

SAFWA ISLAMIC BANK
(PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN-THE HASHEMITE KINGDOM OF JORDAN

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024
TOGETHER WITH THE INDEPENDENT
AUDITOR'S REVIEW REPORT

SAFWA ISLAMIC BANK
(PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN-THE HASHEMITE KINGDOM OF JORDAN
30 JUNE 2024

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**Report on Review of Interim Condensed Consolidated Financial Statements
To the Board of Directors of Safwa Islamic Bank - Public Shareholding Company
Amman - Jordan**

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Safwa Islamic Bank (the “Bank”) and its subsidiary (the “Group”) as at 30 June 2024, comprising of the interim condensed consolidated statement of financial position as at 30 June 2024 and the related interim condensed consolidated statement of income and other comprehensive income, interim condensed consolidated statement of changes in shareholders’ equity and interim condensed consolidated statement of cash flows for the six-month period then ended and explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with Financial Accounting Standard No. (41) (“Interim Financial Reporting”) related to the preparation of interim financial reports issued by the Accounting and Auditing Organization for Islamic Financial Institutions (“AAOIFI”). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with 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 Financial Accounting Standard No. (41).

Other Matter

The consolidated financial statements for the year ended 31 December 2023 and the interim condensed consolidated financial statements for the period ended 30 June 2023 were audited and reviewed by another auditor who expressed an unqualified opinion and unqualified conclusion on 18 February 2024 and 23 July 2023, respectively.

Ernst and Young

Amman – Jordan
29 July 2024

ERNST & YOUNG
Amman - Jordan

Statement "A"

Safwa Islamic Bank
(A Public Shareholding Limited Company)
Amman - The Hashemite Kingdom of Jordan
Interim Condensed Consolidated Statement of Financial Position

	Notes	30 June 2024 (Reviewed) JD	31 December 2023 (Audited) JD
<u>Assets</u>			
Cash and balances at the Central Bank	4	269,950,714	255,949,654
Balances at banks and the financial institutions	5	19,406,370	26,513,323
International wakala investments-net	6	204,291,623	85,131,319
Deferred sales receivables and other receivables-net	7	1,309,043,268	1,287,370,515
Financial assets at fair value through shareholders' equity -self financed	8	578,000	508,000
Financial assets at fair value through joint investment accounts' holders equity-net	9	474,731,547	452,088,535
Financial assets at amortized cost -net		29,412,000	-
Investment in associate		332,759	349,622
Ijara Muntahia Bittamleek assets-net	10	747,093,045	695,772,768
Qard Hasan-Net	Statement "E"	9,852,663	34,380,739
Property and equipment-net		20,654,458	20,750,849
Intangible assets - net		1,579,460	1,697,221
Right-of-use assets	28/A	10,058,871	10,188,361
Deferred tax assets	13/C	12,644,690	12,225,792
Other assets	11	49,312,500	46,056,778
Total Assets		3,158,941,968	2,928,983,476
<u>Liabilities and Joint Investment Accounts Holders' Equity and Shareholders' Equity</u>			
<u>Liabilities</u>			
Banks and financial Institutions accounts		14,225,357	23,144,067
Customers' current accounts	12	331,569,352	319,719,876
Cash margins		165,040,982	95,274,911
Income tax provision	13/A	9,596,611	11,919,750
Other provisions		163,719	163,719
Lease liabilities	28/B	9,937,048	10,295,338
Other liabilities	14	78,231,569	82,999,447
Total Liabilities		608,764,638	543,517,108
<u>Joint Investment Accounts Holders' Equity</u>			
Unrestricted investment accounts	15	2,353,454,947	2,196,527,695
Fair value reserve	16/B	(808,239)	(371,067)
Total Joint Investment Accounts Holders' Equity		2,352,646,708	2,196,156,628
<u>Shareholders' Equity</u>			
Paid-in capital	17	120,000,000	100,000,000
Statutory reserve	17	35,041,275	35,041,275
Fair value reserve - self	16/A	44,931	(25,069)
Retained earnings	18	34,143,421	54,293,534
Profit for the period - Statement (B)		8,300,995	-
Total Shareholders' Equity		197,530,622	189,309,740
Total Liabilities and Joint Investment Accounts Holders' and Shareholders' Equity		3,158,941,968	2,928,983,476

The attached notes (1) to (35) form part of these interim condensed consolidated financial statements and should be read with them

Statement "B"

Safwa Islamic Bank
(A Public Shareholding Limited Company)
Amman - The Hashemite Kingdom of Jordan
Interim Condensed Consolidated Statement of Income and Other Comprehensive Income

	Notes	For The Three Months Period Ended 30 June		For The Six Months Period Ended 30 June	
		2024 (Reviewed)	2023 (Reviewed)	2024 (Reviewed)	2023 (Reviewed)
		JD	JD	JD	JD
Deferred sales revenue	19	24,169,293	21,462,435	45,896,747	43,712,288
Ijara Muntahia Bittamleek assets revenue		15,511,484	12,611,333	30,171,082	25,191,819
Gains from International wakala investments		2,213,260	948,966	4,015,871	1,714,466
Gains from financial assets at fair value through joint investment accounts' holders equity	20	6,276,224	2,823,290	12,106,510	5,426,118
Gains from financial assets at fair value through profit or loss	21	1,513	16,963	4,471	24,348
Gains from financial assets at amortized cost		48,348	508,858	48,348	1,012,123
Net share of joint funds from profits of associate company		(16,863)	3,668	(16,863)	3,668
Losses from foreign currencies evaluation		(62,876)	(38,896)	(133,244)	(9,216)
Other joint revenues - net		415,141	296,957	859,496	812,400
Total joint investment revenue		48,555,524	38,633,574	92,952,418	77,888,014
Deposit Insurance fees - joint accounts		(814,046)	(682,688)	(1,628,092)	(1,365,377)
Share of joint investment accounts holders'	22	(26,490,820)	(22,575,461)	(52,617,442)	(43,843,366)
Provision of expected credit losses - joint	6, 7, 9 & 14	(9,868,503)	(2,500,067)	(15,218,820)	(7,994,074)
Bank's share of revenue from joint investments as a mudarib and rab mal	23	11,382,155	12,875,358	23,488,064	24,685,197
Bank's self revenue	24	263,952	256,782	488,990	469,194
Banks share from the restricted investments revenue as agent (wakeel)		-	8,293	-	23,579
Gains from foreign currencies		882,564	495,060	1,489,141	894,810
Banking services revenue - net		3,898,980	1,830,748	6,184,308	3,848,374
Other revenues		6,052	5,938	8,765	27,538
Deposit Insurance fees - self		(438,076)	(433,986)	(876,152)	(867,972)
Gross Income		15,995,627	15,038,193	30,783,116	29,080,720
Employees' expenses		(4,621,066)	(4,106,732)	(9,119,606)	(8,237,017)
Depreciation and amortization		(780,995)	(781,842)	(1,566,012)	(1,550,978)
Depreciation of Ijara muntahia bittamleek assets- self		(129,998)	(127,274)	(264,653)	(256,249)
Provision of expected credit losses - self and other receivables	7, 11, 14 & Statement "E"	(481,492)	(144,953)	(593,841)	(118,312)
Depreciation of right of use assets	28/A	(419,777)	(431,070)	(875,385)	(852,717)
Finance costs / discount on lease liability	28/A	(86,578)	(89,920)	(173,362)	(181,362)
Rent expenses		(45,777)	(44,262)	(75,978)	(88,115)
Other expenses		(2,390,373)	(2,218,178)	(4,689,644)	(4,549,561)
Total expenses		(8,956,056)	(7,944,231)	(17,358,481)	(15,834,311)
Profit for the period before tax		7,039,571	7,093,962	13,424,635	13,246,409
Income tax expense	13/B	(2,693,627)	(2,692,063)	(5,123,640)	(5,040,765)
Profit for the period		4,345,944	4,401,899	8,300,995	8,205,644
Comprehensive income items					
Items after tax that will not be reclassified subsequently to the statement of income:					
Add: other comprehensive Income items after tax :					
Gains from sale of financial assets at fair value through shareholders' equity-self		-	-	-	34,815
Net change in fair value reserve for financial assets		24,000	(42,000)	70,000	(63,662)
Total comprehensive income for the period		4,369,944	4,359,899	8,370,995	8,176,797
		JD/FILS	JD/FILS	JD/FILS	JD/FILS
Basic and diluted earnings per share for the period	25	0/036	0/037	0/069	0/068

The attached notes (1) to (35) form part of these interim condensed consolidated financial statements and should be read with them

Statement "C"

Safwa Islamic Bank
(A Public Shareholding Limited Company)
Amman - The Hashemite Kingdom of Jordan
Interim Condensed Consolidated Statement of Changes in Shareholders' Equity

	Paid-in capital*	Statutory reserve	Fair value reserve - self	Retained Earnings**	Profit for the period	Total
	JD	JD	JD	JD	JD	JD
For the six months period ended 30 June 2024						
Balance as at the beginning of the year	100,000,000	35,041,275	(25,069)	54,293,534	-	189,309,740
Capital increase	20,000,000	-	-	(20,000,000)	-	-
Capital increase fees	-	-	-	(150,113)	-	(150,113)
Profit for the period - (Statement B)	-	-	-	-	8,300,995	8,300,995
Net change in fair value reserve for financial assets through Shareholders' equity - self	-	-	70,000	-	-	70,000
Total comprehensive income for the period - (Statement B)	-	-	70,000	-	8,300,995	8,370,995
Balance as of 30 June 2024	120,000,000	35,041,275	44,931	34,143,421	8,300,995	197,530,622
For the six months period ended 30 June 2023						
Balance as at the beginning of the year	100,000,000	32,208,887	14,593	39,580,861	-	171,804,341
Gain from sale of financial assets at fair value through shareholders' equity-self	-	-	-	34,815	-	34,815
Net change in fair value reserve for financial assets through shareholders' equity-self	-	-	(63,662)	-	-	(63,662)
Profit for the period - (Statement B)	-	-	-	-	8,205,644	8,205,644
Total comprehensive income for the period - (Statement B)	-	-	(63,662)	34,815	8,205,644	8,176,797
Balance as of 30 June 2023	100,000,000	32,208,887	(49,069)	39,615,676	8,205,644	179,981,138

- Retained earnings include a balance of JD 841,242 as of 30 June 2024 (JD 887,643 as at 31 December 2023) and it is restricted from use based on the Central Bank of Jordan instructions which represents deferred tax assets -self.

* The Bank's capital was increased from JD (100) million to JD (120) million after obtaining the approval of the Central Bank of Jordan in addition to the approval of the Bank's General Assembly in its meeting held on 18 April 2024.

** Based on Central Bank of Jordan instructions no. (13/2018) that were issued on 6 June 2018 the general banking risks reserve which was transferred to retained earnings, amounted to JD 108,397 is restricted from use without prior approval from the Central Bank of Jordan.

The attached notes (1) to (35) form part of these interim condensed consolidated financial statements and should be read with them

Statement "D"

Safwa Islamic Bank
(A Public Shareholding Limited Company)
Amman - The Hashemite Kingdom of Jordan
Interim Condensed Consolidated Statement of Cash Flows

	Notes	For the six months period ended	
		30 June	
		2024 (Reviewed)	2023 (Reviewed)
		JD	JD
<u>Cash flows from operating activities</u>			
Profit for the period before tax - statement (B)		13,424,635	13,246,409
Adjustments for non-cash items:			
Depreciation and amortization		1,566,012	1,550,978
Depreciation of Ijara Muntahia Bittamleek assets (self & joint)		35,827,732	26,317,305
Depreciation of right of use assets	28/A	875,385	852,717
Finance costs (discount on lease liabilities)	28/A	173,362	181,362
Provision of expected credit losses - joint	6, 7, 9 & 14	15,218,820	7,994,074
Provision of expected credit losses - self and other receivables	7, 11, 14 & Statement "E"	593,841	118,312
Net share of joint funds from losses (profit) from investments in associate company		16,863	(3,668)
(Gains) losses from the sale of property and equipment		2,071	(440)
(Recovered from) provision for impairment seized assets / joint funds	11	(2,595)	62,108
Gains from sale of seized assets against debts		(166,625)	(74,556)
Profit before changes in assets and liabilities		67,529,501	50,244,601
Changes in assets and liabilities			
Deferred sales receivables and other receivables		(36,755,759)	3,330,887
Ijara Muntahia Bittamleek assets		(87,148,009)	(84,830,860)
Qard Hasan		24,509,296	2,263,829
Other assets		(4,610,800)	(4,320,649)
Customers' current accounts		11,849,476	7,459,066
Cash margin accounts		69,766,071	14,498,347
Other liabilities		(4,516,165)	2,867,065
Net cash flows from (used in) operating activities before income tax paid		40,623,611	(8,487,714)
Income tax paid	13/A	(7,824,980)	(8,702,232)
Paid from lawsuits provision		-	(276,281)
Net cash flows from (used in) operating activities		32,798,631	(17,466,227)
<u>Cash flows from investing activities</u>			
(Purchase) maturity of financial assets at fair value through Joint investment accounts holders equity		(23,111,786)	5,380,193
Sale of financial assets at fair value through profit or loss		-	35,143
Purchase of financial assets at fair value through equity - self		-	(264,307)
Purchase of financial assets at amortized cost		(29,412,000)	-
Purchase of intangible assets		(244,252)	(243,073)
Purchase from sale of property and equipment		(1,109,678)	(1,034,943)
Proceeds from sale of seized assets against debts		920,798	244,148
International Wakala Investments		(119,528,488)	(32,330,106)
Net cash flows used in investing activities		(172,485,406)	(28,212,945)
<u>Cash Flows from Financing Activities</u>			
Joint investment accounts holders' equity		156,927,252	111,138,437
Paid from lease liabilities	28/B	(1,277,547)	(1,256,587)
Capital increase fees		(150,113)	-
Net cash flows from financing activities		155,499,592	109,881,850
Net increase in cash and cash equivalents		15,812,817	64,202,678
Cash and cash equivalents at beginning of the year		259,318,910	198,857,604
Cash and cash equivalents at end of the period	26	275,131,727	263,060,282

The attached notes (1) to (35) form part of these interim condensed consolidated financial statements and should be read with them

Statement "E"

Safwa Islamic Bank
(A Public Shareholding Limited Company)
Amman - The Hashemite Kingdom of Jordan
Statement of Sources and Uses of Al-Qard Al-Hasan Fund

	30 June	31 December
	2024 (Reviewed)	2023 (Audited)
	JD	JD
Balance at the beginning of the period / year	34,221,814	4,240,493
 Sources of the fund from :		
Shareholders' equity	(39,877,100)	(12,780,208)
Total Sources of the fund during the period / year	(39,877,100)	(12,780,208)
 Uses of the fund on :		
Companies	14,107,909	42,691,704
Employees	25,405	69,825
Total uses during the period / year	14,133,314	42,761,529
 Gross balance	8,478,028	34,221,814
Add: exposed accounts	2,269,564	1,035,074
Less : Expected credit losses provision	(894,929)	(876,149)
Balance at the end of the period / year - Net	9,852,663	34,380,739

Safwa Islamic Bank
(Public Shareholding Limited Company)
Amman - The Hashemite Kingdom of Jordan
Notes to the Interim Condensed Consolidated Financial Statements

(1) GENERAL

Safwa Islamic Bank is a public shareholding company licensed by the Central Bank of Jordan to practice and provide Islamic business and banking services in accordance with the Banking Law and the Companies Law.

