



INVESTBANK
البنك الإستثماري

No: 6629

Date: 30/9/2022

To: Amman Stock Exchange

**Subject: Interim Financial
Statements of INVESTBANK as of
30 September 2022**

Kindly find the attached Interim Financial Statements of INVESTBANK as of 30 September 2022, which were reviewed by KPMG Kawasmy & Partners Co. and approved by Board of directors.

Best Regards,

Chief Executive Officer
Muntaser Dawwas



الرقم: 6629

التاريخ: ٣٠ / ٩ / ٢٠٢٢

إلى: السادة بورصة عمان المحترمين

**الموضوع: البيانات المالية الربع سنوية كما في
٣٠ أيلول ٢٠٢٢**

نرفق لكم طيه البيانات المالية الربع سنوية كما في ٣٠ أيلول ٢٠٢٢ وذلك بعد مراجعتها من قبل مدققي حسابات البنك السادة شركة كي بي ام جي قواسمي وشركاه والموافق عليها من قبل مجلس الإدارة.

وتفضلوا بقبول فائق الاحترام،،،

المدير العام
منتصر دواس

**INVESTBANK
(PUBLIC LIMITED SHAREHOLDING COMPANY)
AMMAN-JORDAN
INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS
(UNAUDITED)
30 SEPTEMBER 2022**

**INVESTBANK
(PUBLIC LIMITED SHAREHOLDING COMPANY)
INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)**

30 SEPTEMBER 2022

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Independent auditor's review report

To the Chairman and the Members of the Board of Directors Invest Bank
(Public limited Shareholding Company)
Amman – Jordan

Review Report on the Interim Condensed Consolidated Financial Statements

Introduction

We have reviewed the accompanying interim condensed consolidated statement of the financial position of **Invest Bank (Public limited shareholding company) (the "Bank") and its subsidiaries (the "Group")** as at 30 September 2022 and the related interim condensed consolidated statements of profit or loss, other comprehensive income, changes in equity and cash flows for the nine months then ended and other explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard (34) "interim financial reporting" as amended by the Central Bank of Jordan instructions. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements (2410) "Review of Interim Financial Information performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements as at and for the nine months ended 30 September 2022 are not properly prepared, in all material respects, in accordance with International Accounting Standard (34) "interim financial reporting" as amended by the Central Bank of Jordan instructions.

Kawasmy and Partners
KPMG

Hatem Kawasmy
License no. (656)



Amman - Jordan
October 24, 2022

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INVESTBANK
(PUBLIC SHAREHOLDING COMPANY)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF 30 SEPTEMBER 2022

	Notes	30 September 2022	31 December 2021
		JD (Unaudited)	JD (Audited)
Assets			
Cash and balances at the Central Bank of Jordan	4	89,728,455	97,358,858
Balances at banks and financial institutions	5	43,272,779	64,351,278
Deposits at banks and financial institutions		3,544,983	-
Financial assets at fair value through statement of Profit or loss		2,028,543	1
Direct credit facilities at amortized cost– net	6	812,615,830	788,635,277
Financial assets at fair value through other Comprehensive income		41,957,725	37,815,983
Financial assets at amortized cost		232,817,796	187,390,518
Property and equipment – net		29,303,686	28,435,476
Intangible assets		2,877,590	3,003,777
Deferred tax assets		18,265,710	15,801,272
Other assets	7	90,829,686	54,359,771
Right of use assets		4,194,721	3,884,618
		<u>1,371,437,504</u>	<u>1,281,036,829</u>
Assets held for sale	20	17,689	-
Total assets		<u>1,371,455,193</u>	<u>1,281,036,829</u>
Liabilities and Equity			
Liabilities			
Banks and financial institutions deposits		37,211,090	28,778,165
Customers' deposits		826,425,477	792,518,004
Cash margins		48,436,814	31,587,528
Borrowed funds	8	225,073,597	196,973,301
Bonds	9	5,280,000	13,280,000
Lease liabilities		3,051,356	2,562,692
Sundry provisions		847,818	441,918
Income tax provision	10	6,771,542	7,057,031
Deferred tax liabilities		4,201,150	3,490,066
Other liabilities		23,978,431	18,936,393
		<u>1,181,277,275</u>	<u>1,095,625,098</u>
Liabilities directly attributable to assets held for sale	20	2,503	-
Total Liabilities		<u>1,181,279,778</u>	<u>1,095,625,098</u>
Equity			
Bank's Shareholders Equity			
Authorised share capital		100,000,000	100,000,000
Subscribed and paid-up share capital		100,000,000	100,000,000
Statutory reserve		31,723,085	33,371,695
Financial Assets revaluation reserve		6,065,395	6,362,363
Retained earnings	11	34,150,250	42,612,312
Net Income for the period		14,815,287	-
Total equity attributable to the shareholders of the Bank		<u>186,754,017</u>	<u>182,346,370</u>
Non-controlling interest		3,421,398	3,065,361
Total equity		<u>190,175,415</u>	<u>185,411,731</u>
Total Liabilities and Equity		<u>1,371,455,193</u>	<u>1,281,036,829</u>

The accompanying notes from 1 to 23 form an integral part of these interim condensed consolidated financial statements and should be read with them and with the accompanying review report.

INVESTBANK
(PUBLIC LIMITED SHAREHOLDING COMPANY)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE THREE MONTHS AND THE NINE MONTHS ENDED 30 SEPTEMBER 2022

	Notes	For the three months ended 30 September		For the nine months ended 30 September	
		2022	2021	2022	2021
		JD (Unaudited)	JD (Unaudited)	JD (Unaudited)	JD (Unaudited)
Interest income		21,818,493	17,479,593	59,636,652	51,197,698
Interest expense		(10,147,369)	(8,193,034)	(28,199,206)	(24,134,295)
Net Interest Income		11,671,124	9,286,559	31,437,446	27,063,403
Net commission income		4,711,359	3,172,523	11,547,103	8,292,897
Net Interest and Commissions Income		16,382,483	12,459,082	42,984,549	35,356,300
Gains from foreign currencies		206,462	208,418	580,590	579,631
Gain on sale of financial assets at amortized cost		-	1,520	-	592,662
Gains from financial assets at fair value through statement of profit or loss		123,347	58,566	692,293	591,268
Cash dividends from financial assets at fair value through other comprehensive income		150,351	104,293	967,005	834,331
Profits from the acquisition of a subsidiary	22	-	-	3,596,992	-
Other Revenue		622,762	607,437	2,384,087	2,011,074
Gross Income		17,485,405	13,439,318	51,205,516	39,965,266
Employees expenses		(4,524,699)	(3,788,185)	(12,856,454)	(10,898,134)
Depreciation and amortization		(785,332)	(708,307)	(2,284,145)	(2,038,559)
Other expenses		(2,642,746)	(2,104,725)	(7,058,562)	(6,282,177)
(Provision) Recovered provision from for impairment of seized assets based on Central Bank of Jordan regulations		104,873	831,995	(1,388,567)	82,881
(Provision) Recovered from Provision for Expected credit loss on direct credit facilities	7	(2,103,473)	35,298	(4,643,958)	1,345,775
Recovered from (Provision) of expected credit loss in financial assets and off-balance sheet items		141,650	353,898	418,505	(378,656)
Sundry provisions		12,656	(26,242)	(515,699)	(186,979)
Total Expenses		(9,797,071)	(5,406,268)	(28,328,880)	(18,355,849)
Profit for the period before tax		7,688,334	8,033,050	22,876,636	21,609,417
Income tax for the period	11	(2,484,990)	(3,108,180)	(7,547,233)	(7,986,554)
Net Profit for the period		5,203,344	4,924,870	15,329,403	13,622,863
Discontinued operations					
(Loss) profit from discontinued operations – net after tax	21	(1,142)	87,592	(127,201)	227,987
Net income for the period		5,202,202	5,012,462	15,202,202	13,850,850
Attributable to:					
Shareholders of the Bank		5,155,295	5,012,632	14,815,287	13,761,419
Non-controlling interest		46,880	(170)	386,915	89,431
		5,202,202	5,012,462	15,202,202	13,850,850
		JD/Share	JD/Share	JD/Share	JD/Share
Basic and diluted earnings per share from net profit for the period attributable to the shareholders of the Bank	17	0.052	0.050	0.148	0.138

The accompanying notes from 1 to 23 form an integral part of these interim condensed consolidated financial statements and should be read with them and with the accompanying review report

INVESTBANK
(PUBLIC SHAREHOLDING COMPANY)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE THREE MONTHS AND THE NINE MONTHS ENDED 30 SEPTEMBER 2022

	For the three months ended 30 September		For the nine months ended 30 September	
	2022	2021	2022	2021
	JD	JD	JD	JD
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Net Profit for the period	5,202,202	5,012,462	15,202,202	13,850,850
Other comprehensive income items that will not be reclassified to profit or loss in subsequent periods:				
Net Changes in financial assets revaluation reserve – net after tax	(1,335,677)	327,742	(71,588)	198,625
Loss on sale of financial assets at fair value through other comprehensive income	(149,584)	(304)	(345,810)	(210,994)
Total Other Comprehensive Income items	(1,485,261)	327,438	(417,398)	(12,369)
Total comprehensive income for the period	3,716,941	5,339,900	14,784,804	13,838,481
Total Comprehensive Income Attributable to:				
Shareholders of the Bank	3,670,054	5,339,759	14,397,873	13,748,815
Non-controlling interest	46,887	141	386,931	89,666
	3,716,941	5,339,900	14,784,804	13,838,481

The accompanying notes from 1 to 23 form an integral part of these interim condensed consolidated financial statements and should be read with them and with the accompanying review report

INVESTBANK
(PUBLIC SHAREHOLDING COMPANY)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2022

