

**INVESTBANK**  
**(PUBLIC LIMITED SHAREHOLDING COMPANY)**  
**AMMAN – HASHEMITE KINGDOM OF JORDAN**  
**INTERIM CONDENSED CONSOLIDATED**  
**FINANCIAL STATEMENTS**  
**(UNAUDITED)**  
**30 JUNE 2023**

**INVESTBANK**  
**(PUBLIC LIMITED SHAREHOLDING COMPANY)**  
**AMMAN - HASHEMITE KINGDOM OF JORDAN**  
**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)**  
**30 JUNE 2023**

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**REVIEW REPORT ON THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
TO THE CHAIRMAN AND THE BOARD OF DIRECTORS OF INVEST BANK  
A PUBLIC LIMITED SHAREHOLDING COMPANY**

**Introduction**

We have reviewed the accompanying interim condensed consolidated statement of financial position of Invest Bank (“the Bank”) and its subsidiaries (together “the Group”) as at 30 June 2023 and the interim condensed consolidated statement of income and the interim condensed consolidated statement of comprehensive income for the three months and six months period ended 30 June 2023, and the interim condensed consolidated statements of changes in shareholders’ equity and interim condensed consolidated statement of cash flows for the six months period then ended and other explanatory notes. Management is responsible for the preparation and presentation of this interim condensed 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 this interim condensed consolidated financial statement 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 are not prepared, in all material respects, in accordance with IAS (34) “interim financial reporting” as amended by the Central Bank of Jordan instructions.

For and on behalf of PricewaterhouseCoopers “Jordan”

  
Omar Jamal Kalanzi  
License No (1015)



Amman, Jordan  
27 July 2023

**INVESTBANK**  
**(PUBLIC LIMITED SHAREHOLDING COMPANY)**  
**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2023**

	<b>Notes</b>	<b>30 June 2023</b>	<b>31 December 2022</b>
		<b>JD (Unaudited)</b>	<b>JD (Audited)</b>
<b>Assets</b>			
Cash and balances at the Central Bank of Jordan	4	121,906,618	84,081,624
Balances at banks and financial institutions	5	123,097,110	73,657,044
Deposits at banks and financial institutions	6	22,686,387	3,544,932
Financial assets at fair value through the statement of profit or loss	7	1	1
Direct credit facilities at amortized cost – net	9	1,001,649,813	849,619,656
Financial assets at fair value through other comprehensive income	8	63,651,937	61,794,622
Financial assets at amortized cost	10	241,444,799	231,184,848
Property and equipment- net		30,607,042	30,108,130
Intangible assets		3,281,259	3,063,082
Right of use of assets		4,453,773	4,108,272
Deferred tax assets		18,866,200	18,853,869
Other assets	11	90,384,134	67,858,837
		<b>1,722,029,073</b>	<b>1,427,874,917</b>
Assets held for sale	34	144,772	145,229
<b>Total assets</b>		<b>1,722,173,845</b>	<b>1,428,020,146</b>
<b>Liabilities and equity</b>			
<b>Liabilities</b>			
Banks and financial institutions deposits		50,749,379	38,730,800
Customers' deposits	12	1,062,525,855	881,704,812
Cash margins		113,133,144	36,433,056
Borrowed funds	13	245,434,591	224,968,902
Bonds	14	15,010,000	13,960,000
Lease liabilities		3,300,447	2,994,059
Sundry provisions		541,985	421,029
Income tax provision	15	6,383,290	9,383,036
Deferred tax liabilities		1,329,891	3,981,771
Other liabilities	16	23,297,058	19,992,148
		<b>1,521,705,640</b>	<b>1,232,569,613</b>
Liabilities directly associated with assets held for sale	34	242	2,360
<b>Total liabilities</b>		<b>1,521,705,882</b>	<b>1,232,571,973</b>
<b>Equity</b>			
<b>Bank's shareholders equity</b>			
Authorized, subscribed and paid in capital		100,000,000	100,000,000
Statutory reserve	17	34,583,047	34,583,047
Financial asset revaluation reserve-net	18	8,805,837	6,435,777
Retained earnings	19	40,840,471	50,972,953
Net profit for the period		12,655,085	-
<b>Total equity attributable to the Bank's shareholders</b>		<b>196,884,440</b>	<b>191,991,777</b>
Non-controlling interest		3,583,523	3,456,396
<b>Total equity</b>		<b>200,467,963</b>	<b>195,448,173</b>
<b>Total liabilities and equity</b>		<b>1,722,173,845</b>	<b>1,428,020,146</b>

The accompanying notes from 1 to 37 are an integral part of these interim condensed consolidated financial statements

**INVESTBANK**  
**(PUBLIC LIMITED SHAREHOLDING COMPANY)**  
**INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**  
**FOR THE THREE AND SIX MONTH PERIOD ENDED ON 30 JUNE 2023**

	Notes	For the three months ended 30		For the six months ended 30	
		June		June	
		2023	2022	2023	2022
		JD	JD	JD	JD
		<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Interest income	20	30,324,914	19,155,517	56,666,355	37,818,159
Interest expense	21	(16,568,727)	(9,353,764)	(30,635,551)	(18,051,837)
<b>Net interest income</b>		<b>13,756,187</b>	<b>9,801,753</b>	<b>26,030,804</b>	<b>19,766,322</b>
Net commission income		5,810,324	3,599,378	11,090,436	6,835,744
<b>Net interest and commissions income</b>		<b>19,566,511</b>	<b>13,401,131</b>	<b>37,121,240</b>	<b>26,602,066</b>
Gains from foreign currencies		227,442	200,817	428,580	374,128
Gains from financial assets at fair value through the statement of profit or loss	22	89,686	425,557	205,610	568,946
Cash dividends from financial assets at fair value through other comprehensive income	8	200,324	193,815	1,804,614	816,654
Other income		577,297	527,561	1,507,332	1,761,325
<b>Gross Income</b>		<b>20,661,260</b>	<b>14,748,881</b>	<b>41,067,376</b>	<b>30,123,119</b>
Staff Expenses		(4,863,892)	(4,264,921)	(9,462,509)	(8,331,755)
Depreciation and amortization		(955,504)	(767,862)	(1,799,854)	(1,498,813)
Other expenses		(2,581,528)	(2,266,714)	(5,453,907)	(4,415,816)
Reversal from (provision for) impairment of assets seized by the Bank in settlement of outstanding debts and the provision for assets seized in accordance with the instructions of the Central Bank of Jordan		(13,778)	(1,493,440)	761,784	(1,493,440)
Provision for Expected Credit Loss against direct credit facilities at amortized cost	9	(2,436,754)	623,776	(6,807,589)	(2,540,485)
(Provision for) reversed from expected credit loss provision on financial assets and off-balance sheet items	23	(362,526)	184,080	(372,765)	276,855
Sundry provisions		(3,265)	(475,710)	(64,263)	(528,355)
<b>Total Expenses</b>		<b>(11,217,247)</b>	<b>(8,460,791)</b>	<b>(23,199,103)</b>	<b>(18,531,809)</b>
Bargain on purchase of a subsidiary	36	-	-	-	3,596,992
<b>Profit for the period before tax</b>		<b>9,444,013</b>	<b>6,288,090</b>	<b>17,868,273</b>	<b>15,188,302</b>
Income tax expense for the period	15	(2,644,637)	(3,293,932)	(5,068,261)	(5,062,243)
<b>Net Profit for the period from continued operations</b>		<b>6,799,376</b>	<b>2,994,158</b>	<b>12,800,012</b>	<b>10,126,059</b>
<b>Discontinued operations</b>					
Loss from discontinued operations – net after tax	35	-	(190,824)	-	(126,059)
<b>Net profit for the period</b>		<b>6,799,376</b>	<b>2,803,334</b>	<b>12,800,012</b>	<b>10,000,000</b>
<b>Attributable to:</b>					
Banks' shareholders		6,740,875	2,491,042	12,655,085	9,659,992
Non-controlling interest		58,501	312,292	144,927	340,008
		<b>6,799,376</b>	<b>2,803,334</b>	<b>12,800,012</b>	<b>10,000,000</b>
		JD/Share	JD/Share	JD/Share	JD/Share
Basic and diluted earnings per share from net profit for the period attributable to the Banks' shareholders	30	0.067	0.025	0.127	0.097

The accompanying notes from 1 to 37 are an integral part of these interim condensed consolidated financial statements

**INVESTBANK**  
**(PUBLIC LIMITED SHAREHOLDING COMPANY)**  
**INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE THREE AND SIX MONTH PERIOD ENDED ON 30 JUNE 2023**

	<b>For the three months ended</b>		<b>For the Six months ended 30</b>	
	<b>30 June</b>		<b>June</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>JD</b>	<b>JD</b>	<b>JD</b>	<b>JD</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Net profit for the period</b>	6,799,376	2,803,334	12,800,012	10,000,000
<b>Other comprehensive income items that will not be reclassified to profit or loss in subsequent period:</b>				
Net Changes in financial assets revaluation reserve – net after tax	(434,845)	1,739,675	2,350,816	1,264,089
Loss on sale of financial assets at fair value through other comprehensive income transferred to retained earnings – equity instruments net after tax	(29,930)	(139,916)	(120,479)	(196,226)
<b>Total other comprehensive income items</b>	<b>(464,775)</b>	<b>1,599,759</b>	<b>2,230,337</b>	<b>1,067,863</b>
<b>Total comprehensive income for the period</b>	<b>6,334,601</b>	<b>4,403,093</b>	<b>15,030,349</b>	<b>11,067,863</b>
<b>Total comprehensive income attributable to:</b>				
Banks' shareholders	6,276,095	4,090,739	14,885,443	10,727,819
Non-controlling interest	58,506	312,354	144,906	340,044
	<b>6,334,601</b>	<b>4,403,093</b>	<b>15,030,349</b>	<b>11,067,863</b>

The accompanying notes from 1 to 37 are an integral part of these interim condensed consolidated financial statement

**INVESTBANK (PUBLIC LIMITED SHAREHOLDING COMPANY)**  
**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE SIX MONTH PERIOD ENDED ON 30 JUNE 2023**

	Reserves							
	Authorized, subscribed and paid in capital	Statutory	Financial Asset revaluation reserve-net	Retained earnings	profit for the period attributable to the bank's shareholders	Total equity attributable to the bank's shareholders	Non- controlling interest	Total equity
(Unaudited)	JD	JD	JD	JD	JD	JD	JD	JD
<b>As of 01 January 2023</b>	100,000,000	34,583,047	6,435,777	50,972,953	-	191,991,777	3,456,396	195,448,173
Profit for the period	-	-	-	-	12,655,085	12,655,085	144,927	12,800,012
Net changes in financial assets revaluation reserve –net after taxes	-	-	2,350,837	-	-	2,350,837	(21)	2,350,816
Gain (loss) on sale of financial assets at fair value through other comprehensive income transferred to the retained earnings – equity	-	-	19,223	(139,702)	-	(120,479)	-	(120,479)
<b>Total comprehensive income</b>	-	-	<b>2,370,060</b>	<b>(139,702)</b>	<b>12,655,085</b>	<b>14,885,443</b>	<b>144,906</b>	<b>15,030,349</b>
Dividend distributions (Note 19)	-	-	-	(10,000,000)	-	(10,000,000)	-	(10,000,000)
Effect of increase in investment in subsidiaries	-	-	-	7,220	-	7,220	(17,779)	(10,559)
<b>As of 30 June 2023</b>	<b>100,000,000</b>	<b>34,583,047</b>	<b>8,805,837</b>	<b>40,840,471</b>	<b>12,655,085</b>	<b>196,884,440</b>	<b>3,583,523</b>	<b>200,467,963</b>
(Unaudited)								
<b>As of 01 January 2022</b>	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	-	-	-	-	9,659,992	9,659,992	340,008	10,000,000
Net changes in financial assets revaluation reserve –net after taxes	-	-	1,264,053	-	-	1,264,053	36	1,264,089
(Loss) gain on sale of financial assets at fair value through other comprehensive income transferred to the retained earnings – equity	-	-	(209,057)	12,831	-	(196,226)	-	(196,226)
<b>Total comprehensive income</b>	-	-	<b>1,054,996</b>	<b>12,831</b>	<b>9,659,992</b>	<b>10,727,819</b>	<b>340,044</b>	<b>11,067,863</b>
Dividend distributions (Note 19)	-	-	-	(10,000,000)	-	(10,000,000)	-	(10,000,000)
Released from reserves- effect of selling a subsidiary	-	(1,648,610)	-	1,648,610	-	-	-	-
Effect of increase in investment in subsidiaries	-	-	-	6,555	-	6,555	(20,710)	(14,155)
<b>As of 30 June 2022</b>	<b>100,000,000</b>	<b>31,723,085</b>	<b>7,417,359</b>	<b>34,280,308</b>	<b>9,659,992</b>	<b>183,080,744</b>	<b>3,384,695</b>	<b>186,465,439</b>

- Retained earnings include an amount of JD 18,866,200 as of 30 June 2023 (31 December 2022: JD 18,853,869) restricted against deferred tax assets in accordance with the instructions of Central Bank of Jordan and Jordan Securities Commission.
- Retained earnings include a restricted amount of JD 1,039,200 as of 30 June 2023 and 31 December 2022, which represents the remaining balance of the illegal transactions in accordance with the instructions of the Central Bank of Jordan.
- Retained earnings include a restricted amount of JD 415,199 as of 30 June 2023 and 31 December 2022, which represents the effect of the early adoption of IFRS (9). Such amounts are restricted and cannot be utilized unless realized through actual sale as instructed by Jordan Securities Commission.
- It is prohibited to utilize any amount that represents unrealized gain from financial assets at fair value through profit or loss as of 30 June 2023 and 31 December 2022.
- In accordance with the instructions of the Central Bank of Jordan Circular No. ( 13/ 2018), the accumulated balance of the general banking risk reserve which amounted to JD 6,365,000 as of 31 December 2017 has been transferred to the retained earnings to offset the impact of the IFRS 9. The surplus after the offset which amounted to JD 1,971,056 is restricted.
- The use of the credit balance of the valuation reserve of financial assets through other comprehensive is restricted in accordance with the instructions of Central Bank of Jordan and Jordan Securities Commission.

**The accompanying notes from 1 to 37 are an integral part of these interim condensed consolidated financial statements**

**INVESTBANK (PUBLIC LIMITED SHAREHOLDING COMPANY)**  
**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE SIX MONTH PERIOD ENDED ON 30 JUNE 2023**

	Notes	For the six month period ended 30 June	
		2023	2022
		JD (Unaudited)	JD (Unaudited)
<b>Operating activities</b>			
Income for the period before income tax		17,868,273	15,211,774
<b>Adjustments for non-cash items:</b>			
Depreciation and amortization		1,799,854	1,498,813
Provision for expected credit loss provision on direct credit facilities		6,807,589	2,540,485
Sundry provisions		64,263	528,355
Provision for (reversal from) expected credit loss provision on financial assets and off-balance sheet items in accordance with IFRS (9)		372,765	(276,855)
Interest expense on lease liabilities		67,766	81,270
(Reversal from) provision for impairment on assets seized by the bank in settlement of outstanding debts and the provision for seized assets in accordance with the instructions of the Central Bank of Jordan		(761,784)	1,493,440
(Gain) loss on disposal of assets		(1,308,646)	397
Loss (gain) on sale of assets seized by the bank		1,014,823	(584,612)
Unrealized gain from revaluation of financial assets at fair value through P&L	22	-	(53,658)
Net interest expenses		3,022,039	771,383
Bargain on purchase of a subsidiary		-	(3,596,992)
Effect of changes in exchange rates on cash and cash equivalents		(5,353)	(9,407)
		<b>28,941,589</b>	<b>17,604,393</b>
<b>Changes in assets and liabilities</b>			
Direct credit facilities at amortized cost		(158,837,746)	(11,162,943)
Assets and liabilities held for sale		(1,661)	(79,383)
Other assets		(21,808,663)	(10,566,352)
Customers' deposits		180,821,043	45,279,071
Cash margins		76,700,088	30,505,107
Other liabilities		(683,144)	980,973
		<b>76,189,917</b>	<b>54,956,473</b>
<b>Net changes in assets and liabilities</b>		<b>105,131,506</b>	<b>72,560,866</b>
<b>Net cash flows from operating activities before income tax and provisions paid</b>		<b>105,131,506</b>	<b>72,560,866</b>
Paid from lawsuits provisions		56,693	18,049
Income tax paid		(8,080,338)	(6,639,444)
<b>Net cash flows generated from operating activities</b>		<b>97,107,861</b>	<b>65,939,471</b>
<b>Investing activities</b>			
Purchases of financial assets at fair value through other comprehensive income		(4,650,240)	(2,544,614)
Sale of financial assets at fair value through other comprehensive income		2,491,882	1,202,268
Deposits at banks and financial institutions due in more than 3 months		(19,143,000)	(3,545,000)
Purchases of financial assets at amortized cost		(75,043,774)	(63,564,991)
Matured financial assets at amortized cost		64,285,819	20,048,097
Purchase of property and equipment and advances for purchases of property, equipment and projects under progress		(2,041,277)	(1,057,766)
Proceeds from sale of property and equipment		1,823,088	12,200
Purchase of intangible assets		(490,915)	(140,391)
Net cash flows used in purchase of a subsidiary		-	(3,438,366)
Net cash flows generated from purchase of a subsidiary		-	238,672
<b>Net cash flows used in investing activities</b>		<b>(32,768,417)</b>	<b>(52,789,891)</b>
<b>Financing activities</b>			
Dividends paid		(10,000,000)	(10,000,000)
Borrowed funds		20,465,689	7,205,507
Bonds		1,050,000	(3,000,000)
Lease liabilities payments		(602,569)	(567,242)
Purchases of additional share in subsidiaries		(10,559)	(14,155)
<b>Net cash flows generated from (used in) financing activities</b>		<b>10,902,561</b>	<b>(6,375,890)</b>
Effect of changes in exchange rates on cash and cash equivalents		5,353	9,407
<b>Net increase in cash and cash equivalents</b>		<b>75,247,358</b>	<b>6,783,097</b>
Cash and cash equivalents at 1 January		119,008,897	132,932,008
<b>Cash and cash equivalents at 30 June</b>	27	<b>194,256,255</b>	<b>139,715,105</b>
<b>Non-cash transactions resulted from the sales of investments in subsidiary</b>			
Trade receivables		-	2,952,651
Right to obtain shares - at cost		-	(1,846,342)

The accompanying notes from 1 to 37 are an integral part of these interim condensed consolidated financial statements

**(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, the latest increase was on 10 April 2012. 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 Hashemite kingdom of 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 on Amman Stock Exchange.
- These interim condensed consolidated financial statements were approved by the Bank’s Board of Directors on their meeting number (04/2023) held on 24 July 2023.

**(2) 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 the consolidated financial statements**

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

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

- 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, so that credit exposures are treated and guaranteed by the Jordanian government without calculating the expected credit losses.

- When calculating expected credit losses against credit exposures, a comparison is made between the calculation results as per IFRS 9 with the instructions of the Central bank of Jordan no. (47/2009) Dated December 10, 2009 at each stage, the stricter results are used, and classified in accordance with Central bank of Jordan requirements in this regard.
- Interest and commissions are suspended on non-performing credit facilities and facilities classified within the third stage in accordance with the instructions of the Central Bank of Jordan
- According to the instructions of the Central Bank of Jordan No. (47/2009) issued on 10 December 2009 regarding the classification of credit facilities and the calculation of the impairment provisions, credit facilities were classified into the following categories:

**A- Low risk credit facilities, which do not require any provisions:**

These credit facilities are characterized by any of the following:

- 1) 1. Facilities granted and guaranteed by the Jordanian government, as well as to the governments of countries in which Jordanian banks have branches, provided that these facilities are granted in the same currency of the host country
- 2) 2. Cash guaranteed by (100%) of the outstanding balance at any time.
- 3) 3. Facilities guaranteed with an acceptable bank guarantee at (100%).

