

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

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025  
TOGETHER WITH THE INDEPENDENT  
AUDITOR'S REVIEW REPORT

SAFWA ISLAMIC BANK  
(PUBLIC SHAREHOLDING LIMITED COMPANY)  
AMMAN-THE HASHEMITE KINGDOM OF JORDAN  
31 MARCH 2025

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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 31 March 2025, comprising of the interim condensed consolidated statement of financial position as at 31 March 2025 and the related interim condensed consolidated statement of income and other comprehensive income, the interim condensed consolidated statement of income and attribution related to quasi-equity, interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flows for the three-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).

Ernst and Young



**ERNST & YOUNG**  
Amman - Jordan

Amman – Jordan  
27 April 2025

## Statement "A"

**Safwa Islamic Bank**  
**(Public Shareholding Limited Company)**  
**Amman - The Hashemite Kingdom of Jordan**

## Interim Condensed Consolidated Statement of Financial Position

	Notes	31 March 2025 (Reviewed) JD	31 December 2024 (Audited) JD
<b>Assets</b>			
Cash and balances at the Central Bank of Jordan	4	265,567,514	244,541,023
Balances at banks and the financial institutions		14,561,023	16,841,108
International wakala investments - net	5	176,581,883	217,144,756
Deferred sales receivables and other receivables - net	6	1,540,577,555	1,540,465,378
Financial assets at fair value through other comprehensive income - net	7	51,439,542	46,023,435
Financial assets at fair value through quasi-equity - net	8	420,069,480	450,917,406
Financial assets at fair value through statement of income	9	1,064,985	-
Financial assets at amortized cost	10	261,652,000	119,852,000
Investment in associate		332,759	332,759
Ijara Muntahia Bittamleek assets - net	11	784,759,522	762,094,570
Al-Qard Al-Hasan - net	12	6,948,427	11,443,367
Property and equipment - net		22,116,496	22,323,578
Intangible assets - net		1,860,613	1,673,942
Right-of-use assets		10,320,607	9,698,565
Deferred tax assets	14/C	18,109,278	18,506,502
Other assets	13	92,623,428	72,678,409
<b>Total Assets</b>		<b>3,668,585,112</b>	<b>3,534,536,798</b>
<b>Liabilities and Quasi-equity and Equity</b>			
<b>Liabilities</b>			
Banks and financial Institutions' accounts		48,220,762	30,544,484
Customers' current accounts		355,874,187	313,833,370
Cash margins		155,924,850	153,061,234
Income tax provision	14/A	17,775,324	20,680,565
Other provisions		163,719	163,719
Lease liabilities		10,154,331	9,851,375
Other liabilities	15	83,111,306	80,462,885
<b>Total Liabilities</b>		<b>671,224,479</b>	<b>608,597,632</b>
<b>Quasi-equity</b>			
Unrestricted investment accounts	16	2,782,668,956	2,716,418,549
Fair value reserve		267,352	16,942
<b>Total Quasi-equity</b>		<b>2,782,936,308</b>	<b>2,716,435,491</b>
<b>Equity</b>			
Paid-in capital		120,000,000	120,000,000
Statutory reserve		38,320,046	38,320,046
Fair value reserve through other comprehensive income		414,662	94,068
Retained earnings		51,148,298	51,089,561
Profit for the period - Statement (B)		4,541,319	-
<b>Total Equity</b>		<b>214,424,325</b>	<b>209,503,675</b>
<b>Total Liabilities and Quasi-equity and Equity</b>		<b>3,668,585,112</b>	<b>3,534,536,798</b>

he attached notes (1) to (32) form part of these interim condensed consolidated financial statements and should be read with ther

Statement "B"

**Safwa Islamic Bank**  
(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 ended 31 March	
		2025 (Reviewed)	2024 (Reviewed)
		JD	JD
Deferred sales income	17	26,038,464	21,757,157
Income from Ijara Muntahia Bittamleek assets	18	15,713,108	14,720,278
Income from International wakala investments		2,249,713	1,802,611
Income from financial assets at fair value through other comprehensive income	19	709,103	-
Income from financial assets at fair value through quasi-equity	20	5,643,504	5,830,286
Income from financial assets at fair value through statement of income	21	40,345	2,958
Income from financial assets at amortized cost	22	1,799,376	-
Gains (losses) from foreign currencies revaluation		47,996	(70,368)
Income from foreign currencies		664,324	606,577
Banking services income - net		2,623,251	2,285,328
Other income - net		708,514	447,068
<b>Gross income</b>		<b>56,237,698</b>	<b>47,381,895</b>
Deposit insurance fees		(1,486,302)	(1,252,122)
Provision expense for expected credit losses and other receivables	23	(8,705,035)	(5,462,666)
Employees' expenses		(5,476,171)	(4,498,540)
Depreciation and amortization		(849,003)	(785,017)
Depreciation of right of use assets		(477,336)	(455,608)
Finance costs / discount on lease liability		(91,439)	(86,784)
Rent expenses		(52,375)	(30,201)
Other expenses		(3,019,630)	(2,299,271)
<b>Total expenses</b>		<b>(20,157,291)</b>	<b>(14,870,209)</b>
<b>Net profit for the period before tax and net profit attributable to quasi-equity</b>		<b>36,080,407</b>	<b>32,511,686</b>
Less : Net profit attributable to quasi-equity		(28,749,558)	(26,126,622)
<b>Net profit for the period before tax</b>		<b>7,330,849</b>	<b>6,385,064</b>
Income tax expense	14/B	(2,789,530)	(2,430,013)
<b>Net profit for the period</b>		<b>4,541,319</b>	<b>3,955,051</b>
<b>Other comprehensive income items :</b>			
Gains from sale of financial assets at fair value through other comprehensive income		58,737	-
Change in fair value reserve for financial assets		320,594	46,000
<b>Total comprehensive income for the period</b>		<b>4,920,650</b>	<b>4,001,051</b>
		JD/FILS	JD/FILS
Basic and diluted earnings per share for the period	24	0/038	0/033

The attached notes (1) to (32) form part of these interim condensed consolidated financial statements and should be read with them.

Statement "C"

**Safwa Islamic Bank**  
**(Public Shareholding Limited Company)**  
**Amman - The Hashemite Kingdom of Jordan**

**Interim Condensed Consolidated Statement of Income and Attribution Related to Quasi-Equity**

	31 March 2025	31 March 2024
	(Reviewed)	(Reviewed)
	JD	JD
<b>Net profit for the period before tax and net profit attributable to Quasi-Equity</b>	<b>36,080,407</b>	<b>32,511,686</b>
Less : Unrelated income to quasi-equity	(4,341,527)	(3,119,656)
Add : Unrelated expenses to quasi-equity	10,686,997	8,840,501
<b>Net profit for the peiod before net profit attributable to Quasi-Equity</b>	<b>42,425,877</b>	<b>38,232,531</b>
Less : Bank's share as mudarib and rab mal	(21,314,186)	(17,413,202)
Add : Bank's contribution	7,637,867	5,307,293
<b>Net profit attributable to Quasi-Equity</b>	<b>28,749,558</b>	<b>26,126,622</b>

The attached notes (1) to (32) form part of these interim condensed consolidated financial statements and should be read with them.

Statement "D"

Safwa Islamic Bank

(Public Shareholding Limited Company)

Amman - The Hashemite Kingdom of Jordan

Interim Condensed Consolidated Statement of Changes in Equity

	Paid-in capital	Statutory Reserve	Fair value reserve - Self	Retained Earnings*	Profit for the period	Total
	JD	JD	JD	JD	JD	JD
<b><u>For the three months ended 31 March 2025</u></b>						
Balance as at the beginning of the period	120,000,000	38,320,046	94,068	51,089,561	-	209,503,675
Total comprehensive income for the period - (Statement B)	-	-	320,594	58,737	4,541,319	4,920,650
<b>Balance as of 31 March 2025</b>	<b>120,000,000</b>	<b>38,320,046</b>	<b>414,662</b>	<b>51,148,298</b>	<b>4,541,319</b>	<b>214,424,325</b>
<b><u>For the three months ended 31 March 2024</u></b>						
Balance as at the beginning of the period	100,000,000	35,041,275	(25,069)	54,293,534	-	189,309,740
Total comprehensive income for the period - (Statement B)	-	-	46,000	-	3,955,051	4,001,051
<b>Balance as of 31 March 2024</b>	<b>100,000,000</b>	<b>35,041,275</b>	<b>20,931</b>	<b>54,293,534</b>	<b>3,955,051</b>	<b>193,310,791</b>

- Retained earnings include a balance of JD 964,416 as of 31 March 2025 (JD 1,351,047 as of 31 December 2024 ) and it is restricted from use based on the Central Bank of Jordan instructions. which represents deferred tax assets -self.