The Bank provides all financial banking and structured investment services on a non-interest basis in accordance with Islamic Sharia' through the Bank's head office and its forty -three branches within the Kingdom and its subsidiary, in accordance with the effective Banking Law.

The Bank's authorized and paid-up capital is JD 120 million consisting of 120 million shares with a nominal value of one JD per share, where the Bank's capital was increased from JD (100) million to JD (120) million after obtaining the approval of the Central Bank of Jordan in addition to the approval of the Bank's General Assembly in its meeting held on 18 April 2024.

Etihad Islamic Investment Company ("the parent Company") owns 62.37% of the Bank's capital.

The Sharia Supervisory Board issued its report for the period ended 30 June 2024 in its meeting no. (3/2024) on 25 July 2024.

The interim condensed consolidated financial statements for the six months ended 30 June 2024 were approved by the Bank's Board of Directors at its meeting no. (3/2024) on 25 July 2024.

(2) BASIS OF PREPARATION AND ACCOUNTING POLICIES

(2-1) Basis of preparation of the interim condensed consolidated financial statements:

The interim condensed consolidated financial statements of the Bank and its subsidiary financed from the Bank's funds (the "Group") have been prepared in accordance with Financial Accounting Standard No. (41) ("Interim Financial Reporting") related to the preparation of interim financial reports issued by the Accounting and Auditing Organization for Islamic Financial Institutions ("AAOIFI"). The Bank also complies with the applicable local laws and the instructions of the Central Bank of Jordan and in the absence of standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions related to the items of the financial statements, the International Financial Reporting Standards and their interpretations are applied in conformity with Sharia' standards until Islamic standards are issued for them.

The Bank has fully implemented the Islamic Accounting Standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions starting from 1 January 2024 instead of the Islamic Accounting Standards as amended by the instructions of the Central Bank of Jordan and the variances between these two frameworks are not material to the interim condensed consolidated financial statements.

The interim condensed consolidated financial statements have been prepared in accordance with the historical cost basis except for the financial assets at fair value through owners' equity and financial assets at fair value through the joint investment account holder's equity.

The interim condensed consolidated financial statements are presented in Jordanian Dinar (JD), which is the functional currency of the Bank.

The interim condensed consolidated financial statements do not contain all information and disclosures for annual consolidated financial statements prepared in accordance with Sharia' rules and principles determined by the Bank's Sharia Supervisory Board and in accordance with Financial Accounting Standards issued by Accounting and Auditing Organization for Islamic Financial Institutions and it shall be read in conjunction with the Bank's annual report as of 31 December 2023. In addition, the results for the six-month period ended 30 June 2024 do not necessarily indicate the expected results for the year ended 31 December 2024 and no appropriation was made for the profits of six months period ended 30 June 2024 since it is made at year-end.

(2-2) Basis of consolidation of the interim condensed consolidated financial statements:

The interim condensed consolidated financial statements comprise of the financial statements of the Bank and its subsidiary which is financed by the Bank's own funds and the Bank has the control to govern the operational and financial policies of the subsidiary to obtain benefits from its activities, all inter-company balances, transactions, revenue, expenses and off –balance sheet items between the Bank and its subsidiary are eliminated.

The financial statements of the subsidiary are prepared for the same reporting period as the Bank using same accounting policies applied by the Bank.

The subsidiary's operation results are consolidated in the interim condensed consolidated statements of income and other comprehensive income from the acquisition date which is the date the Bank actually obtains control on the subsidiary. The subsidiary's discontinued operation results are consolidated in the interim condensed consolidated statements of income and other comprehensive income which is the date that the Bank loses the control on its subsidiary.

The Bank owns the following subsidiary as of 30 June 2024:

Subsidiary name	Paid-in Capital	Ownership %	Source of Funding	Company Main Activity	Operation location	Acquisition Date
	JD					
Misc for brokerage company	2,000,000	100%	Self	Brokerage	Amman	2011

(2-3) Changing in accounting policies:

The accounting policies used in the preparation of the interim condensed consolidated financial statements are consistent with those used in the preparation of the annual consolidated financial statements for the year ended 31 December 2023 except for the impact of the application of the following standards:

Financial Accounting Standard No. (40) "Financial Reporting for Islamic Finance Windows"

This standard improves and replaces FAS no. (18) "Islamic financial services provided by conventional financial institutions" and specifies financial reporting requirements applicable to conventional financial institutions that provide Islamic financial services. This standard requires traditional financial institutions that provide Islamic financial services through Islamic financing windows to prepare and submit financial statements for Islamic financing windows aligned with the requirements of this standard and other financial accounting standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI). This standard provides principles of financial reporting including presentation and disclosure requirements applicable to Islamic finance windows.

This standard is not applicable to the Bank.

Financial Accounting Standard No. (44) "Determining Control of Assets and Business"

Financial Accounting Standard no. (44) aims to establish principles for assessing whether an enterprise controls assets and business projects both in the case of assets subject to a participatory structure contract (so as to determine whether they are on or off-balance sheet) as well as to enforce the consolidation of the financial statements of subsidiaries.

The application of this standard had no impact on the interim condensed consolidated financial statements.

3) Use of estimates

The preparation of interim condensed consolidated financial statements requires the Bank's management to make estimates and assumptions that affect the reported amounts of financial assets and liabilities and disclosure of contingent liabilities. These estimates and assumptions also affect the revenues, expenses, and the resultant provisions and the fair value changes reported in owner's equity and unrestricted investments accounts holder's equity. In particular, considerable judgment by the Bank's management is required in the estimation of the amount and timing of future cash flows. Such estimates are necessarily based on assumptions about several factors involving varying degrees of judgment and uncertainty and actual results may differ as a result of changes in conditions and circumstances of those estimates in the future.

We believe that our estimates in the interim condensed consolidated financial statements are reasonable, and the estimates are summarized as follows :

A. Provision for expected credit losses for deferred sales receivables and other receivables.

Determining the provision for expected credit losses for financial assets requires the Bank's management to make important judgments and judgments to estimate the amounts and times of future cash flows, in addition to estimating any material increase in the credit risk of financial assets after initial recognition, in addition to taking into account future measurement information for expected credit losses.

Impairment of financial assets

The Bank applies the expected credit loss requirements and the amendments relating to the classification and measurement of financial instruments. The effect of the following instructions of the Central Bank of Jordan related to the application of AAOIFI (30) is recognized by recording the impact on the consolidated statement of Profit or loss and comprehensive income in respect of assets and financing (self). The expected credit losses and other provisions for jointly financed and investments, that were classified at fair value through unrestricted investment accounts holders' equity will be charged on the common pool.

Credit-impaired financial assets

The financial asset is considered to be "credit- impaired" when one or more events have an adverse effect on the estimated future cash flows of the financial asset. Credit-impaired financial assets are referred to as third stage assets. Evidence of credit impairment includes observable data on the following events:

- The debtor is facing significant financial difficulties (severe weakness in the financial statements).
- Non-compliance with contractual conditions, such as the existence of dues equal to or greater than (90) days.
- The Bank amortized part of the debtor's obligations for reasons related to financial difficulties facing the debtor and his inability to pay the obligations in full on time.
- The existence of clear indicators indicating the imminent bankruptcy of the debtor.
- Lack of an active market for a financial instrument due to financial difficulties faced by the debtor (source of credit exposure/non-cash debt instrument).

If a single event cannot be identified, instead, the combined effect of several events may cause the financial assets to turn into assets with a credit-impaired value. The Bank assesses whether there has been a decline in credit of financial instruments measured at amortized cost or fair value through comprehensive income at each reporting date. To assess whether there is credit impairment to corporate debt instruments. Furthermore, a combination of factors such as Sukuk proceeds, credit rating, and the borrower's ability to increase funding is considered.

The Bank has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

To determinate the impairment provision of financial assets, the bank's management requires to issue important judgments to estimate the amounts of future cash flows and their timing, in addition to estimating any substantial increase in the credit risk of financial assets after their initial recognition, taking into consideration future measurement information for expected credit losses.

Definition of default

The instructions of the Central Bank of Jordan are applied, where credit facilities are considered non-performing if their maturity or the maturity of one of their installments has passed for a period of time equal to or more than 90 days or there are clear indications indicating the possibility of default of credit facilities. The Bank's concept of default also includes the possibility of non-payment of Sukuk, Wakalat and international murabaha with banks and banking institutions.

The payment of due installments is followed up through the dedicated departments within a general framework and approved policies for this purpose.

When assessing whether a customer is unlikely to pay his credit obligation, the bank takes into account qualitative and quantitative indicators. Such information includes the type of asset, also the Bank uses various sources of information to assess defaults that are developed internally or obtained from external sources.

Significant increase in credit risk

The Bank monitors all financial assets, financial liabilities, and financial guarantee contracts that are subject to impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there is a significant increase in credit risk, the Bank will measure the allowance for loss on a life-long basis rather than the expected (12) month credit loss.

The mechanism of calculating the expected credit losses (ECL)

The mathematical model for calculating the expected credit losses according to Financial Accounting Standard no. (30) issued by the Accounting and Auditing Organization for Islamic Financial Institutions ("AAOIFI") is as follows:

$$\text{Expected Credit Loss} = \text{Probability of Default (PD)} * \text{Exposure at Default (EAD)} * \text{Loss Given Default (LGD)}$$

The calculation of Expected Credit Loss (ECL) depended on the calculation of the following variables:

Definition of probability of default and the mechanism of calculation and controlling (PD):

It is the probability of irregularity in repayment where it is measured for the purpose of calculating the expected credit losses for each stage from the implementation of the Financial Accounting Standard no. (30) issued by the AAOIFI based on historical data that reflecting historical default rates as well as stress tastings related to macroeconomic variables, where the Bank has reflected the global and local economic conditions, on the possibility of default (Macroeconomic Adjusted PD) and adopting it as a basis in the process of calculating expected credit losses, with the aim of precaution.

The probability of default for a period of 12 months is calculated for the facilities included in stage one and the life-time probability of default for the facilities in stage two and three. The bank adopts a PD on the level of corporate portfolio clients and investment portfolio clients on an individual basis, while a general ratio for each individual product is based on a collective basis.

Definition of Exposure at Default and Mechanism of Calculating and Controlling (EAD):

It is the amount of potential exposure that is subject to risk - uncovered balance by acceptable collaterals - for exposures that fall within the scope of Financial Accounting Standard no. (30) issued by the AAOIFI through forward-looking for the period in which the default may occur. The exposure at default is measured for the purposes of calculating expected credit losses for each stage according to FAS 30 issued by AAOIFI where an EAD haircut is used to determine the on-balance sheet exposure that subjected to risk where the off-balance statistical exposure utilization (DDF) is used to determine the potential utilization for those exposures (LGs, LCs and Unutilized Limits). Exposure at Default (EAD) is calculated by the total facilities for the first and second stages and net facilities for the third stage.

Definition of loss given default and mechanism of calculating and controlling (LGD):

It is the amount of loss that arises as a result of defaulted facilities and that is calculated through a statistical model which analyzes the historical collections for each portfolio, where it measured for the purpose of calculating the expected credit loss for each stage of expected credit losses according to the instructions for the implementation of FAS 30 issued by AAOIFI by calculating the recoverable amount of the different collateral (cars, real estate, cash margins, land, machinery, equipment and vehicles) provided to the Bank against the facilities that granted and legally documented into contracts through a conversion factor for each type of collateral taking into consideration the timing of reaching each type of collateral and turn them into cash (expected cash flow and timing).

The main economic variables used by the Bank in calculating the expected credit losses (ECL) :

The main economic variables (macroeconomic variables) were included in the automated system for calculating the expected credit losses. The Bank adopts three scenarios, which are the base scenario, the optimistic scenario, and the pessimistic scenario, which were determined based on economic studies issued by the World Bank and international rating agencies. The weights of the scenarios used by the Bank are as follows:

Scenario	Weight as of 30 June 2024	Weight as of 31 December 2023
Baseline	50%	50%
Optimistic	10%	5%
Pessimistic	40%	45%

B. Income tax provision:

The income tax expense is charged to its financial year according to the accounting regulations, laws and standards. Deferred tax assets, liabilities, and required tax provision are recognized and calculated.

