

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

**CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025
TOGETHER WITH THE AUDIT REPORT**

**The Housing Bank For Trade And Finance
(A Public Shareholding Limited Company)
Amman - The Hashemite Kingdom of Jordan
31 December 2025**

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Independent auditor's report

To the Shareholders of Housing Bank For Trade and Finance
(Public Shareholding Limited Company)
Amman - Hashemite Kingdom of Jordan

Report on the audit of the consolidated financial statements

Our opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Housing Bank For Trade and Finance (Public Limited Shareholding Company) (the "Bank") and its subsidiaries (together the "Group") as at 31 December 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as modified by the Central Bank of Jordan.

What we have audited

The Group's consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 December 2025;
- the consolidated statement of profit or loss for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in owner's equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) as applicable to audits of financial statements of public interest entities and the ethical requirements that are relevant to our audit of the consolidated financial statements in Jordan. We have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.



Independent auditor's report (Continued)

To the Shareholders of Housing Bank For Trade and Finance
(Public Shareholding Limited Company)

For The Year Ended 31 December 2025

Our audit approach

Overview

Key Audit Matter

Measurement of Expected Credit Losses

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter

How our audit addressed the key audit matter

Measurement of Expected Credit Losses

The Group applies the Expected Credit Loss model (ECL) on all its financial instruments measured at amortised cost, debt instruments measured at fair value through other comprehensive income and financial guarantee contracts including financing commitments in accordance with IFRS 9 "financial instruments" as modified by the Central Bank of Jordan.

The Group exercises significant judgement and makes a number of assumptions in developing its ECL models, which includes probability of default computation separately for retail and corporate portfolios, determining loss given default and exposure at default for both funded and unfunded exposures, forward looking adjustments and staging criteria.

We performed the following audit procedures on the computation of the ECL included in the Group's consolidated financial statements for the year ended 31 December 2025:

- We assessed and tested the design and operating effectiveness of relevant controls over the calculation of the expected credit losses model.
- We tested the completeness and accuracy of the data used in the calculation of ECL.
- For a sample of exposures, we tested the appropriateness of the Group's application of the staging criteria.



Independent auditor's report (Continued)

To the Shareholders of Housing Bank For Trade and Finance
(Public Shareholding Limited Company)

For The Year Ended 31 December 2025

Key audit matter	How our audit addressed the key audit matter
<p>For defaulted exposures, the Group exercises judgements to estimate the expected future cash flows related to individual exposures, including the value of collateral.</p> <p>The Group's impairment policy under IFRS 9 as modified by the Central Bank of Jordan is presented in Notes (2&4) to the consolidated financial statements regarding the differences between IFRS 9 as should be applied and what has been applied in accordance with the instructions of the Central Bank of Jordan (08/2024) and information on the accounting policies applied when calculating expected credit losses and the risk management policies presented in Note (46) to the consolidated financial statements.</p> <p>As shown in Note (10) to the Group's consolidated financial statements, the balance of the net direct credit facilities at amortized cost amounted to JD 4,455,058,872 as at 31 December 2025, representing approximately 47% of total assets, and the expected credit losses amounted to JD 410,175,602.</p> <p>Accordingly, measurement of ECL on direct credit facilities at amortized cost is considered as a key audit matter as the Group applies significant judgments and makes a number of assumptions in the staging criteria applied to the financial instruments as well as in developing ECL models for calculating its impairment provisions for the Group and the expected value of the collaterals.</p>	<p>➤ We involved our internal experts to assess the following aspects:</p> <ul style="list-style-type: none">• Conceptual framework used for developing the Group's impairment policy in the context of its compliance with the requirements of IFRS 9 as modified by the Central Bank of Jordan.• ECL modelling methodology and calculations used to compute the probability of default (PD), loss given default (LGD), and exposure at default (EAD) for the Group's classes of financial instruments at each stage.• Reasonableness of the assumptions made in developing the modelling framework including assumptions used for estimating forward looking scenarios and significant increase in credit risks.• Recalculation of the expected credit losses for a sample of the relevant financial assets at each stage. <p>➤ In addition, for the Stage 3 corporate portfolio, the appropriateness of provisioning assumptions were independently assessed for a sample of exposures selected on the basis of risks and the significance of individual exposures. An independent view was formed on the levels of provisions recognised, based on the detailed loan and counterparty information available in the credit file. For the Stage 3 retail portfolio, assumptions were independently assessed for each product category and an independent view was formed on the levels of provisions recognised at each category level.</p> <p>➤ We recalculated and ensured that the provision for loans is under the watch list and for non-performing loans in accordance with the Central Bank of Jordan Instructions Number (08/2024) effective 1 January 2025.</p> <p>➤ We compared the expected credit loss provision calculated in accordance with IFRS 9 as modified by the Central Bank of Jordan with the provision for expected credit losses calculated in accordance with the instructions of the Central Bank of Jordan No. (08/2024) and ensured that the Bank has recorded whichever is stricter at each stage.</p> <p>➤ We assessed the consolidated financial statement disclosures to ensure compliance with IFRS 7 and IFRS 9 as modified by the Central Bank of Jordan. We have also ensured completeness and accuracy of the disclosures by verifying the information to accounting records.</p>



Independent auditor's report (Continued)

To the Shareholders of Housing Bank For Trade and Finance
(Public Shareholding Limited Company)

For The Year Ended 31 December 2025

Other information

Management is responsible for the other information. The other information comprises the Board of Directors' annual report (but does not include the consolidated financial statements and our auditor's report thereon), which is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Board of Directors' annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as modified by the Central Bank of Jordan, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.



Independent auditor's report (Continued)

To the Shareholders of Housing Bank For Trade and Finance
(Public Shareholding Limited Company)

For The Year Ended 31 December 2025

Auditor's responsibilities for the audit of the consolidated financial statements (continued)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

The Group maintains proper books of accounts, which are in agreement with the consolidated financial statements. We recommend that the General Assembly of Shareholders approve these consolidated financial statements.

For and on behalf of PricewaterhouseCoopers "Jordan"


Omar Jamal Kalanji
License No. (1015)

Amman, Jordan
1 February 2026



**The Housing Bank for Trade and Finance
(Public Shareholding Limited Company)
Amman - The Hashemite Kingdom of Jordan
Consolidated Statement of Financial Position
As at 31 December 2025**

	Note	31 December	
		2025	2024
		JD	JD
Assets			
Cash and balances at central banks - net	5	615,874,636	674,694,933
Balances at banks and financial institutions - net	6	477,033,239	440,250,877
Deposits at banks and financial institutions - net	7	54,998,024	53,483,697
Financial assets at fair value through profit or loss	8	5,362,870	4,407,981
Financial assets at fair value through other comprehensive income	9	469,469,455	445,212,802
Direct credit facilities at amortized cost - net	10	4,455,058,872	4,513,597,022
Financial assets at amortized cost - net	11	2,742,012,857	2,547,359,647
Property and equipment - net	12	155,094,774	158,385,051
Intangible assets - net	13	19,211,781	20,928,700
Right of use asset	19/a	21,002,769	23,946,833
Deferred tax assets	21/e	100,242,057	117,030,396
Other assets - net	14	276,679,713	227,437,544
Total Assets		9,392,041,047	9,226,735,483
Liabilities and equity			
Liabilities			
Banks and financial institutions deposits	15	957,912,873	829,646,033
Customers' deposits	16	5,881,539,006	5,983,324,814
Cash margins	17	359,155,422	313,733,191
Borrowed funds	18	324,363,397	297,532,318
Sundry provisions	20	25,240,296	33,568,028
Income tax provision	21/a	45,795,780	57,009,998
Deferred tax liabilities	21/e	16,641,787	11,350,011
Lease liability	19/b	20,416,930	23,162,440
Other liabilities	22	272,802,766	273,676,453
Total liabilities		7,903,868,257	7,823,003,286
Equity Shareholder's			
Authorized and paid-in capital	23/a	315,000,000	315,000,000
Share premium	23/b	328,147,537	328,147,537
Statutory reserve	24/a	337,542,932	317,875,934
Special reserve	24/b	11,993,467	11,870,335
Foreign currencies translation	25	(123,420,495)	(133,342,835)
Fair value reserve - net	26	16,226,674	4,904,574
Retained earnings	27	540,547,090	499,963,734
Net shareholders' equity at the bank		1,426,037,205	1,344,419,279
Non-controlling interest		62,135,585	59,312,918
Total equity		1,488,172,790	1,403,732,197
Total liabilities and equity		9,392,041,047	9,226,735,483

The accompanying notes constitute an integral part of these consolidated financial statements and should be read with them and with the independent audit report.

The Housing Bank for Trade and Finance
(Public Shareholding Limited Company)
Amman - The Hashemite Kingdom of Jordan
Consolidated Statement of Profit or Loss
For the year ended 31 December 2025

	Note	For the Year Ended 31 December	
		2025	2024
		JD	JD
Interest income	30	589,225,347	603,381,455
Interest expense	31	(213,521,863)	(223,943,681)
Net interest income		375,703,484	379,437,774
Net commission income	32	25,769,895	25,507,457
Net interest and commission income		401,473,379	404,945,231
Gain from foreign currencies	33	9,932,574	8,736,071
Gain from financial assets at fair value through profit or loss	34	1,344,294	968,565
Cash dividends from financial assets at fair value through other comprehensive income		327,969	293,858
Other income	35	31,627,707	29,802,134
Total income		444,705,923	444,745,859
Expenses			
Employees' expenses	36	100,278,141	99,925,596
Depreciation and amortization	12,13&19	28,592,465	27,689,457
Other expenses	37	69,236,662	61,432,830
Expected credit losses expense	38	2,130,574	18,942,762
(Surplus)Expense of sundry provisions	20	(1,271,905)	957,237
Total expenses		198,965,937	208,947,882
Profit for the year before tax and the effect of the disposal of a subsidiary		245,739,986	235,797,977
The effect of the disposal of a Subsidiary		(903,822)	-
Profit for the year before income tax expense		244,836,164	235,797,977
Income tax	21/b	(87,095,737)	(85,524,375)
Profit for the year		157,740,427	150,273,602
Attributable to:			
Bank's shareholders		154,873,486	147,454,758
Non-controlling interest		2,866,941	2,818,844
		157,740,427	150,273,602
		JD/Fils	JD/Fils
Basic and diluted earnings per share for the year attributable to the bank's shareholders	39	0.492	0.468

The accompanying notes constitute an integral part of these consolidated financial statements and should be read with them and with the independent audit report.

**The Housing Bank for Trade and Finance
(Public Shareholding Limited Company)
Amman - The Hashemite Kingdom of Jordan
Consolidated Statement of Comprehensive Income
For the year ended 31 December 2025**

	For the Year Ended 31 December	
	2025	2024
	JD	JD
Profit for the year	157,740,427	150,273,602
Other comprehensive income items which may be reclassified to profit or loss in the subsequent period		
Foreign currencies translation	12,616,788	(3,223,667)
Net change in valuation reserve of financial assets at fair value through comprehensive income after tax - debt instruments	6,085,809	622,150
Other comprehensive income items that will not be reclassified to profit or loss in the subsequent period		
Net change in valuation reserve of financial assets at fair value through comprehensive income after tax - equity instruments	5,265,041	8,215,008
Total other comprehensive income items for the year after tax	23,967,638	5,613,491
Total comprehensive income for the year	181,708,065	155,887,093
Attributable to:		
Bank's shareholders	176,117,926	153,762,040
Non-controlling interest	5,590,139	2,125,053
	181,708,065	155,887,093

The accompanying notes constitute an integral part of these consolidated financial statements and should be read with them and with the independent audit report.

The Housing Bank for Trade and Finance
(Public Shareholding Limited Company)
Amman - The Hashemite Kingdom of Jordan
Consolidated Statement of Changes in Owners' Equity
For the year ended 31 December 2025

	Net shareholders' equity at the bank									
	Authorized and paid-in capital	Share Premium	Reserves		Foreign currencies translation	Fair Value Reserve – Net	Retained Earnings	Net shareholders' equity at the bank	Non-controlling Interest	Total Equity
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
For the year ended 31 December 2025										
Beginning balance for the year	315,000,000	328,147,537	317,875,934	11,870,335	(133,342,835)	4,904,574	499,963,734	1,344,419,279	59,312,918	1,403,732,197
Profit for the year	-	-	-	-	-	-	154,873,486	154,873,486	2,866,941	157,740,427
Net change in valuation reserve of financial assets at fair value through other comprehensive income after tax - debt instruments	-	-	-	-	-	6,057,059	-	6,057,059	28,750	6,085,809
Net change in valuation reserve of financial assets at fair value through other comprehensive income after tax - equity instruments	-	-	-	-	-	5,265,041	-	5,265,041	-	5,265,041
Foreign currency translation	-	-	-	-	9,922,340	-	-	9,922,340	2,694,448	12,616,788
Total comprehensive income	-	-	-	-	9,922,340	11,322,100	154,873,486	176,117,926	5,590,139	181,708,065
The effect of the disposal of a subsidiary	-	-	(1,290,637)	-	-	-	1,290,637	-	(871,469)	(871,469)
Dividends paid	-	-	-	-	-	-	(94,500,000)	(94,500,000)	(1,896,003)	(96,396,003)
Transferred to reserves	-	-	20,957,635	123,132	-	-	(21,080,767)	-	-	-
Ending balance for the year	315,000,000	328,147,537	337,542,932	11,993,467	(123,420,495)	16,226,674	540,547,090	1,426,037,205	62,135,585	1,488,172,790
For the Year Ended 31 December 2024										
Beginning balance for the year	315,000,000	328,147,537	296,295,588	11,743,708	(130,825,280)	(3,920,263)	452,965,949	1,269,407,239	58,454,756	1,327,861,995
Profit for the year	-	-	-	-	-	-	147,454,758	147,454,758	2,818,844	150,273,602
Net change in valuation reserve of financial assets at fair value through other comprehensive income after tax - debt instruments	-	-	-	-	-	609,829	-	609,829	12,321	622,150
Net change in valuation reserve of financial assets at fair value through other comprehensive income after tax - equity instruments	-	-	-	-	-	8,215,008	-	8,215,008	-	8,215,008
Foreign currency translation	-	-	-	-	(2,517,555)	-	-	(2,517,555)	(706,112)	(3,223,667)
Total comprehensive income	-	-	-	-	(2,517,555)	8,824,837	147,454,758	153,762,040	2,125,053	155,887,093
Dividends paid	-	-	-	-	-	-	(78,750,000)	(78,750,000)	(1,266,891)	(80,016,891)
Transferred to reserves	-	-	21,580,346	126,627	-	-	(21,706,973)	-	-	-
Ending balance for the year	315,000,000	328,147,537	317,875,934	11,870,335	(133,342,835)	4,904,574	499,963,734	1,344,419,279	59,312,918	1,403,732,197

The Bank cannot use a restricted amount of JD 6,275,955 from retained earing which represents the financial assets revaluation differences in accordance with the instructions of Jordan Securities Commission and the Central Bank of Jordan as in 31 December 2025 and 31 December 2024.

Retained earnings includes an amount of JD 591,370 as at 31 December 2025 which represents the effect of early implementation of the International Financial Reporting Standard No (9). This amount may not be used except for the amounts actually realized from sale (JD 614,348 as of 31 December 2024).

The Bank cannot use a restricted amount of JD 100,242,057 as at 31 December 2025 from retained earing which represents deferred tax assets which are restricted against capitalization or distribution only to the extent if actually recognized in accordance with the instructions of the Central Bank of Jordan and the Jordan Securities Commission (JD 117,030,396 as of 31 December 2024).

Retained earnings includes a restricted amount of JD 548,769 as at 31 December 2025 which represents the gain from the valuation of foreign currencies at the International Bank for Trade and Finance /Syria for the current year and the prior years (JD 447,748 as of 31 December 2024).

The accompanying notes constitute an integral part of these consolidated financial statements and should be read with them and with the independent audit report.

The Housing Bank for Trade and Finance
(Public Shareholding Limited Company)
Amman - The Hashemite Kingdom of Jordan
Consolidated Statement of Cash Flows
For the year ended 31 December 2025

	Note	For the Year Ended 31 December	
		2025	2024
		JD	JD
Operating activities			
Profit before income tax		244,836,164	235,797,977
Adjustments for non-cash items:			
Depreciation and amortization	12,13&19	28,592,465	27,689,457
Provision for expected credit loss	38	2,130,574	18,942,762
Net unrealized (gain) from the valuation of direct credit facilities at fair value through profit or loss		-	(777,068)
Unrealized (gain) loss from hedging derivatives valuation		(20,877)	777,068
Net unrealized (gain) from the valuation of financial assets at fair value through profit or loss	34	(1,088,159)	(102,026)
Cash dividends from financial assets at fair value through other comprehensive income		(327,969)	(293,858)
Net accrued interest and commission income		(18,433,073)	(6,495,022)
Effect of the change in exchange rates on cash and cash equivalents		(6,496,485)	(5,939,198)
Provision for end-of-service indemnity expense		2,631,802	2,583,607
Premiums and discounts amortization		(3,752,934)	(3,306,759)
Sundry provisions		(1,271,905)	957,237
Others		(514,095)	3,605,133
Cash flows generated from operating activities before changes in assets and liabilities		246,285,508	273,439,310
(Increase) decrease in assets:			
Deposits at banks and financial institutions (maturing within more than 3 months)		(1,559,706)	(8,658,730)
Direct credit facilities at fair value through profit or loss		-	31,905,000
Direct credit facilities at amortized cost		74,757,054	(63,545,885)
Financial assets at fair value through profit or loss		133,270	119,596
Other assets		(38,566,620)	(103,782,188)
Increase (decrease) in liabilities:			
Banks and financial institutions' deposits (maturing within more than 3 months)		13,254,975	(59,884,907)
Customers' deposits		(128,119,451)	338,129,606
Cash margins		43,949,850	18,069,738
Other liabilities		8,407,911	(7,549,995)
Sundry provisions		(2,320,595)	(1,192,213)
Net cash flows generated from operating activities before income tax		216,222,196	417,049,332
Income tax paid		(82,528,586)	(81,143,731)
Net cash flows generated from operating activities		133,693,610	335,905,601
Investing activities			
Purchase of financial assets at fair value through comprehensive income		(119,377,590)	(157,824,908)
Sale of financial assets at fair value through other comprehensive income		115,151,956	129,474,218
Cash dividends from financial assets at fair value through other comprehensive income		327,969	293,858
Purchase of financial assets at amortized cost		(652,242,515)	(602,919,966)
Matured financial assets at amortized cost		463,082,234	477,140,739
Purchase of property and equipment	12	(14,074,809)	(15,584,709)
Proceeds from sale of property and equipment		1,404,517	764,843
Purchase of intangible assets	13	(5,483,616)	(6,340,260)
Net cash flows used in investing activities		(211,211,854)	(174,996,185)
Financing activities			
Borrowed funds	18	165,111,156	173,181,646
Paid from borrowed funds	18	(138,280,077)	(172,738,593)
Dividends paid to shareholders		(89,997,526)	(75,102,067)
Paid for lease liabilities	19	(5,233,698)	(6,284,831)
Non-controlling interest		(2,767,472)	(1,266,891)
Net cash flows used in financing activities		(71,167,617)	(82,210,736)
Net (Decrease)/Increase in cash and cash equivalents		(148,685,861)	78,698,680
Effect of the change in exchange rates on cash and cash equivalents		11,927,444	(13,378,139)
Cash and cash equivalents - beginning of the year		310,046,686	244,726,145
Cash and cash equivalents - end of the year	40	173,288,269	310,046,686

The accompanying notes constitute an integral part of these consolidated financial statements and should be read with them and with the independent audit report.

(1) General

The Housing Bank for Trade and Finance ("the Bank") was established in 1973 and registered as a public shareholding limited company with its head quarter located in Amman - Jordan in accordance with the Jordanian Companies Law No. 12 of 1964.

The Bank provides its banking and financing business activities through its headquarters in Amman - Jordan and through its branches in Jordan (103 branches); and abroad in Palestine and Bahrain (16 branches); and through its subsidiaries in Jordan, Syria, Algeria, and the United Kingdom.

The Bank's shares are traded on Amman Stock Exchange.

The consolidated financial statements were approved by the Bank's Board of Directors in their meeting held on 29 January 2026 and it is subject to the approval of the general assembly of shareholders.

(2) Material Accounting Policies Information

2.1 Basis of Consolidated Financial Statements Preparation

The accompanying consolidated financial statements for the Bank and its subsidiaries have been prepared in accordance with the standards issued by the International Accounting Standards Board, and interpretations of the International Financial Reporting Interpretation Committee arising from the International Accounting Standards Committee, as modified by Central Bank of Jordan.

The consolidated financial statements have been prepared under the historical cost, except for certain financial instruments that have been measured at fair value at the end of each financial period, as described in the accounting policies below.

The reporting currency of the consolidated financial statements is the Jordanian Dinar.

The key differences between IFRS Accounting Standards that should be applied and what has been modified by the Central Bank of Jordan are as follows:

- A. Provisions for expected credit losses are calculated in accordance with the Central Bank of Jordan (CBJ) instructions No. (13/2018) "International Financial Reporting Standard (9) Implementation" dated 6 June 2018 and in accordance with the regulatory authorities' instructions in the countries that the Group operates whichever is more strict, the main significant differences are as follows:
 - Exclusion of the debt instruments issued or guaranteed by the Jordanian Government, so that credit exposures issued or guaranteed by the Jordanian Government are considered to have no credit losses.
 - When calculating credit losses against credit exposures, the calculation results in accordance with IFRS (9) are compared with the calculation as per the instructions of the Central Bank of Jordan No. (8/2024) dated 1 January 2025 for each stage separately and the stricter results are recorded.
- B. In accordance with the instructions of the Central Bank of Jordan and the instructions of the supervisory authorities in the countries in which the Group operates, interest and commissions are suspended on non-performing credit facilities classified within stages.
- C. Additional provisions are calculated in the consolidated financial statements against some of the Bank's foreign investments in some neighboring countries.
- D. In previous years, additional provisions were recorded against seized assets under the instructions of the Central Bank of Jordan until October 2022, these instructions were canceled based on CBJ decision No. 10/3/16234 as of 10 October 2022, and reversing the booked provisions is allowed only upon the disposal of the related assets.

- E. The statutory cash reserve held at the Central Bank of Jordan is not excluded from the cash and cash equivalents.
- F. Based on certain agreements with the Central Bank of Jordan, the bank may book additional provisions against direct facilities granted to specific customers. Additionally, the Central Bank of Jordan's instructions may require additional provisions to be booked against some of the seized assets.

The accounting policies followed in the preparation of the consolidated financial statement are consistent with those followed in the preparation of the consolidated financial statement for the year ended 31 December 2024, expect for the adoption of the new and amended International financial reporting standards which became effective for the period beginning on or after 1 January 2025 as disclosed in note 3 - A

As of January 1, 2025, the Central Bank of Jordan has implemented the new regulations for credit exposure classification and provisioning, under Instruction No. (8/2024), replacing the previous Instruction No. (47/2009). The key differences between the previous provisioning instructions (47/2009) and the newly enforced instructions (8/2024) for credit exposure classification and provisioning are as follows:

1. Classification Categories

Under Instruction 8/2024, three categories have been adopted for classifying both direct and indirect credit exposures: Acceptable Risk, Under Watchlist, Non-Performing, This replaces the 47/2009 classification, which included an additional category: Low-Risk Credit Facilities.

2. Days Past Due

The major differences between the previous Instruction No. 47/2009 and the currently applied Instruction No. 8/2024, in terms of days past due, include:

Under Watchlist Classification:

Under Instruction 8/2024, accounts are classified as "Under Watchlist" when payments are overdue for 30 to 89 days, whereas under Instruction 47/2009, this category applied to accounts overdue for 60 to 89 days.

Non-Performing Classification: Under Instruction 8/2024: 90–180 days past due: Substandard, 181–365 days past due: Doubtful, Over 365 days past due: Loss, Compared to Instruction 47/2009: 90–179 days past due: Substandard 180–359 days, past due: Doubtful, Over 360 days past due: Loss.

3. Overdraft Limits and Turnover Rates

The major differences between the previous Instruction No. 47/2009 and the currently applied Instruction No. 8/2024, in terms of overdraft limits and turnover rates, include:

Under Watchlist Classification:

- Instruction 8/2024 classifies overdraft products based on turnover rates, which was not included in Instruction 47/2009.
- Additionally, classification is based on both days past due and the overdraft excess percentage (30–89 days for Under Watchlist), whereas Instruction 47/2009 only applied excess percentage if overdue for more than 90 days.

Non-Performing Classification: Instruction 47/2009 did not classify overdrafts as Non-Performing based on turnover rates. Instruction 8/2024 classifies overdrafts as Non-Performing based on days past due and excess percentage: 90–180 days: Substandard, 181–365 days: Doubtful, Over 365 days: Loss

4. Restructuring and Rescheduling

Under Instruction 8/2024, restructured exposures are automatically classified as "Under Watchlist". Rescheduled exposures are classified as "Non-Performing", regardless of the number of times they have been restructured or rescheduled. In contrast, Instruction 47/2009 considered the number of restructurings/reschedulings when determining classification.

5. Reclassification and Observation Periods

Instruction 8/2024 introduces observation (probation) periods for upgrading a customer's classification from a more severe category to a performing one. Instruction 47/2009 did not include such observation periods for reclassification between categories.

6. Collateral and Provisioning Rates

According to Instruction 8/2024 collateral is taken into account, and a 5% provision is calculated (net of eligible collateral) for all customers classified as "Under Watchlist". Compared to Instruction 47/2009 applied different provisioning rates: 1.5% for individual customers, 15% for corporate customers. These changes reflect a more granular and risk-sensitive approach in the new regulations, aligning with international best practices.

2.2 Basis of Consolidation

The consolidated financial statements include the financial statements of the Bank and its subsidiaries under its control. Moreover, control is achieved when the Bank has the power to govern the financial and operating policies of its subsidiaries in order to obtain benefits from their activities. Transactions, balances, income and expenses between the Bank and its subsidiaries are eliminated between the Bank and its subsidiaries.

Control is achieved when the group has rights to variable returns from its involvement with the investee company and has the ability to influence those returns through its power over the investee. Control over the investee company is achieved only when the following conditions are met:

- Has the power over the investee. (Existing rights that give the group the ability to direct the relevant activities of the company invested in)
- Is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affect the investee's returns.

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

- Contractual arrangements with other shareholders holding voting rights in the investee company.
- Rights arising from other contractual arrangements; and
- Potential voting rights held by the Bank and any other voting rights holders or parties.

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

Profits, losses, and every item of other comprehensive income are allocated to the equity holders of the parent company and non-controlling interests, even if this results in a deficit in the non-controlling interests' balance. If necessary, the financial statements of subsidiaries are adjusted to align their accounting policies with those of the group. Assets, liabilities, equity, income, expenses, profits, and losses related to transactions between the group and its subsidiaries are eliminated in full .

Non-controlling interests in subsidiaries are determined separately from the Bank's ownership rights in these entities. Non-controlling interests currently held by equity interests granted to their holders in a proportionate share of the net assets upon liquidation may initially be measured at fair value or at the proportionate share of non-controlling interests in the fair value of the identifiable net asset purchase. The measurement is chosen on the basis of acquisition. Other non-controlling interests are initially measured at fair value after acquisition. The book value of non-controlling interests is the value of these interests upon initial recognition, in addition to the share of the non-controlling interests from subsequent changes in ownership rights. Total comprehensive income is attributed to the non-controlling interests, even if this leads to a deficit in the balance of the non-controlling interests.

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

2.3 As of 31 December 2025 the Bank owns the following subsidiaries :

(a) Foreign subsidiaries

- International Bank for Trade and Finance / Syria (paid-up capital is Syrian Lira 52.5 billion, of which the Bank owns 49.063%). The Bank has the power to control the operating, financial and administrative policies of this bank. Therefore, its financial statements have been consolidated with the financial statements of the Bank. In this regard, the Bank's main objective is to conduct commercial banking activities, and ownership of this bank dates back to 2003. In addition, the International Bank for Trade and Finance has a subsidiary - The International Financial Center/ Syria (under liquidation) with an ownership percentage of 85% of the company's capital amounting to 100 million Syrian Lira, whereas the Housing Bank for Trade and Finance owns a percentage of 5% of the company's capital.
- Housing Bank for Trade and Finance - Algeria: (ownership is 85% of the bank's capital of 20 billion Algerian dinars). The main objective of this bank is to conduct commercial banking activities, and ownership of this bank dates bank to 2002.
- Jordan International Bank / London: (ownership is 75% of paid-up capital, which amounts to 65 million pounds sterling (65 million shares). The bank conducts all banking activities.

(b) Local subsidiaries

- Specialized leasing Company / Jordan: of which the Bank owns 100% of paid- up capital of JD 30 million. The Company's main activity is to conduct finance leases for various types of equipment and machinery, in addition to real estate, land, vehicles, and other items purchased by the company for finance lease purposes. The Bank's ownership in this company dates back to 2005. Specialized Lease Finance Company established Specialized Islamic Finance Company with a capital of JD 15 million on 3 July 2025.
- Effective 1 October 2025, the International Financial Center Company / Jordan was disposed of and, accordingly, was excluded from the consolidated financial statement as at 31 December 2025, as its financial statements were not unified. This transaction results in a loss amounting to JD 903,822 as disclosed in Note (29).

- Segment Information

Business sectors represent a group of assets and operations that jointly provide products or services subject to risks and returns different from those of other business sectors which are measured in accordance with the reports sent to the operations management and decision makers in the Bank.

The geographical sector relates to providing products or services in a specific economic environment subject to risk and returns different from those of sectors functioning in other economic environments.

- **Net Interest Income**

Interest income and expense for all financial instruments are recognized in 'Net Interest Income' as 'Interest Income' and 'Interest Expense' in the statement of profit or loss using the effective interest method.

The effective interest rate is the rate that discounts the estimated future cash flows of the financial instrument through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability. The future cash flows are estimated, considering all the contractual terms of the instrument.

Interest income/ interest expense is calculated by applying the effective interest rate to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortized cost of the financial asset before adjusting for any expected credit loss allowance), or to the amortized cost of financial liabilities. For credit-impaired financial assets, interest and commissions are suspended in accordance with the instructions of the Central Bank of Jordan. For financial assets originated or purchased credit-impaired, the effective interest rate reflects the expected credit losses in determining the future cash flows expected to be received from the financial asset.

Interest income and expense in the Bank's consolidated statement of profit or loss also includes the effective portion of fair value changes of derivatives designated as hedging instruments in cash flow hedges of interest rate risk. For fair value hedges of interest rate risk related to interest income and expense, the effective portion of the fair value changes of the designated derivatives, as well as the fair value changes of the designated risk of the hedged item, are also included in interest income and expense against the lease contract liabilities.

- **Net Fees and Commission Income**

Fees and commission income and expense include fees other than those that are an integral part of the effective interest rate. The fees included in this part of the Bank's consolidated statement of profit or loss include, among other things, fees charged for servicing a loan, non-utilization fees relating to loan commitments when it is unlikely that these will result in a specific lending arrangement, and loan syndication fees.

Fee and commission expenses concerning services are accounted for as the services are received.

Contracts with customers that results in a recognition of financial instrument may be partially related to IFRS 9 or IFRS 15. In this case, the commission related to IFRS 9 portion is recognized, and the remaining portion is recognized as per IFRS 15.

- **Net Trading Income**

Net trading income includes all gains and losses from changes in the fair value of financial assets and financial liabilities held for trading. The Bank has elected to present the full fair value movement of trading assets and liabilities in trading income, including any related expense, and dividends.

- **Net Income from Other Financial Instruments at Fair Value through Profit or Loss**

Net income from other financial instruments at fair value through profit or loss includes all gains and losses from changes in the fair value of financial assets and financial liabilities at fair value through profit or loss. In addition to related dividend yields.

The fair value movement on derivatives held for economic hedging where hedge accounting is not applied are presented in 'Net income from other financial instruments at fair value through the statement of profit or loss. However, for designated and effective fair value hedge accounting relationships, the gains and losses on the hedging instrument are presented in the same line in the statement of profit or loss as the hedged item. For designated and effective cash flow and net investment hedge accounting relationships, the gains and losses of the hedging instrument, including any hedging ineffectiveness included in the statement of profit or loss, are presented in the same line as the hedged item that affects the statement of profit or loss.

- **Dividend Income**

Dividend income is recognized when the right to receive payment is established. This is the ex-dividend date for listed equity securities, and usually the date when shareholders approve the dividend equity securities.

The presentation of dividend income in the statement of profit or loss depends on the classification and measurement of the equity investment, i.e.:

- For equity instruments which are held for trading, dividend income is presented as trading income (loss) as financial assets at fair value through statement of profit or loss ;
- For equity instruments classified at fair value through other comprehensive income, dividend income is presented in dividends from financial assets at fair value through other comprehensive income line within the statement of profit or loss.
- For equity instruments not classified at fair value through other comprehensive income and not held for trading, dividend income is presented as net income from other instruments at fair value through the statement of profit or loss.

- **Financial Instruments**

Initial Recognition and Measurement

Financial assets and financial liabilities are recognized in the Bank's consolidated statement of financial position when the Bank becomes a party to the contractual provisions of the instrument. Loans and advances to customers are recognized as soon as they are credited to the customer's account.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributed to the acquisition or the issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities as appropriate on initial recognition. Transaction costs directly attributed to the acquisition of financial assets or financial liabilities at fair value through the statement of profit or loss are recognized immediately in the statement of profit or loss.

If the transaction price differs from fair value at initial recognition, the Bank will account for such difference as follows:

- If fair value is evidenced by a quoted price in an active market for an identical asset or liability or based on a valuation technique that uses only data from observable markets, then the difference is recognized in the statement of profit or loss on initial recognition (i.e. day 1 the statement of profit or loss);
- In all other cases, the fair value will be adjusted to become it in line with the transaction price (i.e. day 1 the statement of profit or loss will be deferred by including it in the initial carrying amount of the asset or liability).

After initial recognition, the deferred gain or loss will be recognized in the statement of profit or loss on a rational basis, only to the extent that it arises from a change in a factor (including time) that market participants would consider when pricing the asset or liability or when derecognizing the instruments.

Financial Assets

Initial Recognition

All financial assets are recognized on the trading date when the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned. They are initially measured at fair value, plus transaction costs, except for those financial assets classified as fair value through profit or loss. Transaction costs directly attributable to the acquisition of financial assets classified as fair value through profit or loss are recognized immediately in the consolidated statement of profit or loss.

Subsequent Measurement

All recognized financial assets that are within the scope of IFRS 9 are required to be subsequently measured at amortized cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Specifically:

- Debt instruments held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI), are subsequently measured at amortized cost;
- Debt instruments held within a business model whose objective is both to collect the contractual cash flows and to sell the debt instruments, and that have contractual cash flows that are SPPI, are subsequently measured at fair value through other comprehensive income;
- All other debt instruments (e.g. debt instruments managed on a fair value basis, or held for sale) and equity investments are subsequently measured at fair value through profit or loss.

However, the Bank may irrevocably make the following selection / designation at initial recognition of a financial asset on an asset-by-asset basis:

- The Bank may irrevocably select to present subsequent changes in fair value of an equity investment that is neither held for trading nor contingent consideration recognized by an acquirer in a business combination to which IFRS 3 applies, in other comprehensive income; and
- The Bank may irrevocably designate a debt instrument that meets the amortized cost or fair value through other comprehensive income criteria as measured at fair value through the statement of income, if doing so eliminates or significantly reduces an accounting mismatch (referred to as the fair value option).

Debt Instruments at Amortized Cost or at Fair Value through Other Comprehensive Income

The Bank assesses the classification and measurement of a financial asset based on the contractual cash flow characteristics of the asset and the Bank's business model for managing the asset.

For an asset to be classified and measured at amortized cost or at fair value through other comprehensive income, its contractual terms should give rise to cash flows that are solely payments of principal and interest on the principal outstanding (SPPI).

For the purpose of solely payments of principal and interest test, principal is the fair value of the financial asset at initial recognition. That principal amount may change over the life of the financial asset (e.g. if there are repayments of principal). Interest consists of the consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time, and for other basic lending risks and costs, as well as a profit margin. The solely payments of principal and interest assessment is made in the currency in which the financial asset is denominated.

Contractual cash flows that are SPPI are consistent with a basic lending arrangement. Contractual terms that introduce exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are solely payments of principal and interest. An originated or an acquired financial asset can be a basic lending arrangement irrespective of whether it is a loan in its legal form.

Assessment of Business Models

An assessment of business models for managing financial assets is fundamental to the classification of a financial asset. The Bank determines the business models at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. The Bank's business model does not depend on management's intentions for an individual instrument; therefore, the business model assessment is performed at a higher level of aggregation rather than on an instrument-by-instrument basis.