	Reserves				profit for the period attributable to the bank's shareholders	Total shareholders' equity attributable to the bank's shareholders	Non-controlling interest	Total shareholders' equity
	Subscribed and Paid-up capital	Statutory	Financial Asset revaluation-net	Retained earnings				
(Unaudited)	JD	JD	JD	JD	JD	JD	JD	JD
As of 1 January, 2022	100,000,000	33,371,695	6,362,363	42,612,312	-	182,346,370	3,065,361	185,411,731
Profit for the period	-	-	-	-	14,815,287	14,815,287	386,915	15,202,202
Net changes in financial assets revaluation reserve – net after taxes	-	-	(71,604)	-	-	(71,604)	16	(71,588)
(Losses) on sale of financial assets at fair value through other comprehensive income transferred to the retained earnings – Net after tax	-	-	(225,364)	(120,446)	-	(345,810)	-	(345,810)
Total comprehensive income	-	-	(296,968)	(120,446)	14,815,287	14,397,873	386,931	14,784,804
Dividend (Note 11)	-	-	-	(10,000,000)	-	(10,000,000)	-	(10,000,000)
Released from provisions - effect of the sale of a subsidiary	-	(1,648,610)	-	1,648,610	-	-	-	-
Effect of increase in investment in subsidiary	-	-	-	9,774	-	9,774	(30,894)	(21,120)
As of 30 September, 2022	100,000,000	31,723,085	6,065,395	34,150,250	14,815,287	186,754,017	3,421,398	190,175,415
(Unaudited)								
As of 1 January, 2021	100,000,000	30,643,329	8,560,247	39,363,524	-	178,567,100	3,121,426	181,688,526
Profit for the period	-	-	-	-	13,761,419	13,761,419	89,431	13,850,850
Net changes in financial assets revaluation reserve – net after taxes	-	-	198,390	-	-	198,390	235	198,625
(Losses) gain on sale of financial assets at fair value through other comprehensive income transferred to the retained earnings – Net after tax	-	-	(375,049)	164,055	-	(210,994)	-	(210,994)
Total comprehensive income	-	-	(176,659)	164,055	13,761,419	13,748,815	89,666	13,838,481
Dividend (Note 11)	-	-	-	(12,000,000)	-	(12,000,000)	-	(12,000,000)
Effect of increase in investment in subsidiary	-	-	-	50,155	-	50,155	(144,632)	(94,477)
As of 30 September, 2021	100,000,000	30,643,329	8,383,588	27,577,734	13,761,419	180,366,070	3,066,460	183,432,530

- Retained earnings Include an amount of JD 18,265,710 as of 30 September 2022 restricted by the Central Bank of Jordan against deferred tax assets amounted to JD 15,801,272 as of 31 December 2021.
- Retained earnings Include a restricted amount of JD 1,039,200 as of 30 September 2022 and 31 December 2021, based on Central Bank of Jordan request, which represents the remaining balance of illegal transactions.
- Retained earnings Include a restricted amount of JD 415,199 as of 30 September 2022 and 31 December 2021, which represents the effect of the early adoption of IFRS (9). Such amounts are restricted and cannot be utilized unless realized through the actual sale as instructed by Jordan Securities Commission.
- Retained earnings do not Include any amount that represents the profit of financial assets in fair value through the income statement unearned as of 30 September 2022 and 31 December 2021.
- In accordance with the instructions of the Central Bank of Jordan No. (13/ 2018), the accumulated balance of the general banking risk reserve item amounting to JD 6,365,000 as of 31 December 2017 has been transferred to the retained earnings item to offset with the impact of the IFRS 9. Surplus from the amount after offset amounting to JD 1,971,056 is restricted.
- It is restricted to use an amount equal to the negative balance of the fair value reserve from the retained earnings except with the prior approval of the Central Bank of Jordan.

The accompanying notes from 1 to 23 form an integral part of these interim condensed consolidated financial statements and should be read with them and with the accompanying review report

INVESTBANK
(PUBLIC SHAREHOLDING COMPANY)
INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS OF CASH FLOWS
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2022

	Note	For the nine months ended 30 September	
		2022	2021
		JD	JD
		(Unaudited)	(Unaudited)
<u>Operating activities</u>			
Income for the period before income tax		22,876,636	21,958,947
Adjustments for non-cash items:			
Depreciation and amortization		2,284,145	2,056,015
Provision (Recovered From) Provision for expected credit loss on direct credit facilities		4,643,958	(1,354,051)
Sundry provisions		515,699	186,979
(Recovered from) provision of expected credit loss in financial assets and off-balance sheet items in accordance to IFRS (9)		(418,505)	386,920
Interest income from lease liabilities		117,676	116,051
Provisions against seized asset for due date in according with the central bank of Jordan regulations		1,388,567	(82,881)
losses on sale of assets		397	23,684
Gain on sale of assets seized by the Bank		(664,919)	(313,456)
Gain on sale of financial assets at amortised cost		-	(592,662)
Unrealized (gain) from financial assets at fair value through Statement of profit or loss		(66,101)	(1,036)
Net interest expense		366,381	1,134,972
Gain from the acquisition of a subsidiary		(3,596,992)	-
Effect of exchange rate fluctuations on cash and cash equivalents		(19,131)	(15,573)
		27,427,811	23,503,909
Changes in assets and liabilities			
Direct credit facilities at amortised cost		(19,575,203)	(22,020,682)
Assets and liabilities held for sale		(15,186)	-
Other assets		(38,736,004)	10,308,317
Customers' deposits		33,907,473	14,834,263
Cash margin		16,849,286	(4,023,126)
Other liabilities		4,567,088	2,072,482
Net Changes in assets and liabilities		(3,002,546)	1,171,254
Net cash flows from operating activities before income tax and provisions paid		24,425,265	24,675,163
Paid from lawsuits provisions and end of services benefits		(109,799)	(467,285)
Income tax paid		(10,297,160)	(7,820,314)
Net cash flows from operating activities		14,018,306	16,387,564
<u>Investing activities</u>			
Purchases of financial assets at fair value through statement of comprehensive income		(3,848,072)	(3,175,028)
Sale of financial assets at fair value through statement of comprehensive income		1,710,810	1,351,492
Deposits at banks and financial institutions		(3,544,983)	400,000
Financial assets at amortized cost		(45,427,278)	(1,379,543)
Financial assets at fair value through statement of profit or loss		(182,200)	-
Purchase of property, equipment, Advance payments and projects under construction		(2,261,078)	(672,504)
Proceeds from sale of property and equipment		12,200	200
Purchase of intangible assets		(165,665)	(469,100)
Net cash flows (used in) investing activities		(53,706,266)	(3,944,483)
<u>Financing activities</u>			
Dividends paid		(10,000,000)	(12,000,000)
Borrowed funds		24,367,475	23,413,527
Bonds		(8,000,000)	(1,302,500)
Operating lease liabilities payments		(618,423)	(729,635)
Net cash flow (used in) purchasing a subsidiary		(3,438,366)	-
Net cash flow from purchasing new shares in subsidiary		238,672	-
Purchases of additional share in subsidiary		(21,120)	(144,632)
Net cash flows from financing activities		2,528,238	9,236,760
Effect of exchange rate fluctuations on cash and cash equivalents		19,131	15,573
Net (decrease) Increase in cash and cash equivalents		(37,140,591)	21,695,414
Cash and cash equivalents on 1 January		132,932,008	130,830,113
Cash and cash equivalents on 30 September	14	95,791,417	152,525,527
Non-Cash transactions Resulted from Sales Of Subsidiary Shares			
Account Receivables		2,952,651	-
Right to obtain shares-Cost		(1,846,342)	-

The accompanying notes from 1 to 23 form an integral part of these interim condensed consolidated financial statements and should be read with them and with the accompanying review report

INVESTBANK
(PUBLIC SHAREHOLDING COMPANY)
INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS OF CASH FLOWS
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2022

(1) GENERAL INFORMATION

INVESTBANK (the “Bank”) was established as a Jordanian public shareholding company under registration No. (173) dated 12 August 1982 in accordance with the Companies Law No. (12) for the year 1964 with a paid in capital of JD 6 million distributed over 6 million shares with a par value of JD 1 per share. The Bank’s capital was increased several times to become JD 77,500,000 / JD 1 per share as of 31 December 2010. Furthermore, during 2011, the Bank’s capital was increased to JD 85,250,000 / JD 1 per share. Finally, the Bank’s capital was increased by JD 14,750,000 on 10 April 2012. Accordingly, the Bank’s authorized and paid in capital became JD 100 Millions / JD 1 per share.

The Bank’s Head Office is located in Amman, Abd Alhameed Sharaf Street, Shmesani, Tel: 06-5001500, P.O Box 950601, Amman – 11195 Jordan.

The Bank provides banking and related financial services through its Head Office and its twelve branches in the Hashemite Kingdom of Jordan, and through its subsidiaries.

INVESTBANK is a public shareholding company listed in Amman Stock Exchange.

These interim condensed consolidated financial statements were approved by the Board of Directors at its session number 07/2022 that was held on October 24, 2022.

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Following are the significant accounting policies used by the Group in the preparation of these interim condensed consolidated financial statements.

2.1 Basis of preparation of the consolidated financial statements

- The interim condensed consolidated financial statements of the Bank and its subsidiaries (together “the group”) have been prepared in accordance with the International Accounting Standards No. (34) (“interim financial reporting”), as amended by Central Bank of Jordan instructions.