\* 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 (32) form part of these interim condensed consolidated financial statements and should be read with them.**

Statement "E"

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

	Notes	For the three months ended 31 March	
		2025 (Reviewed)	2024 (Reviewed)
		JD	JD
<b>Cash flows from operating activities</b>			
Profit for the period before tax - statement (B)		7,330,849	6,385,064
<b>Adjustments for non-monetary items:</b>			
Depreciation and amortization		849,003	785,017
Depreciation of Ijara Muntahia Bittamleek assets (self & joint)		25,902,091	17,641,668
Depreciation of right-of-use assets		477,336	455,608
Finance costs / discount on lease liability		91,439	86,784
Unrealized gains for financial assets at fair value through statement of Income	21	(37,785)	-
Provision of expected credit losses and other receivables		8,705,035	5,462,666
Loss on sale of property and equipment		2,010	-
Recovered from provision for impairment seized real estates / joint	13	(244,051)	(10,317)
Gain from sale of seized assets against debts		(96,400)	(41,964)
<b>Profit before changes in assets and liabilities</b>		<b>42,979,527</b>	<b>30,764,526</b>
<b>Changes in assets and liabilities :</b>			
Deferred sales receivables and other receivables		(8,763,795)	(16,987,032)
Ijara Muntahia Bittamleek assets		(48,567,043)	(40,471,861)
Al Qard Al Hasan		4,513,827	3,432,409
Other assets		(20,808,271)	(6,256,177)
Customers' current accounts		42,040,817	(3,488,251)
Cash margin accounts		2,863,616	41,941,717
Other liabilities		2,511,920	456,727
<b>Net cash flows from operating activities before income tax paid</b>		<b>16,770,598</b>	<b>9,392,058</b>
Income tax paid	14/A	(5,320,389)	(3,005,311)
<b>Net cash flows from operating activities</b>		<b>11,450,209</b>	<b>6,386,747</b>
<b>Cash flows from investing activities</b>			
Maturity (Purchase) of financial assets at fair value through quasi-equity - net		31,116,099	(26,726,646)
Net -purchase of financial assets at fair value through statement of income		(1,027,200)	-
Net -purchase of financial assets at fair value through other comprehensive income		(5,012,463)	-
Net -purchase of financial assets at amortized cost		(141,800,000)	-
Purchase of intangible assets		(364,428)	(123,226)
Purchase of property and equipment & payments on purchase of property, equipment and projects under progress		(466,174)	(341,387)
Proceeds from sale of assets seized by the bank against debts		1,157,276	580,798
Net Increase in International Wakala Investments		40,654,263	(89,658,173)
<b>Net cash flows used in investing activities</b>		<b>(75,742,627)</b>	<b>(116,268,634)</b>
<b>Cash Flows from Financing Activities</b>			
Unrestricted investment accounts		66,250,407	67,405,243
Paid from lease liabilities		(887,861)	(856,277)
<b>Net cash flows from financing activities</b>		<b>65,362,546</b>	<b>66,548,966</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>1,070,128</b>	<b>(43,332,921)</b>
Cash and cash equivalents at beginning of the period		230,837,647	259,318,910
<b>Cash and cash equivalents at end of the period</b>	25	<b>231,907,775</b>	<b>215,985,989</b>

The attached notes (1) to (32) form part of these interim condensed consolidated financial statements and should be read with them.



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

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**(1) GENERAL**

Safwa Islamic Bank (the "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 -four 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.

The Bank's Board of Directors recommended increasing the Bank's capital to 150 million shares in its meeting held on 30 January 2025, and the approval of the Central Bank of Jordan was obtained in addition to the approval of the Bank's General Assembly in its meeting held on 24 April 2025.

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

The interim condensed consolidated financial statements for the three months ended 31 March 2025 were approved by the Bank's Board of Directors at its meeting no. (3/2025) on 24 April 2025.

**(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 complies with the instructions of the Central Bank of Jordan and the local laws in force.

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 other comprehensive income, financial assets at fair value through quasi-equity and the financial assets at fair value through statement of income.

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 2024. In addition, the results for the three-month ended 31 March 2025 do not necessarily indicate the expected results for the year ended 31 December 2025 and no appropriation was made for the profits of three months period ended 31 March 2025 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 31 March 2025 :

<b>Subsidiary name</b>	<b>Paid-in Capital</b>	<b>Ownership</b>	<b>Company Main Activity</b>	<b>Source of Funding</b>	<b>Operation location</b>	<b>Acquisition Date</b>
	JD					
Misc for brokerage company	2,000,000	100%	Brokerage	Self	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 2024 except for the impact of the application of the following standards:

### **Financial Accounting Standard No. (42) "Presentation and Disclosures in the Financial Statements of Takaful Institutions"**

The Accounting and Auditing Organization for Islamic Financial Institutions issued Financial Accounting Standard No. (42) in 2022. This standard replaces Financial Accounting Standard No. (12) "General Presentation and Disclosures in the Financial Statements of Islamic Insurance Companies". This standard specifies the requirements for the presentation of financial statements and related disclosures for Takaful institutions. This standard aims to improve the presentation of financial statements of Takaful institutions by introducing additional disclosure requirements aimed at enhancing transparency.

This standard has no effect on the Group's interim condensed consolidated financial statements as this standard does not apply to the Group.

#### **Financial Accounting Standard No. (43) “Accounting for Takaful: Recognition and Measurement”**

The Accounting and Auditing Organization for Islamic Financial Institutions issued Financial Accounting Standard No. (43) in 2022. This standard replaces Financial Accounting Standard No. (13) “Disclosure of the Basis for Determining and Allocation of Surplus or Deficit in Islamic Insurance Companies”. This standard addresses the principles of recognition and measurement of Takaful arrangements and related transactions. The standard should be read in conjunction with Financial Accounting Standard No. (42) “Presentation and Disclosures in the Financial Statements of Takaful Institutions”.

This standard has no effect on the Group's interim condensed consolidated financial statements as this standard does not apply to the Group.

#### **New Standard Issued but Not Yet Effective**

The following new accounting standard issued but not yet effective up to the date of the interim consolidated financial statements is listed below, and the Bank will apply this standard when it becomes effective:

#### **Financial Accounting Standard No. (45) “Quasi-equity (including investment accounts)”**

The Accounting and Auditing Organization for Islamic Financial Institutions issued Financial Accounting Standard No. (45) in 2023. This standard describes the principles of financial reporting related to participatory investment instruments (including investment accounts) in which an Islamic financial institution controls the underlying assets (usually as a working partner), on behalf of stakeholders other than the shareholders' equity. Such instruments (including, in particular, unrestricted investment accounts) are usually eligible for accounting in the statement of financial position and are recorded as quasi-equity. This standard also provides general accounting standards in the statement of financial position for participatory investment instruments and quasi-equity, in addition to the aggregation, recognition, derecognition, measurement, presentation and disclosure of quasi-equity. The standard also addresses financial reporting related to quasi-equity instruments. The standard also addresses financial reporting related to other quasi-equity instruments and some specific issues. The concept of quasi-equity is introduced in Financial Accounting Standard No. (1) “General Presentation and Disclosures in Financial Statements” (revised in 2021).

This standard is effective for financial reporting periods beginning on or after 1 January 2026. The standard will be applied from 1 January 2026 and is not expected to have a material impact on the Group upon its application.

#### **Financial Accounting Standard (46) “Off-balance Sheet Assets”**

The Accounting and Auditing Organization for Islamic Financial Institutions issued Financial Accounting Standard No. (46) in 2023. This standard replaces Financial Accounting Standard No. (27) “Investment Accounts” in terms of presentation and disclosure. This standard specifies the classification of off-balance sheet assets and the principles related to financial reporting in line with the AAOIFI Conceptual Framework for Financial Reporting. The standard covers aspects of recognition, derecognition, subsequent recognition and measurement of assets related to off-balance sheet assets, in addition to reporting requirements and financial obligations incurred by the institution. The standard also integrates the presentation and disclosure requirements that are specifically aligned with the requirements of Financial Accounting Standard No. (1) “General Presentation and Disclosures in Financial Statements” (as amended in 2021) regarding the disclosure of off-balance sheet assets to management.

This standard is effective for financial reporting periods beginning on or after 1 January 2026 and must be applied simultaneously with Financial Accounting Standard No. (45) “Quasi-equity (including investment accounts)”. The standard will be applied as of 1 January 2026 and is not expected to have a material impact on the Group upon its application.

**Financial Accounting Standard No. (47) “Transfer of Assets between Investment Groups”**

The Accounting and Auditing Organization for Islamic Financial Institutions issued Financial Accounting Standard No. (47) in 2023 and replaces Financial Accounting Standard No. (21) “Disclosure of Transfer of Assets”. This standard describes the financial reporting principles and disclosure requirements applicable to all transfers between different investment groups (and their establishment was permanent, between ownership by equity, equity and quasi-equity and off-balance sheet assets under the management of an entity), and requires the application of accounting policies for such transfers in a consistent manner in line with the principles and rules of Islamic Sharia and describes the general disclosure requirements in this regard.

This standard is effective for financial reporting periods beginning on or after 1 January 2026. The standard will be applied from 1 January 2026 and is not expected to have a material impact on the Group upon its application.

**Financial Accounting Standard No. (48) “Promotional Gifts and Prizes”**

The Accounting and Auditing Organization for Islamic Financial Institutions issued Financial Accounting Standard No. (48) in 2024. This standard aims to set out the accounting and financial reporting principles for recognition, measurement, presentation and disclosure that apply to promotional gifts and prizes provided by Islamic financial institutions to their customers, including quasi-equity and other investment account holders.

This standard is effective for financial reporting periods beginning on or after 1 January 2026. The standard will be applied from 1 January 2026 and is not expected to have a material impact on the Group upon its application.