C. Legal provisions:

A provision is taken to meet any potential legal obligations based on the legal study prepared by the Bank's legal counsel which identifies the risks that may arise in the future and reviews the study periodically.

(4) CASH AND BALANCES AT THE CENTRAL BANK

The details of this item are as follows:

	30 June 2024 (Reviewed)	31 December 2023 (Audited)
	JD	JD
Cash on hand	36,065,472	27,298,492
Balances at the Central Bank of Jordan:		
Current accounts	133,331,917	133,591,073
Statutory cash reserve	100,553,325	95,060,089
Total balances at the Central Bank of Jordan	233,885,242	228,651,162
Total	269,950,714	255,949,654

- Except for the statutory cash reserve, there are no other restricted cash balances at the Central Bank of Jordan as at 30 June 2024 and 31 December 2023.
- Provision for expected credit losses has not been calculated on the balances at the Central Bank of Jordan , as they are exposures to the Jordanian government.

The movement on balances at the Central Bank of Jordan is as follows:

	Stage 1 (individual)	Stage 1 (individual)
	For the period ended 30 June 2024 (Reviewed)	For the year ended 31 December 2023 (Audited)
	JD	JD
Balance at the beginning of the period / year	228,651,162	178,217,660
New balances during the period / year	36,513,470	50,433,502
Settled balances	(31,279,390)	-
Balance at the end of the period / year	233,885,242	228,651,162

(5) BALANCES 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 2024 (Reviewed)	31 December 2023 (Audited)	30 June 2024 (Reviewed)	31 December 2023 (Audited)	30 June 2024 (Reviewed)	31 December 2023 (Audited)
	JD	JD	JD	JD	JD	JD
Current and on -Demand accounts	1,210,599	1,261,566	18,195,771	25,251,757	19,406,370	26,513,323
Total	1,210,599	1,261,566	18,195,771	25,251,757	19,406,370	26,513,323

- There are no restricted cash balances as at 30 June 2024 and 31 December 2023
- There are no balances with banks and banking institutions for which the bank charges returns as on 30 June 2024 and as on 31 December 2023
- All balances with banks and banking institutions are current accounts used to cover the bank's operations and there is no need to calculate a provision for expected credit losses according to Islamic Financial Accounting Standard No. (30).

The movement on balances at banks and banking institutions is as follows :

	Stage 1 (individual)	Stage 1 (individual)
	For the period ended 30 June 2024	For the year ended 31 December 2023
	JD	JD
Balance at the beginning of the period / year	26,513,323	13,551,162
New balances during the period / year	365,947	15,855,816
Settled balances	-	(2,893,655)
Changes resulting from modifications	(7,472,900)	-
Balance at the end of the period / year	19,406,370	26,513,323

(6) INTERNATIONAL WAKALA INVESTMENTS - NET

	Jointly financed	
	30 June	31 December
	2024 (Reviewed)	2023 (Audited)
	JD	JD
Matures:		
Within a month	178,020,695	40,072,224
From a month to three months	12,532,575	37,042,980
From three to six months	10,635,000	8,089,578
From six to twelve months	3,545,000	-
Total International Wakala Investments	204,733,270	85,204,782
Less: Expected credit losses for international wakala investment	(441,647)	(73,463)
Net International Wakala Investments	204,291,623	85,131,319

The movement on the gross International Wakala Investments was as follows:

Item	For the period ended 30 June 2024 (Reviewed)				For the year ended 31 December 2023 (Audited)
	Stage 1 (Individual)	Stage 2 (Individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Balance at the beginning of the period / year	85,204,782	-	-	85,204,782	63,421,845
New balances and deposits during the period / year	204,733,270	-	-	204,733,270	85,204,782
Settled balances and deposits	(85,204,782)	-	-	(85,204,782)	(63,421,845)
Total balance at the end of the period / year	204,733,270	-	-	204,733,270	85,204,782

- There are no transfers between the stages (First , second and third) or written off balances during the period.

The movement on the expected credit losses provision for International Wakala Investments was as follows:

Item	For the period ended 30 June 2024 (Reviewed)				For the year ended 31 December 2023 (Audited)
	Stage 1 (Individual)	Stage 2 (Individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Balance at the beginning of the period / year	73,463	-	-	73,463	280,449
Impairment loss of new balances during the period / year	441,647	-	-	441,647	73,463
Recoverable from impairment loss on settled balance and deposits	(73,463)	-	-	(73,463)	(280,449)
Total balance at the end of the period / year	441,647	-	-	441,647	73,463

(7) DEFERRED SALES RECEIVABLES AND OTHER RECEIVABLES - NET

The details of this item are as follows :

	Joint		Self		Total	
	30 June	31 December	30 June	31 December	30 June	31 December
	2024 (Reviewed)	2023 (Audited)	2024 (Reviewed)	2023 (Audited)	2024 (Reviewed)	2023 (Audited)
	JD	JD	JD	JD	JD	JD
Individuals (retail)						
Murabaha to the purchase orderer	495,727,643	468,912,266	1,888,263	1,837,634	497,615,906	470,749,900
Ijara Muntahia Bittamleek - receivables	3,425,698	2,333,538	1,049	-	3,426,747	2,333,538
Other receivables	9,278,578	8,443,484	20,391	20,391	9,298,969	8,463,875
Real estate financing	18,441,230	18,763,701	-	-	18,441,230	18,763,701
Ijara Muntahia Bittamleek - receivables	2,391,317	2,655,792	-	-	2,391,317	2,655,792
Corporate						
International Murabaha	-	2,238,029	-	-	-	2,238,029
Murabaha to the purchase orderer	416,152,736	431,091,493	-	-	416,152,736	431,091,493
Ijara Muntahia Bittamleek - receivables	3,314,962	666,410	-	-	3,314,962	666,410
Other receivables	-	-	84,225	112,202	84,225	112,202
Small and medium enterprises						
Murabaha to the purchase orderer	67,340,532	62,336,934	-	-	67,340,532	62,336,934
Ijara Muntahia Bittamleek - receivables	-	23,519	-	-	-	23,519
Other receivables	-	-	334,107	389,168	334,107	389,168
Government and the public sector	552,742,898	531,023,519	-	-	552,742,898	531,023,519
Ijarah Muntahia Bittamleek - receivables	124,035	-	-	-	124,035	-
Total	1,568,939,629	1,528,488,685	2,328,035	2,359,395	1,571,267,664	1,530,848,080
Less: Deferred revenue	182,899,789	179,999,187	287,828	285,008	183,187,617	180,284,195
Suspended revenue	3,090,687	2,330,284	7,112	7,112	3,097,799	2,337,396
provision for Expected credit losses	75,907,264	60,823,719	31,716	32,255	75,938,980	60,855,974
Net deferred sales receivable and other receivables	1,307,041,889	1,285,335,495	2,001,379	2,035,020	1,309,043,268	1,287,370,515

- The deferred sales receivables, Ijara Muntahia Bittamleek receivables, other receivables , facilities and Qard Al-Hasan amounted to JD 66,457,044 as at 30 June 2024, representing 4.20% of deferred sales receivables, Ijara Muntahia Bittamleek receivables, other receivables, facilities and Qard Al-Hasan (JD 45,306,142 as at 31 December 2023, representing 2.89% of deferred sales receivables, Ijara Muntahia Bittamleek receivables, other receivables, facilities and Qard Al-Hasan).
- The deferred sales receivables , Ijara Muntahia Bittamleek receivables, other receivables , facilities and Qard Al-Hasan amounted to JD 63,359,245 as at 30 June 2024, representing 4.01% of deferred sales receivables, Ijara Muntahia Bittamleek receivables , other receivables, facilities and Qard Al-Hasan (JD 42,968,746 as at 31 December 2023, representing 2.75% of deferred sales receivables, Ijara Muntahia Bittamleek receivables, other receivables, facilities and Qard Al-Hasan).
- There are no non-performing debts converted to items outside the interim condensed consolidated statement of financial position during the period 30 June 2024 compared to JD 12,114,982 as at 31 December 2023, noting that these debts are fully covered by provisions and outstanding profits.
- The provision for impairment of the joint facilities , which is calculated based on the Central Bank of Jordan's Instructions No.(47/2009) in the (under supervision) portfolio amounted to JD 3,267,994 . Moreover, the provision calculated based on the individual customer (non-performing) amounted to JD 44,006,963 as at 30 June 2024 (JD 1,773,195 and JD 30,015,210 respectively as at 31 December 2023).
- The deferred sales receivables and other receivables and facilities granted to and guaranteed by the Government of the Hashemite Kingdom of Jordan amounted to JD 443,710,173 as at 30 June 2024 representing 28.05% of the balance of deferred sales receivables , Ijara Muntahia Bittamleek receivables, other receivables and facilities (JD 433.652.661 as at 31 December 2023, representing 27.69% of the balance of deferred sales receivables , other receivables and facilities).

- The movement on credit facilities (after deducting suspended and deferred revenue) :

A- Self (Deferred sales receivables , other receivable and Qard hasan)

Item	For the six months ended 30 June 2024 (Reviewed)						For the year ending 31 December 2023 (Audited)
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
Total balance at the beginning of the period / year	32,284,007	1,716,023	2,133,784	149,130	1,041,219	37,324,163	9,618,451
New facilities during the period / year	7,708,479	389,089	841,867	423,408	16,950	9,379,793	35,032,653
Settled facilities	(30,882,010)	(171,149)	(2,052,698)	(639)	(4,710)	(33,111,206)	(6,700,005)
Transfer to Stage 1	270	61,927	(270)	(61,916)	(11)	-	-
Transfer to Stage 2	(2,249)	(1,663)	2,249	1,760	(97)	-	-
Transfer to Stage 3	-	(11,988)	(2,949)	(86,559)	101,496	-	-
The total impact on the size of exposures as a result of changing the classification between stages	(168)	(25,322)	-	4,669	(15,864)	(36,685)	(24,286)
Changes resulting from modifications	(647,284)	(198,919)	(20,107)	(6)	90,938	(775,378)	(558,025)
Facilities written off or transferred to statement of financial position outside items	-	-	-	-	-	-	(44,625)
Total balance at the end of the period / year	8,461,045	1,757,998	901,876	429,847	1,229,921	12,780,687	37,324,163

- The movement on provision for expected credit losses on credit facilities - self:

Item	For the six months ended 30 June 2024 (Reviewed)						For the year ending 31 December 2023 (Audited)
	Corporate	Small and medium enterprises	Individual (Retail)	Real estate loans	Government and the public sector	Total	Total
	JD	JD	JD	JD	JD	JD	JD
Balance at the beginning of the period / year	533,253	144,574	230,577	-	-	908,404	522,051
Impairment loss on new facilities during the period / year	66,006	20,601	12,187	-	-	98,794	572,380
Recoverable from the loss on settled facilities	(205,563)	(866)	(958)	-	-	(207,387)	(250,162)
Transfer to Stage 1	(1)	(70)	681	-	-	610	-
Transfer to Stage 2	(16)	7	(757)	-	-	(766)	-
Transfer to Stage 3	17	63	76	-	-	156	-
Effect on the provision as a result of the change in classification between the three stages during the period / year	2,211	34,199	3,636	-	-	40,046	8,388
Changes resulting from modifications	46,524	38,111	2,153	-	-	86,788	100,372
Facilities written off or transferred to statement of financial position outside items	-	-	-	-	-	-	(44,625)
Total balance at the end of the period / year	442,431	236,619	247,595	-	-	926,645	908,404

Redistribution:

Provisions on an individual basis	442,431	223,078	237,293	-	-	902,802	900,011
Provisions at a collective basis	-	13,541	10,302	-	-	23,843	8,393

- The movement on credit facilities (after deducting suspended and deferred revenue) :

B- Joint

Item	For the six months ended 30 June 2024 (Reviewed)						For the year ending 31 December 2023 (Audited)
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
Total balance at the beginning of the period / year	792,117,590	391,835,502	73,137,097	47,849,424	41,219,601	1,346,159,214	1,371,067,546
New facilities during the period / year	80,562,164	80,662,787	8,263,143	2,407,790	375,042	172,270,926	250,087,875
Settled facilities	(17,230,294)	(14,811,541)	(4,279,331)	(1,440,686)	(391,030)	(38,152,882)	(103,769,493)
Transfer to Stage 1	18,820,855	5,685,224	(18,820,855)	(5,584,822)	(100,402)	-	-
Transfer to Stage 2	(19,053,155)	(20,042,925)	19,053,155	21,129,048	(1,086,123)	-	-
Transfer to Stage 3	(146,439)	(789,276)	(12,574,874)	(4,995,029)	18,505,618	-	-
The total impact on the size of exposures as a result of changing the classification between stages	(731,834)	(819,365)	(1,757,920)	(817,307)	(64,649)	(4,191,075)	622,206
Changes resulting from modifications	(54,173,943)	(34,613,352)	(1,677,514)	(2,969,719)	297,498	(93,137,030)	(160,713,065)
Facilities written off or transferred to statement of financial position outside items	-	-	-	-	-	-	(11,135,855)
Total balance at the end of the period / year	800,164,944	407,107,054	61,342,901	55,578,699	58,755,555	1,382,949,153	1,346,159,214

- The movement on provision for expected credit losses on credit facilities - joint:

