities	8,002,504	(2,015,939)
Sundry provisions	(311,144)	(1,090,989)
<b>Net Cash Flow (Used in ) Operating Activities Before Income Tax</b>	<b>(75,041,427)</b>	<b>(124,173,912)</b>
Income tax paid	(14,010,256)	(22,664,309)
<b>Net Cash Flow (Used in) Operating Activities</b>	<b>(89,051,683)</b>	<b>(146,838,221)</b>
<b><u>INVESTING ACTIVITIES</u></b>		
(Purchase) of financial assets at fair value through comprehensive income	(54,115,309)	(43,612,850)
Matured financial assets at fair value through comprehensive income	52,014,499	49,081,067
(Purchase) of financial assets at amortized cost	(211,003,172)	(44,843,856)
Matured financial assets at amortized cost	95,587,100	25,000,000
(Purchase) of property and equipment	(899,201)	(1,696,331)
Proceeds from sale of property and equipment	(68,087)	2,638
(Purchase) of intangible assets	(2,012,807)	(733,339)
<b>Net Cash Flow (Used in) Investing Activities</b>	<b>(120,496,977)</b>	<b>(16,802,671)</b>
<b><u>FINANCING ACTIVITIES</u></b>		
Borrowed funds	(14,968,562)	187,012,045
Dividends paid to shareholders	(5,564)	(32,942)
Paid for lease liabilities	(1,696,992)	(1,150,226)
<b>Net Cash Flows (Used in) from Financing Activities</b>	<b>(16,671,118)</b>	<b>185,828,877</b>
<b>Net (Decrease) increase in Cash and Cash Equivalent</b>	<b>(226,219,778)</b>	<b>22,187,985</b>
Effect of the change in exchange rates on cash and cash equivalents	1,056,852	(14,969,550)
<b>Cash and cash equivalents - beginning of the period</b>	<b>771,041,221</b>	<b>909,289,435</b>
<b>Cash and Cash Equivalents - End of the Period (Note 25)</b>	<b>545,878,295</b>	<b>916,507,870</b>

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AMMAN - THE HASHEMITE KINGDOM OF JORDAN  
NOTES TO THE CONDENSED CONSOLIDATED INTERIM  
FINANCIAL INFORMATION

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**1. Incorporation and Activitives**

- The Housing Bank for Trade and Finance ("the Bank") was established in 1973 and registered as a public shareholding limited company in accordance with the Jordanian Companies Law No. (12) of 1964.
- The Bank provides its banking and financing business activities through its headquarter in Amman – Jordan and through its branches in Jordan (117 branches) and abroad in Palestine and Bahrain (16 branches) and through its subsidiaries in Jordan, Syria, Algeria and the United Kingdom.
- The Bank’s shares are traded on Amman Stock Exchange.
- The condensed consolidated interim financial information were approved by the Bank’s Board of Directors on April 21<sup>st</sup> 2021.

**2. Basis of Preparation of the Condensed Consolidated Interim Financial Information**

- The accompanying condensed consolidated interim financial information have been prepared in accordance with the International Accounting Standard No. (34) "Interim Financial Reporting", as adopted by the Central Bank of Jordan.
- The condensed consolidated interim financial information are prepared in accordance with the historical cost principle, except for financial assets and financial liabilities which are stated at fair value at the date of the condensed consolidated interim financial information.
- The reporting currency of the condensed consolidated interim financial information is the Jordanian Dinar, which is the functional currency of the Bank.
- The condensed consolidated interim financial information do not include all notes and information presented in the annual financial statements which is prepared in accordance with the international financial reporting standards as adopted by the Central Bank of Jordan and should be read with the Bank’s annual report for the year ended December 31, 2020. The results of the three months ended March 31, 2021 do not indicate the expected results for the year ended December 31, 2021. There was no appropriation of the profit of the three months ended March 31, 2021 which is usually performed at year end.
- The condensed consolidated interim financial information includes the condensed interim financial information of the Bank and its subsidiaries under its control. Control is achieved when the Bank has the ability to control the financial and operational policies of subsidiaries in order to obtain benefits from their activities. Transactions, balances, revenue and expenses between the Bank and its subsidiaries are eliminated.

**As of March 31, 2021, the Bank owns the following subsidiaries:**

**a. Foreign subsidiaries:**

- International Bank for Trade and Finance / Syria : paid-in capital is Syrian Lira 5.25 billion, of which the Bank owns 49.063%. The Bank has the power to control the administrative and financial policies of this bank. Therefore, its financial statements have been consolidated with the financial statements of the Bank. In this regard, the Bank's main objective is to conduct commercial banking activities, and ownership of this bank dates back to 2003. In addition, the International Bank for Trade and Finance has a subsidiary – The International Financial Center/ Syria with an ownership percentage of 85% of the company's capital amounting to 100 million SYL, whereas The Housing Bank for Trade and Finance owns a percentage of 5% of the company's capital.
  
- Housing Bank for Trade and Finance – Algeria : the ownership is 85% of the bank's capital of 20 billion Algerian dinars. The main objective of this bank is to conduct commercial banking activities, and ownership of this bank dates bank to 2002.
  
- Jordan International Bank / London: the Bank ownership is 75% of paid-up capital, which amounts to 65 million pound sterling (65 million shares). The main objective of this bank is to conduct banking activities.

**b. Local subsidiaries:**

- International Financial Center Company- Jordan : the Bank ownership is 77.5% of paid-up capital, which amounted to JD 5 million. The Company's main activity is financial brokerage in local and foreign markets, and it conducts purchase and sale transactions of financial instruments for customers and the company. The Bank's ownership in this company dates back to 1998.
  
- Specialized Lease Finance Company – Jordan : the Bank owns 100% of paid- in capital of JD 30 millions (30 million shares). The Company's main activity is to conduct finance leases for various types of equipment and machinery, in addition to real estate, land, vehicles, and other items purchased by the company for finance lease purposes. The Bank's ownership in this company dates back to 2005.
  
- Jordan Real Estate Investments Company – Jordan: the Bank owns 100% of this company's paid- in capital of JD 40,000. The company's main activity is managing non- banking services employees, and the Bank's ownership in this company dates back to 1997.

### **3. Significant Accounting Policies**

The accounting policies used in the preparation of the condensed consolidated interim financial information for the period ended on March 31, 2021 are consistent with those used in the preparation of the annual consolidated financial statements for the year ended December 31, 2020. However, the Bank has adopted the following amendments and interpretations that apply for the first time in 2021 and have not materially affected the amounts and disclosures in the condensed consolidated interim financial information for the period and prior years, which may have an impact on the accounting treatment of future transactions and arrangements:

#### **Interest Rate Benchmark Reform - Phase 2 amendments**

Effective from January 1, 2021, the Group has implemented Interest Rate Benchmark Reform - Phase 2 amendments which address issues that might affect financial reporting as a result of the reform of an interest rate benchmark, including the effects of changes to contractual cash flows or hedging relationships arising from the replacement of an interest rate benchmark with an alternative benchmark rate. The amendments provide practical relief from certain requirements in IFRS 9, IFRS 7, IFRS 4, IFRS 16 and IAS 39 relating to changes in the basis for determining contractual cash flows of financial assets, financial liabilities and lease liabilities and hedge accounting.

The amendments require an entity to account for a change in the basis for determining the contractual cash flows of a financial asset or financial liability that is required by interest rate benchmark reform by updating the effective interest rate of the financial asset or financial liability. In addition it provides certain exceptions to hedge accounting requirements.

The Bank performed a preliminary study in relation to exposure to cash flow and fair value hedges and non-derivative financial assets and liabilities linked to Inter Bank Offered Rate maturing *beyond* the year 2021 and it was found that there is no material impact of the interest rate reform on the bank's results.

### **4. Significant Accounting Judgments and key Sources of Uncertainty Estimates:**

Preparation of the condensed consolidated interim financial information and application of the accounting policies require management to make judgments, estimates, and assumptions that affect the amounts of financial assets and financial liabilities, and to disclose potential liabilities. Moreover, these estimates and judgments affect revenues, expenses, provisions, in general, expected credit losses, as well as changes in fair value that appear in the condensed consolidated interim statement of comprehensive income and within shareholders' equity. In particular, the Bank's management requires judgments to be made to estimate the amounts and timing of future cash flows. These estimates are necessarily based on multiple assumptions and factors with varying degrees of estimation and uncertainty. Meanwhile, the actual results may differ from estimates due to the changes arising from the conditions and circumstances of those estimates in the future.

The critical judgements and estimates used in the preparation of these condensed consolidated interim financial information are consistent with those used in the preparation of the Bank's annual financial statements for the year ended December 31, 2020.

### **5. Cash and Balances at Central Banks - Net**

The details of this item are as follows:

	<b>March 31, 2021 (Reviewed)</b>	<b>December 31, 2020 (Audited)</b>
	<b>JD</b>	<b>JD</b>
Cash on hand and treasury	112,352,162	122,074,433
Balance at central banks :		
Current accounts and demand deposits	406,704,160	746,163,935
Term and notice deposits	42,005,796	38,749,073
Statutory cash reserve	217,603,305	218,827,845
<b>Total Balances at Central Banks</b>	<b>666,313,261</b>	<b>1,003,740,853</b>
<b>Total Cash and Balances at Central Banks</b>	<b>778,665,423</b>	<b>1,125,815,286</b>
Provision for expected credit losses	(39,863)	(40,992)
<b>Total</b>	<b>778,625,560</b>	<b>1,125,774,294</b>

- There are no certificate of deposits purchased from the Central Bank of Jordan as of March 31, 2021. The outstanding balance as of December 31, 2020 maturing within a period less than three months.
- Except for the statutory cash reserve, there are no restrictions balances as of March 31, 2021 and December 31, 2020.
- There are no transfers between stages (1, 2 and 3) balance and expected loss provision or written off balances during the three months period ended March 31, 2021 and for the year ended December 31, 2020.

## 6. Balances at Banks and Financial Institutions - Net

The details of this item are as follows:

	Local Banks and Financial Institutions		Foreign Banks and Financial Institutions		Total	
	March 31, 2021 (Reviewed)	December 31, 2020 (Audited)	March 31, 2021 (Reviewed)	December 31, 2020 (Audited)	March 31, 2021 (Reviewed)	December 31, 2020 (Audited)
	JD	JD	JD	JD	JD	JD
Current and demand accounts	14,521,116	21,544,629	125,883,550	150,140,120	140,404,666	171,684,749
Deposits maturing during three months or less	58,390,182	38,591,665	172,949,508	150,468,829	231,339,690	189,060,494
<b>Total</b>	<b>72,911,298</b>	<b>60,136,294</b>	<b>298,833,058</b>	<b>300,608,949</b>	<b>371,744,356</b>	<b>360,745,243</b>
Provision for expected credit losses	(43,466)	(29,317)	(148,283)	(83,619)	(191,749)	(112,936)
<b>Net</b>	<b>72,867,832</b>	<b>60,106,977</b>	<b>298,684,775</b>	<b>300,525,330</b>	<b>371,552,607</b>	<b>360,632,307</b>

- The Non-interest bearing balances at banks and financial institutions are amounted to JD 41,779,648 as of March 31, 2021 (JD 25,073,162 as of December 31, 2020).
- There are no restricted balances as of March 31, 2021 and December 31, 2020.
- There are no transfers between stages (1, 2 and 3) for balances and expected credit loss provision or written off balances during the three months period ended March 31, 2021 and for the year ended December 31, 2020.