**Financial Accounting Standard No. (49) “Financial Reporting for Entities Operating in Hyperinflationary Economies”**

The Accounting and Auditing Organization for Islamic Financial Institutions issued Financial Accounting Standard No. (49) in 2024. The standard sets out the principles of financial reporting for entities that apply financial accounting standards and operate in hyperinflationary economies, taking into account Shariah principles, provisions and their business model. The Accounting Board of AAOIFI recognizes that the economic environment in many countries operating under hyperinflationary conditions sometimes makes financial statements prepared under AAOIFI standard less relevant and not comparable over multiple reporting periods. Accordingly, the Board recognized the need for institutions following AAOIFI standard in such economic environments to apply specific financial reporting requirements that make their financial statements more relevant and comparable. The Board also recognized that some financial reporting requirements under GAAP may not be appropriate for institutions following AAOIFI standard, given the requirements of relevant Shari’a principles and rules and their business models. Accordingly, the Board decided to develop a specific standard on this subject.

This standard is effective for financial reporting periods beginning on or after 1 January 2026. It is recommended that all institutions operating in hyperinflationary economies apply this standard from the date of its issuance to ensure comparability of their results. The standard will be effective from 1 January 2026 and is not expected to have a material impact on the Group upon its application.

**Financial Accounting Standard No. (50) “Financial Reporting for Islamic Investment Institutions (Including Investment Funds)”**

The Accounting and Auditing Organization for Islamic Financial Institutions issued Financial Accounting Standard No. (50) in 2024. This standard replaces Financial Accounting Standard No. (14) “Investment Funds”. The standard sets out the principles of financial reporting that apply to Islamic investment institutions and focuses specifically on achieving consistency and providing a unified basis for the format and content of financial statements for Islamic investment institutions. It also sets out the general requirements for presentation and the minimum content and recommended

structure of their financial statements to enhance true and fair presentation in accordance with the principles and provisions of Sharia.

This standard is effective for financial reporting periods beginning on or after 1 January 2027. The standard will be applied from 1 January 2027 and is not expected to have a material impact on the Group upon its application.

### **(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 provisions and the fair value changes reported in equity and Quasi-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 requirements of Financial Accounting Standard No. (30) issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) when calculating expected credit losses and related modifications concerning classification and measurement of financial instruments, by recognizing the impact through the interim condensed consolidated statement of income and comprehensive income for the self-financed portion. This includes assets and financing receivables. 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).
- Scheduled and under cooling period financial assets.

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 fair value through quasi-equity/equity at the date of each report. 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 reviews the values recognized in the records of financial assets at the date of the condensed interim consolidated statement of financial position to determine whether there are indicators of impairment individually or in the form of a group, and if such indicators exist, the recoverable value is estimated in order to determine the impairment loss.

Determining the provision for impairment of financial assets requires the Bank's management to exercise significant judgment in estimating future cash flows and their timing, assessing material increases in credit risk post-initial recognition, and incorporating forward-looking information on expected credit losses.

#### Definition of default

The 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 31 March 2025	Weight as of 31 December 2024
Baseline	50%	50%
Optimistic	10%	10%
Pessimistic	40%	40%

**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 OF JORDAN**

The details of this item are as follows:

	31 March 2025 (Reviewed )	31 December 2024 (Audited )
	JD	JD
Cash on vaults	31,760,635	34,126,657
<b>Balances at the Central Bank of Jordan:</b>		
Current accounts	120,255,481	99,935,812
Statutory cash reserve	113,551,398	110,478,554
<b>Total balances at the Central Bank of Jordan</b>	<b>233,806,879</b>	<b>210,414,366</b>
<b>Total</b>	<b>265,567,514</b>	<b>244,541,023</b>

- Except for the statutory cash reserve, there are no other restricted cash balances at the Central Bank of Jordan as at 31 March 2025 and 31 December 2024.
- 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) For the period ended 31 March (Reviewed ) 2025 JD	Stage 1 (individual) For the year ended 31 December (Audited ) 2024 JD
Balance at the beginning of the period/year	210,414,366	228,651,162
New balances during the period/year	23,589,469	12,210,985
Settled balances	(196,956)	(30,447,781)
<b>Balance at the end of the period/year</b>	<b>233,806,879</b>	<b>210,414,366</b>

#### **(5) INTERNATIONAL WAKALA INVESTMENTS - NET**

The details of this item according to the maturity of investments are as follows:

	joint	
	31 March 2025 (Reviewed ) JD	31 December 2024 (Audited ) JD
Matures:		
Within a month	146,431,005	150,468,333
From a month to three months	15,979,640	49,324,175
From three to six months	14,452,600	17,725,000
<b>Total International Wakala Investments</b>	<b>176,863,245</b>	<b>217,517,508</b>
Less: Provision for expected credit losses for international wakala investment	(281,362)	(372,752)
<b>Net International Wakala Investments</b>	<b>176,581,883</b>	<b>217,144,756</b>

- This item represents investments with Islamic banks and financial institutions under international Wakala contracts in which the bank is the principal (investor).



**(6) DEFERRED SALES RECEIVABLES AND OTHER RECEIVABLES - NET**

The details of this item are as follows:

	Joint		Self		Total	
	31 March	31 December	31 March	31 December	31 March	31 December
	2025 (Reviewed )	2024 (Audited )	2025 (Reviewed )	2024 (Audited )	2025 (Reviewed )	2024 (Audited )
	JD	JD	JD	JD	JD	JD
<b>Individuals (retail)</b>						
Murabaha to the purchase orderer	530,074,750	517,383,206	2,571,409	2,224,346	532,646,159	519,607,552
Ijara Muntahia Bittamleek - receivables	5,113,660	3,510,405	698	-	5,114,358	3,510,405
Other receivables	9,533,833	11,092,616	20,391	20,391	9,554,224	11,113,007
<b>Real estate financing</b>	17,612,945	18,028,346	-	-	17,612,945	18,028,346
Ijara Muntahia Bittamleek - receivables	2,817,127	2,690,281	-	-	2,817,127	2,690,281
<b>Corporate</b>						
International Murabaha	-	28,838,192	-	-	-	28,838,192
Murabaha to the purchase orderer	456,668,988	514,081,207	-	-	456,668,988	514,081,207
Ijara Muntahia Bittamleek - receivables	1,815,979	1,010,419	-	-	1,815,979	1,010,419
Other receivables	68,170	-	43,297	58,147	111,467	58,147
<b>Small and medium enterprises</b>						
Murabaha to the purchase orderer	83,104,845	77,556,590	-	-	83,104,845	77,556,590
Other receivables	92,330	-	196,494	217,191	288,824	217,191
<b>Government and the public sector</b>	767,352,446	677,660,096	-	-	767,352,446	677,660,096
<b>Total</b>	<b>1,874,255,073</b>	<b>1,851,851,358</b>	<b>2,832,289</b>	<b>2,520,075</b>	<b>1,877,087,362</b>	<b>1,854,371,433</b>
Less: Deferred revenue	230,081,463	216,910,367	418,504	346,968	230,499,967	217,257,335
Suspended revenue	4,735,614	4,026,112	7,112	7,112	4,742,726	4,033,224
provision for expected credit losses	101,118,202	92,583,143	148,912	32,353	101,267,114	92,615,496
<b>Net deferred sales receivable and other receivables</b>	<b>1,538,319,794</b>	<b>1,538,331,736</b>	<b>2,257,761</b>	<b>2,133,642</b>	<b>1,540,577,555</b>	<b>1,540,465,378</b>

- The non- performing deferred sales receivables , other receivables , facilities, Ijara Muntahia Bittamleek receivables and Al Qard Al Hasan amounted to JD 82,315,574 as at 31 March 2025, representing 4.37% of deferred sales receivables, other receivables , facilities, Ijara Muntahia Bittamleek receivables and Al Qard Al Hasan ( JD 75,554,035 as at 31 December 2024, representing 4.03% of deferred sales receivables, other receivables, facilities, Ijara Muntahia Bittamleek receivables and Al Qard Al Hasan).
- The non- performing deferred sales receivables , Ijara Muntahia Bittamleek receivables, other receivables , facilities and Al Qard Al Hasan after deducting suspended revenue amounted to JD 77,572,848 as at 31 March 2025, representing 4.12% of deferred sales receivables, Ijara Muntahia Bittamleek receivables , other receivables, facilities and Al Qard Al Hasan after deducting suspended revenue amounted ( JD 71,520,811 as at 31 December 2024, representing 3.82% of deferred sales receivables, Ijara Muntahia Bittamleek receivables, other receivables, facilities and Al Qard Al Hasan after deducting the suspended revenue).
- The provision for impairment of the joint facilities , which is calculated based on the Central Bank of Jordan's Instructions No.(8/2024) in the (under supervision) portfolio amounted to JD 3,960,026 . Moreover, the provision calculated based on the individual customer (non-performing) amounted to JD 61,028,695 as at 31 March 2025.
- 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 675,171,086 as at 31 March 2025 representing 35.81% of the balance of deferred sales receivables , other receivables and facilities ( JD 591,846,287 as at 31 December 2024, representing 31.54% of the balance of deferred sales receivables , other receivables and facilities and Al Qard Al Hasan).