Item	For the six months ended 30 June 2024 (Reviewed)						For the year ending 31 December 2023 (Audited)
	Corporate	Small and medium enterprises	Individual (Retail)	Real estate loans	Government and the public sector	Total	Total
	JD	JD	JD	JD	JD	JD	JD
	JD	JD	JD	JD	JD	JD	JD
Balance at the beginning of the period / year	31,589,864	3,147,430	20,594,586	5,491,839	-	60,823,719	56,409,431
Impairment loss on new facilities during the period / year	1,429,849	13,920	353,146	2,260,432	-	4,057,347	2,577,852
Recoverable from impairment loss on settled facilities	(541,461)	(465,332)	(170,730)	(363,516)	-	(1,541,039)	(3,282,224)
Transfer to Stage 1	2,200,299	122,539	271,510	(47,198)	-	2,547,150	-
Transfer to Stage 2	(6,147,333)	(78,491)	(229,884)	(153,509)	-	(6,609,217)	-
Transfer to Stage 3	3,947,034	(44,049)	(41,626)	200,707	-	4,062,066	-
Effect on the provision as a result of the change in classification between the three stages during the period / year	1,296,435	(61,380)	2,869,227	664,252	-	4,768,534	3,164,406
Changes resulting from modifications	2,245,207	751,304	4,017,343	784,850	-	7,798,704	13,090,109
Facilities written off or transferred to statement of financial position outside items	-	-	-	-	-	-	(11,135,855)
Total balance at the end of the period / year	36,019,894	3,385,941	27,663,572	8,837,857	-	75,907,264	60,823,719
Redistribution:							
Provisions on an individual basis	36,019,894	3,033,523	15,414,755	8,790,218	-	63,258,390	39,702,815
Provisions at a collective basis	-	352,418	12,248,817	47,639	-	12,648,874	21,120,904

Suspended revenue :

The movement on suspended revenue is as follows:

	Self							
	For the six months ended 30 June 2024 (Reviewed)				For the year ended 31 December 2023 (Audited)			
	Individual (Retail)	Corporate	Small and medium enterprises	Total	Individual (Retail)	Corporate	Small and medium enterprises	Total
	JD	JD	JD	JD	JD	JD	JD	JD
Balance at the beginning of the period / year	-	7,112	-	7,112	-	7,112	-	7,112
Add: suspended revenue during the period / year	-	-	-	-	-	-	-	-
Less : Revenues that have been settled/non-existent or transferred to items outside the financial position list	-	-	-	-	-	-	-	-
Less : suspended revenue transferred to revenue	-	-	-	-	-	-	-	-
Balance at the end of the period / year	-	7,112	-	7,112	-	7,112	-	7,112
	Joint							
	For the six months ended 30 June 2024 (Reviewed)				For the year ended 31 December 2023 (Audited)			
	Individual (Retail)	Corporate	Small and medium enterprises	Total	Individual (Retail)	Corporate	Small and medium enterprises	Total
	JD	JD	JD	JD	JD	JD	JD	JD
Balance at the beginning of the period / year	1,380,940	699,135	250,209	2,330,284	1,225,804	1,363,282	134,325	2,723,411
Add: suspended revenue during the period / year	402,153	371,206	67,073	840,432	542,805	400,232	131,194	1,074,231
Less : Revenues that have been settled/non-existent or transferred to items outside the financial position list	-	-	-	-	88,588	845,914	-	934,502
Less : suspended revenue transferred to revenue	64,180	228	15,621	80,029	299,081	218,465	15,310	532,856
Balance at the end of the period / year	1,718,913	1,070,113	301,661	3,090,687	1,380,940	699,135	250,209	2,330,284

The following are credit exposures in accordance to financial accounting standard (30) Issued by the Accounting and Auditing Organization for Islamic Financial Institutions as at 30 June 2024

A- Self

	Stage 1				Stage 2				Stage 3				Total			
	Total	ECL	Suspended revenue	Deferred revenue	Total	ECL	Suspended revenue	Deferred revenue	Total	ECL	Suspended revenue	Deferred revenue	Total	ECL	Suspended revenue	Deferred revenue
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Corporates	7,951,388	53,957	-	-	855,163	12,575	-	-	703,871	375,899	7,112	-	9,510,422	442,431	7,112	-
Small and medium enterprises	112,066	9	-	-	351,447	13,532	-	-	295,855	223,078	-	-	759,368	236,619	-	-
Retail (Individual)	1,933,757	6,869	-	287,828	78,401	3,433	-	-	237,307	237,293	-	-	2,249,465	247,595	-	287,828
Real estate financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Government and public sector	509,660	-	-	-	46,712	-	-	-	-	-	-	-	556,372	-	-	-
Total	10,506,871	60,835	-	287,828	1,331,723	29,540	-	-	1,237,033	836,270	7,112	-	13,075,627	926,645	7,112	287,828

- The financing amount in according to financial accounting standard (30) Issued by the Accounting and Auditing Organization for Islamic Financial Institutions instructions does not include the amount of JD 6,279,501), representing Ijara Muntahia Bittamleek.

B - Joint

	Stage 1				Stage 2				Stage 3				Total			
	Total	ECL	Suspended revenue	Deferred revenue	Total	ECL	Suspended revenue	Deferred revenue	Total	ECL	Suspended revenue	Deferred revenue	Total	ECL	Suspended revenue	Deferred revenue
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Corporates	325,027,992	1,935,504	-	17,215,058	54,084,855	9,763,412	-	4,677,278	40,354,851	24,320,978	947,645	2,888,055	419,467,698	36,019,894	947,645	24,780,391
Small and medium enterprises	45,277,116	168,480	-	1,908,354	16,863,619	183,939	-	997,797	5,199,797	3,033,522	200,021	44,730	67,340,532	3,385,941	200,021	2,950,881
Retail (Individual)	445,061,893	9,002,095	-	84,421,371	43,735,029	3,246,721	-	5,755,947	19,634,997	15,414,756	1,694,674	1,326,282	508,431,919	27,663,572	1,694,674	91,503,600
Real estate financing	4,095,831	4,599	-	531,912	15,821,052	7,595,551	-	2,151,933	915,664	1,237,707	248,347	-	20,832,547	8,837,857	248,347	2,683,845
Government and public sector	552,866,933	-	-	60,981,072	-	-	-	-	-	-	-	-	552,866,933	-	-	60,981,072
Total	1,372,329,765	11,110,678	-	165,057,767	130,504,555	20,789,623	-	13,582,955	66,105,309	44,006,963	3,090,687	4,259,067	1,568,939,629	75,907,264	3,090,687	182,899,789

- The financing amount in accordance with Financial accounting standard (30) Issued by the Accounting and Auditing Organization for Islamic Financial Institutions instructions does not include the amount of JD (740,813,544) representing Ijara Muntahia Bittamleek.

The following are credit exposures in accordance to financial accounting standard (30) Issued by the Accounting and Auditing Organization for Islamic Financial Institutions as at 31 December 2023

A- Self

	Stage 1				Stage 2				Stage 3				Total			
	Total	ECL	Suspended revenue	Deferred revenue	Total	ECL	Suspended revenue	Deferred revenue	Total	ECL	Suspended revenue	Deferred revenue	Total	ECL	Suspended revenue	Deferred revenue
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Corporates	31,774,347	198,143	-	-	2,133,784	18,744	-	-	643,048	316,366	7,112	-	34,551,179	533,253	7,112	-
Small and medium enterprises	124,461	133	-	-	135,427	-	-	-	182,953	144,441	-	-	442,841	144,574	-	-
Retail (Individual)	1,876,570	7,405	-	285,008	13,703	855	-	-	222,330	222,317	-	-	2,112,603	230,577	-	285,008
Real estate financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Government and public sector	509,660	-	-	-	-	-	-	-	-	-	-	-	509,660	-	-	-
Total	34,285,038	205,681	-	285,008	2,282,914	19,599	-	-	1,048,331	683,124	7,112	-	37,616,283	908,404	7,112	285,008

- The financing amount in according to financial accounting standard (30) Issued by the Accounting and Auditing Organization for Islamic Financial Institutions instructions does not include the amount of JD (6.197.259), representing Ijara Muntahia Bittamleek.

B - Joint

	Stage 1				Stage 2				Stage 3				Total			
	Total	ECL	Suspended revenue	Deferred revenue	Total	ECL	Suspended revenue	Deferred revenue	Total	ECL	Suspended revenue	Deferred revenue	Total	ECL	Suspended revenue	Deferred revenue
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Corporates	339,574,344	2,038,754	-	20,074,374	69,716,082	14,401,186	-	6,958,953	24,705,506	15,149,924	624,998	311,557	433,995,932	31,589,864	624,998	27,344,884
Small and medium enterprises	41,072,020	106,802	-	1,637,905	16,793,415	413,664	-	945,889	4,495,018	2,626,964	184,363	52,218	62,360,453	3,147,430	184,363	2,636,012
Retail (Individual)	428,293,176	5,985,405	-	79,989,875	36,118,756	3,045,183	-	4,732,240	15,277,356	11,563,998	1,356,701	976,765	479,689,288	20,594,586	1,356,701	85,698,880
Real estate financing	7,568,232	50,783	-	939,959	13,438,716	4,766,732	-	2,443,366	412,545	674,324	164,222	-	21,419,493	5,491,839	164,222	3,383,325
Government and public sector	531,023,519	-	-	60,936,086	-	-	-	-	-	-	-	-	531,023,519	-	-	60,936,086
Total	1,347,531,291	8,181,744	-	163,578,199	136,066,969	22,626,765	-	15,080,448	44,890,425	30,015,210	2,330,284	1,340,540	1,528,488,685	60,823,719	2,330,284	179,999,187

The financing amount in accordance with Financial accounting standard (30) Issued by the Accounting and Auditing Organization for Islamic Financial Institutions instructions does not include the amount of JD (689.575.509) representing Ijara Muntahia Bittamleek.

(8) FINANCIAL ASSETS AT FAIR VALUE THROUGH SHAREHOLDERS' EQUITY-SELF

The details of this item are as follows:

	30 June 2024 (Reviewed) JD	31 December 2023 (Audited) JD
Quoted Financial Assets :		
Corporate Shares	578,000	508,000
Total quoted Financial Assets	578,000	508,000
Total Financial assets at fair value through shareholders' equity-self	578,000	508,000

(9) FINANCIAL ASSETS AT FAIR VALUE THROUGH JOINT INVESTMENT ACCOUNTS HOLDERS' EQUITY - NET

The details of this item are as follows:

	Joint	
	30 June 2024 (Reviewed) JD	31 December 2023 (Audited) JD
Quoted Financial Assets :		
Corporate Shares	1,725,548	2,312,403
Islamic Sukuk	124,216,076	83,457,020
Total quoted Financial Assets	125,941,624	85,769,423
Unquoted Financial Assets		
Corporate Shares	7,054,283	5,881,231
Islamic Sukuk	341,916,866	360,587,505
Total unquoted financial assets	348,971,149	366,468,736
Total Financial Assets At Fair Value through Joint Investment Accounts Holders' Equity	474,912,773	452,238,159
Less: Expected Credit Losses provision of financial assets	(181,226)	(149,624)
Net Financial Assets At Fair Value through Joint Investment Accounts Holders' Equity-Net	474,731,547	452,088,535

Unquoted financial assets were presented at cost or in accordance with latest financial statements.

- The movement of the total financial assets at fair value through joint investment accounts holders' equity :

	For the period ended 30 June 2024 (Reviewed)				For the year ended 31 December 2023 (Audited)
Item	Stage1 (Individual)	Stage2 (Individual)	Stage3	Total	Total
	JD	JD	JD	JD	JD
Fair value as at the beginning of the period / year	452,238,159	-	-	452,238,159	272,892,128
New investments during the period / year	53,093,589	-	-	53,093,589	230,454,760
Matured and sold investments	(20,708,902)	-	-	(20,708,902)	(37,420,516)
Change in Fair value	-	-	-	-	-
Transfer to Stage 1	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-
The total impact on the size of exposures as a result of changing the classification between stages	-	-	-	-	-
Changes resulting from modifications	(9,710,073)	-	-	(9,710,073)	(13,688,213)
Total balance at the end of the period / year	474,912,773	-	-	474,912,773	452,238,159

- Movement on the Expected Credit Losses provision for the financial assets at fair value through joint investment accounts holders' equity :

	For the period ended 30 June 2024 (Reviewed)				For the year ended 31 December 2023 (Audited)
Item	Stage1 (Individual)	Stage2 (Individual)	Stage3	Total	Total
	JD	JD	JD	JD	JD
Fair value as at the beginning of the period / year	149,624	-	-	149,624	232,941
Impairment loss on new investments during the period / year	47,869	-	-	47,869	40,282
Recovered from loss of Matured and sold investments	(15,767)	-	-	(15,767)	(42,641)
Transfer to Stage 1	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-
Effect on the provision as a result of the change in classification between the three stages during the period / year	-	-	-	-	-
Changes resulting from modifications	(500)	-	-	(500)	(80,958)
Total balance at the end of the period / year	181,226	-	-	181,226	149,624

(10) IJARA MUNTAHIA BITTAMLEEK ASSETS - NET

	Joint			Self			Total		
	Cost	Accumulated Depreciation	Net Value	Cost	Accumulated Depreciation	Net Value	Cost	Accumulated Depreciation	Net Value
<u>30 June 2024 (Reviewed)</u>	JD	JD	JD	JD	JD	JD	JD	JD	JD
Ijara Muntahia Bittamleek assets-Real Estate	810,802,730	(142,782,879)	668,019,851	8,270,238	(1,990,737)	6,279,501	819,072,968	(144,773,616)	674,299,352
Ijara Muntahia Bittamleek assets-Machines	87,027,812	(19,050,540)	67,977,272	-	-	-	87,027,812	(19,050,540)	67,977,272
Ijara Muntahia Bittamleek assets-Vehicles	5,975,620	(1,159,199)	4,816,421	-	-	-	5,975,620	(1,159,199)	4,816,421
Total	903,806,162	(162,992,618)	740,813,544	8,270,238	(1,990,737)	6,279,501	912,076,400	(164,983,355)	747,093,045

	Joint			Self			Total		
	Cost	Accumulated Depreciation	Net Value	Cost	Accumulated Depreciation	Net Value	Cost	Accumulated Depreciation	Net Value
<u>31 December 2023 (Audited)</u>	JD	JD	JD	JD	JD	JD	JD	JD	JD
Ijara Muntahia Bittamleek assets-Real Estate	745,035,326	(127,341,664)	617,693,662	8,247,587	(2,050,328)	6,197,259	753,282,913	(129,391,992)	623,890,921
Ijara Muntahia Bittamleek assets-Machines	83,241,239	(16,318,926)	66,922,313	-	-	-	83,241,239	(16,318,926)	66,922,313
Ijara Muntahia Bittamleek assets-Vehicles	5,836,477	(876,943)	4,959,534	-	-	-	5,836,477	(876,943)	4,959,534
Total	834,113,042	(144,537,533)	689,575,509	8,247,587	(2,050,328)	6,197,259	842,360,629	(146,587,861)	695,772,768

- The accrued Ijara installments amounted to JD 9,257,061 as of 30 June 2024 (JD 5,679,259 as of 31 December 2023). Moreover, the accrued Ijara installments were presented under deferred sales receivables and other receivables-net (Note 7).
- The Ijara Muntahia Bittamleek amounted to JD 9,517,769 as of 30 June 2024, representing 1.27% of the balance of Ijara Muntahia Bittamleek assets (JD 5,276,218 as of 31 December 2023, representing 0.76% of the balance of Ijara Muntahia Bittamleek assets).