## 7. Deposits at Banks and Financial Institutions - Net

The details of this item are as follows:

	Local Banks and Financial Institutions		Foreign Banks and Financial Institutions		Total	
	March 31, 2021 (Reviewed)	December 31, 2020 (Audited)	March 31, 2021 (Reviewed)	December 31, 2020 (Audited)	March 31, 2021 (Reviewed)	December 31, 2020 (Audited)
	JD	JD	JD	JD	JD	JD
<b>Deposits mature during the period:</b>						
From 3 months to 6 months	-	30,000,000	1,473,965	21,918,417	1,473,965	51,918,417
From 6 months to 9 months	-	-	566,049	1,542,962	566,049	1,542,962
From 9 months to 12 months	-	-	13,944,224	456,238	13,944,224	456,238
<b>Total</b>	-	<b>30,000,000</b>	<b>15,984,238</b>	<b>23,917,617</b>	<b>15,984,238</b>	<b>53,917,617</b>
Provision for expected credit losses	-	(10,207)	(158,166)	(225,547)	(158,166)	(235,754)
<b>Net</b>	-	<b>29,989,793</b>	<b>15,826,072</b>	<b>23,692,070</b>	<b>15,826,072</b>	<b>53,681,863</b>

- There are no restrictions on deposits as of March 31, 2021 and December 31, 2020.
- There are no transfers between stages (1,2 and 3) for balances and expected loss provision or written off balances during the three months period ended March 31, 2021 and for the year ended December 31, 2020.

**8. Financial Assets at Fair Value through Profit or Loss**

The details of this item are as follows:

	<b>March 31, 2021 (Reviewed)</b>	<b>December 31, 2020 (Audited)</b>
	<b>JD</b>	<b>JD</b>
<b>Quoted Financial Assets:</b>		
Companies shares listed in financial markets	3,867,448	3,822,994
<b>Total</b>	<b>3,867,448</b>	<b>3,822,994</b>
<b>Unquoted Financial Assets:</b>		
Companies shares not listed in financial markets	632,797	632,797
<b>Total</b>	<b>632,797</b>	<b>632,797</b>
<b>Grand Total</b>	<b>4,500,245</b>	<b>4,455,791</b>

**9. Financial Assets at Fair Value through other Comprehensive Income**

The details of this item are as follows:

	<b>March 31, 2021 (Reviewed)</b>	<b>December 31, 2020 (Audited)</b>
	<b>JD</b>	<b>JD</b>
Unquoted shares	26,526,476	26,129,906
<b>Total Shares</b>	<b>26,526,476</b>	<b>26,129,906</b>
Jordanian Treasury bonds	173,662,948	170,277,249
Foreign governments bills and bonds	89,087,205	80,485,872
Corporate bonds	81,465,848	95,496,835
<b>Total Bonds</b>	<b>344,216,001</b>	<b>346,259,956</b>
<u>Less:</u> Provision of expected credit losses	(670,406)	(507,262)
<b>Total Bonds – Net</b>	<b>343,545,595</b>	<b>345,752,694</b>
<b>Total</b>	<b>370,072,071</b>	<b>371,882,600</b>

Bonds are repaid on several installments, the last of which matures in the year 2049 and the interest rates on the bonds ranges from (0.06% negative) to 6.51%.

The movement on financial assets at fair value through other comprehensive income for shares during the period/year was as follow:

	<b>March 31, 2021 (Reviewed)</b>	<b>December 31, 2020 (Audited)</b>
	<b>JD</b>	<b>JD</b>
Fair value - beginning balance / year	26,129,906	25,628,516
New investments during the period / year	396,570	698,760
Sold investments during the period / year	-	(78,974)
Change in fair value during the period / year	-	(123,521)
Translation difference	-	5,125
<b>Balance – End of the Period/Year</b>	<b>26,526,476</b>	<b>26,129,906</b>

The movement on financial assets at fair value through other comprehensive income for bonds during the period / year was as follow:

	<b>Stage (1) Individual JD</b>	<b>Stage (2) Individual JD</b>	<b>Stage (3) JD</b>	<b>Total JD</b>
<b>For the Three Months Period Ended March 31, 2021 (Reviewed)</b>				
Fair value – beginning of the period (Audited)	346,259,956	-	-	<b>346,259,956</b>
New investments during the period	53,718,739	-	-	<b>53,718,739</b>
Matured investments during the period	(52,014,499)	-	-	<b>(52,014,499)</b>
Change in fair value during the period	(3,871,616)	-	-	<b>(3,871,616)</b>
Amortize premium/ discount	243,325	-	-	<b>243,325</b>
Adjustments resulted from change in exchange rates	(119,904)	-	-	<b>(119,904)</b>
<b>Balance – End of the Period (Reviewed)</b>	<b>344,216,001</b>	<b>-</b>	<b>-</b>	<b>344,216,001</b>
<b>For the Year Ended December 31, 2020 (Audited)</b>				
Fair value – beginning of the year	352,431,258	10,768,285	-	<b>363,199,543</b>
New investments during the year	83,885,501	-	-	<b>83,885,501</b>
Matured investments during the year	(100,792,508)	(10,720,328)	-	<b>(111,512,836)</b>
Change in fair value during the year	6,670,407	4,344	-	<b>6,674,751</b>
Amortize premium/ discount	(828,470)	(50,196)	-	<b>(878,666)</b>
Adjustments resulted from change in exchange rates	4,893,768	(2,105)	-	<b>4,891,663</b>
<b>Balance – End of the Year</b>	<b>346,259,956</b>	<b>-</b>	<b>-</b>	<b>346,259,956</b>

The movement on expected credit losses during the period / year were as follow:

	<b>Stage (1) Individual JD</b>	<b>Stage (2) Individual JD</b>	<b>Stage (3) JD</b>	<b>Total JD</b>
<b>For the Three Months Period Ended March 31, 2021 (Reviewed)</b>				
Balance – beginning of the period (Audited)	507,262	-	-	<b>507,262</b>
Reversed from impairment losses on matured Investments	(4,377)	-	-	<b>(4,377)</b>
Effect on provision resulting from reclassification between three stages	151,263	-	-	<b>151,263</b>
Effect resulting from change in exchange Currencies	16,258	-	-	<b>16,258</b>
<b>Balance – End of the Period (Reviewed)</b>	<b>670,406</b>	<b>-</b>	<b>-</b>	<b>670,406</b>
<b>For the Year Ended December 31, 2020 (Audited)</b>				
Balance – beginning of the year	352,877	21,131	-	<b>374,008</b>
Expected credit loss for new investments during the year	267,736	-	-	<b>267,736</b>
Reversed from impairment losses on matured investments	(151,168)	(21,131)	-	<b>(172,299)</b>
Effect on provision resulting from reclassification between three stages	27,521	-	-	<b>27,521</b>
Adjustments resulting from change in exchange rates	10,296	-	-	<b>10,296</b>
<b>Balance – End of the Year</b>	<b>507,262</b>	<b>-</b>	<b>-</b>	<b>507,262</b>

#### **10. Direct credit facilities at fair value through the profit or loss**

The details of this item are as follows:

	<b>March 31, 2021 (Reviewed)</b>	<b>December 31, 2020 (Audited)</b>
	<b>JD</b>	<b>JD</b>
Direct Credit Facilities at fair value	131,982,638	130,690,360
<b>Total</b>	<b>131,982,638</b>	<b>130,690,360</b>

- The movement on direct credit facilities at fair value through profit or loss during the period / year were as follow:

	<b>March 31, 2021 (Reviewed)</b>	<b>December 31, 2020 (Audited)</b>
	<b>JD</b>	<b>JD</b>
<b>Balance – beginning of the period/year</b>	130,690,360	-
Transferred from direct credit facilities at amortized cost	-	129,093,382
Changes resulted from adjustments	1,721,641	-
Change in fair value during the period / year	(429,363)	1,596,978
<b>Balance – End of the Period/Year</b>	<b>131,982,638</b>	<b>130,690,360</b>

**11. Direct Credit Facilities at Amortized Cost – Net**

The details of this item are as follows:

	<b>March 31, 2021 (Reviewed)</b>	<b>December 31, 2020 (Audited)</b>
	<b>JD</b>	<b>JD</b>
<b>Individuals (retail):</b>		
Overdraft accounts	6,870,051	5,481,013
Loans and discounted bills *	862,638,018	841,501,810
Credit cards	14,898,306	15,144,726
<b>Real estate loans</b>	<b>1,255,585,462</b>	<b>1,258,978,371</b>
Includes Housing loans	782,587,753	783,748,117
<b>Companies:</b>		
<b>Large</b>		
Overdraft accounts	293,415,741	216,813,681
Loans and discounted bills *	1,278,078,178	1,293,788,358
<b>Small and Medium</b>		
Overdraft accounts	72,773,795	57,323,650
Loans and discounted bills *	261,951,299	256,118,000
<b>Government and public sector</b>	<b>561,095,812</b>	<b>577,933,242</b>
<b>Total</b>	<b>4,607,306,662</b>	<b>4,523,082,851</b>
Less: Provision of expected credit losses	(437,006,557)	(431,232,121)
Interest in suspense	(114,130,053)	(115,106,958)
<b>Net Direct Credit Facilities</b>	<b>4,056,170,052</b>	<b>3,976,743,772</b>

\* Net after deducting interest and commission received in advance of JD 20,553,554 as of March 31, 2021 (JD 22,038,145 as of December 31, 2020).

- Non-performing credit facilities amounted to JD 353,603,884 which is equivalent to 7.46% of total direct credit facilities as of March 31, 2021 (JD 367,220,045 which is equivalent to 7.89% of total direct credit facilities as of December 31, 2020).
- Non-performing credit facilities after deducting interest and commissions in suspense amounted to JD 246,028,719 which is equivalent to 5.32% of total direct credit facilities (at amortized cost and at fair value) balance after deducting interest and commission in suspense as of March 31, 2021 (JD 255,512,265 which is equivalent to 5.63% of total credit facilities balance after deducting interest and commission in suspense as of December 31, 2020).
- Non-performing credit facilities transferred to off-the consolidated statement of financial position amounted to JD 8,746,654 during the three months period ended March 31, 2021 (JD 20,875,345 during the year 2020), the off-balance sheet item balance is amounted to JD 418,803,364 as of March 31, 2021 (JD 406,053,093 as of December 31, 2020). These debts are fully covered with provisions and interest in suspense.
- Direct credit facilities granted to and guaranteed by the Government of Jordan amounted to JD 631,700,223 which is equivalent to 13.3% of total direct credit facilities as of March 31, 2021 (JD 577,933,242 which is equivalent to 13.9% as of December 31, 2020).
- Loans rescheduled are amounted to JD 18,5 million during the period ended March 31, 2021 against JD 51.7 million during the year 2020.
- Loans restructured are amounted to JD 131,1 million during the period ended March 31, 2021 against JD 255.7 million during the year 2020.