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

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

Item	31 March 2025 (Reviewed)					31 December 2024 (Audited)	
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
<b>Total balance at the beginning of the period / year</b>	8,685,398	2,712,113	1,860,580	59,601	1,730,441	15,048,133	37,324,163
New facilities during the period / year	2,559,511	913,663	445,883	23,300	936	3,943,293	12,332,595
Settled facilities	(429,605)	(681,767)	(120,205)	(21,546)	(10,363)	(1,263,486)	(34,302,382)
Transfer to Stage 1	1,719	2,073	(1,719)	(187)	(1,886)	-	-
Transfer to Stage 2	-	(8,161)	-	8,916	(755)	-	-
Transfer to Stage 3	(327)	(83,574)	(2,191)	(37,830)	123,922	-	-
The total impact on the size of exposures as a result of changing the classification between stages	(270)	(1,808)	-	373	6,106	4,401	(34,646)
Changes resulting from modifications	(6,079,556)	(118,399)	(764,426)	(5)	5,029	(6,957,357)	(271,597)
Facilities transferred to off consolidated financial position items or bad debts	-	-	-	-	-	-	-
<b>Total balance at the end of the period / year</b>	<b>4,736,870</b>	<b>2,734,140</b>	<b>1,417,922</b>	<b>32,622</b>	<b>1,853,430</b>	<b>10,774,984</b>	<b>15,048,133</b>

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

Item	For the three months ended 31 March 2025 (Reviewed)					For the year ended 31 December 2024 (Audited)	
	Corporate	Small and medium enterprises	Individual (Retail)	Real estate finance	Government and the public sector	Total	Total
	JD	JD	JD	JD	JD	JD	JD
<b>Balance at the beginning of the period / year</b>	567,139	561,474	342,511	-	-	1,471,124	908,404
Impairment loss on new facilities during the period / year	36,024	338	4,683	-	-	41,045	681,796
Recoverable from the loss on settled facilities	(10,919)	(3,385)	(8,264)	-	-	(22,568)	(223,326)
Transfer to Stage 1	(5)	154	973	-	-	1,122	(80)
Transfer to Stage 2	(55)	538	(343)	-	-	140	17,704
Transfer to Stage 3	60	(692)	(630)	-	-	(1,262)	(17,624)
Effect on the provision as a result of the change in classification between the three stages during the period / year	5,976	11,601	93,530	-	-	111,107	(4,497)
Changes resulting from modifications	(40,453)	5,378	3,163	-	-	(31,912)	108,747
Facilities transferred to off consolidated financial position items or bad debts	-	-	-	-	-	-	-
<b>Total balance at the end of the period / year</b>	<b>557,767</b>	<b>575,406</b>	<b>435,623</b>	<b>-</b>	<b>-</b>	<b>1,568,796</b>	<b>1,471,124</b>
<b>Redistribution:</b>							
Provisions on an individual basis	557,767	574,714	434,993	-	-	1,567,474	1,457,672
Provisions at a collective basis	-	692	630	-	-	1,322	13,452

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

**B- Joint**

Item	31 March 2025 (Reviewed)						31 December 2024 (Audited)
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
<b>Total balance at the beginning of the period / year</b>	1,009,450,836	450,316,523	66,211,112	48,255,928	65,643,523	1,639,877,922	1,346,159,214
New facilities during the period / year	91,583,848	49,238,987	566,032	361,540	25,231	141,775,638	522,247,819
Settled facilities	(79,884,280)	(17,400,501)	(438,448)	(758,944)	(264,025)	(98,746,198)	(103,248,278)
Transfer to Stage 1	20,198,844	15,289,020	(20,198,844)	(15,288,408)	(612)	-	-
Transfer to Stage 2	(6,640,396)	(13,671,376)	6,640,396	13,681,148	(9,772)	-	-
Transfer to Stage 3	-	(225,276)	(2,223,989)	(3,662,083)	6,111,348	-	-
The total impact on the size of exposures as a result of changing the classification between stages	2,126,097	(940,466)	396,528	85,386	(32,056)	1,635,489	(7,422,906)
Changes resulting from modifications	(22,242,096)	(21,466,678)	(393,283)	(1,369,239)	366,441	(45,104,855)	(117,857,927)
<b>Total balance at the end of the period / year</b>	<b>1,014,592,853</b>	<b>461,140,233</b>	<b>50,559,504</b>	<b>41,305,328</b>	<b>71,840,078</b>	<b>1,639,437,996</b>	<b>1,639,877,922</b>

- The movement on provision for expected credit losses on credit facilities - jointly financed :

Item	For the three months ended 31 March 2025 (Reviewed)						For the year ended 31 December 2024 (Audited)
	Corporate	Small and medium	Individual (Retail)	Real estate finance	Government and the public sector	Total	Total
	JD	JD	JD	JD	JD	JD	JD
<b>Balance at the beginning of the period / year</b>	42,787,950	3,971,739	35,136,148	10,687,306	-	92,583,143	60,823,719
Impairment loss on new facilities during the period / year	111,493	20,751	186,267	508	-	319,019	5,840,320
Recoverable from impairment loss on settled facilities	(484,442)	(21,875)	(208,840)	(7,946)	-	(723,103)	(4,254,467)
Transfer to Stage 1	301,579	45,598	717,569	(633)	-	1,064,113	2,619,350
Transfer to Stage 2	(2,005,686)	(46,334)	(1,200,699)	(2,849)	-	(3,255,568)	(6,626,818)
Transfer to Stage 3	1,704,107	736	483,130	3,482	-	2,191,455	4,007,468
Effect on the provision as a result of the change in classification between the three stages during the period / year	(139,877)	110,148	1,518,124	43,057	-	1,531,452	11,425,843
Changes resulting from modifications	7,241,072	(214,211)	987,123	(606,293)	-	7,407,691	18,747,728
<b>Total balance at the end of the period / year</b>	<b>49,516,196</b>	<b>3,866,552</b>	<b>37,618,822</b>	<b>10,116,632</b>	<b>-</b>	<b>101,118,202</b>	<b>92,583,143</b>
<b>Redistribution:</b>							
Provisions on an individual basis	49,516,196	3,135,394	19,810,742	10,084,153	-	82,546,485	56,715,303
Provisions at a collective basis	-	731,158	17,808,080	32,479	-	18,571,717	35,867,840

**Suspended revenue :**

The movement on suspended revenue is as follows:

	For the three months ended 31 March 2025 (Reviewed)				For the year ended 31 December 2024 (Audited)			
	Retail (individual)	Corporate	Small and medium enterprises	Total	Retail (individual)	Corporate	Small and medium enterprises	Total
	JD	JD	JD	JD	JD	JD	JD	JD
Balance at the beginning of the period / year (Self)	-	7,112	-	7,112	-	7,112	-	7,112
Add: suspended revenue during the period / year	-	-	-	-	-	-	-	-
Less: suspended revenue transferred to revenue	-	-	-	-	-	-	-	-
<b>Balance at the end of the period / year (Self)</b>	<b>-</b>	<b>7,112</b>	<b>-</b>	<b>7,112</b>	<b>-</b>	<b>7,112</b>	<b>-</b>	<b>7,112</b>
Balance at the beginning of the period / year (Joint)	1,986,016	1,703,299	336,797	4,026,112	1,380,940	699,135	250,209	2,330,284
Add: suspended revenue during the period / year	389,334	372,250	131,175	892,759	955,149	1,006,928	131,140	2,093,217
Less: suspended revenue transferred to revenue	34,258	25,476	123,523	183,257	350,073	2,764	44,552	397,389
<b>Balance at the end of the period / year. (Joint)</b>	<b>2,341,092</b>	<b>2,050,073</b>	<b>344,449</b>	<b>4,735,614</b>	<b>1,986,016</b>	<b>1,703,299</b>	<b>336,797</b>	<b>4,026,112</b>

**(7) FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPERHENSIVE INCOME-NET**

The details of this item are as follows:

	Self	
	31 March 2025(Reviewed)	31 December 2024(Audited)
	JD	JD
<b>Quoted financial assets :</b>		
Corporate Shares	-	572,000
Islamic Sukuk	51,502,518	45,515,882
<b>Total quoted financial assets</b>	<b>51,502,518</b>	<b>46,087,882</b>
<b>Total financial assets at fair value through other comperhensive income</b>	<b>51,502,518</b>	<b>46,087,882</b>
Less : Provision for expected credit losses on financial assets	(62,976)	(64,447)
<b>Net financial assets at fair value through other comperhensive income</b>	<b>51,439,542</b>	<b>46,023,435</b>

**(8) FINANCIAL ASSETS AT FAIR VALUE THROUGH QUASI-EQUITY- NET**

The details of this item are as follows:

	Joint	
	31 March 2025(Reviewed)	31 December 2024(Audited)
	JD	JD
<b>Quoted financial assets :</b>		
Corporate Shares	1,784,097	2,291,022
Islamic Sukuk	99,528,797	117,978,708
<b>Total quoted financial assets</b>	<b>101,312,894</b>	<b>120,269,730</b>
<b>Unquoted financial assets</b>		
Corporate Shares	7,627,679	7,551,544
Islamic Sukuk	311,261,201	323,246,189
<b>Total unquoted financial assets</b>	<b>318,888,880</b>	<b>330,797,733</b>
<b>Total financial assets at fair value through quasi-equiy</b>	<b>420,201,774</b>	<b>451,067,463</b>
Less: Provision for expected credit losses for financial assets	(132,294)	(150,057)
<b>Net financial assets at fair value through quasi-equiy</b>	<b>420,069,480</b>	<b>450,917,406</b>

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

**(9) FINANCIAL ASSETS AT FAIR VALUE THROUGH STATEMENT OF INCOME**

The details of this item are as follows:

	Joint	
	31 March 2025(Reviewed)	31 December 2024(Audited)
	JD	JD
<b>Quoted financial assets :</b>		
Islamic Sukuk	1,064,985	-
<b>Total quoted financial assets</b>	<b>1,064,985</b>	<b>-</b>
<b>Total financial assets at fair value through statement of Income</b>	<b>1,064,985</b>	<b>-</b>

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

The details of this item are as follows:

	Joint		Self		Total	
	31 March 2025(Reviewed)	31 December 2024(Audited)	31 March 2025(Reviewed)	31 December 2024(Audited)	31 March 2025(Reviewed)	31 December 2024(Audited)
	JD	JD	JD	JD	JD	JD
<b>Unquoted Financial Assets:</b>						
Islamic Sukuk	119,852,000	119,852,000	141,800,000	-	261,652,000	119,852,000
<b>Total unquoted financial assets</b>	<b>119,852,000</b>	<b>119,852,000</b>	<b>141,800,000</b>	<b>-</b>	<b>261,652,000</b>	<b>119,852,000</b>
<b>Total financial assets at amortized cost</b>	<b>119,852,000</b>	<b>119,852,000</b>	<b>141,800,000</b>	<b>-</b>	<b>261,652,000</b>	<b>119,852,000</b>

- Matured during the year 2029

- No provision for expected credit losses is calculated on financial assets at amortized cost as these Sukuk are issued under the guarantee of the Government of Jordan.