(11) OTHER ASSETS

The details of this item are as follows:

	30 June 2024(Reviewed)	31 December 2023(Audited)
	JD	JD
Seized assets by the bank against debts-net*	35,659,995	36,407,094
Prepaid expenses	2,090,118	1,838,427
Deposit Insurance Corporation fees/Prepaid	2,504,244	-
Accrued revenue	6,922,159	5,671,086
Stationery and printing inventory	285,768	271,612
Withholding income tax	11,920	40,697
Petty cash and advances	47,600	41,650
Other accounts receivable - net**	192,000	869,165
Others	1,598,696	917,047
Total	49,312,500	46,056,778

* The movement summary of the seized assets by the Bank against debts was as follows:

	For the six months ended 30 June 2024 (Reviewed)			For the year ended 31 December 2023 (Audited)
	Seized real estates self	Seized real estates joint	Total	Total
	JD	JD	JD	JD
Balance at the beginning of the period / year	391,729	37,450,928	37,842,657	9,613,940
Additions	-	4,479	4,479	28,446,339
Sales and disposals	-	(754,173)	(754,173)	(217,622)
Total	391,729	36,701,234	37,092,963	37,842,657
Provision of seized assets (CBJ Instructions/impairment of real estate)	(343,441)	(1,089,527)	(1,432,968)	(1,435,563)
Balance at the end of the period / year	48,288	35,611,707	35,659,995	36,407,094

- The Central Bank of Jordan's regulations require disposal of seized assets during a maximum period of two years from the date of repossession, and in some exceptional cases the Central Bank of Jordan can extend the period for additional two years.

- The following is the movement on the provision for expropriated real estate (Central Bank of Jordan instructions / impairment of real estate):

	For the six months ended 30 June 2024 (Reviewed)			For the year ended 31 December 2023 (Audited)
	Seized real estates self	Seized real estates joint	Total	Total
	JD	JD	JD	JD
Provision balance at the beginning of the period / year	(343,441)	(1,092,122)	(1,435,563)	(1,330,619)
Additions to the provision for depreciation in real estate	-	(10,515)	(10,515)	(148,687)
Additions to the provision for violating real estate (CBJ Instructions)	-	-	-	-
Disposal from the provision for impairment of real estate	-	13,110	13,110	41,134
Disposal from the provision of seized assets (CBJ Instructions)	-	-	-	2,609
Balance at the end of the period / year	(343,441)	(1,089,527)	(1,432,968)	(1,435,563)

** Receivables include Legal expenses in the amount of JOD 562,803 fully covered by other receivables provision at the same amount as at 30 June 2024.

(12) CUSTOMERS' CURRENT ACCOUNTS

The details of this item are as follows:

	30 June 2024 (Reviewed)				
	Individual	Corporate	Small and medium companies	Governmental and Public sector	Total
	JD	JD	JD	JD	JD
Current accounts	209,339,989	17,371,433	99,714,219	5,143,711	331,569,352
Total	209,339,989	17,371,433	99,714,219	5,143,711	331,569,352

	31 December 2023 (Audited)				
	Individual	Corporate	Small and medium companies	Governmental and Public sector	Total
	JD	JD	JD	JD	JD
Current accounts	204,150,298	13,599,420	95,100,903	6,869,255	319,719,876
Total	204,150,298	13,599,420	95,100,903	6,869,255	319,719,876

- Government and public sector deposits inside the Kingdom as at 30 June 2024 amounted to JD 5,143,711 representing 1.55 % of the total customers' current accounts (As at 31 December 2023 amounted to JD 6,869,255 representing 2.15 % of the total customers' current accounts) .
- The restricted accounts as at 30 June 2024 amounted to JD 4,485,380 representing 1.35 % of the total customers' current accounts (As at 31 December 2023 amounted to JD 2,035,127 representing 0.64 % of the total customers' current accounts) .
- The dormant accounts as at 30 June 2024 amounted to JD 13,713,028 (As at 31 December 2023 amounted to JD 12,382,378).

(13) INCOME TAX

A- Income tax provision

The movement on the income tax provision inside the bank is as follows :

	For the six months ended 30 June 2024 (Reviewed)	For the year ended 31 December 2023(Audited)
	JD	JD
Beginning balance for the period/year	11,919,750	8,746,097
Accrued income tax	5,542,538	14,770,915
Income tax from the sale of financial assets	-	13,540
Previous years adjustments (setting off tax deposits for the subsidiary)	(40,697)	-
Less: Income tax paid	(7,824,980)	(11,610,802)
Ending balance for the period/year	9,596,611	11,919,750

B- The income tax expense presented in the Interim Condensed Consolidated Statement of Income and Comprehensive Income consists of the following :

	For the six months ended 30 June	
	2024 (Reviewed)	2023 (Reviewed)
	JD	JD
Income tax for the period	5,542,538	7,257,882
Released from deferred tax assets - self	46,401	139,252
Released from deferred tax assets - joint	986	-
Added from deferred tax assets - joint	(466,285)	(2,356,369)
Total	5,123,640	5,040,765

- Income tax has been calculated in accordance with the Income Tax Law No. (34) of 2014 and its amendments. The Bank's statutory income tax rate is 35% plus 3% National Contribution Tax, with a total of 38%.

- 'A final settlement of income tax has been reached until the end of 2020, and the Bank submitted its self-assessment statements for the years 2021 , 2022 , 2023 within the legal period, and the Income and Sales Tax Department has not reviewed the Bank's records until the date of preparing these interim condensed consolidated financial statements.

- 'In the opinion of managment and its tax consultant, the tax provision recorded is sufficient as at 30 June 2024.

The Subsidiary :

Misk Financial Brokerage Company:

- A final settlement of income tax was reached until the end of 2022, with the exception of 2019 where the Company submitted the self-assessment statement for 2019 and the Income and Sales Tax Department has not reviewed the Company's records until the date of preparing these interim condensed consolidated financial statements. The Company also submitted the self-assessment statement for the year 2023, and the Income and Sales Tax Department has not reviewed the Company's records up to the date of preparing these interim condensed consolidated financial statements.

C- Deferred tax assets

The details of this item are as follows:

	For the six months ended 30 June				For the year ended 31 December	
	2024 (Reviewed)				2023 (Audited)	
	Beginning Balance for the year	Released Amounts	Additional Amounts	Ending Balance for the period	Deferred tax	Deferred tax
	JD	JD	JD	JD	JD	JD
<u>Deferred tax assets - self</u>						
Provision of lawsuits against the bank	63,719	-	-	63,719	24,213	24,213
Provision for impairment of assets seized by the bank against debts and provision for seized real estate (CBJ regulations) - self	343,441	-	-	343,441	130,507	130,507
Provision for credit losses for the first and second stages - self	289,163	122,108	-	167,055	63,481	109,882
Difference in the application of Standard (32) Islamic private Lease	889,002	-	-	889,002	337,821	337,821
Provision for contingent liabilities	100,000	-	-	100,000	38,000	38,000
Unpaid Employee bonuses	650,578	-	-	650,578	247,220	247,220
Total Deferred tax assets - self	2,335,903	122,108	-	2,213,795	841,242	887,643

Deferred tax assets - joint

Provision for impairment of assets seized by the bank against debts and provision for seized real estate (CBJ regulations) - joint	990,431	2,595	-	987,836	375,378	376,364
Provision for credit losses for the first and second stages - joint	28,846,802	-	1,227,067	30,073,869	11,428,070	10,961,785
Total Deferred tax assets - joint	29,837,233	2,595	1,227,067	31,061,705	11,803,448	11,338,149
Total	32,173,136	124,703	1,227,067	33,275,500	12,644,690	12,225,792

The movement on deferred tax assets - self is as follows:

	For the six months ended 30 June	For the year ended 31 December
	2024 (Reviewed)	2023 (Audited)
	JD	JD
Balance at the beginning of the period/year	887,643	793,221
Additions during the period/year	-	319,489
Released during the period/year	(46,401)	(225,067)
Balance at the End of the period/year	841,242	887,643

- **The movement on deferred tax assets - Joint is as follows:**

	For the sex months ended 30 June 2024 (Reviewed)	For the year ended 31 December 2023 (Audited)	
	JD	JD	
Balance at the beginning of the period/year	11,338,149	7,475,291	
Additions during the period / year	466,285	3,862,858	
Amortized during the period / year	(986)	-	
Balance at the end of the period/year	11,803,448	11,338,149	

(14) OTHER LIABILITIES

The details of this item are as follows:

	30 June 2024 (Reviewed)	31 December 2023 (Audited)
	JD	JD
Accrued and not paid expenses	3,296,086	1,618,292
Certified cheques	7,937,402	9,868,834
Provision of expected credit losses on off balance sheet items - self (Note 32)**	150,425	137,628
Provision of expected credit losses on off balance sheet items - joint(Note 32)***	1,137,615	1,402,126
Shareholders and customers deposits	9,672,548	10,406,587
Customers' share of profits from unrestricted investment	32,235,125	32,856,675
Temporary deposits*	9,953,705	14,543,920
Visa Claims	4,380,426	4,349,375
Others	9,468,237	7,816,010
Total	78,231,569	82,999,447

* It includes intermediate accounts for an amount of JD 4,207,347 as at 30 June 2024 (JD 10,193,322 as at 31 December 2023), which is the value of credits and deferred policies, and the value will be paid when due.

• **Expected credit losses**

**** Expected credit loss of indirect facilities**

A- Self

- Movement on indirect facilities :

Item	For the six months ended 30 June 2024 (Reviewed)						For the year ended 31 December 2023 (Audited)
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
Total balance at the beginning of the period / year	117,879,308	-	3,356,757	-	147,809	121,383,874	113,801,360
New exposures during the period / year	133,456,133	-	1,871,982	-	-	135,328,115	73,731,901
Accrued exposures	(8,503,930)	-	(704,623)	-	-	(9,208,553)	(34,516,805)
Transfer to Stage 1	167,250	-	(167,250)	-	-	-	-
Transfer to Stage 2	(39,973)	-	50,473	-	(10,500)	-	-
Transfer to Stage 3	-	-	(502,000)	-	502,000	-	-
The total impact on the size of exposures as a result of changing the classification between stages	(19,571)	-	25,914	-	-	6,343	(167,015)
Changes resulting from modifications	7,860,427	-	(38,846)	-	-	7,821,581	(31,465,567)
Total balance at the end of the period / year	250,799,644	-	3,892,407	-	639,309	255,331,360	121,383,874

- Movement on the provision for expected credit losses (indirect facilities /Self) :

Item	For the six months ended 30 June 2024 (Reviewed)						For the year ended 31 December 2023 (Audited)
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
Balance at the beginning of the period / year	120,152	-	17,476	-	-	137,628	175,041
Impairment loss on new exposures during the period / year	24,636	-	10,525	-	-	35,161	28,190
Impairment loss of matured / derecognized exposures	(2,523)	-	(1,379)	-	-	(3,902)	(24,603)
Transfer to Stage 1	1,480	-	(1,480)	-	-	-	-
Transfer to Stage 2	(163)	-	163	-	-	-	-
Transfer to Stage 3	-	-	(425)	-	425	-	-
Effect on the provision as a result of the change in classification between the three stages during the period	(1,101)	-	453	-	(425)	(1,073)	(14,371)
Changes resulting from modifications	(16,914)	-	(475)	-	-	(17,389)	(26,629)
Total balance at the end of the period / year	125,567	-	24,858	-	-	150,425	137,628

***Expected credit loss of indirect facilities

B- joint

- Movement on indirect facilities :

Item	For the six months ended 30 June 2024 (Reviewed)						For the year ended 31 December 2023 (Audited)
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
Total balance at the beginning of the period / year	226,250,120	-	3,463,449	-	-	229,713,569	170,669,703
New exposures during the period / year	31,516,373	-	-	-	-	31,516,373	68,671,811
Accrued exposures	(27,835,363)	-	(2,726,573)	-	-	(30,561,936)	(30,771,696)
Transfer to Stage 1	362,806	-	(362,806)	-	-	-	-
Transfer to Stage 2	-	-	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-
The total impact on the size of exposures as a result of changing the classification between stages	189,090	-	-	-	-	189,090	(190,034)
Changes resulting from modifications	(4,885,341)	-	87,716	-	-	(4,797,625)	21,333,785
Total balance at the end of the period / year	225,597,685	-	461,786	-	-	226,059,471	229,713,569