The Bank has more than one business model for managing its financial instruments, which reflect how the Bank manages its financial assets in order to generate cash flows. The Bank's business models determine whether cash flows will result from collecting contractual cash flows, selling financial assets, or both.

The Bank considers all relevant information available when making the business model assessment. However, this assessment is not performed based on scenarios that the Bank does not reasonably expect to occur, such as so-called 'worst case' or 'stress case' scenarios. The Bank considers all relevant evidence available such as:

- The stated policies and objectives of the portfolio and application of those policies whether the management strategy focuses on obtaining contractual revenues, maintaining specific profit rate matching the profit of financial assets with the period of financial liabilities that finance those assets.
- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way in which those risks are managed; and
- How the business managers are compensated (e.g. whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).

At initial recognition of a financial asset, the Bank determines whether newly recognized financial assets are part of an existing business model or whether they reflect the commencement of a new business model. The Bank reassess its business models each reporting period to determine whether the business models have changed since the preceding period.

When a debt instrument measured at fair value through other comprehensive income is derecognized, the cumulative gain/loss previously recognized in other comprehensive income is reclassified from equity to the consolidated statement of profit or loss. In contrast, for an equity investment designated as measured at fair value through other comprehensive income, the cumulative gain/loss previously recognized in other comprehensive income is not subsequently reclassified to the consolidated statement of profit or loss but transferred within equity.

Debt instruments that are subsequently measured at amortized cost or at fair value through other comprehensive income are subject to impairment.

Financial Assets at fair Value through Profit or Loss

Financial assets at fair value through profit or loss are:

- Assets with contractual cash flows that are not solely payments of principal and interest; or/and
- Assets that are held in a business model other than held to collect contractual cash flows or held to collect and sell; or
- Assets designated at fair value through profit or loss using the fair value option.

These assets are measured at fair value, with any gains/losses arising on re-measurement recognized in the consolidated statement of income.

Reclassifications

If the business model under which the Bank holds financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model, which results in reclassifying the Bank's financial assets. The changes in the contractual cash flows are considered under the accounting policy on the modification and de-recognition of financial assets.

Foreign Exchange Gains and Losses

The carrying amount of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically:

- For financial assets measured at amortized cost that are not part of a designated hedging relationship, exchange differences are recognized in the statement of income;
- For debt instruments measured at fair value through other comprehensive income that are not part of a designated hedging relationship, exchange differences on the amortized cost of the debt instrument are recognized in the statement of profit or loss. Other exchange differences are recognized in other comprehensive income in the investments revaluation reserve;
- For financial assets measured at fair value through profit or loss that are not part of a designated hedge accounting relationship, exchange differences are recognized in the statement of profit or loss; and
- For equity instruments measured at fair value through other comprehensive income, exchange differences are recognized in other comprehensive income in the investments revaluation reserve.

Fair Value Option

A financial instrument with a fair value that can be reliably measured at fair value through profit or loss (fair value option) can be classified at initial recognition even if the financial instruments are not acquired or incurred principally for the purpose of selling or repurchasing. The fair value option may be used for financial assets if it significantly eliminates or significantly reduces the measurement or recognition inconsistency that would otherwise have resulted in the measurement of the asset or liability or recognized the related gain or loss on a different basis ("accounting mismatch"). The fair value option for financial liabilities can be chosen in the following cases:

- If the selection leads to a significant cancellation or reduction of the accounting mismatch.
- If the financial liabilities are part of a portfolio managed on a fair value basis, in accordance with a documented risk management or investment strategy; or
- If a derivative is included in the underlying financial or non-financial contract, and the derivative is not closely related to the underlying contract.

These instruments cannot be reclassified from the fair value category through profit or loss while retained or issued. Financial assets at fair value through profit or loss are recognized at fair value with any unrealized gain or loss arising from changes in fair value recognized in investment profit or loss.

Impairment

The Bank recognizes loss allowances for expected credit losses on the following financial instruments that are not measured at fair value through the statement of income:

- Balances and deposits at banks and financial institutions;
- Direct credit facilities (Loans and advances to customers);
- Financial assets at amortized cost (Debt investment securities);
- Financial assets at fair value through other comprehensive income (Debt investment securities) ;
- Off statement of financial position exposures subject to credit risk (Financial guarantee contracts issued).

No impairment loss is recognized on equity investments.

With the exception of purchased or originated credit-impaired (POCI) financial assets (which are considered separately below), expected credit losses are required to be measured through a loss allowance at an amount equal to:

- 12-months expected credit loss, i.e. lifetime expected credit loss that results from those default events on the financial instrument that are possible within 12 months after the reporting date, (referred to as Stage 1); or
- expected credit loss, i.e. lifetime expected credit loss that results from all possible default events over the life of the financial instrument, (referred to as Stage 2 and Stage 3).

A loss allowance for full lifetime expected credit loss is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition. For all other financial instruments, expected credit losses are measured at an amount equal to the 12-month expected credit loss.

Expected credit losses are a probability-weighted estimate of the present value of credit losses. These are measured as the present value of the difference between the cash flows due to the Bank under the contract and the cash flows that the Bank expects to receive arising from the weighting of multiple future economic scenarios, discounted at the asset's effective interest rate.

For unutilized loan limits, the expected credit loss is the difference between the present value of the difference between the contractual cash flows that are due to the Bank if the holder of the commitment draws down the loan and the cash flows that the Bank expects to receive if the loan is utilized; and

For financial guarantee contracts, the expected credit loss is the difference between the expected payments to reimburse the holder of the guaranteed debt instrument less any amounts that the Bank expects to receive from the holder, the client, or any other party.

The Bank measures expected credit loss on an individual basis, or on a collective basis for portfolios of loans that share similar economic risk characteristics. The measurement of the loss allowance is based on the present value of the asset's expected cash flows using the asset's original effective interest rate, regardless of whether it is measured on an individual basis or a collective basis.

Provisions for expected credit losses are calculated in accordance with the Central Bank of Jordan instructions No. (2018/13) "Adoption of IFRS 9" on June 6, 2018, and according to the instruction of the regulatory authorities in the countries in which the Bank operates, whichever is stricter, the material differences is as follows:

- Exclusion of the Debt instruments issued or guaranteed by the Jordanian Government, so that credit exposures issued or guaranteed by the Jordanian Government are treated with no credit losses
- When calculating credit losses against credit exposures, the calculation results in accordance to International Financial Reporting Standards (9) are compared with the calculation as per the instructions of the Central Bank of Jordan No. (8/2024) effective 1 January 2025, for each stage separately and the stricter results are recorded.

Credit-impaired Financial Assets

A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Credit-impaired financial assets are referred to as Stage 3 assets. Evidence of credit-impairment includes observable data about the following events:

- Significant financial difficulty of the borrower or issuer;
- A breach of contract such as a default or past due event;
- The lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- The disappearance of an active market for a security because of financial difficulties; or
- The purchase of a financial asset at a deep discount that reflects the incurred credit losses.

Where it is not possible to identify a single event, the combined effect of several events may result in financial asset being transferred to credit-impaired assets. The bank assesses at each reporting date whether credit impairment has occurred for debt instrument measured at amortized cost or at fair value through comprehensive income. In assessing whether credit impairment exists for corporate and sovereign debt instrument, the Group considers factors such as bond yield, credit ratings and the borrower's ability to raise financing.

A loan is considered credit-impaired when a concession is granted to the borrower due to a deterioration in the borrower's financial condition, unless there is evidence that as a result of granting the concession, the risk of not receiving the contractual cash flows has reduced significantly, and there are no other indicators of impairment. For financial assets where concessions are contemplated but not granted, the asset is deemed credit-impaired when there is observable evidence of credit-impairment including meeting the definition of default. The definition of default includes unlikeliness to pay indicators and a back-stop if amounts are overdue for 90 days or more. However, in cases where the assets impairment is not recognized after 90 days overdue are supported by reasonable information.

Purchased or Originated Credit-impaired (POCI) Financial Assets

Purchased or originated credit-impaired financial assets are treated differently because the asset is credit-impaired at initial recognition. For these assets, the Bank recognizes all changes in lifetime expected credit loss since initial recognition as a loss allowance with any changes recognized in the consolidated statement of profit or loss. A favorable change for such assets creates an impairment gain.

Definition of Default

Critical to the determination of expected credit loss is the definition of default. The definition of default is used in measuring the amount of expected credit loss and in the determination of whether the loss allowance is based on 12-month or lifetime expected credit loss, as default is a component of the probability of default (PD) which affects both the measurement of expected credit losses and the identification of a significant increase in credit risk below.

The Bank considers the following as constituting an event of default:

- The borrower is past due more than 90 days on any material credit obligation to the Bank; or
- The borrower is unlikely to pay its credit obligations to the Bank in full.

The definition of default is appropriately tailored to reflect different characteristics of different types of assets. Overdrafts are considered as being past due once the customer has breached an advised limit or has been advised of a limit smaller than the current amount outstanding.

When assessing if the borrower is unlikely to pay its credit obligation, the Bank considers both qualitative and quantitative indicators. The information assessed depends on the type of the asset. For example, in corporate lending, a qualitative indicator used is the breach of covenants, which is not relevant for retail lending. Quantitative indicators, such as overdue status and non-payment on another obligation of the same counterparty are key inputs in this analysis. The Bank uses a variety of sources of information to assess default that is either developed internally or obtained from external sources.

Significant Increase in Credit Risk

The Bank monitors all financial assets, issued loan commitments, and financial guarantee contracts that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk, the Bank will measure the loss allowance based on lifetime rather than 12-month expected credit loss.

The Bank's accounting policy is not to use the practical expedient that financial assets with 'low' credit risk at the reporting date are deemed not to have had a significant increase in credit risk. As a result, the Bank monitors all financial assets, issued loan commitments, and financial guarantee contracts that are subject to impairment for significant increase in credit risk.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Bank compares the risk of a default occurring on the financial instrument at the reporting date, based on the remaining maturity of the instrument, with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognized. In making this assessment, the Bank considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort, based on the Bank's historical experience and expert credit assessment including forward-looking information.

Multiple economic scenarios form the basis of determining the probability of default at initial recognition and at subsequent reporting dates. Different economic scenarios will lead to a different probability of default. It is the weighting of these different scenarios that forms the basis of a weighted average probability of default that is used to determine whether credit risk has significantly increased.

For corporate lending, forward-looking information includes the future prospects of the industries in which the Bank's counterparties operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organizations, as well as consideration of various internal and external sources of actual and forecast economic information. For retail lending, forward-looking information includes the same economic forecasts as corporate lending with additional forecasts of local economic indicators, particularly for regions with a concentration to certain industries, as well as internally generated information of customer payment behavior. The Bank allocates its counterparties to a relevant internal credit risk grade depending on their credit quality. The quantitative information is a primary indicator of significant increase in credit risk and is based on the change in lifetime probability of default by comparing:

- The remaining lifetime probability of default at the reporting date; with
- The remaining lifetime probability of default for this point in time that was estimated based on facts and circumstances at the time of initial recognition of the exposure.

The probability of default used is forward looking, and the Bank uses the same methodologies and data used to measure the loss allowance for expected credit loss.

The qualitative factors that indicate significant increase in credit risk are reflected in probability of default models on a timely basis. However, the Bank still considers separately some qualitative factors to assess if credit risk has increased significantly. For corporate lending, there is particular focus on assets that are included on a 'watch list'. An exposure is on a watch list once there is a concern that the creditworthiness of the specific counterparty has deteriorated. For retail lending, the Bank considers the expectation of forbearance and payment holidays, credit scores and events such as unemployment, bankruptcy, divorce or death.

Given that a significant increase in credit risk since initial recognition is a relative measure, a given change, in absolute terms, in the probability of default will be more significant for a financial instrument with a lower initial probability of default than for a financial instrument with a higher probability of default.

As a backstop when an asset becomes more than 30 days past due, the Bank considers that a significant increase in credit risk has occurred, and the asset is in stage 2 of the impairment model, i.e. the loss allowance is measured as the lifetime expected credit loss.

Modification and Derecognition of Financial Assets

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date. In addition, the introduction or adjustment of existing covenants of an existing loan would constitute a modification even if these new or adjusted covenants do not yet affect the cash flows immediately but may affect the cash flows depending on whether the covenant is or is not met (e.g. a change to the increase in the interest rate that arises when covenants are breached).

The Bank renegotiates loans to customers in financial difficulty to maximize collection and minimize the risk of default. A loan forbearance is granted in cases where although the borrower made all reasonable efforts to pay under the original contractual terms, there is a high risk of default, or default has already happened, and the borrower is expected to be able to meet the revised terms. The revised terms in most of the cases include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan (principal and interest repayment), reduction in the amount of cash flows due (principal and interest forgiveness) and amendments to covenants. The Bank has an established forbearance policy, which applies for corporate and retail lending.

When a financial asset is modified, the Bank assesses whether this modification results in derecognition. In accordance with the Bank's policy, a modification results in derecognition when it gives rise to substantially different terms. To determine if the modified terms are substantially different from the original contractual terms, the Bank considers the following:

- Qualitative factors, such as contractual cash flows after modification are no longer SPPI, change in currency or change of counterparty, the extent of change in interest rates, maturity, covenants. If these do not clearly indicate a substantial modification, then;
- A quantitative assessment is performed to compare the present value of the remaining contractual cash flows under the original terms with the contractual cash flows under the revised terms, both amounts discounted at the original effective interest.

In the case where the financial asset is derecognized, the loss allowance for expected credit loss is re-measured at the date of derecognition to determine the net carrying amount of the asset at that date. The difference between this revised carrying amount and the fair value of the new financial asset with the new terms will lead to a gain or loss on derecognition. The new financial asset will have a loss allowance measured based on 12-month expected credit loss except in the rare occasions where the new loan is considered to be originated-credit impaired. This applies only in the case where the fair value of the new loan is recognized at a significant discount to its revised paramount because there remains a high risk of default which has not been reduced by the modification. The Bank monitors credit risk of modified financial assets by evaluating qualitative and quantitative information, such as if the borrower is in past due status under the new terms.

When the contractual terms of a financial asset are modified, and the modification does not result in derecognition, the Bank determines if the financial asset's credit risk has increased significantly since initial recognition by comparing:

- The remaining lifetime probability of default estimated based on data at initial recognition and the original contractual terms; with
- The remaining lifetime probability of default at the reporting date based on the modified terms.

For financial assets modified as part of the Bank's forbearance policy, where modification did not result in derecognition, the estimate of probability of default reflects the Bank's ability to collect the modified cash flows considering the Bank's previous experience of similar forbearance action, as well as various behavioral indicators, including the borrower's payment performance against the modified contractual terms. If the credit risk remains significantly higher than what was expected at initial recognition, the loss allowance will continue to be measured at an amount equal to lifetime expected credit loss. The loss allowance on forborne loans will generally only be measured based on 12-month expected credit loss when there is evidence of the borrower's improved repayment behavior following modification leading to a reversal of the previous significant increase in credit risk.

When the modification does not lead to derecognition, the Bank calculates the modification gain/loss comparing the gross carrying amount before and after the modification (excluding the provision for expected credit loss). Then the Bank measures expected credit loss for the modified asset, where the expected cash flows arising from the modified financial asset are included in calculating the expected cash shortfalls from the original asset.

The Bank derecognizes a financial asset only when the contractual rights to the asset's cash flows expire (including expiry arising from a modification with substantially different terms), or when the financial asset and substantially all the risks and rewards of ownership of the asset are transferred to another entity. If the Bank neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Bank recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Bank retains substantially all the risks and rewards of ownership of a transferred financial asset, the Bank continues to recognize the financial asset and recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain/loss that had been recognized in other comprehensive income and accumulated in equity is recognized in the statement of income, with the exception of equity investment designated as measured at fair value through other comprehensive income, where the cumulative gain/loss previously recognized in other comprehensive income is not subsequently reclassified to the statement of profit or loss.

Write-off

Financial assets are written off when the Bank has no reasonable expectations of recovering the financial asset. This is the case when the Bank determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a derecognition event. The Bank may apply enforcement activities to financial assets written off. Recoveries resulting from the Bank's enforcement activities will be recognized in consolidated statement of profit or loss when it's recovered.

Presentation of Allowance for Expected Credit Loss in the Consolidation Statement of Financial Position

Loss allowances for expected credit loss are presented in the consolidated statement of financial position as follows:

- For financial assets measured at amortized cost: as a deduction from the gross carrying amount of the assets;
- For debt instruments measured at fair value through other comprehensive income;
- For loan commitments and financial guarantee contracts: as a provision; and
- Where a financial instrument includes both a drawn and an undrawn component, and the Bank cannot identify the expected credit loss on the loan commitment component separately from those on the drawn component: The Bank presents a combined loss allowance for both components. The combined amount is presented as a deduction from the gross carrying amount of the drawn component. Any excess of the loss allowance over the gross amount of the drawn component is presented as a provision.

Loans and Advances

The "loans and advances" included in the consolidated statement of financial position as follows:

- Loans and advances measured at amortized cost, which are initially measured at fair value plus additional direct transaction costs, and later at amortized cost using the effective interest method.
- Loans and advances that are measured at fair value through profit or loss, or that determined as being at fair value through profit or loss; measured at fair value and recognize changes directly in profit or loss; and
- Lease obligations.
- Interest and commissions are suspended on non-performing credit facilities granted to clients in accordance with the instructions of the Central Bank of Jordan.
- All related credit facilities and outstanding interest covered by the provision are transferred out of the consolidated statement of financial position, and this according to the decisions of board of directors in this regard.
- The outstanding accounts interest with lawsuits outside the consolidated statement of financial position are recognized in accordance with the decisions of the board of directors in this regard.

When the Group purchases a financial asset and concludes an agreement simultaneously to resell the asset (or a substantially similar asset) at a fixed price. At later date (repurchase or borrow the shares) the consideration paid is calculated as a loan or advance, and the asset is not recognized in the Bank financial statements.

Financial Liabilities and Equity

Debt and equity instruments issued are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

A financial liability is a contractual obligation to deliver cash or another financial asset, or to exchange financial assets or financial liabilities with another entity under conditions potentially unfavorable to the Bank, or a contract that will or may be settled in the Bank's own equity instruments and is a non-derivative contract for which the Bank is or may be obliged to deliver a variable number of its own equity instruments, or a derivative contract over own equity that will or may be settled other than by the exchange of a fixed amount of cash (or another financial asset) for a fixed number of the Bank's own equity instruments.

Equity Instruments

Paid up Capital

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Bank are recognized at the proceeds received, net of direct issue costs.

Treasury Shares

Repurchase of the Bank's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in the consolidated statement of profit or loss on the purchase, sale, issue or cancellation of the Bank own equity instruments.

Compound Instruments

The component parts of compound instruments (e.g. convertible notes) issued by the Bank are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Bank's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. In the case there are non-closed related embedded derivatives, these are separated first with the remainder of the financial liability being recorded on an amortized cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

Financial Liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss or other financial liabilities.

Financial liabilities at Fair Value through Statement of Profit or Loss

Financial liabilities are classified as at fair value through the statement of profit or loss when the financial liability is (i) held for trading, or (ii) it is designated as at fair value through the statement of profit or loss. A financial liability is classified as held for trading if:

- It has been incurred principally for the purpose of repurchasing it in the near term; or
- On initial recognition, it is part of a portfolio of identified financial instruments that the Bank manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not designated and effective as a hedging instrument.

A financial liability, other than a financial liability held for trading, or contingent consideration that may be paid by an acquirer as part of a business combination, may be designated as at fair value through the statement of profit or loss upon initial recognition if:

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- The financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Bank's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- It forms part of a contract containing one or more embedded derivatives, and IFRS 9 permits the entire hybrid (combined) contract to be designated as at fair value through the statement of profit or loss.

Financial liabilities at fair value through profit or loss are stated at fair value, with any gains/losses arising on re-measurement recognized in the statement of profit or loss to the extent that they are not part of a designated hedging relationship. The net gain/loss recognized in the statement of profit or loss incorporates any interest paid on the financial liability and is included in the 'net income from other financial instruments at fair value through profit or loss' line item in the statement of profit or loss.

However, for non-derivative financial liabilities designated as at fair value through profit or loss, the amount of change in the fair value of the financial liability attributable to changes in the credit risk of that liability is recognized in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in the statement of profit or loss. The remaining amount of change in the fair value of liability is recognized in the consolidated statement of profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognized in other comprehensive income are not subsequently reclassified to the consolidated statement of profit or loss; instead, they are transferred to retained earnings upon derecognition of the financial liability.

For issued loan commitments and financial guarantee contracts designated as at fair value through profit or loss, all gains and losses are recognized in the consolidated statement of profit or loss.

In making the determination of whether recognizing changes in the liability's credit risk in other comprehensive income will create or enlarge an accounting mismatch in the consolidated statement of profit or loss, the Bank assesses whether it expects that the effects of changes in the liability's credit risk will be offset in the statement of profit or loss by a change in the fair value of another financial instrument measured at fair value through the consolidated statement of profit or loss.

Other Financial Liabilities

Other financial liabilities, including deposits and borrowings, are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. For details on effective interest rate, see the “net interest income section” above.

Derecognition of Financial Liabilities

The Bank derecognizes financial liabilities when, and only when, the Bank’s obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in the consolidated statement of profit or loss.

When the Bank exchanges with the existing lender one debt instrument into another one with substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Bank accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective rate, is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability.

Derivative Financial Instruments

The Bank enters into a variety of derivative financial instruments some of which are held for trading while others are held to manage its exposure to interest rate risk; credit risk; and foreign exchange rate risk. Held derivatives include foreign exchange forward contracts, interest rate swaps, cross currency interest rate swaps, and credit default swaps.

Derivatives are initially recognized at fair value at the date a derivative contract is entered into and are subsequently re-measured to their fair value at each balance sheet date. The resulting gain/loss is recognized in the statement of profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the statement of profit or loss depends on the nature of the hedge relationship. The Bank designates certain derivatives as either hedges of the fair value of recognized assets, liabilities or firm commitments (fair value hedges), hedges of highly probable forecast transactions, hedges of foreign currency risk of firm commitments (cash flow hedges), or hedges of net investments in foreign operations (net investment hedges).

A derivative with a positive fair value is recognized as a financial asset within other assets whereas derivative with a negative fair value is recognized as a financial liability within other liability.

Embedded Derivatives

Derivatives embedded in financial liabilities or other non-financial asset host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts, and the host contracts are not measured at fair value through the statement of profit or loss.

An embedded derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the hybrid instrument to which the embedded derivative relates is more than 12 months and is not expected to be realized or settled within 12 months. Other embedded derivatives are presented as other assets or other liabilities.

Financial Guarantee Contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by a group entity are initially measured at their fair values and, if not designated as at fair value through the statement of profit or loss and not arising from a transfer of a financial asset, are subsequently measured at the higher of:

- The amount of the loss allowance determined in accordance with IFRS 9; and
- The amount initially recognized less, where appropriate, the cumulative amount of income recognized in accordance with the Bank's revenue recognition policies.

Financial guarantee contracts not designated at fair value through the statement of profit or loss are presented as provisions in the consolidated statement of financial position, and the re-measurement is presented in other revenue.

The Bank has not designated any financial guarantee contracts as at fair value through profit or loss.

Commitments to Provide a Loan at a Below-Market Interest Rate

Commitments to provide a loan at a below-market interest rate are initially measured at their fair values and, if not designated as at fair value through profit or loss, are subsequently measured at the higher of:

- The amount of the loss allowance determined in accordance with IFRS 9; and
- The amount initially recognized less, where appropriate, the cumulative amount of income recognized in accordance with the Bank's revenue recognition policies.

Commitments to provide a loan below market rate not designated at fair value through profit or loss are presented as provisions in the consolidated statement of financial position and the re-measurement is presented in other revenue.

The Bank has not designated any commitments to provide a loan below market rate designated at fair value through the statement of profit or loss.

Derivatives

Derivatives for Trading

The fair value of derivative financial instruments held for trading (such as forward foreign exchange contracts, future interest contracts, swaps, foreign exchange options rights) is recognized in the consolidated statement of financial position, and fair value is determined at the prevailing market rates. If this information is not available, the assessment methodology is disclosed, and the change in fair value is recognized in the consolidated statement of profit or loss.

Hedge Accounting

The Bank designates certain derivatives as hedging instruments in respect of foreign currency risk and interest rate risk in fair value hedges, cash flow hedges, or hedges of net investments in foreign operations, as appropriate. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges. The Bank does not apply fair value hedge accounting of portfolio hedges of interest rate risk. In addition, the Bank does not use the exemption to continue using IAS 39 hedge accounting rules, i.e. the Bank applies IFRS 9 hedge accounting rules.

At the inception of the hedge relationship, the Bank documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Bank documents whether the hedging instrument is effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk, which is when the hedging relationships meet all of the following hedge effectiveness requirements:

- There is an economic relationship between the hedged item and the hedging instrument;
- The effect of credit risk does not dominate the value changes that result from that economic relationship; and
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Bank actually hedges, and the quantity of the hedging instrument that the Bank actually uses to hedge that quantity of the hedged item.

The Bank rebalances a hedging relationship in order to comply with the hedge ratio requirements when necessary. In such cases discontinuation may apply to only part of the hedging relationship. For example, the hedge ratio might be adjusted in such a way that some of the volume of the hedged item is no longer part of a hedging relationship, hence hedge accounting is discontinued only for the volume of the hedged item that is no longer part of the hedging relationship.

If a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective for that designated hedging relationship remains the same, the Bank adjusts the hedge ratio of the hedging relationship (i.e. rebalances the hedge) so that it meets the qualifying criteria again.

In some hedge relationships, the Bank designates only the intrinsic value of options. In this case, the fair value change of the time value component of the option contract is deferred in other comprehensive income, over the term of the hedge, to the extent that it relates to the hedged item and is reclassified from equity to the statement of profit or loss when the hedged item does not result in the recognition of a non-financial item. The Bank's risk management policy does not include hedges of items that result in the recognition of non-financial items, because the Bank's risk exposures relate to financial items only.

The hedged items designated by the Bank are time-period related hedged items, which means that the amount of the original time value of the option that relates to the hedged item is amortized from equity to the statement of profit or loss on a rational basis (e.g. straight- line) over the term of the hedging relationship.

In some hedge relationships, the Bank excludes from the designation the forward element of forward contracts or the currency basis spread of cross currency hedging instruments. In this case, a similar treatment is applied to the one applied for the time value of options. The treatment for the forward element of a forward contract and the currency basis element is optional, and the option is applied on a hedge- by- hedge basis, unlike the treatment for the time value of the options which is mandatory. For hedge relationships with forwards, or foreign currency derivatives such as cross currency interest rate swaps, where the forward element or the currency basis spread is excluded from the designation, the Bank generally recognizes the excluded element in other comprehensive income.

The fair values of the derivative instruments used for hedging purposes and movements in the hedging reserve are determined in equity.

Fair Value Hedges

The fair value change on qualifying hedging instruments is recognized in the statement of profit or loss except when the hedging instrument hedges an equity instrument designated at fair value through other comprehensive income in which case it is recognized in other comprehensive income. The Bank has not designated fair value hedge relationships where the hedging instrument hedges an equity instrument designated at fair value through other comprehensive income.

The carrying amount of a hedged item not already measured at fair value is adjusted for the fair value change attributable to the hedged risk with a corresponding entry in the statement of profit or loss. For debt instruments measured at fair value through other comprehensive income, the carrying amount is not adjusted as it is already at fair value, but the part of the fair value gain or loss on the hedged item associated with the hedged risk is recognized in the statement of income instead of other comprehensive income. When the hedged item is an equity instrument designated at fair value through other comprehensive income, the hedging gain/loss remains in other comprehensive income to match that of the hedging instrument.

The Bank discontinues hedge accounting only when the hedging relationship (or a part thereof) ceases to meet the qualifying criteria (after rebalancing, if applicable). This includes instances when the hedging instrument expires or is sold, terminated or exercised. The discontinuation is accounted for prospectively. The fair value adjustment to the carrying amount of hedged items for which the effective interest rate method is used (i.e. debt instruments measured at amortized cost or at fair value through other comprehensive income) arising from the hedged risk is amortized to the statement of profit or loss commencing no later than the date when hedge accounting is discontinued.

Cash Flow Hedges

The effective portion of changes in the fair value of derivatives and other qualifying hedging instruments that are designated and qualify as cash flow hedges is recognized in the cash flow hedging reserve, a separate component of other comprehensive income, limited to the cumulative change in fair value of the hedged item from inception of the hedge less any amounts recycled to the statement of profit or loss.

Amounts previously recognized in other comprehensive income and accumulated in equity are reclassified to the statement of profit or loss in the periods when the hedged item affects the statement of profit or loss, in the same line as the recognized hedged item. If the Bank no longer expects the transaction to occur, that amount is immediately reclassified to the statement of profit or loss.

The Bank discontinues hedge accounting only when the hedging relationship (or a part thereof) ceases to meet the qualifying criteria (after rebalancing, if applicable). This includes instances when the hedging instrument expires or is sold, terminated or exercised, or when the occurrence of the designated hedged forecast transaction is no longer considered to be highly probable. The discontinuation is accounted for prospectively. Any gain/loss recognized in other comprehensive income and accumulated in equity at that time remains in equity and is recognized when the forecast transaction is ultimately recognized in the statement of profit or loss. When a forecast transaction is no longer expected to occur, the gain/loss accumulated in equity is reclassified and recognized immediately in the statement of profit or loss.

Hedges of Net Investments in Foreign Operations

Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges. Any gain/loss on the hedging instrument relating to the effective portion of the hedge is recognized in other comprehensive income and accumulated in the foreign currency translation reserve.

Gains and losses on the hedging instrument relating to the effective portion of the hedge accumulated in the foreign currency translation reserve are reclassified to the statement of profit or loss in the same way as exchange differences relating to the foreign operation as described above.

Offsetting

Financial assets and financial liabilities are offset, and the net amount is reported in the consolidated statement of financial position, when there is a legally enforceable right to offset the recognized amounts and realize the asset and settle the liability simultaneously.

Accounts Managed on Behalf of Customers

These represent the accounts managed by the Bank on behalf of its customers, but do not represent part of the Bank's assets, fees and commissions on such accounts are shown in the consolidated statement of profit or loss, a provision against the impairment in the capital-guaranteed portfolios managed on behalf of customers is taken.

Fair value

Fair value is defined as the price at which an asset is to be sold or paid to convert any of the liabilities in a structured transaction between the market participants on the measurement date, irrespective of whether the price can be realized directly or whether it is estimated using another valuation technique. When estimating the fair value of an asset or liability, the Bank takes into consideration when determining the price of any asset or liability whether market participants are required to consider these factors at the measurement date. The fair value for measurement and / or disclosure purposes in these financial statements is determined on the same basis, except for measurement procedures that are similar to fair value procedures and are not fair value such as fair value as used in IAS 36.

In addition, fair value measurements are classified for the purposes of financial reporting to level (1), (2) or (3) based on the extent to which the inputs are clear concerning the fair value measurements and the importance of inputs to the full fair value measurements. These are as follows:

Level inputs (1) inputs derived from quoted (unadjusted) prices of identical assets or liabilities in active markets that an enterprise can obtain on the measurement date;

Level inputs (2) inputs derived from data other than quoted prices used at level 1 and observable for assets or liabilities, either directly or indirectly;

Level inputs (3) are inputs to assets or liabilities that are not based on observable market prices.

Provisions

Provisions are recognized when the Bank has an obligation at the date of the consolidated statement of financial position arising from a past event, and the costs to settle the obligation are probable and can be reliably measured.

Employees Benefits

Short term employee benefits

Employees short term benefits are recognized as expenses when delivering relevant services. Liability is recorded against the related commitment when the bank is legally obliged implicitly or explicitly to pay for past services rendered by the employee and the liability can be estimated reliably.

Other long-term employee benefits

The Bank's net liabilities relating to employee benefits are the amount of future benefits that employees have received for their services in the current and previous periods. A provision is made to meet the statutory and contractual obligations for employees to end the service for each employee for the date of the consolidated statement of financial position in accordance with the internal regulations of the Bank.

Assets Seized by the Bank

Assets seized by the Bank are recorded in the consolidated statement of financial position among other assets at seized value or at fair value, whichever is least. At the date of the consolidated financial statements seized assets are revalued individually at fair value; any impairment loss is recorded in the consolidated statement of profit or loss while any increase in the value is not recorded as revenue; any subsequent increase in value is recognized only to the extent of not exceeding the previously recorded impairment losses. In addition, according to the instructions of the Central Bank of Jordan, the Bank started booking gradual provisions against seized assets which violated the requirements of article number (48) of the Banking Law at an annual rate of 5% from its net book value for the previous years and for the current year until October 10, 2022, where, Central Bank of Jordan issued new circular that cancelled the previous requirements, in relation to seized assets additional provisions, however, required maintaining the booked additional provisions and allowed reversing it only upon the disposal of the related asset.

Income Tax

Tax expense comprises of current tax and deferred taxes.

Current tax is based on taxable profits, which may differ from accounting profits published in the consolidated financial statements. Accounting profits may include non-taxable profits or tax non- deductible expenses which may be exempted in the current or subsequent financial years, or accumulated losses that are tax acceptable or items not subject to deduction for tax purposes.

Tax is calculated based on tax rates and laws that are applicable in the country of operation.

Deferred tax is the tax expected to be paid or recovered due to temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are measured at the tax rates expected to be applied in the period when the asset is realized or the liability is settled, based on the laws enacted or substantially enacted at the date of the consolidated statement of financial position.

**The Housing Bank for Trade and Finance
(Public Shareholding Limited Company)
Amman - The Hashemite Kingdom of Jordan
Notes to the consolidated financial statements
For the year ended 31 December 2025**

The carrying values of deferred tax assets are reviewed at the date of the consolidated financial statement and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Mortgaged Financial Assets

These financial assets are mortgaged to third parties with the right to sell or re-mortgage. These financial assets are revalued according to the accounting policies at the date of initial classification.

Repurchase and Resale Agreements

Assets sold with a simultaneous commitment to repurchase at a specified future date (repos) will continue to be recognized in the Bank's consolidated financial statements. This is due to the Bank's continuing control of these assets and the fact that exposure to the risks and rewards of these assets remains with the Bank. These assets continue to be evaluated in accordance with the applied accounting policies (where the buyer has the right to use these assets (sell or re-lien), they are reclassified as lined financial assets). The proceeds of the sale are recorded under loans and borrowings. The difference between the sale and the repurchase price is recognized as an interest expense over the agreement term using the effective interest rate method.

Assets purchased with a corresponding commitment to resell at a specified future date (reverse repos) are not recognized in the Bank's consolidated financial statements since the Bank is not able to control these assets or the associated risks and benefits. The related payments are recognized as part of deposits at banks and financial institutions or direct credit facilities as applicable, and the difference between the purchase and resale price is recognized as interest income over the agreement term using the effective interest rate method.

Property and Equipment

Property and equipment are measured at cost less accumulated depreciation and any impairment. Property and equipment (except land) are depreciated when ready for use using the straight line method over their expected useful life.

The depreciation rates used are as follows:

	<u>%</u>
Buildings and construction	2-5
Equipment, furniture and fixtures	5-15
Vehicles	20
Applications and Computer	10-20

If such indication exists and when the carrying values exceed the estimated recoverable amounts, the assets are written down to their recoverable amount, and the impairment is charged to statement of profit or loss.

The useful life of property and equipment is reviewed at each year end, and changes in the expected useful life are treated as changes in accounting estimates.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal.

Intangible Assets

Goodwill

Goodwill is initially measured at cost, being the excess of the cost of acquisition or purchase of investment in an associate or subsidiary company over the Bank's share in the net fair value of the identifiable assets at the date of acquisition. Goodwill arising from the investment in subsidiaries will be separately shown under intangible assets, while that arising from the investment in associates will be shown as part of investment in associates and subsequently adjusted for any impairment losses.

Goodwill is allocated to each of the cash-generating units, or groups of cash-generating units for the purpose of impairment testing.

Goodwill is tested for impairment, at the date of the consolidated financial statements, if events or changes in circumstances indicate that the estimated recoverable amount of a cash-generating unit or group of cash-generating units is less than their carrying amount. Moreover, impairment losses are charged to the consolidated statement of profit or loss.

Other Intangible Assets

Intangible assets acquired through business combination are recorded at their fair value on that date. Other intangible assets are measured on initial recognition at cost.

Intangible assets are classified based on the assessment of their useful life to definite and indefinite. Intangible assets with definite lives are amortized over their useful economic life, while intangible assets with indefinite useful lives are assessed for impairment at each reporting date, and impairment loss is charged to the consolidated statement of profit or loss.

Internally generated intangible assets are not capitalized and are expensed in the consolidated statement of profit or loss in the same period.

Indications of impairment of intangible assets are reviewed, and their useful economic lives are reassessed at each reporting date. Adjustments are reflected in the current and subsequent periods.

Computer software: are amortized using the straight -line method during a period that does not exceed 3 years from acquisition date.