**(11) IJARA MUNTAHIA BITTAMLEEK ASSETS - NET**

	Joint			Self			Total		
	Cost	Accumulated Depreciation	Net Value	Cost	Accumulated Depreciation	Net Value	Cost	Accumulated Depreciation	Net Value
<b><u>31 March 2025 (Reviewed)</u></b>	JD	JD	JD	JD	JD	JD	JD	JD	JD
Ijara Muntahia Bittamleek assets-Real Estate	871,610,420	(169,426,394)	702,184,026	9,425,557	(2,199,226)	7,226,331	881,035,977	(171,625,620)	709,410,357
Ijara Muntahia Bittamleek assets-Machines	90,826,310	(20,209,299)	70,617,011	-	-	-	90,826,310	(20,209,299)	70,617,011
Ijara Muntahia Bittamleek assets-vehicles	6,460,715	(1,728,561)	4,732,154	-	-	-	6,460,715	(1,728,561)	4,732,154
<b>Total</b>	<b>968,897,445</b>	<b>(191,364,254)</b>	<b>777,533,191</b>	<b>9,425,557</b>	<b>(2,199,226)</b>	<b>7,226,331</b>	<b>978,323,002</b>	<b>(193,563,480)</b>	<b>784,759,522</b>

	Joint			Self			Total		
	Cost	Accumulated Depreciation	Net Value	Cost	Accumulated Depreciation	Net Value	Cost	Accumulated Depreciation	Net Value
<b><u>31 December 2024 (Audited)</u></b>	JD	JD	JD	JD	JD	JD	JD	JD	JD
Ijara Muntahia Bittamleek assets-Real Estate	840,402,208	(159,174,575)	681,227,633	8,902,372	(2,081,590)	6,820,782	849,304,580	(161,256,165)	688,048,415
Ijara Muntahia Bittamleek assets-Machines	88,794,107	(19,151,406)	69,642,701	-	-	-	88,794,107	(19,151,406)	69,642,701
Ijara Muntahia Bittamleek assets-vehicles	5,898,116	(1,494,662)	4,403,454	-	-	-	5,898,116	(1,494,662)	4,403,454
<b>Total</b>	<b>935,094,431</b>	<b>(179,820,643)</b>	<b>755,273,788</b>	<b>8,902,372</b>	<b>(2,081,590)</b>	<b>6,820,782</b>	<b>943,996,803</b>	<b>(181,902,233)</b>	<b>762,094,570</b>

- The accrued Ijara installments amounted to JD 9,747,464 as at 31 March 2025 (JD 7,211,105 as at 31 December 2024). Moreover the due Ijara installments were presented under deferred sales receivables and other receivables-Net (Note 6).

**(12) AL-QARD AL-HASAN - NET**

The details of this item are as follows :

	31 March 2025(Reviewed) JD	31 December 2024(Audited) JD
<b>Balance at the beginning of the period / year</b>	<b>10,186,797</b>	<b>34,221,814</b>
Sources of the fund from :		
Equity	(10,100,425)	(75,795,648)
<b>Total Sources of the fund during the period / year</b>	<b>(10,100,425)</b>	<b>(75,795,648)</b>
Uses of the fund on :		
Companies	3,077,150	50,173,249
Employees	6,612	68,106
Retail	1,785,774	1,519,276
<b>Total uses during the period / year</b>	<b>4,869,536</b>	<b>51,760,631</b>
Gross balance	<b>4,955,908</b>	<b>10,186,797</b>
Add: exposed accounts	<b>3,412,403</b>	<b>2,695,341</b>
Less : Provision for expected credit losses	(1,419,884)	(1,438,771)
<b>Balance at the end of the period / year - Net</b>	<b>6,948,427</b>	<b>11,443,367</b>

**(13) OTHER ASSETS**

The details of this item are as follows:

	31 March 2025 (Reviewed)	31 December 2024 (Audited)
	JD	JD
Cheques for collection	9,092,304	753,075
Seized assets by the Bank against debts-Net*	40,916,373	49,827,080
Prepaid expenses	3,957,753	1,928,440
Deposit Insurance Corporation fees/Prepaid	4,458,905	-
Accrued and uncollected revenue	8,215,245	9,462,075
Stationery and printing inventory	279,037	280,393
Withholding income tax	31,510	24,389
Transaction in progres	2,631,746	8,963,043
Petty cash	235,587	236,725
Other receivable-Net**	178,915	179,058
Advance payments for investments ***	21,994,259	-
Others	631,794	1,024,131
<b>Total</b>	<b>92,623,428</b>	<b>72,678,409</b>

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

	31 March 2025 (Reviewed)			31 December 2024 (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	51,308,360	51,700,089	37,842,657
Additions	-	-	-	15,045,702
Sales and disposals	(6,977)	(9,147,781)	(9,154,758)	(1,188,270)
<b>Total</b>	<b>384,752</b>	<b>42,160,579</b>	<b>42,545,331</b>	<b>51,700,089</b>
Provision of seized assets (CBJ Instructions/impairment of real estate)	(343,441)	(1,285,517)	(1,628,958)	(1,873,009)
<b>Balance at the end of the period / year</b>	<b>41,311</b>	<b>40,875,062</b>	<b>40,916,373</b>	<b>49,827,080</b>

- 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 as maximum period.

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

	For the three months ended 31 March 2025 (Reviewed)			For the year ended 31 December 2024 (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)	(1,529,568)	(1,873,009)	(1,435,563)
Additions to the provision for depreciation in real estate	-	(134,862)	(134,862)	(474,883)
Additions to the provision for violating real estate (CBJ Instructions)	-	-	-	-
Disposal from the provision for impairment of real estate	-	378,913	378,913	37,437
Disposal from the provision of seized assets (CBJ Instructions)	-	-	-	-
<b>Balance at the end of the period / year</b>	<b>(343,441)</b>	<b>(1,285,517)</b>	<b>(1,628,958)</b>	<b>(1,873,009)</b>

\*\* Receivables include Legal expenses in the amount of JOD 743,693 fully covered by other receivables provision at the same amount as at 31 March 2025 (697,265 as at 31 December 2024.)

\*\*\* Advance payments on the purchase for Investment in the capital of the Iraqi Islamic Bank for Investment and Development.

#### (14) INCOME TAX

##### **A- Income tax provision**

The movement on the income tax provision for the group is as follows :

	31 March 2025(Reviewed)	31 December 2024(Audited)
	JD	JD
Beginning balance for the period/year	20,680,565	11,919,750
Accrued income tax	2,392,306	18,843,507
Income tax from the sale of financial assets	22,842	-
Previous years adjustments (setting off tax deposits for the subsidiary)	-	(40,697)
Less: Income tax paid	(5,320,389)	(10,041,995)
<b>Ending balance for the period/year</b>	<b>17,775,324</b>	<b>20,680,565</b>

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

	For the three months ended 31 March	
	2025(Reviewed)	2024(Reviewed)
	JD	JD
Income tax for the period	2,392,306	1,475,132
Released from deferred tax assets - self	33,426	-
Released from deferred tax assets - joint	363,798	985,305
Added from deferred tax assets - self	-	(30,424)
<b>Total</b>	<b>2,789,530</b>	<b>2,430,013</b>

-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 31 March 2025.

##### **The Subsidiary :**

Misc for financial brokerage company :

- Tax clearance was obtained until the end of 2023 .