**B- Acceptable risk credit facilities, which do not require provision:**

These credit facilities are characterized by any of the following:

- 1) Strong financial positions and adequate cash flows.
- 2) Contracted and covered with duly accepted guarantees.
- 3) Having good sources of repayment.
- 4) Active account movement and regular repayment of principal and interest.
- 5) Efficient management of the client.

**C- Credit facilities listed under the watch-list (requiring special attention) which impairment allowances for are calculated within a range of (1.5% - 15%):**

These credit facilities 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 of credit facilities and/or interest.
- 2) Exceeding the overdraft predetermined limit by (10%), and for a period of more than (60) days and less than (90) days.
- 3) Credit facilities that have previously been classified as non-performing credit facilities then reclassified from the list upon meeting the rescheduling criteria.
- 4) Acceptable-risk credit facilities that has been rescheduled twice in one year.
- 5) Credit facilities that have been expired for more than 60 days and less than (90) days and have not been renewed.

This is in addition to other conditions detailed in the instructions.

#### D- Non-performing credit facilities:

The credit facilities that have any of the following characteristics:

- 1) They are past due, or the maturity of one of their instalments, or default payment of the principal amount and / or interest, or dormant current debit account for the following periods:

<u>Classification</u>	<u>Number of Breach days</u>	<u>Ratio of the provision in the 1st year</u>
Sub-standard credit facilities	(90) - (179) days	25%
Doubtful credit facilities	(180) to (359) days	50%
Bad debt/loss credit facilities	(360) days and more	100%

- 2) Overdrafts that exceed the granting limit by (10%) and more, and for the duration of (90) days and more.
- 3) Credit facilities that have been expired for 90 days or more and have not been renewed.
- 4) Credit facilities granted to any customer declared bankrupt or to any company that has been deemed under liquidation.
- 5) Credit facilities that were restructured three times within a year.
- 6) Current and on-demand accounts overdrawn for (90) days or more.
- 7) The value of guarantees paid on behalf of the clients and were not credited to their accounts with past due of (90) days or more.

The expected credit losses provision against credit facilities is calculated in accordance with the 2009/47 instructions for this category of facilities according to the above ratios and the amount of unguaranteed credit facilities during the first year, while the allocation of the covered amount is completed at 25% and over four years.

- Assets that have been seized by the Bank in settlement of due debts are stated in the consolidated statement of financial position within other assets at the acquisition cost or the fair value, whichever is lesser, and are revalued on the date of the consolidated financial statements individually. Any impairment in their value is recorded as a loss in the consolidated statement of profit or loss and any appreciation in value is not recorded as income. The subsequent increase is taken to the consolidated statement of income to the extent that it does not exceed the value of the previously recorded impairment. A gradual provision is calculated against seized assets at a percentage of (5%) of the total book value of these properties (regardless of the period of violation) starting from the year 2022, so that the required provision percentage of 50% of these properties is reached by the end of the year 2030. In accordance with the Central Bank of Jordan Circular No. 10/3/16234 dated 10 October 2022 the calculation of the gradual provision against seized assets was stopped, provided that the provisions recorded against seized assets that violate the provision of banking law are maintained and to be released upon the disposal of such assets.
- Additional provisions are calculated in the consolidated financial statements against some of the Bank's foreign investments in some neighboring countries, if any, and in compliance with the requirements of the Central Bank of Jordan.

- Some items are classified and presented in the consolidated statement of financial position, consolidated statement of profit or loss and the consolidated statement of cash flows and the related disclosure, such as credit facilities, interest in suspense, expected credit losses, investments, fair value levels, segments classification and disclosures related to risks and others, are presented and disclosed in accordance with the requirements of the Central Bank of Jordan, its instructions and circulated guidance which might not include all the requirements of IFRS such as IFRS 7, 9 and 13.
- The interim condensed consolidated financial statements have been prepared under the historical cost conversion except for financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income which are measured at fair value at the date of the interim condensed consolidated financial statements. Also, financial assets and financial liabilities for which the risk of change in their fair value has been hedged are shown at fair value.
- These interim condensed consolidated financial statements do not include all information and disclosures required in the annual financial statements prepared in accordance with International Financial Reporting Standards (IFRS) as amended by the Central Bank of Jordan, these interim condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements of the Group for the year ended on 31 December 2022. Furthermore, the results of operations for the six months period ended on 30 June 2023 do not necessarily reflect an accurate indicator about the expected results for the year ended 31 December 2023, furthermore, specifications have not been made for 30 June 2023 profits, which was done at year end.
- The Jordanian Dinar is the presentation currency for the interim condensed consolidated financial statements, which is the Group's functional currency.

## **2-2 Changes in accounting policy and disclosures**

### **A- Applicable accounting policies**

The accounting policies used in the preparation of these consolidated financial statements are consistent with those followed in the preparation of the last consolidated financial statements for the Group for the year ended 31 December 2022, except for the adoption of new standards and amendments to the existing standards as mentioned below.

### **New standards, amendments and interpretations**

- **IFRS 17 Insurance Contracts - IFRS 17** was issued in May 2017 as replacement for IFRS 4 Insurance Contracts. It requires a current measurement model where estimates are re-measured in each reporting period. Contracts are measured using the building blocks of:
  - discounted probability-weighted cash flows.
  - an explicit risk adjustment, and
  - a contractual service margin (CSM) representing the unearned profit of the contract which is recognized as revenue over the coverage period.
- The standard allows a choice between recognizing changes in discount rates either in the statement of profit or loss or directly in other comprehensive income.
- The choice is likely to reflect how insurers account for their financial assets under IFRS 9.

- An optional, simplified premium allocation approach is permitted for the liability for the remaining coverage for short-duration contracts, which are often written by non-life insurers.
- There is a modification of the general measurement model called the 'variable fee approach' for certain contracts written by life insurers where policyholders share in the returns from underlying items. When applying the variable fee approach, the entity's share of the fair value changes of the underlying items is included in the CSM. The results of insurers using this model are therefore likely to be less volatile than under the general model.
- The new rules will affect the financial statements and key performance indicators of all entities that issue insurance contracts or investment contracts with discretionary participation features.
- Targeted amendments made in July 2020 aimed to ease the implementation of the standard by reducing implementation costs and making it easier for entities to explain the results from applying IFRS 17 to investors and others. The amendments also deferred the application date of IFRS 17 to 1 January 2023.
- Further amendments made in December 2021 added a transition option that permits an entity to apply an optional classification overlay in the comparative period(s) presented on initial application of IFRS 17. The classification overlay applies to all financial assets, including those held in respect of activities not connected to contracts within the scope of IFRS 17. It allows those assets to be classified in the comparative period(s) in a way that aligns with how the entity expects those assets to be classified on initial application of IFRS 9. The classification can be applied on an instrument-by-instrument basis.
- **Disclosure of Accounting Policies – Amendments to IAS 1**- The IASB amended IAS 1 to require entities to disclose their material rather than their significant accounting policies. The amendments define what is 'material accounting policy information' and explain how to identify when accounting policy information is material. They further clarify that immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting information.
- To support this amendment, the IASB also amended IFRS Practice Statement 2 Making Materiality Judgements to provide guidance on how to apply the concept of materiality to accounting policy disclosures.
- **Definition of Accounting Estimates – Amendments to IAS 8** - The amendment to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, whereas changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period.

- **Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12** - The amendments to IAS 12 Income Taxes require companies to recognize deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations, and will require the recognition of additional deferred tax assets and liabilities.
- The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognize deferred tax assets (to the extent that it is probable that they can be utilized) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:
  - Right-of-use assets and lease liabilities, and
  - Decommissioning, restoration and similar liabilities, and the corresponding amounts recognized as part of the cost of the related assets.
- The cumulative effect of recognizing these adjustments is recognized in retained earnings, or another component of equity, as appropriate.
- IAS 12 did not previously address how to account for the tax effects of on-balance sheet leases and similar transactions and various approaches were considered acceptable. Some entities may have already accounted for such transactions consistent with the new requirements. These entities will not be affected by the amendments.
- The above amendment and interpretation did not have significant impact on the interim condensed consolidated financial statements.

**B- New standards and amendments issued and not yet applicable :**

- **Non-current liabilities with covenants – Amendments to IAS 1** - Amendments made to IAS 1 Presentation of Financial Statements in 2020 clarified that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the entity’s expectations or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant). The amendments also clarified what IAS 1 means when it refers to the ‘settlement’ of a liability. The amendments were due to be applied from 1 January 2022. However, the effective date was subsequently deferred to 1 January 2023 and then further to 1 January 2024.
- In October 2022, the IASB made further amendments to IAS 1 in response to concerns raised about these changes to the classification of liabilities as current or non-current.
- The new amendments clarify that covenants of loan arrangements will not affect classification of a liability as current or non-current at the reporting date if the entity must only comply with the covenants after the reporting date. However, if the entity must comply with a covenant either before or at the reporting date, this will affect the classification as current or non-current, even if the covenant is only tested for compliance after the reporting date.

- The amendments require disclosures if an entity classifies a liability as noncurrent and that liability is subject to covenants that the entity must comply with within 12 months of the reporting date. The disclosures include:
  - the carrying amount of the liability
  - information about the covenants, and
  - facts and circumstances, if any, that indicate that the entity may have difficulty complying with the covenants.
  
- The amendments must be applied retrospectively in accordance with the normal requirements in IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. Special transitional rules apply if an entity had early adopted the 2020 amendments regarding the classification of liabilities as current or noncurrent.
  
- **Lease liability in sale and leaseback - amendments to IFRS 16** - In September 2022, the IASB finalized narrow-scope amendments to the requirements for sale and leaseback transactions in IFRS 16 Leases which explain how an entity accounts for a sale and leaseback after the date of the transaction.
  
- The amendments specify that, in measuring the lease liability subsequent to the sale and leaseback, the seller-lessee determines 'lease payments' and 'revised lease payments' in a way that does not result in the seller-lessee recognizing any amount of the gain or loss that relates to the right of use that it retains. This could particularly impact sale and leaseback transactions where the lease payments include variable payments that do not depend on an index or a rate.
  
- **Sale or contribution of assets between an investor and its associate or joint venture - Amendments to IFRS 10 and IAS 28** - The IASB has made limited scope amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures. The amendments clarify the accounting treatment for sales or contribution of assets between an investor and their associates or joint ventures. They confirm that the accounting treatment depends on whether the non-monetary assets sold or contributed to an associate or joint venture constitute a 'business' (as defined in IFRS 3 Business Combinations). Where the non-monetary assets constitute a business, the investor will recognize the full gain or loss on the sale or contribution of assets. If the assets do not meet the definition of a business, the gain or loss is recognized by the investor only to the extent of the other investor's interests in the associate or joint venture. The amendments apply prospectively. \*\*\* In December 2015, the IASB decided to defer the application date of this amendment until such time

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

## **(2-3) Basis of consolidation**

The 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;
- Is exposed to variable returns, or has the right to variable returns, resulting from its association with the investee;
- Has the ability to use its power to influence the returns of the investee.

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

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

- The volume of voting rights the Bank has in relation to the number and distribution of other voting rights;
- Potential voting rights held by the Bank and any other voting rights holders or parties;
- Rights arising from other contractual arrangements; and
- 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 in meetings of previous general assembly's meetings.

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

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

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

All assets , liabilities, equity, income and expenses related to transactions and balances between the bank and its subsidiaries are eliminated when consolidating.

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

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

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

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

These interim condensed consolidated financial statements include the Bank and its subsidiaries as of 30 June 2023:

<b>Name of the Company</b>	<b>Paid in capital</b>	<b>Bank's ownership</b>	<b>Nature of operations</b>	<b>Location</b>	<b>Date of acquisition</b>
	<b>JD</b>	<b>%</b>			
Tamkeen Leasing Co.	20,000,000	97.5%	Finance leasing	Amman	2006
Al Istethmari Letamweel Selselat Al Imdad Co.	3,000,000	94%	Management and operation of bonded warehouses	Amman	2010
Jordanian Factoring Co.*	208,000	100%	Factoring of receivable	Amman	2011
Jordan Trade Facilities Co.	16,500,000	95.4%	Granting loans and facilities	Amman	2016
Trade Facilities for Finance Leasing Co.	2,000,000	95.4%	Finance leasing	Amman	2016
Bindar Trade and Investment Co.	20,000,000	96.5%	Granting loans and facilities	Amman	2017
Ruboua Al Sharq Real Estate Co.	50,000	96.5%	Sale of lands and properties owned by the Co.	Amman	2017
Rakeen Real Estate Co.	30,000	96.5%	Sale of lands and properties owned by the Co.	Amman	2017
Bindar Finance Leasing Co.**	1,000,000	96.5%	Finance leasing	Amman	2017
Summit Auto Trade Facilities Co.***	2,130,000	96.5%	Vehicles Finance leasing	Amman	2022

\* Based on the decision of the Bank's Board of Directors in its first meeting for the year 2022, it was approved to close the Jordanian Factoring Company. And based on the decision of the General Assembly of Jordanian Factoring Company (a subsidiary) in its extraordinary meeting held on 16 November 2022 it was approved to reduce the Company's capital by an amount JD 1,292,000, so that the authorized and paid-in capital becomes JD 208,000, and the reduction procedures were completed on 15 December 2022. A liquidator has been appointed for the Company in accordance with the Jordanian Companies Law, and the liquidation procedures have not yet been completed as of date of these interim condensed consolidated financial statements.

\*\* Based on the decision of Bindar Trade and Investments Company (a subsidiary) Board of Directors No. 18/2022 dated on 3 October 2022 it was approved to cease the operations of Bindar Financial Leasing Company (a subsidiary) and liquidate it voluntarily during the year 2023.

\*\*\* Based on the decision of the General Assembly of Bindar Trade and Investments Company (a subsidiary) in its extraordinary meeting held on 23 November 2022 it was approved to merge Summit Auto Trade Facilities Company with Bindar Trade and Investments Company during the year 2023.

The financial statements of the subsidiaries are prepared for the same financial year of the Bank, using the same accounting policies used by the Bank. If the accounting policies adopted by the subsidiaries are different, the required adjustments are made on the financial statements of the subsidiaries to be consistent with the accounting policies used by the Bank.

The financial statements of the subsidiaries are consolidated in the consolidated statement of profit or loss from the date of their ownership which is the date on which the control on the subsidiaries is actually transferred to the Bank, and stops consolidating when the Bank loses this control.

Non-controlling interest represents the share in net profit or loss and net assets not owned - directly or indirectly - by the Bank in its subsidiaries and are shown in the consolidated statement of profit or loss, and within the equity in the consolidated statement of financial position separately from those attributable to the Bank's shareholders

In the case of preparing separate financial statements for the Bank as a separate entity, the investments in the subsidiaries are stated at cost.

### **(3) ACCOUNTING ESTIMATES**

The preparation of the interim condensed consolidated financial statements and the application of accounting policies require the Bank's management to make estimates and judgements that affect the amounts of assets and liabilities and disclosure of contingent liabilities. These estimates and judgments affect the revenues, expenses, provisions and reserve of valuation of financial assets at fair value. In particular, it requires the Bank's management to issue critical judgements to estimate the amounts of future cash flows and their timing. The mentioned estimates are necessarily based on multiple assumptions and factors involving varying degrees of judgment and uncertainty and that actual results may differ from the estimates as a result of changes resulting from the conditions and circumstances of those estimates in the future.

#### **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 that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Bank takes into account, when pricing the asset or liability, if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value such as value as used in IAS (36).
- In addition, for the purposes of preparing financial reports, fair value measurements are categorized to level (1), (2) or (3) based on the clarity of the inputs in relation to the fair value measurements and the importance of the inputs in relation to the full fair value measurements, and they are defined as follows:
  - **Level 1:** inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access 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

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

This item consists of the following:

	<u>30 June 2023</u>	<u>31 December</u>
	<u>JD</u>	<u>2022</u>
	<b>(Unaudited)</b>	<b>(Audited)</b>
Cash on hand	14,909,394	15,634,069
<b>Balances at the Central Bank of Jordan:</b>		
Current and demand accounts and cash reserve requirements	54,497,224	46,047,555
Term and notice deposits	3,500,000	3,000,000
Certificates of deposits	49,000,000	19,400,000
<b>Total</b>	<b><u>121,906,618</u></b>	<b><u>84,081,624</u></b>

There are no restricted balances, except for the statutory cash reserve which amounted to JD 54,306,841 as of 30 June 2023, against JD 44,861,860 as of 31 December 2022.

There are no balances that mature within a period exceeding three months as of 30 June 2023 and 31 December 2022.

The bank didn't calculate or record expected credit loss provision on balances at the Central Bank of Jordan, in accordance with the instructions of the Central Bank of Jordan No. (13/2018) related to the application of International Financial Reporting Standard No. (9).

#### **(5) BALANCE AT BANKS AND FINANCIAL INSTITUTIONS**

This item consists of the following:

	<u>30 June 2023</u>	<u>31 December</u>
	<u>JD</u>	<u>2022</u>
	<b>(Unaudited)</b>	<b>(Audited)</b>
Local banks and financial institutions	24,041,809	11,122,178
Foreign banks and financial institutions	99,057,207	62,535,895
Expected credit loss provision	(1,906)	(1,029)
<b>Total</b>	<b><u>123,097,110</u></b>	<b><u>73,657,044</u></b>

Non-interest-bearing balances held at banks and financial institutions amounted to JD 21,338,448 as of 30 June 2023, against JD 26,608,622 as of 31 December 2022.

There are no restricted balances as of 30 June 2023, and 31 December 2022.