Impairment of Non-Financial Assets

The carrying amount of the bank's non-financial asset is reviewed at the end of each fiscal year except for the deferred tax assets, to determine if there is an indication of impairment, and if there is an indication of impairment, the amount recoverable from these assets will be estimated.

If the carrying amount of the assets exceeds the recoverable amount from those assets, the impairment loss is recorded in these assets.

The recoverable amount is the fair value of the asset - less cost of sales - or the value of its use, whichever is greater.

All impairment losses are recognized in the consolidated statement of profit or loss.

The impairment loss for goodwill is not reversed, for other assets, the impairment loss is reversed only if the value of the carrying amount of the assets does not exceed the book value that was determined after the depreciation or amortization has been reduced if the impairment loss is not recognized in value.

Foreign Currencies

For the purpose of the consolidated financial statements, the results and financial position of each entity of the Group are presented in the functional currency unit of the Bank and the presentation currency of the consolidated financial statements.

The standalone financial statements of the Bank's subsidiaries are prepared. Moreover, the standalone financial statements of each entity of the Bank are presented in the functional currency in which it operates. Transactions in currencies other than the functional currency of the Bank are recorded at the rates of exchange prevailing at the dates of those transactions. At the balance sheet date, financial assets and liabilities denominated in foreign currencies are translated at the rates of exchange prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the exchange rates at the date when the fair value was determined. Non-monetary items measured at historical cost in a foreign currency are not reclassified.

Exchange differences are recognized in the consolidated statement of profit or loss in the period in which they arise except for:

- Foreign exchange differences on transactions made in order to hedge foreign exchange risk.
- Foreign exchange differences on monetary items required to / from a foreign operation that are not planned to be settled, are unlikely to be settled in the near future (and therefore, these differences form part of the net investment in the foreign operation), and are initially recognized in the comprehensive income statement and reclassified from equity to the income statement when selling or partially disposing of net investment.

In order to present the consolidated financial statements, the assets and liabilities of the Bank's foreign operations are translated at the rates of exchange prevailing at the statement of financial position date. Income is also converted to average exchange rates for the period, unless exchange rates change significantly during that period, in which case the exchange rates are used on the date of the transactions. Exchange differences arising, if any, are recognized in other consolidated statement of comprehensive income and collected in a separate line item of equity.

When foreign operations are disposed of (i.e. disposal of the Bank's entire share from foreign operations, or resulting from the loss of control of a subsidiary in foreign operations, or partial exclusion by its share in a joint arrangement, or an associate company of a foreign nature in which the share held is a financial asset), the net disposal is booked in the consolidated statement of profit or loss including foreign exchange differences.

In addition, in respect of the partial disposal of a subsidiary involving foreign operations that do not result in the Bank losing control of the subsidiary, its share of the accumulated exchange differences is credited to net comprehensive income at a rate that is derecognized and not recognized in the consolidated statement of profit or loss. For all other partial liquidation the net disposal is booked in the consolidated statement of profit or loss including foreign exchange differences

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and cash balances with central banks and balances with banks and financial institutions that mature within three months, less banks and financial institutions deposits that mature within three months and restricted. and the statutory cash reserve held at the Central Bank of Jordan is not excluded.

Earning per Share

The bank calculates basic and diluted EPS data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss that is attributable to ordinary shareholders of the Bank by the weighted-average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss that is attributable to ordinary shareholders and the weighted-average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

Lease Contracts

The Bank as a Lessee

The Bank assesses whether the contract contains lease when starting the contract. The Bank recognizes the right to use assets and the corresponding lease obligations in relation to all lease arrangements in which the lessee is in, except for short-term lease contracts (defined as leases of 12 months or less) and low value asset leases, and for these contracts, the bank recognizes the lease payments as an operating expense on a straight-line basis over the period of the lease, unless another regular basis is more representative of the time pattern in which the economic benefits from the leased assets are utilized.

The lease obligation is initially measured at the present value of the lease payments that were not paid on the start date of the lease, deducted by using the price implicit in the lease. If this rate cannot be easily determined, the bank uses its additional expected rate.

The lease payments included in the rental obligation measurement include:

- Fixed rental payments (essentially including fixed payments), minus accrued receivable rental incentives;
- Variable rental payments that depend on an index or rate, initially measured using the indicator or the rate at the date the contract begins.
- The amount expected to be paid by the lessee under the residual value guarantees.
- The price of the exercise of purchase options, if the lessee is reasonably certain of the exercise of the options; and
- Paying the contract termination fines, if the lease reflects the exercise of the lease termination option.

Rental obligations are presented as a separate note in the consolidated statement of financial position.

Later, lease obligations are subsequently measured by increasing the book value to reflect the interest in the rental obligations (using the effective interest method) and by reducing the book value to reflect the rental payments paid.

The lease obligations (and a similar adjustment to the related right-to-use assets) are re-measured whenever:

- The lease term has changed or there is an event or important change in the conditions that lead to a change in the exercise of the purchase option assessment, in which case the lease obligations are re-measured by deducting the adjusted lease payment using the adjusted discount rate.
- Lease payments change due to changes in an index, rate, or change in expected payments under the guaranteed residual value, in which cases the lease obligation is re-measured by deducting the modified rental payments using a non-variable discount rate (unless the rental payments change due to a change in the floating interest rate, in this case the adjusted discount rate is used).
- The lease contract is adjusted and the lease amendment is not accounted as a separate lease, in which case the lease obligation is re-measured based on the duration of the adjusted lease contract by deducting the adjusted rental payments using the adjusted discount rate at the actual price at the date of the amendment.

The right to use assets are depreciated over the life of the lease or the useful life of the asset (whichever is shorter). If the lease contract transfers the ownership of the underlying asset or the cost of the right to use, which reflects that the company expects to exercise the purchase option, then the relevant value of the right to use is depreciated over the useful life of the asset. Depreciation begins on the date the commencement of the lease.

The right-to-use assets are presented as a separate note in the consolidated statement of financial position.

The Bank applies International Accounting Standard (36) to determine whether the value of the right to use has decreased its value and calculates any impairment losses as described in the policy of "property and equipment".

Variable rents that are not dependent on an index or rate are not included in the measurement of lease obligations and right to use assets. Related payments are recognized as an expense in the period in which the event or condition that leads to these payments occurs and are included in "Other Expenditures" in the statement of profit or loss.

The Bank as a Lessor

The Bank enters into lease contracts as a lessor in regard with some investment properties.

Leases in which the Bank is the lessor are classified as operating or finance leases. In the event that the terms of the lease contract transfer all risks and rewards of ownership to the lessee, the contract is classified as a finance lease and all other leases are classified as operating leases.

When the Bank is an intermediary lessor, it represents the main lease and sub-contract as two separate contracts. The sublease contract is classified as finance or operating lease by reference to the original right of use arising from the main lease.

Rental income from operating leases is recognized on a straight-line basis over the period of the relevant lease. The primary direct costs incurred in negotiating and arranging an operating lease are added to the book value of the leased asset and are recognized on a straight-line basis over the lease term.

The amounts due from the lessee under finance leases are recognized as receivables with the amount of the company's net investment in the rental contracts. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the bank's existing net investment with respect to lease contracts.

When the contract includes leasing components and other components other than leasing, the bank applies IFRS 15 to distribute the amounts received or to be received under the contract for each component.

(3) Changes in accounting policies and disclosures

(a) New and amended IFRS Accounting Standards and interpretations issued and adopted by the Group in the financial year beginning on 1 January 2025:

Key requirements	Effect date
<p>Amendment to IAS 21 – Lack of Exchangeability:</p> <p>An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.</p>	<p>1 January 2025</p>

The implementation of the above standard did not have a material impact on the consolidated financial statements of the Group.

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(b) **New IFRS Accounting Standards issued and not yet applicable or early adopted by the Group for periods starting on or after 1 January 2025:**

Key requirements	Effect date
Amendments to IFRS 9 and IFRS 7- Classification and Measurement of Financial Instruments On 30 May 2024, the IASB issued targeted amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities.	1 January 2026
Amendment to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity: These amendments change the 'own use' and hedge accounting requirements of IFRS 9 and include targeted disclosure requirements to IFRS 7. These amendments apply only to contracts that expose an entity to variability in the underlying amount of electricity because the source of its generation depends on uncontrollable natural conditions.	1 January 2026
Amendment to IAS 21 - Translation to a Hyperinflationary Presentation Currency: These narrow-scope amendments specify the translation procedures for an entity whose presentation currency is that of a hyperinflationary economy. The amendments aim to improve the usefulness of the resulting information in a cost-effective manner. Developed in response to stakeholder feedback, these amendments are expected to reduce diversity in practice and provide a clearer basis for reporting in a hyperinflationary currency.	1 January 2027
Amendments to Illustrative Examples on IFRS 7, IFRS 18, IAS 1, IAS 8, IAS 36 and IAS 37- Disclosures about Uncertainties in the Financial Statements: These amendments include examples illustrating how an entity applies the requirements in IFRS Accounting Standards to disclose the effects of uncertainties in its financial statements.	1 January 2027
IFRS 18, 'Presentation and Disclosure in Financial Statements': The new requirements introduced in IFRS 18 will help to achieve comparability of the financial performance of similar entities, especially related to how 'operating profit or loss' is defined. The new disclosures required for some management-defined performance measures will also enhance transparency. This new standard replaces the previous IAS 1 and is specific on matters related to presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss to meet the matters mentioned above.	1 January 2027
IFRS 19, 'Subsidiaries without Public Accountability: Disclosures' and amendments: The new amendments work alongside other IFRS Accounting Standards. An eligible subsidiary applies the requirements in other IFRS Accounting Standards except for the disclosure requirements; and it applies instead the reduced disclosure requirements in IFRS 19. IFRS 19's reduced disclosure requirements balance the information needs of the users of eligible subsidiaries' financial statements with cost savings for preparers. IFRS 19 is a voluntary standard for eligible subsidiaries. These amendments help eligible subsidiaries by reducing disclosure requirements for certain Standards and amendments.	1 January 2027

The management is still in the process of evaluating the impact of these new amendments and standards on the Group's consolidated financial statements, and it believes that there will be no significant impact upon implementation.

There are no other standards that are not yet effective and that would be expected to have a material impact on the Group in the current year starting 1 January 2025 or future reporting periods and on foreseeable future transactions.

(4) Significant Accounting Judgments and key Sources of Uncertainty Estimates

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

Judgments, estimates, and assumptions are reviewed periodically. Moreover, the effect of the change in estimates is recognized in the financial period in which the change occurs if the change affects only the financial period. On the other hand, the effect of the change in estimates is recognized in the financial period in which the change occurs and in future periods if the change affects the financial period and future financial periods. Management believes that its estimates in the consolidated financial statements are reasonable. The details are as follows:

Critical Judgements in Applying the Bank's Accounting Policies

The following are the critical judgements, apart from those involving estimations (which are disclosed below), that the managements have made in the process of applying the Bank's accounting policies and that have the most significant effect on the amounts recognized in consolidated financial statements:

Evaluation of business model

The classification and measurement of financial assets depend on the results of the principal and interest payments test on the principal outstanding and the business model test. The Bank defines a business model at a level that reflects how the groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgment that reflects all relevant evidence, including how to assess the performance of the assets and measure their performance, the risks that affect the performance of assets and how they are managed, and how asset managers are compensated. The Bank monitors financial assets measured at amortized cost or fair value through other comprehensive income and derecognized before maturity to understand the reason for derecognition and whether the reasons are consistent with the objective of the business held. In this respect, control is part of the Bank's continuous assessment of whether the business model under which the remaining financial assets are retained is appropriate, and whether it is inappropriate if there is a change in the business model, and therefore, a future change is made in the classification of those assets.

Significant increase in credit risk

The expected credit loss is measured as an allowance equivalent to the expected credit loss of 12 months for the assets of the first stage, or the credit loss over the life of the assets of the second or third stage. The asset moves to the second stage if credit risk increases significantly since initial recognition. IFRS (9) does not specify what constitutes a significant increase in credit risk. In assessing whether the credit risk of any asset has increased significantly, the Bank takes into account reasonable and reliable quantitative and qualitative information. The estimates used by the Bank's management concerning the significant change in credit risk that result in a change in the classification within the three stages (1, 2 and 3) are shown in details in note (46).

Establish groups of assets with similar credit risk characteristics

When the expected credit losses are measured on a collective basis, the financial instruments are grouped on the basis of common risk characteristics (e.g. instrument type, credit risk, collateral type, initial recognition date, remaining maturity period, industry, borrower's geographic location, etc.). The Bank monitors the appropriateness of credit risk characteristics on an ongoing basis to assess whether they are still similar. This is required to ensure that, in the event of a change in the credit risk characteristics, the asset is properly reallocated. This may result in the creation of new portfolios or the transfer of assets to an existing portfolio that better reflects the credit risk characteristics of that group of assets.

Re-division of portfolios and movements between portfolios

The re-division of portfolios and movements between portfolios is more common when credit risk increases significantly (or when such a large increase is reflected). Therefore, assets are transferred from expected credit losses of between (12) months to another portfolio or vice versa. However, this may happen within the portfolios that continue to be measured on the same basis as expected credit losses for a 12-month period or a lifetime, but the amount of the expected credit loss changes due to the varying credit risk of portfolios.

Models and assumptions used

The Bank uses various models and assumptions in measuring the fair value of financial assets as well as in assessing the expected credit loss described in Note (46). The judgment is applied when determining the best models for each type of asset as well as for the assumptions used in those models, which include assumptions regarding the main drivers of credit risk.

(a) Classification and measurement of financial assets and liabilities

The Bank classifies financial instruments or components of financial assets at initial recognition either as a financial asset or a financial liability, or as an equity instrument in accordance with the substance of the contractual agreements and the definition of the instrument. The reclassification of a financial instrument is subject to the substance of the consolidated financial statements and not to its legal form.

The Bank shall determine the classification at initial recognition and reassess such determination, if possible and appropriate, at each date of the consolidated statement of financial position.

When measuring financial assets and liabilities, certain assets and liabilities of the Bank are re-measured at fair value for financial reporting purposes. In assessing the fair value of any assets or liabilities, the Bank uses available observable market data. In the absence of Level 1 inputs, the Bank conducts evaluations using professionally qualified independent evaluators. The Bank works closely with qualified external evaluators to develop appropriate valuation and data valuation techniques.

(b) Fair value measurement

If the fair values of financial assets and financial liabilities included in the consolidated statement of financial position cannot be obtained from active markets, these fair values are determined using a range of valuation techniques involving the use of accounting models. If possible, the entered data for those models will be extracted from the market data. In the absence of such market data, fair values are determined by making judgments. These provisions include liquidity considerations and model data such as derivative volatility, longer-term discount rates, pre-payment ratios and default rates on asset-backed securities. Management believes that the valuation techniques used are appropriate to determine the fair value of financial instruments.

Derivative financial instruments

The fair values of derivative financial instruments measured at fair value are generally obtained by reference to quoted market prices, discounted cash flow models and, where appropriate, recognized pricing models. In the absence of prices, fair values are determined using valuation techniques that reflect observable market data. These techniques include comparison with similar instruments at observable market prices, discounted cash flow analysis, pricing option models and other valuation techniques commonly used by market participants. The main factors that Management takes into consideration when applying the model are:

- The expected timing and probability of future cash flows on the instrument where such cash flows are generally subject to the terms of the instrument, although Management's judgment may be required where the counterparty's ability to repay the instrument in accordance with contractual terms is in doubt; and
- An appropriate discount rate for the instrument. Management determines the instrument discount rate at a rate higher than the non-risk rate. In assessing the instrument by reference to comparative instruments, Management considers the maturity, structure, and degree of classification of the instrument based on the system in which the existing position is compared. When evaluating tools on a model basis using the fair value of the main components, Management also considers the need to make adjustments for a number of factors, such as bid differences, credit status, portfolio service costs, and uncertainty about the model.

Determining the duration of the lease

When determining the duration of the lease, management takes into account all the facts and circumstances that create an economic incentive for the extension option, or no termination option. Extension options (or periods following termination options) are included only in the lease term if the lease is reasonably certain to be extended (or not terminated). The evaluation is reviewed in the event of a significant event or significant change in the circumstances affecting this assessment that are under the control of the tenant.

Impairment of intangible assets with infinite life

Management is required to use significant judgments and estimates to determining whether intangible assets with indefinite life is impaired through estimation of the value in use of the cash-generating units to which has been allocated. The value in use calculation requires the Bank's Management to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Details of the estimates used to assess the impairment of goodwill are disclosed in Note 13.

Key Sources of Uncertain Estimates

The principal estimates used by Management in applying the Bank's accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements are as follows:

Determining the number and relative weight of scenarios, the outlook for each type of product / market, and the identification of future information relevant to each scenario.

When measuring the expected credit loss, the Bank uses reasonable and supported future information based on the assumptions of the future movement of the various economic drivers and the manner in which they affect each other.

Probability of default

The potential for default is a key input in measuring the expected credit loss. The probability of default is an estimate of the probability of default over a given period of time, which includes the calculation of historical data, assumptions, and expectations relating to future circumstances.

Loss given default

Loss given default is an estimate of the loss arising from default. It is based on the difference between the contractual cash flows due and those that the financier expects to collect, taking into account cash flows from collateral and integrated credit adjustments.

Fair value measurement and valuation procedures

When estimating the fair value of financial assets and financial liabilities, the Bank uses available observable market data. In the absence of Level (1) inputs, the Bank conducts evaluations using appropriate valuation models to determine the fair value of financial instruments.

Provision for expected credit losses

Management is required to use significant judgments and estimates to estimate the amounts and timing of future cash flows and assess the risks of a significant increase in credit risks for financial assets after initial recognition and future measurement information for the expected credit losses. The most important policies and estimates used by the Bank's management are detailed in Note (46).

Impairment of seized assets:

Impairment in seized assets is recognized based on recent real estate valuations by qualified independent evaluators for calculating the asset impairment, which is reviewed periodically.

Productive lifespan of tangible assets and intangible assets

The Bank's management periodically recalculates the useful lives of tangible assets and intangible assets for calculating annual depreciation and amortization based on the general condition of those assets and estimated future useful lives. The impairment loss is recognized in the consolidated statement of profit or loss for the year.

Income tax

The fiscal year is charged with the income tax expense in accordance with the accounting regulations, laws and standards. Moreover, deferred tax assets and liabilities and the required tax provision are recognized.

Litigation provision

A provision is made to meet any potential legal liabilities based on a legal study prepared by the Bank's legal counsel. This study identifies potential future risks and is reviewed periodically.

Assets and liabilities at cost

Management periodically reviews the assets and liabilities at cost for estimating any impairment in value, which is recognized in the consolidated statement of profit or loss for the year.

Extension and termination options in leases

Extension and termination options are included in a number of leases. These terms are used to increase operational flexibility in terms of contract management, and most of the retained extension and termination options are renewable by both the Bank and the lessor.

Discounting of lease payments

Leasing payments are deducted using the Bank's additional borrowing rate ("IBR"). The Administration applied the provisions and estimates to determine the additional borrowing rate at the start of the lease.

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(5) Cash and Balances at Central Banks - Net

The details of this item are as follows:

	31 December	
	2025	2024
	JD	JD
Cash in hand and vault	149,804,690	127,160,116
Balances at central banks:		
Current accounts and demand deposits	131,538,104	199,197,110
Term and notice deposits*	97,452,606	111,095,078
Statutory cash reserve	237,105,609	237,275,913
Total Balances at Central Banks	466,096,319	547,568,101
Total Cash and Balances at Central Banks	615,901,009	674,728,217
Provision for expected credit loss	(26,373)	(33,284)
Net Cash and Balances at Central Banks	615,874,636	674,694,933

There are no certificate of deposits purchased from the Central Bank of Jordan maturing within a period of three months as of 31 December 2025 and 2024.

*There are no term and notice deposits maturing within a period of three months as of 31 December 2025 and 31 December 2024.

Except for the statutory cash reserve, there are no restricted balances as of 31 December 2025 and 2024.

The movement on balances at central banks for the year ended 31 December 2025 and 2024 was as follows:

	31 December 2025			
	Stage (1)	Stage (2)	Stage (3)	Total
	Individual	Individual	Individual	Individual
	JD	JD	JD	JD
Balance - beginning of the year	547,568,101	-	-	547,568,101
New balances during the year	466,096,319	-	-	466,096,319
Paid balances during the year	(547,568,101)	-	-	(547,568,101)
Balance - end of the year	466,096,319	-	-	466,096,319

	31 December 2024			
	Stage (1)	Stage (2)	Stage (3)	Total
	Individual	Individual	Individual	Individual
	JD	JD	JD	JD
Balance - beginning of the year	458,188,122	-	-	458,188,122
New balances during the year	547,568,101	-	-	547,568,101
Paid balances during the year	(458,188,122)	-	-	(458,188,122)
Balance - end of the year	547,568,101	-	-	547,568,101

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* This item represents the provision for expected credit loss for the balances of foreign Central Banks movement for the year ended 31 December 2025 and 2024:

	2025	2024
	JD	JD
Beginning balance	33,284	36,588
Expected credit losses during the year	(6,911)	(3,304)
Balance - End of the Year	26,373	33,284

(6) Balances at Banks and Financial Institutions - Net

The details of this item are as follows:

	Local Banks and Financial Institutions		Foreign Banks and Financial Institutions		Total	
	31 December		31 December		31 December	
	2025	2024	2025	2024	2025	2024
	JD	JD	JD	JD	JD	JD
Current accounts and demand accounts	1,995,930	12,082,379	233,265,494	219,410,347	235,261,424	231,492,726
Deposits maturing within or less than 3 months	45,221,704	23,082,156	197,069,361	185,896,951	242,291,065	208,979,107
Total	47,217,634	35,164,535	430,334,855	405,307,298	477,552,489	440,471,833
Provision for expected credit loss	(253,278)	(37,032)	(265,972)	(183,924)	(519,250)	(220,956)
Net	46,964,356	35,127,503	430,068,883	405,123,374	477,033,239	440,250,877

- The non-interest bearing balances at banks and financial institutions are amounted to JD 33.4 million as of 31 December 2025 (JD 32.5 million as of 31 December 2024).

- There were no restricted balances as of 31 December 2025 and 2024.

The following represents the movement on balances at banks and financial institutions for the year ended 31 December 2025 and 2024:

	31 December 2025			
	Stage (1)	Stage (2)	Stage (3)	Total
	Individual	Individual	Individual	Individual
	JD	JD	JD	JD
Balance - beginning of the year	440,471,833	-	-	440,471,833
New balances during the year	477,552,489	-	-	477,552,489
Paid balances during the year	(440,471,833)	-	-	(440,471,833)
Balance - End of the Year	477,552,489	-	-	477,552,489

	31 December 2024			
	Stage (1)	Stage (2)	Stage (3)	Total
	Individual	Individual	Individual	Individual
	JD	JD	JD	JD
Balance - beginning of the year	323,276,157	-	-	323,276,157
New balances during the year	440,471,833	-	-	440,471,833
Paid balances during the year	(323,276,157)	-	-	(323,276,157)
Balance - End of the Year	440,471,833	-	-	440,471,833

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- The following represents the movement on the provision for expected credit losses for balances at banks and financial institutions during the year ended 31 December 2025 and 2024:

	31 December 2025			
	Stage (1)	Stage (2)	Stage (3)	Total
	Individual	Individual		
	JD	JD	JD	JD
Balance - beginning of the year	220,956	-	-	220,956
Impairment on new balances during the year	519,250	-	-	519,250
Reversed from impairment on paid balances	(220,956)	-	-	(220,956)
Balance - End of the Year	519,250	-	-	519,250
	31 December 2024			
	Stage (1)	Stage (2)	Stage (3)	Total
	Individual	Individual		
	JD	JD	JD	JD
Balance - beginning of the year	232,546	-	-	232,546
Impairment on new balances during the year	220,956	-	-	220,956
Reversed from impairment on paid balances	(232,546)	-	-	(232,546)
Balance - End of the Year	220,956	-	-	220,956

(7) Deposits at Banks and Financial Institutions - Net

The details of this item are as follows:

	Local Banks and Financial Institutions		Foreign Banks and Financial Institutions		Total	
	31 December		31 December		31 December	
	2025	2024	2025	2024	2025	2024
	JD	JD	JD	JD	JD	JD
Deposits mature during the period:						
From 3 months to 6 months	-	-	13,321,103	14,597,433	13,321,103	14,597,433
From 6 months to 9 months	-	30,000,000	6,376,912	5,259,426	6,376,912	35,259,426
From 9 months to 12 months	-	-	5,448,030	3,729,480	5,448,030	3,729,480
More than a year	30,000,000	-	-	-	30,000,000	-
Total	30,000,000	30,000,000	25,146,045	23,586,339	55,146,045	53,586,339
Provision for expected credit losses	(316)	(137)	(147,705)	(102,505)	(148,021)	(102,642)
Net	29,999,684	29,999,863	24,998,340	23,483,834	54,998,024	53,483,697

- There were no restriction on deposits as of 31 December 2025 and 2024.

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- The following represents movement on deposits at banks and financial institutions for the year ended December 31 December 2025 and 2024:

	31 December 2025			
	Stage (1)	Stage (2)	Stage (3)	Total
	Individual	Individual		
	JD	JD	JD	JD
Balance - beginning of the year	53,586,339	-	-	53,586,339
New balances during the year	55,146,045	-	-	55,146,045
Paid balances during the year	(53,586,339)	-	-	(53,586,339)
Balance - End of the Year	55,146,045	-	-	55,146,045

	31 December 2024			
	Stage (1)	Stage (2)	Stage (3)	Total
	Individual	Individual		
	JD	JD	JD	JD
Balance - beginning of the year	44,927,609	-	-	44,927,609
New balances during the year	53,586,339	-	-	53,586,339
Paid balances during the year	(44,927,609)	-	-	(44,927,609)
Balance - End of the Year	53,586,339	-	-	53,586,339

- The following represents the movement on the provision for expected credit losses for deposits at banks and financial institutions during the year ended 31 December 2025 and 2024:

	31 December 2025			
	Stage (1)	Stage (2)	Stage (3)	Total
	Individual	Individual		
	JD	JD	JD	JD
Balance - beginning of the year	102,642	-	-	102,642
Impairment on new balances during the year	148,021	-	-	148,021
Reversed from impairment on paid balances	(133,882)	-	-	(133,882)
Foreign currency translation difference	31,240	-	-	31,240
Balance - End of the Year	148,021	-	-	148,021

	31 December 2024			
	Stage (1)	Stage (2)	Stage (3)	Total
	Individual	Individual		
	JD	JD	JD	JD
Balance - beginning of the year	175,796	-	-	175,796
Impairment on new balances during the year	102,642	-	-	102,642
Reversed from impairment on paid balances	(172,737)	-	-	(172,737)
Foreign currency translation difference	(3,059)	-	-	(3,059)
Balance - End of the Year	102,642	-	-	102,642

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(8) Financial Assets at Fair Value through Profit or Loss

The details of this item are as follows:

	31 December	
	2025	2024
	JD	JD
Quoted Financial Assets		
Companies shares and funds listed in financial markets	5,362,870	4,407,981
Total	5,362,870	4,407,981

(9) Financial Assets at Fair Value through Other Comprehensive Income

The details of this item are as follows:

	31 December	
	2025	2024
	JD	JD
Shares with available market prices	44,068,651	33,851,086
Shares and funds with no available market prices	69,682,891	55,169,584
Total Shares	113,751,542	89,020,670
Jordanian treasury bonds	201,330,626	189,077,652
Jordanian government bills and bonds	35,183,136	36,824,898
Foreign governments bills and bonds	69,808,353	69,545,533
Corporate bonds	49,464,276	60,917,403
Total Bonds	355,786,391	356,365,486
Less: Provision of expected credit loss	(68,478)	(173,354)
Total Bonds - Net	355,717,913	356,192,132
Total	469,469,455	445,212,802

- The maturity dates for Bonds range from year 2026 to year 2036.
- Interest rates on bonds and treasury bills ranges from 1.4% to 7.67%.

The following represents the movement on shares at fair value through other comprehensive during the year ended 31 December 2025 and 2024:

	31 December	
	2025	2024
	JD	JD
Fair value as of beginning of the year	89,020,670	51,373,869
New investments during the year	16,500,062	24,819,030
Changes in fair value during the year	8,222,040	12,828,800
Foreign currency translation difference	8,770	(1,029)
Balance - End of the Year	113,751,542	89,020,670

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The following represents the movement on bonds at fair value through other comprehensive income during the year ended 31 December 2025 and 2024:

	31 December 2025			
	Stage (1)	Stage (2)	Stage (3)	Total
	Individual	Individual		
	JD	JD	JD	JD
Fair value - beginning of the year	346,349,934	10,015,552	-	356,365,486
New investments during the year	102,877,528	-	-	102,877,528
Matured investments during the year	(110,211,963)	(4,939,993)	-	(115,151,956)
Transferred to (from) stage (1)	1,763,037	(1,763,037)	-	-
Change in fair value during the year	9,338,194	139,398	-	9,477,592
Amortization of premium/ discount	1,496,801	7,653	-	1,504,454
Adjustments resulted from changes in exchange rates	19,531	693,756	-	713,287
Balance - End of the Year	351,633,062	4,153,329	-	355,786,391
	31 December 2024			
	Stage (1)	Stage (2)	Stage (3)	Total
	Individual	Individual		
	JD	JD	JD	JD
Fair value - beginning of the year	343,176,172	9,204,054	-	352,380,226
New investments during the year	133,005,878	-	-	133,005,878
Matured investments during the year	(129,474,218)	-	-	(129,474,218)
Change in fair value during the year	(339,973)	1,228,927	-	888,954
Amortization of premium/ discount	8,875	(19,777)	-	(10,902)
Adjustments resulted from changes in exchange rates	(26,800)	(397,652)	-	(424,452)
Balance - End of the Year	346,349,934	10,015,552	-	356,365,486

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The following represents the movement on the provision for expected credit losses during the year ended 31 December 2025 and 2024:

	31 December 2025			
	Stage (1)	Stage (2)	Stage (3)	Total
	Individual	Individual		
	JD	JD	JD	JD
Balance - beginning of the year	141,077	32,277	-	173,354
Expected credit losses for new investment during the year	4,242	-	-	4,242
Reversed from impairment on matured investment	(919)	(1,394)	-	(2,313)
Transferred to (from) stage (1)	17,017	(17,017)	-	-
Effect on provision at the end of the year due to reclassification between stages	(15,392)	-	-	(15,392)
Effect on provision resulted from adjustments	(84,375)	(13,177)	-	(97,552)
Adjustments resulted from changes in exchange rates	6,139	-	-	6,139
Balance - End of the Year	67,789	689	-	68,478

	31 December 2024			
	Stage (1)	Stage (2)	Stage (3)	Total
	Individual	Individual		
	JD	JD	JD	JD
Balance - beginning of the year	190,133	101,334	-	291,467
Expected credit losses for new investment during the year	21,634	-	-	21,634
Reversed from impairment on matured investment	(1,404)	-	-	(1,404)
Effect on provision resulted from adjustments	(68,255)	(68,648)	-	(136,903)
Adjustments resulted from changes in exchange rates	(1,031)	(409)	-	(1,440)
Balance - End of the Year	141,077	32,277	-	173,354

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(10) Direct Credit Facilities at Amortized Cost - Net

The details of this item are as follows:

	31 December	
	2025	2024
	JD	JD
Individuals (retail)		
Overdraft accounts	1,160,143	11,117,662
Loans and discounted bills *	912,307,617	1,005,991,000
Credit cards	30,077,725	33,624,708
Real estate loans	1,255,863,396	1,340,978,728
Includes Housing loans	799,750,567	820,103,347
Companies:		
Large		
Overdraft accounts	240,929,385	231,323,305
Loans and discounted bills *	1,431,700,539	1,378,813,628
Small and Medium		
Overdraft accounts	66,915,367	122,246,508
Loans and discounted bills *	333,677,503	306,278,581
Government and public sector	723,017,823	673,321,261
Total	4,995,649,498	5,103,695,381
Less: Provision of expected credit losses	(410,175,602)	(438,560,746)
Interest in suspense	(130,415,024)	(151,537,613)
Net Direct Credit Facilities	4,455,058,872	4,513,597,022

* Net after deducting interest and commission received in advance and unearned revenues of JD 27,060,835 as of 31 December 2025 (JD 28,177,869 as of 31 December 2024).

- Non-performing credit facilities amounted to JD 421,865,368 which is equivalent to 8.4% of total direct credit facilities as of 31 December 2025 (JD 413,145,972 which is equivalent to 8.1% of total direct credit facilities as of 31 December 2024).
- Non- performing credit facilities after deducting interest and commissions in suspense amounted to JD 320,789,636 which is equivalent to 6.6% of the total direct credit facilities balance after deducting interest and commission in suspense as of 31 December 2025 (JD 286,049,040 which is equivalent to 5.8% of the total direct credit facilities balance after deducting interest and commission in suspense as of 31 December 2024).
- Non-performing credit facilities transferred to off-the consolidated statement of financial position amounted to JD 89,591,941 during the year 2025 (JD 40,070,746 during the year 2024). The off-balance sheet items balance is amounted to JD 614,345,852 as of 31 December 2025 (JD 520,315,649 as of 31 December 2024)
- Direct credit facilities granted to and guaranteed by the Government of the Hashemite Kingdom of Jordan amounted to JD 521,406,379 which is equivalent to 10.4% of total direct credit facilities as of 31 December 2025 (JD 495,596,576 which is equivalent to 9.7% of total direct credit facilities as of 31 December 2024).