### C- Deferred tax assets

The details of this item are as follows:

	31 March					31 December
	2025 (Reviewed)					2024 (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
<b><u>Deferred tax assets - self</u></b>						
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	1,098,777	87,963	-	1,010,814	384,109	417,535
Difference in the application of Standard (32) Islamic private Lease	948,318	-	-	948,318	360,361	360,361
Provision for contingent liabilities	100,000	-	-	100,000	38,000	38,000
Unpaid Employee bonuses	1,001,133	-	-	1,001,133	380,431	380,431
<b>Total Deferred tax assets - self</b>	<b>3,555,388</b>	<b>87,963</b>	<b>-</b>	<b>3,467,425</b>	<b>1,317,621</b>	<b>1,351,047</b>
<b><u>Deferred tax assets - joint</u></b>						
Provision for impairment of assets seized by the bank against debts and provision for seized real estate (CBJ regulations) - joint	1,427,877	-	-	1,427,877	542,593	542,593
Provision for credit losses for the first and second stages - joint	43,718,057	957,363	-	42,760,694	16,249,064	16,612,862
<b>Total Deferred tax assets - joint</b>	<b>45,145,934</b>	<b>957,363</b>	<b>-</b>	<b>44,188,571</b>	<b>16,791,657</b>	<b>17,155,455</b>
<b>Total</b>	<b>48,701,322</b>	<b>1,045,326</b>	<b>-</b>	<b>47,655,996</b>	<b>18,109,278</b>	<b>18,506,502</b>

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

	31 March	31 December
	2025 (Reviewed)	2024 (Audited)
	JD	JD
Balance at the beginning of the period/year	1,351,047	887,643
Additions during the period/year	-	710,176
Released during the period/year	(33,426)	(246,772)
<b>Ending balance for the period/year</b>	<b>1,317,621</b>	<b>1,351,047</b>

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

	31 March	31 December
	2025 (Reviewed)	2024 (Audited)
	JD	JD
Balance at the beginning of the period/year	17,155,455	11,338,149
Additions during the period/year	-	5,817,306
Extinguisher during the period/year	(363,798)	-
<b>Ending balance for the period/year</b>	<b>16,791,657</b>	<b>17,155,455</b>

**(14) OTHER LIABILITIES**

The details of this item are as follows:

	31 March	31 December
	2025 (Reviewed)	2024 (Audited )
	JD	JD
Accrued and not paid expenses	3,488,341	2,907,389
Certified cheques	8,760,953	9,470,706
Provision of expected credit losses on off balance sheet items - self (Note 29)	206,561	324,155
Provision of expected credit losses on off balance sheet items - joint(Note 29)	1,066,895	812,801
Shareholders and customers deposits	11,401,386	11,852,676
Customers' share of profits from unrestricted investment	36,745,524	36,592,700
Temporary deposits*	11,986,279	11,658,071
The charity account deposits**	27,171	24,349
Visa Claims	5,434,223	4,662,045
Others	3,993,973	2,157,993
<b>Total</b>	<b>83,111,306</b>	<b>80,462,885</b>

\* It includes intermediate accounts for an amount of JD 6,627,906 as at 31 March 2025 (JD 7,361,632 as at 31 December 2024), which is the value of credits and deferred policies, and the value will be paid when due.

\*\* The change in this item represents the amounts that have been transferred to the bank from sources or in ways inconsistent with the provisions and principles of Islamic Sharia, and its profits from the bank's revenues during the Three months ended 31 March 2025, amounting to JD (4,772) ; were set aside to the charity account, and the amount of JD (1,950) was spent on charitable aspects during the Three months period ended 31 March 2025.

• Expected credit losses

\*\*Impairment loss of indirect facilities

A-Self

- Movement on indirect facilities :

Item	31 March 2025 (Reviewed)						31 December 2024 (Audited)
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
<b>Total balance at the beginning of the period/year</b>	196,276,099	-	45,053,717	-	649,297	241,979,113	121,383,874
New exposures during the period/year	76,277,662	-	273,501	-	-	76,551,163	177,178,270
Accrued exposures during the period/year	(35,934,667)	-	(25,546,078)	-	-	(61,480,745)	(31,082,559)
Transfer to Stage 1	7,360,726	-	(7,360,726)	-	-	-	-
Transfer to Stage 2	(1,023,330)	-	1,023,830	-	(500)	-	-
Transfer to Stage 3	-	-	(600)	-	600	-	-
The total impact on the size of exposures as a result of changing the classification between stages	(983,079)	-	(95,608)	-	-	(1,078,687)	1,835,903
Changes resulting from modifications	4,462,581	-	(131,034)	-	-	4,331,547	(27,336,375)
<b>Total balance at the end of the period/year</b>	<b>246,435,992</b>	<b>-</b>	<b>13,217,002</b>	<b>-</b>	<b>649,397</b>	<b>260,302,391</b>	<b>241,979,113</b>

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

Item	For the three months ended 31 March 2025 (Reviewed)						For the year ended 31 December 2024 (Audited)
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
<b>Total balance at the beginning of the period/year</b>	68,247	-	255,908	-	-	324,155	137,628
Impairment loss on new exposures during the period / year	66,899	-	1,823	-	-	68,722	143,130
Impairment loss on due exposures	(18,592)	-	(81,333)	-	-	(99,925)	(12,701)
Transfer to Stage 1	22,984	-	(22,984)	-	-	-	-
Transfer to Stage 2	(6,069)	-	6,069	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-
Effect on the provision as a result of the change in classification between the three stages during the period/year	(19,004)	-	13,891	-	-	(5,113)	96,828
Changes resulting from modifications	(2,422)	-	(78,856)	-	-	(81,278)	(40,730)
<b>Total balance at the end of the period/year</b>	<b>112,043</b>	<b>-</b>	<b>94,518</b>	<b>-</b>	<b>-</b>	<b>206,561</b>	<b>324,155</b>

**Impairment loss of indirect facilities**

**B- Joint**

**- Movement on indirect facilities :**

Item	31 March 2025 (Reviewed)						31 December 2024 (Audited)
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
<b>Total balance at the beginning of the period / year</b>	182,134,063	-	2,348,172	-	-	184,482,235	229,713,569
New exposures during the period / year	62,754,970	-	1,639,484	-	-	64,394,454	37,306,127
Due exposures	(20,366,376)	-	(892,753)	-	-	(21,259,129)	(61,699,760)
Transfer to Stage 1	318,244	-	(318,244)	-	-	-	-
Transfer to Stage 2	(1,799,766)	-	1,799,766	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-
The total impact on the size of exposures as a result of changing the classification between stages	(10,777)	-	56,135	-	-	45,358	98,662
Changes resulting from modifications	14,933,046	-	(171,520)	-	-	14,761,526	(20,936,363)
<b>Total balance at the end of the period / year</b>	<b>237,963,404</b>	<b>-</b>	<b>4,461,040</b>	<b>-</b>	<b>-</b>	<b>242,424,444</b>	<b>184,482,235</b>

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

Item	For the three months ended 31 March 2025 (Reviewed)						For the year ended 31 December 2024 (Audited )
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
<b>Balance at the beginning of the period / year</b>	764,645	-	48,156	-	-	812,801	1,402,126
Impairment loss on new exposures during the period / year	193,989	-	59,540	-	-	253,529	137,720
Impairment loss on due exposures	(45,989)	-	(33,700)	-	-	(79,689)	(360,659)
Transfer to Stage 1	5,901	-	(5,901)	-	-	-	-
Transfer to Stage 2	(17,950)	-	17,950	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-
Effect on the provision as a result of the change in classification between the three stages during the period/year	(4,577)	-	52,676	-	-	48,099	16,519
Changes resulting from modifications	31,558	-	597	-	-	32,155	(382,905)
<b>Total balance at the end of the period / year</b>	<b>927,577</b>	<b>-</b>	<b>139,318</b>	<b>-</b>	<b>-</b>	<b>1,066,895</b>	<b>812,801</b>

**(16) UNRESTRICTED INVESTMENT ACCOUNTS**

The details of this item are as follows:

31 March 2025 (Reviewed)						
	Individual	Corporate	Small and medium enterprises	Governmental and Public sector	Banks and Financial Institutions	Total
	JD	JD	JD	JD	JD	JD
Saving accounts	269,413,335	50,394,475	137,419,558	9,682,581	50,162,006	517,071,955
Term accounts / Investing deposits	948,313,162	295,787,533	118,886,955	162,215,603	74,863,910	1,600,067,163
Certificates of investing deposit	505,698,863	41,618,748	27,723,337	38,120,881	23,618,451	636,780,280
<b>Total</b>	<b>1,723,425,360</b>	<b>387,800,756</b>	<b>284,029,850</b>	<b>210,019,065</b>	<b>148,644,367</b>	<b>2,753,919,398</b>
Depositors' share from investments' revenue	18,360,687	4,076,591	2,026,989	2,407,111	1,878,180	28,749,558
<b>Total unrestricted investment accounts</b>	<b>1,741,786,047</b>	<b>391,877,347</b>	<b>286,056,839</b>	<b>212,426,176</b>	<b>150,522,547</b>	<b>2,782,668,956</b>

31 December 2024 (Audited )						
	Individual	Corporate	Small and medium enterprises	Governmental and Public sector	Banks and Financial Institutions	Total
	JD	JD	JD	JD	JD	JD
Saving accounts	255,267,788	56,426,024	162,830,521	7,102,750	41,129,999	522,757,082
Term accounts / Investing deposits	907,283,059	265,773,496	98,650,014	144,558,773	46,956,757	1,463,222,099
Certificates of investing deposit	464,874,433	39,519,632	34,925,077	56,318,591	24,741,001	620,378,734
<b>Total</b>	<b>1,627,425,280</b>	<b>361,719,152</b>	<b>296,405,612</b>	<b>207,980,114</b>	<b>112,827,757</b>	<b>2,606,357,915</b>
Depositors' share from investments' revenue	69,809,621	15,101,246	7,959,518	9,869,967	7,320,282	110,060,634
<b>Total unrestricted investment accounts</b>	<b>1,697,234,901</b>	<b>376,820,398</b>	<b>304,365,130</b>	<b>217,850,081</b>	<b>120,148,039</b>	<b>2,716,418,549</b>

- Unrestricted investment accounts share of profit is calculated as follows :
- 11% 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 31 March 2025 is (4.12%) (for the same period last year was (4.58 %)).
- The general percentage of the profit on USD for the period ended 31 March 2025 is (3.09%) (for the same period last year was (3.66%)).
- The unrestricted investment accounts for the Government and Public sector amounted to JD 212,426,176 as of 31 March 2025 which represents 7.63% of the total joint investment accounts (As of 31 December 2024 amounted to JD 217,850,081 which represents 8.02 % of the total joint investment accounts ).
- The restricted accounts amounted to JD 3,939,224 as of 31 March 2025 which represents 0.14% of the total joint investment (As of 31 December 2024 amounted to JD 4,220,528 which represent 0.16% of the total joint investment ).
- The dormant accounts as of 31 March 2025 amounted to JD 8,372,452 (As of 31 December 2024 amounted to JD 7,866,495 ).