**Movement on balances at banks and financial institutions:**

<b><u>For the period ended 30 June 2023</u></b>	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
<b>(Unaudited)</b>	JD	JD	JD	JD
Total balance as at the beginning of the period	73,658,073	-	-	73,658,073
New balances during the period	123,099,016	-	-	123,099,016
Repaid/ derecognized balances	(73,658,073)	-	-	(73,658,073)
Transferred to stage 1	-	-	-	-
Transferred to stage 2	-	-	-	-
Transferred to stage 3	-	-	-	-
Changes resulting from adjustments	-	-	-	-
Written off balances	-	-	-	-
Adjustments resulted from changes in exchange rates	-	-	-	-
<b>Total balance as at the end of the period</b>	<b>123,099,016</b>	<b>-</b>	<b>-</b>	<b>123,099,016</b>
<b><u>For the year ended 31 December 2022</u></b>	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
<b>(Audited)</b>	JD	JD	JD	JD
Total balance as at the beginning of the year	64,351,315	-	-	64,351,315
New balances during the year	55,460,832	-	-	55,460,832
Repaid/ derecognized balances	(46,154,074)	-	-	(46,154,074)
Transferred to stage 1	-	-	-	-
Transferred to stage 2	-	-	-	-
Transferred to stage 3	-	-	-	-
Changes resulting from adjustments	-	-	-	-
Written off balances	-	-	-	-
Adjustments resulted from changes in exchange rates	-	-	-	-
<b>Total balance as at the end of the year</b>	<b>73,658,073</b>	<b>-</b>	<b>-</b>	<b>73,658,073</b>

**Movement on the expected credit loss provision:****For the period ended 30 June 2023****(Unaudited)**

Balance at the beginning of the period	1,029	-	-	1,029
Expected credit loss on new balances during the period	1,906	-	-	1,906
Reversed expected credit loss on repaid/ derecognized balances	(1,029)	-	-	(1,029)
Transferred to stage 1	-	-	-	-
Transferred to stage 2	-	-	-	-
Transferred to stage 3	-	-	-	-
Effect on the provision - at the end of the period – due to changes in the classification between the three stages during the period	-	-	-	-
Changes resulting from adjustments	-	-	-	-
Written off balances	-	-	-	-
Adjustments resulted from changes in exchange rates	-	-	-	-

**Balance as at the end of the period**

	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
	JD	JD	JD	JD
Balance at the beginning of the period	1,029	-	-	1,029
Expected credit loss on new balances during the period	1,906	-	-	1,906
Reversed expected credit loss on repaid/ derecognized balances	(1,029)	-	-	(1,029)
Transferred to stage 1	-	-	-	-
Transferred to stage 2	-	-	-	-
Transferred to stage 3	-	-	-	-
Effect on the provision - at the end of the period – due to changes in the classification between the three stages during the period	-	-	-	-
Changes resulting from adjustments	-	-	-	-
Written off balances	-	-	-	-
Adjustments resulted from changes in exchange rates	-	-	-	-
<b>Balance as at the end of the period</b>	<b>1,906</b>	<b>-</b>	<b>-</b>	<b>1,906</b>

**For the year ended 31 December 2022****(Audited)**

Balance at the beginning of the year	37	-	-	37
Expected credit loss on new balances during the year	1,029	-	-	1,029
Reversed expected credit loss on repaid/ derecognized balances	(37)	-	-	(37)
Transferred to stage 1	-	-	-	-
Transferred to stage 2	-	-	-	-
Transferred to stage 3	-	-	-	-
Effect on the provision - at the end of the year – due to changes in the classification between the three stages during the year	-	-	-	-
Changes resulting from adjustments	-	-	-	-
Written off balances	-	-	-	-
Adjustments resulted from changes in exchange rates	-	-	-	-

**Balance as at the end of the year**

	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
	JD	JD	JD	JD
Balance at the beginning of the year	37	-	-	37
Expected credit loss on new balances during the year	1,029	-	-	1,029
Reversed expected credit loss on repaid/ derecognized balances	(37)	-	-	(37)
Transferred to stage 1	-	-	-	-
Transferred to stage 2	-	-	-	-
Transferred to stage 3	-	-	-	-
Effect on the provision - at the end of the year – due to changes in the classification between the three stages during the year	-	-	-	-
Changes resulting from adjustments	-	-	-	-
Written off balances	-	-	-	-
Adjustments resulted from changes in exchange rates	-	-	-	-
<b>Balance as at the end of the year</b>	<b>1,029</b>	<b>-</b>	<b>-</b>	<b>1,029</b>

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

The details of this item are as follows:

	Local banks and financial Institutions		Foreign banks and financial Institutions		Total	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022	30 June 2023	31 December 2022
	JD (Unaudited)	JD (Audited)	JD (Unaudited)	JD (Audited)	JD (Unaudited)	JD (Audited)
Deposits that mature within a period exceeding three months	-	3,545,000	22,688,000	-	22,688,000	3,545,000
Expected credit loss provision	-	(68)	(1,613)	-	(1,613)	(68)
<b>Total</b>	<b>-</b>	<b>3,544,932</b>	<b>22,686,387</b>	<b>-</b>	<b>22,686,387</b>	<b>3,544,932</b>

- There are no restricted deposits as of 30 June 2023 and 31 December 2022.

**Movement on deposits at banks and financial institutions:**

<b><u>For the period ended 30 June 2023</u></b> <b>(Unaudited)</b>	Stage 1 Individual JD	Stage 2 Individual JD	Stage 3 JD	Total JD
Total balance at the beginning of the period	3,545,000	-	-	3,545,000
New balances during the period	22,688,000	-	-	22,688,000
Repaid/ derecognized balances	(3,545,000)	-	-	(3,545,000)
Transferred to stage 1	-	-	-	-
Transferred to stage 2	-	-	-	-
Transferred to stage 3	-	-	-	-
Changes resulting from adjustments	-	-	-	-
Written off balances	-	-	-	-
Adjustments resulted from changes in exchange rates	-	-	-	-
<b>Total balance as at the end of the period</b>	<b>22,688,000</b>	<b>-</b>	<b>-</b>	<b>22,688,000</b>

**For the year ended 31 December 2022****(Audited)**

Total balance at the beginning of the year

New balances during the year

Repaid/ derecognized balances

Transferred to stage 1

Transferred to stage 2

Transferred to stage 3

Changes resulting from adjustments

Written off balances

Adjustments resulted from changes in exchange rates

**Total balance as at the end of the year**

	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
	JD	JD	JD	JD
Total balance at the beginning of the year	-	-	-	-
New balances during the year	3,545,000	-	-	3,545,000
Repaid/ derecognized balances	-	-	-	-
Transferred to stage 1	-	-	-	-
Transferred to stage 2	-	-	-	-
Transferred to stage 3	-	-	-	-
Changes resulting from adjustments	-	-	-	-
Written off balances	-	-	-	-
Adjustments resulted from changes in exchange rates	-	-	-	-
<b>Total balance as at the end of the year</b>	<b>3,545,000</b>	<b>-</b>	<b>-</b>	<b>3,545,000</b>

**Movement on the expected credit loss provision:****For the period ended 30 June 2023****(Unaudited)**

Balance at the beginning of the period

Expected credit loss on new balances during the period

Reversed expected credit loss on repaid/ derecognized balances

Transferred to stage 1

Transferred to stage 2

Transferred to stage 3

Effect on the provision - at the end of the period – due to changes in the classification between the three stages during the period

Changes resulting from adjustments

Written off balances

Amendments resulting from changes in currency exchange

**Total balance as at the end of the period**

	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
	JD	JD	JD	JD
Balance at the beginning of the period	68	-	-	68
Expected credit loss on new balances during the period	1,613	-	-	1,613
Reversed expected credit loss on repaid/ derecognized balances	(68)	-	-	(68)
Transferred to stage 1	-	-	-	-
Transferred to stage 2	-	-	-	-
Transferred to stage 3	-	-	-	-
Effect on the provision - at the end of the period – due to changes in the classification between the three stages during the period	-	-	-	-
Changes resulting from adjustments	-	-	-	-
Written off balances	-	-	-	-
Amendments resulting from changes in currency exchange	-	-	-	-
<b>Total balance as at the end of the period</b>	<b>1,613</b>	<b>-</b>	<b>-</b>	<b>1,613</b>

<b><u>For the year ended 31 December 2022</u></b>	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
<b>(Audited)</b>	JD	JD	JD	JD
Balance at the beginning of the year	-	-	-	-
Expected credit loss on new balances during the year	68	-	-	68
Reversed expected credit loss on repaid/derecognized balances	-	-	-	-
Transferred to stage 1	-	-	-	-
Transferred to stage 2	-	-	-	-
Transferred to stage 3	-	-	-	-
Effect on the provision - at the end of the year – due to changes in the classification between the three stages during the year	-	-	-	-
Changes resulting from adjustments	-	-	-	-
Written off balances	-	-	-	-
Adjustments resulted from changes in exchange rates	-	-	-	-
<b>Total Balance as at the end of the year</b>	<b>68</b>	<b>-</b>	<b>-</b>	<b>68</b>

**(7) FINANCIAL ASSETS AT FAIR VALUE THROUGH STATEMENT OF PROFIT AND LOSS**

This item consists of the following:

	<b>30 June 2023</b>	<b>31 December 2022</b>
	JD	JD
	<b>(Unaudited)</b>	<b>(Audited)</b>
Investments funds	1	1
<b>Total</b>	<b>1</b>	<b>1</b>

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

This item consists of the following:

	<b>30 June 2023</b>	<b>31 December 2022</b>
	JD	JD
	<b>(Unaudited)</b>	<b>(Audited)</b>
Shares with available market prices	39,149,093	37,290,529
Shares with unavailable market prices*	24,502,844	24,504,093
<b>Total</b>	<b>63,651,937</b>	<b>61,794,622</b>

\* The fair value of the unlisted shares was determined according to the third level of the fair value hierarchy, using that net book value method (net assets value) which is considered the best available instrument for measuring the fair value of these investments.

The realized losses from the sale of assets at fair value through other comprehensive income amounted to JD 139,702 for the period ended on 30 June 2023, against gain in an amount of JD 12,831 for the period ended on 30 June 2022 that was directly recorded in the retained earnings in equity.

Cash dividends from the above financial assets amounted to JD 1,804,614 for the period ended on 30 June 2023 against JD 816,654 for the period ended on 30 June 2022.

**(9) DIRECT CREDIT FACILITIES AT AMORTIZED COST – NET**

The details of this item are as follows:

	<u>30 June 2023</u>	<u>31 December 2022</u>
	JD	JD
	<b>(Unaudited)</b>	<b>(Audited)</b>
<b>Individuals (Retail)</b>		
Overdraft	1,751,025	1,625,935
Loans and discounted bills *	280,550,254	261,298,820
Credit cards	95,987,796	82,582,084
<b>Real estate loans</b>	127,606,586	130,294,396
<b>Corporates</b>		
<b>Large Corporates</b>		
Overdraft	76,405,857	65,383,994
Loans and discounted bills *	270,787,009	234,310,174
<b>SMEs</b>		
Overdraft	8,006,900	7,321,781
Loans and discounted bills *	43,455,841	43,702,109
<b>Government and public sector</b>	176,995,342	93,599,640
<b>Total</b>	<u><u><b>1,081,546,610</b></u></u>	<u><u><b>920,118,933</b></u></u>
<b>Less:</b>		
Expected credit loss provision	58,379,676	51,622,891
Interest in suspense **	21,517,121	18,876,386
<b>Net direct credit facilities</b>	<u><u><b>1,001,649,813</b></u></u>	<u><u><b>849,619,656</b></u></u>

\* The balance is presented in net, after deducting the commissions and interest received in advance which amounted to JD 65,477,156 as of 30 June 2023, against JD 55,472,581 as of 31 December 2022.

\*\* interest in suspense included an amount of JD 1,975,696 as of June 30, 2023, against JD 3,983,377 as of December 31, 2022, which represents interests in suspense against some performing accounts classified within stage 2 and stage 3.

- Non-performing credit facilities according to the instructions of the Central Bank of Jordan amounted to JD 83,582,750 which is equivalent to 7.7% of the total direct credit facilities balance as of 30 June 2023, against JD 59,292,495 which is equivalent to 6.4% of the total direct credit facilities balance as of 31 December 2022.

- Non-performing credit facilities according to the instructions of the Central Bank of Jordan after deducting interest in suspense amounted to JD 64,041,325 which is equivalent to 6% of the total direct credit facilities balance after deducting interest in suspense as of 30 June 2023 against JD 44,399,486 which is equivalent to 4.9% of the direct credit facilities balance after deducting interest in suspense as of 31 December 2022.

- Credit facilities granted to the Jordanian Government and/or with its guarantee amounted to JD 141,803,716 which is equivalent to 13.1% of the total direct credit facilities at amortized cost as of 30 June 2023 against JD 60,980,390 which is equivalent to 6.6% of total direct credit facilities at amortized cost as of 31 December 2022.
- Non-performing loans which amounted to JD 63,644 during the first half of the year 2023 were transferred off the consolidated balance sheet against zero JD during the first half of the year 2022.
- The value of non-performing loans transferred off the consolidated balance sheet amounted to JD 61,438,624 as of 30 June 2023, against JD 61,374,980 as of 31 December 2022.
- The bank didn't calculate or record expected credit loss provision on facilities granted to the Jordanian Government and public sector and with its guarantee, in accordance with the instructions of the Central Bank of Jordan No. (13/2018) related to the application of International Financial Reporting Standard No. (9).

#### A- Provision for expected credit loss on direct credit facilities – collective bases

The movement on the provision for expected credit losses on direct credit facilities was as follows:

	Retail JD	Real estate Loans JD	Companies		Total JD
			Corporate JD	SMEs JD	
<b>(Unaudited)</b>					
<b><u>For the period ended 30 June 2023</u></b>					
Balance at the beginning of the period	19,729,466	4,454,694	13,248,467	14,190,264	51,622,891
Deducted from revenue during the period	3,236,439	871,369	2,343,011	356,770	6,807,589
Provision utilized during the period (written off debts)	(38,416)	(507)	(1,461)	(10,420)	(50,804)
<b>Balance at the end of the period</b>	<b><u>22,927,489</u></b>	<b><u>5,325,556</u></b>	<b><u>15,590,017</u></b>	<b><u>14,536,614</u></b>	<b><u>58,379,676</u></b>
<b>(Audited)</b>					
<b><u>For the year ended 31 December 2022</u></b>					
Balance at the beginning of the year	14,685,741	2,716,848	15,332,634	7,659,848	40,395,071
The impact of acquiring a subsidiary	1,106,575	-	-	3,766,468	4,873,043
The impact of selling a subsidiary	(255,854)	-	-	(119)	(255,973)
The impact of liquidating a subsidiary	-	-	(22)	(707)	(729)
Deducted from (reversed to) revenue during the year	4,365,427	2,106,596	(2,079,074)	3,333,990	7,726,939
Provision utilized during the period (written off debts)	(172,423)	(368,750)	(5,071)	(569,216)	(1,115,460)
<b>Balance at the end of the year</b>	<b><u>19,729,466</u></b>	<b><u>4,454,694</u></b>	<b><u>13,248,467</u></b>	<b><u>14,190,264</u></b>	<b><u>51,622,891</u></b>

#### B- Total credit facilities movement according to the stage and in accordance with the instructions of the Central Bank of Jordan

	Stage 1		Stage 2		Stage 3 JD	Total JD
	Individual JD	Collective JD	Individual JD	Collective JD		
<b>(Unaudited)</b>						
<b><u>For the period ended 30 June 2023</u></b>						
Total balance at the beginning of the period	732,850,366	-	109,509,781	-	77,758,786	920,118,933
New balances during the period/additions	236,358,454	-	12,862,621	-	2,934,146	252,155,221
Repaid/ derecognized balances during the period	(55,558,747)	-	(5,802,839)	-	(3,770,067)	(65,131,653)
Transferred to stage 1	42,309,882	-	(41,424,199)	-	(885,683)	-
Transferred to stage 2	(44,659,595)	-	46,441,878	-	(1,782,283)	-
Transferred to stage 3	(6,405,800)	-	(8,851,652)	-	15,257,452	-
Changes due to adjustments	(23,403,157)	-	(2,357,684)	-	406,712	(25,354,129)
Written off balances	-	-	-	-	(241,762)	(241,762)
Adjustments resulted from changes in exchange rates	-	-	-	-	-	-
<b>Total balance at the end of the period</b>	<b><u>881,491,403</u></b>	<b><u>-</u></b>	<b><u>110,377,906</u></b>	<b><u>-</u></b>	<b><u>89,677,301</u></b>	<b><u>1,081,546,610</u></b>

	Stage 1		Stage 2		Stage 3	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD		
<b>For the year ended 31 December 2022</b>						
<b>(Audited)</b>						
Total balance at the beginning of the year	644,682,736	-	122,320,781	-	76,211,605	843,215,122
The impact of acquiring a subsidiary	7,053,922	-	936,845	-	6,849,445	14,840,212
The impact of selling a subsidiary	(8,585,741)	-	(85,611)	-	(660,820)	(9,332,172)
The impact of liquidating a subsidiary	(830,922)	-	-	-	-	(830,922)
New balances during the year/ additions	228,762,199	-	8,713,955	-	5,932,826	243,408,980
Repaid/ derecognized balances during the year	(103,798,297)	-	(21,896,137)	-	(7,973,241)	(133,667,675)
Transferred to stage 1	41,459,296	-	(40,757,727)	-	(701,569)	-
Transferred to stage 2	(37,841,466)	-	51,790,390	-	(13,948,924)	-
Transferred to stage 3	(7,370,290)	-	(7,192,445)	-	14,562,735	-
Changes from adjustments	(30,681,071)	-	(4,320,270)	-	(637,272)	(35,638,613)
Written off balances	-	-	-	-	(1,875,999)	(1,875,999)
Adjustments resulted from changes in exchange rates	-	-	-	-	-	-
<b>Total balance at the end of the year</b>	<b>732,850,366</b>	<b>-</b>	<b>109,509,781</b>	<b>-</b>	<b>77,758,786</b>	<b>920,118,933</b>

**C- Movement on expected credit loss provision for credit facilities per sector:**

	Companies					Total
	Retail	Real estate loans	Corporate	SMEs	Government and public sector	
	JD	JD	JD	JD	JD	
<b>For the period ended 30 June 2023</b>						
<b>(Unaudited)</b>						
Balance at the beginning of the period	19,729,466	4,454,694	13,248,467	14,190,264	-	51,622,891
Expected credit loss on new balances during the period / additions	4,918,126	1,177,800	3,403,450	1,432,129	-	10,931,505
Reversed expected credit loss on repaid/ derecognized balances during the period	(2,181,230)	(470,202)	(997,264)	(935,317)	-	(4,584,013)
Transferred to stage 1	311,387	(9,349)	210,617	226,907	-	739,562
Transferred to stage 2	334,491	37,414	(148,522)	(75,721)	-	147,662
Transferred to stage 3	(645,878)	(28,065)	(62,095)	(151,186)	-	(887,224)
Impact on the provision - at the end of the period – due to changes in the classification between the three stages during the period	-	-	-	-	-	-
Changes due to adjustments	499,543	163,771	(63,175)	(140,042)	-	460,097
Written off balances	(38,416)	(507)	(1,461)	(10,420)	-	(50,804)
Adjustments resulted from changes in exchange rates	-	-	-	-	-	-
<b>Total balance at the end of the period</b>	<b>22,927,489</b>	<b>5,325,556</b>	<b>15,590,017</b>	<b>14,536,614</b>	<b>-</b>	<b>58,379,676</b>

	Companies					Government and public sector	Total
	Retail	Real estate loans	Corporate	SMEs			
	JD	JD	JD	JD	JD		
<b>For the year ended 31 December 2022</b>							
<b>(Audited)</b>							
Balance at beginning of the year	14,685,741	2,716,848	15,332,634	7,659,848	-	-	40,395,071
The impact of acquiring a subsidiary	1,106,575	-	-	3,766,468	-	-	4,873,043
The impact of selling a subsidiary	(255,854)	-	-	(119)	-	-	(255,973)
The impact of liquidating a subsidiary	-	-	(22)	(707)	-	-	(729)
Expected credit loss on new balances during the year / Additions	7,180,149	2,904,482	1,753,176	2,552,840	-	-	14,390,647
Repaid/ derecognized balances during the year	(2,097,257)	(590,992)	(1,355,101)	(2,543,097)	-	-	(6,586,447)
Transferred to stage 1	399,653	76,133	470,708	100,752	-	-	1,047,246
Transferred to stage 2	(177,683)	71,007	(575,782)	(19,674)	-	-	(702,132)
Transferred to stage 3	(221,970)	(147,140)	105,074	(81,078)	-	-	(345,114)
Impact on the provision - at the end of the period – due to changes in the classification between the three stages during the year	-	-	-	-	-	-	-
Changes from adjustments	(717,465)	(206,894)	(2,477,149)	3,324,247	-	-	(77,261)
Written off balances	(172,423)	(368,750)	(5,071)	(569,216)	-	-	(1,115,460)
Adjustments resulted from changes in exchange rates	-	-	-	-	-	-	-
<b>Total balance at the end of the year</b>	<b>19,729,466</b>	<b>4,454,694</b>	<b>13,248,467</b>	<b>14,190,264</b>	<b>-</b>	<b>-</b>	<b>51,622,891</b>

#### D- Interest in suspense

The following is the movement on interest in suspense:

	Companies				
	Retail	Real estate loans	Corporate	SMEs	Total
	JD	JD	JD	JD	JD
<b>For the period ended 30 June 2023</b>					
<b>(Unaudited)</b>					
<b>Balance at the beginning of the period</b>	4,924,316	2,420,654	8,056,007	3,475,409	18,876,386
Interest in suspense during the period	950,921	329,975	1,738,079	515,344	3,534,319
Interest transferred to revenues	(330,774)	(169,378)	(71,987)	(130,486)	(702,625)
Written off Interest in suspense*	(98,302)	(8,110)	(11,640)	(72,907)	(190,959)
<b>Total balance at the end of the period</b>	<b>5,446,161</b>	<b>2,573,141</b>	<b>9,710,459</b>	<b>3,787,360</b>	<b>21,517,121</b>
<b>For the year ended 31 December 2022</b>					
<b>(Audited)</b>					
<b>Balance at the beginning of the year</b>	3,852,831	1,771,634	5,646,871	2,913,438	14,184,774
Impact of acquiring a subsidiary	215,181	-	-	702,681	917,862
Impact of selling a subsidiary	(144,433)	-	(22,129)	-	(166,562)
Interest in suspense during the year	1,425,609	790,851	2,595,513	598,409	5,410,382
Interest transferred to revenue	(201,432)	(73,115)	(164,237)	(270,747)	(709,531)
Written off Interest in suspense*	(223,440)	(68,716)	(11)	(468,372)	(760,539)
<b>Total balance at the end of the year</b>	<b>4,924,316</b>	<b>2,420,654</b>	<b>8,056,007</b>	<b>3,475,409</b>	<b>18,876,386</b>

\* According to the decisions of the Bank's Board of Directors and the subsidiaries Executive Managements, 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 241,763 during the period ended 30 June 2023, against JD 1,875,999 for the year ended 31 December 2022.