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The following represents the movement on direct credit facilities during the year ended 31 December 2025 and 2024:

	31 December 2025					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
Beginning of the Year	2,641,533,578	1,644,253,412	257,997,235	120,491,849	439,419,307	5,103,695,381
New credit facilities during the year	595,714,251	265,170,998	9,866,920	3,611,581	8,451,387	882,815,137
Paid credit facilities during the year	(426,153,447)	(259,305,382)	(29,342,266)	(6,118,555)	(41,203,638)	(762,123,288)
Transferred to (from) stage (1)	24,947,671	35,340,539	(24,412,570)	(31,627,192)	(4,248,448)	-
Transferred to (from) stage (2)	(35,399,146)	(79,104,470)	44,182,653	81,317,714	(10,996,751)	-
Transferred to (from) stage (3)	(15,467,573)	(27,555,726)	(37,875,981)	(40,055,970)	120,955,250	-
Effect of adjustments	(45,329,273)	(100,118,909)	(14,185,870)	(4,228,587)	7,917,154	(155,945,485)
The effect of the disposal of a Subsidiary	(29,474)	(3,083,036)	(70,824)	-	(5,897,791)	(9,081,125)
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(96,889,724)	(96,889,724)
Adjustments resulted from changes in exchange rates	10,436,442	15,513,389	1,179,647	1,690,502	4,358,622	33,178,602
Balance - End of the Year	2,750,253,029	1,491,110,815	207,338,944	125,081,342	421,865,368	4,995,649,498

	31 December 2024					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
Beginning of the Year	2,364,415,649	1,827,942,755	345,744,346	117,628,983	393,860,858	5,049,592,591
New credit facilities during the year	623,640,463	274,871,243	29,492,544	10,807,520	8,072,673	946,884,443
Paid credit facilities during the year	(382,787,406)	(199,770,127)	(67,990,569)	(11,368,276)	(11,540,166)	(673,456,544)
Transferred to (from) stage (1)	22,583,852	27,176,480	(21,179,963)	(24,600,884)	(3,979,485)	-
Transferred to (from) stage (2)	(50,137,519)	(70,219,129)	62,428,901	71,753,523	(13,825,776)	-
Transferred to (from) stage (3)	(17,705,138)	(27,688,116)	(71,984,473)	(38,199,142)	155,576,869	-
Effect of adjustments	84,160,097	(184,511,909)	(18,264,202)	(5,285,414)	(27,978,599)	(151,880,027)
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(60,115,157)	(60,115,157)
Adjustments resulted from changes in exchange rates	(2,636,420)	(3,547,785)	(249,349)	(244,461)	(651,910)	(7,329,925)
Balance - End of the Year	2,641,533,578	1,644,253,412	257,997,235	120,491,849	439,419,307	5,103,695,381

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The following represents the movement on the provision for expected credit loss during the year ended 31 December 2025 and 2024:

	Corporate	SME's	Retail	Real Estate	Governmental and Public	Total
	JD	JD	JD	JD	JD	JD
For the Year ended 31 December 2025						
Balance at the beginning of the year	191,426,525	48,648,280	69,586,890	114,676,345	14,222,706	438,560,746
Impairment on new credit facilities during the year	5,873,621	3,363,605	3,061,672	2,900,067	76,545	15,275,510
Recovered from impairment on paid credit facilities	(10,770,824)	(3,258,586)	(4,144,053)	(10,260,892)	(29,044)	(28,463,399)
Transferred (from) to stage (1) - net	237,960	382,574	2,118,767	2,727,372	-	5,466,673
Transferred (from) to stage (2) - net	(5,409,184)	(1,571,946)	(3,146,980)	(2,999,030)	-	(13,127,140)
Transferred (from) to stage (3) - net	5,171,224	1,189,372	1,028,213	271,658	-	7,660,467
Effect on provision at the end of the year due to reclassification between stages	14,208,600	6,458,672	18,255,086	5,785,392	-	44,707,750
Effect resulted from to adjustments	(7,660,597)	(3,727,662)	(385,790)	(12,149,893)	34,192	(23,889,750)
The effect of the disposal of a Subsidiary	(788,003)	-	(3,569,262)	-	-	(4,357,265)
Transfers during the period (Note 20)	7,421,024	-	-	-	-	7,421,024
Credit facilities written off and transferred to off balance sheet items	(12,015,462)	(11,544,371)	(10,256,157)	(6,567,449)	-	(40,383,439)
Adjustments resulted from changes in exchange rates	45,648	699,711	4,208	554,855	3	1,304,425
Balance at the End of the Year	187,740,532	40,639,649	72,552,594	94,938,425	14,304,402	410,175,602
Redistribution:						
Provision on an individual basis	187,708,481	38,840,304	55,802,072	76,181,038	14,304,402	372,836,297
Provision on a collective basis	32,051	1,799,345	16,750,522	18,757,387	-	37,339,305
Total	187,740,532	40,639,649	72,552,594	94,938,425	14,304,402	410,175,602

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	Corporate	SME's	Retail	Real Estate	Governmental and Public	Total
	JD	JD	JD	JD	JD	JD
For the Year ended 31 December 2024						
Balance at the beginning of the year	190,857,754	46,714,501	59,195,817	145,689,389	8,444,078	450,901,539
Impairment on new credit facilities during the year	8,091,089	4,263,246	3,311,770	3,076,244	4,388	18,746,737
Recovered from impairment on paid credit facilities	(3,346,634)	(6,493,563)	(2,762,847)	(18,448,317)	(6,645)	(31,058,006)
Transferred (from) to stage (1) - net	1,994,162	(241,298)	2,338,532	2,427,674	-	6,519,070
Transferred (from) to stage (2) - net	(36,868,726)	500,389	(3,814,514)	2,123,784	-	(38,059,067)
Transferred (from) to stage (3) - net	34,874,564	(259,091)	1,475,982	(4,551,458)	-	31,539,997
Effect on provision at the end of the year due to reclassification between stages	717,097	6,188,169	18,226,279	5,720,381	-	30,851,926
Effect resulted from to adjustments	10,954,484	965,422	(2,065,094)	(14,205,400)	5,780,885	1,430,297
Transfers during the period (Note 14)	-	-	-	(6,457,293)	-	(6,457,293)
Credit facilities written off and transferred to off balance sheet items	(15,805,021)	(2,809,092)	(6,318,018)	(582,510)	-	(25,514,641)
Adjustments resulted from changes in exchange rates	(42,244)	(180,403)	(1,017)	(116,149)	-	(339,813)
Balance at the End of the Year	191,426,525	48,648,280	69,586,890	114,676,345	14,222,706	438,560,746
Redistribution:						
Provision on an individual basis	191,306,876	47,202,008	56,952,341	88,304,569	14,222,706	397,988,500
Provision on a collective basis	119,649	1,446,272	12,634,549	26,371,776	-	40,572,246
Total	191,426,525	48,648,280	69,586,890	114,676,345	14,222,706	438,560,746

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Interest in Suspense

The following is the movement on interest in suspense:

	Corporate	SME's	Retail	Real Estate	Governmental and Public	Total
	JD	JD	JD	JD	JD	JD
For the Year ended 31 December 2025						
Balance at the beginning of the year	43,848,894	28,509,872	28,798,269	38,789,572	11,591,006	151,537,613
Interest suspended on new exposure during the year	1,915,390	98,511	128,548	62,971	-	2,205,420
Interest in suspense transferred to income from exposure paid during the year	(1,387,956)	(450,043)	(97,767)	(2,043,040)	-	(3,978,806)
Effect on interest suspended due to reclassification between stages	1,199,993	575,425	1,119,309	460,507	-	3,355,234
Effect on interest in suspense due to adjustments	9,665,479	4,490,448	8,644,079	4,431,388	6,608,124	33,839,518
The effect of the disposal of a Subsidiary	(492,866)	-	(148,945)	-	-	(641,811)
Credit facilities written off and transferred to off balance sheet items	(7,956,800)	(16,713,887)	(18,918,821)	(12,916,777)	-	(56,506,285)
Adjustments resulted from changes in exchange rates	87,889	316,202	4,246	195,804	-	604,141
Balance at the End of the Year	46,880,023	16,826,528	19,528,918	28,980,425	18,199,130	130,415,024

	Corporate	SME's	Retail	Real Estate	Governmental and Public	Total
	JD	JD	JD	JD	JD	JD
For the Year ended 31 December 2024						
Balance at the beginning of the year	43,459,532	26,469,903	34,569,753	45,113,550	6,533,833	156,146,571
Interest suspended on new exposure during the year	9,931	117,205	61,405	220,787	-	409,328
Interest in suspense transferred to income from exposure paid during the year	(420,961)	(443,636)	(557,782)	(557,707)	-	(1,980,086)
Effect on interest suspended due to reclassification between stages	1,631,967	162,636	1,569,943	(544,622)	-	2,819,924
Effect on interest in suspense due to adjustments	8,821,789	8,740,608	9,205,719	10,732,444	5,057,173	42,557,733
Transfers during the period	-	-	-	(13,738,448)	-	(13,738,448)
Credit facilities written off and transferred to off balance sheet items	(9,638,049)	(6,481,755)	(16,049,812)	(2,430,900)	-	(34,600,516)
Adjustments resulted from changes in exchange rates	(15,315)	(55,089)	(957)	(5,532)	-	(76,893)
Balance at the End of the Year	43,848,894	28,509,872	28,798,269	38,789,572	11,591,006	151,537,613

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- The following are the exposures according to IFRS (9) as of 31 December 2025 and 2024:

	31 December 2025									
	Stage (1)			Stage (2)			Stage (3)			
	Provision for			Provision for			Provision for			
Direct Credit	Expected	Interest in	Direct Credit	Expected	Interest in	Direct Credit	Expected	Interest in	Net	
Facilities	Credit Loss	Suspense	Facilities	Credit Loss	Suspense	Facilities	Credit Loss	Suspense		
JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	
Corporate entities	1,436,563,771	5,478,611	-	77,727,166	43,620,278	2,253,462	158,338,987	138,641,643	44,626,561	1,438,009,369
SME's	314,833,470	1,814,101	-	25,085,405	6,570,920	-	60,673,995	32,254,628	16,826,528	343,126,693
Retail	812,118,822	3,754,449	-	39,847,578	14,655,811	-	91,579,085	54,142,334	19,528,918	851,463,973
Real estate loans	954,829,958	7,466,733	-	189,760,137	50,142,844	8,886,700	111,273,301	37,328,848	20,093,725	1,131,944,546
Governmental and public	723,017,823	14,304,402	18,199,130	-	-	-	-	-	-	690,514,291
Total	4,241,363,844	32,818,296	18,199,130	332,420,286	114,989,853	11,140,162	421,865,368	262,367,453	101,075,732	4,455,058,872

	31 December 2024									
	Stage (1)			Stage (2)			Stage (3)			
	Direct Credit Facilities	Provision for Expected Credit Loss	Interest in Suspense	Direct Credit Facilities	Provision for Expected Credit Loss	Interest in Suspense	Direct Credit Facilities	Provision for Expected Credit Loss	Interest in Suspense	Net
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Corporate entities	1,348,767,324	10,002,903	252	105,221,801	36,216,553	470,438	156,147,808	145,207,069	43,378,204	1,374,861,514
SME's	313,999,252	2,429,374	14,673	36,086,588	8,228,862	151,639	78,439,249	37,990,044	28,343,560	351,366,937
Retail	908,851,310	6,382,080	6,127	42,380,074	7,570,890	30,212	99,501,986	55,633,920	28,761,930	952,348,211
Real estate loans	1,040,847,843	22,210,789	4,171	194,800,621	54,589,290	11,141,758	105,330,264	37,876,266	27,643,643	1,187,512,811
Governmental and public	673,321,261	14,222,706	11,591,006	-	-	-	-	-	-	647,507,549
Total	4,285,786,990	55,247,852	11,616,229	378,489,084	106,605,595	11,794,047	439,419,307	276,707,299	128,127,337	4,513,597,022

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- The following represents the distribution of total credit facilities by internal credit rating for large corporates during the year ended 31 December 2025 and 2024:

	31 December 2025				31 December 2024
	Stage (1)	Stage (2)	Stage (3)	Total	Total
	JD	JD	JD	JD	JD
Credit rating categories based on the Bank's internal system:					
From (1) to (5)	1,350,987,100	20,600,001	-	1,371,587,101	1,318,043,618
From (6) to (7)	80,986,028	53,923,886	-	134,909,914	139,637,206
From (8) to (10)	-	-	157,563,826	157,563,826	134,731,503
Not rated	4,590,643	3,203,279	775,161	8,569,083	17,724,606
Total	1,436,563,771	77,727,166	158,338,987	1,672,629,924	1,610,136,933

- The following represents the movement on credit facilities for large corporates during the year ended 31 December 2025 and 2024:

	31 December 2025					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
	1,335,677,85					
Balance - beginning of the year	9	13,089,465	104,997,977	223,824	156,147,808	1,610,136,933
New credit facilities during the year	267,707,904	141,301	6,558,602	21,456	631,208	275,060,471
Paid credit facilities	(163,012,751)	(1,959,330)	(18,813,881)	(22,799)	(11,530,502)	(195,339,263)
Transferred (from) to stage (1) - net	15,742,232	135,881	(15,208,874)	(135,881)	(533,358)	-
Transferred (from) to stage (2) - net	(17,745,632)	(4,287,428)	26,209,284	4,287,428	(8,463,652)	-
Transferred (from) to stage (3) - net	(9,195,801)	(526,930)	(24,084,882)	-	33,807,613	-
Effect of adjustments	(958,018)	(2,347,582)	(5,809,756)	(1,182,218)	8,578,830	(1,718,744)
The effect of the disposal of a Subsidiary	(29,474)	-	-	-	(1,280,471)	(1,309,945)
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(19,972,262)	(19,972,262)
Adjustments resulted from changes in exchange rates	3,709,753	422,322	675,414	11,472	953,773	5,772,734
	1,431,896,07					
Balance - End of the Year	2	4,667,699	74,523,884	3,203,282	158,338,987	1,672,629,924
	31 December 2024					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
Balance - beginning of the year	1,205,999,313	8,785,196	131,476,992	6,959,766	139,858,205	1,493,079,472
New credit facilities during the year	335,180,057	3,059,539	24,229,635	61,175	108,211	362,638,617
Paid credit facilities	(232,639,768)	(515,716)	(10,056,335)	(98,411)	(1,270,135)	(244,580,365)
Transferred (from) to stage (1) - net	13,311,552	6,881,951	(13,311,552)	(6,881,951)	-	-
Transferred (from) to stage (2) - net	(19,808,367)	(252,749)	22,542,681	252,749	(2,734,314)	-
Transferred (from) to stage (3) - net	(5,005,220)	(3,989)	(61,320,183)	-	66,329,392	-
Effect of adjustments	39,863,963	(4,828,480)	11,550,926	(65,088)	(20,456,740)	26,064,581
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(25,443,070)	(25,443,070)
Adjustments resulted from changes in exchange rates	(1,223,671)	(36,287)	(114,187)	(4,416)	(243,741)	(1,622,302)
Balance - End of the Year	1,335,677,859	13,089,465	104,997,977	223,824	156,147,808	1,610,136,933

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- The following represents the movement on the provision for credit loss for large corporates credit facilities during the year ended 31 December 2025 and 2024:

	31 December 2025					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual JD	Collective JD	Individual JD	Collective JD		
Balance - beginning of the year	9,903,229	99,674	36,196,578	19,975	145,207,069	191,426,525
Impairment losses on new credit facilities during the year	1,485,198	699	3,921,132	1,071	465,521	5,873,621
Reversed from impairment losses on paid credit facilities	(1,287,706)	(12,973)	(192,111)	(44)	(9,277,990)	(10,770,824)
Transferred (from) to stage (1) - net	1,245,999	19,102	(1,141,351)	(19,102)	(104,648)	-
Transferred (from) to stage (2) - net	(293,711)	(35,156)	8,610,085	35,156	(8,316,374)	-
Transferred (from) to stage (3) - net	(695,382)	(2,892)	(12,893,972)	-	13,592,246	-
Effect due to reclassification between stages	(898,431)	(18,663)	4,946,007	(29,892)	10,209,579	14,208,600
Effect of adjustments	(4,030,992)	(30,233)	(3,265,520)	1,145	(334,997)	(7,660,597)
The effect of the disposal of a Subsidiary	(398)	-	-	-	(787,605)	(788,003)
Transfers during the year (Note 20)	-	-	7,421,024	-	-	7,421,024
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(12,015,462)	(12,015,462)
Adjustments resulted from changes in exchange rates	27,260	3,987	9,900	197	4,304	45,648
Balance - End of the Year	5,455,066	23,545	43,611,772	8,506	138,641,643	187,740,532

	31 December 2024					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual JD	Collective JD	Individual JD	Collective JD		
Balance - beginning of the year	13,483,338	40,356	48,703,007	774,845	127,856,208	190,857,754
Impairment losses on new credit facilities during the year	2,641,588	17,211	5,332,011	2,729	97,550	8,091,089
Reversed from impairment losses on paid credit facilities	(1,978,875)	(4,487)	(837,211)	(1,296)	(524,765)	(3,346,634)
Transferred (from) to stage (1) - net	1,838,664	737,141	(1,838,664)	(737,141)	-	-
Transferred (from) to stage (2) - net	(330,115)	(1,202)	1,977,612	1,202	(1,647,497)	-
Transferred (from) to stage (3) - net	(250,278)	(48)	(36,271,735)	-	36,522,061	-
Effect due to reclassification between stages	(1,476,975)	(702,941)	3,578,030	(20,637)	(660,380)	717,097
Effect of adjustments	(4,029,085)	14,441	15,557,680	3,057	(591,609)	10,954,484
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(15,805,021)	(15,805,021)
Adjustments resulted from changes in exchange rates	4,967	(797)	(4,152)	(2,784)	(39,478)	(42,244)
Balance - End of the Year	9,903,229	99,674	36,196,578	19,975	145,207,069	191,426,525

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- The following represents the distribution of total credit facilities by internal credit rating for SME's during the year ended 31 December 2025 and 2024:

	31 December 2025				31 December 2024
	Stage (1)	Stage (2)	Stage (3)	Total	Total
	JD	JD	JD	JD	JD
Credit rating Categories based on the Bank's internal system:					
From (1) to (5)	284,500,091	4,920,153	-	289,420,244	234,680,752
From (6) to (7)	8,185,824	11,381,579	-	19,567,403	82,503,349
From (8) to (10)	-	-	48,517,194	48,517,194	58,339,766
Not rated	22,147,555	8,783,673	12,156,801	43,088,029	53,001,222
Total	314,833,470	25,085,405	60,673,995	400,592,870	428,525,089

- The following represents the movement on credit facilities for SME's during the year ended 31 December 2025 and 2024:

	31 December 2025					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective	JD	JD
	JD	JD	JD	JD		
Balance - beginning of the year	286,153,134	27,846,118	30,004,017	6,082,571	78,439,249	428,525,089
New credit facilities during the year	119,229,054	6,293,681	2,161,371	125,168	2,708,534	130,517,808
Paid credit facilities	(69,297,242)	(4,728,553)	(7,669,802)	(434,202)	(3,303,761)	(85,433,560)
Transferred (from) to stage (1) - net	5,778,159	967,001	(5,778,159)	(851,283)	(115,718)	-
Transferred (from) to stage (2) - net	(6,247,917)	(6,600,728)	6,255,797	6,636,955	(44,107)	-
Transferred (from) to stage (3) - net	(2,306,269)	(937,507)	(6,597,406)	(1,448,729)	11,289,911	-
Effect of adjustments	(42,403,617)	(5,881,075)	(1,934,043)	(2,014,347)	(1,186,091)	(53,419,173)
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(28,258,258)	(28,258,258)
Adjustments resulted from changes in exchange rates	6,621,202	348,029	497,906	49,591	1,144,236	8,660,964
Balance - End of the Year	297,526,504	17,306,966	16,939,681	8,145,724	60,673,995	400,592,870

	31 December 2024					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective	JD	JD
	JD	JD	JD	JD		
Balance - beginning of the year	295,003,257	36,021,202	47,400,700	4,522,602	66,783,663	449,731,424
New credit facilities during the year	104,158,641	14,954,451	4,652,096	751,551	4,929,966	129,446,705
Paid credit facilities	(81,577,301)	(5,922,984)	(20,017,500)	(732,069)	(4,259,200)	(112,509,054)
Transferred (from) to stage (1) - net	2,829,789	483,370	(2,829,788)	(422,528)	(60,843)	-
Transferred (from) to stage (2) - net	(14,313,066)	(5,055,322)	15,425,176	5,249,964	(1,306,752)	-
Transferred (from) to stage (3) - net	(5,796,410)	(1,281,390)	(3,738,992)	(1,402,939)	12,219,731	-
Effect of adjustments	(12,773,140)	(11,237,687)	(10,767,690)	(1,878,954)	9,592,180	(27,065,291)
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(9,290,847)	(9,290,847)
Adjustments resulted from changes in exchange rates	(1,378,636)	(115,522)	(119,985)	(5,056)	(168,649)	(1,787,848)
Balance - End of the Year	286,153,134	27,846,118	30,004,017	6,082,571	78,439,249	428,525,089

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- The following represents the movement on the provision for credit loss for SME's credit facilities during the year ended 31 December 2025 and 2024:

	31 December 2025					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
Balance - beginning of the year	2,207,451	221,923	7,004,513	1,224,349	37,990,044	48,648,280
Impairment losses on new credit facilities during the year	625,751	48,984	269,805	15,444	2,403,621	3,363,605
Reversed from impairment losses on paid credit facilities	(292,712)	(42,447)	(837,632)	(24,658)	(2,061,137)	(3,258,586)
Transferred (from) to stage (1) - net	401,868	104,837	(401,868)	(76,973)	(27,864)	-
Transferred (from) to stage (2) - net	(46,846)	(48,763)	53,546	60,857	(18,794)	-
Transferred (from) to stage (3) - net	(21,087)	(7,435)	(933,520)	(273,988)	1,236,030	-
Effect due to reclassification between stages	(354,368)	(99,607)	455,974	952,075	5,504,598	6,458,672
Effect of adjustments	(885,122)	(65,603)	(741,325)	(194,031)	(1,841,581)	(3,727,662)
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(11,544,371)	(11,544,371)
Adjustments resulted from changes in exchange rates	63,975	3,302	17,273	1,079	614,082	699,711
Balance - End of the Year	1,698,910	115,191	4,886,766	1,684,154	32,254,628	40,639,649

	31 December 2024					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
Balance - beginning of the year	2,789,832	259,649	12,314,093	378,771	30,972,156	46,714,501
Impairment losses on new credit facilities during the year	682,893	121,782	234,936	73,229	3,150,406	4,263,246
Reversed from impairment losses on paid credit facilities	(442,517)	(43,166)	(3,240,802)	(70,858)	(2,696,220)	(6,493,563)
Transferred (from) to stage (1) - net	57,148	44,179	(57,148)	(33,782)	(10,397)	-
Transferred (from) to stage (2) - net	(263,116)	(28,053)	961,680	59,539	(730,050)	-
Transferred (from) to stage (3) - net	(43,028)	(8,428)	(290,830)	(139,070)	481,356	-
Effect due to reclassification between stages	(47,162)	(41,819)	1,001,783	446,310	4,829,057	6,188,169
Effect of adjustments	(510,097)	(82,165)	(3,913,431)	510,343	4,960,772	965,422
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(2,809,092)	(2,809,092)
Adjustments resulted from changes in exchange rates	(16,502)	(56)	(5,768)	(133)	(157,944)	(180,403)
Balance - End of the Year	2,207,451	221,923	7,004,513	1,224,349	37,990,044	48,648,280

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- The following represents distribution of total credit facilities by internal credit rating for Retail during the year ended 31 December 2025 and 2024:

	31 December 2025				31 December 2024
	Stage (1)	Stage (2)	Stage (3)	Total	Total
	JD	JD	JD	JD	JD
Credit rating categories based on the Bank's internal system:					
From (1) to (5)	3,029,882	-	-	3,029,882	4,620,468
From (6) to (7)	5,697	47,401	-	53,098	232,460
From (8) to (10)	-	-	2,542,267	2,542,267	3,659,805
Not rated	809,083,243	39,800,177	89,036,818	937,920,238	1,042,220,637
Total	812,118,822	39,847,578	91,579,085	943,545,485	1,050,733,370

- The following represents the movement on credit facilities for individuals during the year ended 31 December 2025 and 2024:

	31 December 2025					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual JD	Collective JD	Individual JD	Collective JD	JD	JD
Balance - beginning of the year	113,714,948	795,136,362	3,650,436	38,729,638	99,501,986	1,050,733,370
New credit facilities during the year	38,869,512	168,739,227	106,139	1,953,456	2,306,439	211,974,773
Paid credit facilities	(44,267,704)	(141,253,930)	(902,053)	(3,489,214)	(4,219,526)	(194,132,427)
Transferred (from) to stage (1) - net	678,361	14,744,669	(678,428)	(13,400,959)	(1,343,643)	-
Transferred (from) to stage (2) - net	(2,032,276)	(24,245,750)	2,149,690	25,223,851	(1,095,515)	-
Transferred (from) to stage (3) - net	(1,187,251)	(16,828,966)	(262,624)	(9,463,281)	27,742,122	-
Effect of adjustments	(11,894,056)	(75,025,036)	(391,275)	(3,309,341)	2,471,057	(88,148,651)
The effect of the disposal of a Subsidiary	-	(3,083,036)	(70,824)	-	(4,617,320)	(7,771,180)
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(29,174,978)	(29,174,978)
Adjustments resulted from changes in exchange rates	3	53,745	-	2,367	8,463	64,578
Balance - End of the Year	93,881,537	718,237,285	3,601,061	36,246,517	91,579,085	943,545,485

	31 December 2024					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual JD	Collective JD	Individual JD	Collective JD	JD	JD
Balance - beginning of the year	73,819,496	858,127,535	2,393,233	39,194,245	84,244,806	1,057,779,315
New credit facilities during the year	64,628,315	175,690,535	186,376	4,919,271	2,036,362	247,460,859
Paid credit facilities	(21,974,759)	(116,593,486)	(250,188)	(3,178,451)	(2,789,931)	(144,786,815)
Transferred (from) to stage (1) - net	673,074	8,645,939	(673,074)	(7,573,726)	(1,072,213)	-
Transferred (from) to stage (2) - net	(3,284,527)	(21,923,593)	3,613,126	22,712,854	(1,117,860)	-
Transferred (from) to stage (3) - net	(3,296,130)	(16,503,158)	(1,273,787)	(13,448,455)	34,521,530	-
Effect of adjustments	3,150,091	(92,293,159)	(345,250)	(3,895,074)	6,049,064	(87,334,328)
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(22,367,830)	(22,367,830)
Adjustments resulted from changes in exchange rates	(612)	(14,251)	-	(1,026)	(1,942)	(17,831)
Balance - End of the Year	113,714,948	795,136,362	3,650,436	38,729,638	99,501,986	1,050,733,370

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- The following represents the movement on the provision for credit loss for retail credit facilities during the year ended 31 December 2025 and 2024:

	31 December 2025					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual JD	Collective JD	Individual JD	Collective JD		
Balance - Beginning of the year	347,647	6,034,433	970,774	6,600,116	55,633,920	69,586,890
Impairment losses on new facilities during the year	57,323	717,006	17,243	592,603	1,677,497	3,061,672
Reversed from impairment losses on matured facilities	(40,962)	(1,197,860)	(75,526)	(479,956)	(2,349,749)	(4,144,053)
Transferred (from) to stage (1) - net	91,888	2,566,259	(91,955)	(1,802,905)	(763,287)	-
Transferred (from) to stage (2) - net	(6,543)	(206,355)	8,235	803,149	(598,486)	-
Transferred (from) to stage (3) - net	(21,114)	(305,368)	(45,122)	(2,018,382)	2,389,986	-
Effect due to reclassification between stages	(89,141)	(2,440,613)	544,711	7,993,253	12,246,876	18,255,086
Effect of adjustments	(135,789)	(1,570,093)	133,442	1,511,489	(324,839)	(385,790)
The effect of the disposal of a Subsidiary	-	(46,284)	(5,372)	-	(3,517,606)	(3,569,262)
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(10,256,157)	(10,256,157)
Adjustments resulted from changes in exchange rates	(1)	16	-	14	4,179	4,208
Balance - End of the Year	203,308	3,551,141	1,456,430	13,199,381	54,142,334	72,552,594

	31 December 2024					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual JD	Collective JD	Individual JD	Collective JD		
Balance - Beginning of the year	620,107	4,076,431	1,008,139	6,928,930	46,562,210	59,195,817
Impairment losses on new facilities during the year	103,827	1,445,694	47,312	477,798	1,237,139	3,311,770
Reversed from impairment losses on matured facilities	(42,139)	(477,568)	(6,055)	(451,336)	(1,785,749)	(2,762,847)
Transferred (from) to stage (1) - net	158,621	2,479,482	(158,622)	(1,595,179)	(884,302)	-
Transferred (from) to stage (2) - net	(44,422)	(95,166)	211,483	674,634	(746,529)	-
Transferred (from) to stage (3) - net	(81,943)	(78,040)	(414,022)	(2,532,808)	3,106,813	-
Effect due to reclassification between stages	(155,624)	(2,425,375)	674,510	3,346,716	16,786,052	18,226,279
Effect of adjustments	(210,780)	1,108,990	(391,971)	(248,620)	(2,322,713)	(2,065,094)
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(6,318,018)	(6,318,018)
Adjustments resulted from changes in exchange rates	-	(15)	-	(19)	(983)	(1,017)
Balance - End of the Year	347,647	6,034,433	970,774	6,600,116	55,633,920	69,586,890

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- The following represents the distribution of total credit facilities by internal credit rating for Real Estate during the year ended 31 December 2025 and 2024:

	31 December 2025				31 December 2024
	Stage (1)	Stage (2)	Stage (3)	Total	Total
	JD	JD	JD	JD	JD
Credit rating categories based on the Bank's internal system:					
From (1) to (5)	65,820,138	10,454,257	-	76,274,395	100,908,313
From (6) to (7)	1,170,934	91,170,995	-	92,341,929	102,362,586
From (8) to (10)	-	-	17,937,326	17,937,326	20,231,489
Not rated	887,838,886	88,134,885	93,335,975	1,069,309,746	1,117,476,340
Total	954,829,958	189,760,137	111,273,301	1,255,863,396	1,340,978,728

- The following represents the movement on credit facilities for Real Estate during the year ended 31 December 2025 and 2024:

	31 December 2025					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective	JD	JD
	JD	JD	JD	JD		
Balance - beginning of the year	232,666,373	808,181,470	119,344,805	75,455,816	105,330,264	1,340,978,728
New credit facilities during the year	48,707,765	89,996,789	1,040,808	1,511,501	2,805,206	144,062,069
Paid credit facilities	(48,237,659)	(111,363,569)	(1,956,530)	(2,172,340)	(22,149,849)	(185,879,947)
Transferred (from) to stage (1) - net	2,748,919	19,492,988	(2,747,109)	(17,239,069)	(2,255,729)	-
Transferred (from) to stage (2) - net	(9,373,321)	(43,970,564)	9,567,882	45,169,480	(1,393,477)	-
Transferred (from) to stage (3) - net	(2,778,252)	(9,262,323)	(6,931,069)	(29,143,960)	48,115,604	-
Effect of adjustments	(19,893,048)	(16,865,216)	(6,050,796)	2,277,319	(1,946,642)	(42,478,383)
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(19,484,226)	(19,484,226)
Adjustments resulted from changes in exchange rates	90,316	14,689,290	6,327	1,627,072	2,252,150	18,665,155
Balance - End of the Year	203,931,093	750,898,865	112,274,318	77,485,819	111,273,301	1,255,863,396

	31 December 2024					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective	JD	JD
	JD	JD	JD	JD		
Balance - beginning of the year	169,394,876	925,008,822	164,473,421	66,952,370	102,974,184	1,428,803,673
New credit facilities during the year	45,685,627	81,166,718	424,437	5,075,523	998,134	133,350,439
Paid credit facilities	(20,956,228)	(76,737,941)	(37,666,546)	(7,359,345)	(3,220,900)	(145,940,960)
Transferred (from) to stage (1) - net	5,769,437	11,165,220	(4,365,549)	(9,722,679)	(2,846,429)	-
Transferred (from) to stage (2) - net	(12,731,559)	(42,987,465)	20,847,918	43,537,956	(8,666,850)	-
Transferred (from) to stage (3) - net	(3,607,378)	(9,899,579)	(5,651,511)	(23,347,748)	42,506,216	-
Effect of adjustments	49,145,096	(76,152,583)	(18,702,188)	553,702	(23,163,104)	(68,319,077)
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(3,013,410)	(3,013,410)
Adjustments resulted from changes in exchange rates	(33,498)	(3,381,722)	(15,177)	(233,963)	(237,577)	(3,901,937)
Balance - End of the Year	232,666,373	808,181,470	119,344,805	75,455,816	105,330,264	1,340,978,728

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- The following represents the movement on the provision for credit loss for Real Estate credit facilities during the year ended 31 December 2025 and 2024:

	31 December 2025					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
Balance - beginning of the year	4,732,485	17,478,304	45,695,818	8,893,472	37,876,266	114,676,345
Impairment losses on new facilities during the year	121,170	211,688	483,829	346,777	1,736,603	2,900,067
Reversed from impairment losses on matured facilities	(710,244)	(1,515,089)	(571,683)	(293,016)	(7,170,860)	(10,260,892)
Transferred (from) to stage (1) - net	285,078	3,736,736	(283,895)	(2,513,960)	(1,223,959)	-
Transferred (from) to stage (2) - net	(259,277)	(794,510)	306,418	1,162,149	(414,780)	-
Transferred (from) to stage (3) - net	(86,945)	(153,710)	(582,082)	(1,087,660)	1,910,397	-
Effect resulted from reclassification between stages	(273,230)	(3,453,743)	1,259,423	2,703,650	5,549,292	5,785,392
Effect of adjustments	(3,058,743)	(8,802,808)	(8,208,456)	2,813,660	5,106,454	(12,149,893)
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(6,567,449)	(6,567,449)
Adjustments resulted from changes in exchange rates	1,370	8,201	1,154	17,246	526,884	554,855
Balance - End of the Year	751,664	6,715,069	38,100,526	12,042,318	37,328,848	94,938,425

	31 December 2024					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
Balance - beginning of the year	4,986,338	17,920,079	77,279,470	9,219,868	36,283,634	145,689,389
Impairment losses on new facilities during the year	651,350	1,105,239	18,701	797,965	502,989	3,076,244
Reversed from impairment losses on matured facilities	(324,344)	(1,394,013)	(15,415,512)	(394,379)	(920,069)	(18,448,317)
Transferred (from) to stage (1) - net	1,749,227	1,716,949	(350,860)	(918,168)	(2,197,148)	-
Transferred (from) to stage (2) - net	(350,905)	(441,658)	6,019,598	735,016	(5,962,051)	-
Transferred (from) to stage (3) - net	(65,032)	(180,907)	(706,719)	(2,655,083)	3,607,741	-
Effect resulted from reclassification between stages	(1,653,398)	(1,491,584)	(3,066,075)	2,116,416	9,815,022	5,720,381
Effect of adjustments	(260,250)	247,442	(11,623,841)	7,727	(2,576,478)	(14,205,400)
Transfers during the period (Note 14)	-	-	(6,457,293)	-	-	(6,457,293)
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(582,510)	(582,510)
Adjustments resulted from changes in exchange rates	(501)	(3,243)	(1,651)	(15,890)	(94,864)	(116,149)
Balance - End of the Year	4,732,485	17,478,304	45,695,818	8,893,472	37,876,266	114,676,345

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- The following represents the distribution of total credit facilities by internal credit rating for Government and public sector during the year ended 31 December 2025 and 2024:

	31 December 2025				31 December 2024
	Stage (1)	Stage (2)	Stage (3)	Total	Total
	JD	JD	JD	JD	JD
Credit rating categories based on the Bank's internal system:					
From (1) to (5)	723,017,823	-	-	723,017,823	673,321,261
Total	723,017,823	-	-	723,017,823	673,321,261

- The following represents the movement on credit facilities for Government and Public Sector during the year ended 31 December 2025 and 2024:

	31 December 2025			
	Stage (1)	Stage (2)	Stage (3)	Total
	Individual JD	Individual JD	JD	JD
Balance - beginning of the year	673,321,261	-	-	673,321,261
New credit facilities during the year	121,200,016	-	-	121,200,016
Paid credit facilities	(101,338,091)	-	-	(101,338,091)
Effect of adjustments	29,819,466	-	-	29,819,466
Adjustments resulted from changes in exchange rates	15,171	-	-	15,171
Balance - End of the Year	723,017,823	-	-	723,017,823

	31 December 2024			
	Stage (1)	Stage (2)	Stage (3)	Total
	Individual JD	Individual JD	JD	JD
Balance - beginning of the year	620,198,707	-	-	620,198,707
New credit facilities during the year	73,987,823	-	-	73,987,823
Paid credit facilities	(25,639,350)	-	-	(25,639,350)
Effect of adjustments	4,774,081	-	-	4,774,081
Balance - End of the Year	673,321,261	-	-	673,321,261

- The following represents the movement on the provision for credit loss for Government and public sector credit facilities during the year ended 31 December 2025 and 2024:

	31 December 2025			
	Stage (1)	Stage (2)	Stage (3)	Total
	Individual JD	Individual JD	JD	JD
Balance - beginning of the year	14,222,706	-	-	14,222,706
Impairment losses on new facilities during the year	76,545	-	-	76,545
Reversed from impairment losses on matured facilities	(29,044)	-	-	(29,044)
Effect of adjustments	34,192	-	-	34,192
Adjustments resulted from changes in exchange rates	3	-	-	3
Balance - End of the Year	14,304,402	-	-	14,304,402

	31 December 2024			
	Stage (1)	Stage (2)	Stage (3)	Total
	Individual JD	Individual JD	JD	JD
Balance - beginning of the year	8,444,078	-	-	8,444,078
Impairment losses on new facilities during the year	4,388	-	-	4,388
Reversed from impairment losses on matured facilities	(6,645)	-	-	(6,645)
Effect of adjustments	5,780,885	-	-	5,780,885
Balance - End of the Year	14,222,706	-	-	14,222,706

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(11) Financial Assets at Amortized Cost - Net

The details of this item are as follows:

	31 December	
	2025	2024
	JD	JD
Jordanian Treasury Bills	-	55,001,044
Jordanian treasury bonds	1,897,315,723	1,692,639,864
Governmental or guaranteed by government bonds	510,879,435	508,145,750
Foreign governments bonds	204,207,599	172,319,909
Corporate bonds and debentures	130,320,894	122,868,273
Total	2,742,723,651	2,550,974,840
<u>Less:</u> Provision for excepted credit loss	(710,794)	(3,615,193)
Net	2,742,012,857	2,547,359,647

Bonds and Bills Analysis:

At fixed rate	2,742,012,857	2,545,594,291
At floating rate	-	1,765,356
Total	2,742,012,857	2,547,359,647

- The maturity dates for Bonds range from year 2026 to year 2040.
- Interest rate on bonds and Treasury Bills ranges from 3.00% to 8.00%.
- The following is the movement on the financial assets at amortized cost during the year ended 31 December 2025 and 2024:

	31 December 2025			
	Stage (1) Individual JD	Stage (2) Individual JD	Stage (3) JD	Total JD
Balance - beginning of the year	2,547,974,839	-	3,000,001	2,550,974,840
New investments during the year	652,242,515	-	-	652,242,515
Matured investments	(463,082,234)	-	-	(463,082,234)
Amortization of premium/ discount	2,248,480	-	-	2,248,480
Credit facilities transferred to off balance sheet items	-	-	(3,000,001)	(3,000,001)
Adjustments resulted from changes in exchange rates	3,340,051	-	-	3,340,051
Balance - End of the Year	2,742,723,651	-	-	2,742,723,651