- Movement on the provision for expected credit losses (indirect facilities /joint) :

Item	For the six months ended 30 June 2024 (Reviewed)						For the year ended 31 December 2023 (Audited)
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
Balance at the beginning of the period / year	1,337,819	-	64,307	-	-	1,402,126	1,148,342
Impairment loss on new exposures during the period / year	109,510	-	-	-	-	109,510	363,158
Impairment loss of matured / derecognized exposures	(97,058)	-	(50,804)	-	-	(147,862)	(123,383)
Transfer to Stage 1	6,727	-	(6,727)	-	-	-	-
Transfer to Stage 2	-	-	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-
Effect on the provision as a result of the change in classification between the three stages during the period	(4,788)	-	-	-	-	(4,788)	(3,073)
Changes resulting from modifications	(223,006)	-	1,635	-	-	(221,371)	17,082
Total balance at the end of the period / year	1,129,204	-	8,411	-	-	1,137,615	1,402,126

(15) JOINT INVESTMENT ACCOUNTS

The details of this item are as follows:

30 June 2024 (Reviewed)						
	Individual	Corporate	Small and medium enterprises	Governmental and Public sector	Banks and Financial Institutions	Total
	JD	JD	JD	JD	JD	JD
Saving accounts	209,105,170	46,571,529	99,550,489	7,170,010	41,135,740	403,532,938
Term accounts / Investing deposits	908,949,351	126,798,078	100,896,850	159,390,662	47,301,142	1,343,336,083
Certificates of investing deposit	413,326,824	28,692,354	35,090,118	40,182,012	36,677,176	553,968,484
Total	1,531,381,345	202,061,961	235,537,457	206,742,684	125,114,058	2,300,837,505
Depositors' share from investments' revenue	36,814,047	4,423,958	4,200,806	5,399,062	1,779,569	52,617,442
Total joint investment accounts	1,568,195,392	206,485,919	239,738,263	212,141,746	126,893,627	2,353,454,947

31 December 2023 (Audited)						
	Individual	Corporate	Small and medium enterprises	Governmental and Public sector	Banks and Financial Institutions	Total
	JD	JD	JD	JD	JD	JD
Saving accounts	177,854,180	26,509,581	80,270,165	7,981,193	38,158,333	330,773,452
Term accounts / Investing deposits	874,921,624	139,957,783	104,219,141	162,094,071	-	1,281,192,619
Certificates of investing deposit	352,017,857	23,585,730	32,218,881	41,994,820	40,510,358	490,327,646
Total	1,404,793,661	190,053,094	216,708,187	212,070,084	78,668,691	2,102,293,717
Depositors' share from investments' revenue	63,652,001	8,850,031	7,814,114	10,588,868	3,328,964	94,233,978
Total joint investment accounts	1,468,445,662	198,903,125	224,522,301	222,658,952	81,997,655	2,196,527,695

- Joint investment accounts share of profit is calculated as follows :
- 20% to 50% of the minimum balance of saving accounts in Jordanian Dinar.
- 14% to 33% of the minimum balance of saving accounts in foreign currencies.
- 58% to 97% of the average term accounts in Jordanian Dinar.
- 18% to 61% of the average term accounts in foreign currencies.
- 90% of the average balances of investing certificates of deposit in Jordanian Dinar.
- 80% to 85% of average balances of certificates of investing deposit in foreign currencies .
- The general percentage of the profit on the Jordanian Dinar for the period ended 30 June 2024 is (4.56%) (for the same period last year was (4.41 %)).
- The general percentage of the profit on USD for the period ended 30 June 2024 is (3.42%) (for the same period last year was (3.60%)).
- The joint investment accounts for the Government and Public sector amounted to JD 212,141,746 as of 30 June 2024 which represents 9.01 % of the total joint investment accounts (As of 31 December 2023 amounted to JD 222,658,952 which represents 10.14 % of the total joint investment accounts).
- The restricted accounts amounted to JD 6,438,913 as of 30 June 2024 which represents 0.27% of the total joint investment (As of 31 December 2023 amounted to JD 1,710,428 which represent 0.08% of the total joint investment).
- The dormant accounts as of 30 June 2024 amounted to JD 7,506,944 (As of 31 December 2023 amounted to JD 8,836,620).

(16) FAIR VALUE RESERVE

The movement of fair value reserve was as follows :

A- Self

	For the six months ended 30 June 2024 (Reviewed)	For the year ended 31 December 2023 (Audited)
	JD	JD
Financial assets at fair value through shareholders' equity - Self		
Beginning balance of the period/year	(25,069)	14,593
Unrealized gain (losses) on debt instruments / shares	70,000	(39,662)
Ending balance of the period/year	44,931	(25,069)

B - Joint

	For the six months ended 30 June 2024 (Reviewed)	For the year ended 31 December 2023 (Audited)
	JD	JD
Financial assets at fair value through unrestricted investment accounts reserves - joint		
Beginning balance of the period/year	(371,067)	(1,016,785)
Unrealized (losses) gain on debt instruments / sukuk	(435,894)	345,615
Unrealized (losses) gain on shares	(1,278)	300,103
Ending balance of the period/year	(808,239)	(371,067)

(17) PAID UP CAPITAL & STATUTORY RESERVE

PAID UP CAPITAL

- The quoted and paid up capital is JD 120,000,000 distributed over 120,000,000 shares, the nominal value per share is JD 1 as at 30 June 2024 (and the amount of JOD 100,000,000 distributed over 100,000,000 shares as at 31 December 2023).
- The bank's capital was increased from JD (100) million to JD (120) million after obtaining the approval of the Central Bank of Jordan in addition to the approval of the Bank's General Assembly in its session held on 18 April 2024.

-STATUTORY RESERVES

The Bank has not deducted the legal reserves in accordance with the companies Law, where these interim condensed consolidated financial information and the deduction takes place by the end of the year.

(18) RETAINED EARNINGS

	For the six months ended 30 June 2024 (Reviewed)	For the year ended 31 December 2023 (Audited)
	JD	JD
Beginning balance of the period/year	54,293,534	39,580,861
Transferred statutory reserve	-	(2,832,388)
Distributed bonus shares (capital increase)	(20,000,000)	-
Capital raising fees	(150,113)	-
Net sale gain financial assets at fair value through shareholders' equity -self	-	34,815
Profit for the period / year	-	17,510,246
Ending balance of the period / year	34,143,421	54,293,534

- The retained earnings balance as at 30 June 2024 includes an amount to JD 841,242 (31 December 2023 amounted to JD 887,643) which represent deferred tax assets-self and it is restricted from use in accordance with the Central Bank of Jordan regulations.
- It is prohibited to dispose of the surplus from the balance of the general banking risk reserve, which is transferred to the retained earnings, amounting to JD 108,397 , except with the prior approval of the Central Bank of Jordan, where the accumulated balance of the general banking risk reserve has been transferred to the retained earnings based on the instructions of the Central Bank of Jordan No. (13/2018) issued On 6 June 2018.

(19) DEFERRED SALES REVENUE

The details of this item are as follows:

	For the six months period ended 30 June			
	2024(Reviewed)		2023(Reviewed)	
	Joint	Self	Joint	Self
	JD	JD	JD	JD
Individuals (Retail)				
Murabaha to the purchase orderer	17,349,266	59,189	14,381,651	50,136
Real estate facilities	1,693,860	-	777,224	-
Corporate				
International Murabaha	655,569	-	101,943	-
Murabaha to the purchase orderer	12,287,989	-	16,113,786	-
Small and medium enterprises				
Murabaha to the purchase orderer	2,337,916	-	1,903,601	-
Government and the public sector	11,572,147	-	10,434,083	-
Total	45,896,747	59,189	43,712,288	50,136

(20) GAIN FROM FINANCIAL ASSETS AT FAIR VALUE THROUGH JOINT INVESTMENT ACCOUNTS' HOLDERS EQUITY

The details of this item are as follows:

	Joint	
	For the six months ended	
	30 June	
	2024 (Reviewed)	2023 (Reviewed)
	JD	JD
Shares dividends	107,608	139,352
Gain from sale of financial assets	159,898	9,063
Islamic Sukuk profits	11,839,004	5,277,703
Total	12,106,510	5,426,118

(21) GAIN FROM FINANCIAL ASSETS AT FAIR VALUE THROUGH STATEMENT OF PROFIT OR LOSS

The details of this item are as follows:

	Joint							
	For the six months ended 30 June							
	2024 (Reviewed)				2023(Reviewed)			
	Realized gains	Unrealized gain (losses)	Dividends	Total	Realized gains	Unrealized gain (losses)	Dividends	Total
	JD	JD	JD	JD	JD	JD	JD	JD
Corporate Shares	-	-	-	-	-	-	-	-
Sukuk	4,471	-	-	4,471	24,348	-	-	24,348
Total	4,471	-	-	4,471	24,348	-	-	24,348
Less:								
Shares contract commission	-	-	-	-	-	-	-	-
Total	4,471	-	-	4,471	24,348	-	-	24,348

(22) SHARE OF JOINT INVESTMENT ACCOUNTS HOLDERS'

The details of this item are as follows:

	Joint	
	For the six month ended 30 June	
	2024 (Reviewed)	2023 (Reviewed)
	JD	JD
Customers		
Saving accounts	1,949,808	1,421,244
Term accounts	34,507,382	34,224,719
Certificates of deposit	14,380,683	6,627,950
Total from Customers Revenue	50,837,873	42,273,913
Banks		
Banks and financial Institutions accounts	1,779,569	1,569,453
Total from Banks revenue	1,779,569	1,569,453
Total	52,617,442	43,843,366

(23) BANK'S SHARE OF REVENUE FROM JOINT INVESTMENT ACCOUNTS AS MUDARIB AND RAB MAL

The details of this item are as follows:

	Joint	
	For the six month ended 30 June	
	2024 (Reviewed)	2023 (Reviewed)
	JD	JD
Bank's share as Mudarib*	13,211,238	15,996,760
Bank's share as Rab Mal	10,276,826	8,688,437
Total	23,488,064	24,685,197

* The Bank's share of the joint investment accounts' revenues as a speculator amounted to JD 24,854,483 for the period ended on 30 June 2024 , and JD 11,643,245 were donated with the approval of the Shariah Supervisory Board for the benefit of joint investment account holders (JD 17,909,591 for the period ended on 30 June 2023 , and JD 1,912,831 were donated).

(24) BANK'S REVENUE - SELF

The details of this item are as follows:

	Self	
	For the six month ended 30 June	
	2024 (Reviewed)	2023 (Reviewed)
	JD	JD
Ijara Muntahia Bittamleek revenue	385,801	377,058
Deferred sales revenue (Note 19)	59,189	50,136
Gain from financial assets at fair value through statement of profit or loss - self	44,000	42,000
Total	488,990	469,194

(25) EARNINGS PER SHARE FOR THE PERIOD

The details of this item are as follows:

	For the six month ended 30 June	
	2024 (Reviewed)	2023 (Reviewed)
	JD	JD
	share	share
Profit for the period	8,300,995	8,205,644
Weighted average number of shares	120,000,000	120,000,000
Basic and diluted earnings per share for the period	JD/Fils	JD/Fils
	0/069	0/068

(26) CASH AND CASH EQUIVALENTS

The details of this item are as follows:

	For the six month ended 30 June	
	2024 (Reviewed)	2023 (Reviewed)
	JD	JD
Cash balances with Central Bank of Jordan maturing within three months	269,950,714	269,339,571
Add: cash at banks and banking institutions maturing within three months	19,406,370	5,418,235
Less: banks and financial banking accounts maturing within three months	(14,225,357)	(11,697,524)
Total	275,131,727	263,060,282

(27) RELATED PARTY TRANSACTIONS

The Bank entered into transactions with shareholders, board members, and senior management within its normal operations using normal rates of Murabaha and trade commissions. All deferred sales receivables and facilities granted to related parties are performing, and no provisions were taken for these balances. The related parties' transactions are as follows :

	Main shareholders	Senior management	Board of Directors members	Etihad Islamic investment company *	Sharia supervisory members	Total	
						30 June	31 December
						2024 (Reviewed)	2023 (Audited)
	JD	JD	JD	JD	JD	JD	JD
<u>Interim condensed consolidated statements of financial position items :</u>							
Balances at banks and banking institutions	-	-	-	85,852	-	85,852	995,237
Joint investments accounts and current accounts	62,354	1,517,251	698,596	11,149,254	97,860	13,525,315	13,591,349
Deferred sales receivables and facilities	-	409,036	689	-	-	409,725	409,409
Ijara Muntahia Bittamleek assets	-	1,361,684	473,878	-	-	1,835,562	1,776,306
<u>Off statement of financial position items :</u>							
Letters of guarantee	-	-	-	-	-	-	1,500
<u>Interim condensed consolidated statement of income and comprehensive income items:</u>							
						For the six months ended 30 June	
						2024 (Reviewed)	2023 (Reviewed)
Dividends	46	23,316	9,146	244,265	789	277,562	784,882
Profits received	-	36,508	16,230	-	-	52,738	52,664
Salaries and bonuses	-	943,530	27,502	-	26,198	997,230	907,423
Transportation	-	-	310,200	-	13,200	323,400	312,762
Card Services	-	-	-	4,254	-	4,254	4,254
Paid commissions	-	-	-	4,467	-	4,467	45,080

*Al Etihad Islamic For Investment Company which owns 62.37% of Safwa Islamic Bank .