**(17) DEFERRED SALES INCOME**

The details of this item are as follows:

	For the three months ended 31 March					
	2025(Reviewed)			2024(Reviewed)		
	Joint	Self	Total	Joint	Self	Total
	JD	JD	JD	JD	JD	JD
<b>Individuals (Retail)</b>						
Murabaha to the purchase orderer	9,552,218	38,097	9,590,315	8,483,600	29,703	8,513,303
<b>Real estate facilities</b>	148,714	-	148,714	384,009	-	384,009
<b>Corporate</b>						
International Murabaha	328,720	-	328,720	144,348	-	144,348
Murabaha to the purchase orderer	6,552,749	-	6,552,749	5,922,718	-	5,922,718
<b>Small and medium enterprises</b>						
Murabaha to the purchase orderer	1,460,367	-	1,460,367	1,132,360	-	1,132,360
<b>Government and the public sector</b>	7,957,599	-	7,957,599	5,660,419	-	5,660,419
<b>Total</b>	<b>26,000,367</b>	<b>38,097</b>	<b>26,038,464</b>	<b>21,727,454</b>	<b>29,703</b>	<b>21,757,157</b>

**(18) INCOME FROM IJARA MUNTAHIA BITTAMLEEK ASSETS**

The details of this item are as follows:

	For the three months ended 31 March					
	2025(Reviewed)			2024(Reviewed)		
	Joint	Self	Total	Joint	Self	Total
	JD	JD	JD	JD	JD	JD
Ijara Muntahia Beltamleek – real state	39,631,183	265,534	39,896,717	30,578,471	195,335	30,773,806
Ijara Muntahia Beltamleek – machines	1,588,465	-	1,588,465	1,442,981	-	1,442,981
Ijara Muntahia Bittamleek assets-vehicles	130,017	-	130,017	145,160	-	145,160
Depreciation for Ijara Muntahia Beltamleek assets	(25,705,749)	(196,342)	(25,902,091)	(17,507,013)	(134,655)	(17,641,668)
<b>Total</b>	<b>15,643,916</b>	<b>69,192</b>	<b>15,713,108</b>	<b>14,659,598</b>	<b>60,680</b>	<b>14,720,278</b>

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

The details of this item are as follows:

	For the three months ended 31 March	
	(Reviewed)	
	2025(Reviewed)	2024(Reviewed)
	Self	Self
	JD	JD
Gains on sale of financial assets	83,607	-
Islamic Sukuk profits	625,496	-
<b>Total</b>	<b>709,103</b>	<b>-</b>

**(20) INCOME FROM FINANCIAL ASSETS AT FAIR VALUE THROUGH QUASI-EQUITY**

The details of this item are as follows:

	For the three months ended 31 March	
	(Reviewed)	
	2025(Reviewed)	2024(Reviewed)
	Joint	Joint
	JD	JD
Shares dividends	580	1,759
Gains on sale of financial assets	334,986	59,063
Islamic Sukuk profits	5,307,938	5,769,464
<b>Total</b>	<b>5,643,504</b>	<b>5,830,286</b>

**(21) INCOME FROM FINANCIAL ASSETS AT FAIR VALUE THROUGH STATEMENT OF INCOME**

The details of this item are as follows:

	For the three months ended 31 March							
	2025 (Reviewed)				2024 (Reviewed)			
	Joint				Joint			
	Realized gains	Unrealized gains	Dividends	Total	Realized gains	Unrealized gains	Dividends	Total
	JD	JD	JD	JD	JD	JD	JD	JD
Sukuk	2,560	37,785	-	40,345	2,958	-	-	2,958
<b>Total</b>	<b>2,560</b>	<b>37,785</b>	<b>-</b>	<b>40,345</b>	<b>2,958</b>	<b>-</b>	<b>-</b>	<b>2,958</b>

**(22) INCOME FROM FINANCIAL ASSETS AT AMORTIZED COST**

The details of this item are as follows:

	For the three months ended 31 March					
	2025 (Reviewed)			2024 (Reviewed)		
	Joint	Self	Total	Joint	Self	Total
	JD	JD	JD	JD	JD	JD
Islamic sukuk income	1,773,153	26,223	1,799,376	-	-	-
<b>Total</b>	<b>1,773,153</b>	<b>26,223</b>	<b>1,799,376</b>	<b>-</b>	<b>-</b>	<b>-</b>

**(23) PROVISION EXPENSE FOR EXPECTED CREDIT LOSSES AND OTHER RECEIVABLES**

The details of this item are as follows:

	For the three months ended 31 March					
	2025 (Reviewed)			2024 (Reviewed)		
	Joint	Self	Total	Joint	Self	Total
	JD	JD	JD	JD	JD	JD
International Wakala Investments	(91,390)	-	(91,390)	145,707	-	145,707
Deferred sales receivables , other receivables , facilities and Al-Qard Al-Hasan	8,535,059	97,672	8,632,731	5,308,550	112,536	5,421,086
Financial assets at fair value through other comprehensive income	-	(1,471)	(1,471)	-	-	-
Financial assets at fair value through Quasi-equity	(17,763)	-	(17,763)	22,861	-	22,861
Items off balance sheet	254,094	(117,594)	136,500	(126,801)	(187)	(126,988)
Other receivables	-	46,428	46,428	-	-	-
<b>Total</b>	<b>8,680,000</b>	<b>25,035</b>	<b>8,705,035</b>	<b>5,350,317</b>	<b>112,349</b>	<b>5,462,666</b>

**(24) EARNINGS PER SHARE FOR THE PERIOD**

The details of this item are as follows:

	For the three months ended 31 March	
	2025 (Reviewed)	2024 (Reviewed)
	JD	JD
	share	share
Profit for the period	4,541,319	3,955,051
Weighted average number of shares	120,000,000	120,000,000
	JD/Fils	JD/Fils
Basic and diluted earnings per share for the period	<b>0/038</b>	<b>0/033</b>

**(25) CASH AND CASH EQUIVALENTS**

The details of this item are as follows:

	For the three months ended 31 March	
	2025 (Reviewed)	2024 (Reviewed)
	JD	JD
Cash balances with Central Bank of Jordan maturing within three months	265,567,514	215,943,459
Add: Balances at banks and financial institutions maturing within three months	14,561,023	14,861,495
Less: Balances at banks and financial institutions maturing within three months	(48,220,762)	(14,818,965)
<b>Total</b>	<b>231,907,775</b>	<b>215,985,989</b>

## **(26) 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	
						31 March	31 December
						2025 (Reviewed)	2024 (Audited)
	JD	JD	JD	JD	JD	JD	JD
<b><u>Interim condensed consolidated statements of financial position items :</u></b>							
Balances at banks and financial institutions	-	-	-	831,526	-	831,526	651,208
Joint investments accounts and current accounts	297,098	903,615	918,570	11,599,690	118,454	13,837,427	14,591,797
Deferred sales receivables and facilities	-	874,679	500	-	-	875,179	439,164
Ijara Muntahia Bittamleek assets	-	1,553,345	468,601	-	-	2,021,946	1,553,807
Accounts of banks and financial institutions	-	-	-	27,236,508	-	27,236,508	-
<b><u>Statement of financial position Off-balance items :</u></b>							
Letters of guarantee	-	-	-	621,416	-	621,416	621,416
<b><u>Interim condensed consolidated statement of income and comprehensive income items:</u></b>						For the three months ended 31 March	
						2025 (Reviewed)	2024 (Reviewed)
Dividends	9	19,905	3,069	160,805	1,422	185,210	179,245
Profits received	-	25,331	8,266	-	-	33,597	26,317
Salaries and bonuses	-	570,487	13,753	-	13,097	597,337	501,556
Transportation	-	-	178,607	-	17,600	196,207	163,700
Card Services	-	-	-	2,127	-	2,127	2,127
Paid commissions	-	-	-	14,958	-	14,958	1,064

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

- The lowest and highest received Murabaha rate were 6.06% and 7.78% 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 0.19% and 5.40% respectively.
- Executive management salaries and benefits for the three months ended 31 March 2025 amounted to JD 570,487 (JD 476,706 for the three months ended 31 March 2024).
- All facilities granted to related parties are performing and no provisions were recorded for it .