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

- Provisions for expected credit losses are formed in accordance with the instructions of the Central Bank of Jordan (No. 13/ 2018) “Application of the IFRS (9)” dated 6 June 2018 and in accordance with the instructions of the supervisory authorities in the countries in which the bank operates, whichever is stricter. The significant differences are as follows:
- Debt instruments issued or guaranteed by the Jordanian government are excluded from the calculation of ECL provision, so that credit exposures are treated and guaranteed by the Jordanian government with no expected credit losses.
- When calculating credit losses provision against credit exposures, the calculation results are compared according to the International Financial Reporting Standard No. (9) with the instructions of the Central Bank of Jordan No. (47/2009) dated December 10, 2009 for each stage separately and the strictest results are taken in the recognition.
- In accordance with the instructions of the Central Bank of Jordan and the instructions of the supervisory authorities in the countries in which the bank operates, interest and commissions are suspended on non-performing credit facilities.

INVESTBANK
(PUBLIC SHAREHOLDING COMPANY)
INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS OF CASH FLOWS
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2022

- According to the instructions of the Central Bank of Jordan regarding the classification of credit facilities and the calculation of impairment No. (2009/47) provisions dated December 10, 2009, credit facilities were classified into the following categories:
- A) Low-risk credit facilities that are not subject to provisions:
- 1) Granted to the Jordanian government and its sponsorship, as well as to the governments of countries in which Jordanian banks have branches, provided that these facilities are granted in the same currency as the host country.
 - 2) secured by cash margins of (100%) of the outstanding balance at any time.
 - 3) guaranteed by an acceptable (100%) bank guarantee.
- B) Credit facilities acceptable to risks without provisions being calculated:
- 1) Strong financial positions and adequate cash flow.
 - 2) Documented by contracts and covered by duly acceptable guarantees.
 - 3) Having good sources of repayment.
 - 4) Active account movement and regular payment of principal and interest.
 - 5) Efficient management of the client.
- C) Credit facilities under supervision (requiring special care) on which impairment provisions are calculated at a rate ranging from (1.5% - 15%), which are credit facilities that are characterized by any of the following:
- 1) The existence of dues for a period of more than (60) days and less than (90) days for the principal and/or interest of the credit facilities.
 - 2) The current debit balance exceeds the prescribed ceiling by (10%) or more, and for a period of more than (60) days and less than (90) days.
 - 3) Credit facilities that were previously classified as non-performing credit facilities and were removed from the framework of non-performing credit facilities according to a proper scheduling.
 - 4) Credit facilities acceptable to risk, which were restructured twice within a year.
 - 5) Credit facilities for which more than (60) but less than (90) days have expired, and this has not been renewed, in addition to other conditions mentioned in detail in the instructions.
- D) Non-performing credit facilities:
- They are credit facilities that are characterized by any of the following characteristics:
- 1) It has been overdue, or one of its instalments is due, or irregular payment of the principal amount and/or interest, or the current debit account has been frozen for the following periods:

Category	Overtaking Days	Percentage Allocated for the First Year
Substandard credit facilities	From (90) days to (179) days	%25
Doubtful credit facilities	From (180) days to (359) days	%50
Mortal credit facilities	From (360) days or more	%100

- 2) Overdrafts that exceed the grant by (10%) or more, and for a period of (90) days.
- 3) Credit facilities that have expired for a period of (90) days or more and have not been renewed.
- 4) Credit facilities granted to any client declared bankrupt or to any company that has been declared under liquidation.
- 5) Credit facilities that have been restructured three times within a year.
- 6) Current and call accounts overdrawn for (90) Days or more.
- 7) The value of the guarantees paid on behalf of clients, and their accounts have not been restricted, and (90) days or more have been paid.

The Expected credit provision against credit facilities is calculated in accordance with the above percentages and the amount of unguaranteed credit facilities during the first year, while the allocation of the covered amount is completed at 25% and over 4 years.

**INVESTBANK
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- Assets seized by the bank appear in the interim condensed consolidated statement of financial position among other assets, with the value that has been transferred to the bank or the fair value, whichever is lower, they are revalued at the date of the consolidated financial statements on an individual basis, any impairment in its value is recorded as a loss in the consolidated statement of profit or loss, and the increase is not recorded as revenue. The subsequent increase is taken in the consolidated statement of profit or loss to the extent that it does not exceed the value of the impairment that was previously recorded, also as of the beginning of the year 2015, a gradual provision was calculated for real estate expropriated against debts that had been expropriated for a period of more than 4 years, based on the Central Bank of Jordan Circular No. 15/1/4076 dated March 27, 2014 and No. 10/1/2510, dated February 14, 2017. Note that the Central Bank of Jordan has issued Circular No. 10/1/13967 on October 25, 2018, approving the extension of Circular No. 10/1/16607 on December 17, 2017, where confirmed the postponement of calculating the provision until the end of the year 2019. This is in accordance with Central Bank Circular No. 10/1/16239 dated November 21, 2019, to complete the deduction of the required provisions against the expropriated properties at the rate of (5%) of the total book values of those properties (regardless of the period of violation) as of the year 2021, the completion of the provision calculation has been postponed until 2022, so that the required percentage (50%) of these properties will be reached by the end of the year 2030.
- The central bank of Jordan cash and balances caption includes the cash reserve requirements, which represents balances that are restricted in withdrawal sought in accordance with the instructions of the Central Bank and in accordance with the instructions of the regulatory authority in the countries in which the Bank operates, whichever is more strict.
- The Jordanian Dinar is the presentation currency for the interim condensed consolidated financial statements and is the functional currency of the Bank.
- The interim condensed consolidated financial statements have been prepared in accordance with the historical cost principle, except for financial assets at fair value through the statement of profit or loss and financial assets at fair value through other comprehensive income that appear at fair value at the date of the condensed consolidated interim financial statements, as well as assets and liabilities at fair value. financial instruments that have been hedged for the risk of changes in their fair value.
- The accompanying consolidated condensed interim financial statements do not include all the information and disclosures to the financial statements required in the annual financial statements, which are prepared in accordance with International Financial Reporting Standards. Moreover, the results of The Bank's operations for the year ended on December 31, 2021. Also, the results of the business for the three-month period ending on September 30, 2022 do not necessarily represent indications of the expected results for the year ending December 31, 2022. Therefore, and it does not contain the appropriation of profit for the three-month period ended September 30, 2022 which is performed at the end of the fiscal year.

2.2 Changes in accounting policies and disclosures

The accounting policies followed in the preparation of these interim condensed consolidated financial statements are identical with the accounting policies that were followed in the preparation of the last consolidated financial statements of the group for the year ended December 31, 2021, except for the following new and revised standards, which became applicable in January 1st, 2022 as follow:

A. Applied Accounting Policies

New standards or amendments	Effective date
Loss-making contracts (a contract in which the total cost required to fulfil the contract is higher than the economic benefit that can be obtained from it) - the cost of implementing the contract (Amendments to IAS 37)	January 1,2022
Annual Improvements to IFRS Standards 2018–2020	January 1,2022
Property, Plant and Equipment – Proceeds before Intended Use: Amendments to IAS 16	
Property, Plant and Equipment	January 1,2022
Reference to the Conceptual Framework – Amendments to IFRS 3 Business Combinations	
	January 1,2022

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B. New IFRSs and Amendments issued but not yet effective

A number of new standards, amendments to standards and interpretations that have been issued but are not yet effective, and have not been applied in preparing these interim condensed consolidated financial statements:

<u>New standards or amendments</u>	<u>Application Date</u>
Classification of liabilities into current or non-current liabilities (amendments to IAS 1)	January 1 st 2023
IFRS 17 “Insurance Contracts” and Amendments to IFRS 17 “Insurance Contracts” and IFRS 9 - Comparative Information.	January 1 st 2023
Definition of Accounting Estimates - Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.	January 1 st 2023
Disclosure of accounting policies (Amendments to IAS 1 and IFRS practice statement 2)	January 1 st 2023
Deferred tax related to assets and liabilities arising from a single transaction (Amendments to IAS 12)	January 1 st 2023
Sale or grant of assets between an investor and an affiliate company or a joint venture (amendments to IFRS 10 and IAS 28)	Optional

The management does not expect that there will be a material impact from the above standards upon implementation.

2.3 Basis of consolidation of financial statements

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

- The ability to control the investee;
- It is exposed, or has the right, to variable returns from its involvement with the investee;
- He has the ability to use his power to influence the returns of the investee.

The Bank shall reassess whether or not it controls the entities invested in, if facts and circumstances indicate that there are changes to one or more of the control points referred to above.

If the Bank's voting rights are less than the majority of the voting rights in any of the investee entities, it has the ability to control when the voting rights are sufficient to give the Bank the ability to unilaterally direct the activities of the related subsidiary. The bank takes into account all the facts and circumstances when assessing whether the bank has voting rights in the investee that are sufficient to give it the ability to control or not. Among those facts and circumstances:

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

A subsidiary is consolidated when the Bank controls the subsidiary and ceases when the Bank loses control of the subsidiary. Specifically, the results of operations of subsidiaries acquired or disposed of during the year are included in the consolidated statement of profit or loss from the date control is achieved until the date of loss of control over the subsidiary.

Profits and losses and each item of other comprehensive income are distributed to the owners of the enterprise and the non-controlling shares.

Adjustments are made to the financial statements of subsidiaries, when necessary, to bring their accounting policy in line with the accounting policies adopted by the Bank.

All assets, liabilities, equity, income and expenses related to transactions and balances between the Bank and its subsidiaries are eliminated upon consolidation.

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

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

When the Bank loses control of a subsidiary, the gain or loss on disposal is recognized in the consolidated statement of profit or loss as the difference between (i) the total fair value of the consideration received and the fair value of any remaining interests and (ii) the past present value of the assets (including goodwill), minus the liabilities of the subsidiary and any non-controlling interests.