**E- Gross facilities distribution according to the Bank's internal credit rating categories:**

	Stage 1		Stage 2		Stage 3	30 June 2023	31 December 2022
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD			
						(Unaudited)	(Audited)
(1 to 5)	466,871,439	-	27,776,043	-	403,353	495,050,835	353,027,241
(6 to 7)	55,781,597	-	35,125,128	-	1,325,426	92,232,151	122,927,135
(8 to 10)	-	-	-	-	41,174,135	41,174,135	21,844,250
Unclassified	358,838,367	-	47,476,735	-	46,774,387	453,089,489	422,320,307
<b>Total</b>	<b>881,491,403</b>	<b>-</b>	<b>110,377,906</b>	<b>-</b>	<b>89,677,301</b>	<b>1,081,546,610</b>	<b>920,118,933</b>

**F- The total movement on the expected credit loss provision per stage:**

<b><u>For the period ended 30 June 2023</u></b> <b><u>(Unaudited)</u></b>	Stage 1	Stage 1	Stage 2	Stage 2	Stage 3	Total
	Individual	Collective	Individual	Collective	JD	JD
	JD	JD	JD	JD	JD	JD
Balance at the beginning of the period	2,529,397	-	4,377,530	-	44,715,964	51,622,891
Expected credit loss on new balances during the period / Additions	4,571,464	-	1,326,045	-	5,033,996	10,931,505
Reversed expected credit loss on repaid/ derecognized balances during the period	(212,910)	-	(375,621)	-	(3,995,482)	(4,584,013)
Transferred to stage 1	1,093,280	-	(732,958)	-	(360,322)	-
Transferred to stage 2	(314,698)	-	1,165,490	-	(850,792)	-
Transferred to stage 3	(39,019)	-	(284,870)	-	323,889	-
Impact on the provision - at the end of the period - due to changes in the classification between the three stages during the period	(4,301,429)	-	616,947	-	3,684,482	-
Changes due to adjustments	521,316	-	450,885	-	(512,104)	460,097
Written off balances	-	-	-	-	(50,804)	(50,804)
Adjustments resulted from changes in exchange rates	-	-	-	-	-	-
<b>Total</b>	<b>3,847,401</b>	<b>-</b>	<b>6,543,448</b>	<b>-</b>	<b>47,988,827</b>	<b>58,379,676</b>

<b>For the year ended 31 December 2022</b> <b>(Audited)</b>	Stage 1	Stage 1	Stage 2	Stage 2	Stage 3	Total
	Individual	Collective	Individual	Collective	Stage 3	Total
	JD	JD	JD	JD	JD	JD
Balance at the beginning of the year	2,885,428	-	2,812,451	-	34,697,192	40,395,071
The impact of acquiring a subsidiary	351,913	-	174,657	-	4,346,473	4,873,043
The impact of selling a subsidiary	(215)	-	(1,346)	-	(254,412)	(255,973)
The impact of liquidating a subsidiary	(729)	-	-	-	-	(729)
Expected credit loss on new balances during the year / Additions	4,608,278	-	5,183,167	-	4,599,202	14,390,647
Reversed expected credit loss on repaid/ derecognized balances during the year	(430,511)	-	(1,381,094)	-	(4,774,842)	(6,586,447)
Transferred to stage 1	1,357,164	-	(1,003,638)	-	(353,526)	-
Transferred to stage 2	(213,820)	-	694,705	-	(480,885)	-
Transferred to stage 3	(96,099)	-	(393,199)	-	489,298	-
Impact on the provision - at the end of the period - due to changes in the classification between the three stages during the year	(5,198,008)	-	(1,525,257)	-	6,723,265	-
Changes resulting from adjustments	(734,004)	-	(182,916)	-	839,659	(77,261)
Written off balances	-	-	-	-	(1,115,460)	(1,115,460)
Adjustments resulted from changes in exchange rates	-	-	-	-	-	-
<b>Total balance at the end of the year</b>	<b>2,529,397</b>	<b>-</b>	<b>4,377,530</b>	<b>-</b>	<b>44,715,964</b>	<b>51,622,891</b>

**G- Direct credit facilities are distributed according to the economic sector as follows, noting that all these facilities are granted to parties inside the Kingdom:**

	30 June 2023	31 December 2023
	JD	JD
	<b>(Unaudited)</b>	<b>(Audited)</b>
Financial	45,725,908	42,157,476
Manufacturing and mining	94,870,169	65,972,110
Trade	112,791,985	111,615,647
Real estate	127,606,586	130,294,396
Constructions	32,498,539	39,752,113
Agriculture	486,699	826,259
Tourism, restaurants, and public facilities	116,832,355	97,960,798
Government and public sector	176,995,342	93,599,640
Individuals	373,739,027	337,940,494
<b>Total</b>	<b>1,081,546,610</b>	<b>920,118,933</b>

**(10) FINANCIAL ASSETS AT AMORTISED COST**

The details of this item are as follows:

	<b>30 June 2023</b>	<b>31 December 2022</b>
	JD	JD
	<b>(Unaudited)</b>	<b>(Audit)</b>
<b>Quoted financial assets:</b>		
Government bills and treasury bonds	190,699,455	176,472,207
Corporate bonds and debentures	-	3,545,000
<b>Total</b>	<b>190,699,455</b>	<b>180,017,207</b>
<b>Unquoted financial assets:</b>		
Government treasury bonds	7,654,641	7,578,934
Corporate bonds and debentures *	43,596,000	43,596,000
<b>Total</b>	<b>51,250,641</b>	<b>51,174,934</b>
Expected credit loss provision	(505,297)	(7,293)
<b>Total financial assets at amortized cost</b>	<b>241,444,799</b>	<b>231,184,848</b>
<b>Analysis of bonds and treasury bills</b>		
Fixed-rate	235,854,096	196,551,141
Floating rate	5,590,703	34,633,707
<b>Total</b>	<b>241,444,799</b>	<b>231,184,848</b>

- The bank didn't calculate or record expected credit loss provision on government bills and treasury bonds in accordance with the instructions of the Central Bank of Jordan No. (13/2018) related to the application of International Financial Reporting Standard No. (9).

**Movement on financial assets at amortized cost:****For the period ended 30 June 2023****(Unaudited)**

	Stage 1 Individuals	Stage 2 Individuals	Stage 3	Total
	JD	JD	JD	JD
Balance at the beginning of the period	227,096,141	-	4,096,000	231,192,141
New investments during the period	75,145,091	-	-	75,145,091
Matured/derecognized investments during the period	(64,387,136)	-	-	(64,387,136)
Change in fair value	-	-	-	-
Transferred to stage 1	-	-	-	-
Transferred to stage 2	-	-	-	-
Transferred to stage 3	-	-	-	-
Changes resulting from adjustments	-	-	-	-
Written off balances	-	-	-	-
Adjustments resulted from changes in exchange rates	-	-	-	-
<b>Balance at the end of the period</b>	<b>237,854,096</b>	<b>-</b>	<b>4,096,000</b>	<b>241,950,096</b>

**For the year ended 31 December 2022****(Audited)**

	Stage 1 Individuals	Stage 2 Individuals	Stage 3	Total
	JD	JD	JD	JD
Balance at the beginning of the year	182,987,339	-	5,120,000	188,107,339
The impact of selling a subsidiary	(3,500,000)	-	-	(3,500,000)
New investment during the year	84,408,927	-	-	84,408,927
Matured/ derecognized investments during the year	(36,800,125)	-	(1,024,000)	(37,824,125)
Change in fair value	-	-	-	-
Transferred to stage 1	-	-	-	-
Transferred to stage 2	-	-	-	-
Transferred to stage 3	-	-	-	-
Changes resulting from adjustments	-	-	-	-
Written off balances	-	-	-	-
Adjustments resulted from changes in exchange rates	-	-	-	-
<b>Balance at the end of the year</b>	<b>227,096,141</b>	<b>-</b>	<b>4,096,000</b>	<b>231,192,141</b>

**Movement on expected credit loss provision:****For the period ended 30 June 2023****(Unaudited)**

Balance at beginning of the period  
 Impairment loss on new investment acquired during the period  
 Reversal from impairment loss on matured/ derecognized investments  
 Transferred to stage 1  
 Transferred to stage 2  
 Transferred to stage 3  
 Impact on the provision - at the end of the period – due to changes in the classification between the three stages during the period  
 Changes resulting from adjustments  
 Written off balances  
 Adjustments resulted from changes in exchange rates

	Stage 1 Individuals	Stage 2 Individuals	Stage3	Total
	JD	JD	JD	JD
Balance at beginning of the period	7,293	-	-	7,293
Impairment loss on new investment acquired during the period	-	-	500,000	500,000
Reversal from impairment loss on matured/ derecognized investments	(1,996)	-	-	(1,996)
Transferred to stage 1	-	-	-	-
Transferred to stage 2	-	-	-	-
Transferred to stage 3	-	-	-	-
Impact on the provision - at the end of the period – due to changes in the classification between the three stages during the period	-	-	-	-
Changes resulting from adjustments	-	-	-	-
Written off balances	-	-	-	-
Adjustments resulted from changes in exchange rates	-	-	-	-
<b>Balance at the end of the period</b>	<b>5,297</b>	<b>-</b>	<b>500,000</b>	<b>505,297</b>

**For the year ended 31 December 2022****(Audited)**

Balance at beginning of the year  
 The impact of selling a subsidiary  
 Impairment loss on new Investments acquired during the year  
 Reversal from impairment loss on matured/ derecognized investments  
 Transferred to stage 1  
 Transferred to stage 2  
 Transferred to stage 3  
 Impact on the provision - at the end of the period – due to changes in the classification between the three stages during the year  
 Changes resulting from adjustments  
 Written off balances  
 Adjustments resulted from changes in exchange rates

	Stage 1 Individuals	Stage 2 Individuals	Stage3	Total
	JD	JD	JD	JD
Balance at beginning of the year	36,821	-	680,000	716,821
The impact of selling a subsidiary	(11,926)	-	-	(11,926)
Impairment loss on new Investments acquired during the year	7,267	-	-	7,267
Reversal from impairment loss on matured/ derecognized investments	(23,932)	-	(680,000)	(703,932)
Transferred to stage 1	-	-	-	-
Transferred to stage 2	-	-	-	-
Transferred to stage 3	-	-	-	-
Impact on the provision - at the end of the period – due to changes in the classification between the three stages during the year	-	-	-	-
Changes resulting from adjustments	(937)	-	-	(937)
Written off balances	-	-	-	-
Adjustments resulted from changes in exchange rates	-	-	-	-
<b>Balance at the end of the year</b>	<b>7,293</b>	<b>-</b>	<b>-</b>	<b>7,293</b>

**(11) OTHER ASSETS**

The details of this item are as follows:

	<u>30 June 2023</u>	<u>31 December 2022</u>
	JD	JD
	<b>(Unaudited)</b>	<b>(Audited)</b>
Interest and income receivables	4,742,950	3,776,935
Prepaid expenses	1,828,381	1,381,865
Assets seized by the Bank in settlement of due debts*	26,680,728	41,917,423
Refundable deposits	834,220	738,939
Clearing Cheques	481,499	198,086
Balances related to fraudulent transaction -net**	1,039,200	1,039,200
Purchased acceptances	27,511,279	12,542,345
Deposits at Governmental Parties	19,115,826	-
Others	8,150,051	6,264,044
<b>Total</b>	<b><u>90,384,134</u></b>	<b><u>67,858,837</u></b>

\* According to the instructions of the Central Bank of Jordan, the Bank must dispose of assets seized by the Bank in settlement of customers due debts 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 are shown at net after deducting the impairment provision which amounted to JD 86,235 as of 30 June 2023, against JD62,758 as of 31 December 2022, and the seized assets provision according to the instructions of the Central Bank of Jordan in which amounted to JD 1,262,568 JD as of 30 June 2023 against JD 2,051,951 as of 31 December 2022.

\*\* **This item represents net balance related to irregular operations after deducting the related provision as shown below:**

	<u>30 June 2023</u>	<u>31 December 2022</u>
	JD	JD
	<b>(Unaudited)</b>	<b>(Audited)</b>
Balance related to irregular operations	12,974,700	12,974,700
Less: provision recorded against this balance	10,435,500	10,435,500
Less: proceeds from the insurance company	1,500,000	1,500,000
<b>Balance at the end of the period/year</b>	<b><u>1,039,200</u></b>	<b><u>1,039,200</u></b>

During 2012, the Bank was exposed to a manipulation in the Bank's cash accounts with other banks and financial institutions, which led to a loss of amounts estimated at JD 12.9 million, mainly due to the possibility of collusion between some of the Bank's employees through deceiving the internal controls and control procedures in place. All the necessary legal procedures were taken by the Bank's management and a provision for an amount of JD 10.4 million was booked against the transaction as of 30 June 2023 and 31 December 2022 after netting the amounts expected to be recovered from the repossessed assets and the deduction of the proceeds collected from the insurance company which amounted to JD 1.5 million. Noting that the lawsuit procedures had been completed from the General Attorney and is currently presented in Amman's Criminal Court.

## (12) CUSTOMERS' DEPOSITS

The details of this item are as follows:

	Individuals	Large Corporates	SMEs	Government and public sector	Total
	JD	JD	JD	JD	JD
<b>(Unaudited)</b>					
<b><u>30 June 2023</u></b>					
Current and call accounts	107,448,224	104,798,470	8,842,632	5,008,079	226,097,405
Saving deposits	50,931,941	2,603,804	2,474	-	53,538,219
Term and notice deposits	465,976,549	207,779,343	14,936,738	88,068,441	776,761,071
Certificates of deposits	6,129,160	-	-	-	6,129,160
<b>Total</b>	<b>630,485,874</b>	<b>315,181,617</b>	<b>23,781,844</b>	<b>93,076,520</b>	<b>1,062,525,855</b>
<b>(Audited)</b>					
<b><u>31 December 2022</u></b>					
Current and call accounts	85,871,756	119,088,937	12,956,753	1,486,074	219,403,520
Saving deposits	54,006,691	3,055,337	8,059	-	57,070,087
Term and notice deposits	381,144,856	155,889,061	9,794,243	58,403,045	605,231,205
<b>Total</b>	<b>521,023,303</b>	<b>278,033,335</b>	<b>22,759,055</b>	<b>59,889,119</b>	<b>881,704,812</b>

- Government and public sector deposits amounted to JD 93,076,520 which is equivalent to 8.8% of the total deposits as of 30 June 2023 against to JD 59,889,119, which is equivalent to 6.8% of the total deposits as of 31 December 2022.
- Non-interest-bearing deposits amounted to JD 202,630,837 which is equivalent to 19.1% of the total deposits as of 30 June 2023 against JD 187,808,100 which is equivalent to 21.3% of the total deposits as of 31 December 2022.
- Retained (restricted) deposits amounted to JD 7,768,883 which is equivalent to 0.7% of the total deposits as of 30 June 2023 against JD 6,722,225 which is equivalent to 0.8% of the total deposits as of 31 December 2022.
- Dormant deposits amounted to JD 10,085,344 as of 30 June 2023, against JD 10,066,973 as of 31 December 2022.

**(13) BORROWED FUNDS**

The details of this item are as follows:

	Amount	Number of instalments		Frequency of instalments	Guarantees	Loan interest rate
		Total	Remaining			
<b>(Unaudited)</b>	JD					
<b><u>30 June 2023</u></b>						
Borrowings from the Central Bank of Jordan	11,607,803	2,182	1,497	Monthly	Promissory notes	0% to 1%
Borrowings from local banks/ financial institutions	224,351,712	558	282	Monthly, quarterly, semi-annual and at maturity	Cash deposits/ mortgage bonds/ equipment and property mortgage/ promissory notes	4.9% to 9.25%
Borrowings from foreign institutions	9,475,076	21	14	Semi-annual and at maturity	- *	5% to 6.9%
<b>Total</b>	<b><u>245,434,591</u></b>					
<b>(Audited)</b>						
<b><u>31 December 2022</u></b>						
Borrowings from the Central Bank of Jordan	11,324,276	2,069	1,470	Monthly	Promissory notes	0% to 1%
Borrowings from local banks/ financial institutions	202,816,069	594	283	Monthly, quarterly, semi-annual and at maturity	Cash deposits/ mortgage bonds/ equipment and property mortgage/ promissory notes	4.9% to 9.25%
Borrowings from foreign institutions	10,828,557	21	15	Semi-annual and at maturity	- *	5% to 6.9%
<b>Total</b>	<b><u>224,968,902</u></b>					

- Borrowings from the Central Bank of Jordan which amounts to JD 11,607,803 represent amounts borrowed to refinance customers' facilities through medium term financing programs and the Central Bank of Jordan program to assist SMEs in facing COVID-19, the loans were re-lent with an average interest rate of 3.3%.
- The number of beneficiaries from the Central Bank of Jordan's program which aims to assist SMEs in facing COVID-19 is 36 clients as of 30 June 2023. These loans are matured within a period of 54 months from the granting date including the grace period according to the requirements of the program.

- Borrowed funds include amounts borrowed from local banks which amounts to JD 193,851,712. Such borrowings include 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 include amounts borrowed from Jordan Mortgage Refinancing Company which amounts to JD 30,500,000, additionally, housing loans are refinanced with an average interest rate of 10.3% as of 30 June 2023 against 8.5% as of 31 December 2022.
  - Borrowed funds from foreign institutions include amounts borrowed from “Sanad” fund to finance small projects which amounts to USD 13.4 Million, equivalent to JD 9,475,076 as of 30 June 2023 for the Bank and its subsidiary (Jordan Trade Facilities Company), against USD 15.3 Million, equivalent to JD 10,828,557 as of 31 December 2022.
  - Fixed interest loans amounted to JD 66,405,938 and variable interest loans amounted to JD 179,028,653 as of 30 June 2023 against JD 70,064,986 of fixed interest loans and JD 154,903,916 of variable interest loans as of 31 December 2022.
- \* There is a letter of comfort issued by the Bank.