The movement on direct credit facilities during the period / year were as follow:

	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD		
For the Three Months Period						
<u>Ended March 31, 2021 (Reviewed)</u>						
Balance - beginning of the period (Audited)	2,029,419,235	1,620,627,677	338,844,132	94,476,568	439,715,239	<b>4,523,082,851</b>
Reclassification impact	127,476	(30,518,646)	-	30,391,170	-	-
<b>Adjusted balance – beginning of the year</b>	<b>2,029,546,711</b>	<b>1,590,109,031</b>	<b>338,844,132</b>	<b>124,867,738</b>	<b>439,715,239</b>	<b>4,523,082,851</b>
New credit facilities during the period	159,087,825	155,827,026	1,942,579	1,271,590	960,229	<b>319,089,249</b>
Paid credit facilities during the period	(63,906,009)	(90,739,912)	(6,753,618)	(2,153,779)	(6,179,774)	<b>(169,733,092)</b>
Transferred (from) to stage (1)	19,721,464	26,743,712	(19,721,464)	(26,726,455)	(17,257)	-
Transferred (from) to stage (2)	(41,945,964)	(10,857,991)	44,220,232	16,216,144	(7,632,421)	-
Transferred (from) to stage (3)	(6,074,341)	(758,299)	(793,985)	(2,087,229)	9,713,854	-
Changes resulted from adjustments	(14,103,206)	(33,584,075)	1,367,599	(2,239,278)	2,023,502	<b>(46,535,458)</b>
Written off / transferred to off-the statement of financial position credit facilities	-	-	-	-	(16,785,100)	<b>(16,785,100)</b>
Adjustments resulting from change in exchange	(2,323,865)	1,297,239	(528,394)	(14)	(256,754)	<b>(1,811,788)</b>
<b>Balance - End of the Period (Reviewed)</b>	<b>2,080,002,615</b>	<b>1,638,036,731</b>	<b>358,577,081</b>	<b>109,148,717</b>	<b>421,541,518</b>	<b>4,607,306,662</b>
For the Year Ended						
<u>December 31, 2020 (Audited)</u>						
Balance - beginning of the year	1,999,944,671	1,764,918,943	321,609,001	124,546,946	387,724,773	<b>4,598,744,334</b>
Reclassification impact	210,016,133	(210,016,133)	22,000,702	(22,000,702)	-	-
<b>Adjusted balance – beginning of the year</b>	<b>2,209,960,804</b>	<b>1,554,902,810</b>	<b>343,609,703</b>	<b>102,546,244</b>	<b>387,724,773</b>	<b>4,598,744,334</b>
New credit facilities during the year	416,677,939	418,244,061	16,484,631	13,984,832	14,628,499	<b>880,019,962</b>
Paid credit facilities during the year	(305,853,997)	(255,427,631)	(23,023,189)	(15,438,233)	(15,830,529)	<b>(615,573,579)</b>
Transferred (from) to stage (1)	12,702,016	47,374,817	(12,001,851)	(40,651,504)	(7,423,478)	-
Transferred (from) to stage (2)	(56,124,955)	(47,924,378)	57,838,483	55,753,164	(9,542,314)	-
Transferred (from) to stage (3)	(4,974,800)	(8,551,536)	(50,945,868)	(9,147,268)	73,619,472	-
Changes resulting from adjustments	(93,734,713)	(77,374,024)	8,989,468	1,314,999	36,628,539	<b>(124,175,731)</b>
Transferred to direct credit facilities at fair value through profit or loss	(129,093,382)	-	-	-	-	<b>(129,093,382)</b>
Written off / transferred to off-the statement of financial position credit facilities	-	-	-	-	(23,688,063)	<b>(23,688,063)</b>
Adjustments resulting from change in exchange rates	(20,139,677)	(10,616,442)	(2,107,245)	(13,885,666)	(16,401,660)	<b>(63,150,690)</b>
<b>Balance - End of the Year</b>	<b>2,029,419,235</b>	<b>1,620,627,677</b>	<b>338,844,132</b>	<b>94,476,568</b>	<b>439,715,239</b>	<b>4,523,082,851</b>

The movement on the provision of expected credit loss during the period / year were as follows:

	<u>Corporate</u>	<u>SME's</u>	<u>Retail</u>	<u>Real Estate</u>	<u>Governmental and Public</u>	<u>Total</u>
	JD	JD	JD	JD	JD	JD
<u>For the Three Months Ended March 31, 2021 (Reviewed)</u>						
Balance - beginning of the period (Audited)	217,494,102	47,931,630	36,517,290	129,214,695	74,404	<b>431,232,121</b>
Reclassification impact	1,758,399	52,848	4,990	(1,816,237)	-	-
<b>Adjusted Beginning Balance (Reviewed)</b>	<b>219,252,501</b>	<b>47,984,478</b>	<b>36,522,280</b>	<b>127,398,458</b>	<b>74,404</b>	<b>431,232,121</b>
Impairment loss on new facilities during the period	12,746,318	749,042	1,322,864	158,285	3,471	<b>14,979,980</b>
Reversed from impairment loss on paid facilities	(12,276,403)	(858,959)	(1,299,124)	(1,267,084)	-	<b>(15,701,570)</b>
Transferred to stage (1)	(7,674,597)	569,043	2,547,289	2,082,533	-	<b>(2,475,732)</b>
Transferred (from) to stage (2)	5,526,450	(227,491)	(1,941,498)	(2,728,290)	-	<b>629,171</b>
Transferred (from) to stage (3)	2,148,147	(341,552)	(605,791)	645,757	-	<b>1,846,561</b>
Effect on the provision as of the end of the period resulting from reclassification between stages during the period	649,256	(384,014)	(1,218,327)	(1,066,716)	-	<b>(2,019,801)</b>
Changes resulting from adjustment	5,461,949	721,061	3,703,056	6,020,461	(21,442)	<b>15,885,085</b>
Written off / transferred to off-the statement of financial position credit facilities	(7,037,572)	-	(35,579)	(52,422)	-	<b>(7,125,573)</b>
Adjustments resulting from change in exchange rates	(82,254)	(153,009)	(1,200)	(7,222)	-	<b>(243,685)</b>
<b>Balance - End of the Period (Reviewed)</b>	<b>218,713,795</b>	<b>48,058,599</b>	<b>38,993,970</b>	<b>131,183,760</b>	<b>56,433</b>	<b>437,006,557</b>
Redistribution based on portfolio:						
Provisions on an individual level	216,090,382	47,056,979	21,401,698	116,432,394	56,433	<b>401,037,886</b>
Provisions on a collective level	2,623,413	1,001,620	17,592,272	14,751,366	-	<b>35,968,671</b>
	<b>218,713,795</b>	<b>48,058,599</b>	<b>38,993,970</b>	<b>131,183,760</b>	<b>56,433</b>	<b>437,006,557</b>
Redistribution based on stages:						
Stage (1)	17,070,139	5,525,548	7,906,936	10,192,247	56,433	<b>40,751,303</b>
Stage (2)	54,499,545	6,014,444	10,915,491	88,383,997	-	<b>159,813,477</b>
Stage (3)	147,144,111	36,518,607	20,171,543	32,607,516	-	<b>236,441,777</b>
	<b>218,713,795</b>	<b>48,058,599</b>	<b>38,993,970</b>	<b>131,183,760</b>	<b>56,433</b>	<b>437,006,557</b>

	Corporate	SME's	Retail	Real Estate	Governmental and Public	Total
	JD	JD	JD	JD	JD	JD
<u>For the Year Ended December 31, 2020 (Audited)</u>						
Balance - beginning of the year	178,484,965	39,280,368	40,543,847	74,880,894	417,669	<b>333,607,743</b>
Reclassification impact	1,082,581	(894,576)	389,311	(177,315)	(400,001)	-
<b>Adjusted Beginning Balance</b>	<b>179,567,546</b>	<b>38,385,792</b>	<b>40,933,158</b>	<b>74,703,579</b>	<b>17,668</b>	<b>333,607,743</b>
Impairment loss on new facilities during the year	12,245,589	6,240,575	4,444,974	2,999,871	581	<b>25,931,590</b>
Reversed from impairment loss on paid facilities	(9,535,737)	(3,440,928)	(3,511,161)	(1,473,408)	(49)	<b>(17,961,283)</b>
Transferred to stage (1)	731,346	(72,639)	4,117,906	3,287,920	-	<b>8,064,533</b>
Transferred (from) to stage (2)	(7,908,580)	(3,322,886)	(603,135)	(160,660)	-	<b>(11,995,261)</b>
Transferred (from) to stage (3)	7,177,234	3,395,525	(3,514,771)	(3,127,260)	-	<b>3,930,728</b>
Effect on the provision as of the end of the period resulting from reclassification between stages during the year	19,357,572	6,038,044	2,077,178	7,278,752	-	<b>34,751,546</b>
Changes resulting from adjustment	28,624,840	3,854,557	(7,001,048)	46,160,575	56,204	<b>71,695,128</b>
Written off / transferred to off-the statement of financial position credit facilities	(8,352,010)	(2,023,140)	(377,734)	(235,635)	-	<b>(10,988,519)</b>
Adjustments resulting from change in exchange Rates	(4,413,698)	(1,123,270)	(48,077)	(219,039)	-	<b>(5,804,084)</b>
<b>Balance - End of the Year</b>	<b>217,494,102</b>	<b>47,931,630</b>	<b>36,517,290</b>	<b>129,214,695</b>	<b>74,404</b>	<b>431,232,121</b>
Redistribution based on portfolio:						
Provisions on an individual level	216,529,551	47,156,080	21,425,185	114,577,284	74,404	<b>399,762,504</b>
Provisions on a collective level	964,551	775,550	15,092,105	14,637,411	-	<b>31,469,617</b>
	<b>217,494,102</b>	<b>47,931,630</b>	<b>36,517,290</b>	<b>129,214,695</b>	<b>74,404</b>	<b>431,232,121</b>
Redistribution based on stages:						
Stage (1)	26,526,203	4,766,044	7,323,419	15,592,456	74,404	<b>54,282,526</b>
Stage (2)	41,642,561	6,336,783	8,795,760	83,203,865	-	<b>139,978,969</b>
Stage (3)	149,325,338	36,828,803	20,398,111	30,418,374	-	<b>236,970,626</b>
	<b>217,494,102</b>	<b>47,931,630</b>	<b>36,517,290</b>	<b>129,214,695</b>	<b>74,404</b>	<b>431,232,121</b>

## Interest in Suspense

The following is the movement on interest in suspense:

	<u>Corporate Entities</u>				<u>Government and Public Sector</u>	<u>Total</u>
	<u>Corporate</u>	<u>SME's</u>	<u>Retail</u>	<u>Real Estate loans</u>		
	JD	JD	JD	JD	JD	JD
<u>For the Three Months Ended March 31, 2021 (Reviewed)</u>						
Balance – beginning of the period (Audited)	43,690,566	27,118,474	24,910,177	19,387,741	-	<b>115,106,958</b>
Reclassification impact	-	5,929	(7,285)	1,356	-	-
<b>Adjusted Beginning Balance (Reviewed)</b>	<b>43,690,566</b>	<b>27,124,403</b>	<b>24,902,892</b>	<b>19,389,097</b>	-	<b>115,106,958</b>
Suspended interest on new exposures during the period	380,187	57,764	35,934	-	-	<b>473,885</b>
Suspended interest on settled exposures transferred to revenue during the period	(899,105)	(90,891)	(133,139)	(462,330)	-	<b>(1,585,465)</b>
Total effect on the suspended interest resulting from reclassification between stages	(2,175)	(86,470)	(232,590)	(274,710)	-	<b>(595,945)</b>
Total effect on the suspended interest resulting from adjustments	2,935,281	1,876,586	1,317,420	4,327,036	-	<b>10,456,323</b>
Written off / transferred to off-the statement of financial position interest in suspense	(8,819,280)	(14,404)	(465,082)	(360,761)	-	<b>(9,659,527)</b>
Adjustments resulting from change in exchange Rates	(5,939)	(59,036)	(1,037)	(164)	-	<b>(66,176)</b>
<b>Balance – End of the Period (Reviewed)</b>	<b>37,279,535</b>	<b>28,807,952</b>	<b>25,424,398</b>	<b>22,618,168</b>	-	<b>114,130,053</b>
<u>For the year ended December 31, 2020 (Audited)</u>						
Balance – beginning of the year	45,614,086	23,114,028	20,778,391	16,809,081	-	<b>106,315,586</b>
Reclassification impact	260,600	(257,250)	11,132	(14,482)	-	-
<b>Adjusted Beginning Balance</b>	<b>45,874,686</b>	<b>22,856,778</b>	<b>20,789,523</b>	<b>16,794,599</b>	-	<b>106,315,586</b>
Suspended interest on new exposures during the year	224,183	509,319	55,917	84,215	-	<b>873,634</b>
Suspended interest on settled exposures transferred to revenue during the year	(2,030,735)	(663,942)	(233,635)	(735,728)	-	<b>(3,664,040)</b>
Total effect on the suspended interest resulting from reclassification between stages	1,412,565	619,718	(374,738)	(202,922)	-	<b>1,454,623</b>
Total effect on the suspended interest resulting from adjustments	10,559,567	6,142,130	5,092,447	4,280,229	-	<b>26,074,373</b>
Written off / transferred to off-the statement of financial position interest in suspense	(9,546,597)	(1,932,875)	(398,063)	(822,084)	-	<b>(12,699,619)</b>
Adjustments resulting from change in exchange rates	(2,803,103)	(412,654)	(21,274)	(10,568)	-	<b>(3,247,599)</b>
<b>Balance – End of the Year</b>	<b>43,690,566</b>	<b>27,118,474</b>	<b>24,910,177</b>	<b>19,387,741</b>	-	<b>115,106,958</b>