All amounts previously recognized in other comprehensive income in respect of that subsidiary are accounted for as if the Bank had directly disposed of the assets or liabilities of the subsidiary.

The fair value of an investment retained in the former subsidiary at the date when control is lost is considered fair value on initial recognition for subsequent accounting under IFRS 9 Financial Instruments when the provisions of the Standard apply, or the cost of initial recognition of an investment in an associate or a project subscriber.

These interim condensed consolidated financial statements include the Bank and its subsidiaries as of September 30, 2022:

Company's Name	Paid-in capital JD	Bank's ownership	Nature of operations	Company head office	Date of acquisition
Tamkeen Leasing Company	20,000,000	97.5%	Financing lease	Amman	2006
Al- Istethmari Latemweel Selselat Al Imdad Company	3,000,000	94%	Management and operation of bonded stores	Amman	2010
Jordanian Company for Factoring **	1,500,000	100%	Factoring receivables	Amman	2011
Jordan Trade Facilities Company	16,500,000	95.6%	loans and facilities granting	Amman	2016
Trade Facilities for finance leasing Company	2,000,000	95.6%	Financing lease loans and facilities granting	Amman	2016
Bindar Trade and Investment Company	20,000,000	96.5%	loans and facilities granting	Amman	2017
Ruboua Al Sharq Real Estate Company	50,000	96.5%	Sale of land and real estates owned by the company	Amman	2017
Rakeen Real Estate Company	30,000	96.5%	Sale of land and real estates owned by the company	Amman	2017
Bindar Lease Financing Company	1,000,000	96.5%	Financing lease	Amman	2017
Summit Auto trade Facilities company*	2,130,000	96.5%	Vehicles Finance lease	Amman	2022

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* Based on the decision of the General Assembly of Bindar Trade and Investment Company (subsidiary company) in its extraordinary meeting held on 4 January 2022, it was agreed to purchase the entire shares of Summit Auto Trade Facilities Company for a value of 3,438,366 Jordanian Dinar, as the approval of the Central Bank of Jordan was obtained on the acquisition according to their Circular No. (10/2/16687) On October 31, 2021, the acquisition of the company was completed during the first quarter of 2022.

**Based on the decision of the bank's board of directors at its first meeting of 2022, it was approved to close the Jordan Factoring Company.

During the first half of 2022, the Board of Directors of the Bank, at its meeting held on February 9, 2022, agreed to sell the entire share of the Bank from the shares of Al-Mawarid Financial Brokerage Company, and the sale took place on June 30, 2022.

The financial statements of the subsidiaries are prepared for the same financial period for the Bank using the same accounting policies adopted by the Bank. Changes are made to the accounting policies of subsidiaries, when necessary, to align them with accounting policies adopted by the Bank.

The financial statement of the subsidiaries are consolidated in the consolidated statement of profit or loss from the date it was owned, on which control is transferred to the Bank and cease to be consolidated from the date on which Bank lost control.

Non-controlling interest represents the portion of net profit or loss and net assets not owned -directly or indirectly- by the Bank in its subsidiaries and are presented in consolidated statement of profit or loss and within equity in the consolidated statement of financial position separately from the equity attributable to the shareholders of the Bank.

In the case of preparing separate financial statements for the bank as an independent entity, the investments in subsidiaries are recorded at cost.

(3) USING ESTIMATES

We believe that the estimates and judgments adopted in the preparation of the consolidated condensed interim financial statements preparation are consistent with the estimates and judgments adopted in the preparation of the annual consolidated financial statement for the year ended December 31, 2021.

Fair value

- Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether the price is directly observable or estimated using another valuation technique. And when estimating the fair value of any of the assets or liabilities, the bank takes into consideration when determining the price of any of the assets or liabilities, whether market participants have to take these factors into account at the measurement date. The fair value is determined for the purposes of measurement and/or disclosure in these financial statements in accordance with that basis, with the exception of the measurement procedures that are similar to the fair value procedures and are not a fair value such as the fair value as used in International Accounting Standard No. (36)
- In addition, fair value measurements are categorized, for financial reporting purposes, into Level 1, (2) or (3) based on the clarity of the inputs for the fair value measurements and the significance of the inputs for the entire fair value measurements, and are defined as follows:
 - **Level 1** inputs: These are the inputs derived from the quoted (unadjusted) prices of identical assets or liabilities in active markets that the entity can obtain at the measurement date.
 - **Level 2** inputs: These are the inputs deduced from the data other than the listed prices used in Level 1 and observed for assets or liabilities, whether directly or indirectly.
 - **Level 3** inputs: These are inputs for assets or liabilities that are not dependent on observed market prices.

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(4) CASH AND BALANCES AT THE CENTRAL BANK OF JORDAN

This item consists of the following:

	<u>30 September 2022</u>	<u>31 December 2021</u>
	JD	JD
	(Unaudited)	(Audited)
Cash on hand	16,060,951	13,646,336
Balances at the Central Bank of Jordan:		
Current and call accounts	42,167,504	42,212,522
Term and notice deposits	31,500,000	41,500,000
Total	<u>89,728,455</u>	<u>97,358,858</u>

Except for the statutory cash reserve amounted to 42,609,944 JD and 40,881,814 JD as of 30 September 2022 and 31 December 2021 respectively, there are no restricted balances.

There are no amounts due during a period of more than three months as on September 30, 2022 and December 31, 2021.

Expected credit losses allowance was not calculated on balances at Central Bank of Jordan as at 30 September, 2022 and 31 December, 2021, which is in accordance with the Central Bank of Jordan Instructions No.13/2018 dated 6 September 2018 regarding the implementation of International Financial Reporting Standard No. (9).

(5) BALANCE AT BANKS AND FINANCIAL INSTITUTIONS

This item consists of the following:

	<u>30 September 2022</u>	<u>31 December 2021</u>
	JD	JD
	(Unaudited)	(Audited)
Local banks and financial institution	11,129,934	14,537,219
Foreign banks and financial institutions	32,144,118	49,814,096
Less: Provision for Expected Credit Loss per IFRS (9)	(1,273)	(37)
Total	<u>43,272,779</u>	<u>64,351,278</u>

Non-bearing interest Balances held at banks and financial institutions amounted to JD 24,920,681 as at 30 September 2022, against JD 42,549,205 as at 31 December 2021.

There are no restricted balances as at 30 September 2022 and 31 December 2021.

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(6) DIRECT CREDIT FACILITIES AT AMORTIZED COST – NET

The details of this item are as follows:

	30 September 2022	31 December 2021
	JD	JD
	(Unaudited)	(Audited)
Individuals (Retail)		
Overdraft	1,525,627	7,430,986
Loans and discounted bills *	250,070,066	223,765,567
Credit cards	74,044,493	59,964,500
Real estate loans	133,085,112	143,109,146
Corporates		
Large Corporates		
Overdraft	59,815,731	73,300,323
Loans and discounted bills *	244,938,978	222,842,273
SMEs		
Overdraft	6,652,865	8,694,116
Loans and discounted bills *	49,257,352	37,570,150
Government and public sector	60,531,674	66,538,061
Total	879,921,898	843,215,122
Less:		
Provision for expected credit loss	49,394,113	40,395,071
Interest in suspense **	17,911,955	14,184,774
Net direct credit facilities	812,615,830	788,635,277

* The balance is presented on a net basis, after deducting the commissions and interest received in advance amounted to JD 51,843,918 as at 30 September 2022, against JD 42,147,073 as at 31 December 2021.

** Interest in suspense Includes an amount of JD 3,189,554 as at 30 September 2022, against JD 1,883,139 as at 31 December 2021, which represents interest in suspense against some performing accounts classified within stage 2 and 3.

- Non-performing facilities according to the instructions of Central Bank of Jordan amounted to JD 65,426,617 equivalent to 7.4% of total direct credit facilities balance, as at 30 September 2022 against JD 48,408,644 equivalent to 5.7% of total direct credit facilities balance, as at 31 December 2021.
- Non-performing credit facilities after deducting interest in suspense amounted to JD 50,704,212 equivalent to 5.9% of total direct credit facilities balance after deducting interest in suspense, as at 30 September 2022 against JD 36,107,009, equivalent to 4.4% of direct credit facilities balance, as at 31 December 2021.
- Credit facilities granted to the Jordanian government and/or under its guarantee amounted to 11,999,688 equivalent to 1.4% of total direct credit facilities as at 30 September 2022 against 17,054,479 equivalent to 2.0% of total direct credit facilities as at 31 December 2021.
- Non-performing debts were transferred to items outside the consolidated statement of financial position with a value of zero dinars during the first nine months of the year 2022, compared to 67,625 dinars during the year 2021.
- The value of non-performing debts transferred to items outside the consolidated statement of financial position amounted to 60,722,801 dinars as on September 30, 2022 and as of December 31, 2021.
- The bank has not calculated and recorded an allowance for expected credit loss on facilities granted to Government and public sector and in its guarantee in accordance with the instructions of the Central Bank of Jordan number (13/2008) regarding the implementation of IFRS (9).