**(14) BONDS**

This item represents bonds issued by the subsidiaries as follows:

<u>Subsidiary</u>	<u>Value of bonds</u>	<u>Interest rate</u>	<u>Gross instalments</u>	<u>Remaining instalments</u>	<u>Frequency of instalments maturity</u>	<u>Guarantees</u>	<u>Issue date</u>	<u>Maturity date</u>
	JD							
<b><u>30 June 2023 (Unaudited)</u></b>								
Tamkeen Leasing Company	1,050,000	7.5%	1	1	One payment at the maturity date	N/A	8 February 2023	7 February 2024
Tamkeen Leasing Company	7,500,000	6.5%	1	1	One payment at the maturity date	N/A	2 October 2022	01 November 2023
Jordan Trade Facilities Company	6,460,000	7.0%	1	1	One payment at the maturity date	N/A	14 December 2022	14 December 2023
<b>Total</b>	<b><u>15,010,000</u></b>							
<b><u>31 December 2022 (Audited)</u></b>								
Tamkeen Leasing Company	7,500,000	6.5%	1	1	One payment at the maturity date	N/A	2 October 2022	01 November 2023
Jordan Trade Facilities Company	6,460,000	7.0%	1	1	One payment at the maturity date	N/A	14 December 2022	14 December 2023
<b>Total</b>	<b><u>13,960,000</u></b>							

**(15) INCOME TAX****A) Income tax provision**

The movement on income tax provision is as follows

	<b>30 June 2023</b>	<b>31 December 2022</b>
	JD <b>(Unaudited)</b>	JD <b>(Audited)</b>
<b>Balance at the beginning of the period / year</b>	9,383,036	7,057,031
Excluded balances due to the sale of a subsidiary	-	(200,968)
Balances resulted from the acquisition of a subsidiary	-	75,352
Total income tax paid	(8,080,338)	(8,983,216)
Income tax for the period / year	5,080,592	11,434,837
<b>Balance at the end of the period / year</b>	<b>6,383,290</b>	<b>9,383,036</b>

Income tax is calculated in accordance with the income tax laws number (38) for the year 2018, the statutory income tax rate in Jordan for the bank and its subsidiaries amounts to 35% and 3% national contribution, 24% and 4% national contribution respectively.

**B) Income tax presented in the consolidated statement of profit or loss consists of the following:**

	<b>30 June 2023</b>	<b>30 June 2022</b>
	JD <b>(Unaudited)</b>	JD <b>(Unaudited)</b>
Income tax on current period profit	5,080,592	5,839,008
Impact of liquidation a Subsidiary	-	91,031
Deferred tax assets for the year	(4,732,411)	(2,302,194)
Amortization of deferred tax assets for the year	4,720,080	1,434,398
	<b>5,068,261</b>	<b>5,062,243</b>

**The Bank tax status:**

- The financial period is charged with its own income tax expense in accordance with the regulations, laws and International Financial Reporting Standards, and the necessary tax provision is calculated and recorded.
- A Final clearance was made with the Income and Sales Tax Department for the financial years until the end of the year 2018.
- The Bank has submitted the tax returns for the years from 2019 until 2022 on the legally specified date and in compliance with the regulations
- In the opinion of the Bank's management and the tax advisor, the provisions booked are sufficient to meet the tax liabilities as of 30 June 2023.

### **Tax status of Tamkeen Leasing Company (Subsidiary)**

- The company did not submit the self-assessment statement for the period from its inception on 31 October 2006 until December 31, 2009, as it did not operate during those years.
- A final clearance was made with the Income and Sales Tax Department regarding income tax for the years from 2019 until 2017.
- The Company submitted the tax return for the years from 2019 until 2022 on the legally specified date.
- The Company submitted the sales tax returns on the legally specified date, and the Income and Sales Tax Department audited the general sales tax returns until 31 December 2017, and subsequent returns were submitted on the date specified by law and the related tax due was paid up to the date of preparing consolidated these financial statements.
- In the opinion of the Company's management and its tax advisor, the Company will not have any liabilities that exceed the booked provision as of 30 June 2023.

### **Tax status of Al Istethmari Letamweel Selselet Al Imdad Company (Subsidiary)**

- A Final clearance was made with the Income and Sales Tax Department for the financial years until the end of the year 2010.
- The company submitted the annual income tax returns (annual income tax statements) for the years from 2011 until 2014 within the legal period and has settled all outstanding liabilities within the legal period and all of them accepted by the Income and Sales Tax Department without any amendments.
- A final clearance was made with the Income and Sales Tax Department for the fiscal years until the end of 2018, as there is no tax liability for this period and the tax return for 2018 was accepted within the sampling system.
- The Company submitted the tax return for the years from 2019 until 2022 on the legally specified date.
- The Company submitted sales tax returns within the legal period and has no tax obligation to date.
- Sales tax returns were accepted without modification until the end of 2017, and subsequent tax returns were filed on the legally specified date and the related tax due was paid up until the date of these interim condensed consolidated financial statements.
- In the opinion of the Company's management and its tax advisor, the Company will not have any liabilities that exceed the booked provision as of 30 June 2023.

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

- A final clearance was made with the Income and Sales Tax Department until the end of 2017, and the tax return for 2018 was accepted within the sampling system.
- The Company has submitted the tax return for the years from 2019 until 2022 according to the regulations and on the legally specified date.
- The Company has submitted the general sales tax returns on the legally specified date, and the Income and Sales Tax Department has audited the returns submitted for the end of the fiscal year 2016 taking into consideration the returns submitted for the tax periods up to end of 2017 were accepted according to the laws and the returns of subsequent periods were submitted on time.
- The subsidiary (Jordan Trade Facilities for Finance Leasing) submitted annual income tax returns until the end of 2018, and they were accepted by the Income and Sales Tax Department within sampling system.
- The subsidiary (Jordan Trade Facilities for Finance Leasing) has submitted the tax return for the years from 2019 until 2022 according to the rules and on the legally specified date however it is not reviewed by the Income and Sales tax department yet.
- The subsidiary (Jordan Trade Facilities for Finance Leasing) has submitted the general sales tax returns on the legally specified date, and the Income and Sales Tax Department audited the returns until the year 2013. Taking into consideration that submitted returns on the tax periods until the end of the year 2017 are considered acceptable, in accordance with the laws and the returns of subsequent periods that were submitted on time.
- In the opinion of the Company's management and its tax advisor, the Company and its subsidiaries will not have any liabilities that exceed the booked provision as of 30 June 2023.

### **Tax status of Bindar Trade and Investments Company and its subsidiaries (Subsidiary)**

- A final clearance was made with the Income and Sales Tax Department until the end of 2018 and 2020.
- The Company has submitted the tax return for the years from 2019 until 2022 and paid the tax due on the legally specified date.
- General sales tax returns were audited until the end of 2017, and subsequent tax returns were filed on the legally specified date and the related tax due was paid up until the date of preparing these interim condensed consolidated financial statements.
- The subsidiary (Bindar Leasing Company) made a final clearance with income tax and sales tax Department until the end of year 2020 in addition the company has submitted the tax return until end of the year 2021 on the legally specified date and has no tax obligations until the date of these interim condensed consolidation financial statements.

- The subsidiary (Bindar Leasing Company) has register for sales tax starting from 1 January 2017 and the subsequent tax returns were submitted and tax due was paid up until the date of these interim condensed consolidated financial statements.
- The subsidiary (Robou Al Sharq Real Estate) made a final clearance with income tax and sales tax Department until the end of years 2018 and 2020.
- The subsidiary (Robou Al Sharq Real Estate) submitted the tax return for the years 2019 ,2021 and 2022 and the tax due was paid on the legally specified date.
- The subsidiary (Rakeen Real Estate Company) made a final clearance with income tax and sales tax Department until the end of years 2018 and 2020.
- The subsidiary (Rakeen Real Estate Company) submitted the tax return for the years 2019 ,2021 and 2022 and the tax due was paid on the legally specified date.
- The subsidiary (Summit Auto Trade Facilities Company) made a final clearance with income tax and sales tax Department until the end of year 2019., and submitted the tax return for the years 2020 ,2021 and 2022 within the legally specified period and the tax due was paid on the legally specified date
- The subsidiary(Summit Auto Trade Facilities Company) and the general sales tax returns were audited until the end of 2015, and subsequent tax returns were filed on the legally specified date and the related tax due was paid up until the date of preparing these interim condensed consolidated financial statements.
- In the opinion of the Company's management and its tax advisor, the Company and its subsidiaries will not have any liabilities that exceed the booked provision as of 30 June 2023.

#### **Tax Status of The Jordanian Factoring Company (Subsidiary – Under liquidation)**

- The Company submitted its tax return for the years since 2012 until 2021. The tax returns were accepted for the years 2012 and 2013 according to the sampling system.
- The Company has registered in the sales tax starting from 7 July 2020. The subsequent tax returns were and due tax was up to the date of the preparation of these interim condensed consolidated Financial statements.
- In the opinion of the Company's management and its tax advisor, the Company will not have any liabilities that exceed the booked provision as of 30 June 2023.

C) The summary of the reconciliation between accounting income and taxable income is as follows:

	<u>30 June 2023</u>	<u>30 June 2022</u>
	JD	JD
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Accounting profit	17,868,273	15,188,302
Non-taxable profits	(6,463,667)	(8,045,815)
Deductable tax expenses for prior years	(11,495,570)	(4,073,247)
Non-deductable tax expenses	14,075,476	9,569,193
<b>Taxable profit</b>	<b><u>13,984,512</u></b>	<b><u>12,638,433</u></b>
The Bank's statutory income tax percentage*	38%	38%
The subsidiaries statutory income tax percentage*	28%	28%

\* Except for some items subject to different tax rates according to the applicable income tax law.

**(16) OTHER LIABILITIES**

The details of this item are as follows:

	<u>30 June 2023</u>	<u>31 December 2022</u>
	JD	JD
	<b>(Unaudited)</b>	<b>(Audited)</b>
Certified and acceptable Cheques	1,770,681	1,667,068
Interest payable	9,053,201	5,065,147
Sunday creditors	3,994,231	4,682,787
Unpaid dividend distributions	101,308	121,072
Safe boxes insurances	150,613	148,423
Unpaid accrued expenses	1,911,967	2,758,303
Other liabilities	5,762,824	4,802,724
Expected credit loss provision on off-balance sheet items in accordance with IFRS (9)	552,233	746,624
<b>Total</b>	<b><u>23,297,058</u></b>	<b><u>19,992,148</u></b>

**(17) Statutory reserve**

The Bank didn't record the statutory reserve in accordance with the companies law as these are interim condensed consolidated financial statements.

**(18) Financial asset revaluation reserve-net**

The movement on this item is as follows:

	<u>30 June 2023</u>	<u>31 December 2022</u>
	JD	JD
	<b>(Unaudited)</b>	<b>(Audited)</b>
Balance at the beginning of the period/year	6,435,777	6,362,363
Unrealized (losses) gains on stocks	(421,522)	302,671
Deferred tax liabilities	2,651,880	(491,705)
Financial assets at fair value through other comprehensive income losses that were transferred to the retained earnings	139,702	262,448
<b>Balance at the end of the period/ year</b>	<b><u>8,805,837</u></b>	<b><u>6,435,777</u></b>

- The financial assets revaluation reserve is presented after deducting the deferred tax liabilities which amounted to JD 1,329,891 as at 30 June 2023 against JD 3,981,771 as at 31 December 2022.

**(19) RETAINED EARNINGS**

The movement on retained earnings is summarized as follows:

	<u>30 June 2023</u>	<u>31 December 2022</u>
	<b>JD</b>	<b>JD</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
Balance at the beginning of the period/ year	50,972,953	42,612,312
Profit for the year	-	19,826,223
Transferred to reserves	-	(1,211,352)
Dividend distributions*	(10,000,000)	(10,000,000)
Loss on sale of financial assets at fair value through other comprehensive income	(139,702)	(262,448)
Effect of the increase in investment in subsidiaries	7,220	8,218
<b>Balance at the end of the period/ year</b>	<b><u>40,840,471</u></b>	<b><u>50,972,953</u></b>

\* According to the decision of the Shareholders General Assembly on 19 April 2023, JD 10 million were distributed from the retained earnings for the year 2022, which is equivalent to 10% of the Bank's capital. And According to the decision of the Shareholders General Assembly on 20 April 2022, JD 10 million were distributed from the retained earnings for the year 2021, which is equivalent to 10% of the Bank's capital

**(20) INTEREST INCOME**

The details of this item are as follows:

	<u>30 June 2023</u>	<u>30 June 2022</u>
	JD	JD
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Direct credit facilities:</b>		
<b>Individuals (Retail)</b>		
Loans and bills	14,432,868	10,594,894
Overdrafts	275,809	26,128
Credit cards	5,024,615	4,006,671
<b>Real estate loans</b>	5,048,606	4,543,727
<b>Large corporates</b>		
Loans and bills	9,970,121	7,194,588
Overdrafts	2,839,213	2,471,070
<b>SMEs</b>		
Loans and bills	2,030,006	2,120,741
Overdrafts	368,579	357,724
<b>Government and public sector</b>	3,898,612	2,043,953
Balances at the Central Bank of Jordan	3,705,230	673,767
Balances and deposits at banks and financial institutions	3,311,214	202,010
Financial assets at amortized cost	5,761,482	3,582,886
<b>Total</b>	<b><u>56,666,355</u></b>	<b><u>37,818,159</u></b>

**(21) INTEREST EXPENSE**

The details of this item are as follows:

	<u>30 June 2023</u>	<u>30 June 2022</u>
	JD	JD
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Deposits from banks and financial institutions	718,408	302,245
<b>Customers' deposits:</b>		
Current and call accounts	524,181	127,240
Saving deposits	58,014	58,501
Term and notice deposits	19,494,940	10,705,339
Certificates of deposits	68,362	-
Cash margins	552,168	313,515
Borrowed funds	8,822,412	5,929,981
Deposits guarantees fees	329,300	533,746
Interest expense on lease liabilities	67,766	81,270
<b>Total</b>	<b><u>30,635,551</u></b>	<b><u>18,051,837</u></b>

**(22) GAINS FROM FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS**

The details of this item are as follows:

	<u>Realized gains</u>	<u>Unrealized gains</u>	<u>Stock dividend returns</u>	<u>Total</u>
<b>(Unaudited)</b>	JD	JD	JD	JD
<b><u>30 June 2023</u></b>				
Companies shares	27,697	-	74	27,771
Shares options	177,839	-	-	177,839
<b>Total</b>	<b><u>205,536</u></b>	<b><u>-</u></b>	<b><u>74</u></b>	<b><u>205,610</u></b>

**(Unaudited)**  
**30 June 2022**

Companies shares	101,938	-	244	102,182
Right to receive shares	-	53,658	-	53,658
Shares options	413,106	-	-	413,106
<b>Total</b>	<b><u>515,044</u></b>	<b><u>53,658</u></b>	<b><u>244</u></b>	<b><u>568,946</u></b>

**(23) (Provision for) reversed from expected credit loss provision on financial assets and off-balance sheet items**

The details of the movement on expected credit loss provision is as follows:

	<b><u>For the six months ended 30 June</u></b>	
	<u>2023</u>	<u>2022</u>
	JD	JD
	(Unaudited)	(Unaudited)
Balances and deposits at banks	(2,422)	(540)
Financial assets at amortized cost	(498,004)	(24,126)
Other assets	(66,730)	1,131
Off-Balance Sheet items	194,391	300,390
<b>Total</b>	<b><u>(372,765)</u></b>	<b><u>276,855</u></b>

## **(24) CAPITAL MANAGEMENT**

### **A- Description of what is considered to be capital**

Regulatory qualified capital comprises the following elements:

- Tier 1 of capital (capital that guarantees the going concern). This comprises the following:
  - 1- Common equity tier 1. (CET1).
  - 2- Additional Tier 1 (AT1).
- Tier 2 (T2) is the capital used in case of failure of going concern (liquidation).
- Each of the three types of capital (CET1, AT1, T2) has a specific set of criteria that a financial instrument must meet before including it in the relevant category.

The bank is also committed, according to Article (62) of the Banking Law, to deduct annually 10% of its net profit to the legal reserve account and continues to deduct it until the reserve reaches the equivalent of the Bank's subscribed capital.

### **B- Regulatory requirements for capital, and how to meet these requirements:**

Banks must meet the minimum capital requirements in relation to risk-weighted assets, and they should be as follows:

- 1- The minimum of (CET1) should not be less than (6%) of the risk weighted assets.
- 2- The minimum of (Tier 1) should not be less than (7.5%) of the risk weighted assets.
- 3- The minimum (CAR) should not be less than (12%) of the risk weighted assets.

### **C- How to achieve capital management objectives**

The management of the Bank aims to achieve the goals of managing the Bank's capital, achieving a surplus in operating profits and revenues, and optimizing the operation of available sources of funds in order to achieve the targeted growth in shareholders' equity through growth in the legal reserve, realized profits and retained earnings.

When entering into investments, effects on the capital adequacy ratio are carried and capital and adequacy are monitored periodically as the capital adequacy ratio is calculated by the Risk Management.

The capital adequacy ratio is calculated according to the instructions of the Central Bank of Jordan based on Basel III decisions as at 30 June 2023 and 31 December 2022.

### **D- Liquidity coverage ratio**

The average liquidity coverage ratio in total for the consolidated financial statements based on the end of monthly average amounted to (458.1%) as of 30 June 2023, against (253.0%) as of 31 December 2022.

The average liquidity coverage ratio in JD for the consolidated financial statements based on the end of monthly average was (440.5%) as of 30 June 2023 against (263.9%) as of 31 December 2022.

	<u>30 June 2023</u> In Thousands JDs <b>(Unaudited)</b>	<u>31 December 2022</u> In Thousands JDs <b>(Audited)</b>
Total high-quality liquid assets before adjustments	316,608	275,863
Total high-quality liquid assets after adjustments	316,608	275,863
Total cash outflows	245,917	247,236
Total cash inflows before applying the 75% ceiling	155,616	68,213
Total cash inflows after applying the 75% ceiling	155,616	68,213
Net cash outflows	90,301	179,023
<b>Liquidity Coverage Ratio (LCR)</b>	<b>350.6%</b>	<b>154.10%</b>

**E- The amount the Bank considers as capital and capital adequacy ratio according to the table below:**

	<u>30 June 2023</u>	<u>31 December 2021</u>
	JD	JD
<b>Primary capital items for common shares</b>	<b>(Unaudited)</b>	<b>(Audited)</b>
Subscribed capital (paid-in)	100,000,000	100,000,000
Retained earnings (less any restricted amounts)	37,415,016	47,547,498
Profit for the period	12,655,085	-
Financial assets revaluation reserve-net, as per IFRS 9	8,805,837	6,435,777
Statutory reserve	34,583,047	34,583,047
<b>Total primary capital for common shares</b>	<b>193,458,985</b>	<b>188,566,322</b>
<b>Regulatory amendments (deductions from capital):</b>		
Goodwill and intangible assets	(3,281,259)	(3,063,082)
Deferred tax assets resulting from debts provisions	(18,866,200)	(18,853,869)
Dividend expected to be distributed	(5,000,000)	(10,000,000)
<b>Net common shareholders</b>	<b>166,311,526</b>	<b>156,649,371</b>
<b>Capital (Tier 2)</b>		
Provisions balance against debt instruments included in (Stage 1) not exceeding 1,25% of total credit risk weighted assets according to the standard method	4,159,470	2,881,699
<b>Total cushion capital</b>	<b>4,159,470</b>	<b>2,881,699</b>
<b>Regulatory amendments (deductions from capital):</b>		
Investments affecting the capital of banks, financial companies and insurance companies in which the	-	-
<b>Net cushion capital (Tier 2)</b>	<b>4,159,470</b>	<b>2,881,699</b>
<b>Total regulatory capital</b>	<b>170,470,996</b>	<b>159,531,070</b>
Total risks weighted assets	1,204,924,040	1,119,484,052
Capital adequacy ratio (%)	14.15%	14.25%
Percentage of ordinary shareholders' equity (%)	13.80%	13.99%
Basic capital percentage (%)	13.80%	13.99%

## (25) SEGMENT ANALYSIS

### A- **Information about the Bank's operating segments:**

The Bank is organized for administrative purposes through three main business segments that are used by the General Manager and the Bank's decision makers. The Bank also has subsidiaries specialized in financial leasing services, and operation and management of bonded warehouses activities.