- The following table shows the total credit facilities classified by economic sector and geographic distribution:

<b>Economic Sector</b>	<b>March 31, 2021 (Reviewed)</b>			<b>December 31, 2020 (Audited)</b>
	<b>Inside Jordan</b>	<b>Outside Jordan</b>	<b>Total</b>	<b>Total</b>
	JD	JD	JD	JD
Financial	135,491,483	61,534,397	197,025,880	184,921,682
Industrial	316,625,547	160,341,762	476,967,309	485,535,840
Trading	301,279,794	259,727,876	561,007,670	548,815,320
Real estate	1,052,682,719	254,714,732	1,307,397,451	1,294,738,478
Agriculture	24,147,783	1,442,820	25,590,603	23,932,778
Shares	6,991,934	-	6,991,934	5,642,396
Individuals	868,255,138	24,677,055	892,932,193	879,261,768
Government and public sector	483,841,779	77,254,033	561,095,812	577,933,242
Other	464,807,360	113,490,450	578,297,810	522,301,347
	<b>3,654,123,537</b>	<b>953,183,125</b>	<b>4,607,306,662</b>	<b>4,523,082,851</b>

## **12. Financial Assets at Amortized Cost - Net**

The details of this item are as follows:

	<b>March 31, 2021 (Reviewed)</b>	<b>December 31, 2020 (Audited)</b>
	JD	JD
<b>Quoted Financial Assets:</b>		
Jordanian treasury bonds *	1,224,284,927	1,117,900,012
Governmental or guaranteed by Government bonds	538,844,219	531,390,922
Foreign governments bonds	24,336,301	24,342,358
Corporate bonds and debentures	164,259,022	162,386,634
<b>Total Quoted Financial Assets</b>	<b>1,951,724,469</b>	<b>1,836,019,926</b>
<b>Unquoted Financial Assets:</b>		
Corporate bonds and debentures	3,000,001	3,000,001
<b>Total Unquoted Financial Assets</b>	<b>3,000,001</b>	<b>3,000,001</b>
<b>Total</b>	<b>1,954,724,470</b>	<b>1,839,019,927</b>
<u>Less: Provision for excepted credit losses</u>	<u>(3,845,173)</u>	<u>(5,177,632)</u>
<b>Total</b>	<b>1,950,879,297</b>	<b>1,833,842,295</b>
<b>Bonds and Bills Analysis:</b>		
at fixed rate	1,950,879,297	1,825,271,295
at floating rate	-	8,571,000
<b>Total</b>	<b>1,950,879,297</b>	<b>1,833,842,295</b>

- Bonds are repaid on several installments, the last of which matures in the year 2036.

- Interest rate on bonds ranges from 0.7% to 6.74%.

- \* The Bank has entered into repurchase agreements with the Central Bank of Jordan as stated in Note (15) against mortgaging treasury bonds with a nominal value of JD 37.3 million (JD 52.8 million as of December 31, 2020).

The following is the movement on financial assets at amortized cost during the period / year:

	<b>Stage (1) Individual</b>	<b>Stage (2) Individual</b>	<b>Stage (3) Individual</b>	<b>Total</b>
	<b>JD</b>	<b>JD</b>	<b>JD</b>	<b>JD</b>
<b><u>For the Three Months Ended March 31, 2021 (Reviewed)</u></b>				
Beginning balance (Audited)	1,836,019,926	-	3,000,001	<b>1,839,019,927</b>
New investments during the period	211,003,172	-	-	<b>211,003,172</b>
Matured investments during the period	(95,587,100)	-	-	<b>(95,587,100)</b>
Amortization of premium/ discount	121,831	-	-	<b>121,831</b>
Adjustments resulting from changes in exchange rates	166,640	-	-	<b>166,640</b>
<b>Balance – End of the Period (Reviewed)</b>	<b><u>1,951,724,469</u></b>	<b><u>-</u></b>	<b><u>3,000,001</u></b>	<b><u>1,954,724,470</u></b>

<b><u>For the Year Ended December 31, 2020 (Audited)</u></b>				
Beginning balance	1,826,801,575	-	3,000,001	<b>1,829,801,576</b>
New investments during the year	253,382,804	-	-	<b>253,382,804</b>
Matured investments during the year	(245,231,000)	-	-	<b>(245,231,000)</b>
Amortization of premium/ discount	966,518	-	-	<b>966,518</b>
Adjustments resulting from changes in exchange rates	100,029	-	-	<b>100,029</b>
<b>Balance – End of the Year</b>	<b><u>1,836,019,926</u></b>	<b><u>-</u></b>	<b><u>3,000,001</u></b>	<b><u>1,839,019,927</u></b>

The following is the movement on provision for expected credit losses during the period / year:

	<b>Stage (1) Individual</b>	<b>Stage (2) Individual</b>	<b>Stage (3)</b>	<b>Total</b>
	<b>JD</b>	<b>JD</b>	<b>JD</b>	<b>JD</b>
<b><u>For the Three Months Ended March 31, 2021 (Reviewed)</u></b>				
Beginning balance (Audited)	2,177,632	3,000,000	-	<b>5,177,632</b>
The effect on the provision resulting from the adjustments	(1,333,287)	-	-	<b>(1,333,287)</b>
Adjustments resulting from changes in exchange rates	828	-	-	<b>828</b>
<b>Balance – End of the Period (Reviewed)</b>	<b><u>845,173</u></b>	<b><u>3,000,000</u></b>	<b><u>-</u></b>	<b><u>3,845,173</u></b>
<b><u>For the Year Ended December 31, 2020 (Audited)</u></b>				
Beginning balance	177,625	-	3,000,000	<b>3,177,625</b>
Expected credit loss for new investments during the year	908,182	-	-	<b>908,182</b>
Expected credit loss for matured investments during the year	(16,826)	-	-	<b>(16,826)</b>
The effect on the provision resulting from the adjustments	1,103,822	-	-	<b>1,103,822</b>
Adjustments resulting from changes in exchange rates	4,829	-	-	<b>4,829</b>
<b>Balance – End of the Year</b>	<b><u>2,177,632</u></b>	<b><u>-</u></b>	<b><u>3,000,000</u></b>	<b><u>5,177,632</u></b>

### 13. Other Assets

The details of this item are as follows:

	<b>March 31, 2021 (Reviewed)</b>	<b>December 31, 2020 (Audited)</b>
	<b>JD</b>	<b>JD</b>
Accrued revenues and interest	29,964,899	29,817,280
Prepaid expenses	9,747,640	2,986,491
Assets seized by the Bank *	68,022,195	66,579,286
Revaluation gain / Hedge derivatives	-	252,390
Cheques under collection	11,925,942	14,984,796
Other	10,741,686	9,675,211
<b>Total</b>	<b>130,402,362</b>	<b>124,295,454</b>
Provision for expected credit loss **	(461,148)	(453,608)
<b>Net</b>	<b>129,941,214</b>	<b>123,841,846</b>

- \* The regulations of Central Bank of Jordan require the Banks to dispose-off the assets it seizes during a maximum period of two years from the date of the acquisition.

The following is a summary of the movement on assets seized by the Bank:

	<b>For the Three Months Period Ended March 31, 2021 (Reviewed)</b>	<b>For the Year Ended December 31, 2020 (Audited)</b>
	<b>JD</b>	<b>JD</b>
Beginning balance	66,579,286	64,412,759
Additions during the period / year	3,268,453	13,688,228
Disposals during the period / year	(1,528,792)	(6,423,991)
Impairment loss during the period / year	(296,752)	(4,952,095)
Foreign currencies translation difference during the period / year	-	(145,615)
<b>Balance – Ending of the Period / Year</b>	<b>68,022,195</b>	<b>66,579,286</b>

### 14. CUSTOMERS' DEPOSITS

The details of this item are as follows:

	<b>Retail</b>	<b>Corporate</b>	<b>SME's</b>	<b>Governmental and Public</b>	<b>Total</b>
	<b>JD</b>	<b>JD</b>	<b>JD</b>	<b>JD</b>	<b>JD</b>
<u>March 31, 2021 (Reviewed)</u>					
Current accounts and					
demand deposits	682,043,973	182,184,640	333,119,875	53,827,929	<b>1,251,176,417</b>
Saving deposits	2,065,368,982	4,311,418	11,458,060	403,336	<b>2,081,541,796</b>
Time and notice deposits	1,253,567,785	353,449,333	17,621,988	154,728,733	<b>1,779,367,839</b>
Certificates of deposit	214,767,537	20,192,825	903,906	-	<b>235,864,268</b>
Others	412,804	-	-	-	<b>412,804</b>
<b>Total</b>	<b>4,216,161,081</b>	<b>560,138,216</b>	<b>363,103,829</b>	<b>208,959,998</b>	<b>5,348,363,124</b>
<u>December 31, 2020 (Audited)</u>					
Current accounts and					
demand deposits	666,315,607	185,585,879	325,095,531	57,928,997	<b>1,234,926,014</b>
Saving deposits	2,058,453,077	90,052	14,512,166	382,574	<b>2,073,437,869</b>
Time and notice deposits	1,248,459,314	371,812,862	59,158,943	229,715,262	<b>1,909,146,381</b>
Certificates of deposit	224,417,024	23,217,152	917,192	-	<b>248,551,368</b>
Others	413,333	-	-	-	<b>413,333</b>
<b>Total</b>	<b>4,198,058,355</b>	<b>580,705,945</b>	<b>399,683,832</b>	<b>288,026,833</b>	<b>5,466,474,965</b>

- The deposits of the public sector and the Government of Jordan inside the Kingdom amounted to approximately JD 198.4 million representing 3.7% of total deposits as of March 31, 2021 (approximately JD 280.4 million, representing 5.1% of total deposits as of December 31, 2020).
- Non-interest bearing deposits are amounted to JD 1.64 billion, representing 30.7% of total deposits as of March 31, 2021 (around JD 1.63 billion, representing 29.9% of total deposits as of December 31, 2020).
- Restricted deposits (Restricted withdrawal) amounted to JD 180,5 million, representing 3.4% of total deposits as of March 31, 2021 (JD 187.1 million, representing 3.4% of total deposits as of December 31, 2020).
- Dormant accounts amounted to JD 287.4 million, representing 5.4% of total deposits as of March 31, 2021 (JD 251.9 million, representing 4.6% of total deposits as of December 31, 2020).