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The movement of direct credit facilities:

For the period ended

30 September 2022

(Unaudited)

	Stage 1	Stage 2	Stage 3	Total
	JD	JD	JD	JD
Balance at the beginning of the period	644,682,736	122,320,781	76,211,605	843,215,122
Balance from investment in subsidiaries	7,053,922	936,845	6,849,445	14,840,212
Impact of selling a subsidiary	(8,585,741)	(85,661)	(660,820)	(9,332,172)
Impact of liquidation of a subsidiary	(830,922)	-	-	(830,922)
New balances during the year	172,845,832	10,662,315	3,551,797	187,060,944
Repaid/ derecognized Balances	(88,137,442)	(14,945,248)	(8,278,228)	(111,360,918)
Transferred to stage 1	38,745,068	(38,388,929)	(356,139)	-
Transferred to stage 2	(33,955,404)	47,923,611	(13,968,207)	-
Transferred to stage 3	(6,681,930)	(13,521,439)	20,203,369	-
Changes due to amendments	(40,234,305)	(5,111,480)	2,150,105	(43,195,680)
Written off balances	-	-	(474,688)	(474,688)
Adjustments due to changes in exchange rates	-	-	-	-
Total Balances at the end of the period	683,901,814	109,791,845	85,228,239	879,921,898

For the year ended 31 December 2021

(Audited)

	Stage 1	Stage 2	Stage 3	Total
	JD	JD	JD	JD
Balance at the beginning of the year	599,202,958	108,433,143	77,150,088	784,786,189
New balances during the year	209,130,814	7,326,257	6,481,433	222,938,504
Repaid Balances	(112,404,881)	(18,324,072)	(10,065,822)	(140,794,775)
Transferred to stage 1	28,468,752	(22,633,588)	(5,835,164)	-
Transferred to stage 2	(52,774,021)	54,055,440	(1,281,419)	-
Transferred to stage 3	(8,165,405)	(4,301,230)	12,466,635	-
Changes due to amendments	(18,775,481)	(2,235,169)	(2,116,904)	(23,127,554)
Written off balances	-	-	(587,242)	(587,242)
Adjustments due to changes in exchange rates	-	-	-	-
Total Balance at the end of the year	644,682,736	122,320,781	76,211,605	843,215,122

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The movement of provision for expected credit losses on direct credit facilities at a collective level:

For the period ended 30 September 2022
(Unaudited)

	Stage 1	Stage 2	Stage 3	Total
	JD	JD	JD	JD
Balance at the beginning of the period	2,885,428	2,812,451	34,697,192	40,395,071
Balance from investment in subsidiaries	351,913	174,657	4,346,473	4,873,043
Impact of selling a subsidiary	(215)	(1,346)	(254,412)	(255,973)
Impact of liquidation of a subsidiary	(729)	-	-	(729)
Loss on impairment over new balances during the period	3,042,952	3,719,756	3,158,612	9,921,320
Recovered from impairment loss over settled balances (Repaid/ Derecognized)	(288,212)	(1,120,293)	(3,570,279)	(4,978,784)
Transferred to stage 1	1,086,380	(977,686)	(108,694)	-
Transferred to stage 2	(229,281)	684,271	(454,990)	-
Transferred to stage 3	(86,905)	(574,033)	660,938	-
Impact on provision – as at period end – due to reclassification between the 3 stages during the period	(3,619,172)	(2,200,856)	5,820,028	-
Changes due to amendments	(789,750)	(61,192)	552,364	(298,578)
Written off balances	-	-	(261,257)	(261,257)
Adjustments due to changes in exchange rates	-	-	-	-
Total Balances at the end of the period	2,352,409	2,455,729	44,585,975	49,394,113

For the year ended 31 December 2021
(Audited)

	Stage 1	Stage 2	Stage 3	Total
	JD	JD	JD	JD
Balance at the beginning of the year	2,088,357	2,076,493	38,218,130	42,382,980
Impairment loss over new balances during the year	6,126,182	2,850,568	7,925,819	16,902,569
Reversal from impairment loss over settled balances (Repaid/ Derecognized)	(645,569)	(797,227)	(14,662,725)	(16,105,521)
Transferred to stage 1	725,842	(289,026)	(436,816)	-
Transferred to stage 2	(186,296)	408,619	(222,323)	-
Transferred to stage 3	(82,374)	(368,621)	450,995	-
Impact on provision – as at the year end – due to reclassification between the 3 stages during the year	(5,095,936)	(1,228,764)	6,324,700	-
Changes due to amendments	(44,778)	160,409	(2,631,923)	(2,516,292)
Written off balances	-	-	(268,665)	(268,665)
Adjustments due to changes in exchange rates	-	-	-	-
Total Balance at the end of the year	2,885,428	2,812,451	34,697,192	40,395,071

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The movement on the provision for expected credit losses on Direct Credit Facilities per sector was as follows:

For the period ended 30 September 2022 (Unaudited)	Corporates				
	Individuals	Real estate	Large Corporate	SMEs	Total
	JD	Loans JD	Customers JD	JD	JD
Balance at the beginning of the period	14,685,741	2,716,848	15,332,634	7,659,848	40,395,071
Impact of selling a subsidiary	(255,854)	-	-	(119)	(255,973)
Impact of liquidation of a subsidiary	-	-	(22)	(707)	(729)
Balances from investment in subsidiaries	1,106,575	-	-	3,766,468	4,873,043
Deducted from (reversed to) revenue during the period	2,236,483	308,100	1,056,411	1,042,964	4,643,958
Provision utilized during the period (written off debts)*	(159,308)	(42,763)	(5,071)	(54,115)	(261,257)
Balance at the end of the period	17,613,637	2,982,185	16,383,952	12,414,339	49,394,113
For the year ended 31 December 2021 (Audited)					
Balance at the beginning of the year	10,749,702	4,461,458	19,899,417	7,272,403	42,382,980
Deducted from (reversed to) revenue during the year	4,025,132	(1,607,419)	(4,563,650)	426,693	(1,719,244)
Provision utilized during the year (written off debts)*	(89,093)	(137,191)	(3,133)	(39,248)	(268,665)
Balance at the end of the year	14,685,741	2,716,848	15,332,634	7,659,848	40,395,071

Interest in suspense

The movement on interest in suspense was as follows:

	Corporates				
	Individuals	Real estate	Big Corporate	SMEs	Total
	JD	Loans JD	Customers JD	JD	JD
For the period ended 30 September 2022 (Unaudited)					
Balance at the beginning of the period	3,852,831	1,771,634	5,646,871	2,913,438	14,184,774
Impact of selling a subsidiary	(144,433)	-	(22,129)	-	(166,562)
Balances from investment in subsidiaries	215,181	-	-	702,681	917,862
Interest in suspense for the period	920,161	555,399	1,675,459	819,701	3,970,720
Interest transferred to revenues	(175,299)	(63,792)	(164,237)	(378,080)	(781,408)
Interest in suspense written off*	(120,357)	(34,243)	(11)	(58,820)	(213,431)
Balance at the end of period	4,548,084	2,228,998	7,135,953	3,998,920	17,911,955
For the year ended 31 December 2021 (Audited)					
Balance at the beginning of the year	3,427,284	1,122,807	3,743,678	2,177,433	10,471,202
Interest in suspense for the year	960,923	794,927	2,363,983	966,426	5,086,259
Interest transferred to revenue	(367,139)	(87,958)	(460,627)	(138,386)	(1,054,110)
Interest in suspense written-off*	(168,237)	(58,142)	(163)	(92,035)	(318,577)
Balance at the end of the year	3,852,831	1,771,634	5,646,871	2,913,438	14,184,774

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*According to the Board of Directors decision and senior management of the Subsidiaries, non-performing credit facilities with their related interest, against which provisions and interest in suspense were booked, were written off by an amount of JD 474,688 during the ended 30 September 2022 against JD 587,242 for the year ended 31 December 2021.

(7) OTHER ASSETS

The details of this item are as follows:

	30 September 2022	31 December 2021
	JD	JD
	(Unaudited)	(Audited)
Accrued revenues and interest	2,970,396	2,931,535
Prepaid expenses	1,899,493	1,360,132
Assets seized by bank in repayment of debt*	39,056,571	40,685,861
Refundable deposits	574,811	547,318
Clearance Cheques	139,016	42,222
Balances related to illegal transaction -net	1,039,200	1,039,200
Purchased acceptances	15,374,267	1,582,868
Advance payments on financial investments	18,591,241	-
Others	11,184,691	6,170,635
Total	90,829,686	54,359,771

* According to the instructions of the Central Bank of Jordan, assets seized by the bank must be disposed of in settlement of debts owed by customers within two years from the date of their acquisition, and the Central Bank of Jordan may, in exceptional cases, extend this period for a maximum of two consecutive years. The seized assets appear net after deducting the allowance for impairment for an amount of 69,983 JD as of September 30, 2022, compared to 26,110 JD as of December 31, 2021, and the seized assets provision according to the instructions of the Central Bank of Jordan for an amount of 2,825,844 JD as of September 30, 2022 compared to 1,437,276 JD as of December 31, 2021.