	31 December 2024			
	Stage (1) Individual JD	Stage (2) Individual JD	Stage (3) JD	Total JD
Balance - beginning of the year	2,418,892,317	-	3,000,001	2,421,892,318
New investments during the year	602,919,966	-	-	602,919,966
Matured investments	(477,140,739)	-	-	(477,140,739)
Amortization of premium/ discount	3,317,661	-	-	3,317,661
Adjustments resulted from changes in exchange rates	(14,366)	-	-	(14,366)
Balance - End of the Year	2,547,974,839	-	3,000,001	2,550,974,840

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- The following is the movement on the provision for expected credit loss during the year ended 31 December 2025 and 2024:

31 December 2025				
	Stage (1)	Stage (2)	Stage (3)	Total
	Individual	Individual		
	JD	JD	JD	JD
Balance - beginning of the year	615,193	-	3,000,000	3,615,193
Expected credit losses on new investments during the year	395,288	-	-	395,288
Expected credit losses on matured investments during the year	(91,443)	-	-	(91,443)
Effect of adjustments	(240,846)	-	-	(240,846)
Credit facilities transferred to off balance sheet items	-	-	(3,000,000)	(3,000,000)
Adjustments resulted from changes in exchange rates	32,602	-	-	32,602
Balance - End of the Year	710,794	-	-	710,794

31 December 2024				
	Stage (1)	Stage (2)	Stage (3)	Total
	Individual	Individual		
	JD	JD	JD	JD
Balance - beginning of the year	369,108	-	3,000,000	3,369,108
Expected credit losses on new investments during the year	309,508	-	-	309,508
Expected credit losses on matured investments during the year	(34,443)	-	-	(34,443)
Effect of adjustments	(22,258)	-	-	(22,258)
Adjustments resulted from changes in exchange rates	(6,722)	-	-	(6,722)
Balance - End of the Year	615,193	-	3,000,000	3,615,193

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(12) Property and Equipment - Net

The details of this item are as follows:

	Lands	Buildings and Construction	Equipment, Furniture and Fixtures	Vehicles	Computers Hardware	Total
	JD	JD	JD	JD	JD	JD
For the Year Ended 31 December 2025						
Cost:						
Balance - beginning of the year	27,569,980	93,988,498	146,285,930	2,395,955	40,644,521	310,884,884
Additions	-	-	8,929,236	422,465	3,447,031	12,798,732
Disposals	(166,252)	(554,045)	(6,363,026)	(541,243)	(981,623)	(8,606,189)
Foreign currency exchange differences	10,735	71,043	380,671	16,796	142,078	621,323
The effect of the disposal of a Subsidiary	-	-	(118,382)	(16,700)	(55,643)	(190,725)
Balance - End of the Year	27,414,463	93,505,496	149,114,429	2,277,273	43,196,364	315,508,025
Accumulated Depreciation:						
Balance - beginning of the year	-	18,780,987	107,541,799	1,849,162	26,568,970	154,740,918
Depreciation for the year	-	1,895,363	11,087,996	170,499	4,211,228	17,365,086
Disposals	-	(181,065)	(6,069,762)	(498,759)	(962,538)	(7,712,124)
Foreign currency exchange differences	-	55,918	217,378	10,238	96,962	380,496
The effect of the disposal of a Subsidiary	-	-	(120,012)	(16,699)	(47,149)	(183,860)
Balance - End of the Year	-	20,551,203	112,657,399	1,514,441	29,867,473	164,590,516
Net book value of property and equipment	27,414,463	72,954,293	36,457,030	762,832	13,328,891	150,917,509
Payments on purchased property and equipment	-	-	2,134,002	-	-	2,134,002
Projects under construction	-	-	2,043,263	-	-	2,043,263
Net Book Value - End of the Year	27,414,463	72,954,293	40,634,295	762,832	13,328,891	155,094,774

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	<u>Lands</u>	<u>Buildings and Construction</u>	<u>Equipment, Furniture and Fixtures</u>	<u>Vehicles</u>	<u>Computers Hardware</u>	<u>Total</u>
	<u>JD</u>	<u>JD</u>	<u>JD</u>	<u>JD</u>	<u>JD</u>	<u>JD</u>
For the Year Ended 31 December 2024						
Cost:						
Balance - beginning of the year	26,887,874	93,987,458	147,959,821	2,142,328	40,331,679	311,309,160
Additions	760,339	20,000	9,670,416	335,485	3,572,148	14,358,388
Disposals	-	-	(11,267,557)	(76,984)	(3,227,767)	(14,572,308)
Foreign currency exchange differences	(78,233)	(18,960)	(76,750)	(4,874)	(31,539)	(210,356)
Balance - End of the Year	27,569,980	93,988,498	146,285,930	2,395,955	40,644,521	310,884,884
Accumulated Depreciation:						
Balance - beginning of the year	-	16,881,918	108,837,268	1,806,115	25,552,812	153,078,113
Depreciation for the year	-	1,912,471	9,946,888	122,073	4,174,210	16,155,642
Disposals	-	-	(11,197,604)	(76,983)	(3,132,178)	(14,406,765)
Foreign currency exchange differences	-	(13,402)	(44,753)	(2,043)	(25,874)	(86,072)
Balance - End of the Year	-	18,780,987	107,541,799	1,849,162	26,568,970	154,740,918
Net book value of property and equipment	27,569,980	75,207,511	38,744,131	546,793	14,075,551	156,143,966
Payments on purchased property and equipment	-	-	1,072,193	-	-	1,072,193
Projects under construction	-	338,410	830,482	-	-	1,168,892
Net Book Value - End of the Year	27,569,980	75,545,921	40,646,806	546,793	14,075,551	158,385,051

- Property and equipment include fully depreciated assets of JD 107,839,527 as of 31 December 2025 compared with JD 87,886,614 as of 31 December 2024.
- Contractual commitments related to payments on purchases of property and equipment and projects under construction are stated in Note (50), and including the remaining estimated cost for projects under construction.

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(13) Intangible Assets - Net

The details of this item are as follows:

	Goodwill	Computer Software	Other *	Total
	JD	JD	JD	JD
For the Year Ended 31 December 2025				
Balance - beginning of the year	358,397	18,635,035	1,935,268	20,928,700
Additions	-	5,483,616	-	5,483,616
Amortization for the year	-	(7,200,535)	-	(7,200,535)
Balance - End of the Year	358,397	16,918,116	1,935,268	19,211,781

	Goodwill	Computer Software	Other *	Total
	JD	JD	JD	JD
For the Year Ended 31 December 2024				
Balance - beginning of the year	358,397	19,921,271	1,935,268	22,214,936
Additions	-	6,340,260	-	6,340,260
Amortization for the year	-	(7,626,496)	-	(7,626,496)
Balance - End of the Year	358,397	18,635,035	1,935,268	20,928,700

* This item represents the license for conducting banking activities arising from the acquisition of Jordan International Bank / London with a shareholding value of 75%. The license for conducting business was identified as having an infinite life. This asset was tested for impairment and no impairment recognized as of 31 December 2025 and 2024.

- The balance of computer system and software include payments on account for the purchase of computer software amounted to JD 2,816,535 as of 31 December 2025 compared with JD 2,564,960 as of 31 December 2024.

(14) Other Assets - Net

The details of this item are as follows:

	31 December	
	2025	2024
	JD	JD
Accrued revenues and interest	56,173,079	45,338,852
Prepaid expenses	9,099,930	7,488,873
Assets seized by the Bank *	175,225,843	150,015,648
Gain of hedging derivative valuation	596,180	1,656,803
Cheques under collection	19,031,354	10,417,854
Other	16,670,092	12,634,130
Total	276,796,478	227,552,160
Provision for expected credit loss **	(116,765)	(114,616)
Net	276,679,713	227,437,544

* The instruction of the Central Bank of Jordan requires the Bank to dispose the assets it seizes during a maximum period of two years from the acquisition date.

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

	31 December	
	2025	2024
	JD	JD
Balance - beginning of the year	150,015,648	58,261,619
Additions	40,070,482	108,628,028
Disposals	(14,860,557)	(8,051,455)
Impairment loss	-	(2,364,633)
Transfer during the year	-	(6,457,293)
Foreign currency exchange differences	270	(618)
Balance - End of the Year	175,225,843	150,015,648

The following is a summary of the movement on impairment provisions on assets seized by the bank:

	31 December	
	2025	2024
	JD	JD
Balance - beginning of the year	18,006,428	9,904,427
Impairment loss for the year	-	2,364,633
Transfer during the year	-	6,457,293
Disposals from provision resulted from sales	(821,630)	(719,925)
Balance - End of the Year	17,184,798	18,006,428

** The following is a summary of the movement on expected credit loss provision for the years 2025 and 2024:

	31 December	
	2025	2024
	JD	JD
Balance - beginning of the year	114,616	116,957
Expense/(Surplus) for the year	2,149	(2,341)
Balance - End of the Year	116,765	114,616

(15) Bank and Financial Institutions Deposits

The details of this item are as follows:

	31 December 2025			31 December 2024		
	Inside Jordan	Outside Jordan	Total	Inside Jordan	Outside Jordan	Total
	JD	JD	JD	JD	JD	JD
Current accounts and demand deposits	74,991,075	71,841,516	146,832,591	12,103,466	51,639,413	63,742,879
Deposits due within 3 months	270,230,597	503,102,041	773,332,638	75,004,126	666,406,359	741,410,485
Deposits due within 3- 6 months	-	11,344,000	11,344,000	-	-	-
Deposits due within 6- 9 months	-	-	-	6,000,000	-	6,000,000
Deposits due within 9- 12 months	20,403,644	-	20,403,644	18,492,669	-	18,492,669
More than a year	6,000,000	-	6,000,000	-	-	-
Total	371,625,316	586,287,557	957,912,873	111,600,261	718,045,772	829,646,033

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(16) Customers' Deposits

The details of this item are as follows:

	Retail	Corporate	SMEs	Government and Public Sector	Total
	JD	JD	JD	JD	JD
31 December 2025					
Current accounts and demand deposits	593,047,168	335,406,239	446,996,432	36,131,525	1,411,581,364
Saving deposits	1,632,806,766	178,879	14,757,545	98,794	1,647,841,984
Time and notice deposits	1,470,146,951	628,559,830	84,209,480	384,578,718	2,567,494,979
Certificates of deposit	207,514,330	42,429,376	4,629,755	-	254,573,461
Others	47,218	-	-	-	47,218
Total	3,903,562,433	1,006,574,324	550,593,212	420,809,037	5,881,539,006

	Retail	Corporate	SMEs	Government and Public Sector	Total
	JD	JD	JD	JD	JD
31 December 2024					
Current accounts and demand deposits	682,003,872	319,512,390	401,976,158	30,588,668	1,434,081,088
Saving deposits	1,635,587,769	875,591	15,893,144	445,891	1,652,802,395
Time and notice deposits	1,420,508,178	498,002,783	118,397,091	591,542,869	2,628,450,921
Certificates of deposit	228,061,609	39,065,859	815,724	-	267,943,192
Others	47,218	-	-	-	47,218
Total	3,966,208,646	857,456,623	537,082,117	622,577,428	5,983,324,814

- The deposits of the public sector and the Government of Jordan inside the Kingdom amounted to JD 395.0 million, representing 6.7% of total deposits as of 31 December 2025 (JD 599,5 million, representing 10% of total deposits as of 31 December 2024).
- Non-interest bearing deposits amounted to JD 1.47 billion, representing 25% of total deposits as of 31 December 2025 (JD 1.51 billion, representing 25.2% of total deposits as of 31 December 2024).
- Restricted deposits (Restricted withdrawal) amounted to JD 76.7 million, representing 1.3% of total deposits as of 31 December 2025 (JD 99.9 million, representing 1.7% of total deposits as of 31 December 2024).
- Dormant accounts amounted to JD 184.2 million, representing 3.1% of total deposits as of 31 December 2025 (JD 159.5 million, representing 2.7% of total deposits as of 31 December 2024).

(17) Cash Margins

The details of this item are as follows:

	31 December	
	2025	2024
	JD	JD
Margins against direct credit facilities	171,330,416	161,220,656
Margins against indirect credit facilities	162,026,730	135,302,572
Other margins	25,798,276	17,209,963
Total	359,155,422	313,733,191

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(18) Borrowed Funds

The details of this item are as follows:

31 December 2025	JD	Number of Total Payments	Number of Remaining Payments	Periodicity	Guarantee	Borrowing Interest Rate	Re-lending interest rate
Central Bank of Jordan loans:							
SME's Support programs	14,699,870	110	75	Semi Annual	Financial Solvency	2.5% to 6.32%	Guaranteed 6.0% to 9.85% Without Guarantee: 6.5% to 10.35%
Main Economical Sectors Support Programs	87,157,200	Based on the Periodicity of instalments due			On demand promissory note	Inside the capital city: 1% Outside the capital city: 0.5%	Inside the capital city: 3.75% as a minimum Outside the capital city: 3.25% as a minimum
Others	6,155,819	Based on the Periodicity of instalments due			On demand promissory note	0.00% - 2.50%	2.00% - 6.00%
Borrowing / local institutions	128,804,337	27	27	Monthly/Semi annual	Financial Solvency / Mortgage	5.00% to 7.75%	6.75% to 11%
Borrowing / foreign insinuations	87,546,171	109	102	Quarterly/ Semi annual	Financial Solvency	3.5% to 5.59%	Based on interest rate at the bank
Total	324,363,397						

The maturity dates of funds borrowed from the Central Bank of Jordan range from year 2026 to year 2051.

Borrowed funds from local institutions includes an amount of JD 75 million that were borrowed from Jordan Mortgage Refinance Company and the maturity dates of these borrowed funds range from year 2026 to year 2029.

Borrowed funds with a fixed interest rate amounted to JD 233,740,510 and borrowed funds with a variable interest rate amounted to JD 90,622,887.

The maturity dates of borrowed funds from foreign insinuations range from year 2027 to year 2032.

During 2025, Borrowed funds amounted to JD 165,111,156 and settled borrowed funds amounted to JD 138,280,077.

There were no renewed loans during the year 2025.

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The Group has complied with all the covenant terms of borrowed funds agreements.

31 December 2024	JD	Number of Total Payments	Number of Remaining Payments	Periodicity	Guarantee	Borrowing Interest Rate	Re-lending interest rate
Central Bank of Jordan loans:							
SME's Support programs	16,423,317	110	82	Semi Annual	Financial Solvency	2.5% to 7%	Guaranteed 6.0% to 9.85% Without Guarantee: 6.5% to 10.35%
Main Economical Sectors Support Programs	77,776,741	Based on the Periodicity of instalments due			On demand promissory note	Inside the capital city: 1% Outside the capital city: 0.5%	Inside the capital city: 3.75% as a minimum Outside the capital city: 3.25% as a minimum
Others	11,811,711	Based on the Periodicity of instalments due			On demand promissory note	0.00%	2.00%
Borrowing / local institutions	134,442,239	24	24	Monthly/Semi annual	Financial Solvency / Mortgage	4.75% to 7.75%	8.5% to 11%
Borrowing / foreign insinuations	57,078,310	97	97	Quarterly/ Semi annual	Financial Solvency	3.5% to 6.59%	Based on interest rate at the bank
Total	<u>297,532,318</u>						

The maturity dates of funds borrowed from the Central Bank of Jordan range from year 2025 to year 2039.

Borrowed funds from local institutions includes an amount of JD 90 million that were borrowed from Jordan Mortgage Refinance Company and the maturity dates of these borrowed funds range from year 2025 to year 2029.

Borrowed funds with a fixed interest rate amounted to JD 257,243,166 and borrowed funds with a variable interest rate amounted to JD 40,289,152.

The maturity dates of borrowed funds from foreign insinuations range from year 2025 to year 2032.

During 2024, Borrowed funds amounted to JD 173,181,646 and settled borrowed funds amounted to JD 172,738,593.

There were no renewed loans during the year 2024.

The Group has complied with all the covenant terms of borrowed funds agreements.

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(19) Leases

(a) Right of use assets

The Bank leases many assets, including lands and buildings, the average lease term is 10 years, and the following is the movement over the right to use assets during the year:

	For the Year Ended 31 December	
	2025	2024
	JD	JD
Beginning balance	23,946,833	21,364,626
<u>Add:</u> additions during the year	2,850,790	7,000,628
<u>Less:</u> Depreciation for the year	(4,026,844)	(3,907,319)
Cancelled contracts	(2,026,849)	(459,431)
Exchange difference	258,839	(51,671)
Balance - End of the Year	21,002,769	23,946,833

Amounts that were recorded in the statement of profit or loss:

	For the Year Ended 31 December	
	2025	2024
	JD	JD
Depreciation for the year	4,026,844	3,907,319
Interest for the year	1,794,243	1,715,516
Lease Expense during the Year	5,821,087	5,622,835

(b) Lease liabilities

	For the Year Ended 31 December	
	2025	2024
	JD	JD
Beginning balance	23,162,440	21,064,223
<u>Add:</u> Additions during the year	2,850,790	7,000,628
Interest during the year	1,794,243	1,715,516
<u>Less:</u> Paid during the year	(5,233,698)	(6,284,831)
Cancelled contracts	(2,356,621)	(291,286)
Exchange difference	199,776	(41,810)
Balance - End of the Year	20,416,930	23,162,440

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(20) Sundry Provisions

The details of this item are as follows:

	Provision for End-of-Service Indemnity	Provision for Outstanding Lawsuits Against the Bank	Other Provisions	Total
	JD	JD	JD	JD
For the Year Ended 31 December 2025				
Balance - beginning of the year	13,217,900	8,030,004	12,320,124	33,568,028
Net provision for the year	2,631,802	-	107,559	2,739,361
Transfers during the year	(425,547)	425,547	(7,421,024)	(7,421,024)
Reversed to revenues	-	(1,379,464)	-	(1,379,464)
Provision used during the year	(1,189,026)	(1,071,543)	(60,026)	(2,320,595)
Currency translation for the year	149	1,801	52,040	53,990
Balance - End of the Year	14,235,278	6,006,345	4,998,673	25,240,296

	Provision for End-of-Service Indemnity	Provision for Outstanding Lawsuits Against the Bank	Other Provisions	Total
	JD	JD	JD	JD
For the Year Ended 31 December 2024				
Balance - beginning of the year	11,560,854	7,822,427	11,849,591	31,232,872
Net provision for the year	2,583,607	349,497	607,740	3,540,844
Provision used during the year	(926,397)	(141,818)	(123,998)	(1,192,213)
Currency translation for the year	(164)	(102)	(13,209)	(13,475)
Balance - End of the Year	13,217,900	8,030,004	12,320,124	33,568,028

(21) Income Tax

(a) Income tax provision

The movement on the income tax provision is as follows:

	For the Year Ended 31 December	
	2025	2024
	JD	JD
Balance - beginning of the year	57,009,998	61,676,475
Income tax paid	(82,528,586)	(81,143,731)
Accrued income tax	69,508,952	75,488,322
Accrued income tax of distribution profits from a subsidiary	1,611,345	1,074,500
Currency translation	194,071	(85,568)
Balance - End of the Year	45,795,780	57,009,998

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- (b) **Income tax expense appearing in the consolidated statement of profit or loss represents the following:**

	For the Year Ended 31 December	
	2025	2024
	JD	JD
Provision for income tax for the year	69,508,952	75,488,322
Deferred tax assets	(19,504,682)	(32,510,017)
Amortization of deferred tax assets	34,794,526	40,820,956
Deferred tax liabilities	2,296,941	1,725,114
Amortization of deferred tax liabilities	(1,611,345)	(1,074,500)
Accrued income tax of distribution profits from a subsidiaries	1,611,345	1,074,500
Total	87,095,737	85,524,375

- (c) **Comparison of the accounting profit with taxable profit:**

	For the Year Ended 31 December	
	2025	2024
	JD	JD
Accounting profit for the year	244,836,164	235,797,977
Taxable Profit	178,234,162	201,425,104
Effective Income Tax Rate	35.6%	36.3%

- The legal income tax rate on banks in Jordan is 35% in addition to 3% national contribution. The tax rate on local subsidiaries is 28%, whereas the legal income tax rates in the countries in which the Bank operates range from 0% to 31%.

(d) **Tax Status**

- The Bank reached a final settlement with the Income and Sale Tax Department in Jordan up to the year 2024.
- A final settlement for income tax has been reached for Palestine branches up to the year 2024.
- The accrued income tax for the Housing Bank for Trade and Finance /Algeria was paid up to the year 2024.
- The accrued income tax for the International Bank for Trade and Finance /Syria was paid up to the year 2024.
- The accrued income tax for Jordan International Bank/ London was paid up to the year 2024.
- A final settlement for income tax has been reached for Specialized Leasing Company up to the year 2021, and declared taxes were paid and income tax returns were filed for the years 2024.
- Based on the opinion of the Bank's management and the tax consultant, the recorded income tax provision is sufficient to cover any future tax obligations.

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(e) Deferred Tax Assets / Liabilities

The details of this item are as follows:

	For the Year Ended 31 December 2025				For the Year Ended 31 December	
	Beginning Balance	Amounts Released	Amounts Added	Ending Balance	2025	2024
					Deferred Income Tax	
	JD	JD	JD	JD		
Assets						
Expected credit loss	231,654,744	(78,892,407)	43,771,233	196,533,570	69,039,900	81,638,773
Suspended interest	18,155,671	(1,543,135)	474,190	17,086,726	5,671,376	6,093,581
Provision for indemnities	8,101,942	(374,083)	1,554,464	9,282,323	3,338,326	2,913,810
Impairment of real estate	18,006,428	(821,630)	-	17,184,798	6,180,399	6,475,893
Other provisions	11,949,220	(2,897,877)	-	9,051,343	3,255,256	4,297,458
Financial assets valuation difference and accumulated losses	20,909,767	(1,353,779)	-	19,555,988	5,500,345	6,149,054
Goodwill impairment loss	2,452,420	-	-	2,452,420	318,815	318,815
Others	25,422,439	(12,317,677)	6,185,574	19,290,336	6,937,640	9,143,012
Total	336,652,631	(98,200,588)	51,985,461	290,437,504	100,242,057	117,030,396
Liabilities						
Difference valuation of financial assets	26,597,873	-	13,604,226	40,202,099	14,458,420	9,565,750
Undistributed earnings form subsidiaries	11,895,070	(10,742,300)	13,403,007	14,555,777	2,183,367	1,784,261
Total	38,492,943	(10,742,300)	27,007,233	54,757,876	16,641,787	11,350,011

The movement on the deferred tax assets / liabilities is as follows:

	31 December 2025		31 December 2024	
	Assets	Liabilities	Assets	Liabilities
	JD	JD	JD	JD
Balance - beginning of the year	117,030,396	11,350,011	125,044,861	6,374,087
Additions	19,504,682	6,903,121	33,219,156	6,052,610
Disposals	(36,498,755)	(1,611,345)	(41,428,987)	(1,076,686)
Currency translation	205,734	-	195,366	-
Balance - End of the Year	100,242,057	16,641,787	117,030,396	11,350,011

* Deferred tax assets and liabilities for Jordan branches were calculated at a rate of 38% as of 31 December 2025 in accordance with the Income Tax Law in the Hashemite Kingdom of Jordan. The tax rates, for subsidiaries and foreign subsidiaries, according to which deferred tax assets have been calculated, ranges from 25% to 28%. We believe that the tax assets and liabilities will be realized during the future periods of the Bank.

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(22) Other Liabilities

The details of this item are as follows:

	31 December	
	2025	2024
	JD	JD
Accrued interest	28,253,828	37,201,967
Interests and commissions received in advance	5,421,773	4,072,480
Accrued expenses	25,466,630	27,501,207
Certified cheques	45,260,763	35,980,621
Transfers in process	70,981,016	58,931,306
Payment in process	340,260	6,066,661
Prizes	2,388,189	1,623,094
Amounts payable to correspondent banks	1,155,179	1,190,552
General management trusts	4,043,148	4,097,211
Dividends payable to shareholders	19,333,906	14,831,183
Accounts payable	3,447,712	6,525,662
Unrealized loss / hedge derivatives	183,783	158,697
Other payable accounts	33,929,623	36,501,562
Provision for indirect facilities' expected credit loss	29,634,177	34,941,999
Others	2,962,779	4,052,251
Total	272,802,766	273,676,453

The following is the movement on indirect facilities during the year ended 31 December 2025 and 2024:

	31 December 2025					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective	JD	JD
	JD	JD	JD	JD		
Balance at the beginning of the year	915,485,306	39,427,046	23,873,054	2,276,449	25,574,062	1,006,635,917
New exposure during the year	661,830,538	3,844,868	19,071,870	-	15,000	684,762,276
Matured exposure during the year	(455,863,954)	(7,279,649)	(16,727,622)	(114,931)	(6,070,784)	(486,056,940)
Transferred (from) to stage (1) - net	1,551,081	366,037	(1,526,422)	(364,716)	(25,980)	-
Transferred (from) to stage (2) - net	(1,507,537)	(123,090)	2,507,537	123,090	(1,000,000)	-
Transferred (from) to stage (3) - net	(121,000)	(56,089)	(481,996)	(842,433)	1,501,518	-
Effect of the reclassification	(32,031,630)	(10,642,653)	(245,330)	(193,161)	(1,089,235)	(44,202,009)
Adjustments resulted from changes in exchange rate	8,288,607	2,258,766	29,920	441,827	372,888	11,392,008
Balance at the End of the Year	1,097,631,411	27,795,236	26,501,011	1,326,125	19,277,469	1,172,531,252

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	31 December 2024					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual JD	Collective JD	Individual JD	Collective JD		
Balance at the beginning of the year	1,074,762,043	54,960,747	33,646,972	4,587,452	17,727,266	1,185,684,480
New exposure during the year	429,615,355	10,247,515	729,726	10,000	274	440,602,870
Matured exposure during the year	(531,074,271)	(10,300,298)	(4,412,681)	(2,130,419)	(646,318)	(548,563,987)
Transferred (from) to stage (1) - net	471,276	317,214	(471,276)	(290,082)	(27,132)	-
Transferred (from) to stage (2) - net	(1,132,612)	(354,006)	1,142,612	354,006	(10,000)	-
Transferred (from) to stage (3) - net	(3,082,446)	(59,171)	(5,549,381)	(274,322)	8,965,320	-
Effect of the reclassification	(51,718,112)	(14,587,368)	(1,191,030)	190,770	(367,739)	(67,673,479)
Adjustments resulted from changes in exchange rate	(2,355,927)	(797,587)	(21,888)	(170,956)	(67,609)	(3,413,967)
Balance at the End of the Year	915,485,306	39,427,046	23,873,054	2,276,449	25,574,062	1,006,635,917

The following is the movement on the expected credit loss for indirect facilities during the year ended 31 December 2025 and 2024:

	31 December 2025					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual JD	Collective JD	Individual JD	Collective JD		
Balance at the beginning of the year	5,644,678	227,059	6,054,519	102,183	22,913,560	34,941,999
Impairment loss on new exposure during the year	2,561,589	22,338	5,194,289	-	15,000	7,793,216
Reversed impairment loss on matured exposure	(3,469,397)	(47,228)	(5,035,383)	(6,458)	(4,528,212)	(13,086,678)
Transferred (from) to stage (1) - net	23,791	25,591	(23,790)	(24,476)	(1,116)	-
Transferred (from) to stage (2) - net	(26,698)	(211)	956,698	211	(930,000)	-
Transferred (from) to stage (3) - net	-	(659)	(22,528)	(63,378)	86,565	-
Effect on provision as of end of the year resulted from reclassification between the stages during the year	(15,728)	(22,435)	(414,691)	28,180	1,208,643	783,969
Effect of the adjustments	(1,230,696)	(59,520)	488,368	1,095,981	(1,543,832)	(1,249,699)
Adjustments resulted from changes in exchange rate	64,873	7,237	2,712	17,389	359,159	451,370
Balance at the End of the Year	3,552,412	152,172	7,200,194	1,149,632	17,579,767	29,634,177

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	31 December 2024					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
Balance at the beginning of the year	10,967,426	255,998	8,120,286	674,312	16,109,187	36,127,209
Impairment loss on new exposure during the year	2,877,638	47,828	19,486	1,081	-	2,946,033
Reversed impairment loss on matured exposure	(3,851,424)	(50,951)	(293,971)	(206,759)	(446,903)	(4,850,008)
Transferred (from) to stage (1) - net	27,779	38,352	(27,779)	(22,418)	(15,934)	-
Transferred (from) to stage (2) - net	(11,348)	(3,700)	20,348	3,700	(9,000)	-
Transferred (from) to stage (3) - net	(2,153,480)	(610)	(1,918,134)	(168,164)	4,240,388	-
Effect on provision as of end of the year resulted from reclassification between the stages during the year	(12,604)	(34,434)	24,476	18,989	2,543,529	2,539,956
Effect of the adjustments	(2,162,826)	(24,535)	113,120	(170,174)	531,438	(1,712,977)
Adjustments resulted from changes in exchange rate	(36,483)	(889)	(3,313)	(28,384)	(39,145)	(108,214)
Balance at the End of the Year	5,644,678	227,059	6,054,519	102,183	22,913,560	34,941,999

The following is the movement on indirect facilities - Letter of guarantees during the year ended 31 December 2025 and 2024:

	31 December 2025					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
Balance at the beginning of the year	418,854,409	24,897,929	23,674,233	2,236,264	25,574,062	495,236,897
New exposure during the year	284,168,448	3,146,451	19,070,180	-	15,000	306,400,079
Matured exposure during the year	(170,061,687)	(6,223,549)	(16,540,809)	(101,311)	(6,070,784)	(198,998,140)
Transferred (from) to stage (1) - net	1,547,990	339,472	(1,523,331)	(338,151)	(25,980)	-
Transferred (from) to stage (2) - net	(1,502,537)	(20,532)	2,502,537	20,532	(1,000,000)	-
Transferred (from) to stage (3) - net	(121,000)	(56,089)	(481,996)	(842,433)	1,501,518	-
Effect of the reclassification	(14,211,091)	(861,041)	(238,645)	(193,161)	(1,089,235)	(16,593,173)
Adjustments resulted from changes in exchange rate	5,351,045	1,200,628	23,235	441,827	372,888	7,389,623
Balance at the End of the Year	524,025,577	22,423,269	26,485,404	1,223,567	19,277,469	593,435,286

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	31 December 2024					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual JD	Collective JD	Individual JD	Collective JD		
Balance at the beginning of the year	376,620,342	26,214,110	31,764,379	2,848,485	17,727,266	455,174,582
New exposure during the year	133,892,288	4,322,131	543,601	-	274	138,758,294
Matured exposure during the year	(76,528,841)	(5,252,579)	(2,671,427)	(295,811)	(646,318)	(85,394,976)
Transferred (from) to stage (1) - net	456,391	291,855	(456,391)	(264,723)	(27,132)	-
Transferred (from) to stage (2) - net	(1,125,370)	(323,821)	1,135,370	323,821	(10,000)	-
Transferred (from) to stage (3) - net	(3,082,446)	(59,171)	(5,549,381)	(274,322)	8,965,320	-
Effect of the reclassification	(10,493,424)	108,248	(1,078,581)	69,770	(367,739)	(11,761,726)
Adjustments resulted from changes in exchange rate	(884,531)	(402,844)	(13,337)	(170,956)	(67,609)	(1,539,277)
Balance at the End of the Year	418,854,409	24,897,929	23,674,233	2,236,264	25,574,062	495,236,897

The following is the movement on the expected credit loss for indirect facilities - Letter of guarantees during the year ended 31 December 2025 and 2024:

	31 December 2025					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual JD	Collective JD	Individual JD	Collective JD		
Balance at the beginning of the year	2,802,180	211,177	6,039,798	98,116	22,913,560	32,064,831
Impairment loss on new exposure during the year	851,923	19,503	5,193,235	-	15,000	6,079,661
Reversed impairment loss on matured exposure	(1,156,886)	(40,271)	(5,027,428)	(5,010)	(4,528,212)	(10,757,807)
Transferred (from) to stage (1) - net	22,355	22,975	(22,354)	(21,860)	(1,116)	-
Transferred (from) to stage (2) - net	(25,807)	(77)	955,807	77	(930,000)	-
Transferred (from) to stage (3) - net	-	(659)	(22,528)	(63,378)	86,565	-
Effect on provision as of end of the year resulted from reclassification between the stages during the year	(14,754)	(20,099)	(414,766)	83	1,208,643	759,107
Effect of the adjustments	(878,163)	(54,572)	491,945	1,095,986	(1,543,832)	(888,636)
Adjustments resulted from changes in exchange rate	56,119	5,253	2,688	17,384	359,159	440,603
Balance at the End of the Year	1,656,967	143,230	7,196,397	1,121,398	17,579,767	27,697,759

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	31 December 2024					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual JD	Collective JD	Individual JD	Collective JD		
Balance at the beginning of the year	5,940,512	211,279	8,037,582	481,183	16,109,187	30,779,743
Impairment loss on new exposure during the year	903,707	41,021	11,794	-	-	956,522
Reversed impairment loss on matured exposure	(430,321)	(45,542)	(228,315)	(10,267)	(446,903)	(1,161,348)
Transferred (from) to stage (1) - net	22,521	35,430	(22,521)	(19,496)	(15,934)	-
Transferred (from) to stage (2) - net	(8,904)	(3,357)	17,904	3,357	(9,000)	-
Transferred (from) to stage (3) - net	(2,153,480)	(610)	(1,918,134)	(168,164)	4,240,388	-
Effect on provision as of end of the year resulted from reclassification between the stages during the year	(11,391)	(31,893)	26,693	16,348	2,543,529	2,543,286
Effect of the adjustments	(1,431,169)	8,603	118,025	(176,461)	531,438	(949,564)
Adjustments resulted from changes in exchange rate	(29,295)	(3,754)	(3,230)	(28,384)	(39,145)	(103,808)
Balance at the End of the Year	2,802,180	211,177	6,039,798	98,116	22,913,560	32,064,831

The following is the movement on indirect facilities - Letter of credit during the year ended 31 December 2025 and 2024:

	31 December 2025					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual JD	Collective JD	Individual JD	Collective JD		
Balance at the beginning of the year	441,339,537	599,630	139,825	-	-	442,078,992
New exposure during the year	352,139,529	23,328	-	-	-	352,162,857
Matured exposure during the year	(246,001,675)	(96,629)	(139,825)	-	-	(246,238,129)
Effect of the reclassification	(14,625,338)	(48,939)	(6,685)	-	-	(14,680,962)
Adjustments resulted from changes in exchange rate	2,937,562	113,488	6,685	-	-	3,057,735
Balance at the End of the Year	535,789,615	590,878	-	-	-	536,380,493

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	31 December 2024					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual JD	Collective JD	Individual JD	Collective JD		
Balance at the beginning of the year	650,050,052	659,055	1,742,525	-	-	652,451,632
New exposure during the year	260,807,387	96,629	139,825	-	-	261,043,841
Matured exposure during the year	(444,953,912)	(130,555)	(1,727,640)	-	-	(446,812,107)
Transferred (from) to stage (1) - net	14,885	-	(14,885)	-	-	-
Effect of the reclassification	(23,107,479)	12,920	8,551	-	-	(23,086,008)
Adjustments resulted from changes in exchange rate	(1,471,396)	(38,419)	(8,551)	-	-	(1,518,366)
Balance at the End of the Year	441,339,537	599,630	139,825	-	-	442,078,992

The following is the movement on the expected credit loss for indirect facilities - Letter of credit during the year ended 31 December 2025 and 2024:

	31 December 2025					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual JD	Collective JD	Individual JD	Collective JD		
Balance at the beginning of the year	2,076,767	4,832	-	-	-	2,081,599
Impairment loss on new exposure during the year	1,357,491	192	-	-	-	1,357,683
Reversed impairment loss on matured exposure	(1,598,251)	(1,336)	-	-	-	(1,599,587)
Transferred (from) to stage (2) - net	(885)	-	885	-	-	-
Effect on provision as of end of the year resulted from reclassification between the stages during the year	-	-	(590)	-	-	(590)
Effect of the adjustments	(341,865)	(4,011)	-	-	-	(345,876)
Adjustments resulted from changes in exchange rate	8,401	622	-	-	-	9,023
Balance at the End of the Year	1,501,658	299	295	-	-	1,502,252

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	31 December 2024					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual JD	Collective JD	Individual JD	Collective JD		
Balance at the beginning of the year	3,872,582	7,340	67,928	-	-	3,947,850
Impairment loss on new exposure during the year	1,773,227	1,336	-	-	-	1,774,563
Reversed impairment loss on matured exposure	(3,192,965)	-	(64,310)	-	-	(3,257,275)
Transferred (from) to stage (1) - net	3,623	-	(3,623)	-	-	-
Effect on provision as of end of the year resulted from reclassification between the stages during the year	(2,170)	-	-	-	-	(2,170)
Effect of the adjustments	(370,585)	(3,386)	51	-	-	(373,920)
Adjustments resulted from changes in exchange rate	(6,945)	(458)	(46)	-	-	(7,449)
Balance at the End of the Year	2,076,767	4,832	-	-	-	2,081,599

The following is the movement on indirect facilities – others during the year ended 31 December 2025 and 2024:

	31 December 2025					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual JD	Collective JD	Individual JD	Collective JD		
Balance at the beginning of the year	55,291,360	13,929,487	58,996	40,185	-	69,320,028
New exposure during the year	25,522,561	675,089	1,690	-	-	26,199,340
Matured exposure during the year	(39,800,592)	(959,471)	(46,988)	(13,620)	-	(40,820,671)
Transferred (from) to stage (1) - net	3,091	26,565	(3,091)	(26,565)	-	-
Transferred (from) to stage (2) - net	(5,000)	(102,558)	5,000	102,558	-	-
Effect of the reclassification	(3,195,201)	(9,732,673)	-	-	-	(12,927,874)
Adjustments resulted from changes in exchange rate	-	944,650	-	-	-	944,650
Balance at the End of the Year	37,816,219	4,781,089	15,607	102,558	-	42,715,473

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	31 December 2024					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual JD	Collective JD	Individual JD	Collective JD		
Balance at the beginning of the year	49,706,565	26,472,666	19,068	1,859,967	-	78,058,266
New exposure during the year	34,915,680	5,828,755	46,300	10,000	-	40,800,735
Matured exposure during the year	(9,591,518)	(4,917,164)	(13,614)	(1,834,608)	-	(16,356,904)
Transferred (from) to stage (1) - net	-	25,359	-	(25,359)	-	-
Transferred (from) to stage (2) - net	(7,242)	(30,185)	7,242	30,185	-	-
Effect of the reclassification	(19,732,125)	(13,093,620)	-	-	-	(32,825,745)
Adjustments resulted from changes in exchange rate	-	(356,324)	-	-	-	(356,324)
Balance at the End of the Year	55,291,360	13,929,487	58,996	40,185	-	69,320,028

The following is the movement on the expected credit loss for indirect facilities – others during the year ended 31 December 2025 and 2024:

	31 December 2025					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual JD	Collective JD	Individual JD	Collective JD		
Balance at the beginning of the year	765,731	11,050	14,721	4,067	-	795,569
Impairment loss on new exposure during the year	352,175	2,643	1,054	-	-	355,872
Reversed impairment loss on matured exposure	(714,260)	(5,627)	(7,949)	(1,448)	-	(729,284)
Transferred (from) to stage (1) - net	1,436	2,616	(1,436)	(2,616)	-	-
Transferred (from) to stage (2) - net	(6)	(134)	6	134	-	-
Effect on provision as of end of the year resulted from reclassification between the stages during the year	(974)	(2,336)	665	28,097	-	25,452
Effect of the adjustments	(10,668)	(936)	(3,583)	-	-	(15,187)
Adjustments resulted from changes in exchange rate	353	1,367	24	-	-	1,744
Balance at the End of the Year	393,787	8,643	3,502	28,234	-	434,166

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	31 December 2024					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual JD	Collective JD	Individual JD	Collective JD		
Balance at the beginning of the year	1,171,526	20,190	8,484	199,416	-	1,399,616
Impairment loss on new exposure during the year	200,704	5,471	7,692	1,081	-	214,948
Reversed impairment loss on matured exposure	(228,138)	(5,409)	(1,346)	(196,492)	-	(431,385)
Transferred (from) to stage (1) - net	1,635	2,922	(1,635)	(2,922)	-	-
Transferred (from) to stage (2) - net	(2,444)	(343)	2,444	343	-	-
Effect on provision as of end of the year resulted from reclassification between the stages during the year	957	(2,541)	(2,217)	2,641	-	(1,160)
Effect of the adjustments	(378,261)	(12,563)	1,331	-	-	(389,493)
Adjustments resulted from changes in exchange rate	(248)	3,323	(32)	-	-	3,043
Balance at the End of the Year	765,731	11,050	14,721	4,067	-	795,569

(23) Capital and share Premium

(a) Authorized and paid in Capital

The authorized and paid in capital amounts to JD 315 million, divided into 315 million shares, with a nominal value of one dinar per share, as of 31 December 2025 and 2024.