**(27) 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 banking 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 :

	Individuals	Corporate	Treasury	Other	For the three months ended 31 March	
					2025 (Reviewed)	2024 (Reviewed)
					Total	Total
	JD	JD	JD	JD	JD	JD
Gross income	20,922,266	21,331,933	13,189,835	793,664	56,237,698	47,381,895
<b>Results of segment's operations</b>	<b>20,922,266</b>	<b>21,331,933</b>	<b>13,189,835</b>	<b>793,664</b>	<b>56,237,698</b>	<b>47,381,895</b>
Expected credit losses	(2,614,746)	(6,226,646)	136,357	-	(8,705,035)	(5,462,666)
Distributed expenses	(1,467,937)	(1,155,719)	(261,254)	-	(2,884,910)	(2,145,537)
Undistributed expenses	-	-	-	(8,567,346)	(8,567,346)	(7,262,006)
<b>Net profit for the period before tax and net profit attributable to quasi-equity</b>	<b>16,839,583</b>	<b>13,949,568</b>	<b>13,064,938</b>	<b>(7,773,682)</b>	<b>36,080,407</b>	<b>32,511,686</b>
Less : Net profit attributable to quasi-equity	(16,353,221)	(10,518,069)	(1,878,268)	-	(28,749,558)	(26,126,622)
<b>Profit for the period before tax</b>	<b>486,362</b>	<b>3,431,499</b>	<b>11,186,670</b>	<b>(7,773,682)</b>	<b>7,330,849</b>	<b>6,385,064</b>
Income tax expense	-	-	-	(2,789,530)	(2,789,530)	(2,430,013)
<b>Net profit for the period</b>	<b>486,362</b>	<b>3,431,499</b>	<b>11,186,670</b>	<b>(10,563,212)</b>	<b>4,541,319</b>	<b>3,955,051</b>

					31 March 2025 (Reviewed)	31 December 2024 (Audited)
					JD	JD
Segments' assets	921,718,965	1,262,018,711	1,339,817,014	-	3,523,554,690	3,418,618,845
Undistributed assets	-	-	-	145,030,422	145,030,422	115,917,953
<b>Total assets</b>	<b>921,718,965</b>	<b>1,262,018,711</b>	<b>1,339,817,014</b>	<b>145,030,422</b>	<b>3,668,585,112</b>	<b>3,534,536,798</b>
Segment liabilities and quasi-equity	1,973,612,935	1,113,316,829	256,026,343	-	3,342,956,107	3,213,874,579
Undistributed liabilities	-	-	-	111,204,680	111,204,680	111,158,544
<b>Total liabilities and Quasi-equity</b>	<b>1,973,612,935</b>	<b>1,113,316,829</b>	<b>256,026,343</b>	<b>111,204,680</b>	<b>3,454,160,787</b>	<b>3,325,033,123</b>

	For the three months ended 31 March	
	2025 (Reviewed)	2024 (Reviewed)
	JD	JD
Capital expenditures	830,602	464,613
Depreciation and amortization	849,003	785,017

**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 :

	31 March 2025 (Reviewed)			31 December 2024 (Audited)		
	Inside Jordan	Outside Jordan	Total	Inside Jordan	Outside Jordan	Total
	JD	JD	JD	JD	JD	JD
Total assets	3,326,534,096	342,051,016	3,668,585,112	3,109,165,577	425,371,221	3,534,536,798

	For the three months ended 31 March 2025 (Reviewed)			For the three months ended 31 March 2024 (Reviewed)		
	Inside Jordan	Outside Jordan	Total	Inside Jordan	Outside Jordan	Total
	JD	JD	JD	JD	JD	JD
Gross income	51,443,058	4,794,640	56,237,698	43,988,242	3,393,653	47,381,895
Capital expenditures	830,602	-	830,602	464,613	-	464,613

## **(28) 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 31 March 2025 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:

	31 March 2025(Reviewed) JD"000	31 December 2024(Audited) JD"000
<b>Basic capital items</b>	<b>204,346</b>	<b>198,617</b>
Authorised and (Paid) in capital	120,000	120,000
Retained earnings	51,148	51,090
Statutory reserve	38,320	38,320
Full fair value reserve - Self	415	94
The bank's share of the full fair value reserve in the case of commingling of funds	111	8
Profit for the period after tax and after deduct the expected dividends amount	4,541	-
Intangible assets	(1,861)	(1,674)
Deferred tax assets	(1,318)	(1,351)
The Bank's share of the deferred tax assets if the fund's are mixed	(7,010)	(7,870)
<b>Additional capital</b>	<b>-</b>	<b>-</b>
<b>Support capital</b>	<b>7,833</b>	<b>8,302</b>
	7,833	8,302
<b>Total regulatory capital</b>	<b>212,179</b>	<b>206,919</b>
<b>Total risk weighted assets</b>	<b>1,270,387</b>	<b>1,284,930</b>
<b>Capital adequacy ratio (%)</b>	<b>16.70%</b>	<b>16.10%</b>
Basic capital ratio (%)	16.09%	15.46%
First tier ratio (%)	16.09%	15.46%
Second tier ratio (%)	0.62%	0.65%
Leverage ratio	12.41%	13.75%

**(29) COMMITMENTS & CONTINGENT LIABILITIES (OFF-BALANCE SHEET ITEMS):****A. Contingent credit and commitments/self:\***

	31 March 2025 (Reviewed)	31 December 2024 (Audited)
	JD	JD
Letters of credit	179,782,538	182,237,981
Acceptances	42,879,892	22,333,085
Letters of guarantees:		
- Payment	11,397,875	9,927,782
- Performance	17,636,553	19,361,901
- Others	8,605,533	8,118,364
<b>Total</b>	<b>260,302,391</b>	<b>241,979,113</b>

**B. Contingent credit and commitments/joint:**

- Unutilized credit limit/Direct	242,424,444	184,482,235
<b>Total</b>	<b>242,424,444</b>	<b>184,482,235</b>

\*Indirect unutilized limits / self amounted to JD 85,496,052 as of 31 March 2025.

The expected credit losses recorded against contingent credit commitments/self amounted under the implementation instructions of FAS (30) issued by Organization for Islamic Financial Institutions to JD 206,561 as at 31 March 2025 (JD 324,155 as at 31 December 2024) and recorded in the other liabilities (note 15).

The expected credit losses recorded against contingent credit commitments/joint amounted under the implementation instructions of FAS (30) issued by Organization for Islamic Financial Institutions to JD 1,066,895 as at 31 March 2025 (JD 812,801 as at 31 December 2024) and recorded in other liabilities (note 15).

**(30) LAWSUITS AGAINST THE GROUP****LAWSUITS AGAINST THE BANK**

The total amount of the legal cases filed against the Bank (self) was JD 1,302,737 as at 31 March 2025 (JD 1,481,107 as at 31 December 2024) which are within the Bank's normal course of business. In the opinion of the management and the Bank's lawyers, the allocated (self) case allowance of JD 46,428 as at 31 March 2025 is sufficient to meet the obligations that the Bank may incur as a result of these cases (JD 63,719 as at 31 December 2024).

In addition to the above, there are lawsuits against the Bank related to real estate owned and leased as a financial lease and/or mortgaged in favor of the Bank, and these cases do not result any impact or obligation on the Bank.

**LAWSUITS AGAINST THE SUBSIDIARY (MISC FOR FINANCIAL BROKERAGE COMPANY)**

There are no legal cases filed against the subsidiary as at 31 March 2025 and 31 December 2024.

### (31) FAIR VALUE HIERARCHY

IFRS (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
	31 March 2025 (Reviewed)	31 December 2024 (Audited)				
	JD	JD				
<b>Financial assets at fair value through other comprehensive income - net</b>						
Sukuk with market prices	51,439,542	46,023,435	Level 1	Quoted rates in financial markets	Not applicable	Not applicable
<b>Financial assets at fair value through quasi-equity - net</b>						
Quoted shares	1,784,097	2,291,022	Level 1	Quoted rates in financial markets	Not applicable	Not applicable
Quoted sukuk	99,396,503	117,828,651	Level 1	Quoted rates in financial markets	Not applicable	Not applicable
Unquoted shares	7,627,679	7,551,544	Level 3	The latest financials available	Not applicable	Not applicable
Unquoted sukuk	311,261,201	323,246,189	Level 2	A similar financial instrument	Not applicable	Not applicable
<b>Financial assets at fair value through statement of income</b>						
Sukuk with market prices	1,064,985	-	Level 1	Quoted rates in financial markets	Not applicable	Not applicable
<b>Total</b>	<b>472,574,007</b>	<b>496,940,841</b>				

There were no transfer between level 1 and 2 during the period ended 31 March 2025 and for the year ended 31 December 2024

#### 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, we believe that the carrying amounts of financial assets and financial liabilities recognized in the Bank's financial statements approximate their fair values .

	31 March 2025 (Reviewed)		31 December 2024 (Audited)		Fair value hierarchy
	Book value	Fair value	Book value	Fair value	
	JD	JD	JD	JD	
<b>Financial assets not calculated at fair value</b>					
Deferred sales receivables and other receivables - Net	1,540,577,555	1,771,077,522	1,540,465,378	1,757,722,713	Level 2
Financial assets at amortized cost	261,652,000	263,752,784	119,852,000	121,721,645	Level 2
Ijara muntahia Bittamleek assets - Net	784,759,522	784,759,522	762,094,570	762,094,570	Level 2
<b>Total financial assets not calculated at fair value</b>	<b>2,586,989,077</b>	<b>2,819,589,828</b>	<b>2,422,411,948</b>	<b>2,641,538,928</b>	
<b>Financial liabilities not calculated at fair value</b>					
Customers' current accounts and unrestricted investment accounts	3,138,543,143	3,174,401,039	3,030,251,919	3,065,844,537	Level 2
Cash margins	155,924,850	156,812,478	153,061,234	154,061,316	Level 2
<b>Total financial liabilities not calculated at fair value</b>	<b>3,294,467,993</b>	<b>3,331,213,517</b>	<b>3,183,313,153</b>	<b>3,219,905,853</b>	

### (32) COMPARATIVE FIGURES

Some accounts in the prior period financial statements have been reclassified to conform to the presentation of the financial statements for the current period, however, this reclassification had no impact on profit or equity in the previous period.