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(8) BORROWED FUNDS

The details of this item are as follows:

	Amount	Number of instalments		Frequency of instalments	Guarantees	Loan interest rate
		Total	Remaining			
30 September 2022 (Unaudited)	JD					
Loans borrowed from Central Bank of Jordan	8,948,132	2,007	1,479	Monthly	Promissory notes	0 To 1%
Loans borrowed from banks/ Local financial institutions	203,943,427	607	297	Monthly, quarterly, semi-annually and at maturity	Cash deposits/ Mortgage Bonds / Property and equipment /	4.5% To 8%
Borrowing from foreign institutions	12,182,038	21	17	Semi-annually and at maturity	-*	1.76 % To 6%
Total	225,073,597					
31 December 2021 (Audited)						
Loans borrowed from Central Bank of Jordan	11,296,802	2,005	1,728	Monthly	Promissory notes	0 TO 1.0%
Loans borrowed from banks/ Local financial institution	176,394,980	605	400	Monthly, quarterly, semi-annually and at maturity	Cash deposits/ Mortgage Bonds / Property and equipment /	4.5% TO 6.5%
Borrowing from foreign institutions	9,281,519	16	14	Semi-annually and at maturity	-*	1.76 % TO 5%
Total	196,973,301					

- Borrowed funds from Central Bank of Jordan amounted to JD 8,948,132, which represent funds borrowed to refinance customers' facilities through medium term financing programs and Central Bank of Jordan program to assist SMEs in facing COVID-19, refinanced with an average interest rate amounted to 3.4%
- The number of beneficiaries from Central Bank of Jordan program which aims to assist SMEs in facing COVID-19 was 44 clients as of 30 September 2022. Where the loans are due within a period of 52 months from the date of granting, including the grace period, according to the requirements of the program.
- Borrowed funds represent amounts borrowed from local banks amounted to JD 173,443,427, which are presented by overdraft accounts and revolving loans granted to the subsidiaries (Al-Istethmari Letamweel Selselat Al Imdad, Tamkeen Leasing Company, Jordan Trade Facilities Company and Bindar Trading and Investment Company).
- Borrowed funds from local institutions represent amounts borrowed from Jordan Mortgage refinancing company amounted to JD 30,500,000 as of 30 September 2022 and 31 December 2021. Also, Housing loans are refinanced with an interest rate amounted to 7.25% as at 30 September 2022 against 6.20% as at 31 December 2021.
- Borrowed funds from foreign institutions represent amounts borrowed from Sanad fund to finance small projects by an amount of USD 17.2 million, equivalent to JD 12,182,038 granted to the Bank and it's subsidiary (Jordan Trade Facilities Company) as at 30 September 2022 against USD 13.1 Million, equivalent to JD 9,281,519 for the bank and subsidiaries (Jordan Trade Facilities Company) as of 31 December 2021.
- Fixed interest loans and floating interest loans are amounted to JD 61,616,815 and JD 163,456,782 respectively, as of September 30, 2022 against JD 68,238,500 fixed interest loans and JD 128,734,801 floating interest loans as at December 31, 2021.

* The Bank issued Letter of Comfort

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(9) BONDS

This item represents bonds issued on behalf of subsidiaries and as follow:

Subsidiary	Amount of issued bonds	Interest rate	Total number of instalments	Remaining number of instalments	Frequency of instalments	Guarantees	Issuance date	Maturity date
	JD							
30 September 2022 (Unaudited)								
Jordan Trade Facilities Company	5,280,000	5.25%	1		One payment at the date of maturity	None	25 November 2021	24 November 2022
Total	5,280,000							
31 December 2021 (Audited)								
Tamkeen Leasing Company	5,000,000	5.25%	1	1	One payment at the date of maturity	None	24 August 2021	22 September 2022
Bindar Trade and Investment Company	3,000,000	5.25%	1	1	One payment at the date of maturity	None	29 June 2021	23 June 2022
Jordan Trade Facilities Company	5,280,000	5.25%	1	1	One payment at the date of maturity	None	25 November 2021	24 November 2022
Total	13,280,000							

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(10) INCOME TAX

Bank's tax status:

- The financial period is charged with its income tax expense in accordance with the regulations, laws and international financial reporting standards, and the necessary tax provision is calculated and recorded.
- The Bank has reached to a final settlement with the Income and Sales Tax Department for the financial years up to the end of the year 2018.
- The Bank has submitted its tax return for the year 2019, 2020 and 2021 upon the legal due date.
- As per the opinion of the Bank's management and its tax consultant, the provisions booked are sufficient to meet any tax obligations as at 30 September 2022.

Tax status of Tamkeen Leasing Company (Subsidiary)

- The company didn't submit its self-assessment statements for the period since inception on 31 October 2006 till 31 December 2009 as it did not operate during those years.
- The Company has reached to a final settlement with the income and sales tax department regarding income tax for the years 2010 to 2017.
- The company has submitted its tax return for the year 2018 upon the legal due date, which was accepted using the sampling system.
- The company submitted the tax return for the years 2019, 2020 and 2021 duly and on the legally specified date.
- The Company has submitted its returns on general sales tax upon the legal due date .The income and sales tax department has audited the returns on general sales tax up to 31 December 2017.The company has submitted the subsequent returns upon the legal due date in addition of paying the related tax due up to the date of the preparation of these interim condensed consolidated Financial statements.
- As per the opinion of the company's management and its tax consultant, the company will not have any tax liabilities exceeding the booked provision as at 30 September 2022.

Tax status of Al Istethmari Letamweel Selselat Al Imdad Company (Subsidiary)

- The company has reached to a final settlement with the income and sales tax department for the financial years up to the end of 2010.
- The company has submitted its annual income tax returns (annual income tax statements) for the years from 2011 till 2014 within the legal period and has settled all outstanding liabilities within that legal period. Annual income tax returns (annual income tax statements) have been accepted by the Income and sales tax department without any amendments.
- The company's tax has been evaluated by the tax authorities up to the end of the year 2018 and no deferred tax liabilities existed during that period. The tax return was accepted for 2018 according to the sampling system.
- The company submitted the tax return for the years 2019, 2020 and 2021 duly and on the legally specified date.
- The company has submitted the returns on general sales tax within the legal period and no deferred tax liabilities were applicable up to date.
- Sales tax returns were accepted without modification up to the end of 2017, and subsequent tax returns has been submitted upon the legal due date and the related tax due was paid up to the date of these interim condensed consolidated Financial statements.
- As per the opinion of the company's management and its tax consultant, the company will not have any tax liabilities exceeding the booked provision as at 30 September 2022.

Tax status of Jordan Trade Facilities Company and its subsidiaries (Subsidiary)

- The company has reached to a final settlement with the income and sales tax department up to the end of the year 2017. The tax return was accepted for 2018 according to the sampling system.
- The company has submitted its tax return for the years 2019, 2020 and 2021 upon the legal due date.
- The Company has submitted its returns of general sales tax upon the legal due date. The income and sales tax department has audited the submitted returns up to the end of 2016. Tax returns related to the subsequent period till the end of 2017 have been submitted upon the legal due date.

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- The subsidiary (Trade Facilities for Finance Leasing Company) has made a final settlement with the income and sales tax department to the end of 2011 the tax returns was accepted for 2012-2018 according to the sampling system.
- The subsidiary (Trade Facilities for Finance Leasing Company) has submitted its tax return for the years 2019, 2020 and 2021 upon the legal due date, which have not been audited by the income and tax department yet.

The subsidiary (Trade Facilities for Finance Leasing Company) has submitted its tax return for the years 2019, 2020 and 2021 upon the legal due date.

- The subsidiary (Trade Facilities for Finance Leasing Company) has submitted returns on general sales tax upon the legal due date. The income and sales tax department has audited the returns submitted up to 2013, noting that the returns submitted for the tax periods are submitted upon their legal due date.
- As per the opinion of the company's management and its tax consultant, Trade Facilities Company and its subsidiary will not have any tax liabilities exceeding the booked provision as of 30 September 2022.

Tax status of Bindar Trade and Investment Company (Subsidiary)

- The Company has reached to a final settlement with the income and sales tax department until the end of the year 2018 and 2020.
- The company has submitted its tax return for the years 2019 and 2021 upon the legal due date and paid the tax due.
- Returns of general sales tax were audited up to the end of 2017, and subsequent returns were submitted upon the legal due date and its related tax due were paid up to the date of the preparation of these condensed consolidated Financial statements.
- The subsidiary (Bindar Leasing Company) has made a final settlement with the Income and Sales Tax Department up to the end of 2020, and the tax return for the year 2021 was submitted upon the legal due date and the company has no tax obligations up to the date of the preparation of these interim condensed consolidated Financial statements.
- The subsidiary (Bindar Leasing Company) has registered in the sales tax as of 1 January 2017. The tax returns have been submitted and the due tax has been paid up to the date of the preparation of these interim condensed consolidated Financial statements.
- The subsidiary (Robou Al Sharq Real Estate) has reached to a final settlement with the income and sales tax department up to the end of the years 2018 and 2020.
- The subsidiary (Robou Al Sharq Real Estate) has submitted its tax return for the years 2019 and 2021 and the tax due was paid upon the legal due date.
- The subsidiary (Rakeen Real Estate Company) has reached to a final settlement with the income and sales tax department until the end of the years 2018 and 2020.
- The subsidiary (Rakeen Real Estate Company) has submitted its tax return for the years 2019 and 2021 and the tax due was paid upon the legal due date.
- The subsidiary company (Al Qimma Automotive Commercial Facilities Company) made a final settlement with the Income and Sales Tax Department of the company until the end of 2019, and the tax returns for 2020 and 2021 were submitted within the legal period and the tax due was paid on the legally specified date.
- The subsidiary company (Al Qimma Automotive Commercial Facilities Company) audited the general sales tax returns until the end of 2015, and the subsequent returns were submitted on the legally specified date and the tax due related to them was paid up to the date of preparing these interim condensed consolidated financial statements.
- As per the opinion of the company's management and its tax consultant, the company and its subsidiary will not have any tax liabilities exceeding the booked provision as of 30 September 2021.

Tax status of the Jordan Factoring Company (subsidiary):

- The company has duly submitted tax returns for the years 2012 to 2021, as the tax returns for the years 2012 and 2013 were accepted within the sampling system.
- The company has registered for sales tax as of July 7, 2020, and subsequent tax returns have been submitted and the tax due has been paid until the date of preparing these interim condensed consolidated financial statements.
- As per the opinion of the company's management and its tax consultant, the company will not have any tax provision for the period ended 30 September 2022 as the company has accumulated losses.