(b) Share premium

The share premium is JD 328,147,537 as of 31 December 2025 and 2024.

(24) Reserves

(a) Statutory reserve

The amounts accumulated in this account represent the transfer of annual profits before tax at the rate of 10% during the year and previous years, in addition to the bank's share of the statutory reserve deducted in the financial statement for the foreign branches and subsidiaries in accordance with the applicable laws and regulations in the countries where the bank operates. And this amount is not available for distribution to shareholders according to the laws and regulations enforced.

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(b) Special reserve

This item represents the reserve for the periodic fluctuations of Palestine branches according to the instructions of the Palestinian Monetary Authority, in addition to a special reserve with the International Bank for Trade and Finance / Syria based on the instructions of the regulatory authorities.

The restricted reserves for disposal are as follows:

Name of the reserve	As at 31 December		Regulation
	2025 JD	2024 JD	
Statutory reserve	337,542,932	317,875,934	According to the applicable laws and regulations
Special reserve	11,993,467	11,870,335	According to the regulatory authorities regulations

(25) Foreign Currency Translation

This item represents the differences resulting from the translation of net investments in the foreign subsidiaries and branches upon the consolidation of the financial statements. The movement on this account is as follows:

	For the year ended 31 December	
	2025 JD	2024 JD
Balance at the beginning of the year	(133,342,835)	(130,825,280)
Net changes during the year	9,922,340	(2,517,555)
Balance at End of the Year	(123,420,495)	(133,342,835)

(26) Fair Value Reserve - Net

The movement on the net fair value reserve is as follows:

	For the year ended 31 December	
	2025 JD	2024 JD
Balance - beginning of the year	4,904,574	(3,920,263)
Unrealized loss - Debt instruments	9,439,258	890,368
Unrealized gain - Shares	8,221,981	12,828,800
Deferred tax assets	(1,732,959)	(566,835)
Deferred tax liabilities	(4,606,180)	(4,327,496)
Net change in the valuation reserve of financial assets at fair value through comprehensive income after tax	11,322,100	8,824,837
Balance at End of the Year	16,226,674	4,904,574

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(27) Retained Earnings

The movement on retained earnings is as follows:

	For the Year Ended 31 December	
	2025	2024
	JD	JD
Balance - beginning of the year	499,963,734	452,965,949
Income for the year	154,873,486	147,454,758
Dividends distribution *	(94,500,000)	(78,750,000)
Transferred to reserve	(21,080,767)	(21,706,973)
The effect of the disposal of a subsidiary	1,290,637	-
Balance - End of the Year	540,547,090	499,963,734

* The distributed cash dividends during 2025 were 30% of the authorized and paid-in capital (equivalent to JD 94.5 million).

- The Bank cannot use a restricted amount of JD 6,275,955 from retained earning which represents the financial assets revaluation differences in accordance with the instructions of Jordan Securities Commission and the Central Bank of Jordan as in 31 December 2025 and 2024.
- Retained earnings includes an amount of JD 591,370 as at 31 December 2025 which represents the effect of early implementation of the International Financial Reporting Standard No (9). This amount may not be used except for the amounts actually realized from sale (JD 614,348 as at 31 December 2024).
- The Bank cannot use a restricted amount of JD 100,242,057 as at 31 December 2025 from retained earning which represents deferred tax assets which are restricted against capitalization or distribution only to the extent if actually recognized in accordance with the instructions of the Central Bank of Jordan and the Jordan Securities Commission (JD 117,030,396 as at 31 December 2024).
- Retained earnings includes a restricted amount of JD 548,769 as at 31 December 2025 which represents the gain from the valuation of foreign currencies at the International Bank for Trade and Finance /Syria for the current year and the prior years (JD 447,748 as at 31 December 2024).

(28) Proposed Dividends

- The proposed cash dividends for the current year amounted to 30% of authorized and paid-in capital as of 31 December 2025 equivalent to JD 94.5 million and it's subject to the approval of the General Assembly of shareholders.

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(29) Subsidiaries with Material Non-controlling Interest

First: Percentage owned by non-controlling interests:

As at 31 December 2025, and 2024			
	Country	Activity Sector	Non-controlling Interests
International Bank for Trade and Finance/Syria	Syria	Banking	50.937%
The Housing Bank for Trade and Finance/Algeria	Algeria	Banking	15%
Jordan International Bank London/UK	United Kingdom	Banking	25%

Second: The following is selected financial information for subsidiaries with non-controlling interests:

- (a) Condensed statement of financial position before elimination of inter-company transactions as of 31 December 2025 and 2024:

As at 31 December 2025			
	International Bank for Trade and Finance/Syria JD	The Housing Bank for Trade and Finance /Algeria JD	Jordan International Bank London/UK JD
Financial assets	123,927,796	521,639,223	390,301,238
Other assets	1,773,165	30,629,902	25,035,585
Total Assets	125,700,961	552,269,125	415,336,823
Financial Liabilities	77,312,283	327,597,333	323,709,898
Other Liabilities	7,577,057	94,442,235	8,032,223
Total Liabilities	84,889,340	422,039,568	331,742,121
Total Equity	40,811,621	130,229,557	83,594,702
Total Liabilities and Equity	125,700,961	552,269,125	415,336,823
Non-Controlling Interest	20,789,440	19,534,433	20,898,676

As at 31 December 2024			
	International Bank for Trade and Finance/Syria JD	The Housing Bank for Trade and Finance /Algeria JD	Jordan International Bank London/UK JD
Financial assets	124,293,465	484,814,930	415,410,562
Other assets	1,480,898	19,760,309	9,014,817
Total Assets	125,774,363	504,575,239	424,425,379
Financial Liabilities	84,649,816	309,934,784	336,416,133
Other Liabilities	3,591,292	74,429,434	9,066,293
Total Liabilities	88,241,108	384,364,218	345,482,426
Total Equity	37,533,255	120,211,021	78,942,953
Total Liabilities and Equity	125,774,363	504,575,239	424,425,379
Non-Controlling Interest	19,119,440	18,031,653	19,735,738

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- (b) Condensed statement of profit or loss before elimination of inter-company transactions for the year ended 31 December 2025 and 2024:

	For the year ended 31 December 2025		
	International Bank for Trade and Finance/Syria	The Housing Bank for Trade and Finance /Algeria	Jordan International Bank London/UK
	JD	JD	JD
Total revenue	4,580,617	32,057,557	16,102,248
Profit /(Loss) for the year	2,471,273	17,033,213	(1,206,897)
Total Other Comprehensive Income/(Loss)	2,471,273	17,033,213	(1,091,896)
Attributable to non- controlling interest	1,258,866	2,554,982	(272,974)

	For the year ended 31 December 2024		
	International Bank for Trade and Finance/Syria	The Housing Bank for Trade and Finance /Algeria	Jordan International Bank London/UK
	JD	JD	JD
Total revenue	5,318,589	30,918,641	16,786,664
Profit for the year	2,146,493	10,670,352	427,560
Total Other Comprehensive Income	2,146,493	10,670,352	476,841
Attributable to non- controlling interest	1,093,424	1,600,553	119,210

- (c) Condensed statement of cash flows for material subsidiaries for the year ended 31 December 2025 and 2024:

	For the year ended 31 December 2025		
	International Bank for Trade and Finance/Syria	The Housing Bank for Trade and Finance /Algeria	Jordan International Bank London/UK
	JD	JD	JD
Operating cash flows	5,208,174	25,576,242	2,381,084
Investing cash flows	(10,381,689)	(20,603,361)	(10,144,427)
Financing cash flows	-	(12,828,112)	-
Effect of change in exchange rates	1,958,700	9,623,981	(2,323,280)
Net Increase /(Decrease)	(3,214,815)	1,768,750	(10,086,623)

	For the year ended 31 December 2024		
	International Bank for Trade and Finance/Syria	The Housing Bank for Trade and Finance /Algeria	Jordan International Bank London/UK
	JD	JD	JD
Operating cash flows	102,612	63,019,146	26,220,867
Investing cash flows	(341,650)	(42,565,758)	(22,653,047)
Financing cash flows	-	(8,631,082)	-
Effect of change in exchange rates	(639,348)	(211,524)	987,293
Net Increase /(Decrease)	(878,386)	11,610,782	4,555,113

- (d) The cash dividends from the subsidiaries (The Housing bank for Trade and Finance/ Algeria) amounted to JD 9.1 million after deducting the tax on cash dividends.

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- (e) Condensed statement of financial position and condensed statement of profit or loss for International Financial Centre Company as of the disposal date 01 October 2025 :

<u>Condensed statement of financial position</u>	<u>As at 01 October 2025</u>
	<u>JD</u>
Financial assets	4,610,074
Other assets	180,265
Total Assets	<u>4,790,339</u>
Financial Liabilities	-
Other Liabilities	917,140
Total Liabilities	<u>917,140</u>
Total Equity	<u>3,873,199</u>
Total Liabilities and Equity	<u>4,790,339</u>
Non-Controlling Interest	<u>871,469</u>
 <u>condensed statement of profit or loss</u>	 <u>As at 01 October 2025</u>
	<u>JD</u>
Total revenue	364,110
Loss for the year	(2,675,861)
Total Other Comprehensive Loss	<u>(2,675,861)</u>
Attributable to non- controlling interest	<u>(602,069)</u>
 <u>Resulted loss from the disposal of a Subsidiary</u>	 <u>As at 01 October 2025</u>
	<u>JD</u>
Bank's share of the International Financial Centre Company net asset fair value	2,097,908
Subtracting: Bank's share of the International Financial Centre Company net asset book value	(3,001,730)
Resulted loss	<u>(903,822)</u>

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(30) Interest Income

The details of this item are as follows:

	For the Year Ended 31 December	
	2025	2024
	JD	JD
Direct Credit Facilities:		
Individual retail customer		
Overdraft	309,987	411,399
Loans and discounted bills	83,651,116	97,123,145
Credit cards	3,241,039	3,315,163
Real estate mortgages	102,529,792	113,684,436
Large corporates		
Overdraft	19,307,297	20,881,243
Loans and discounted bills	99,061,936	103,976,164
SME's		
Overdraft	6,722,001	8,311,059
Loans and discounted bills	22,938,282	23,705,647
Government and Public Sector	48,863,649	43,771,960
Balances at central banks	6,144,575	7,679,887
Balances and deposits at banks and financial institutions	14,588,292	15,211,988
Financial assets at fair value through other comprehensive income	19,629,494	18,327,355
Financial assets at amortized cost	162,237,887	146,982,009
Total	589,225,347	603,381,455

(31) Interest Expense

The details of this item are as follows:

	For the Year Ended 31 December	
	2025	2024
	JD	JD
Banks and financial institutions deposits	44,524,561	50,925,525
Customers deposits:		
Current accounts and demand deposits	6,293,985	5,802,984
Saving deposits	4,742,915	4,309,053
Time and notice deposits	118,195,583	123,597,478
Certificates of deposit	11,532,733	12,902,561
Cash margin	6,792,504	6,310,261
Borrowed funds	13,431,282	13,307,786
Deposits insurance fees	6,214,057	5,072,517
Lease liability	1,794,243	1,715,516
Total	213,521,863	223,943,681

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(32) Net Commission Income

The details of this item are as follows:

	For the Year Ended 31 December	
	2025	2024
	JD	JD
Commission income:		
Direct credit facilities	10,137,460	9,735,295
Indirect credit facilities	15,761,938	15,900,317
<u>Less: Commission expense</u>	<u>(129,503)</u>	<u>(128,155)</u>
Net Commission Income	<u>25,769,895</u>	<u>25,507,457</u>

(33) Gain from Foreign Currency Exchange

The details of this item are as follows:

	For the Year Ended 31 December	
	2025	2024
	JD	JD
From trading	3,436,089	2,796,873
From re-valuation	6,496,485	5,939,198
Total	<u>9,932,574</u>	<u>8,736,071</u>

(34) Gain from Financial Assets at Fair Value through Profit or Loss

The details of this item are as follows:

	For the year ended 31 December	
	2025	2024
	JD	JD
Corporate shares:		
Realized gains	1,088,159	102,026
Unrealized gains (losses)	80,351	(79,449)
Credit facilities		
Unrealized gains	-	777,068
Dividends Received	175,784	168,920
Total	<u>1,344,294</u>	<u>968,565</u>

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(35) Other Income

The details of this item are as follows:

	For the Year Ended 31 December	
	2025	2024
	JD	JD
Fees on salaries accounts	2,918,286	3,184,438
Credit cards income	4,757,052	6,106,694
Safety deposit box rental income	581,082	522,986
Commissions on returned checks	356,038	547,917
Net income from recovered loans	3,272,884	4,960,087
Brokerage services fees	209,319	389,978
Banking services fees	8,850,578	7,385,316
Income on transfers	3,658,603	3,829,570
Miscellaneous income	7,023,865	3,652,216
Unrealized loss / hedge derivatives	-	(777,068)
Total	31,627,707	29,802,134

(36) Employees Expenses

The details of this item are as follows:

	For the Year Ended 31 December	
	2025	2024
	JD	JD
Salaries, benefits and allowances	78,728,361	79,392,035
Bank's contribution in social security	9,445,277	8,910,854
Bank's contribution in the saving fund	308,743	296,406
End-of-service indemnity	2,631,802	2,583,607
Medical expenses	4,854,740	4,707,894
Training expenses	1,213,520	1,025,508
Travel and transportation expenses	1,710,086	1,624,541
Others	1,385,612	1,384,751
Total	100,278,141	99,925,596

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(37) Other Expenses

The details of this item are as follows:

	For the Year Ended 31 December	
	2025	2024
	JD	JD
Information technology	20,935,814	17,854,630
Marketing and promotion	4,838,175	4,507,023
External and professional services	3,225,508	2,310,230
Workplace expenses	16,752,200	14,426,672
Financial institutions subscription fees	4,843,114	4,353,980
Stationery expenses	2,113,573	2,262,909
Fees on credit facilities processing	644,189	555,316
Other expenses	15,884,089	15,162,070
Total	69,236,662	61,432,830

(38) Expected Credit Losses Expense

The details of this item are as follows:

	For the Year Ended 31 December	
	2025	2024
	JD	JD
Balances at central banks	(6,911)	(3,304)
Balances at banks and financial institutions	298,294	(11,590)
Deposits at banks and financial institutions	14,139	(70,095)
Financial assets at fair value through other comprehensive income	(111,015)	(116,673)
Financial assets at amortized cost	62,999	252,807
Direct credit facilities	7,630,111	19,970,954
Indirect credit facilities (commitments and contingent liabilities)	(5,759,192)	(1,076,996)
Other assets	2,149	(2,341)
Total	2,130,574	18,942,762

(39) Earnings Per Share

The details of this item are as follows:

	For the Year Ended 31 December	
	2025	2024
	JD	JD
Profit for the year attributable to shareholders' (JD)	154,873,486	147,454,758
Weighted average number of shares (share)	315,000,000	315,000,000
Basic and diluted earnings per share attributable to shareholders of the Bank	0.492 JD	0.468 JD

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(40) Cash and Cash Equivalents

The details of this item are as follows:

	For the Year Ended 31 December	
	2025	2024
	JD	JD
Cash and balances with central banks maturing within 3 months	615,901,009	674,728,217
<u>Add:</u> Balances with banks and financial institutions maturing within 3 months	477,552,489	440,471,833
<u>Less:</u> Banks and financial institutions deposits maturing within 3 months	(920,165,229)	(805,153,364)
	<u>173,288,269</u>	<u>310,046,686</u>

(41) Financial Derivative Instruments

The details of this item are as follows:

	Positive Fair Value	Negative Fair Value	Nominal Value	Nominal Value per Maturity		
				Due in three Months	Due in 3 - 12 Months	More than 1 year
	JD	JD	JD	JD	JD	JD
For the year ended 31 December 2025						
Traded Financial Derivatives:						
Forward foreign currency contracts	430,202	-	9,905,885	9,905,885	-	-
Interest rate option contracts	-	(8,512)	6,387,736	2,842,736	-	3,545,000
Hedge derivatives:						
Forward foreign currency contracts	157,467	(175,271)	250,470,265	205,150,370	45,319,895	-
Currency swap contracts	-	-	43,450,000		11,545,000	31,905,000
Interest rate option contracts	8,513	-	6,387,736	2,842,736	-	3,545,000
For the year ended 31 December 2024						
Traded Financial Derivatives:						
Forward foreign currency contracts	-	(98,225)	13,881,038	5,586,296	8,294,742	-
Interest rate option contracts	-	(63,722)	6,387,736	-	-	6,387,736
Hedge derivatives:						
Forward foreign currency contracts	1,850,668	(254,334)	387,183,245	335,793,697	51,389,548	-
Currency swap contracts						
Interest rate swap contracts	-	-	44,450,000	-	9,000,000	35,450,000
Interest rate option contracts	63,722	-	6,387,736	-	-	6,387,736

Nominal value represents the value of transactions outstanding at year-end and does not refer to market risks or credit risks.

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(42) Related Party Transactions

- (a) These consolidated financial statements include the financial statements of the Bank and the following subsidiaries:

Company Name	Ownership	Investment Currency	Paid-up capital in the investing currency	
			31 December	
			2025 JD	2024 JD
The Housing Bank for Trade and Finance / Algeria	85%	Algerian Dinar	20 Billion	20 Billion
International Bank for Trade and Finance / Syria	49,063%	Syrian Lira	52.5 Billion	21 Billion
Specialized Lease Finance Co.	100%	Jordanian Dinar	30 Million	30 Million
Jordan International Bank / London	75%	Sterling Pound	65 Million	65 Million
International Financial Center / Syria (under liquidation)	46,704%	Syrian Lira	100 Million	100 Million

International Bank for Trade and Finance - Syria (subsidiary) owns 85% of the International Financial Centre Company – Syria (under liquidation), and the Bank owns 5% of the company.

The Bank entered into transactions with major shareholders, Board of Directors, and executive management in the course of its ordinary activities at commercial rates of interest and commissions. All facilities granted to related parties are performing, and no provisions have been taken.

(b) Summary of related party transactions during the year:

	Related Party				Total as of 31 December	
	Major Shareholders	Subsidiaries	Board of Directors	Executive Management	2025	2024
	JD	JD	JD	JD	JD	JD
Statement Of Financial Position Items:						
Total deposits with related parties	12,148,101	76,308,505	-	-	88,456,606	116,076,057
Total deposits form related parties	579,917,075	77,235,091	2,284,339	5,891,020	665,327,525	966,630,370
Loans and advances granted to related parties	58,534,711	3,363,277	681,465	2,547,174	65,126,627	55,873,339
Loans and facilities granted by related parties	-	77,067	-	-	77,067	971,115
Financial assets at fair value through other comprehensive income	3,481,084	-	-	-	3,481,084	3,377,605
Items Off-statement of Financial Position						
Letters of guarantees and credits	17,557,789	1,678,671	-	-	19,236,460	13,055,386
Forward foreign currency contracts	57,909,812	-	-	-	57,909,812	73,013,012

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(c) Summary of related party transactions during the year:

	Related Party				Total as of 31 December	
	Major Shareholders	Subsidiaries*	Board of Directors	Executive Management	2025	2024
	JD	JD	JD	JD	JD	JD
Statement of Profit or Loss Items						
Interest and commissions income	2,767,771	3,418,422	43,860	123,691	6,353,744	9,846,134
Interest and commissions expense	36,689,460	3,781,426	85,701	228,067	40,784,654	46,380,305
Rent income	-	159,069	-	-	159,069	159,069

- Interest income rates range from 0% to 16.5%.

- Interest expense rates range from 0% to 11.25%.

* Intercompany transactions with subsidiaries are eliminated upon consolidation in the consolidated financial statements.

(d) Summary of the Bank's executive management remuneration:

	For the Year Ended 31 December	
	2025	2024
	JD	JD
Salaries, bonuses, and other benefits	3,699,899	3,783,487
Salaries, bonuses, and other benefits / subsidiaries	3,672,866	2,696,776

(43) Information about the Bank's Business Sectors

Information about the bank's activities:

The Bank is organized for administrative purposes through four main business sectors according to reports sent to the main decision-maker at the Bank, which are:

- Retail Banking: includes following up on deposits of individual customers and small businesses, and granting them loans, debts, credit cards, and other services
- Corporate: This includes following up on deposits, credit facilities and other banking services for institutional and corporate clients.
- Corporate Finance: The activity of this sector relates to arranging structured finance and providing services relating to privatizations, IPO's, mergers and acquisitions.
- Treasury: this sector includes providing trading and treasury services and the management of the Bank's funds in money and capital markets.

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

							Total For the year ended 31 December	
	Retail Banking JD	Corporate JD	Corporate Finance JD	Treasury JD	Other JD	Elimination JD	2025 JD	2024 JD
Gross Income	292,450,397	237,175,391	8,326,179	241,793,635	5,182,034	(126,699,850)	658,227,786	668,689,540
Expected credit loss (expense)/surplus for the year	(8,247,581)	5,456,328	918,184	(257,505)	-	-	(2,130,574)	(18,942,762)
Segment results	107,546,047	82,927,151	5,249,473	56,585,824	5,182,034	-	257,490,529	247,142,815
Unallocated expenses							(11,750,543)	(11,344,838)
The effect of the disposal of a Subsidiary							(903,822)	-
Income before tax							244,836,164	235,797,977
Income Tax							(87,095,737)	(85,524,375)
Profit for the Year							157,740,427	150,273,602
Depreciation and amortization							28,592,465	27,689,457
Capital expenditures							19,558,425	21,924,969
							31 December	
							2025 JD	2024 JD
Segment Assets	4,486,328,544	2,886,444,323	85,724,075	4,376,712,383	1,523,526,831	-	13,358,736,156	13,117,907,334
Elimination of assets between segments	(2,771,195,730)	-	-	(587,834,571)	(707,906,865)	-	(4,066,937,166)	(4,008,202,247)
Unallocated assets							100,242,057	117,030,396
Total Assets							9,392,041,047	9,226,735,483
Segment Liabilities	4,387,080,858	2,917,877,525	79,914,806	4,230,477,885	338,812,562	-	11,954,163,636	11,819,855,522
Elimination of liabilities between segments	-	(885,073,944)	-	(3,181,863,222)	-	-	(4,066,937,166)	(4,008,202,247)
Unallocated liabilities							16,641,787	11,350,011
Total Liabilities							7,903,868,257	7,823,003,286

The following is the geographical distribution of the Bank's income, assets, and capital expenditures:

	Inside Jordan		Outside Jordan		Total	
	2025 JD	2024 JD	2025 JD	2024 JD	2025 JD	2024 JD
Gross income	524,853,267	527,978,985	133,374,519	140,710,555	658,227,786	668,689,540
Total assets	7,299,747,438	7,970,841,350	2,092,293,609	1,255,894,133	9,392,041,047	9,226,735,483
Capital expenditures`	13,998,175	18,624,711	5,560,250	3,300,258	19,558,425	21,924,969

(44) Capital Adequacy

The Bank aims to achieve the following goals through managing capital:

- To be aligned with the central bank's capital requirements.
- Maintaining the Bank's ability to continue.
- Maintaining a strong capital base to support the growth and development of the bank's activities.
- The Bank's management monitors capital adequacy monthly as well as provide the central bank with the required information about the capital adequacy on a quarterly basis.

According to the instructions of the Central Bank, the minimum capital adequacy ratio is 12%, and banks are classified into five categories, the best of which is a rate of 14% or more.

The Bank manages the capital structure and makes the necessary adjustments to it in light of changes in working conditions. The Bank has not made any changes to the objectives, policies and procedures related to capital structure during the current year.

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The capital adequacy ratio is calculated according to the instructions of the Central Bank Of Jordan, based on the instructions of Basel III Committee, as follows:

	31 December	
	2025	2024
	JD	JD
1. Common Equity Tier 1 Capital		
Paid-in capital	315,000,000	315,000,000
Retained earnings after deducting the proposed dividends	438,630,996	398,125,685
Other comprehensive income items	(107,193,821)	(128,438,261)
Net fair value reserve	16,226,674	4,904,574
Foreign currency translation reserve	(123,420,495)	(133,342,835)
Share premium	328,147,537	328,147,537
Statutory reserve	337,542,932	317,875,934
Other reserve	11,993,467	11,870,335
Non-controlling Interest	19,807,635	18,077,969
Total capital of common stock	1,343,928,746	1,260,659,199
Regulatory amendments (Propositions of the capital)	(174,579,874)	(179,108,962)
Goodwill and other intangible assets	(19,211,781)	(20,928,700)
Deferred tax assets	(100,242,057)	(117,030,396)
Investments in capital of non-consolidated subsidiaries	-	-
Mutual fund investments in the capital of Banking, Financial and Insurance Entities (within CET1)	(55,126,036)	(41,149,866)
Total primary capital	1,169,348,872	1,081,550,237
2. Additional Paid - Up Capital		
Non-controlling Interest	3,495,465	3,190,230
Total additional capital	3,495,465	3,190,230
Net additional capital	3,495,465	3,190,230
Net additional capital Tier 1.	1,172,844,337	1,084,740,467
3. Tier 2		
General banking risk reserve		
Provision of credit loss for stage (1) not exceeding 1.25% of assets exposed to credit loss	37,995,107	62,232,741
Non-controlling Interest	4,660,620	4,253,640
Total supported capital	42,655,727	66,486,381
Regulatory amendments (Propositions of the capital)	-	-
Net additional capital Tier 2	42,655,727	66,486,381
Regulatory capital	1,215,500,064	1,151,226,848
Total weighted assets risk average	6,410,471,770	6,204,011,168
Capital Adequacy ordinary shareholders (CETI)Ratio%	18.24%	17.43%
Capital Adequacy Tier 1 Ratio %	18.30%	17.48%
Capital Adequacy Ratio %	18.96%	18.56%

(45) Fair Value of Financial Assets not Carried at Fair Value in the Financial Statements

The fair value of financial assets not carried at fair value in the financial statements is as follows:

	31 December 2025		31 December 2024	
	Book Value	Fair Value	Book Value	Fair Value
	JD	JD	JD	JD
Financial assets at amortized cost	2,742,012,857	2,742,723,651	2,547,359,647	2,550,974,840
Direct credit facilities - net	4,455,058,872	4,455,058,872	4,513,597,022	4,513,597,022

(46) Risk Management

Banking risks are managed based on a comprehensive mitigation strategy where acceptable risks are defined along with ways to limit and confront such risks. Such a strategy allows the Bank to better manage its business while maintaining a certain level and type of risk the Bank is willing to bear and handle without affecting strategic goals and objectives. Meanwhile, the Bank minimizes the negative effects of internal and external incidents on the Bank's profitability, capitalization, market share and any other intangible factors such as reputation and goodwill.

The process of adopting acceptable limits and levels of risk at the Bank is carried out according to qualitative and / or quantitative measurement methods, based on the nature and specificity of the various risks. These levels (qualitative and quantitative) are reflected within the risk limits adopted in the Bank's policies, powers and procedures.

The acceptable risk levels are consistent with the Bank's strategy and sets out a framework for the mechanism that the Bank must adopt to conduct its business, clarify the nature of risks accepted by the Bank to achieve its strategic objectives, and establish procedures for identifying and controlling acceptable risk levels.

Strategic objectives of risk management

- Establishing effective risk management in the Bank and enhancing institutional governance through applying advanced methods and approaches in measuring different risks.
- Hedging and mitigating potential losses, leading to the maximization of profitability and improvement of the efficiency and effectiveness of the banking operations.
- Spreading a culture of awareness of the surrounding risks and achieving a deep understanding of all levels of management of risks faced by the Bank.
- Assisting in achieving the overall strategic objectives of the Bank.

Risks to the Bank

The Bank is exposed to the following major risks:

- Credit risk.
- Market and liquidity risks, including interest and currency risks.
- Operational risks, including information security risks and business continuity risks.

Acceptable risk levels

Effective risk management includes a thorough understanding of the sources and nature of the risks facing the Bank, as well as the provision of an appropriate regulatory environment in line with the international best practices and standards, consistent with the instructions of the regulatory authorities and the instructions of the Bank. The most important pillars of effective risk management are based on identifying acceptable risk levels for all banking activities after identifying, measuring, and analyzing the various risks faced by the Bank.

The procedures used to determine acceptable risk levels at the Bank include:

- Determining the business strategy: The acceptable risk levels are determined in line with the Bank's strategic plan, regulatory directives, maintaining its capital adequacy, sound management of liquidity risks and sources of funds, and maintaining stable levels of profit.
- Evaluating the Bank's material risks, identifying methods and approaches of measurement, quantifying the risks that the Bank can accept and assume, and inform the Board of Directors about risks, size of exposure, and control framework on these risks at the Bank.
- Determining the acceptable risk level for business units and the Bank's products; through setting limits that represent the level of Risk the Bank can tolerate & accept based on the extent of exposure to the Bank's activities in line with the objectives set for the Bank and its business lines.
- In addition, the acceptable risk levels are monitored, and any violations of the prescribed limits and acceptable risk levels are addressed and reported to the Board of Directors through the Risk Management Committee.

Risk management framework

- The existence of a separate risk management structure that includes monitoring, supervision, reporting, and tasks related to the risk functions.
- The existence of a strategy, policies, and work procedures aimed at effective risk management, control, and mitigation of the adverse effects of such risks.
- Controlling, supervising, and measuring risks within the risk acceptance document.
- Managing risks on a daily basis and ensuring that they are within the approved limits.

Credit risk

Credit risk is defined as the risk arising from the customer's inability or willingness to meet its obligations to the Bank within an agreed period of time or from a recession in a particular sector.

In this regard, customers' credit concentration risks are defined as the risks to the Bank arising from the unequal distribution of credit customers or concentrations in facilities granted to economic sectors or in certain countries, which may lead to increased probability of losses.

Credit risk management

Credit risk is managed by:

- Promoting the establishment of a good and balanced credit portfolio that achieves the targeted return within its defined risk levels.
- Strictly controlling credit in its various stages and consistently complying with the regulatory authorities' instructions and their amendments.
- Distributing the credit portfolio, including expanding the customer base according to specific plans, ceilings, and risks.
- Continuing to work within the principle of segregating the functions of customer relationship management, credit analysis, and credit control.
- Granting credit based on eligibility and repayment ability, provided that there are no restrictions on borrowing or foreclosure in the Company's Memorandum of Association and Articles of Association, and on the Bank's belief in the customers' ability to meet their obligations based on a comprehensive credit study of the customers' positions within the Bank's acceptable risk classification levels.
- Prohibiting the financing of facilities except for the purposes specified in the Bank's credit policy, the instructions of the Central Bank of Jordan, the Banking Law, and any instructions issued by the regulatory authorities, and against appropriate collaterals that guarantee the Bank's right.
- Reducing the non-performing debt ratio in the credit portfolio while increasing market share in commercial finance and corporate finance, and
- Diversifying the credit portfolio, especially in the corporate portfolio, while avoiding overconcentration at the customer's level.

Default and default tackling mechanism:

Default definition:

Default is the existence of payment dues on customer facilities of more than 90 days and a marked increase in risk ratings (8,9,10), in addition to any indications of the existence of customer's probability of default (PD), requiring the inclusion of some customers within the concept of "Credit Deterioration Factors", including, but not limited to:

- Significant financial difficulties faced by the debtor such as a severe weakness in the financial statements.
- Relinquishing part of the obligations incurred by the debtor because of the debtor's financial difficulties.
- Non-payment of obligations on time.
- Debtor's bankruptcy.
- Debtor's need to restructure or reschedule his obligations.

Default handling mechanism:

Under the instructions of the Central Bank of Jordan, and once debt is classified as non-performing, the Bank takes adequate provisions and carries out the necessary procedures for collecting its rights in accordance with the applicable laws and conceded all procedures to settle in accordance with the standards and principles stipulated by the Central Bank of Jordan and the regulatory authorities of the host countries.

The Bank's Internal Rating Systems:

Internal Rating System for Corporate Customers:

A system designed to assess and measure the risks of corporate customers in a comprehensive manner by extracting the customer's risk rating associated with the customer's probability of default (PD) based on the financial and objective data.

The Risk analysis system (Credit Lens/Moody's) has various models and scorecards to cover most customer segments. Each model has several sections, and each section is associated with risk weights according to model used. The risk score is calculated through these models/cards by collecting the results of financial and objective extracts in a digital form called VOTES. Then, calculations are made to extract the so-called average assessment, which is shown in the form of a digital counter (from 0-100), noting that the digital meter is divided into seven sections (excellent / very good / good / average / less than average / bad / unacceptable).

The Bank uses the Risk analysis system (Credit Lens/Moody's) System to measure the risk rating of customers within (7) grades for the performing accounts and three grades for the non-performing accounts. The probability of default (PD) increases as risk rating increases. Three segments are adopted at each grade - with the exception of grade (1).