- The lowest and highest received Murabaha rate were 5.47% and 7.75% respectively.
- The lowest and highest rate of Ijara Muntahia Bittamleek received by the Bank were 3.75% and 7.25% respectively.
- The lowest and highest distributed profit rate were 0.35% and 5.36% respectively.
- Executive management salaries and benefits for the period ended 30 June 2024 amounted to JD 943,530 (JD853,723 as of 30 June 2023).
- All facilities granted to related parties are performing and no provisions were recorded for it .

(28) Right of use assets / lease liabilities

The details of this item are as follows:

A- Right of use assets

The Bank rents real estate and stores for periods ranging from one to 15 years, the average lease term is 7 years, the following is the movement on the right of use assets during the period/year:

	For the six month ended 30 June 2024 (Reviewed)	For the year ended 31 December 2023 (Audited)
	JD	JD
Balance at the beginning of the period/year	10,188,361	10,017,830
Additions during the period/year	933,123	2,071,160
Disposals during the period/year	(187,228)	(163,929)
Depreciation for the period/year	(875,385)	(1,736,700)
Balance at the end of period/year	10,058,871	10,188,361

The amounts recorded in the interim condensed consolidated statement of profit or loss and comprehensive income :

	For the six month ended 30 June 2024 (Reviewed)	For the six month period 30 June 2023 (Reviewed)
	JD	JD
Depreciation of the right of use assets for the period	(875,385)	(852,717)
Finance costs (discounting of lease liabilities) during the period	(173,362)	(181,362)

B- lease liabilities

	For the six month ended 30 June 2024 (Reviewed)	For the year ended 31 December 2023 (Audited)
	JD	JD
Balance at the beginning of the period/year	10,295,338	10,044,519
Additions during the period/year	933,123	2,071,160
Disposals during the period/year	(187,228)	(163,929)
Financing costs - discount of lease liabilities during the period/year	173,362	357,517
Paid during the period/year	(1,277,547)	(2,013,929)
Balance at the end of period/year	9,937,048	10,295,338

(29) BANK SEGMENT INFORMATION

A. Information on the Bank's Activities

The Bank is structured for administrative purposes whereby sectors are measured according to the reports which is shown to the executive director and the main decision maker at the Bank through three major business sectors:

Individuals Accounts:-

This sector follows up on the joint investment accounts, deferred sales receivables, facilities, and other services related to individuals.

Corporate Accounts:-

This sector includes joint investment accounts, deferred sales receivables, facilities, and other banking services related to customers corporate.

Treasury:-

This sector includes the services of brokerage, treasury and management of the Bank's funds.

Information on the Bank's segments according to activities is shown as follows:

	For the six months ended					
	30 June					
	2024 (Reviewed)		2023 (Reviewed)			
	Total	Total	Total	Total	Total	Total
	JD	JD	JD	JD	JD	JD
Net revenue (joint and self)	7,006,414	20,125,234	18,459,410	410,878	46,001,936	37,074,794
Expected credit losses (joint and self)	(7,496,627)	(7,914,472)	(401,562)	-	(15,812,661)	(8,112,386)
Results of segment's operations	(490,213)	12,210,762	18,057,848	410,878	30,189,275	28,962,408
Distributed expenses	(1,407,172)	(1,105,774)	(401,741)	-	(2,914,687)	(3,064,307)
Undistributed expenses	-	-	-	(13,849,953)	(13,849,953)	(12,651,692)
Profit for the period before tax	(1,897,385)	11,104,988	17,656,107	(13,439,075)	13,424,635	13,246,409
Income tax expense	-	-	-	(5,123,640)	(5,123,640)	(5,040,765)
Profit for the period	(1,897,385)	11,104,988	17,656,107	(18,562,715)	8,300,995	8,205,644
	30 June 2024		31 December 2023			
	(Reviewed)		(Audited)			
	JD		JD			
Segments' assets	880,643,076	1,034,938,608	1,149,110,305	-	3,064,691,989	2,838,064,475
Undistributed assets	-	-	-	94,249,979	94,249,979	90,919,001
Total assets	880,643,076	1,034,938,608	1,149,110,305	94,249,979	3,158,941,968	2,928,983,476
Segments' liabilities and total equity of joint investment accounts holders	1,791,747,204	865,999,239	205,735,956	-	2,863,482,399	2,634,295,482
Undistributed liabilities	-	-	-	97,928,947	97,928,947	105,378,254
Total liabilities and Total equity of joint investment accounts holders	1,791,747,204	865,999,239	205,735,956	97,928,947	2,961,411,346	2,739,673,736

	For the six months ended	
	30 June	
	2024 (Reviewed)	2023 (Reviewed)
	JD	JD
Capital expenditures	1,353,930	1,278,016
Depreciation and amortization	1,566,012	1,550,978

Geographical Distribution Information

The following disclosure represents the geographical distribution for the bank's operations. The Bank performs its operations mainly inside the Kingdom. Which represent the local operation

Distribution of the Bank's revenue, assets and capital expenditure according to geographical area is as follows :

	30 June 2024 (Reviewed)			31 December 2023 (Audited)		
	Inside Jordan	Outside Jordan	Total	Inside Jordan	Outside Jordan	Total
	JD	JD	JD	JD	JD	JD
	2,812,272,034	346,669,934	3,158,941,968	2,732,645,198	196,338,278	2,928,983,476
Total assets						
	For the six months ended			For the six months ended		
	30 June 2024 (Reviewed)			30 June 2023 (Reviewed)		
	Inside Jordan	Outside Jordan	Total	Inside Jordan	Outside Jordan	Total
	JD	JD	JD	JD	JD	JD
Net revenue	38,116,595	7,885,341	46,001,936	33,907,491	3,167,303	37,074,794
Capital expenditures	1,353,930	-	1,353,930	1,278,016	-	1,278,016

(30) CAPITAL MANAGEMENT

The Bank's management takes into consideration the Central Bank of Jordan's requirements which require the Bank to have sufficient self resources to cover a certain percentage of its risk-weighted assets based on the nature of the finance granted and direct investment made. Accordingly, the capital considered as per the Central Bank of Jordan's requirements is the regulatory capital (both basic and additional capital) .

Capital management aims to invest the Bank's fund in various risk-weighted investments (low and high risk) to ensure that the Bank obtains a better rate of return and to maintain a capital adequacy of 12.5% as required by the Central Bank of Jordan.

The capital adequacy ratio is calculated as on 30 June 2024 according to the instructions of the regulatory capital No. (72/2018) issued by the Central Bank of Jordan in accordance with the revised standard No. (15) issued by the Islamic Financial Services Council (IFSB) in support of the provisions of Article (99) / B) from the Banking Law. The following is the capital adequacy ratio in thousands of dinars:

	30 June 2024(Reviewed) JD"000	31 December 2023(Audited) JD"000
Basic capital items	188,291	179,468
Quoted and (Paid) up capital	120,000	100,000
Retained earnings	34,143	54,294
Statutory reserve	35,041	35,041
Full fair value reserve - Self	45	(25)
The bank's share of the fair value reserve in case of (joint)	(372)	(159)
Profit for the period after tax and after proposed dividends	8,301	-
Intangible assets	(1,579)	(1,697)
Tax assets	(841)	(888)
The Bank's share of the tax assets in case of (joint)	(5,441)	(4,853)
The bank's share in the capital of banks and financial Institutions that is less than 10%	(1,006)	(2,245)
Additional capital	-	-
Support capital	6,115	4,496
Self general banking risks reserve and the bank's share from the General banking risks reserve (joint) not to exceed 1.25% of financial assets weighted by credit risks.	6,115	4,496
The bank's share in the capital of banks and financial Institutions that is less than 10%	-	-
Total regulatory capital	194,406	183,964
 Total risk weighted assets	 1,143,701	 1,124,074
Capital adequacy ratio (%)	%17.00	%16.37
Basic capital ratio (%)	%16.46	%15.97
First tier ratio (%)	%16.46	%15.97
Second tier ratio (%)	%0.53	%0.40
Leverage ratio	%14.31	%14.99

(31) Liquidity Coverage Ratio

- The liquidity coverage ratio in total amounted to 836.3% as on 30 June 2024 with an average rate of 729.7% during the period (349.9% as on 31 December 2023 and an average rate of 355.3% during the year).
- The liquidity coverage ratio in Jordanian Dinars reached 375.5% as at 30 June 2024 with an average rate of 361.5% during the period (355.4% as at 31 December 2023 and an average rate of 328.4 % during the year).

(32) CONTINGENT COMMITMENTS (OFF BALANCE SHEET)

A. Contingent credit and commitments/self*

	30 June 2024 (Reviewed)	31 December 2023 (Audited)
	JD	JD
Letters of credit	157,632,737	68,971,198
Acceptances	57,302,759	7,978,979
Letters of guarantee:		
-Payment	8,628,865	14,787,127
-Performance	19,328,742	16,932,374
-Others	12,438,257	12,714,196
Total	255,331,360	121,383,874

B. Contingent credit and commitments/joint

Unutilized credit limits / direct	226,059,471	229,713,569
Total	226,059,471	229,713,569

*Indirect unutilized credit limits / self amounted to JD 54,194,223 as of 30 June 2024 .

The expected credit losses calculated against contingent credit commitments/self amounted under the implementation instructions of FAS (30) issued by Organization for Islamic Financial Institutions to JD 150,425 as at 30 June 2024 (JD 137,628 as at 31 December 2023) and recorded in the other liabilities (note 14).

The expected credit losses calculated against contingent credit commitments/ joint amounted under the implementation instructions of FAS (30) issued by Organization for Islamic Financial Institutions to JD 1,137,615 as at 30 June 2024 (JD 1,402,126 as at 31 December 2023) and recorded in other liabilities (note 14)

(33) LAWSUITS AGAINST THE BANK

The total amount of the legal cases filed against the Bank was JD 1,411,359 as at 30 June 2024 (JD 1,093,872 as at 31 December 2023) which are within the Bank's normal course of business. In the opinion of management and the Bank's lawyer, the booked provision is sufficient to meet any obligations that may be incurred by the Bank as a result of these cases.

In addition to the cases referred to above, lawsuits were filed against the Bank and five other persons (natural and legal) and its related to the annulment of contracts of real estate owned, leased, financed, and/or mortgaged in favor of the Bank, and these cases do not a financial impact or obligation on the Bank.

(34) FAIR VALUE HIERARCHY

The international financial reporting standard no.(13) requires the identification and disclosure of a level in the fair value hierarchy in which fair value measurements are categorized in full, and the fair value measurements are classified according to the levels specified in IFRS. The difference between level (2) and level (3) for fair value measurements means assessing whether information or inputs are observable and the importance of information that is not observable. This requires careful judgment and analysis of the inputs used to measure fair value including consideration of all factors affecting the asset or liability.

A. Fair value of financial assets and financial liabilities that are measured at fair value on a recurring basis:

Some of the financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table provides information about how the fair value of these financial assets and financial liabilities is determined (valuation techniques and key inputs).

Financial Assets/Financial Liabilities	Fair value		Fair value hierarchy	Valuation techniques and key inputs	Significant unobservable	Relationship of unobservable inputs to fair value
	30 June 2024 (Reviewed)	31 December 2023 (Audited)				
	JD	JD				
Financial assets at fair value through shareholders' equity - self	578,000	508,000	Level 1	Quoted rates in financial markets	Not applicable	Not applicable
Financial assets at fair value through joint investment accounts' holders equity - net						
Quoted shares	1,725,548	2,312,403	Level 1	Quoted rates in financial markets	Not applicable	Not applicable
Quoted sukuk	124,034,850	83,307,396	Level 1	Quoted rates in financial markets	Not applicable	Not applicable
Unquoted shares	7,054,283	5,881,231	Level 3	The latest financial statements available	Not applicable	Not applicable
Unquoted sukuk	341,916,866	360,587,505	Level 2	A similar financial instrument	Not applicable	Not applicable
Total Financial assets at fair value through joint investments accounts - net	474,731,547	452,088,535				
Total	475,309,547	452,596,535				

There were no transfer between level 1 and 2 during the period ended 30 June 2024 and the year 31 December 2023 .

B. Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis:

Except for what is detailed in the following table, Management believes that the carrying amounts of financial assets and financial liabilities recognized in the Bank's financial statements approximate their fair values .