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(11) RETAINED EARNINGS

The movement on retained earnings is as follows:

	30 September 2022	31 December 2021
	JD	JD
	(Unaudited)	(audited)
Balance at the beginning of the period/ year	42,612,312	39,363,524
Profit for the year	-	17,812,151
Transferred to reserves	1,648,610	(2,728,366)
Dividend*	(10,000,000)	(12,000,000)
Gain (Losses) on sale of financial assets at fair value through other comprehensive income	(120,446)	90,889
Effect of increase in investment in subsidiaries	9,774	74,114
Balance at the end of the period/ year	34,150,250	42,612,312

- Retained earnings include an amount of JD 18,265,710 restricted against deferred tax assets according to the instructions of the Central Bank of Jordan as at 30 September 2022 against JD 15,801,272 as at 31 December 2021.
 - Retained earnings include an amount of JD 1,039,200 as at 30 September 2022 and 31 December 2021 restricted according to the instructions of the Central Bank of Jordan, which represents the reminder of the balances of illegal operations.
 - Retained earnings Includes an amount of JD 415,199 as at 30 September 2022 and 31 December 2021, which represents the effect of the early adoption of IFRS (9). Such amount is restricted and cannot be utilized unless realized through actual sale as instructed by Jordan Securities Commission.
 - Retained earnings do not include any amounts that represent unrealized profits of financial assets at fair value through the statement of profit or loss unrealized as on September 30, 2022 and December 31, 2021.
 - In accordance with the instructions of the Central Bank of Jordan No. (13/2018), the accumulated balance of the general banking risks reserve item, which has a balance of 6,365,000 dinars as on December 31, 2017, has been transferred to the item of retained earnings to offset with the impact of International Financial Reporting Standard No. (9) It is prohibited to dispose of the surplus with the amount after clearing, which amounts to 1,971,056 dinars.
 - It is restricted to use an amount equal to the negative balance of the fair value reserve from the retained earnings except with the prior approval of the Central Bank of Jordan.
- * According to the decision of the General Assembly of Shareholders on April 20, 2022, 10 million JD were distributed from the retained earnings for the year 2021, which is equivalent to 10% of the bank's capital. And equivalent to 12% of the bank's capital.

(12) SECTOR ANALYSIS

A- Information on the Bank and the subsidiaries operating sectors:

The Bank is organized for management purposes and is used by the General Manager and decision makers at the Bank through three main business segments described below. The Bank also has subsidiaries, specialized in financial brokerage services, financing lease services, operation and management of bonded warehouses and factoring receivables.

- **Individuals accounts:** include following up on individual customers deposits, and granting them credit facilities, credit cards, and other services.
- **Corporate accounts:** include following up on deposits, credit facilities granted to customers and other banking services related to corporate customers.
- **Treasury:** includes providing dealing services, treasury, and management of the Bank's funds.

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The following table represents information on the Bank's sectors distributed in accordance with the activities:

	Individuals JD	Corporate JD	Treasury JD	Financial Lease JD	Bonded Management JD	Others JD	Total for the nine months period ended in 30 September	
							2022 JD	2021 JD
							(Unaudited)	(Unaudited)
(Recovered from) Gross income	26,891,146	15,113,810	4,263,069	1,337,703	1,276,180	2,323,608	51,205,516	39,965,266
Provision for Expected credit Loss on direct credit facilities	(2,272,838)	(2,115,365)	-	(34,864)	(220,891)	-	(4,643,958)	1,354,051
Recovered from expected credit loss in financial assets and off-balance sheet items in accordance to IFRS (9)	-	-	(68,130)	-	-	486,635	418,505	(378,656)
Sundry provisions	-	-	-	(43,873)	-	(471,826)	(515,699)	(186,979)
Results of business sector	24,618,308	12,998,445	4,194,939	1,258,966	1,055,289	2,338,417	46,464,364	40,753,682
Undistributed expenditures	-	-	-	(907,775)	(1,262,153)	(21,417,800)	(23,587,728)	(19,144,265)
Profit for the period before taxes	24,618,308	12,998,445	4,194,939	351,191	(206,864)	(19,079,383)	22,876,636	21,609,417
Income tax	-	-	-	(128,303)	55,190	(7,474,120)	(7,547,233)	(7,986,554)
(Loss) gain for the period from discontinued operations - net of tax	-	-	-	-	-	(127,201)	(127,201)	277,987
Net Income for the period	24,618,308	12,998,445	4,194,939	222,888	(151,674)	(26,680,704)	15,202,202	13,850,850

	Individuals JD (Unaudited)	Corporate JD (Unaudited)	Treasury JD (Unaudited)	Financial Brokerage JD (Unaudited)	Financial Lease JD (Unaudited)	Other JD (Unaudited)	30 September 2022 JD (Unaudited)	31 December 2021 JD (Audited)
Sector's assets	385,831,301	408,203,326	411,694,715	94,644,984	26,987,971	-	1,327,362,297	1,238,750,932
assets not distributed on sectors	-	-	-	-	-	44,075,207	44,075,207	42,285,897
Assets held for sale	-	-	-	-	-	17,689	17,689	-
Total assets	385,831,301	408,203,326	411,694,715	94,644,984	26,987,971	44,092,896	1,371,455,193	1,281,036,829
Sector's liabilities	520,692,532	368,362,255	71,012,128	71,450,675	22,972,487	-	1,054,490,077	1,000,279,371
liabilities not distributed on sectors	-	-	-	-	-	126,787,198	126,787,198	95,345,727
Liabilities associated with assets held for sale	-	-	-	-	-	2,503	2,503	-
Total liabilities	520,692,532	368,362,255	71,012,128	71,450,675	22,972,487	126,789,701	1,181,279,778	1,095,625,098

	Total for the nine months period ended in 30 September	
	2022 JD (Unaudited)	2021 JD (Unaudited)
Capital expenditures	2,426,743	1,141,604
Depreciation and amortization	2,284,145	2,038,559

B- Information on the geographical distribution.

The Bank performs most of its activities and operations in Jordan which represent local activities. Accordingly, most of the Bank's revenues, assets and capital expenditures are in Jordan.

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(13) TRANSACTIONS WITH RELATED PARTIES

The Bank entered into transactions with subsidiaries, Board of Directors, executive management major shareholders and in the course of ordinary banking activities at commercial rates of interests and commissions.

The following represents a summary of balances and transactions with related parties during the period/year:

	Subsidiaries	Board of directors' members & executive management	Other (employees and heir relative, relative of members of the board of directors and executive management and controlled companies)	30 September 2022	31 December 2021
	JD (Unaudited)	JD (Unaudited)	JD (Unaudited)	JD (Unaudited)	JD (Audited)
On-Balance Sheet Items:					
Credit facilities	4,446,224	4,397,601	27,675,383	36,519,208	51,608,649
Provision for impairment on direct credit facilities **	-	-	34,727	34,727	39,657
Financial assets at amortized costs	-	-	-	-	5,120,000
Financial assets at fair value through Statement of profit or loss	5,244,356	4,559,053	11,103,336	20,906,745	20,781,448
Deposits, current accounts and cash margins	-	16,628,991	-	16,628,991	25,120,396
Off-Balance Sheet Items:					
Letters of credit	144,000	200,592	896,528	1,241,120	3,062,451
				For the nine months ended	
				2022	2021
				JD	JD
				(Unaudited)	(Unaudited)
Statement of profit or loss Items:					
Interest and commission Income	376,844	123,657	1,388,704	1,889,205	2,354,828
Interest and commission Expense	11,321	511,403	198,215	720,939	843,010
Provision for impairment on credit facilities **	-	-	(4,930)	(4,930)	5,631
Maximum interest rate on direct credit facilities in Jordanian dinar	21%	Minimum interest rate on direct credit facilities in Jordanian dinar	2%		
Maximum interest rate on direct credit facilities in foreign currency	12%	Minimum interest rate on direct credit facilities in foreign currency	6%		
Maximum interest rate on deposits in Jordanian dinar	5.5%	Minimum interest rate on deposits in Jordanian dinar	0%		
Maximum interest rate on deposits in foreign currency	1.25%	Minimum interest rate on deposits in foreign currency	0%		
Maximum commission rate on credit	1%	Minimum commission rate on credit	0%		

The executive management salaries and benefits for the bank and its subsidiaries amounted to JD 2,522,681 for the nine months ended 30 September 2022 against JD 2,245,122 in the same period in 2021.

The number of related parties' clients reached 971 client as at 30 September 2022, against 1,001 as at 31 December 2021.

The value of the collaterals provided by the related clients against the granted credit facilities amounted to JD 23,881,592 as at 30 September 2022 against JD 34,999,069 as at 31 December 2021.

* The amounts and transactions with subsidiaries are eliminated in the consolidated financial statements and are shown for explanatory purpose only.

** Presents The provisions prepared according to the Central Bank of Jordan instructions no. (47/2009).

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(14) CASH AND CASH EQUIVALENTS

The details of this item are as follows:

	30 September 2022	30 September 2021
	JD	JD
	(Unaudited)	(Unaudited)
Cash and balances at Central Bank of Jordan maturing within three months	89,728,455	116,471,346
Add: Balances at banks and financial institutions maturing within three months	43,274,052	69,154,886
Deduct: banks and financial institutions' deposits maturing within three months	37,211,090	33,100,705
	95,791,417	152,525,527

(15) FAIR VALUE HIERARCHY

The below table analyse the financial instruments carried at fair value by the valuation method. The different levels have been defined as follows:

Level 1: They are the inputs derived from the quoted (unadjusted) prices of identical assets or liabilities in active markets that the entity can obtain at the measurement date.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: inputs for the asset or liability that are not based on observable market data.

	Level 1	Level 2	Level 3*	Total
	JD	JD	JD	JD
(Unaudited)				
30 September 2022				
Financial assets at fair value through profit and loss	2,028,543	-	-	2,028,543
Financial assets at fair value through other comprehensive income	35,310,514	-	6,647,211	41,957,725
	37,339,057	-	6,647,211	43,986,268
(Audited)				
31 December 2021				
Financial assets at fair value through profit and loss	1	-	-	1
Financial assets at fair value through other comprehensive income	31,016,048	-	6,799,935	37,815,983
	31,016,049	-	6,799,935	37,815,984

Other assets include non-financial assets, which represent real estate investments with subsidiaries (Jordan Trade Facilities Company and Bindar Trading and Investment Company), which are not measured at fair value in the financial statements, noting that the fair value of real estate investments within the phase 2 amounted to JD 3,211,994 as of 30 September 2021, against 3,234,644 JD as at 31 December 2021.