Principles for the evaluation process within the internal rating system for corporate customers:

- Availability of recent, audited / unaudited financial statements, in line with the instructions of the Central Bank of Jordan to reflect the actual financial position of the credit applicant.
- The credit grantor having a clear idea about the objective aspects of the customer's situation (e.g. management, customer sector, competitive situation, etc.), because of the significant impact of the objective aspect on the customer's risk assessment results.
- Availability of sufficient data on the customer's collaterals to enable assessment of the credit facility's risk.
- Annual update of the Probability of Default based on the latest studies conducted by Moody's.
- Selection of the appropriate Analysis Model that fits with the customer's nature.
- Use of the Archiving Option to maintain the customer's historical risk levels approved within the credit analysis.

Use of the Override Option of the Credit Lens System through adopting the Bank's override methodology concerning the availability of approval of the authorized personnel "representing the credit granting powers themselves", in order to raise or lower the risk level, according to the credit analysis memorandum prepared by the Business and Credit Review Center.

Internal Rating System for Retail and Small Business Customers:

A system that evaluates customers (individuals and small companies) and gives them risk scoring based on their risks before granting them loans. Based on this evaluation, the customer's creditworthiness and probability of default are assessed.

The internal scoring of retail customers is conducted for all granted products (personal loans, housing loans, credit cards, and car loans). For small companies, the granted products are scored, including (business loans, mortgage loans, and declining balance loans).

Definition of expected credit losses (ECL):

The expected credit losses represent the total amounts allocated to cover the losses resulting from the customers' failure to fulfill their obligations. This is equal to: Exposure at Default * Probability of Default * Losses Given Default.

Mechanism for calculating expected credit losses (ECL)

Credit Portfolio (Corporate Portfolio)

Exposure at Default (EAD):

This represents the reporting period balance plus interest. It includes the credit facilities within the corporate portfolio and is divided into funded facilities, non-funded facilities, and unutilized ceilings, as for the balance subject to the calculation of expected credit losses for stage (3), represent the balance less interest in suspense and cash margins (if any).

Funded Facilities :

To calculate the exposure at default, the discounted future cash flows using contractual interest rate are deducted from balance, then the utilized part from the limit granted to the customer is added to the balance after applying the CCF.

To reach the expected percentage of utilization from the granted limits (as overdraft), a study was conducted for the percentage of utilization for the facilities defaulted during the last 5 years through analyzing the percentage of utilization for these facilities in the last year pre-default along with customer behavior. Based on this study the expected percentage of limit utilization was 42.6% for overdrafts and 38.7% for revolving loans.

The overdraft average maturity was considered 2.5 years, according to Basel regulations, A risk rating of (-5) has been applied to all unrated facilities.

Non-funded facilities

The exposure at default for non-funded facilities is reached by multiplying the granted limit by the expected percentage of utilization and then compare it with the utilization balance and consider the higher value.

To reach the expected percentage of utilization, a study was conducted on the percentage of utilization and based on this study the expected percentage of utilization ranged from 36.84% to 45.29%

The expected future cash flows for non-funded facilities are discounted at the interest rate applied on such facilities when it gets liquidated. (10% for foreign currency facilities and 14% for Jordanian Dinar).

Loss Given Default (LGD):

The LGD is calculated and determined through the following:

- Analyzing the collections from the defaulted loans historically for the previous 10 years which includes (cash and executions on real-estate collaterals) to measure the banks' ability to collect from defaulted loans either with collateral or not in order to arrive to the actual percentage of LGD, hence the LGD that will be applied across all covered and uncovered portfolios in terms of collaterals.
- A calibration of LGD values according to the historical data with the PD to predict the expected LGD for the next five years according to the same economic macro factors applied in determining the PD in order to arrive to PIT LGD for loans in stage I and II
- Aging study for the defaulted loans to reach the percentage of LGD to be applied on the loans classified under stage III in terms of DPD to determine the LGD based on the number of days of non-payment.
- For facilities secured with Cash margin, Bank LGs and securities, the value of collateral is deducted from the exposure at default after applying haircut.

Probability of default (PD) :

Definition of default is summarized by the existence of payment dues on customer facilities for more than 90 days or a marked increase in customer's risk ratings in addition to any indications of the existence of a customer's probability of default (PD) including but not limited to:

- Significant financial difficulties faced by the debtor such as a sever weakness in the financial statements.
- Relinquishing part of the obligations incurred by the debtor because of the debtor's financial difficulties.
- Non-payment of obligations on time.
- Debtor's bankruptcy.
- Debtor's frequent need to restructure or reschedule his obligations

The probability of default is determined through the following:

- Evaluating customer's behavior throughout the loan using Observed Default Rates which enables the Bank to evaluate the customer's behavior through using days past due and monitor the behavior for 1 year before and 1 year after each data point of the conducted study.
- Using the related Macroeconomic factors to predict the average Observed Default Rate for the coming years such as (GDP, Unemployment, Inflation, Price index), multiple scenarios are performed to test the economic appropriateness of all economic variables annually to reach the approved economic variable for the purposes of building tables of Probability of Default.
- Using Regression analysis to predict the average Observed Default Rates for the years from 2025 to 2030 through applying the liner equation ($Y = a + bX$), as :
 - Y : dependent variable
 - a: intercept
 - b: slope
 - X : independent variable
- Analyzing the probability of default scenarios for the customers who postponed their instalments due to COVID-19 Pandemic.
- A calibration is applied between the predicted results and PDs according on the output of internal rating of customer's risk to convert PD over the life of the financial instrument to become as it is at present time.

Credit Portfolio (Retail Portfolio)

Exposure at Default (EAD):

This term represents the balance of each sub-portfolio as in the reporting period plus interest for stage (1) and (2) multiplied by the expected percentage of utilization (42.6%, 38.7% , 52.7% for overdrafts, revolving loans and credit cards respectively). As for facilities classified under Stage (3), the EAD represents the balance minus the interest in suspense and cash collateral (if any).

Facilities were divided within each sub-portfolio into funded facilities, unutilized limits.

Measuring credit risk and expected credit loss on an aggregate basis:

Determining the common elements in measuring the credit risk of the retail portfolio depending on their product type, as follows:

- High-risk Personal loans portfolio
- Low-risk Personal loans portfolio
- Car loans portfolio
- Real estate loans portfolio
- Credit cards portfolio
- Small enterprises portfolio

Funded Facilities:

The exposure at default is calculated by discounting the expected future cash flows depending on expected cash flow of the facilities for each portfolio.

Unutilized Ceilings:

The expected credit losses have been calculated on customers' balances in the calculation period, except for the loans treated as ceilings where the expected credit losses have been calculated on the ceilings after applying the expected percentage of utilization.

Loans Exceeding JD 150 thousand:

- Loans of more than JD 150 thousand have been excluded from the collective based approach for retail portfolio.
- The expected credit loss (ECL) is calculated in a manner similar to what is applied to the related pool based on the type of product considering the customer's own cash flow, collaterals and applicable interest rate

Loss Given Default (LGD):

The LGD is calculated and determined through the following:

- Analyzing the collections from the defaulted loans historically for the previous 10 years which includes (cash and executions on real-estate collaterals) to measure the banks' ability to collect from defaulted loans either with collateral or not in order to arrive to the actual percentage of collections, hence the LGD that will be applied across all covered and uncovered portfolios in terms of collaterals.
- A calibration of LGD values according to the historical data with the PD to predict the expected LGD for the next five years according to the same economic macro factors applied in determining the PD in order to arrive to PIT LGD for loans in stage I and II
- Aging study for the defaulted loans stage III in terms of DPD to determine the LGD on the number of days of non-payment.
- For collateralized facilities granted against Cash margin, Bank LGs and securities, the value of collateral is deducted from the exposure at default after applying haircut.

Probability of Default (PD):

- Historical data has been used to calculate the ODR at the level of each sub-portfolio.
- The Macroeconomic factors have been used to predict the ODR for the next five years.

Investment Portfolio

Probability of Default (PD):

The probability of default for 12 months (12-month PD) is extracted from Bloomberg system for the issuer and the country of risk, using the following functions:

- DRSK for public companies: The Accuracy Ratio is 92.43% for non-financial companies and 91.78% for financial companies.
- SRSK for countries: The Accuracy Ratio for countries is 89%.

The 12-month PDs extracted from DRSK and SRSK functions are based on structural models which consider several variables:

- The nature of the sector, the assets growth rates, and market fluctuations when calculating PD for corporates.
- The prevailing political situation, countries' financial and economic performance, GDP growth, and non-performing loans in the banking sector, foreign currency reserves, etc. according to the forecasts of the International Monetary Fund and World Bank when determining a sovereign PD. Therefore, the PD represents the current situation (Point-in-Time PD) and reflects only the corporates PD without considering the country of risk factor (Standalone PD).

As a result, the PD for each issue has been adjusted by using the ceiling of the probability of risk for the country of risk at minimum for calculating PD, so that the PD of any issue will not be lower than its country of risk PD.

In order to apply the PD floor to the exposures on various banks, the following approach is adopted. If the exposure is on a foreign bank, and the exposure is in any currency other than the local currency of the foreign bank's country, then the higher PD of either the foreign bank's country or the foreign bank shall be adopted. Otherwise, if the exposure on a foreign bank is in the local currency of the bank's country, then the PD of the bank itself shall be adopted (i.e., the ceiling of the country's PD shall not be used at minimum).

When the PD results is calculated then Bloomberg system use current market information in addition to expected that reverse the average expected to expectations of the analysts in market, subsequently no need to implement analyst scenario for expected PD.

If the PD results extracted from Bloomberg system do not represent the actual reality of market expectations (i.e., the implied PD of the market derived from the Credit Default Swap "CDS" and / or the Market Asset Swap "ASW") for the issuer, the market PD obtained from a high liquidity issue / security for the same issuer shall be adopted as a representative proxy according to the procedures for evaluating the risk factor of the investment portfolio.

If the PD for the country of risk is not available, the Shadow Rating methodology prepared by the consulting company shall be adopted. On the other hand, if the PD of the issuer is not available, the PD of the country of risk shall be adopted as the issuer PD.

The Jordan PD as a country of risk is considered as the PD of the issuer in the case of placements in money market (Term Deposits) with HBTF's branches as well as subsidiaries in which the Bank owns 50% or more of their capital.

After that, the 12-month PD is adjusted to take into consideration the remaining life of exposure for any issue with a remaining maturity less than one year, according to the following equation:

$PD_n = 1 - ((1 - PD_{12\text{-month}})^{(n/12)})$ where (n) represents the remaining life in months ($n < 12$).

Calculating PD for Jordanian Companies in JD (if PD for the issuer is not available)

Risk rating is calculated based on Moody's Credit rating and then mapped to the relevant assigned PD.

The assigned PD represents "Through-the-Cycle (TTC)", and thus calibrated according to the methodology developed by the consulting company in order to obtain (Point-in-Time "PIT" 12-month PD).

The 12-month PD is then adjusted to consider the remaining life of exposure for any issue with a remaining maturity less than one year, according to the above equation.

Loss Given Default (LGD):

The Recovery Rate (RR) is extracted from Bloomberg system for each issue using CDSW function, which is based on the ISDA Standard Model, where the LGD is calculated according to equation ($LGD = 1 - RR$), as in the following table:

Markets	Subordinated	Senior Unsecured
Developed markets	RR= 20%, LGD= 80%	RR= 40% . LGD= 60%
Emerging markets	RR=25%, LGD= 75%	RR= 25% . LGD= 75%

For secured securities, the Haircut-Based Approach is considered along with the limits per the IRB in order to determine the LGD (as per the procedures approved for the credit portfolio).

Exposure at Default (EAD):

EAD = Accrued Interest to Date + Present Value (Face Value + Expected 1 Year Interest)

Accrued interest to date is calculated or extracted from Bloomberg system.

The expected interest for the remaining life of exposure is calculated up to a maximum of one year using the coupon for fixed rate bonds. As for floating rate bonds that pay LIBOR plus a fixed spread, LIBOR is projected over a 1-year period and added to the fixed spread for the calculation of expected interest .

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Expected Credit Loss (ECL):

The expected credit loss (ECL) is calculated according to the following equation:
 $ECL = PD * LGD * EAD$

Key macroeconomic factors used by the Bank in calculating expected credit losses (ECL)

Corporate portfolio

Portfolio	Macroeconomic Factor
Large Corporates	cp_.Volume.of.exports.of.goods.Percent.change_5qma_lag1
	cp_.General.government.revenue.National.currency_fd_lag1
	cp_.Gross.domestic.product..current.prices.U.S..dollars_yoy_lag5
Medium Enterprises	cp_.Volume.of.exports.of.goods.Percent.change_6qma_lag2
	cp_.Gross.domestic.product..constant.prices.National.currency_yoy_lag1
	cp_.Inflation..average.consumer.prices.Percent.change_lag3

Retail portfolio

Pool name	Macro factor used
Cars Loan	cp_.Inflation..average.consumer.prices.Percent.change_3qma_lag3
	cp_.General.government.total.expenditure.Percent.of.GDP_yoy_lag5
Mortgage	cp_.Inflation..average.consumer.prices.Percent.change_3qma_lag3
	cp_.Current.account.balance.Percent.of.GDP_3qma_lag3
	cp_.General.government.total.expenditure.Percent.of.GDP_ln_lag1
Personal high risk	cp_.Total.investment.Percent.of.GDP_lag1
	cp_.Current.account.balance.Percent.of.GDP_lag4
	cp_.Inflation..average.consumer.prices.Index_ln_lag4
Personal low risk	cp_.General.government.total.expenditure.Percent.of.GDP
	cp_.Inflation..end.of.period.consumer.prices.Percent.change_lag4
	cp_.Current.account.balance.U.S..dollars_lag4
Small Business loans	cp_.Current.account.balance.Percent.of.GDP_3qma_lag1
	cp_.General.government.revenue.Percent.of.GDP_qoq
	cp_.Inflation..average.consumer.prices.Index_qoq_lag3
Credit cards	cp_.Inflation..average.consumer.prices.Percent.change_fd_lag3
	cp_.General.government.total.expenditure.Percent.of.GDP_ln_lag4
	cp_.Current.account.balance.U.S..dollars_qoq_lag2

Determinants of the significant change in the credit risk adopted by the Bank in the calculation of ECL
Credit portfolio

Classification	Standards
Stage I:	<p>Accounts for which there has been no significant increase in credit risk or default indicators, as follows:</p> <ul style="list-style-type: none"> - Performing accounts for which there are no dues or have dues for less than 30 days
Stage II:	<p>Accounts whose credit risk has significantly increased and have signs of default, as follows:</p> <ul style="list-style-type: none"> - Accounts with dues for more than 29 days and less than 90 days. - Accounts that have financial difficulties Restructure. - Any accounts that require classification at this stage according to the directives of Management and the regulatory bodies. - Accounts that have ratings (7+,7,7-) according to the internal rating system - All accounts eligible for watch classification in accordance with watch definitions under CBJ regulations of Exposure Classification 8/2024
Stage III:	<p>Accounts that have become in default, as follows:</p> <ul style="list-style-type: none"> - Accounts with dues equal or more than 90 days. - All non-performing loans and facilities according to the definition of non-performing loans mentioned in the CBJ regulations No. 8/2024. - Accounts whose risk rating is (8, 9, 10) according to the Bank's credit rating.

The standard also states that if the quality of credit has improved, and sufficient justifications and documented reasons are available to make it possible to transfer credit claims from stage III to stage II or from stage II to stage I, the transfer process must take place after verifying the improvement of the credit status of the claim in accordance with CBJ regulation of Exposure Classification 8/2024, Article (5), which sets out the rules and conditions governing the migration between the classification categories and their cure periods.

Investment portfolio

Classification	Standards
Investment Grade Instruments	<ul style="list-style-type: none"> - The credit rating of the instrument at the reporting date is downgraded by two notches below the investment grade since origination (BB); or - (The Implied Rating / 1-year Default Risk Rating) at the reporting date is downgraded to more than two notches below the investment grade since the date of the previous report (less than HY2 according to Bloomberg system).
High Yield Instruments	<ul style="list-style-type: none"> - The credit rating of the instrument at the reporting date is downgraded by two notches below its credit rating at the date of purchase; or - (The Implied Rating / 1-year Default Risk Rating) is downgraded by two notches below its implied rating since the date of the previous report.
Unrated Instruments	<ul style="list-style-type: none"> - According to Moody's Credit rating, the financial instrument is considered to be in stage II if its rating declines by more than 2 notches since origination.

Governance of the application of IFRS requirements

Board of Directors

Providing appropriate governance structure and procedures to ensure the proper application of the standard by defining the roles of the committees and departments at the Bank; ensuring work integrity among them; and providing appropriate infrastructure in accordance with CBJ regulations and the standards related to the accounting standard.

Approving any amendments to the results and outputs of the systems regarding the calculation and measurement of ECL and the variables to be calculated.

Implementing business models through specifying the objectives and rules of classification of financial instruments, in order to ensure integration with other business requirements.

Ensuring that the Bank's control units, specifically risk management and internal audit, perform all the work required to verify the validity and integrity of the methodologies and systems used in the application of IFRS 9 and providing the required support to these control units.

Approving the final results of ECL calculation in addition to the roles and responsibilities of Bank's Board of Directors and Executive Management stipulated under CBJ regulations of Exposure classification 8/2024, Article (8).

Risk Management Committee / Board of Directors

- Reviewing the Bank's risk management framework for the calculation of ECL.
- Reviewing the Bank's risk management strategy before it is approved by the Board.
- Supervising the efficiency and effectiveness of the calculation of ECL.

Audit Committee:

- Verifying the adequacy of ECL / provision for impairment of credit facilities provided by the Bank and ensuring their adequacy in all financial statements.

Risk Department:

- Developing a clear framework for ECL calculation.
- Reviewing the internal credit rating systems and the framework on an annual basis to keep abreast of any changes to the bases used in the calculation to ensure the accuracy of results.
- Calculating the ECL, classifying the customers according to the three stages on a quarterly basis in accordance with the accounting standard requirements and CBJ regulations, and informing the Executive Management Risk Committee of the calculation results.
- Making the necessary recommendations to the Executive Management Risk Committee regarding the customers whose classifications have been changed because of override.
- Developing the indicators that contribute to monitoring the signs of credit default for customers to enhance the forward-looking principle regarding the assessment of credit risks and losses.
- Preparing the statements required by the Central Bank in cooperation with the concerned departments.
- Reviewing and approving the risk parameters in accordance with the approved policy and methodology.

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Incorporation of forward-looking information

The Management uses forward-looking information that is available without undue cost or effort in its assessment of significant increase of credit risk as well as in its measurement of ECL. The Bank uses external and internal information to generate a 'base case' scenario of future forecast of relevant economic variables along with a representative range of other possible forecast scenarios. The external information used includes economic data and forecasts published by governmental bodies and monetary authorities.

The Bank's Management applies probabilities to the forecast scenarios identified. The base case scenario is the single most-likely outcome and consists of information used by the Bank for strategic planning and budgeting. The Bank has identified and documented key drivers of credit risk and credit losses for each portfolio of financial instruments and, using a statistical analysis of historical data, has estimated relationships between macro-economic variables and credit risk and credit losses.

The Bank redeveloped macroeconomic models to address the deficiencies identified in the existing models. Using robust macroeconomic modelling methodology, Group identified and documented the key macroeconomic factors that drives the change in default rates of both portfolio direct and indirect credit facilities. Following macroeconomic data and forecasts published by governmental bodies and monetary authorities such as the Central Bank of Jordan a, IMF, and World Bank have been utilized by the Group to incorporate forward-looking information into the PD term structure of each of the scenario.

Predicted relationships between the key macroeconomic indicators and default rates of respective portfolios of financial assets have been developed based on analyzing historical data over the past 5 years. Models are reviewed and monitored for appropriateness at the end of each reporting period.

	2026	2027	2028	2029	2030
cp_.General.government.revenue.National.currency_fd_lag1					
Base scenario	12.34%	17.70%	11.37%	17.42%	18.00%
Adverse scenario	4.-%	4.96%	1.37-%	4.69%	5.26%
Positive scenario	25.08%	30.43%	24.11%	30.16%	30.73%
cp_.General.government.total.expenditure.Percent.of.GDP					
Base scenario	3.43%	3.38%	3.35%	3.32%	3.31%
Adverse scenario	3.37%	3.33%	3.29%	3.27%	3.25%
Positive scenario	3.48%	3.44%	3.40%	3.38%	3.36%
.Inflation..average.consumer.prices.Index_ln_lag4					
Base scenario	4.14%	2.57%	2.31%	2.18%	2.31%
Adverse scenario	5.63%	4.06%	3.81%	3.68%	3.81%
Positive scenario	2.64%	1.07%	0.82%	0.68%	0.82%

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1. Collateral held as security and other credit enhancements

The Bank holds collateral or other credit enhancements to mitigate credit risk associated with financial assets. The estimated value of collaterals held at end of the reporting period is JD 5,865,815,714 as of 31 December 2025 (JD 5,590,160,461 as of 31 December 2024). This value of the collateral is only considered to the extent that mitigates the credit risk. There was no change in the Bank's collateral policy during the year. The main types of collateral and the types of assets these are associated with are listed below:

	Collateral Fair Value								Total Collateral Value	Net Exposure	Expected Credit Loss
	Total Exposure Value	Cash Margin	Equity Shares	Accepted Bank Grantee	Real Estate	Vehicles	Jordanian government	Others			
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
For the year ended 31 December 2025											
Balances at central banks	466,096,319	-	-	-	-	-	-	-	-	466,096,319	26,373
Balances at banks and financial institutions	477,552,489	-	-	-	-	-	-	-	-	477,552,489	519,250
Deposits at banks and financial institutions	55,146,045	-	-	-	-	-	-	-	-	55,146,045	148,021
Credit facilities at amortized cost:											
Individual	943,545,485	48,190,569	544,137	-	98,874,686	45,159,744	-	24,434,540	217,203,676	726,341,809	72,552,594
Real estate mortgages	1,255,863,396	18,532,996	-	-	1,160,243,505	243,497	-	31,832,344	1,210,852,342	45,011,054	94,938,425
Large corporates	1,672,629,924	44,612,794	69,322,737	9,923,735	250,671,863	25,447,302	-	81,948,381	481,926,812	1,190,703,112	187,740,532
SME's	400,592,870	26,505,488	31,750,266	4,931,618	143,788,851	16,748,341	-	34,577,123	258,301,687	142,291,183	40,639,649
Government and Public Sector	723,017,823	-	-	-	18,977,454	-	520,286,068	-	539,263,522	183,754,301	14,304,402
Bonds and bills:											
<u>Within:</u> Financial assets at fair value through other comprehensive income	355,786,391	-	-	-	-	-	236,513,762	-	236,513,762	119,272,629	68,478
<u>Within:</u> Financial assets at amortized cost	2,742,723,651	-	25,862,407	-	-	-	2,408,195,159	175,341,113	2,609,398,679	133,324,972	710,794
Total	9,092,954,393	137,841,847	127,479,547	14,855,353	1,672,556,359	87,598,884	3,164,994,989	348,133,501	5,553,460,480	3,539,493,913	411,648,518
Items Off-statement of Financial Position:											
Letter of guarantees	593,435,286	64,927,046	-	1,989	24,761,755	-	-	18,648,235	108,339,025	485,096,261	27,697,759
Letter of credit	536,380,493	88,853,415	-	277,752	7,358,251	-	93,276,607	9,077,102	198,843,127	337,537,366	1,502,252
Other	42,715,473	-	-	-	5,173,082	-	-	-	5,173,082	37,542,391	434,166
Total	10,265,485,645	291,622,308	127,479,547	15,135,094	1,709,849,447	87,598,884	3,258,271,596	375,858,838	5,865,815,714	4,399,669,931	441,282,695
	Collateral Fair Value								Total Collateral Value	Net Exposure	Expected Credit Loss
	Total Exposure Value	Cash Margin	Equity Shares	Accepted Bank Grantee	Real Estate	Vehicles	Jordanian government	Others			
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
For the year ended 31 December 2024											
Balances at central banks	547,568,101	-	-	-	-	-	-	-	-	547,568,101	33,284
Balances at banks and financial institutions	440,471,833	-	-	-	-	-	-	-	-	440,471,833	220,956
Deposits at banks and financial institutions	53,586,339	-	-	-	-	-	-	-	-	53,586,339	102,642
Credit facilities at amortized cost:											
Individual	1,050,733,370	64,567,484	8,375,486	387,700	105,888,324	47,591,227	-	19,950,171	246,760,392	803,972,978	69,586,890
Real estate mortgages	1,340,978,728	17,048,500	5,926,515	1,312,739	1,228,545,188	191,998	-	24,599,007	1,277,623,947	63,354,781	114,676,345
Large corporates	1,610,136,933	35,138,025	78,288,788	4,494,213	265,592,698	19,627,054	-	51,893,127	455,033,905	1,155,103,028	191,426,525
SME's	428,525,089	34,626,911	15,095,480	547,637	95,037,233	13,887,927	-	43,792,914	202,988,102	225,536,987	48,648,280
Government and Public Sector	673,321,261	-	-	-	20,968,989	-	493,914,804	-	514,883,793	158,437,468	14,222,706
Bonds and bills											
<u>Within:</u> Financial assets at fair value through other comprehensive income	356,365,486	-	-	-	-	-	225,902,550	-	225,902,550	130,462,936	173,354
<u>Within:</u> Financial assets at amortized cost	2,550,974,840	-	6,027,776	-	-	-	2,255,786,658	156,150,770	2,417,965,204	133,009,636	3,615,193
Total	9,052,661,980	151,380,920	113,714,045	6,742,289	1,716,032,432	81,298,206	2,975,604,012	296,385,989	5,341,157,893	3,711,504,087	442,706,175
Items Off-statement of Financial Position											
Letter of guarantees	495,236,897	60,928,290	-	54,368	31,885,362	201,200	-	2,397,395	95,466,615	399,770,282	32,064,831
Letter of credit	442,078,992	59,134,495	472,853	-	149,443	-	93,276,607	502,555	153,535,953	288,543,039	2,081,600
Other	69,320,028	-	-	-	-	-	-	-	-	69,320,028	795,568
Total	10,059,297,897	271,443,705	114,186,898	6,796,657	1,748,067,237	81,499,406	3,068,880,619	299,285,939	5,590,160,461	4,469,137,436	477,648,174

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2. Direct Credit facility Exposures Distributions :

2025						
Internal Rating for the Bank	Category Classification According to (2024/8)	Total Exposure Value JD	Expected Credit Loss JD	Probability of Default %	Exposure at Default JD	Average Loss on Default %
1	Performing Loans	668,918,362	14,200,320	0.03%	688,327,843	55.10%
2+	Performing Loans	2,858,016	610	0.04%	2,922,102	64.80%
2	Performing Loans	154,208,366	37,456	1.00%	177,101,449	53.30%
2-	Performing Loans	122,150,342	29,072	0.06%	134,739,059	51.40%
3+	Performing Loans	122,847,864	423,594	0.88%	135,619,105	44.90%
3	Performing Loans	251,543,913	215,960	0.28%	295,421,467	35.50%
3-	Performing Loans	76,356,661	57,663	0.23%	86,382,655	39.20%
4+	Performing Loans	145,711,401	185,580	0.40%	154,262,113	49.30%
4	Performing Loans	212,034,991	7,659,616	0.75%	226,132,941	40.30%
4-	Performing Loans	98,790,990	893,387	1.14%	103,127,048	51.10%
5+	Performing Loans	121,181,944	720,434	1.44%	128,391,671	59.40%
5	Performing Loans	199,131,390	4,850,530	2.39%	205,645,938	40.80%
5-	Performing Loans	290,958,468	2,460,696	3.66%	296,399,568	53.90%
6+	Performing Loans	58,662,032	539,513	4.78%	59,960,081	47.00%
6	Performing Loans	49,276,924	12,416,975	33.06%	50,123,408	34.20%
6-	Performing Loans	48,112,244	25,566,079	21.26%	48,128,649	43.40%
7+	Performing Loans	3,699,184	356,435	42.14%	3,700,815	52.10%
7	Performing Loans	12,231,800	8,347,426	28.42%	12,231,800	43.40%
7-	Performing Loans	74,890,157	27,129,881	82.62%	75,001,637	37.70%
Unrated	Performing Loans	1,860,219,081	41,716,922	15.08%	1,905,356,967	40.00%
		4,573,784,130	147,808,149		4,788,976,316	
8	Substandard Debt	20,333,346	11,580,162	100%	19,948,385	59.00%
Unrated	Substandard Debt	35,223,574	9,852,635	100%	35,221,387	44.80%
9	Doubtful Debts	30,155,851	22,656,132	100%	29,844,478	54.30%
Unrated	Doubtful Debts	21,868,018	7,729,421	100%	21,839,177	44.00%
10	Bad Loans	176,071,422	108,734,933	100%	166,321,314	79.30%
Unrated	Bad Loans	138,213,157	101,814,170	100%	135,921,252	72.50%
		421,865,368	262,367,453		409,095,993	
Total		4,995,649,498	410,175,602		5,198,072,309	

The above exposures are not rated by external rating institutions.

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2024						
Internal Rating for the Bank	Category Classification According to (2024/8)	Total Exposure Value JD	Expected Credit Loss JD	Probability of Default %	Exposure at Default JD	Average Loss on Default %
1	Performing Loans	579,806,899	14,161,478	0.03%	589,551,112	57.48%
2+	Performing Loans	3,579,137	4,152	0.05%	3,661,689	61.64%
2	Performing Loans	186,864,050	48,702	0.03%	201,390,834	56.81%
2-	Performing Loans	86,151,410	75,445	0.82%	105,800,286	56.88%
3+	Performing Loans	130,757,388	156,609	0.48%	140,224,886	52.14%
3	Performing Loans	250,252,127	338,580	1.04%	276,679,320	53.10%
3-	Performing Loans	115,744,510	145,860	0.34%	126,723,899	44.42%
4+	Performing Loans	143,295,173	225,392	0.48%	157,067,770	46.83%
4	Performing Loans	185,508,807	2,236,006	0.69%	193,188,888	53.07%
4-	Performing Loans	131,111,293	1,869,260	1.79%	142,251,491	49.69%
5+	Performing Loans	157,648,218	5,263,823	1.83%	167,402,240	55.81%
5	Performing Loans	131,303,841	1,115,963	2.31%	135,840,166	58.73%
5-	Performing Loans	229,551,529	13,355,520	4.34%	234,406,946	55.82%
6+	Performing Loans	47,262,182	1,047,184	5.71%	48,216,505	51.35%
6	Performing Loans	91,535,393	15,544,994	28.43%	92,545,900	44.86%
6-	Performing Loans	54,838,135	8,236,716	38.29%	55,356,525	54.15%
7+	Performing Loans	1,339,587	276,966	56.51%	1,339,587	42.53%
7	Performing Loans	11,174,815	8,146,962	26.95%	11,174,815	47.42%
7-	Performing Loans	118,585,485	61,586,686	60.39%	118,304,402	44.57%
Unrated	Performing Loans	2,034,239,430	49,491,077	17.49%	2,099,947,707	41.47%
		4,690,549,409	183,327,375		4,901,074,968	
8	Substandard Debt	12,191,953	8,862,719	100%	12,178,655	69.40%
Unrated	Substandard Debt	22,884,299	8,772,234	100%	36,474,096	44.81%
9	Doubtful Debts	35,475,218	28,609,070	100%	35,143,984	60.05%
Unrated	Doubtful Debts	24,829,610	10,245,224	100%	20,558,643	45.12%
10	Bad Loans	169,295,390	96,015,012	100%	151,882,014	89.50%
Unrated	Bad Loans	148,469,502	102,729,112	100%	122,716,264	72.23%
		413,145,972	255,233,371		378,953,656	
Total		5,103,695,381	438,560,746		5,280,028,624	

The above exposures are not rated by external rating institutions.