## 15. Borrowed funds:

This item consists of the following:

<u>December 31, 2020</u>	<u>Amount</u>	<u>Periodic Repayment</u>	<u>Number of Total Payments</u>	<u>Number of Remaining Payments</u>	<u>Repayment Date</u>	<u>Guarantee</u>	<u>Borrowing Interest Rate</u>	<u>Re-lending Interest Rate</u>
	<b>JD</b>							
Amman Cairo Bank loan	25,000,027	Monthly	13	13	25/02/2022	Financial Solvency	%3,50	10.5%
Jordan Mortgage Refinance Co.	5,000,000	Semi annual	1	1	06/05/2023	Financial Solvency	%4,50	10.5%
Jordan Mortgage Refinance Co.	5,000,000	Semi annual	1	1	07/01/2024	Financial Solvency	%4,50	10.5%
Jordan Mortgage Refinance Co.	5,000,000	Semi annual	1	1	15/11/2023	Financial Solvency	%4,50	10.5%
Central Bank of Jordan loan	4,550,000	Semi annual	20	13	14/07/2028	Financial Solvency	1,99%	Guaranteed 6.04% Without guarantee 6.54%
Central Bank of Jordan loan	3,577,388	Semi annual	20	18	15/03/2030	Financial Solvency	2,04%	Guaranteed 5.59% Without guarantee 6.59%
Central Bank of Jordan loan	1,785,000	Semi annual	15	8	07/02/2031	Financial Solvency	%2,5	Guaranteed 6% Without guarantee 6.5%
Central Bank of Jordan loan	3,880,680	Semi annual	34	34	21/12/2039	Financial Solvency	%3,00	Guaranteed 6.5% without guarantee 7.5%
Central Bank of Jordan loan	4,000,000	Semi annual	34	34	15/03/2035	Financial Solvency	1,99%	Guaranteed 6.04% without guarantee 6.54%
Central Bank of Jordan loan	46,324,791	Based on each drawdown			10 years	Promissory note on demand	Inside the capital 1% outside the capital 0.5%	Inside the capital Minimum 3.75% outside the capital minimum 3.25%
Central Bank of Jordan loan – national program to face COVID-19 pandemic	27,527,331	Based on each drawdown			42 months	Promissory note on demand	%0	%2
Central Bank of Jordan – repurchase agreements	37,102,153	Based on each agreement			From 6 days to 27months	Government bonds	%2	-
Bank UBAF - Japan	25,862,690	Based on the financing agreement			19/05/2021	Financial Solvency	0.9%	6 month us Libor + 1.9% (floor : 1.9%)
Jordan Mortgage Refinance Co *	50,000,000	Semi annual	1	1	29/5/2024	Mortgage	%6,35	%8,25 - %5,75
Jordan Mortgage Refinance Co *	25,000,000	Semi annual	1	1	31/01/2022	Mortgage	%6,10	%8,25 - %5,75
Jordan Mortgage Refinance Co *	30,000,000	Semi annual	1	1	08/10/2023	Mortgage	%4.25	%8,25 - %5,75
	<u>299,610,060</u>							

\* Funds have been lent to customers for housing loans with an interest rate ranges from 5.75% to 8.25%.

- Borrowed funds with a fixed interest rate amounted to JD 287,482,672, and borrowed funds with variable interest rate amounted to JD 12,127,388 as of March 31, 2021.

- Borrowed funds are amounted to JD 20,823,002 and settled borrowed funds are amounted to JD 16,239,993 during the three months period ended March 31, 2021 except for repurchase agreements.

- The renewed loans during the three months period ended March 31, 2021 are amounted to JD 5,000,000.

	<b>Amount</b>	<b>Periodic Repayment</b>	<b>Number of Total Payments</b>	<b>Number of Remaining Payments</b>	<b>Repayment Date</b>	<b>Guarantee</b>	<b>Borrowing Interest Rate</b>	<b>Re-lending Interest Rate</b>
<b>December 31, 2020</b>	<b>JD</b>							
Amman Cairo Bank loan	28,000,019	Monthly	16	16	16/12/2021	Financial Solvency	%3,50	10.5%
Jordan Mortgage Refinance Co.	5,000,000	Semi annual	1	1	06/05/2023	Financial Solvency	%4,50	10.5%
Jordan Mortgage Refinance Co.	5,000,000	Semi annual	1	1	07/01/2021	Financial Solvency	%5,00	10.5%
Jordan Mortgage Refinance Co.	5,000,000	Semi annual	1	1	15/11/2023	Financial Solvency	%4,50	10.5%
Central Bank of Jordan loan	4,900,000	Semi annual	20	14	14/07/2028	Financial Solvency	2,08%	Guaranteed 6.04% without guarantee 6.54%
Central Bank of Jordan loan	3,776,131	Semi annual	20	19	15/03/2030	Financial Solvency	2,13%	Guaranteed 5.59% without guarantee 6.59%
Central Bank of Jordan loan	1,785,000	Semi annual	15	8	07/02/2031	Financial Solvency	%2,5	Guaranteed 6% without guarantee 6.5%
Central Bank of Jordan loan	3,880,680	Semi annual	34	34	21/12/2039	Financial Solvency	%3,00	Guaranteed 6.5% without guarantee 7.5%
Central Bank of Jordan loan	4,000,000	Semi annual	34	34	15/03/2035	Financial Solvency	2,08%	Guaranteed 6.04% without guarantee 6.54%
Central Bank of Jordan loan	36,235,962	Based on each drawdown			10 years	Promissory note on demand	Inside the capital 1% outside the capital city 0.5%	Inside the capital 3.75% outside the capital minimum 3.25%
Central Bank of Jordan loan – national program to face COVID- 19 pandemic	29,484,408	Based on each drawdown			42 months	Promissory note on demand	%0	%2
Central Bank of Jordan – repurchase agreements	54,715,405	Based on each agreement			From 11 days to 3 months	Government bonds	%2	-
Bank UBAF - Japan	27,801,017	Based on the financing agreement			19/05/2021	Financial Solvency	0.9%	6 month us Libor + 1.9% (floor : 1.9%)
Jordan Mortgage Refinance Co *	50,000,000	Semi annual	1	1	29/5/2024	Mortgage	%6,35	%8,50 - %5,75
Jordan Mortgage Refinance Co *	25,000,000	Semi annual	1	1	31/01/2022	Mortgage	%6,10	%8,50 - %5,75
Jordan Mortgage Refinance Co *	<u>30,000,000</u>	Semi annual	1	1	08/10/2023	Mortgage	%4.25	%8,50 - %5,75
	<u>314,578,622</u>							

\* Funds have been lent to customers for housing loans with an interest rate ranges from 6.99% to 9.25%

- Borrowed funds with a fixed interest rate amounted to JD 301,902,491, and borrowed funds with variable interest rate amounted to JD 12,676,131as of December 31, 2020.

- Borrowed funds during 2020 amounted to JD 76,963,491 and the settled borrowed funds amounted to JD 55,908,283.

- The renewed loans during the year 2020 are amounted to JD 15,000,000.

## **16. Income Tax**

### **a. Income tax provision**

The movement on the income tax provision is as follows:

	<b>March 31, 2021</b>	<b>December 31,</b>
	<b>(Reviewed)</b>	<b>2020 (Audited)</b>
	<b>JD</b>	<b>JD</b>
Balance – beginning of the period / year	48,515,568	46,550,293
Income tax paid	(14,010,256)	(61,112,545)
Accrued income tax	18,768,245	62,552,313
Accrued income tax of distribution profits from a subsidiary	-	825,264
Currency translation	(56,280)	(299,757)
<b>Balance – Ending of the Period / Year</b>	<b>53,217,277</b>	<b>48,515,568</b>

- Income tax rate for Banks in Jordan is 35% and a 3% for the national contribution account. In addition, the income tax rates in the countries in which the Bank has investments range from 0% to 31%.
- The Bank has reached a final settlement with the Income and Sales Tax Department in Jordan up to the year 2016, and has paid the declared taxes for the years 2017, 2018, and 2019, while the income tax department in Jordan has not audited the tax returns for those years till the date of the issuance of these condensed consolidated interim financial information .
- Taxes due on Palestine branches were cleared up to 2018, and declared taxes have been paid up to the year 2019.
- The income tax for the International Bank for Trade and Finance /Syria was paid up to the year 2019.
- The income tax for the Housing Bank for Trade and Finance /Algeria was paid up to the year 2019.
- The income tax for Jordan International Bank/ London was paid up to the year 2019.
- The income tax for the International Financial Centre Company was paid up to the year 2019. Moreover, a final settlement has been reached for all years except for the years 2018 and 2020.
- The income tax for the Specialized Leasing Company was paid up to the year 2019, and a final settlement has been reached up to the year 2017.

### **b. Income tax expense appearing in the condensed consolidated interim statement of profit or loss represents the following:**

	<b>For the Three Months</b>	
	<b>Ended March 31,</b>	
	<b>2021</b>	<b>2020</b>
	<b>(Reviewed)</b>	<b>(Reviewed)</b>
	<b>JD</b>	<b>JD</b>
Provision for income tax for the period	18,768,245	20,867,824
Deferred tax assets for the period	(16,125,972)	(11,621,906)
Amortization of deferred tax assets	11,200,033	2,082,662
Amortization of deferred tax liabilities	-	(4,127)
<b>Total</b>	<b>13,842,306</b>	<b>11,324,453</b>

**17. Other Liabilities**

The details for this item are as follows:

	<b>March 31, 2021 (Reviewed)</b>	<b>December 31, 2020 (Audited)</b>
	<b>JD</b>	<b>JD</b>
Accrued interest	12,621,276	12,660,083
Interests and commissions received in advance	618,130	627,877
Accrued expenses	17,312,258	18,825,735
Certified cheques	33,007,882	27,716,240
Transfers in process	40,519,785	25,980,352
Payment in process	8,046,472	8,142,073
Prizes	921,766	532,131
Amounts payable to correspondent banks	1,689,475	1,656,199
General management trusts	4,967,386	5,086,352
Dividends payable to shareholders	2,641,717	2,647,281
Accounts payable	4,532,965	5,134,749
Unrealized loss / hedge derivatives	1,507,506	2,554,897
Other payable accounts	64,945,009	69,128,388
Provision for indirect facilities' expected credit loss	36,519,007	35,880,148
Others	6,050,408	11,141,655
<b>Total</b>	<b>235,901,042</b>	<b>227,714,160</b>

Below is the movement on indirect facilities during the period / year:

	<b>Stage (1)</b>		<b>Stage (2)</b>		<b>Stage (3)</b>	<b>Total</b>
	<b>Individual</b>	<b>Collective</b>	<b>Individual</b>	<b>Collective</b>		
	<b>JD</b>	<b>JD</b>	<b>JD</b>	<b>JD</b>		
<b><u>For the Three Months Period March 31, 2021 (Reviewed)</u></b>						
<b>Balance at the beginning of the period (Audited)</b>	692,194,446	64,259,589	39,957,175	4,312,028	19,027,488	<b>819,750,726</b>
New exposures during the period	150,236,022	6,729,206	3,327,553	1,055,396	-	<b>161,348,177</b>
Matured exposures during the period	(135,420,455)	(13,522,961)	(6,166,391)	(423,986)	(246,541)	<b>(155,780,334)</b>
Transferred (from) to stage (1)	4,900,406	1,459,933	(4,900,406)	(1,448,133)	(11,800)	-
Transferred (from) to stage (2)	(801,004)	(74,046)	831,004	132,832	(88,786)	-
Transferred (from) to stage (3)	(200)	(12,000)	(10,000)	(18,000)	40,200	-
Changes resulting from adjustment	(23,320,313)	(610,055)	(964,383)	(50,380)	(46,803)	<b>(24,991,934)</b>
Adjustments resulting from foreign currency changes	(678,137)	267,364	(37,716)	-	(91)	<b>(448,580)</b>
<b>Balance at the Ending of the Period (Reviewed)</b>	<b>687,110,765</b>	<b>58,497,030</b>	<b>32,036,836</b>	<b>3,559,757</b>	<b>18,673,667</b>	<b>799,878,055</b>
<b><u>For the Year Ended December 31, 2020 (Audited)</u></b>						
<b>Balance at the beginning of the year</b>	<b>686,750,033</b>	<b>139,683,669</b>	<b>32,131,097</b>	<b>4,381,623</b>	<b>19,746,052</b>	<b>882,692,474</b>
Reclassification impact	70,492,510	(70,492,510)	179,282	(179,282)	-	-
<b>Adjusted Beginning Balance</b>	<b>757,242,543</b>	<b>69,191,159</b>	<b>32,310,379</b>	<b>4,202,341</b>	<b>19,746,052</b>	<b>882,692,474</b>
New exposures during the year	302,469,988	10,593,932	10,315,454	682,060	198,050	<b>324,259,484</b>
Matured exposures during the year	(321,103,972)	(11,511,107)	(5,845,230)	(1,404,066)	(5,661,112)	<b>(345,525,487)</b>
Transferred (from) to stage (1)	2,576,288	954,632	(2,303,266)	(826,632)	(401,022)	-
Transferred (from) to stage (2)	(7,349,516)	(3,431,913)	7,769,762	3,431,913	(420,246)	-
Transferred (from) to stage (3)	(638,175)	(990,833)	(3,720,898)	(50,000)	5,399,906	-
Changes resulting from adjustment	(35,126,913)	4,802,622	1,447,100	748,285	146,957	<b>(27,981,949)</b>
Adjustments resulting from foreign currency changes	(5,875,797)	(5,348,903)	(16,126)	(2,471,873)	18,903	<b>(13,693,796)</b>
<b>Balance at the Ending of the Year</b>	<b>692,194,446</b>	<b>64,259,589</b>	<b>39,957,175</b>	<b>4,312,028</b>	<b>19,027,488</b>	<b>819,750,726</b>

Below is the movement on the expected credit loss for indirect facilities during the period / year:

	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD		
<b>For the Three Months Period March 31, 2021 (Reviewed)</b>						
<b>Balance at the beginning of the period (Audited)</b>	11,290,253	353,830	8,328,900	303,588	15,603,577	<b>35,880,148</b>
Impairment loss on the new facilities	2,251,893	66,608	131,172	11,649	-	<b>2,461,322</b>
Reversed from impairment loss on the matured facilities	(3,307,724)	(27,279)	(1,042,551)	(10,089)	(140,881)	<b>(4,528,524)</b>
Transferred (from) to stage (1) net	256,308	101,447	(256,308)	(97,173)	(4,274)	-
Transferred (from) to stage (2) net	(12,044)	(4,454)	30,551	23,570	(37,623)	-
Transferred (from) to stage (3) net	-	-	(328)	(1,096)	1,424	-
Effect on provision as end of the period resulting from reclassification between the three stages during the period	41,260	(93,504)	(3,534)	10,783	5,610	<b>(39,385)</b>
Changes resulting from adjustment	1,283,858	110,266	1,267,464	(44,739)	157,595	<b>2,774,444</b>
Adjustments resulting from foreign currency changes	(19,833)	(3,409)	(5,157)	-	(599)	<b>(28,998)</b>
<b>Balance at the Ending of the Period (Reviewed)</b>	<b>11,783,971</b>	<b>503,505</b>	<b>8,450,209</b>	<b>196,493</b>	<b>15,584,829</b>	<b>36,519,007</b>
<b>For the Year Ended December 31, 2020 (Audited)</b>						
Balance at the beginning of the year	<b>3,279,931</b>	<b>4,129,689</b>	<b>6,728,093</b>	<b>938,565</b>	<b>16,981,074</b>	<b>32,057,352</b>
Reclassification impact	2,770,570	(2,770,570)	30,084	(30,084)	-	-
<b>Adjusted Beginning Balance</b>	<b>6,050,501</b>	<b>1,359,119</b>	<b>6,758,177</b>	<b>908,481</b>	<b>16,981,074</b>	<b>32,057,352</b>
Impairment loss on the new facilities	6,842,630	104,144	2,111,474	35,086	105,004	<b>9,198,338</b>
Reversed from impairment loss on the matured facilities	(3,540,491)	(481,972)	(118,803)	(330,969)	(5,233,176)	<b>(9,705,411)</b>
Transferred (from) to stage (1) net	217,652	244,384	(10,155)	(178,084)	(273,797)	-
Transferred (from) to stage (2) net	(249,640)	(442,327)	585,837	442,327	(336,197)	-
Transferred (from) to stage (3) net	(3,204)	(1,644)	(1,760,159)	(2,474)	1,767,481	-
Effect on provision as of the end of year resulting from reclassification between the three stages during the year	(169,114)	(240,389)	(55,438)	(282,462)	1,795,619	<b>1,048,216</b>
Changes resulting from adjustment	2,398,769	1,042,918	820,598	524,379	797,622	<b>5,584,286</b>
Adjustments resulting from foreign currency changes	(256,850)	(1,230,403)	(2,631)	(812,696)	(53)	<b>(2,302,633)</b>
<b>Balance at the Ending of the Year</b>	<b>11,290,253</b>	<b>353,830</b>	<b>8,328,900</b>	<b>303,588</b>	<b>15,603,577</b>	<b>35,880,148</b>

**18. Expected Credit Losses Expense**

The details of this item is as follows:

	<b>For the Three Months Ended March 31,</b>	
	<b>2021 (Reviewed)</b>	<b>2020 (Reviewed)</b>
	<b>JD</b>	<b>JD</b>
Balances and deposits at banks and financial institutions	(690)	379,290
Financial assets at fair value through other comprehensive income	146,886	(90,416)
Financial assets at amortized cost	(1,333,287)	350,069
Direct credit facilities	13,143,694	24,720,480
Commitments and contingent liabilities	667,857	571,536
Other Assets	7,540	-
	<b>12,632,000</b>	<b>25,930,959</b>

**19. Fair Value Reserve – Net**

The details of this item is as follows:

	<b>For the Three Months Ended March 31, 2021 (Reviewed)</b>	<b>For the Year Ended December 31, 2020 (Audited)</b>
	<b>JD</b>	<b>JD</b>
	Balance – beginning of the period/year	9,654,188
Unrealized gain (loss) - equity instrument	-	(123,521)
Unrealized gain – debt instrument	(3,871,616)	6,674,751
Deferred tax assets	557,850	118,092
Deferred tax liabilities	721,369	(2,415,997)
Net change in valuation reserve of financial assets at fair value through comprehensive income after tax	(2,592,397)	4,253,324
<b>Balance at the End of the Period/Year</b>	<b>7,061,791</b>	<b>9,654,188</b>

**20. Retained Earnings**

The movement on retained earnings is as follows:

	<b>March 31, 2021 (Reviewed)</b>	<b>December 31, 2020 (Audited)</b>
	<b>JD</b>	<b>JD</b>
Balance – beginning of the period / year	313,925,834	285,267,050
Prior year adjustments *	(3,212)	(9,566)
<b>Adjusted– Beginning Balance of the Period / Year</b>	<b>313,922,622</b>	<b>285,257,484</b>
Income for the period / year	-	36,614,354
Transferred to reserves	-	(7,944,654)
(Loss) gains from sale of financial assets at fair value through other comprehensive Income	-	(1,350)
<b>Balance – End of the Period / Year</b>	<b>313,922,622</b>	<b>313,925,834</b>

\* Prior year adjustments item represents reserves for subsidiaries that were recorded after the issuance of the group consolidated financial statements for the year 2020.

- The Bank cannot use a restricted amount of JD 6,275,955 from retained earnings which represents the financial assets revaluation differences in accordance with the instructions of the Central Bank of Jordan and the Jordan Securities Commission.
- Retained earnings includes an amount of JD 519,370 which represents the effect of early implementation of the International Financial Reporting Standard No (9). This amount may not be used except for the amounts actually realized from sale.
- The Bank cannot use a restricted amount of JD 104,811,376 from retained earnings which represents deferred tax assets which are restricted against capitalization or distribution only to the extent if actually recognized in accordance with the instructions of the Central Bank of Jordan and the Jordan Securities Commission.
- Retained earnings includes a restricted amount of JD 4,786,721 which represents the gain from the valuation of foreign currencies at the International Bank for Trade and Finance /Syria for the current period and the prior years.

**21. Interest Income**

The details of this item are as follows:

	<b>For the Three Months Ended March 31,</b>	
	<b>2021 (Reviewed)</b>	<b>2020 (Reviewed)</b>
	<b>JD</b>	<b>JD</b>
<b>Direct Credit Facilities:</b>		
<b>Individual retail customer:</b>		
Overdraft	53,778	142,330
Loans and discounted bills	16,473,611	18,412,772
Credit cards	514,913	611,372
<b>Real estate loans</b>	<b>15,978,449</b>	<b>19,033,854</b>
<b>Large corporates</b>		
Overdraft	4,605,393	5,429,479
Loans and discounted bills	14,894,323	19,909,416
<b>SME's</b>		
Overdraft	1,779,257	2,536,134
Loans and discounted bills	3,545,072	3,542,165
<b>Government and Public Sector</b>	<b>7,732,981</b>	<b>10,229,611</b>
<b>Balances at central banks</b>	<b>1,341,247</b>	<b>1,744,916</b>
<b>Balances and deposits at banks and financial institutions</b>	<b>576,741</b>	<b>2,584,095</b>
<b>Financial assets at amortized cost</b>	<b>23,759,859</b>	<b>23,675,377</b>
<b>Financial assets at fair value through other comprehensive income</b>	<b>2,731,831</b>	<b>2,704,787</b>
	<b>93,987,455</b>	<b>110,556,308</b>

**22. Interest Expense**

The details of this item are as follows:

	<b>For the Three Months Ended March 31,</b>	
	<b>2021 (Reviewed)</b>	<b>2020 (Audited)</b>
	<b>JD</b>	<b>JD</b>
Banks and financial institutions deposits	1,686,690	3,976,413
<b>Customers deposits :</b>		
Current accounts and demand deposits	120,995	215,713
Saving deposits	1,200,426	1,124,700
Time and notice deposits	9,232,462	18,710,649
Certificates of deposits	2,081,084	3,317,131
Cash margins	456,266	619,618
Borrowed funds	2,316,187	1,869,022
Deposits insurance fees	1,692,586	1,926,502
Lease liability	401,744	330,865
	<b>19,188,440</b>	<b>32,090,613</b>

**23. Gain (Loss) from Financial Assets at Fair Value Through Profit or Loss**

The details of this item are as follows:

	Realized		Unrealized		Dividends Received	Total
	Gain	(Loss)	Gain	(Loss)		
	JD	JD	JD	JD		
<b>For the Three Months Period Ended March 31, 2021 (Reviewed)</b>						
Corporate shares	216	-	38,043	-	-	<b>38,259</b>
Direct credit facilities	-	-	-	(429,363)	-	<b>(429,363)</b>
<b>Total</b>	<b>216</b>	<b>-</b>	<b>38,043</b>	<b>(429,363)</b>	<b>-</b>	<b>(391,104)</b>

**For the Three Months Period Ended  
March 31, 2020 (Reviewed)**

Corporate shares	-	-	-	(233,685)	-	<b>(233,685)</b>
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(233,685)</b>	<b>-</b>	<b>(233,685)</b>

**24. Earnings Per Share Attributable to the Shareholders of the Bank (Basic / Diluted)**

The details of this item are as follows:

	For the Three Months Ended March 31,	
	2021 (Reviewed)	2020 (Reviewed)
	JD	JD
Profit for the period attributable to shareholders'	24,280,377	15,647,739
Weighted average number of shares	315,000,000	315,000,000
<b>Basic and diluted earnings per share attributable to shareholders of the Bank</b>	<b>0.077</b>	<b>0.050</b>

**25. Cash and Cash Equivalents**

This item consists of the following:

	As of March 31,	
	2021 (Reviewed)	2020 (Reviewed)
	JD	JD
Cash and balances with central banks maturing within 3 months	778,665,423	1,062,378,883
Add: Balances with banks and financial institutions maturing within 3 months	371,744,356	379,005,975
Less: Banks and financial institutions deposits maturing within 3 months	(604,531,484)	(524,876,988)
	<b>545,878,295</b>	<b>916,507,870</b>

## **26. Capital Adequacy**

The capital adequacy calculated according to the instructions of the Central Bank of Jordan, based on the instructions of Basel Committee, and the following the capital adequacy ratio:

	<b>March 31, 2021 (Reviewed) JD</b>	<b>December 31, 2020 (Audited) JD</b>
<b>1. Common Equity Tier 1 Capital</b>		
Paid-in capital	315,000,000	315,000,000
Retained earnings	264,443,931	267,593,973
Other comprehensive income items	(114,697,868)	(111,169,929)
Net fair value reserve	7,061,791	9,654,188
Foreign currency translation reserve	(121,759,659)	(120,824,117)
Share premium	328,147,538	328,147,538
Statutory reserve	243,442,683	243,442,730
Other reserve	11,436,586	11,433,336
Non-controlling Interest	18,100,568	18,100,568
Condensed gains after tax and expected distribution Value	8,532,474	-
<b>Total capital for ordinary shares</b>	<b><u>1,074,403,815</u></b>	<b><u>1,072,548,216</u></b>
<b>Regulatory amendments (Propositions of the capital)</b>	<b>(137,010,713)</b>	<b>(131,032,385)</b>
Goodwill and intangible assets	(19,480,758)	(18,995,985)
Deferred tax assets	(110,715,575)	(105,241,081)
Investments in the capital of non-consolidated subsidiaries with the bank	(40,681)	(40,681)
Mutual investments in banks' capital, financial companies, and insurance companies Within the CET1	(6,773,699)	(6,754,638)
<b>Net ordinary shareholder's equity</b>	<b><u>937,393,102</u></b>	<b><u>941,515,831</u></b>
<b>2-Additional Capital</b>		
Non-controlling Interest	3,194,218	3,194,218
Total Additional Capital	3,194,218	3,194,218
Regulatory amendments (Propositions of the capital)	-	-
<b>Net Additional Capital</b>	<b><u>3,194,218</u></b>	<b><u>3,194,218</u></b>
<b>Net additional capital Tier 1.</b>	<b><u>940,587,320</u></b>	<b><u>944,710,049</u></b>
<b>3- Tier 2 Capital</b>		
General banking risk reserve		
Expected credit losses provision for the first stage – does not exceed 1.25% of the assets weighted credit risks	54,904,270	63,777,881
Non-controlling interest	4,258,958	4,258,958
<b>Total Capital</b>	<b><u>59,163,228</u></b>	<b><u>68,036,839</u></b>
Regulatory amendments (Propositions of the capital)	-	-
Investments in the capital of non-consolidated subsidiaries with the bank	-	-
Net additional capital Tier 2	<b><u>59,163,228</u></b>	<b><u>68,036,839</u></b>
<b>Regulatory capital</b>	<b><u>999,750,548</u></b>	<b><u>1,012,746,888</u></b>
<b>Total weighted assets risk average.</b>	<b><u>5,843,633,364</u></b>	<b><u>5,810,185,234</u></b>
<b>Capital Adequacy ordinary shareholders (CET1) Ratio %</b>	<b>16.08%</b>	<b>16.20%</b>
<b>Capital Adequacy Tier 1 Ratio %</b>	<b>16.13%</b>	<b>16.26%</b>
<b>Capital Adequacy Ratio %</b>	<b>17.15%</b>	<b>17.43%</b>

## **27. Related Party Transactions**

- a. The Bank entered into transactions with major shareholders, Board of Directors, and executive management in the course of its ordinary activities at commercial rates of interest and commissions. All facilities granted to related parties are performing and no provisions have been taken.
- b. Summary of related party balances during the period/year:

	<b>Related Party</b>				<b>Total</b>	
	<b>Major Shareholders</b>	<b>Subsidiaries</b>	<b>Board of Directors and their related</b>	<b>Executive Management and their related</b>	<b>March 31, 2021</b>	<b>December 31, 2020 (Audited)</b>
			<b>related</b>	<b>related</b>	<b>(Reviewed)</b>	<b>(Audited)</b>
			<b>JD</b>	<b>JD</b>	<b>JD</b>	<b>JD</b>
<b><u>Financial position items</u></b>						
Total deposits with related parties	59,029,725	74,552,784	1,560	625	<b>133,584,694</b>	<b>120,367,049</b>
Total deposits from related parties	444,902,252	77,099,152	2,176,721	4,410,162	<b>528,588,287</b>	<b>679,531,052</b>
Loans and advances granted to related parties	-	-	216,594	4,816,145	<b>5,032,739</b>	<b>4,903,669</b>
Loans and advances granted From related parties	-	3,619,827	-	-	<b>3,619,827</b>	<b>3,948,698</b>
<b><u>Items off-statement of Financial position</u></b>						
Letters of guarantees and credits	-	1,336,262	-	-	<b>1,336,262</b>	<b>1,336,262</b>
Forward foreign currency contracts	16,307,000	-	-	-	<b>16,307,000</b>	<b>61,595,238</b>
Interest swap contracts	127,620,000	-	-	-	<b>127,620,000</b>	<b>127,620,000</b>

- c. Summary of related party transactions during the period:

	<b>Related Party</b>				<b>Total</b>	
	<b>Major Shareholders</b>	<b>Subsidiaries</b>	<b>Board of Directors and their related</b>	<b>Executive Management and their related</b>	<b>For the Three Months Ended March 31,</b>	
			<b>related</b>	<b>related</b>	<b>2021</b>	<b>2020</b>
			<b>JD</b>	<b>JD</b>	<b>JD</b>	<b>JD</b>
<b><u>Statement of Profit or Loss items</u></b>						
Interest and commissions income	52,453	21,100	4,096	39,725	<b>117,374</b>	<b>170,326</b>
Interest and commissions expense	802,655	417,693	5,804	19,307	<b>1,245,459</b>	<b>3,944,971</b>

- Interest income rates ranges from 0% to 8%.
- Interest expense rates ranges from 0% to 7%.

- d. The Bank's executive management remuneration were as follows:

	<b>For the Three Months Ended March 31,</b>	
	<b>2021</b>	<b>2020</b>
	<b>(Reviewed)</b>	<b>(Reviewed)</b>
	JD	JD
Salaries, bonuses, and other benefits	<u>969,431</u>	<u>1,189,602</u>
Salaries, bonuses, and other benefits/ Subsidiaries	<u>813,299</u>	<u>887,443</u>

## 28. Segment Analysis

### Information on the Bank Activities:

For management purposes, the Bank is divided into four major business segments according to reports sent to the chief operating officer:

- **Retail Banking:** Principally handling individual customers' and small businesses' deposits and providing loans, overdrafts, credit cards and other services.
- **Corporate Banking:** Principally handling deposits, credit facilities, and other financial services for corporate and institutional customers.
- **Corporate Finance:** Principally arranging structured finance and providing services relating to privatizations, IPO's, mergers and acquisitions.
- **Treasury:** Principally providing trading and treasury services and the management of the Bank's funds in money and capital markets.

Information of the Bank's business segment, distributed according to operations is as follows:

	Retail	Corporate	Corporate Finance	Treasury	Others	Elimination	Total	
							For the Three Months Period Ended March 31,	
							2021 (Reviewed)	2020 (Reviewed)
	JD	JD	JD	JD	JD	JD	JD	JD
<b>Gross Income</b>	<b>46,686,177</b>	<b>42,048,461</b>	<b>1,151,335</b>	<b>32,871,859</b>	<b>1,994,292</b>	<b>(16,452,682)</b>	<b>108,299,442</b>	<b>127,297,264</b>
Allowance for expected credit loss	(1,457,683)	(13,604,784)	1,243,376	1,187,091	-	-	(12,632,000)	(25,930,959)
<b>Segment results</b>	<b>17,676,860</b>	<b>10,061,590</b>	<b>2,063,233</b>	<b>10,791,177</b>	<b>933,090</b>	<b>-</b>	<b>41,525,950</b>	<b>31,774,442</b>
Unallocated expenses							(2,316,957)	(3,878,036)
Income before Tax							<b>39,208,993</b>	<b>27,896,406</b>
Income Tax							(13,842,306)	(11,324,453)
<b>Profit for the Period</b>							<b>25,366,687</b>	<b>16,571,649</b>
							<b>March 31, 2021 (Reviewed)</b>	<b>December 31, 2020 (Audited)</b>
Segment Assets	4,668,077,804	2,635,410,071	70,220,253	3,481,272,669	1,367,530,494	-	<b>12,222,511,291</b>	<b>12,432,217,862</b>
Elimination of assets between segments	(2,976,970,086)	-	-	(555,211,930)	(658,259,118)	-	<b>(4,190,441,134)</b>	<b>(4,231,409,726)</b>
Unallocated assets on segments							<b>104,811,376</b>	<b>105,241,081</b>
<b>Total Assets</b>							<b>8,136,881,533</b>	<b>8,306,049,217</b>
<b>Segment Liabilities</b>	4,642,135,419	2,712,473,752	68,174,637	3,416,218,363	296,672,696	-	<b>11,135,674,867</b>	<b>11,366,620,242</b>
Elimination of liabilities between segments	-	(1,533,180,016)	(39,895,133)	(2,617,365,986)	-	-	<b>(4,190,441,135)</b>	<b>(4,231,409,727)</b>
Unallocated liabilities							<b>8,259,824</b>	<b>8,981,194</b>
<b>Total Liabilities</b>							<b>6,953,493,556</b>	<b>7,144,191,709</b>
							<b>For the Three Months Ended March 31,</b>	
							<b>2021 (Reviewed)</b>	<b>2020 (Reviewed)</b>
Capital expenditures							<b>2,912,008</b>	<b>2,429,670</b>
Depreciation and amortization							<b>6,137,075</b>	<b>6,301,657</b>

- Distributed according to economic sector is as follows:

	Financial	Industrial	Trading	Real Estate	Agriculture	Shares	Individuals	Government and Public	Other	Total
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Cash at central banks	-	-	-	-	-	-	-	666,273,398	-	<b>666,273,398</b>
Balances at banks and financial institutions	371,552,607	-	-	-	-	-	-	-	-	<b>371,552,607</b>
Deposits at banks and financial institutions	15,826,072	-	-	-	-	-	-	-	-	<b>15,826,072</b>
Credit facilities at amortized cost	184,144,504	369,124,665	455,407,560	1,150,103,747	21,084,601	4,068,039	827,200,971	560,549,558	484,486,406	<b>4,056,170,051</b>
Credit facilities at fair value through profit or loss	-	131,982,638	-	-	-	-	-	-	-	<b>131,982,638</b>
Bonds and bills:										
Within Financial assets at fair value through other comprehensive income	75,053,457	-	-	-	-	-	-	261,801,929	6,690,209	<b>343,545,595</b>
Within Financial assets at amortized cost	151,151,163	-	-	-	-	-	-	1,787,354,295	12,373,839	<b>1,950,879,297</b>
<b>Total for the Period</b>	<b>797,727,803</b>	<b>501,107,303</b>	<b>455,407,560</b>	<b>1,150,103,747</b>	<b>21,084,601</b>	<b>4,068,039</b>	<b>827,200,971</b>	<b>3,275,979,180</b>	<b>503,550,454</b>	<b>7,536,229,658</b>
Letter of guarantees	-	-	337,959,091	-	-	-	-	-	-	<b>337,959,091</b>
Letter of credit	-	-	355,544,761	-	-	-	-	-	-	<b>355,544,761</b>
Other liabilities	-	-	69,855,194	-	-	-	-	-	-	<b>69,855,194</b>
<b>Total</b>	<b>797,727,803</b>	<b>501,107,303</b>	<b>1,218,766,606</b>	<b>1,150,103,747</b>	<b>21,084,601</b>	<b>4,068,039</b>	<b>827,200,971</b>	<b>3,275,979,180</b>	<b>503,550,454</b>	<b>8,299,588,704</b>
<b>Prior Year Total</b>	<b>820,465,593</b>	<b>503,102,769</b>	<b>1,239,080,717</b>	<b>1,143,790,110</b>	<b>19,282,276</b>	<b>3,817,709</b>	<b>812,883,700</b>	<b>3,504,406,472</b>	<b>442,084,384</b>	<b>8,488,913,730</b>

**- Total Exposure Distribution According to Geographic Region:**

	<b>Other Middle</b>						<b>Other</b>	<b>Total</b>
	<b>Inside Jordan</b>	<b>East Countries</b>	<b>Europe</b>	<b>Asia</b>	<b>Africa</b>	<b>America</b>	<b>Countries</b>	
	<b>JD</b>	<b>JD</b>	<b>JD</b>	<b>JD</b>	<b>JD</b>	<b>JD</b>	<b>JD</b>	<b>JD</b>
Cash and balances at central banks	267,668,701	150,664,055	-	-	247,940,642	-	-	<b>666,273,398</b>
Balances at banks and financial institutions	72,899,667	87,457,047	68,153,919	5,461,270	60,052,427	77,528,277	-	<b>371,552,607</b>
Deposits at banks and financial institutions	-	11,614,246	4,211,826	-	-	-	-	<b>15,826,072</b>
Credit facilities at amortized cost	3,372,140,822	300,507,455	201,497,380	-	182,024,394	-	-	<b>4,056,170,051</b>
Credit Facilities at fair value through profit or loss	131,982,638	-	-	-	-	-	-	<b>131,982,638</b>
Bonds and Bills:								
Winthin Financial assets at fair value through other comprehensive income	173,318,384	36,038,106	50,719,609	19,115,837	12,712,889	51,640,770	-	<b>343,545,595</b>
Within Financial assets at amortized cost	1,907,164,075	23,512,756	6,958,115	3,925,184	-	5,413,721	3,905,446	<b>1,950,879,297</b>
<b>Total for the Period</b>	<b>5,925,174,287</b>	<b>609,793,665</b>	<b>331,540,849</b>	<b>28,502,291</b>	<b>502,730,352</b>	<b>134,582,768</b>	<b>3,905,446</b>	<b>7,536,229,658</b>
Letter of guarantee	257,727,430	35,834,443	15,560,014	189,218	28,647,986	-	-	<b>337,959,091</b>
Letter of credit	299,221,874	8,142,431	3,541,195	2,445,197	41,499,093	694,971	-	<b>355,544,761</b>
Other liabilities	44,090,893	-	25,764,301	-	-	-	-	<b>69,855,194</b>
<b>Total</b>	<b>6,526,214,484</b>	<b>653,770,539</b>	<b>376,406,359</b>	<b>31,136,706</b>	<b>572,877,431</b>	<b>135,277,739</b>	<b>3,905,446</b>	<b>8,299,588,704</b>
<b>Previous Year Total</b>	<b>6,715,409,891</b>	<b>576,289,866</b>	<b>419,111,332</b>	<b>33,047,753</b>	<b>558,796,800</b>	<b>182,355,347</b>	<b>3,902,741</b>	<b>8,488,913,730</b>

## **29. Commitments and Contingent Liabilities:**

This item consists of the following:

	<b>March 31, 2021</b> <b>(Reviewed)</b>	<b>December 31, 2020</b> <b>(Audited)</b>
	<b>JD</b>	<b>JD</b>
Letters of credit	461,754,749	451,740,343
Acceptances	60,913,445	64,442,718
<b>Guarantees:</b>		
- Payment	109,058,797	108,719,285
- Performance bonds	115,772,543	120,996,066
- Other	225,499,479	236,536,461
Forward foreign currency contracts	269,701,190	299,696,658
Currency swap contracts	14,180,000	14,180,000
Un-utilized direct credit facilities ceilings	392,336,560	445,547,020
<b>Total</b>	<b>1,649,216,763</b>	<b>1,741,858,551</b>

## **30. Lawsuits Raised Against the Bank and Lawsuits Raised by the Bank Against Others**

Lawsuits raised against the Bank amounted to approximately JD 58,5 million as of March 31, 2021 (approximately JD 53 million as of December 31, 2020). In the opinion of the Bank's management and legal advisor, no liabilities will arise therefrom that exceed the booked provision of JD 7,2 as of March 31, 2021 (JD 7,2 as of December 31, 2020).

Other than the above-mentioned lawsuits, during the year 2020, the inspectors of the Central Bank of Algeria visited the management of the Housing Bank for Trade and Finance Algeria (a subsidiary company) and cited reports of violations attributed to the Bank related to violating some banking procedures in the Republic of Algeria. In this connection, an appealable preliminary decision by the Court of First Instance in Algeria was issued. The said decision imposed a fine of DZD 6.3 billion (which is equivalent to JD 33.5 million as of March 31<sup>st</sup> 2021) on the Housing Bank for Trade and Finance / Algeria (a subsidiary company) for one of the violations. The bank appealed on this decision and the court session should be held on April 6<sup>th</sup> 2020, however, the session has been rescheduled to be on April 27<sup>th</sup> 2021. Meanwhile, the Bank's lawyers in Algeria have confirmed the sound legal status of the Bank in relation to this violation. Moreover, the value of the remaining violations has not been determined as of the date of the financial statements. In the opinion of the Bank's management, legal advisor, the Bank has a strong legal position, and the provisions made against those violations are sufficient as of March 31, 2021. In addition, these provisions will be reconsidered in light of the upcoming developments during the year.

On the other hand, the lawsuits raised by the Bank against others amounted to approximately JD 549 million as of March 31, 2021 (approximately JD 541.2 million as of December 31, 2020).

## **31. Fair Value Hierarchy**

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

**Level (1):** List prices (unadjusted) for identical assets or liabilities in active markets.

**Level (2):** Information other than the stated price included in level 1, which is monitored for the asset or liability, either directly (such as prices) or indirectly (i.e., derived from the prices).

**Level (3):** Information on the asset or liability not based on those observed in the market (unobservable information).

	<b>Level (1)</b>	<b>Level (2)</b>	<b>Level (3)</b>	<b>Total</b>
	<b>JD</b>	<b>JD</b>	<b>JD</b>	<b>JD</b>
<b>March 31, 2021 (Reviewed)</b>				
<b>Financial assets:</b>				
Financial assets at fair value through other comprehensive income	343,545,595	-	26,526,476	<b>370,072,071</b>
Direct credit facilities at fair value through profit or loss	3,867,448	-	632,797	<b>4,500,245</b>
Financial assets at fair value through profit or loss	<u>131,982,638</u>	-	-	<b>131,982,638</b>
<b>Total</b>	<b><u>479,395,681</u></b>	<b>-</b>	<b><u>27,159,273</u></b>	<b><u>506,554,954</u></b>
<b>December 31, 2020 (Audited)</b>				
<b>Financial assets:</b>				
Financial assets at fair value through other comprehensive income	345,752,694	-	26,129,906	<b>371,882,600</b>
Direct credit facilities at fair value through profit or loss	3,822,994	-	632,797	<b>4,455,791</b>
Financial assets at fair value through profit or loss	<u>130,690,360</u>	-	-	<b>130,690,360</b>
<b>Total</b>	<b><u>480,266,048</u></b>	<b>-</b>	<b><u>26,762,703</u></b>	<b><u>507,028,751</u></b>

### **32. Comparative Figures**

The Shareholders General Assembly, at its ordinary meeting held on April 8, 2021, resolved to distribute cash dividends to shareholders at a rate of 12% of the subscribed and paid-up capital, equivalent to JD 37.8 million, noting that the recommendation of the Board of Directors to the General Assembly was to distribute cash dividends to shareholders at a rate of 11% of the subscribed and paid-up capital, equivalent to JD 34.7 million. Accordingly, some comparative figures have been amended, and had no impact on both the consolidated statement of financial position and the consolidated statement of profit or loss for the year 2020 as follows:

	<b>December 31, 2020 (Audited)</b>	
	<b>After Adjustment</b>	<b>As reported</b>
	<b>JD</b>	<b>JD</b>
<b>Regulatory Capital *</b>	<b>1,009,596,888</b>	<b>1,012,746,888</b>
Capital Adequacy ordinary shareholders (CETI) Ratio %	<b>%16,15</b>	<b>%16,20</b>
Capital Adequacy Tier 1 Ratio %	<b>%16,21</b>	<b>%16,26</b>
Capital Adequacy Ratio %	<b>%17,38</b>	<b>%17,43</b>

### **33. Impact of Covid 19**

The coronavirus ("COVID - 19") pandemic has spread across various geographies globally, causing disruption to business and economic activities. COVID - 19 has brought about uncertainties in the global economic environment.

The Bank is closely monitoring the situation and has activated its business continuity planning and other risk management practices to manage the potential business disruption the COVID - 19 outbreak may have on its operations and financial performance.

The Bank has performed an assessment of COVID - 19 pandemic which has resulted in the following changes to the expected credit loss methodology and valuation estimates and judgements as at and for the year ended December 31, 2020 noting that there were no changes to policies, estimates and judgments during the period ended March 31, 2021:

#### **a. Expected credit losses**

The uncertainties caused by COVID - 19, have required the Bank to update the inputs and assumptions used for the determination of ECLs during the year, 2020. ECLs were estimated based on a range of forecast economic conditions as at that date and considering that the situation is fast evolving, the Bank has considered the impact of higher volatility in the forward-looking macro-economic factors, when determining the severity and likelihood of economic scenarios for ECL determination.

This volatility has been reflected through adjustment in the methods of scenario construction and the underlying weightages assigned to these scenarios. The forward-looking factor (here Credit Index or CI) used is determined from the observed historical credit index. The credit index is used to forecast expected probability of defaults for the credit portfolio of the Bank.

In addition to the assumptions outlined above, the Bank has given specific consideration to the relevant impact of COVID - 19 on the qualitative and quantitative factors when determining the significant increase in credit risk and assessing the indicators of impairment for the exposures in potentially affected sectors and reflecting the Bank's management estimates (Management Overlay) in evaluating the impact on certain sectors or specific customers based on studying each sector or customers separately.

#### **b. Valuation estimates and judgements**

The Bank has also considered potential impacts of the current economic volatility in determination of the reported amounts of the Bank's financial and non-financial assets and these are considered to represent management's best assessment based on available or observable information.

#### **c. Deferred installments and customer credit ratings**

Based on the Central Bank of Jordan Circular number 10/3/4375 and 10/3/13960 issued on March 15, 2020 and November 22, 2020 to the banks operating in Jordan, the bank postponed the installments due or that would be due on some customers without considering this as a restructuring and without affecting the customer credit rating, the postponed installments amounted to around JD 63.9 million during the period ended March 31, 2021 (JD 239.8 million during the year 2020).