Other assets also include an amount of 39,056,571 JD as of September 30, 2022, against 40,685,861 JD as of December 31, 2021, which represents the balance of assets owned by the bank in fulfillment of outstanding debts. Assets in accordance with the instructions of the Central Bank of Jordan. The fair value of these assets amounted to 48,008,352 JD as of September 30, 2022 against 49,240,835 JD as of December 31, 2021, and they are valued using intangible inputs within the third phase.

*Investments at fair value through other comprehensive income include an amount of 450,000 JD, which belongs to investments in a listed company, but the market price of the share was not adopted in determining the fair value of the investment because there is no active trading on the company's shares, as the company distributed free shares during 2021 through the company's capital increase, the impact of this was not reflected on the market price of the share as a result of the absence of any transactions for the share during the year.

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(16) FAIR VALUE OF FINANCIAL INSTRUMENTS

There are no material differences between the fair value of financial instruments not measured at fair value on Consolidated Statement of Financial Position and their carrying value recognized in the consolidated financial statements. Moreover, there are no material differences between the fair value and the carrying value of the direct credit facilities, financial assets at amortized cost, banks and financial institutions deposits, customer deposits, cash margins and borrowed funds stated at amortized costs in consolidated financial statements, due to the immaterial difference in the market interest rates for similar financial instruments of the contractual prices and due to the short terms of maturity of the banks and financial institutions deposits. The fair value of financial assets at amortized cost is determined through the quoted prices if available or through the valuation models used for fixed price bonds.

(17) EARNINGS PER SHARE FOR THE PERIOD ATTRIBUTABLE TO THE BANK'S SHAREHOLDERS

The details of this item are as follows:

	For the three months period ended 30 September		For the nine months period ended 30 September	
	2022	2021	2022	2021
	JD	JD	JD	JD
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Net Profit for the period attributable to the bank's shareholders	5,155,295	5,012,632	14,815,287	13,761,419
Weighted average number of shares	100,000,000	100,000,000	100,000,000	100,000,000
Basic and diluted earnings per share from the net profit for the period	0.052	0.050	0.148	0.138

Basic earnings per share from the net profit for the period related to the Bank's shareholders equal to the diluted earnings per share, as the bank did not issue any financial instruments that would have an impact on the basic earnings per share

(18) CONTINGENT LIABILITIES

	30 September 2022	31 December 2021
	JD	JD
	(Unaudited)	(Audited)
Letters of credit	11,397,651	5,272,173
Acceptances and time withdrawals	3,042,819	5,790,817
Letters of guarantee:		
Payments	16,982,380	18,897,905
Performance	44,991,044	35,807,941
Others	17,585,356	16,996,179
Unutilized direct credit facilities limits	20,404,480	21,607,956
Unutilized In-direct credit facilities limits	31,059,351	23,971,208
Total	145,463,082	128,344,179

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(19) LAWSUITS AGAINST THE BANK AND IT'S SUBSIDIARIES

Lawsuits held against the bank are amounted to JD 4,557,598 as at 30 September 2022 against JD 3,591,232 as at 31 December 2021. The total booked provisions against these lawsuits amounted to JD 419,237 as at 30 September 2022 against 17,537 as of 31 December 2021. Based on the management's assessment and the Bank's legal consultant, the Bank will not incur any additional liabilities with regard to these lawsuits.

Lawsuits held against Tamkeen for finance leasing amounted to JD 274,240 as at 30 September 2022 against JD 221,540 as at 31 December 2021. Based on the management's assessment and the Bank's legal consultant, the Bank will not incur any additional liabilities with regard to these lawsuits.

Also, there is one lawsuit held against Al Istethmari Latamweel Selselat Al Imdad as at 30 September 2022 and 31 December 2021 and based on management's assessment and the Bank's legal consultant, the Bank will not incur any additional liabilities with regard to these lawsuits.

There is no lawsuits held against Jordanian Company for Factoring as at 30 September 2022 and 31 December 2021.

The lawsuits held against Jordan Trade Facilities amounted to JD 61,090 as at 30 September 2022 against JD 117,311 as at 31 December 2021. The total booked provisions against these lawsuits amounted to JD 220,000 as of 30 September 2022 against 279,173 as of 31 December 2021. Based on the management's assessment and the Company's legal consultant, the company will not incur any additional liabilities with regard to these lawsuits.

Lawsuits held against Trade Facilities for Financial Leasing (Subsidiary of JOTF) amounted to JD 10,601 as of 30 September 2022 against JD 12,301 as of 31 December 2021, based on the management's assessment and the Company's legal consultant; the Bank will not incur any additional liabilities with regard to these lawsuits.

Lawsuits held against Bindar Trading and Investment Company (Subsidiary of the Bank) amounted to JD 66,050 as of 30 September 2022 against JD 32,840 as of 31 December 2021. The total booked provisions against these lawsuits amounted to JD 32,840 as of 30 September 2022 and 31 December 2020, based on the management's assessment and the Company's legal consultant; the company will not incur any additional liabilities with regard to these lawsuits.

Lawsuits held against Al Qimmah Commercial Facilities Company for Cars amounted to JD 71,917 as of September 30, 2022. In the assessment of the management and the company's legal advisor, there is no need to take provisions against this case at this stage.

No lawsuits were raised against Bindar for Financial Leasing, Robou Alsharq, and Rakeen Investment Company (Subsidiaries of Bindar for Trading and Investments) as at 30 September 2022 and 31 December 2021.

INVESTBANK
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(20) ASSETS AND LIABILITIES HELD FOR SALE

the Bank's Board of Directors approved the liquidation of the Jordan Factoring Company, and accordingly, each of the company's assets and liabilities were classified under a separate item in accordance with the requirements of IFRS No. (5). The total assets of the company amounted to 17,689 JD as of September 30, 2022, and the total liabilities of the company amounted to 2,503 JD as of September 30, 2022. The details of each of the company's assets and liabilities are as follows:

	September 30, 2022
	JD
	(Unaudited)
Assets	
Cash and balances at Banks	1,005,538
Property and equipment – net	744
Intangible assets	15,141
Other assets	5,109
Total Assets held for sale	1,026,532
Elimination as a result of transactions between the company and the bank	(1,008,843)
Total Assets held for sale	17,689
Liabilities	
Other liabilities	6,190
Total liabilities directly related to assets held for sale	6,190
Disposals as a result of transactions between the company and the bank	(3,687)
Total liabilities are directly related to assets held for sale	2,503

(21) (LOSS) GAIN FROM DISCONTINUED OPERATIONS - NET AFTER TAX:

A. Profit from discontinued operations - Al Mawared Company (formerly a subsidiary):

	For the three months period ended 31 September		For the nine months period ended 30 September	
	2022	2021	2022	2021
	JD	JD		
	(Unaudited)	(Unaudited)		
Revenues	-	274,234	680,520	799,048
Eliminations from operations between company and Bank	-	(21,708)	(17,091)	(75,050)
Total Revenues	-	252,526	663,429	723,998
Expenses	-	(90,063)	(471,636)	(274,232)
Eliminations from operations between company and Bank	-	3,972	2,171	16,490
Total Expenses	-	(86,091)	(469,465)	(257,742)
Total loss from discontinued operation	-	166,435	193,964	466,256
Tax and waiver expenses	-	(49,259)	(58,500)	(144,580)
Income Tax	-	-	(119,246)	-
Net profit from discontinued operation	-	117,176	16,219	321,676

* During the first half of 2022, the bank sold its entire invested share in the capital of the Al-Mawared financial brokerage company, which cost 3,000,000 JD distributed over 3 million shares, and the sale value of 4,798,993 JD.

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B. Loss from discontinued operations - Jordan Factoring Company:

	For the three months period ended 31 June		For the six months period ended 30 June	
	2022	2021	2022	2021
	JD (Unaudited)	JD (Unaudited)	JD	JD
Revenues	11,751	19,550	59,687	52,022
Eliminations from operations between company and Bank	(3,961)	(3,562)	(6,630)	(9,285)
Total Revenues	7,790	15,988	53,057	42,737
Expenses	(9,347)	(53,775)	(107,102)	(161,721)
Eliminations from operations between company and Bank	414	1,016	1,656	2,258
Total Expenses	(8,933)	(52,759)	(105,446)	(159,463)
Total loss from discontinued operation	(1,143)	(36,771)	(52,389)	(116,726)
Income Tax	-	7,187	(91,031)	23,037
Net Loss from discontinued operation	(1,143)	(29,584)	(143,420)	(93,689)

Based on the decision of the Bank's Board of Directors at its first meeting for the year 2022, they approved to close the Jordan Factoring Company.

(22) GAINS FROM ACQUISITION SUBSIDIARY COMPANY:

During the year, and through its subsidiary company (Bindar for Trade and Investment), the Bank acquired 100% of the Summit Auto Trade Facilities Company, through the purchase of 2,130,000 shares at a nominal value of 1.6 Jordanian dinars per share, where the investment cost was 3,438,366 Jordanian dinars and the fair value of the net assets acquired upon acquisition are 7,035,358 dinars, which resulted in a profit of 3,596,992 dinars.

(23) COMPARATIVE FIGURES

Certain comparative figures for period end on 30 September 2021 and for the year end on 31 December 2021 were reclassified to conform with the classification of the period ended September 30, 2022.