- **Individuals accounts:** include following up on individual customers deposits, and granting them credit facilities, credit cards, and other services.
- **Corporates' 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.
- **financial leasing services:** include granting customers credit facilities and other services.
- **Operating and managing bonded warehouses:** includes providing operating services and managing the bonded warehouses.

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

	Individuals	Corporate	Treasury	Financial Leasing	Bonded Management	Others	Total	
							30 June	
							2023	2022
	JD	JD	JD	JD	JD	JD	JD	JD
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Gross income	20,788,766	13,408,791	5,199,540	518,043	988,515	163,721	41,067,376	30,123,119
Provision for Expected Credit Loss against direct credit facilities at amortized cost	(3,056,257)	(3,400,937)	-	(240,593)	(109,802)	-	(6,807,589)	(2,540,485)
(Provision for) reversed from expected credit loss provision on financial assets and off-	-	-	(500,427)	-	-	127,662	(372,765)	276,855
Sundry provisions	-	-	-	-	-	(64,263)	(64,263)	(528,355)
Bargain on purchase of a subsidiary	-	-	-	-	-	-	-	3,596,992
<b>Segment operations results</b>	<b>17,732,509</b>	<b>10,007,854</b>	<b>4,699,113</b>	<b>277,450</b>	<b>878,713</b>	<b>227,120</b>	<b>33,822,759</b>	<b>30,928,126</b>
Less: Undistributed expenditures	-	-	-	(721,364)	(835,861)	(14,397,261)	(15,954,486)	(15,739,824)
<b>Profits before taxes</b>	<b>17,732,509</b>	<b>10,007,854</b>	<b>4,699,113</b>	<b>(443,914)</b>	<b>42,852</b>	<b>(14,170,141)</b>	<b>17,868,273</b>	<b>15,188,302</b>
Income tax	-	-	-	(85)	(8,202)	(5,059,974)	(5,068,261)	(5,062,243)
Loss for the period from discontinued operations - net of tax	-	-	-	-	-	-	-	(126,059)
<b>Net Income for the period</b>	<b>17,732,509</b>	<b>10,007,854</b>	<b>4,699,113</b>	<b>(443,999)</b>	<b>34,650</b>	<b>(19,230,115)</b>	<b>12,800,012</b>	<b>10,000,000</b>
							<b>30 June</b>	<b>31 December</b>
	Individuals	Corporate	Treasury	Leasing	Bonded Management	Others	<b>2023</b>	<b>2022</b>
	JD	JD	JD	JD	JD	JD	JD	JD
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Sector's assets	422,590,397	558,301,907	572,786,852	99,157,899	28,744,398	-	1,681,581,453	1,407,192,417
Assets not distributed on sectors	-	-	-	-	-	40,447,620	40,447,620	20,682,500
Assets held for sale	-	-	-	-	-	144,772	144,772	145,229
<b>Total assets</b>	<b>422,590,397</b>	<b>558,301,907</b>	<b>572,786,852</b>	<b>99,157,899</b>	<b>28,744,398</b>	<b>40,592,392</b>	<b>1,722,173,845</b>	<b>1,428,020,146</b>
Sector's liabilities	692,799,076	500,687,531	83,261,455	67,805,677	20,846,087	-	1,365,399,826	1,101,105,462
liabilities not distributed on sectors	-	-	-	-	-	156,305,814	156,305,814	131,464,151
Liabilities associated with assets held for sale	-	-	-	-	-	242	242	2,360
<b>Total liabilities</b>	<b>692,799,076</b>	<b>500,687,531</b>	<b>83,261,455</b>	<b>67,805,677</b>	<b>20,846,087</b>	<b>156,306,056</b>	<b>1,521,705,882</b>	<b>1,232,571,973</b>
							<b>30 June</b>	
							<b>2023</b>	<b>2022</b>
							JD	JD
							(Unaudited)	(Unaudited)
Capital expenditures							2,532,192	772,612
Depreciation and amortization							1,799,854	1,336,264

**B- Information on the geographical distribution.**

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

**(26) TRANSACTIONS WITH RELATED PARTIES**

The following represents a summary of balances and transactions with related parties:

	Subsidiaries*	Board of directors' members & executive management	Other (employees and their relative, relative of members of the board of directors and executive management and controlled companies)	30 June 2023	31 December 2022
	JD	JD	JD	JD	JD
<b>On-Balance Sheet Items:</b>				<b>(Unaudited)</b>	<b>(Audited)</b>
Credit facilities	2,369,533	3,212,177	22,905,347	28,487,057	30,115,759
Provision for impairment on direct credit facilities **	-	-	19,051	19,051	33,591
Deposits, current accounts and cash margins	6,219,805	5,312,923	10,536,380	22,069,108	19,460,996
Deposits from banks and financial institutions	-	11,206,209	-	11,206,209	16,260,413
<b>Off-Balance Sheet Items:</b>					
LGs	144,000	632,363	639,340	1,415,703	1,290,393
<b>Statement of profit or loss Items:</b>				<b>For the six months ended 30 June</b>	
				<b>2023</b>	<b>2022</b>
				JD	JD
				<b>(Unaudited)</b>	<b>(Unaudited)</b>
Interest and commission income	107,020	124,668	721,744	953,432	1,375,330
Interest and commission expense	90,601	554,532	188,443	833,576	459,932
Impairment provision on credit facilities**	-	-	(14,540)	(14,540)	(677)
Maximum interest rate on direct credit facilities in JD		21%	Minimum interest rate on direct credit facilities in JD		2.0%
Maximum interest rate on direct credit facilities in FCY		12%	Minimum interest rate on direct credit facilities in FCY		8.9%
Maximum interest rate on deposits in JD		6.5%	Minimum interest rate on deposits in JD		Zero
Maximum interest rate on deposits in FCY		3%	Minimum interest rate on deposits in FCY		Zero
Maximum commission rate on credit		1%	Minimum commission rate on credit		Zero

The executive management salaries and benefits for the Bank and its subsidiaries amounted to JD 2,227,743 for the six months ended on 30 June 2023, against JD 1,898,181 for the same period in 2022.

The number of related parties' clients amounted to 988clients as of 30 June 2023, against 936 as of 31 December 2022.

The value of the collaterals provided by the related clients against the granted credit facilities amounted to JD 19,193,635 as of 30 June 2023 against JD 20,322,863 as of 31 December 2022.

\* The balances and transactions with subsidiaries are eliminated in these consolidated financial statements and are shown for explanatory purposes only.

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

**(27) CASH AND CASH EQUIVALENTS**

The details of this item are as follows:

	<b>30 June</b>	
	<b>2023</b>	<b>2022</b>
	JD	JD
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Cash and balances at the Central Bank of Jordan maturing within three months	121,906,618	111,837,108
Add: balances at banks and financial institutions maturing within three months	123,099,016	63,181,002
Deduct: banks and financial institutions' deposits maturing within three months	<u>50,749,379</u>	<u>35,303,005</u>
	<b><u>194,256,255</u></b>	<b><u>139,715,105</u></b>

**(28) FAIR VALUE HIERARCHY**

The below table presents the financial instruments carried at fair value according to the valuation method. The different levels were defined as follows:

**Level 1:** quoted prices (unadjusted) for assets or liabilities in active markets. Most of the financial assets at fair value through other comprehensive income are on Amman Stock Exchange, Palestine exchange and international markets.

**Level 2:** quoted prices in active markets for similar assets or liabilities or other valuation techniques for which all inputs which have a significant effect on the recorded fair value are based on market information.

**Level 3:** techniques which not all significant inputs are based on observable market data, the Bank used the book value method as it's the most appropriate measurement tool for those investments.

**(Unaudited)**

	Level 1	Level 2	Level 3*	Total
	JD	JD	JD	JD
<b>30 June 2023</b>				
Financial assets at fair value through P&L	1	-	-	1
Financial assets at fair value through OCI	39,149,093	-	24,502,844	63,651,937
	<b><u>39,149,094</u></b>	<b><u>-</u></b>	<b><u>24,502,844</u></b>	<b><u>63,651,938</u></b>

**(Audited)**

	Level 1	Level 2	Level 3*	Total
	JD	JD	JD	JD
<b>31 December 2022</b>				
Financial assets at fair value through P&L	1	-	-	1
Financial assets at fair value through OCI	36,840,529	-	24,954,093	61,794,622
	<b><u>36,840,530</u></b>	<b><u>-</u></b>	<b><u>24,954,093</u></b>	<b><u>61,794,623</u></b>

Other assets include non-financial assets which represents investments properties at the subsidiaries (Jordan Trade Facilities Company and Bindar for Trade and investments Company), which are not measured at fair value in the financial statements. Hence, the fair value for the investments properties are classified within level 2 and amounts to JD 2,189,344 JD as of 30 June 2023, against JD 3,204,444 as of 31 December 2022.

\* \* 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.

**(29) FAIR VALUE OF FINANCIAL INSTRUMENTS**

There are no material differences between the fair value of financial instruments not measured at fair value on the consolidated statement of financial position and their book value recognized in the consolidated financial statements. Moreover, there are no material differences between the fair value and the book value of the direct credit facilities, financial assets at amortized cost, banks and financial institutions deposits, customers' 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.

**(30) 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 June		For the six months period ended 30 June	
	2023	2022	2023	2022
	JD	JD	JD	JD
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Net profit for the period attributable to the bank's shareholders	6,740,875	2,491,042	12,655,085	9,659,992
Weighted average number of shares	100,000,000	100,000,000	100,000,000	100,000,000
<b>Basic and diluted earnings per share from the net profit for the period</b>	<b>0.067</b>	<b>0.025</b>	<b>0.127</b>	<b>0.097</b>

Basic earnings per share from the net profit for the period attributable to the Bank's shareholders equals 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.

**(31) CONTINGENT LIABILITIES (OFF-BALANCE SHEET)**

A- Credit commitments and contingencies:

	30 June	31 December
	2023	2022
	JD	JD
	(Unaudited)	(Audited)
Letters of credit	7,314,149	14,019,628
Acceptances and time-drawings	3,281,849	5,490,386
<b>Guarantees:</b>		
Payment	17,859,275	17,727,592
Performance bonds	38,000,372	27,585,564
Other	13,293,581	16,854,664
Unutilized direct credit facilities credit limits	15,147,641	24,771,030
Unutilized indirect credit facilities credit limits	28,846,743	31,395,217
<b>Total</b>	<b>123,743,610</b>	<b>137,844,082</b>

**Contingent liabilities movement per stage:**

	Stage 1		Stage 2		Stage 3	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD		
<b><u>For the period ended 30 June 2023</u></b>						
<b><u>(Unaudited)</u></b>						
Total balance at the beginning of the period	125,833,613	-	11,883,604	-	873,488	138,590,705
New exposures during the period	29,049,831	-	680,425	-	-	29,730,256
Matured / derecognized exposures	(34,713,217)	-	(1,232,347)	-	(568)	(35,946,132)
Transferred to stage 1	4,168,557	-	(4,168,557)	-	-	-
Transferred to stage 2	(1,019,670)	-	1,117,020	-	(97,350)	-
Transferred to stage 3	(11,550)	-	(4,000)	-	15,550	-
Changes resulting from adjustments	(7,779,120)	-	(299,866)	-	-	(8,078,986)
Written off balances	-	-	-	-	-	-
Adjustments due to changes in exchange rates	-	-	-	-	-	-
<b>Total balance at the end of the period</b>	<b>115,528,444</b>	<b>-</b>	<b>7,976,279</b>	<b>-</b>	<b>791,120</b>	<b>124,295,843</b>

	Stage 1		Stage 2		Stage 3	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD		
<b><u>For the year ended 31 December 2022</u></b>						
<b><u>(Audited)</u></b>						
Total balance at the beginning of the year	107,384,374	-	21,748,578	-	722,574	129,855,526
New exposures during the year	48,911,073	-	2,670,955	-	568	51,582,596
Matured / derecognized exposures	(39,320,559)	-	(5,785,687)	-	(43,554)	(45,149,800)
Transferred to stage 1	8,527,826	-	(8,522,826)	-	(5,000)	-
Transferred to stage 2	(2,433,385)	-	2,433,385	-	-	-
Transferred to stage 3	(138,400)	-	(60,500)	-	198,900	-
Changes resulting from adjustments	2,902,684	-	(600,301)	-	-	2,302,383
Written off balances	-	-	-	-	-	-
Adjustments due to changes in exchange rates	-	-	-	-	-	-
<b>Total balance at the end of the year</b>	<b>125,833,613</b>	<b>-</b>	<b>11,883,604</b>	<b>-</b>	<b>873,488</b>	<b>138,590,705</b>

**Expected credit loss provision on commitments and contingencies in the aggregate:**

	Stage 1		Stage 2		Stage 3	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD		
<b><u>For the period ended 30 June 2023</u></b>						
<b><u>(Unaudited)</u></b>						
Balance at the beginning of the period	337,678	-	255,240	-	153,706	746,624
Impairment loss over new balances during the period	218,496	-	13,023	-	251	231,770
Recovered from impairment loss over settled balances (Repaid/ Derecognized)	(166,407)	-	(95,773)	-	(38,419)	(300,599)
Transferred to stage 1	80,031	-	(80,031)	-	-	-
Transferred to stage 2	(3,135)	-	18,614	-	(15,479)	-
Transferred to stage 3	(20)	-	-	-	20	-
Impact on provision –at the end of the period– due to reclassification between the three stages during the period	(107,049)	-	90,352	-	16,697	-
Changes due to adjustments	(62,182)	-	(63,380)	-	-	(125,562)
Written off balances	-	-	-	-	-	-
Adjustments due to changes in exchange rates	-	-	-	-	-	-
<b>Total balance at the end of the period</b>	<b>297,412</b>	<b>-</b>	<b>138,045</b>	<b>-</b>	<b>116,776</b>	<b>552,233</b>

	Stage 1		Stage 2		Stage 3	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD		
<b><u>For the year ended 31 December 2022</u></b>						
<b><u>(Audited)</u></b>						
Balance at the beginning of the year	334,019	-	605,985	-	571,343	1,511,347
Impairment loss over new balances during the year	188,158	-	43,668	-	11,722	243,548
Recovered from impairment loss over settled balances (Repaid/ Derecognized)	(122,219)	-	(307,367)	-	(443,553)	(873,139)
Transferred to stage 1	269,402	-	(265,218)	-	(4,184)	-
Transferred to stage 2	(5,574)	-	5,574	-	-	-
Transferred to stage 3	(145)	-	(545)	-	690	-
Impact on provision –at the end of the – due to reclassification between the three stages during the year	(287,939)	-	251,707	-	36,232	-
Changes resulting from adjustments	(38,024)	-	(78,564)	-	(18,544)	(135,132)
Written offs	-	-	-	-	-	-
Adjustments resulting from changes in exchange rates	-	-	-	-	-	-
<b>Total balance as at the end of the year</b>	<b>337,678</b>	<b>-</b>	<b>255,240</b>	<b>-</b>	<b>153,706</b>	<b>746,624</b>

**Movement on commitments and contingent liabilities - Letters of credit:**

	Stage 1		Stage 2		Stage 3	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD		
<b><u>For the period ended 30 June 2023</u></b>						
<b><u>(Unaudited)</u></b>						
Total balance at the beginning of the period	14,058,298	-	26,609	-	-	14,084,907
New exposures during the period	2,686,618	-	-	-	-	2,686,618
Matured / derecognized exposures	(9,831,857)	-	(26,609)	-	-	(9,858,466)
Transferred to stage 1	-	-	-	-	-	-
Transferred to stage 2	-	-	-	-	-	-
Transferred to stage 3	-	-	-	-	-	-
Changes resulting from adjustments	506,480	-	-	-	-	506,480
Written off balances	-	-	-	-	-	-
Adjustments due to changes in exchange rates	-	-	-	-	-	-
<b>Total balance at the end of the period</b>	<b>7,419,539</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,419,539</b>

	Stage 1		Stage 2		Stage 3	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD		
<b><u>For the year ended 31 December 2022</u></b>						
<b><u>(Audited)</u></b>						
Total balance at the beginning of the year	5,177,498	-	106,832	-	-	5,284,330
New exposures during the year	13,343,976	-	26,609	-	-	13,370,585
Matured / derecognized exposures	(4,461,956)	-	(106,832)	-	-	(4,568,788)
Transferred to stage 1	-	-	-	-	-	-
Transferred to stage 2	-	-	-	-	-	-
Transferred to stage 3	-	-	-	-	-	-
Changes resulting from adjustments	(1,220)	-	-	-	-	(1,220)
Written off balances	-	-	-	-	-	-
Adjustments due to changes in exchange rates	-	-	-	-	-	-
<b>Total balance at the end of the year</b>	<b>14,058,298</b>	<b>-</b>	<b>26,609</b>	<b>-</b>	<b>-</b>	<b>14,084,907</b>

**Movement on expected credit losses - letters of credit:**

	Stage 1		Stage 2		Stage 3	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD		
<b><u>For the period ended 30 June 2023</u></b>						
<b><u>(Unaudited)</u></b>						
Balance at the beginning of the period	59,730	-	5,549	-	-	65,279
Impairment loss over new balances during the period	103,418	-	906	-	-	104,324
Recovered from impairment loss over settled balances (Repaid/ Derecognized)	(55,884)	-	(5,552)	-	-	(61,436)
Transferred to stage 1	-	-	-	-	-	-
Transferred to stage 2	-	-	-	-	-	-
Transferred to stage 3	-	-	-	-	-	-
Impact on provision –at the end of the period– due to reclassification between the three stages during the period	-	-	-	-	-	-
Changes due to adjustments	(2,777)	-	-	-	-	(2,777)
Written off balances	-	-	-	-	-	-
Adjustments due to changes in exchange rates	-	-	-	-	-	-
<b>Total balance at the end of the period</b>	<b>104,487</b>	<b>-</b>	<b>903</b>	<b>-</b>	<b>-</b>	<b>105,390</b>

	Stage 1		Stage 2		Stage 3	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD		
<b><u>For the year ended 31 December 2022</u></b>						
<b><u>(Audited)</u></b>						
Balance at the beginning of the year	11,223	-	934	-	-	12,157
Impairment loss over new balances during the year	59,675	-	5,552	-	-	65,227
Recovered from impairment loss over settled balances (Repaid/ Derecognized)	(10,815)	-	(937)	-	-	(11,752)
Transferred to stage 1	-	-	-	-	-	-
Transferred to stage 2	-	-	-	-	-	-
Transferred to stage 3	-	-	-	-	-	-
Impact on provision –at the end of the – due to reclassification between the three stages during the year	-	-	-	-	-	-
Changes resulting from adjustments	(353)	-	-	-	-	(353)
Written offs	-	-	-	-	-	-
Adjustments resulting from changes in exchange rates	-	-	-	-	-	-
<b>Total balance as at the end of the year</b>	<b>59,730</b>	<b>-</b>	<b>5,549</b>	<b>-</b>	<b>-</b>	<b>65,279</b>