	30 June 2024 (Reviewed)		31 December 2023 (Audited)		Fair value hierarchy
	Book value	Fair value	Book value	Fair value	
	JD	JD	JD	JD	
Financial assets not determined at fair value					
Deferred sales receivables and other receivables - net	1,309,043,268	1,492,230,885	1,287,370,515	1,467,654,710	Level 2
Financial assets at amortized cost	29,412,000	29,460,348	-	-	Level 2
Ijara Muntahia Bittamleek assets-net	747,093,045	747,093,045	695,772,768	695,772,768	Level 2
Total financial assets not determined at fair value	2,085,548,313	2,268,784,278	1,983,143,283	2,163,427,478	
Financial liabilities not determined at fair value					
Customers' current accounts and joint investment accounts	2,685,024,299	2,716,143,807	2,516,247,571	2,548,506,151	Level 2
Cash margin accounts	165,040,982	166,156,599	95,274,911	95,873,006	Level 2
Total financial liabilities not determined at fair value	2,850,065,281	2,882,300,406	2,611,522,482	2,644,379,157	

(35) CREDIT RISK**1- Concentration of credit exposures according to geographical distribution****First: Total distribution of exposures by geographical region-self (after impairment provision) :**

Item	30 June 2024 (Reviewed)								31 December 2023 (Audited)
	Within the Kingdom	Other Middle Eastern countries	Europe	Asia*	Africa	America	Other countries	Total	Total
	JD	JD	JD	JD	JD	JD	JD	JD	JD
Cash and balances with central banks	233,885,242	-	-	-	-	-	-	233,885,242	228,651,162
Balances at banks and financial institutions	1,210,599	3,993,211	3,420,475	1,891,805	-	8,879,838	10,442	19,406,370	26,513,323
Direct credit facilities -net	11,854,042	-	-	-	-	-	-	11,854,042	36,415,759
Sukuk:									
Within financial assets at fair value through statement of profit or loss	-	-	-	-	-	-	-	-	-
Within financial assets at fair value through joint investment accounts holders' equity -net	-	-	-	-	-	-	-	-	-
Within financial assets at amortized cost -net	-	-	-	-	-	-	-	-	-
Other assets	440,788	-	-	-	-	-	-	440,788	1,151,018
Total current period / year	247,390,671	3,993,211	3,420,475	1,891,805	-	8,879,838	10,442	265,586,442	292,731,262
Letters of guarantee	40,123,730	152,598	-	-	-	-	-	40,276,328	44,300,901
Letters of credit	59,513,345	98,095,876	-	-	-	-	-	157,609,221	68,967,176
Acceptances	53,219,639	4,075,747	-	-	-	-	-	57,295,386	7,978,169
Grand Total	400,247,385	106,317,432	3,420,475	1,891,805	-	8,879,838	10,442	520,767,377	413,977,508

*Except for Middle Eastern countries

Second: Distribution of exposures according to the classification stages according to the FAS (30) - self:

Item	30 June 2024 (Reviewed)					
	Stage 1 Individual	Stage 1 Collective	Stage 2 Individual	Stage 2 Collective	Stage 3	Total
	JD	JD	JD	JD	JD	JD
Within the Kingdom	392,293,573	1,751,119	4,756,849	412,882	1,032,962	400,247,385
Other Middle Eastern countries	106,317,432	-	-	-	-	106,317,432
Europe	3,420,475	-	-	-	-	3,420,475
Asia	1,891,805	-	-	-	-	1,891,805
Africa	-	-	-	-	-	-
America	8,879,838	-	-	-	-	8,879,838
Other countries	10,442	-	-	-	-	10,442
Total	512,813,565	1,751,119	4,756,849	412,882	1,032,962	520,767,377

Third : Total distribution of exposures by geographical region-joint (after impairment provision) :

Item	30 June 2024 (Reviewed)								31 December 2023 (Audited)
	Within the Kingdom	Other Middle Eastern countries	Europe	Asia *	Africa	America	Other countries	Total	Total
	JD	JD	JD	JD		JD	JD	JD	JD
Cash and balances with central banks	-	-	-	-	-	-	-	-	-
Balances at banks and financial institutions	-	-	-	-	-	-	-	-	-
Deposits with banks and financial institutions	-	-	-	-	-	-	-	-	-
International wakala investments -net	-	188,486,956	15,804,667	-	-	-	-	204,291,623	85,131,319
Direct credit facilities -net	1,307,041,889	-	-	-	-	-	-	1,307,041,889	1,285,335,495
Sukuk:									
Within financial assets at fair value through Profit or loss	-	-	-	-	-	-	-	-	-
Within financial assets at fair value through joint investment accounts holders' equity -net	341,916,866	122,955,324	1,079,526	-	-	-	-	465,951,716	443,894,901
Within financial assets at amortized cost -net	29,412,000	-	-	-	-	-	-	29,412,000	-
Other assets	6,860,957	-	-	-	-	-	-	6,860,957	5,615,703
Total current period / year	1,685,231,712	311,442,280	16,884,193	-	-	-	-	2,013,558,185	1,819,977,418
Unutilized credit limits	224,921,856	-	-	-	-	-	-	224,921,856	228,311,443
Grand total	1,910,153,568	311,442,280	16,884,193	-	-	-	-	2,238,480,041	2,048,288,861

except for middle eastern contries *

Fourthly : Distribution of divisions according to classification according to the classification of the FAS (30) joint:

Item	30 June 2024 (Reviewed)					
	Stage 1 Individual	Stage 1 Collective	Stage 2 Individual	Stage 2 Collective	Stage 3	Total
	JD	JD	JD	JD	JD	JD
Within the Kingdom	1,400,887,190	397,932,438	44,480,912	52,104,437	14,748,591	1,910,153,568
Other Middle Eastern countries	311,442,280	-	-	-	-	311,442,280
Europe	16,884,193	-	-	-	-	16,884,193
Asia	-	-	-	-	-	-
Africa	-	-	-	-	-	-
America	-	-	-	-	-	-
Other countries	-	-	-	-	-	-
Total	1,729,213,663	397,932,438	44,480,912	52,104,437	14,748,591	2,238,480,041

2- Distribution of exposures by economic sectors:

First: Total distribution of exposures by economic sector - self (after impairment provision) :

Item	30 June 2024 (Reviewed)										31 December 2023 (Audited)
	Financial	Industry	Trade	Real estates	Agriculture	Shares	Retail	Government and public sector	Other	Total	Total
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Cash and balances with central banks	233,885,242	-	-	-	-	-	-	-	-	233,885,242	228,651,162
Balances at banks and financial institutions	19,406,370	-	-	-	-	-	-	-	-	19,406,370	26,513,323
Deposits with banks and financial institutions	-	-	-	-	-	-	-	-	-	-	-
Direct credit facilities -net	-	5,798,956	2,205,670	-	12,053	839,103	777,758	556,372	1,664,130	11,854,042	36,415,759
sukuk :											
Within in financial assets at fair value through Profit or loss	-	-	-	-	-	-	-	-	-	-	-
Within financial assets at fair value through joint investment accounts holders' equity -net	-	-	-	-	-	-	-	-	-	-	-
Within financial assets at amortized cost - net	-	-	-	-	-	-	-	-	-	-	-
Other assets	440,788	-	-	-	-	-	-	-	-	440,788	1,151,018
Total current period / year	253,732,400	5,798,956	2,205,670	-	12,053	839,103	777,758	556,372	1,664,130	265,586,442	292,731,262
Letters of guarantees	333,631	3,966,496	7,721,882	3,528,152	519,681	5,150,608	2,340,456	-	16,715,422	40,276,328	44,300,901
Letters of credit	13,642,805	6,939,751	133,390,500	-	173,070	1,367,307	786,916	-	1,308,872	157,609,221	68,967,176
Acceptances	4,107,485	30,985,281	22,202,620	-	-	-	-	-	-	57,295,386	7,978,169
Grand total	271,816,321	47,690,484	165,520,672	3,528,152	704,804	7,357,018	3,905,130	556,372	19,688,424	520,767,377	413,977,508

Second: Distribution of exposures according to classification stages in accordance with Islamic Accounting Standard No (30) - self:

Item	30 June 2024 (Reviewed)					
	Stage 1 Individual	Stage 1 Collective	Stage 2 Individual	Stage 2 Collective	Stage 3	Total
	JD	JD	JD	JD	JD	JD
Financial	271,757,321	-	59,000	-	-	271,816,321
Industry	46,346,360	66,204	1,271,947	-	5,973	47,690,484
Trade	164,481,315	28,156	975,784	-	35,417	165,520,672
Real estates	3,504,100	-	22,052	-	2,000	3,528,152
Agriculture	692,751	12,053	-	-	-	704,804
Shares	6,453,106	839,103	-	-	64,809	7,357,018
Retail	2,280,796	777,260	346,576	498	500,000	3,905,130
Government and public sector	509,660	-	46,712	-	-	556,372
Other	16,788,156	28,343	2,034,778	412,384	424,763	19,688,424
Total	512,813,565	1,751,119	4,756,849	412,882	1,032,962	520,767,377

Third : Total distribution of exposures by economic sector-joint (after impairment provision) :

Item	30 June 2024 (Reviewed)										31 December 2023
											(Audited)
	Financial	Industry	trade	real estates	Agriculture	Shares	Retail	Government and public sector	Other	Total	Total
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Cash and balances with central banks	-	-	-	-	-	-	-	-	-	-	-
Balances at banks and financial institutions	-	-	-	-	-	-	-	-	-	-	-
Deposits with banks and financial institutions	-	-	-	-	-	-	-	-	-	-	-
International wakala investments -net	204,291,623	-	-	-	-	-	-	-	-	204,291,623	85,131,319
Direct credit facilities - net	3,749,452	104,520,532	139,757,784	9,062,499	8,611,415	278,379,955	148,448,280	491,885,860	122,626,112	1,307,041,889	1,285,335,495
Sukuk:											
Within financial assets at fair value through Profit or loss	-	-	-	-	-	-	-	-	-	-	-
Within financial assets at fair value through joint investment accounts holders' equity -net	124,034,850	-	-	-	-	-	-	341,916,866	-	465,951,716	443,894,901
Within financial assets at amortized cost -net	-	-	-	-	-	-	-	29,412,000	-	29,412,000	-
Other assets	6,860,957	-	-	-	-	-	-	-	-	6,860,957	5,615,703
Total current period / year	338,936,882	104,520,532	139,757,784	9,062,499	8,611,415	278,379,955	148,448,280	863,214,726	122,626,112	2,013,558,185	1,819,977,418
Unutilized credit limits	1,494,675	95,631,467	74,081,776	1,538,585	6,210,959	3,819,080	18,266,829	-	23,878,485	224,921,856	228,311,443
Grand total	340,431,557	200,151,999	213,839,560	10,601,084	14,822,374	282,199,035	166,715,109	863,214,726	146,504,597	2,238,480,041	2,048,288,861

Fourthly : Distribution of exposures according to the classification stages according to the FAS (30) - joint

Item	30 June 2024 (Reviewed)					
	Stage 1 Individual	Stage 1 Collective	Stage 2 Individual	Stage 2 Collective	Stage 3	Total
	JD	JD	JD	JD	JD	JD
Financial	340,404,297	-	-	-	27,260	340,431,557
Industry	189,479,191	6,932,383	1,253,030	2,448,022	39,373	200,151,999
Trade	162,850,154	16,282,100	21,412,061	6,140,357	7,154,888	213,839,560
Real estates	2,004,103	3,093,804	4,383,372	1,690,196	(570,391)	10,601,084
Agriculture	10,309,149	2,898,500	-	1,435,398	179,327	14,822,374
Shares	23,625,843	224,424,556	10,987,509	16,174,035	6,987,092	282,199,035
Retail	18,256,099	129,063,549	10,730	18,478,968	905,763	166,715,109
Government and public sector	863,214,726	-	-	-	-	863,214,726
Other	119,070,101	15,237,546	6,434,210	5,737,461	25,279	146,504,597
Total	1,729,213,663	397,932,438	44,480,912	52,104,437	14,748,591	2,238,480,041

3 - Credit exposures that have been reclassified

First : Total credit exposures classified:

A. Self

Item	30 June 2024 (Reviewed)					
	Stage 2		Stage 3		Total exposures that have been reclassified	Percentage of rated exposures
	Total exposure value	The exposures that have been reclassified	Total exposure value	The exposures that have been reclassified		
	JD	JD	JD	JD	JD	
Direct credit facilities-net	1,331,723	(147,685)	1,229,921	101,388	(46,297)	(%1.81)
Letters of guarantee	2,720,854	(618,777)	125,309	-	(618,777)	(%21.74)
Credits	1,171,551	-	-	-	-	-
Acceptances	-	-	-	-	-	-
Total	5,224,128	(766,462)	1,355,230	101,388	(665,074)	(%10.11)

B. Joint

Item	30 June 2024 (Reviewed)					
	Stage 2		Stage 3		Total exposures that have been reclassified	Percentage of rated exposures
	Total exposure value	The exposures that have been reclassified	Total exposure value	The exposures that have been reclassified		
	JD	JD	JD	JD	JD	
Direct credit facilities-net	116,921,600	(1,793,377)	58,755,555	17,319,093	15,525,716	%8.84
Unutilized credit limits	461,786	(362,806)	-	-	(362,806)	(%78.57)
Total	117,383,386	(2,156,183)	58,755,555	17,319,093	15,162,910	%8.61

Second : Credit losses expected for exposures that have been reclassified:

A. Self

30 June 2024 (Reviewed)								
Item	The exposures that have been reclassified			Expected credit loss on exposures that have been reclassified				Total
	Total exposures that have been reclassified rated from Stage 2	Total exposures that have been reclassified rated from Stage 3	Total exposures that have been reclassified	Stage 2 Individual	Stage 2 Collective	Stage 3 Individual	Stage 3 Collective	
	JD	JD	JD	JD	JD	JD	JD	
Direct credit facilities	(147,685)	101,388	(46,297)	(16)	(750)	17	138	(611)
Letters of guarantee	(618,777)	491,500	(127,277)	(1,742)	-	425	-	(1,317)
Credits	-	-	-	-	-	-	-	-
Acceptances	-	-	-	-	-	-	-	-
Total	(766,462)	592,888	(173,574)	(1,758)	(750)	442	138	(1,928)

B. Joint

30 June 2024 (Reviewed)								
Item	The exposures that have been reclassified			Expected credit loss on exposures that have been reclassified				Total
	Total exposures that have been reclassified rated from Stage 2	Total exposures that have been reclassified rated from Stage 3	Total exposures that have been reclassified	Stage 2 Individual	Stage 2 Collective	Stage 3 Individual	Stage 3 Collective	
	JD	JD	JD	JD	JD	JD	JD	
Direct credit facilities	(1,793,377)	17,319,093	15,525,716	(6,300,952)	(308,264)	4,147,740	(85,675)	(2,547,151)
Unutilized credit limits	(362,806)	-	(362,806)	(6,727)	-	-	-	(6,727)
Total	(2,156,183)	17,319,093	15,162,910	(6,307,679)	(308,264)	4,147,740	(85,675)	(2,553,878)