**Movement on contingent commitments and contingent liabilities - Acceptances and time withdrawals:**

	Stage 1		Stage 2		Stage 3	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD		
<b><u>For the period ended 30 June 2023</u></b>						
<b><u>(Unaudited)</u></b>						
Total balance at the beginning of the period	5,442,062	-	59,612	-	-	5,501,674
New exposures during the period	2,872,896	-	-	-	-	2,872,896
Matured / derecognized exposures	(5,030,894)	-	(59,612)	-	-	(5,090,506)
Transferred to stage 1	-	-	-	-	-	-
Transferred to stage 2	-	-	-	-	-	-
Transferred to stage 3	-	-	-	-	-	-
Changes resulting from adjustments	-	-	-	-	-	-
Written off balances	-	-	-	-	-	-
Adjustments due to changes in exchange rates	-	-	-	-	-	-
<b>Total balance at the end of the period</b>	<b>3,284,064</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,284,064</b>

	Stage 1		Stage 2		Stage 3	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD		
<b><u>For the year ended 31 December 2022</u></b>						
<b><u>(Audited)</u></b>						
Total balance at the beginning of the year	5,662,223	-	151,130	-	-	5,813,353
New exposures during the year	5,442,063	-	59,611	-	-	5,501,674
Matured / derecognized exposures	(5,662,224)	-	(151,129)	-	-	(5,813,353)
Transferred to stage 1	-	-	-	-	-	-
Transferred to stage 2	-	-	-	-	-	-
Transferred to stage 3	-	-	-	-	-	-
Changes resulting from adjustments	-	-	-	-	-	-
Written off balances	-	-	-	-	-	-
Adjustments due to changes in exchange rates	-	-	-	-	-	-
<b>Total balance at the end of the year</b>	<b>5,442,062</b>	<b>-</b>	<b>59,612</b>	<b>-</b>	<b>-</b>	<b>5,501,674</b>

**Movement on expected credit loss provision - acceptances and time withdrawals:**

	Stage 1		Stage 2		Stage 3	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD		
<b><u>For the period ended 30 June 2023</u></b>						
<b><u>(Unaudited)</u></b>						
Balance at the beginning of the period	10,674	-	614	-	-	11,288
Impairment loss over new balances during the period	1,787	-	-	-	-	1,787
Recovered from impairment loss over settled balances (Repaid/ Derecognized)	(10,246)	-	(614)	-	-	(10,860)
Transferred to stage 1	-	-	-	-	-	-
Transferred to stage 2	-	-	-	-	-	-
Transferred to stage 3	-	-	-	-	-	-
Impact on provision –at the end of the period– due to reclassification between the three stages during the period	-	-	-	-	-	-
Changes due to adjustments	-	-	-	-	-	-
Written off balances	-	-	-	-	-	-
Adjustments due to changes in exchange rates	-	-	-	-	-	-
<b>Total balance at the end of the period</b>	<b>2,215</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,215</b>

	Stage 1		Stage 2		Stage 3	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD		
<b><u>For the year ended 31 December 2022</u></b>						
<b><u>(Audited)</u></b>						
Balance at the beginning of the year	21,212	-	1,324	-	-	22,536
Impairment loss over new balances during the year	10,673	-	615	-	-	11,288
Recovered from impairment loss over settled balances (Repaid/ Derecognized)	(21,211)	-	(1,325)	-	-	(22,536)
Transferred to stage 1	-	-	-	-	-	-
Transferred to stage 2	-	-	-	-	-	-
Transferred to stage 3	-	-	-	-	-	-
Impact on provision –at the end of the – due to reclassification between the three stages during the year	-	-	-	-	-	-
Changes resulting from adjustments	-	-	-	-	-	-
Written offs	-	-	-	-	-	-
Adjustments resulting from changes in exchange rates	-	-	-	-	-	-
<b>Total balance as at the end of the year</b>	<b>10,674</b>	<b>-</b>	<b>614</b>	<b>-</b>	<b>-</b>	<b>11,288</b>

**Movement on contingent commitments and contingent liabilities - letters of guarantee:**

	Stage 1		Stage 2		Stage 3	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD		
<b><u>For the period ended 30 June 2023</u></b>						
<b><u>(Unaudited)</u></b>						
Total balance at the beginning of the period	54,010,186	-	7,596,120	-	872,920	62,479,226
New exposures during the period	20,963,630	-	147,448	-	-	21,111,078
Matured / derecognized exposures	(12,656,989)	-	(806,143)	-	-	(13,463,132)
Transferred to stage 1	2,607,401	-	(2,607,401)	-	-	-
Transferred to stage 2	(763,667)	-	861,017	-	(97,350)	-
Transferred to stage 3	(11,550)	-	(4,000)	-	15,550	-
Changes resulting from adjustments	(613,361)	-	(91,391)	-	-	(704,752)
Written off balances	-	-	-	-	-	-
Adjustments due to changes in exchange rates	-	-	-	-	-	-
<b>Total balance at the end of the period</b>	<b>63,535,650</b>	<b>-</b>	<b>5,095,650</b>	<b>-</b>	<b>791,120</b>	<b>69,422,420</b>

	Stage 1		Stage 2		Stage 3	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD		
<b><u>For the year ended 31 December 2022</u></b>						
<b><u>(Audited)</u></b>						
Total balance at the beginning of the year	58,841,229	-	13,011,615	-	722,574	72,575,418
New exposures during the year	15,630,734	-	1,208,954	-	-	16,839,688
Matured / derecognized exposures	(22,213,952)	-	(3,552,058)	-	(43,554)	(25,809,564)
Transferred to stage 1	4,356,255	-	(4,351,255)	-	(5,000)	-
Transferred to stage 2	(1,472,260)	-	1,472,260	-	-	-
Transferred to stage 3	(138,400)	-	(60,500)	-	198,900	-
Changes resulting from adjustments	(993,420)	-	(132,896)	-	-	(1,126,316)
Written off balances	-	-	-	-	-	-
Adjustments due to changes in exchange rates	-	-	-	-	-	-
<b>Total balance at the end of the year</b>	<b>54,010,186</b>	<b>-</b>	<b>7,596,120</b>	<b>-</b>	<b>872,920</b>	<b>62,479,226</b>

**Movement on expected credit loss provision – letters of guarantee:**

	Stage 1		Stage 2		Stage 3	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD		
<b><u>For the period ended 30 June 2023</u></b>						
<b><u>(Unaudited)</u></b>						
Balance at the beginning of the period	46,399	-	111,398	-	153,609	311,406
Impairment loss over new balances during the period	92,442	-	536	-	149	93,127
Recovered from impairment loss over settled balances (Repaid/ Derecognized)	(21,684)	-	(23,356)	-	(38,419)	(83,459)
Transferred to stage 1	19,386	-	(19,386)	-	-	-
Transferred to stage 2	(2,101)	-	17,580	-	(15,479)	-
Transferred to stage 3	(20)	-	-	-	20	-
Impact on provision –at the end of the period– due to reclassification between the three stages during the period	(33,417)	-	16,720	-	16,697	-
Changes due to adjustments	(6,985)	-	(44,897)	-	-	(51,882)
Written off balances	-	-	-	-	-	-
Adjustments due to changes in exchange rates	-	-	-	-	-	-
<b>Total balance at the end of the period</b>	<b>94,020</b>	<b>-</b>	<b>58,595</b>	<b>-</b>	<b>116,577</b>	<b>269,192</b>

	Stage 1		Stage 2		Stage 3	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD		
<b><u>For the year ended 31 December 2022</u></b>						
<b><u>(Audited)</u></b>						
Balance at the beginning of the year	77,275	-	224,775	-	571,343	873,393
Impairment loss over new balances during the year	73,485	-	26,906	-	11,625	112,016
Recovered from impairment loss over settled balances (Repaid/ Derecognized)	(59,187)	-	(116,617)	-	(443,553)	(619,357)
Transferred to stage 1	93,643	-	(89,459)	-	(4,184)	-
Transferred to stage 2	(969)	-	969	-	-	-
Transferred to stage 3	(145)	-	(545)	-	690	-
Impact on provision –at the end of the – due to reclassification between the three stages during the year	(132,023)	-	95,791	-	36,232	-
Changes resulting from adjustments	(5,680)	-	(30,422)	-	(18,544)	(54,646)
Written offs	-	-	-	-	-	-
Adjustments resulting from changes in exchange rates	-	-	-	-	-	-
<b>Total balance as at the end of the year</b>	<b>46,399</b>	<b>-</b>	<b>111,398</b>	<b>-</b>	<b>153,609</b>	<b>311,406</b>

**Movement on unutilized direct credit limits:**

	Stage 1		Stage 2		Stage 3	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD		
<b><u>For the period ended 30 June 2023</u></b>						
<b><u>(Unaudited)</u></b>						
Total balance at the beginning of the period	22,925,788	-	2,108,137	-	568	25,034,493
New exposures during the period	1,434,448	-	346,587	-	-	1,781,035
Matured / derecognized exposures	(2,625,142)	-	(312,587)	-	(568)	(2,938,297)
Transferred to stage 1	684,905	-	(684,905)	-	-	-
Transferred to stage 2	-	-	-	-	-	-
Transferred to stage 3	-	-	-	-	-	-
Changes resulting from adjustments	(8,153,254)	-	(443,286)	-	-	(8,596,540)
Written off balances	-	-	-	-	-	-
Adjustments due to changes in exchange rates	-	-	-	-	-	-
<b>Total balance at the end of the period</b>	<b><u>14,266,745</u></b>	<b><u>-</u></b>	<b><u>1,013,946</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>15,280,691</u></b>

	Stage 1		Stage 2		Stage 3	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD		
<b><u>For the year ended 31 December 2022</u></b>						
<b><u>(Audited)</u></b>						
Total balance at the beginning of the year	19,311,011	-	2,668,734	-	-	21,979,745
New exposures during the year	1,230,771	-	1,051,735	-	568	2,283,074
Matured / derecognized exposures	(4,308,887)	-	(723,711)	-	-	(5,032,598)
Transferred to stage 1	1,310,675	-	(1,310,675)	-	-	-
Transferred to stage 2	(31,176)	-	31,176	-	-	-
Transferred to stage 3	-	-	-	-	-	-
Changes resulting from adjustments	5,413,394	-	390,878	-	-	5,804,272
Written off balances	-	-	-	-	-	-
Adjustments due to changes in exchange rates	-	-	-	-	-	-
<b>Total balance at the end of the year</b>	<b><u>22,925,788</u></b>	<b><u>-</u></b>	<b><u>2,108,137</u></b>	<b><u>-</u></b>	<b><u>568</u></b>	<b><u>25,034,493</u></b>

**Movement on expected credit loss provision - unutilized direct credit limits:**

	Stage 1		Stage 2		Stage 3	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD		
<b><u>For the period ended 30 June 2023</u></b>						
<b><u>(Unaudited)</u></b>						
Balance at the beginning of the period	166,858	-	96,508	-	97	263,463
Impairment loss over new balances during the period	15,020	-	11,028	-	102	26,150
Recovered from impairment loss over settled balances (Repaid/ Derecognized)	(49,140)	-	(49,573)	-	-	(98,713)
Transferred to stage 1	41,207	-	(41,207)	-	-	-
Transferred to stage 2	-	-	-	-	-	-
Transferred to stage 3	-	-	-	-	-	-
Impact on provision –at the end of the period– due to reclassification between the three stages during the period	(52,072)	-	52,072	-	-	-
Changes due to adjustments	(47,744)	-	(10,106)	-	-	(57,850)
Written off balances	-	-	-	-	-	-
Adjustments due to changes in exchange rates	-	-	-	-	-	-
<b>Total balance at the end of the period</b>	<b>74,129</b>	<b>-</b>	<b>58,722</b>	<b>-</b>	<b>199</b>	<b>133,050</b>

	Stage 1		Stage 2		Stage 3	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD		
<b><u>For the year ended 31 December 2022</u></b>						
<b><u>(Audited)</u></b>						
Balance at the beginning of the year	179,040	-	192,749	-	-	371,789
Impairment loss over new balances during the year	22,367	-	13,277	-	97	35,741
Recovered from impairment loss over settled balances (Repaid/ Derecognized)	(12,313)	-	(78,091)	-	-	(90,404)
Transferred to stage 1	41,492	-	(41,492)	-	-	-
Transferred to stage 2	(1,114)	-	1,114	-	-	-
Transferred to stage 3	-	-	-	-	-	-
Impact on provision –at the end of the – due to reclassification between the three stages during the year	(40,040)	-	40,040	-	-	-
Changes resulting from adjustments	(22,574)	-	(31,089)	-	-	(53,663)
Written offs	-	-	-	-	-	-
Adjustments resulting from changes in exchange rates	-	-	-	-	-	-
<b>Total balance as at the end of the year</b>	<b>166,858</b>	<b>-</b>	<b>96,508</b>	<b>-</b>	<b>97</b>	<b>263,463</b>

**Movement on unutilized indirect facilities limits:**

	Stage 1		Stage 2		Stage 3	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD		
<b><u>For the period ended 30 June 2023</u></b>						
<b><u>(Unaudited)</u></b>						
Total balance at the beginning of the period	29,397,279	-	2,093,126	-	-	31,490,405
New exposures during the period	1,092,239	-	186,390	-	-	1,278,629
Matured / derecognized exposures	(4,568,335)	-	(27,396)	-	-	(4,595,731)
Transferred to stage 1	876,251	-	(876,251)	-	-	-
Transferred to stage 2	(256,003)	-	256,003	-	-	-
Transferred to stage 3	-	-	-	-	-	-
Changes resulting from adjustments	481,015	-	234,811	-	-	715,826
Written off balances	-	-	-	-	-	-
Adjustments due to changes in exchange rates	-	-	-	-	-	-
<b>Total balance at the end of the period</b>	<b>27,022,446</b>	<b>-</b>	<b>1,866,683</b>	<b>-</b>	<b>-</b>	<b>28,889,129</b>

	Stage 1		Stage 2		Stage 3	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD		
<b><u>For the year ended 31 December 2022</u></b>						
<b><u>(Audited)</u></b>						
Total balance at the beginning of the year	18,392,413	-	5,810,267	-	-	24,202,680
New exposures during the year	13,263,529	-	324,046	-	-	13,587,575
Matured / derecognized exposures	(2,673,540)	-	(1,251,957)	-	-	(3,925,497)
Transferred to stage 1	2,860,896	-	(2,860,896)	-	-	-
Transferred to stage 2	(929,949)	-	929,949	-	-	-
Transferred to stage 3	-	-	-	-	-	-
Changes resulting from adjustments	(1,516,070)	-	(858,283)	-	-	(2,374,353)
Written off balances	-	-	-	-	-	-
Adjustments due to changes in exchange rates	-	-	-	-	-	-
<b>Total balance at the end of the year</b>	<b>29,397,279</b>	<b>-</b>	<b>2,093,126</b>	<b>-</b>	<b>-</b>	<b>31,490,405</b>

**Movement on expected credit loss provision - unutilized indirect facilities limits:**

	Stage 1		Stage 2		Stage 3	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD		
<b><u>For the period ended 30 June 2023</u></b>						
<b><u>(Unaudited)</u></b>						
Balance at the beginning of the period	54,017	-	41,171	-	-	95,188
Impairment loss over new balances during the period	5,829	-	553	-	-	6,382
Recovered from impairment loss over settled balances (Repaid/ Derecognized)	(29,453)	-	(16,678)	-	-	(46,131)
Transferred to stage 1	19,438	-	(19,438)	-	-	-
Transferred to stage 2	(1,034)	-	1,034	-	-	-
Transferred to stage 3	-	-	-	-	-	-
Impact on provision –at the end of the period– due to reclassification between the three stages during the period	(21,560)	-	21,560	-	-	-
Changes due to adjustments	(4,676)	-	(8,377)	-	-	(13,053)
Written off balances	-	-	-	-	-	-
Adjustments due to changes in exchange rates	-	-	-	-	-	-
<b>Total balance at the end of the period</b>	<b>22,561</b>	<b>-</b>	<b>19,825</b>	<b>-</b>	<b>-</b>	<b>42,386</b>

	Stage 1		Stage 2		Stage 3	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD		
<b><u>For the year ended 31 December 2022</u></b>						
<b><u>(Audited)</u></b>						
Balance at the beginning of the year	45,269	-	186,203	-	-	231,472
Impairment loss over new balances during the year	21,958	-	(2,682)	-	-	19,276
Recovered from impairment loss over settled balances (Repaid/ Derecognized)	(18,693)	-	(110,397)	-	-	(129,090)
Transferred to stage 1	134,267	-	(134,267)	-	-	-
Transferred to stage 2	(3,491)	-	3,491	-	-	-
Transferred to stage 3	-	-	-	-	-	-
Impact on provision –at the end of the – due to reclassification between the three stages during the year	(115,876)	-	115,876	-	-	-
Changes resulting from adjustments	(9,417)	-	(17,053)	-	-	(26,470)
Written offs	-	-	-	-	-	-
Adjustments resulting from changes in exchange rates	-	-	-	-	-	-
<b>Total balance as at the end of the year</b>	<b>54,017</b>	<b>-</b>	<b>41,171</b>	<b>-</b>	<b>-</b>	<b>95,188</b>

**(32) RISK MANAGEMENT****1. Total distribution of exposure according to the financial instruments:**

Item	Financial	Industrial and mining	Trading	Real estate	Agricultural	Individuals	Government and public sector	Others	Total	Interest in suspense	Provision	Net
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
<b>(Unaudited)</b>												
Balances at banks and financial institutions	123,099,016	-	-	-	-	-	-	-	123,099,016	-	1,906	123,097,110
Deposits at banks and financial institutions	22,688,000	-	-	-	-	-	-	-	22,688,000	-	1,613	22,686,387
Credit facilities	45,725,908	94,870,169	112,791,985	160,105,125	486,699	373,739,027	176,995,342	116,832,355	1,081,546,610	21,517,121	58,379,676	1,001,649,813
<b>Bonds, bills and debentures:</b>												
Financial assets at amortized cost	2,000,000	-	-	-	-	-	198,354,096	41,596,000	241,950,096	-	505,297	241,444,799
Other assets	-	-	-	545,818	-	-	-	56,291,298	56,837,116	-	72,966	56,764,150
<b>Total / for the current period</b>	<b>193,512,924</b>	<b>94,870,169</b>	<b>112,791,985</b>	<b>160,650,943</b>	<b>486,699</b>	<b>373,739,027</b>	<b>375,349,438</b>	<b>214,719,653</b>	<b>1,526,120,838</b>	<b>21,517,121</b>	<b>58,961,458</b>	<b>1,445,642,259</b>
<b>Total / for the prior year (Audited)</b>	<b>124,905,549</b>	<b>65,972,110</b>	<b>111,615,647</b>	<b>170,928,291</b>	<b>826,259</b>	<b>337,940,494</b>	<b>277,650,781</b>	<b>159,638,700</b>	<b>1,249,477,831</b>	<b>18,876,386</b>	<b>51,637,519</b>	<b>1,178,963,926</b>
<b>(Unaudited)</b>												
Guarantees	21,771,351	2,405,681	9,440,356	17,824,812	1,128,620	5,000	8,581,401	8,265,199	69,422,420	-	269,192	69,153,228
Letters of Credits	3,899,465	14,145	3,483,339	22,590	-	-	-	-	7,419,539	-	105,390	7,314,149
Acceptances and time withdrawals	411,168	2,872,896	-	-	-	-	-	-	3,284,064	-	2,215	3,281,849
Unutilized limits	1,465,523	10,134,643	14,515,542	6,151,970	-	228,413	9,271,570	2,402,159	44,169,820	-	175,436	43,994,384
Of which direct limits	537,685	6,707,948	5,762,894	507,202	-	228,413	-	1,536,549	15,280,691	-	133,050	15,147,641
Of which indirect limits	927,838	3,426,695	8,752,648	5,644,768	-	-	9,271,570	865,610	28,889,129	-	42,386	28,846,743
<b>Total / for the current period</b>	<b>221,060,431</b>	<b>110,297,534</b>	<b>140,231,222</b>	<b>184,650,315</b>	<b>1,615,319</b>	<b>373,972,440</b>	<b>393,202,409</b>	<b>225,387,011</b>	<b>1,650,416,681</b>	<b>21,517,121</b>	<b>59,513,691</b>	<b>1,569,385,869</b>
<b>Total / for the prior year (Audited)</b>	<b>147,771,451</b>	<b>81,438,243</b>	<b>148,280,258</b>	<b>196,693,488</b>	<b>1,927,516</b>	<b>339,032,315</b>	<b>296,249,762</b>	<b>176,675,503</b>	<b>1,388,068,536</b>	<b>18,876,386</b>	<b>52,384,143</b>	<b>1,316,808,007</b>

**Distribution of exposures according to the IFRS (9) classification stages:**

Item	Stage 1 Individual	Stage 1 Collective	Stage 1 Individual	Stage 2 Collective	Stage 3	Total	Interest in suspense	Provision	Net
	JD	JD	JD	JD	JD	JD	JD	JD	JD
<b>(Unaudited)</b>									
Financial	219,115,374	-	1,032,254	-	912,803	221,060,431	87,516	637,594	220,335,321
Industrial and mining	92,327,181	-	11,093,721	-	6,876,632	110,297,534	2,005,981	5,188,188	103,103,365
Trading	104,767,383	-	21,733,205	-	13,730,634	140,231,222	4,259,002	9,730,118	126,242,102
Real estate	137,589,770	-	35,193,490	-	11,867,055	184,650,315	4,107,160	8,198,244	172,344,911
Agricultural	1,289,446	-	283,018	-	42,855	1,615,319	2,096	22,657	1,590,566
Individuals	336,945,902	-	19,498,675	-	17,527,863	373,972,440	1,955,655	10,700,847	361,315,938
Government and public sector	393,202,409	-	-	-	-	393,202,409	-	-	393,202,409
Others	152,260,610	-	29,519,822	-	43,606,579	225,387,011	9,099,711	25,036,043	191,251,257
<b>Total / for the current period</b>	<b>1,437,498,075</b>	<b>-</b>	<b>118,354,185</b>	<b>-</b>	<b>94,564,421</b>	<b>1,650,416,681</b>	<b>21,517,121</b>	<b>59,513,691</b>	<b>1,569,385,869</b>
<b>Total / for the prior year (Audited)</b>	<b>1,183,946,877</b>	<b>-</b>	<b>121,393,384</b>	<b>-</b>	<b>82,728,275</b>	<b>1,388,068,536</b>	<b>18,876,386</b>	<b>52,384,143</b>	<b>1,316,808,007</b>

## 2. Total Distribution of exposure according to the geographical area:

Item	Inside Jordan	Middle east	Europe	Asia	Africa	America	Other countries	Total	Interest in suspense	Provision	Net
(Unaudited)	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balances at banks and financial institutions	24,041,809	22,454,931	64,968,950	143,605	-	11,119,574	370,147	123,099,016	-	1,906	123,097,110
Deposits at banks and financial institutions	-	-	10,635,000	-	-	12,053,000	-	22,688,000	-	1,613	22,686,387
Credit facilities	1,081,546,610	-	-	-	-	-	-	1,081,546,610	21,517,121	58,379,676	1,001,649,813
<b>Bonds, bills and debentures:</b>											
Financial assets at amortized cost	241,950,096	-	-	-	-	-	-	241,950,096	-	505,297	241,444,799
Other assets	56,837,116	-	-	-	-	-	-	56,837,116	-	72,966	56,764,150
<b>Total / for the current period</b>	<b>1,404,375,631</b>	<b>22,454,931</b>	<b>75,603,950</b>	<b>143,605</b>	<b>-</b>	<b>23,172,574</b>	<b>370,147</b>	<b>1,526,120,838</b>	<b>21,517,121</b>	<b>58,961,458</b>	<b>1,445,642,259</b>
<b>Total / for the prior year (Audited)</b>	<b>1,183,396,936</b>	<b>4,179,511</b>	<b>38,016,755</b>	<b>89,887</b>	<b>-</b>	<b>23,140,320</b>	<b>654,422</b>	<b>1,249,477,831</b>	<b>18,876,386</b>	<b>51,637,519</b>	<b>1,178,963,926</b>
<b>(Unaudited)</b>											
Guarantees	69,422,420	-	-	-	-	-	-	69,422,420	-	269,192	69,153,228
Letters of Credits	7,419,539	-	-	-	-	-	-	7,419,539	-	105,390	7,314,149
Acceptances and time withdrawals	3,284,064	-	-	-	-	-	-	3,284,064	-	2,215	3,281,849
Unutilized limits	44,169,820	-	-	-	-	-	-	44,169,820	-	175,436	43,994,384
Of which direct limits	15,280,691	-	-	-	-	-	-	15,280,691	-	133,050	15,147,641
Of which indirect limits	28,889,129	-	-	-	-	-	-	28,889,129	-	42,386	28,846,743
<b>Total / for the current period</b>	<b>1,528,671,474</b>	<b>22,454,931</b>	<b>75,603,950</b>	<b>143,605</b>	<b>-</b>	<b>23,172,574</b>	<b>370,147</b>	<b>1,650,416,681</b>	<b>21,517,121</b>	<b>59,513,691</b>	<b>1,569,385,869</b>
<b>Total / for the prior year (Audited)</b>	<b>1,321,987,641</b>	<b>4,179,511</b>	<b>38,016,755</b>	<b>89,887</b>	<b>-</b>	<b>23,140,320</b>	<b>654,422</b>	<b>1,388,068,536</b>	<b>18,876,386</b>	<b>52,384,143</b>	<b>1,316,808,007</b>

### Distribution of exposures according to the IFRS (9) classification stages:

Item	Stage 1 Individual	Stage 1 Collective	Stage 1 Individual	Stage 2 Collective	Stage 3	Total	Interest in suspense	Provision	Net
(Unaudited)	JD	JD	JD	JD	JD	JD	JD	JD	JD
Inside Jordan	1,315,752,868	-	118,354,185	-	94,564,421	1,528,671,474	21,517,121	59,510,265	1,447,644,088
Middle east	22,454,931	-	-	-	-	22,454,931	-	52	22,454,879
Europe	75,603,950	-	-	-	-	75,603,950	-	2,083	75,601,867
Asia	143,605	-	-	-	-	143,605	-	-	143,605
Africa	-	-	-	-	-	-	-	-	-
America	23,172,574	-	-	-	-	23,172,574	-	1,291	23,171,283
Other countries	370,147	-	-	-	-	370,147	-	-	370,147
<b>Total / for the current period</b>	<b>1,437,498,075</b>	<b>-</b>	<b>118,354,185</b>	<b>-</b>	<b>94,564,421</b>	<b>1,650,416,681</b>	<b>21,517,121</b>	<b>59,513,691</b>	<b>1,569,385,869</b>
<b>Total / for the prior year (Audited)</b>	<b>1,183,946,877</b>	<b>-</b>	<b>121,393,384</b>	<b>-</b>	<b>82,728,275</b>	<b>1,388,068,536</b>	<b>18,876,386</b>	<b>52,384,143</b>	<b>1,316,808,007</b>

### 3. Reclassified credit exposures:

#### A. Total credit exposures classified:

30 June 2023	Stage 2		Stage 3		Gross Reclassified Exposure	Reclassified Exposure Percentage
	Gross Exposure	Reclassified Exposures	Gross Exposure	Reclassified Exposures		
	JD	JD	JD	JD		
<b>(Unaudited)</b>						
Balances at banks and financial institutions	-	-	-	-	-	-
Deposits at banks and financial institutions	-	-	-	-	-	-
Credit facilities	110,391,699	46,441,878	89,845,820	15,257,452	61,699,330	30.81%
<b>Bonds and Bills</b>						
Financial assets at amortized cost	-	-	4,096,000	-	-	-
Other assets	-	-	-	-	-	-
<b>Total / for the current period</b>	<b>110,391,699</b>	<b>46,441,878</b>	<b>93,941,820</b>	<b>15,257,452</b>	<b>61,699,330</b>	<b>30.20%</b>
<b>Total / for the prior year (Audited)</b>	<b>109,509,781</b>	<b>51,790,390</b>	<b>81,854,787</b>	<b>14,562,735</b>	<b>66,353,125</b>	<b>34.67%</b>
<b>(Unaudited)</b>						
Guarantees	5,095,651	861,017	791,119	15,550	876,567	14.89%
Letters of Credits	22,590	-	-	-	-	-
Acceptances and time withdrawals	-	-	-	-	-	-
Unutilized limits	2,880,629	256,003	-	-	256,003	8.89%
Of which direct limits	1,013,947	-	-	-	-	-
Of which indirect limits	1,866,682	256,003	-	-	256,003	13.71%
<b>Total / for the current period</b>	<b>118,390,569</b>	<b>47,558,898</b>	<b>94,732,939</b>	<b>15,273,002</b>	<b>62,831,900</b>	<b>29.48%</b>
<b>Total / for the prior year (Audited)</b>	<b>121,393,384</b>	<b>54,223,775</b>	<b>82,728,274</b>	<b>14,761,635</b>	<b>68,985,410</b>	<b>33.80%</b>

**B. Expected Credit Loss of reclassified exposures:**

30 June 2023 (Unaudited)	Reclassified Exposures			Expected Credit Loss of reclassified exposures				
	Reclassified exposures to Stage 2	Reclassified exposures to Stage 3	Total Reclassified Exposures	Stage 2 Individual	Stage 2 Collective	Stage 3 Individual	Stage 3 Collective	Total
Item	JD	JD	JD	JD	JD	JD	JD	JD
Balances at banks and financial institutions	-	-	-	-	-	-	-	-
Deposits at banks and financial institutions	-	-	-	-	-	-	-	-
Credit facilities	46,441,878	15,257,452	61,699,330	1,165,490	-	323,889	-	1,489,379
<b>Bonds and Bills</b>								
Financial assets at amortized cost	-	-	-	-	-	-	-	-
<b>Total / for the current period</b>	<u>46,441,878</u>	<u>15,257,452</u>	<u>61,699,330</u>	<u>1,165,490</u>	<u>-</u>	<u>323,889</u>	<u>-</u>	<u>1,489,379</u>
<b>Total / for the prior year (Audited)</b>	<u>51,790,390</u>	<u>14,562,735</u>	<u>66,353,125</u>	<u>694,705</u>	<u>-</u>	<u>489,298</u>	<u>-</u>	<u>1,184,003</u>
Guarantees	861,017	15,550	876,567	17,580	-	20	-	17,600
Letters of Credits	-	-	-	-	-	-	-	-
Acceptances and time withdrawals	-	-	-	-	-	-	-	-
Unutilized limits	256,003	-	256,003	1,034	-	-	-	1,034
Of which direct limits		-			-	-	-	
Of which indirect limits	256,003	-	256,003	1,034	-	-	-	1,034
<b>Total / for the current period</b>	<u>47,558,898</u>	<u>15,273,002</u>	<u>62,831,900</u>	<u>1,184,104</u>	<u>-</u>	<u>323,909</u>	<u>-</u>	<u>1,508,013</u>
<b>Total / for the prior year (Audited)</b>	<u>54,223,775</u>	<u>14,761,635</u>	<u>68,985,410</u>	<u>700,279</u>	<u>-</u>	<u>489,988</u>	<u>-</u>	<u>1,190,267</u>

### **(33) LAWSUITS AGAINST THE BANK AND ITS SUBSIDIARIES**

Lawsuits raised against the Bank are mounted to JD 4,083,331 as of 30 June 2023 against JD 4,646,217 as at 31 December 2022. The total booked provisions against these lawsuits amounted to JD 17,537 as of 30 June 2023 and 31 December 2022. 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.

The lawsuits raised against Tamkeen Financial Leasing amounted to JD 199,960 as of 30 June 2023 and JD 167,979 as of 31 December 2022. 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.

Additionally, there is a lawsuit raised against Al Istethmari Letamweel Selselat Al Imdad as of 30 June 2023 and as at 31 December 2022 and based on the management's assessment and the Company's legal consultant, there is no need for the company to take any provisions against this case.

There are no lawsuits raised against the Jordanian Company for Factoring as of 30 June 2023 and 31 December 2022.

The lawsuits raised against Jordan Trade Facilities amounted to JD 125,910 as of 30 June 2023 against JD 79,090 as of 31 December 2022. The total booked provisions against these lawsuits amounted to JD 220,000 30 June 2023 and of 31 December 2022 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 raised against Trade Facilities for Financial Leasing (Subsidiary of Jordan Trade Facilities Company) amounted to JD 10,001 as of 30 June 2023 against JD 10,601 as of 31 December 2022. The total booked provisions against these lawsuits amounted to JD 51, as of 30 June 2023 against JD 12,357 as of 31 December 2022. based on the management's assessment and the Company's legal consultant; no additional liabilities would rise from these lawsuits.

Lawsuits raised against Bindar Trading and Investments Company (Subsidiary of the Bank) amounted to JD 74,995 as of 30 June 2023 against JD 64,995 as of 31 December 2022. The total booked provisions against these lawsuits amounted to JD 78,913 as of 30 June 2023 and JD 64,995 as of 31 December 2022, 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 raised against Summit Auto Trade Facilities Company amounted to JD 22,000 as of June 30, 2023 against JD 2,000 as of 31 December 2022. based on the management's assessment and the Company's legal consultant, there is no need for the company to take any provisions against this case.

No lawsuits were raised against Bindar for Financial Leasing, Robou Alsharq, and Rakeen Investment Company (Subsidiaries of Bindar for Trading and Investments Company) as of 30 June 2023 and 31 December 2022.

**(34) Assets held for sale and Liabilities directly associated with assets held for sale**

**A- Jordanian Factoring Co. (under liquidation subsidiary)**

During the first half of 2022, the Bank's Board of Directors approved the liquidation of the Jordanian Factoring Company, and accordingly, 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 JD 56,344 as of 30 June 2023 against JD 55,822 as of 31 December 2022, and the total liabilities of the company amounted to 0 JD as of 30 June 2023 and 31 December 2022. The details of each of the company's assets and liabilities are as follows:

	<b>30 June 2023</b>	<b>31 December 2022</b>
	<b>JD</b>	<b>JD</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
<b>Assets</b>		
Cash and balances at Banks	56,299	55,822
Other assets	45	-
<b>Total assets held for sale</b>	<b>56,344</b>	<b>55,822</b>
Eliminations as a result of transactions between the Company and the Bank	(56,299)	(55,822)
<b>Total assets held for sale</b>	<b>45</b>	<b>-</b>
<b>Liabilities</b>		
Other liabilities	-	-
<b>Total liabilities directly associated with assets held for sale</b>	<b>-</b>	<b>-</b>
Eliminations as a result of transactions between the Company and the Bank	-	-
<b>Total liabilities directly associated with assets held for sale</b>	<b>-</b>	<b>-</b>

**B- Bindar for Financial Leasing (under liquidation subsidiary)**

During the last quarter of the year 2022, the Board of Director of Bindar trading and investment company (a subsidiary) decided to liquidate Bindar financial leasing company (a subsidiary), accordingly each of the company's assets and liabilities classified under separate item in accordance with requirements of (IFRS5) . The total assets of the company amounted to JD 1,092,296 as of 30 June 2023 against JD 1,095,530 as of 31 December 2022. and the total liabilities amounted to 242 JD as of 30 June 2023 against JD 2,360 as of 31 December 2022. The details of each of the company's assets and liabilities are as follows:

	<b>30 June 2023</b>	<b>31 December 2022</b>
	<b>JD</b>	<b>JD</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
<b>Assets</b>		
Cash and balances at Banks	144,393	144,396
Due from related parties	947,569	950,301
Other assets	334	833
<b>Total assets held for sale</b>	<b>1,092,296</b>	<b>1,095,530</b>
Eliminations as a result of intergroup transactions	(947,569)	(950,301)
<b>Total assets held for sale</b>	<b>144,727</b>	<b>145,229</b>
<b>Liabilities</b>		
Other liabilities	242	2,360
<b>Total liabilities directly associated with assets held for sale</b>	<b>242</b>	<b>2,360</b>
Eliminations as a result of intergroup transactions	-	-
<b>Total liabilities directly associated with assets held for sale</b>	<b>242</b>	<b>2,360</b>

**(35) LOSS FROM DISCONTINUED OPERATIONS:****A. Profit from discontinued operations - Al Mawared Company (formerly a subsidiary):**

	For the three months period ended 30 June		For the six months period ended 30 June	
	2023	2022	2023	2022
	JD (Unaudited)	JD (Unaudited)	JD (Unaudited)	JD (Unaudited)
Revenues	-	222,315	-	680,520
Eliminations as a result of intergroup transactions	-	(7,936)	-	(17,091)
<b>Total Revenues</b>	<b>-</b>	<b>214,379</b>	<b>-</b>	<b>663,429</b>
Expenses	-	(143,182)	-	(471,636)
Eliminations as a result of intergroup transactions	-	(629)	-	2,171
<b>Total Expenses</b>	<b>-</b>	<b>(143,811)</b>	<b>-</b>	<b>(469,465)</b>
Gross profit from discontinued operation	-	70,568	-	193,964
Income Tax	-	(22,134)	-	(58,500)
Tax expense and assignment fees from the sale	-	(119,246)	-	(119,246)
<b>Net profit from discontinuing operations</b>	<b>-</b>	<b>(70,812)</b>	<b>-</b>	<b>16,218</b>

- During the first half of 2022, the Bank sold its entire invested share investment in Al-Mawared Financial Brokerage Company capital, which cost JD 3,000,000 distributed over 3 million shares, and the sale value of 4,798,993 JD.

**B. Loss from discontinued operations - Jordanian Factoring Company (under liquidation subsidiary):**

	For the three months period ended 30 June		For the six months period ended 30 June	
	2023	2022	2023	2022
	JD (Unaudited)	JD (Unaudited)	JD (Unaudited)	JD (Unaudited)
Revenues	338	22,683	522	47,936
Eliminations as a result of intergroup transactions	(338)	(2,048)	(522)	(2,669)
<b>Total Revenues</b>	<b>-</b>	<b>20,635</b>	<b>-</b>	<b>45,267</b>
Expenses	-	(44,318)	-	(97,755)
Eliminations as a result of intergroup transactions	-	621	-	1,242
<b>Total Expenses</b>	<b>-</b>	<b>(43,697)</b>	<b>-</b>	<b>(96,513)</b>
Gross profit from discontinued operation	-	(23,062)	-	(51,246)
Income Tax	-	(96,950)	-	(91,031)
<b>Net profit from discontinuing operations</b>	<b>-</b>	<b>(120,012)</b>	<b>-</b>	<b>(142,277)</b>

- Based on the decision of the Bank's Board of Directors in its first meeting for the year 2022, it was approved to close the Jordanian Factoring Company. And based on the decision of the General Assembly of Jordanian Factoring Company (a subsidiary) in its extraordinary meeting held on 16 November 2022 it was approved to reduce the Company's capital by an amount JD 1,292,000, so that the authorized and paid-in capital becomes JD 208,000, and the reduction procedures were completed on 15 December 2022.

**(36) Bargain on purchase of a subsidiary**

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.

**(37) COMPARATIVE FIGURES**

Some of comparative figures for the period ended 30 June 2022 and year ended 31 December 2022 have been reclassified to conform with the classification of the financial statements for the period ended 30 June 2023.