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3. Credit risk according to economic sectors:

(a) Distributions according to financial instruments exposure:

	31 December 2025									
	Financial JD	Industrial JD	Trading JD	Real Estate JD	Agriculture JD	Equities JD	Individuals JD	Government and Public JD	Other JD	Total JD
Balances at central banks	-	-	-	-	-	-	-	466,069,946	-	466,069,946
Balances at banks and financial institutions	477,033,239	-	-	-	-	-	-	-	-	477,033,239
Deposits at banks and financial institutions	54,998,024	-	-	-	-	-	-	-	-	54,998,024
Credit facilities at amortized cost	247,015,557	538,288,686	563,420,904	1,115,686,554	62,481,243	97,896	865,141,103	690,514,291	372,412,638	4,455,058,872
Bonds and bills:										
Within: Financial assets at fair value through other comprehensive income	49,410,852	-	-	-	-	-	-	306,307,061	-	355,717,913
Within: Financial assets at amortized cost	121,058,257	-	-	-	-	-	-	2,611,939,333	9,015,267	2,742,012,857
Total for the Year	949,515,929	538,288,686	563,420,904	1,115,686,554	62,481,243	97,896	865,141,103	4,074,830,631	381,427,905	8,550,890,851
Letter of guarantees	-	-	565,737,527	-	-	-	-	-	-	565,737,527
Letter of credit	-	-	534,878,241	-	-	-	-	-	-	534,878,241
Other liabilities	-	-	42,281,307	-	-	-	-	-	-	42,281,307
Total	949,515,929	538,288,686	1,706,317,979	1,115,686,554	62,481,243	97,896	865,141,103	4,074,830,631	381,427,905	9,693,787,926

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	31 December 2024									
	Financial JD	Industrial JD	Trading JD	Real Estate JD	Agriculture JD	Equities JD	Individuals JD	Government and Public JD	Other JD	Total JD
Balances at central banks	-	-	-	-	-	-	-	547,534,817	-	547,534,817
Balances at banks and financial institutions	440,250,877	-	-	-	-	-	-	-	-	440,250,877
Deposits at banks and financial institutions	53,483,697	-	-	-	-	-	-	-	-	53,483,697
Credit facilities at amortized cost	234,849,186	520,320,962	547,231,934	1,158,337,281	47,750,381	8,448,843	948,023,128	647,507,549	401,127,758	4,513,597,022
Bonds and bills:										
Within: Financial assets at fair value through other comprehensive income	60,876,381	-	-	-	-	-	-	295,315,751	-	356,192,132
Within: Financial assets at amortized cost	116,270,719	-	-	-	-	-	-	2,427,662,381	3,426,547	2,547,359,647
Total for the Year	905,730,860	520,320,962	547,231,934	1,158,337,281	47,750,381	8,448,843	948,023,128	3,918,020,498	404,554,305	8,458,418,192
Letter of guarantees	-	-	463,172,068	-	-	-	-	-	-	463,172,068
Letter of credit	-	-	439,997,393	-	-	-	-	-	-	439,997,393
Other liabilities	-	-	68,524,457	-	-	-	-	-	-	68,524,457
Total	905,730,860	520,320,962	1,518,925,852	1,158,337,281	47,750,381	8,448,843	948,023,128	3,918,020,498	404,554,305	9,430,112,110

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(b) Distribution of exposures according to staging (IFRS 9):

Item	31 December 2025					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD		
Financial	912,668,775	28,103,471	1,456,041	4,480,731	2,806,911	949,515,929
Industrial	455,372,992	57,082,486	10,943,924	8,992,010	5,897,274	538,288,686
Trading	1,504,618,018	136,120,135	33,537,469	17,427,885	14,614,472	1,706,317,979
Real-estate	447,049,235	561,513,671	41,053,655	44,029,773	22,040,220	1,115,686,554
Agriculture	57,593,855	3,064,121	380,609	430,441	1,012,217	62,481,243
Equity	97,896	-	-	-	-	97,896
Individual	126,758,410	704,760,450	2,695,068	19,688,963	11,238,212	865,141,103
Government and public sector	4,070,677,993	-	4,152,638	-	-	4,074,830,631
Other	320,561,721	17,704,604	37,379,198	3,271,814	2,510,568	381,427,905
Total	7,895,398,895	1,508,348,938	131,598,602	98,321,617	60,119,874	9,693,787,926

Item	31 December 2024					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD		
Financial	862,640,340	30,674,272	5,320,916	5,464,352	1,630,980	905,730,860
Industrial	441,477,758	50,851,979	16,367,793	8,930,221	2,693,211	520,320,962
Trading	1,283,419,477	154,295,414	49,325,833	22,476,313	9,408,815	1,518,925,852
Real-estate	438,082,115	608,306,569	56,273,954	41,563,111	14,111,532	1,158,337,281
Agriculture	38,705,350	3,938,053	3,697,763	635,760	773,455	47,750,381
Equity	5,573,896	2,050,335	355,280	365,366	103,966	8,448,843
Individual	134,662,137	781,279,348	3,842,745	21,467,043	6,771,855	948,023,128
Government and public sector	3,908,037,234	18	9,983,246	-	-	3,918,020,498
Other	330,594,330	28,212,793	39,095,309	4,900,512	1,751,361	404,554,305
Total	7,443,192,637	1,659,608,781	184,262,839	105,802,678	37,245,175	9,430,112,110

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4. Exposure distribution according to geographical distribution

(a) Total exposure distribution according to geographic region:

	31 December 2025							
	Inside Jordan	Other Middle Eastern Countries	Europe	Asia	Africa	America	Other Countries	Total
	JD	JD	JD	JD	JD	JD	JD	JD
Balances at central banks	211,702,464	182,033,597	-	-	72,333,885	-	-	466,069,946
Balances at banks and financial institutions	46,964,356	20,639,377	198,784,085	6,317,568	5,684,048	198,063,511	580,294	477,033,239
Deposits at banks and financial institutions	29,999,684	1,847,282	3,825,867	19,325,191	-	-	-	54,998,024
Credit facilities at amortized cost	3,464,709,009	526,103,120	197,593,791	1,071,272	257,425,503	-	8,156,177	4,455,058,872
Bonds and bills:								
<u>Within:</u> Financial assets at fair value through other comprehensive income	236,513,761	26,896,878	55,015,832	10,580,963	4,152,638	22,557,841	-	355,717,913
<u>Within:</u> Financial assets at amortized cost	2,466,963,651	74,293,669	10,071,092	2,824,129	175,341,113	9,111,513	3,407,690	2,742,012,857
Total for the year	6,456,852,925	831,813,923	465,290,667	40,119,123	514,937,187	229,732,865	12,144,161	8,550,890,851
Letter of guarantees	302,653,630	102,994,776	9,801,803	-	150,287,318	-	-	565,737,527
Letter of credit	397,523,932	46,947,337	4,019,802	4,568,672	81,818,498	-	-	534,878,241
Other liabilities	38,684,528	-	3,596,779	-	-	-	-	42,281,307
Total	7,195,715,015	981,756,036	482,709,051	44,687,795	747,043,003	229,732,865	12,144,161	9,693,787,926

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	31 December 2024							
	Inside Jordan	Other Middle Eastern Countries	Europe	Asia	Africa	America	Other Countries	Total
	JD	JD	JD	JD	JD	JD	JD	JD
Balances at central banks	289,416,522	195,143,971	-	-	62,974,324	-	-	547,534,817
Balances at banks and financial institutions	35,127,504	76,487,068	117,651,413	5,602,285	10,498,202	194,884,405	-	440,250,877
Deposits at banks and financial institutions	29,999,863	1,673,600	10,541,828	11,268,406	-	-	-	53,483,697
Credit facilities at amortized cost	3,511,374,336	501,407,105	238,938,934	-	241,929,106	-	19,947,541	4,513,597,022
Bonds and bills:								
<u>Within:</u> Financial assets at fair value through other comprehensive income	225,902,553	20,892,849	61,465,826	10,337,872	8,237,253	29,355,779	-	356,192,132
<u>Within:</u> Financial assets at amortized cost	2,350,636,171	22,042,713	10,805,127	2,143,979	156,150,770	5,580,887	-	2,547,359,647
Total for the year	6,442,456,949	817,647,306	439,403,128	29,352,542	479,789,655	229,821,071	19,947,541	8,458,418,192
Letter of guarantees	267,009,487	66,752,388	8,943,767	-	120,466,426	-	-	463,172,068
Letter of credit	353,706,252	19,343,288	4,804,611	2,232,589	59,527,966	382,687	-	439,997,393
Other liabilities	55,557,371	-	12,967,086	-	-	-	-	68,524,457
Total	7,118,730,059	903,742,982	466,118,592	31,585,131	659,784,047	230,203,758	19,947,541	9,430,112,110

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(b) Exposure distribution according to staging (IFRS 9):

	31 December 2025					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
Inside Jordan	5,735,159,482	1,246,666,511	100,604,682	57,843,664	55,440,676	7,195,715,015
Other Middle Eastern countries	837,921,768	128,070,759	11,582,010	19,965,554	(15,784,055)	981,756,036
Europe	424,024,656	42,465,054	2,778,514	6,726,033	6,714,794	482,709,051
Asia	38,410,935	4,490,790	382,564	702,441	701,065	44,687,795
Africa	627,707,377	79,579,765	15,883,525	11,953,603	11,918,733	747,043,003
America	222,458,512	5,305,291	275,388	847,463	846,211	229,732,865
Other countries	9,716,165	1,770,768	91,919	282,859	282,450	12,144,161
Total	7,895,398,895	1,508,348,938	131,598,602	98,321,617	60,119,874	9,693,787,926

	31 December 2024					
	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
Inside Jordan	5,542,723,669	1,362,668,110	115,205,915	54,692,546	43,439,819	7,118,730,059
Other Middle Eastern countries	733,694,728	139,718,347	27,225,321	24,367,716	(21,263,130)	903,742,982
Europe	384,565,753	55,719,657	10,645,357	9,766,459	5,421,366	466,118,592
Asia	26,950,476	3,157,345	622,295	549,042	305,973	31,585,131
Africa	518,858,408	88,896,522	28,868,927	14,745,493	8,414,697	659,784,047
America	221,155,737	6,215,218	1,118,431	1,105,210	609,162	230,203,758
Other countries	15,243,866	3,233,582	576,593	576,212	317,288	19,947,541
Total	7,443,192,637	1,659,608,781	184,262,839	105,802,678	37,245,175	9,430,112,110

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5. Credit exposures that have been reclassified:

(a) Total credit exposures that have been reclassified:

	31 December 2025					
	Stage (2)		Stage (3)		Total Exposures that have been Reclassified	Percentage of Exposures that have been Reclassified
	Total Exposures Amount	Exposures that have been Reclassified	Total Exposures Amount	Exposures that have been Reclassified		
	JD	JD	JD	JD	JD	JD
Credit facilities	332,420,286	125,500,367	421,865,368	120,955,250	246,455,617	4.9%
Bonds and bills:						
Within: Financial assets at amortized cost	-	-	-	-	-	0.0%
Within: Financial assets at fair value through other comprehensive income	4,153,329	-	-	-	-	0.0%
Total	336,573,615	125,500,367	421,865,368	120,955,250	246,455,617	4.1%
Letter of guarantees	27,708,971	2,523,069	19,277,469	1,501,518	4,024,587	0.7%
Letter of credit	-	-	-	-	-	0.0%
Other liabilities	118,165	107,558	-	-	107,558	0.3%
Total	27,827,136	2,630,627	19,277,469	1,501,518	4,132,145	0.4%
Total	364,400,751	128,130,994	441,142,837	122,456,768	250,587,762	3.5%

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	31 December 2024					
	Stage (2)		Stage (3)		Total Exposures that have been Reclassified JD	Percentage of Exposures that have been Reclassified JD
	Total Exposures Amount	Exposures that have been Reclassified	Total Exposures Amount	Exposures that have been Reclassified		
	JD	JD	JD	JD		
Credit facilities	378,489,084	134,182,424	439,419,307	155,576,869	289,759,293	5.7%
Bonds and bills:						
Within: Financial assets at amortized cost	-	-	3,000,001	-	-	0.0%
Within: Financial assets at fair value through other comprehensive income	10,015,552	-	-	-	-	0.0%
Total	388,504,636	134,182,424	442,419,308	155,576,869	289,759,293	4.7%
Letter of guarantees	25,910,497	1,459,191	25,574,063	8,965,320	10,424,511	2.1%
Letter of credit	139,825	-	-	-	-	0.0%
Other liabilities	99,181	37,427	-	-	37,427	0.1%
Total	26,149,503	1,496,618	25,574,063	8,965,320	10,461,938	1.0%
Total	414,654,139	135,679,042	467,993,371	164,542,189	300,221,231	4.2%

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(b) Expected credit loss for exposures that have been reclassified:

31 December 2025							
Exposures that have been Reclassified			Expected Credit Loss due to Reclassified Exposures				
			Stage (2)		Stage (3)		
Exposures Reclassified from Stage (2)	Exposures Reclassified from Stage (3)	Total	Individual	Collective	Individual	Total	
JD	JD	JD	JD	JD	JD	JD	
Credit facilities	125,500,367	120,955,250	246,455,617	8,978,284	2,061,311	19,128,659	30,168,254
Within: Financial assets at fair value through other comprehensive income	-	-	-	-	-	-	-
Total	125,500,367	120,955,250	246,455,617	8,978,284	2,061,311	19,128,659	30,168,254
Letter of guarantees	2,523,069	1,501,518	4,024,587	955,807	77	86,565	1,042,449
Letter of credit	-	-	-	885	-	-	885
Other liabilities	107,558	-	107,558	6	134	-	140
Total	2,630,627	1,501,518	4,132,145	956,698	211	86,565	1,043,474
Total	128,130,994	122,456,768	250,587,762	9,934,982	2,061,522	19,215,224	31,211,728
31 December 2024							
Exposures that have been Reclassified			Expected Credit Loss due to Reclassified Exposures				
			Stage (2)		Stage (3)		
Exposures Reclassified from Stage (2)	Exposures Reclassified from Stage (3)	Total	Individual	Collective	Individual	Total	
JD	JD	JD	JD	JD	JD	JD	
Credit facilities	134,182,424	155,576,869	289,759,293	9,170,373	1,470,391	43,717,971	54,358,735
Within: Financial assets at fair value through other comprehensive income	-	-	-	-	-	-	-
Total	134,182,424	155,576,869	289,759,293	9,170,373	1,470,391	43,717,971	54,358,735
Letter of guarantees	1,459,191	8,965,320	10,424,511	17,904	3,357	4,240,388	4,261,649
Letter of credit	-	-	-	-	-	-	-
Other liabilities	37,427	-	37,427	2,444	343	-	2,787
Total	1,496,618	8,965,320	10,461,938	20,348	3,700	4,240,388	4,264,436
Total	135,679,042	164,542,189	300,221,231	9,190,721	1,474,091	47,958,359	58,623,171

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6. Credit Risk Exposures (after provision for impairment, outstanding interest and before collateral and other risk mitigations):

	31 December	
	2025	2024
	JD	JD
Financial Position Items		
Balances at central banks	466,069,946	547,534,817
Balances at banks and financial institutions	477,033,239	440,250,877
Deposits at banks and financial institutions	54,998,024	53,483,697
Credit facilities at amortized cost:		
Individual	851,463,973	952,348,211
Real estate mortgages	1,131,944,546	1,187,512,811
Corporates		
Large corporates	1,438,009,369	1,374,861,514
SME's	343,126,693	351,366,937
Government and Public Sector	690,514,291	647,507,549
Bonds and bills:		
<u>Within:</u> Financial assets at amortized cost	2,742,012,857	2,547,359,647
<u>Within:</u> Financial assets at fair value through other comprehensive income	355,717,913	356,192,132
Total	8,550,890,851	8,458,418,192
Items Off-statement of Financial Position		
Letter of guarantees	565,737,527	463,172,068
Letter of credit	534,878,241	439,997,393
Un-utilized facilities ceilings	42,281,307	68,524,457
Total	1,142,897,075	971,693,918
Total	9,693,787,926	9,430,112,110

The above table represents the maximum credit exposure of the Bank as of 31 December 2025 and 2024 without considering collateral or other credit risk mitigations.

The relative distribution of exposures is as follows:

- 10.3% of total exposures are due to balances with central banks and banks and financial institutions (2024: 11.0%).
- 46.0% of the total exposure is due to loans and advances (2024: 47.9%).
- 32.0% of the total exposure resulted from investments in bonds, debentures, and funds (2024: 30.8%).
- 11.8% of total exposure resulted from off-balance sheet items and other items (2024: 10.3%).

7. Modified financial assets

Scheduled Debts:

These represent loans previously classified as non-performing and classified to under watch list or transferred to performing according to proper rescheduling during the year 2025. These loans amounted to JD 19.9 million for the year 2025 (JD 28.9 million for the year 2024).

The scheduled debt balance represents the rescheduled loans whether it's still under watch list or transferred to performing. And it also includes loans that were subsequently classified as non-performing these loans amounted to JD 19.2 million for the year 2025 (JD 9.0 million during the year 2024).

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Restructured Debts:

Restructuring means re-arranging the status of operating credit facilities in terms of adjusting the premiums, prolonging the life of the credit facilities, postponing some of the installments or extending the grace period based on customer cash flows and helping them meet their obligations towards the Bank. The value of these loans amounted to about JD 47.0 million in 2025 against JD 258.6 million in 2024.

8. Debt Securities and Treasury Bills:

The following table shows the classifications of bonds and bills according to external rating institutions (Equivalent to S&P classification corporation):

31 December 2025				
Classification grade	Within specific financial assets at fair value through profit or loss statement	Among other financial assets through the statement of other comprehensive income	Among other financial assets at amortized cost	Total
	JD	JD	JD	JD
AA	-	1,765,781	-	1,765,781
AA-	-	3,481,084	-	3,481,084
A+	-	19,545,351	3,407,409	22,952,760
A	-	1,772,397	-	1,772,397
A-	-	15,691,151	-	15,691,151
BBB+	-	7,155,088	9,139,209	16,294,297
BBB	-	-	12,604,318	12,604,318
BB+	-	-	4,155,176	4,155,176
Unclassified	-	-	100,767,412	100,767,412
Governmental or guaranteed by the government	-	306,307,061	2,611,939,333	2,918,246,394
Total	-	355,717,913	2,742,012,857	3,097,730,770
31 December 2024				
Classification grade	Within specific financial assets at fair value through profit or loss statement	Among other financial assets through the statement of other comprehensive income	Among other financial assets at amortized cost	Total
	JD	JD	JD	JD
AA	-	1,735,472	-	1,735,472
AA-	-	3,377,605	-	3,377,605
A+	-	19,125,552	1,762,301	20,887,853
A	-	1,803,932	2,017,907	3,821,839
A-	-	27,877,606	1,643,034	29,520,640
BBB+	-	6,956,214	9,843,254	16,799,468
BBB	-	-	1,776,639	1,776,639
BB+	-	-	1,776,844	1,776,844
Unclassified	-	-	100,877,287	100,877,287
Governmental or guaranteed by the government	-	295,315,751	2,427,662,381	2,722,978,132
Total	-	356,192,132	2,547,359,647	2,903,551,779

- Other financial assets through other comprehensive income includes bonds amounting to JD 4,153,329 classified under stage (2) (JD 10,015,552 as at 31 December 2024)

Market Risk

Market risk is defined as the risk of Losses from financial positions or from off-statement of Financial Position arising from changes in market prices, which are divided into four major categories: interest rate risks, foreign currency risks, equity instruments risks, and commodities risks.

Market risk is monitored through specialized committees and certain business centers.

Market risk is measured and monitored through sensitivity analysis and VAR, using a 99% confidence level according to Basel II policies and stop loss limits; monitoring risk limits; and submitting periodic reports.

Sensitivity analysis is based on estimating the loss risk in fair value due to changes in interest rate and foreign currencies exchange rate. Moreover, fair value is calculated according to the current value of future cash flows that will be affected by price changes.

1. Interest rate risk:

This risk arises from changes in market interest rates. In this regard, the Bank manages interest rate risk by applying sensitivity analysis for the interest rate sensitive instruments designated at fair value through the profit or loss statement. The bank does not have a0 debt instruments classified at fair value through profit or loss.

2. Foreign Exchange risk:

This risk arises from changes in foreign exchange rates that might have an impact on the Bank's assets and liabilities held in foreign currency. The Bank manages the exchange rate risk by applying sensitivity analysis to the Bank's net foreign currencies positions by shifting the exchange rate $\pm 1\%$ on net profit and loss and shareholders' equity

Sensitivity Analysis for 2025	Effect of Increasing	Effect of	Effect of	Effect of
	Exchange Rate	Decreasing	Increasing	Decreasing
	Currency by 1% on	Exchange Rate	Exchange Rate	Exchange Rate
	the Statement of	Currency by 1%	Currency by 1%	Currency by 1%
	Profit or Loss	on the Statement	on Equity	on Equity
	JD	JD	JD	JD
Currency				
Euro	105,614	(105,614)	68,016	(68,016)
Great Britain pound	542,961	(542,961)	349,667	(349,667)
Australian dollar	70	(70)	45	(45)
Swiss franc	28	(28)	18	(18)
Canadian dollar	(81)	81	(52)	52
Japanese yen	160,049	(160,049)	103,072	(103,072)
Syrian pound	(47,854)	47,854	(30,818)	30,818
Algerian dinar	1,393,453	(1,393,453)	897,384	(897,384)

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Sensitivity Analysis for 2024	Effect of Increasing	Effect of	Effect of	Effect of
	Exchange Rate	Decreasing	Increasing	Decreasing
	Currency by 1% on	Exchange Rate	Exchange Rate	Exchange Rate
	the Statement of	Currency by 1%	Currency by 1%	Currency by
	Profit or Loss	on the Statement	on Equity	1% on Equity
	JD	JD	JD	JD
Currency				
Euro	87,681	(87,681)	55,853	(55,853)
Great Britain pound	543,329	(543,329)	346,100	(346,100)
Australian dollar	220	(220)	140	(140)
Swiss franc	211	(211)	135	(135)
Canadian dollar	209	(209)	133	(133)
Japanese yen	(51)	51	(32)	32
Syrian pound	16,036	(16,036)	10,215	(10,215)
Algerian dinar	1,398,330	(1,398,330)	890,736	(890,736)

3. Equity Price Risk:

This risk arises from changes in the prices of equity instruments within the Bank's financial assets at fair value through profit or loss and/or financial assets at fair value through other comprehensive income. The Bank manages the share price risk by applying the VAR methodology calculated based on the historical prices of equity instruments for a confidence level of 99% for one day for each company separately. The VAR was then calculated for the Bank's portfolio.

	VAR	
	2025	2024
	JD	JD
Financial assets at fair value through profit or loss	(232,300)	(152,174)
Financial assets at fair value through other comprehensive income	(4,530,969)	(3,725,764)

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Interest Rate Re-Pricing Gap:

Classification is done according to interest re-pricing or maturity, whichever is closer:

	31 December 2025							
	Interest Rate Re-Pricing Gap:							
	Up to 1 Month	1 to 3 Months	3 to 6 Months	6 Months to 1 Year	1 to 3 Years	Over 3 Years	Non-interest-Bearing Items	Total
	JD	JD	JD	JD	JD	JD	JD	JD
<u>Assets</u>								
Cash and balances at central banks	132,452,606	-	-	-	-	-	483,422,030	615,874,636
Balances at banks and financial institutions	381,743,172	61,868,551	-	-	-	-	33,421,516	477,033,239
Deposits at banks and financial institutions	-	-	13,316,574	25,964,860	15,716,590	-	-	54,998,024
Financial assets through profit and loss	-	-	-	-	-	-	5,362,870	5,362,870
Financial assets at fair value through other comprehensive income	23,870,497	26,803,039	42,385,784	33,974,732	228,748,800	-	113,686,603	469,469,455
Direct credit facilities at amortized Cost - net	859,111,792	1,465,122,153	388,769,655	768,213,456	427,469,630	647,527,345	(101,155,159)	4,455,058,872
Financial assets at amortized cost	18,528,068	116,309,760	139,445,326	617,652,629	1,755,874,031	94,203,043	-	2,742,012,857
Property and equipment	-	-	-	-	-	-	155,094,774	155,094,774
Intangible assets	-	-	-	-	-	-	19,211,781	19,211,781
Right of use assets	-	-	-	-	-	-	21,002,769	21,002,769
Deferred tax assets	-	-	-	-	-	-	100,242,057	100,242,057
Other assets	618,364	-	-	-	-	-	276,061,349	276,679,713
Total Assets	1,416,324,499	1,670,103,503	583,917,339	1,445,805,677	2,427,809,051	741,730,388	1,106,350,590	9,392,041,047
<u>Liabilities</u>								
Banks and financial institutions Deposits	780,870,253	100,455,126	30,947,641	800,000	6,000,000	-	38,839,853	957,912,873
Customers' deposits	1,189,288,720	1,062,562,045	561,028,199	455,331,963	68,410,001	46,672,084	2,498,245,994	5,881,539,006
Margin accounts	87,599,128	51,850,896	39,322,917	43,862,381	23,753,294	36,021,253	76,745,553	359,155,422
Borrowed funds	4,754,090	32,227,980	74,109,591	45,039,667	119,996,620	48,235,449	-	324,363,397
Sundry provisions	-	-	-	-	-	-	25,240,296	25,240,296
Income tax provision	-	-	-	-	-	3,771,780	42,024,000	45,795,780
Deferred tax liabilities	-	-	-	-	-	-	16,641,787	16,641,787
Lease Liabilities	-	-	-	2,407,037	5,012,501	12,997,392	-	20,416,930
Other liabilities	647,969	737,878	485,415	552,161	1,375,960	176,414	268,826,969	272,802,766
Total Liabilities	2,063,160,160	1,247,833,925	705,893,763	547,993,209	224,548,376	147,874,372	2,966,564,452	7,903,868,257
Interest rate re-pricing gap	(646,835,661)	422,269,578	(121,976,424)	897,812,468	2,203,260,675	593,856,016	(1,860,213,862)	1,488,172,790

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	31 December 2024							
	Interest Rate Re-Pricing Gap:							Total
	Up to 1 Month	1 to 3 Months	3 to 6 Months	6 Months to 1 Year	1 to 3 Years	Over 3 Years	Non-interest-Bearing Items	
	JD	JD	JD	JD	JD	JD	JD	
Assets								
Cash and balances at central banks	222,095,078	-	-	-	-	-	452,599,855	674,694,933
Balances at banks and financial institutions	361,838,953	45,954,042	-	-	-	-	32,457,882	440,250,877
Deposits at banks and financial institutions	-	-	14,591,843	38,891,854	-	-	-	53,483,697
Financial assets through profit and loss	-	-	-	-	-	-	4,407,981	4,407,981
Financial assets at fair value through other comprehensive income	4,439,236	48,448,288	25,751,039	26,340,254	249,464,183	1,805,301	88,964,501	445,212,802
Direct credit facilities at amortized Cost - net	1,011,046,419	1,499,743,515	428,396,758	728,330,429	426,851,283	509,525,932	(90,297,314)	4,513,597,022
Financial assets at amortized cost	-	171,195,060	71,005,042	210,279,296	2,060,075,601	34,804,648	-	2,547,359,647
Property and equipment	-	-	-	-	-	-	158,385,051	158,385,051
Intangible assets	-	-	-	-	-	-	20,928,700	20,928,700
Right of use assets	-	-	-	-	-	-	23,946,833	23,946,833
Deferred tax assets	-	-	-	-	-	-	117,030,396	117,030,396
Other assets	868,729	-	849,813	-	123,329	-	225,595,673	227,437,544
Total Assets	1,600,288,415	1,765,340,905	540,594,495	1,003,841,833	2,736,514,396	546,135,881	1,034,019,558	9,226,735,483
Liabilities								
Banks and financial institutions Deposits	579,962,002	176,037,749	18,492,669	6,000,000	-	-	49,153,613	829,646,033
Customers' deposits	1,181,681,149	889,600,401	779,996,098	428,904,352	112,220,526	40,559,482	2,550,362,806	5,983,324,814
Margin accounts	68,351,090	28,058,815	55,522,080	36,857,743	13,950,044	29,065,778	81,927,641	313,733,191
Borrowed funds	10,227,994	65,781,468	31,739,570	31,079,534	123,150,883	35,552,869	-	297,532,318
Sundry provisions	-	-	-	-	-	-	33,568,028	33,568,028
Income tax provision	-	-	-	-	-	2,916,519	54,093,479	57,009,998
Deferred tax liabilities	-	-	-	-	-	-	11,350,011	11,350,011
Lease Liabilities	-	-	-	2,140,243	3,835,786	17,186,411	-	23,162,440
Other liabilities	895,163	257,221	508,917	281,094	259,677	136,694	271,337,687	273,676,453
Total Liabilities	1,841,117,398	1,159,735,654	886,259,334	505,262,966	253,416,916	125,417,753	3,051,793,265	7,823,003,286
Interest rate re-pricing gap	(240,828,983)	605,605,251	(345,664,839)	498,578,867	2,483,097,480	420,718,128	(2,017,773,707)	1,403,732,197

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Concentration of Foreign Currency Risk:

<u>Items / Currency</u>	<u>US Dollar</u> <u>JD</u>	<u>Euro</u> <u>JD</u>	<u>Sterling</u> <u>Pound</u> <u>JD</u>	<u>Japanese Yen</u> <u>JD</u>	<u>Syrian Lira</u> <u>JD</u>	<u>Algerian</u> <u>Dinar</u> <u>JD</u>	<u>Other</u> <u>JD</u>	<u>Total</u> <u>JD</u>
31 December 2025								
<u>Assets</u>								
Cash and balances at central banks	139,804,530	15,972,135	252,616	136	8,338,793	64,444,265	164,348,221	393,160,696
Balances at banks and financial institutions	377,145,364	26,180,108	9,743,514	862,283	5,325,405	5,615,231	23,304,974	448,176,879
Deposits at banks and financial institutions	9,544,747	9,922,807	-	-	925,302	-	4,612,245	25,005,101
Direct credit facilities at amortized cost – net	705,211,823	77,134,142	204,171,785	18,691,632	3,244,078	256,905,752	230,567,186	1,495,926,398
Financial assets at fair value through other comprehensive income	121,941,896	4,153,327	28,353,200	-	47,956	-	44,068,650	198,565,029
Financial assets at amortized cost - net	549,645,301	-	-	-	-	175,341,113	26,240,775	751,227,189
Property and equipment - net	-	-	466,736	-	773,653	3,284,034	570,052	5,094,475
Intangible assets	-	-	2,653,212	-	17,990	1,152,421	868,687	4,692,310
Right of use asset	658,486	-	889,762	-	77,962	2,561,925	356,416	4,544,551
Deferred tax assets	-	-	3,931,556	-	-	2,308,473	-	6,240,029
Other assets	12,295,587	219,276	17,750,288	753	1,849,223	23,301,689	-	55,416,816
Total Assets	1,916,247,734	133,581,795	268,212,669	19,554,804	20,600,362	534,914,903	494,937,206	3,388,049,473
<u>Liabilities</u>								
Banks and financial institutions deposits	433,794,715	15,762,520	14,282,664	21,784	812,103	-	32,981,292	497,655,078
Customers' deposits	1,353,334,990	92,869,558	133,730,736	3,080,241	13,772,310	280,086,165	252,029,427	2,128,903,427
Margin accounts	104,825,603	12,058,816	5	447,759	225,905	36,829,216	73,437,489	227,824,793
Borrowed funds	84,001,171	-	-	-	-	-	3,545,000	87,546,171
Sundry provisions	1,217	-	-	-	279,764	54,790	188,936	524,707
Income tax provision	-	-	163,653	-	92,556	237,630	-	493,839
Deferred tax liabilities	-	-	-	-	-	2,183,367	-	2,183,367
Lease liabilities	715,636	-	889,762	-	4,088	1,550,561	407,009	3,567,056
Other liabilities	27,319,027	2,329,457	5,568,466	85	5,096,308	93,263,397	13,483,808	147,060,548
Total Liabilities	2,003,992,359	123,020,351	154,635,286	3,549,869	20,283,034	414,205,126	376,072,961	3,095,758,986
Net Financial Position Items	(87,744,625)	10,561,444	113,577,383	16,004,935	317,328	120,709,777	118,864,245	292,290,487
Off-financial position Contingent Liabilities	956,025,148	194,442,106	3,948,029	4,607,898	2,007,819	126,639,571	68,780,430	1,356,451,001
31 December 2024								
Total Assets	1,933,775,074	115,005,299	301,212,614	1,906,210	24,598,042	474,807,222	419,976,408	3,271,280,869
Total Liabilities	2,137,842,589	107,067,599	169,006,808	2,093,512	26,362,796	363,303,327	337,129,947	3,142,806,578
Net Financial Position Items	(204,067,515)	7,937,700	132,205,806	(187,302)	(1,764,754)	111,503,895	82,846,461	128,474,291
Off-financial position Contingent Liabilities	630,190,355	164,592,876	13,063,135	2,764,595	1,751,799	121,222,247	123,697,215	1,057,282,222

Liquidity Risk

Liquidity risk is defined as the Bank's failure to provide the required funding to cover its obligations at their respective due dates.

Liquidity risk is managed through the following:

- Analyzing cash inflow for all assets and liabilities.
- Preparing stress scenarios for liquidity risk.
- Evaluating and monitoring concentration and fluctuation in financing sources.
- Assessing the Bank's ability to borrow and finance its activities.
- Monitoring the compliance with the approved policies and the instructions of the Central Bank of Jordan in this regard.
- Submitting periodic reports to higher management on the level of liquidity risk at the Bank.

Sources of Funds:

The Bank works to diversify its sources of funds including geographical sectors, currencies, customers, facilities, and conditions in order to attain financial flexibility and lower financing costs, in addition to maintaining stable financing sources. The Bank has a large customer base of individuals and corporations with varying deposit accounts.

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The below schedule summaries the liabilities distributed (Non discounted) based on remaining contractual maturity period on the date of financial statements:

	Up to 1 Month JD	1 to 3 Months JD	3 to 6 Months JD	6 Months to 1 Year JD	1 to 3 Years JD	Over 3 Years JD	Non-interest- Bearing Items JD	Total JD
31 December 2025								
Liabilities:								
Banks and financial institutions deposits	821,475,895	101,320,714	31,547,641	831,020	6,620,400	-	-	961,795,670
Customers' deposits	1,016,555,708	1,854,527,886	374,101,221	545,235,314	388,302,536	32,128,841	1,711,007,867	5,921,859,373
Margin accounts	63,887,396	58,844,315	52,242,797	45,229,105	46,943,285	82,993,786	16,562,496	366,703,180
Borrowed funds	4,762,962	32,468,616	75,354,632	46,553,000	130,748,317	54,718,296	-	344,605,823
Sundry provisions	51,570	103,136	154,706	309,411	1,237,643	7,425,858	15,957,972	25,240,296
Income tax provision	2,000,000	-	37,832,383	5,963,397	-	-	-	45,795,780
Deferred tax liabilities	-	-	-	2,183,367	14,458,420	-	-	16,641,787
Lease liabilities	-	-	-	3,463,131	6,805,957	16,818,574	-	27,087,662
Other liabilities	128,969,349	737,878	33,342,287	20,218,542	2,377,440	2,092,653	85,064,617	272,802,766
Total Liabilities	2,037,702,880	2,048,002,545	604,575,667	669,986,287	597,493,998	196,178,008	1,828,592,952	7,982,532,337
Total Assets (According to Their Expected Maturity)	1,169,536,463	712,648,504	685,613,110	1,303,353,837	3,125,329,135	1,394,441,122	1,001,118,876	9,392,041,047
	Up to 1 Month JD	1 to 3 Months JD	3 to 6 Months JD	6 Months to 1 Year JD	1 to 3 Years JD	Over 3 Years JD	Non-interest- Bearing Items JD	Total JD
31 December 2024								
Liabilities:								
Banks and financial institutions deposits	630,693,647	177,803,994	18,910,141	6,270,900	-	-	-	833,678,682
Customers' deposits	1,182,956,381	1,941,419,997	787,571,810	437,235,819	86,209,654	11,157,519	1,567,350,653	6,013,901,833
Margin accounts	54,062,251	42,125,062	53,142,070	40,965,305	38,299,825	79,268,369	12,811,267	320,674,149
Borrowed funds	10,247,470	66,282,504	32,283,507	32,144,785	134,406,874	40,427,167	-	315,792,307
Sundry provisions	45,011	90,022	135,032	270,065	1,080,259	6,481,554	25,466,085	33,568,028
Income tax provision	12,859,814	-	38,516,196	5,633,988	-	-	-	57,009,998
Deferred tax liabilities	-	-	-	1,784,261	9,565,750	-	-	11,350,011
Lease liabilities	-	-	-	3,139,814	7,222,782	21,164,605	-	31,527,201
Other liabilities	106,553,937	257,221	42,625,551	15,645,644	1,863,087	1,901,736	104,829,277	273,676,453
Total Liabilities	1,997,418,511	2,227,978,800	973,184,307	543,090,581	278,648,231	160,400,950	1,710,457,282	7,891,178,662
Total Assets (According to Their Expected Maturity)	1,193,215,858	710,531,817	649,840,527	883,843,223	3,530,067,214	1,343,624,826	915,612,018	9,226,735,483

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Liquidity coverage Ratio (LCR):

Following are the details of the calculation as at 31 December 2025 and 2024:

	31 December	
	2025	2024
	JD 000'	JD 000'
High qualified liquid assets before adjustments	2,660,311	2,766,123
High qualified liquid assets after adjustments	2,660,311	2,766,123
Net Cash outflow	1,823,344	1,676,062
Liquidity Coverage Ratio (LCR)	145.90%	165.0%
Average Liquidity Coverage Ratio	147.21%	160.9%

Net stable funding ratio (NSFR):

The Net stable funding ratio as at 31 December 2025 was 127.1% (129.4% as of 31 December 2024).

Following are the details of the calculation as of 31 December:

	31 December 2025		31 December 2024	
	Before stable funding factor implied	After stable funding factor implied	Before stable funding factor implied	After stable funding factor implied
	JD 000'	JD 000'	JD 000'	JD 000'
Available stable funding	9,325,179	6,453,047	9,200,096	6,452,001
Required stable funding	10,934,679	5,077,837	10,468,814	4,988,080

Off- statement of financial position to items:

	Up to 1 Year	1 - 5 Years	Over 5 Years	Total
	JD	JD	JD	JD
31 December 2025				
Letters of credit and acceptances	479,035,967	57,344,526	-	536,380,493
Un-utilized ceilings	819,956,179	-	-	819,956,179
Letters of guarantee	355,271,405	214,344,939	23,818,942	593,435,286
Total	1,654,263,551	271,689,465	23,818,942	1,949,771,958
	Up to 1 Year	1 - 5 Years	Over 5 Years	Total
	JD	JD	JD	JD
31 December 2024				
Letters of credit and acceptances	399,321,998	42,756,995	-	442,078,993
Un-utilized ceilings	652,403,044	-	-	652,403,044
Letters of guarantee	442,485,198	38,257,513	14,494,188	495,236,899
Total	1,494,210,240	81,014,508	14,494,188	1,589,718,936

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(47) Fair Value Hierarchy

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

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

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

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

	Level 1	Level 2	Level 3	Total
	JD	JD	JD	JD
31 December 2025				
Financial assets:				
Financial assets at fair value through other comprehensive income	198,455,938	-	271,013,517	469,469,455
Financial assets at fair value through profit or loss	5,362,870	-	-	5,362,870
Total	203,818,808	-	271,013,517	474,832,325
	Level 1	Level 2	Level 3	Total
	JD	JD	JD	JD
31 December 2024				
Financial assets:				
Financial assets at fair value through other comprehensive income	200,965,566	-	244,247,236	445,212,802
Financial assets at fair value through profit or loss	4,407,981	-	-	4,407,981
Total	205,373,547	-	244,247,236	449,620,783

(48) Fiduciary Accounts

Investment accounts managed on behalf of customers amounted to JD 469 thousand as of 31 December 2025 (JD 452 thousand as of 31 December 2024). These accounts are not included in the assets and liabilities of the Bank's financial statements. The fees and commissions for managing those accounts are shown in the consolidated profit or loss statement. The management's commissions and fees on these accounts JD 126,450 for 2025 (JD 22,190 for 2024) are recorded in the consolidated statement of profit or loss.

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(49) Assets and Liabilities Expected Maturities

The following table illustrates the assets and liabilities according to the expected maturity periods:

	Up to 1 Year	Over 1 Year	Total
	JD	JD	JD
31 December 2025			
<u>Assets</u>			
Cash and balances at central banks	468,842,907	147,031,729	615,874,636
Balances at banks and financial institutions	477,033,239	-	477,033,239
Deposits at banks and financial institutions	25,017,772	29,980,252	54,998,024
Financial assets at fair value through profit or loss	5,362,870	-	5,362,870
Credit facilities at amortized cost - net	1,825,056,907	2,630,001,965	4,455,058,872
Financial assets at fair value through other comprehensive income	127,034,052	342,435,403	469,469,455
Financial assets at amortized cost	891,935,782	1,850,077,075	2,742,012,857
Property and equipment - net	-	155,094,774	155,094,774
Intangible assets	-	19,211,781	19,211,781
Right of use assets	-	21,002,769	21,002,769
Deferred tax assets	-	100,242,057	100,242,057
Other assets	50,868,385	225,811,328	276,679,713
Total Assets	3,871,151,914	5,520,889,133	9,392,041,047
<u>Liabilities:</u>			
Banks and financial institutions deposits	951,912,873	6,000,000	957,912,873
Customers' deposits	2,076,663,214	3,804,875,792	5,881,539,006
Margin accounts	218,942,862	140,212,560	359,155,422
Borrowed funds	156,131,326	168,232,071	324,363,397
Sundry provisions	618,823	24,621,473	25,240,296
Income tax provision	45,795,780	-	45,795,780
Deferred tax liabilities	2,183,367	14,458,420	16,641,787
Lease liabilities	2,407,037	18,009,893	20,416,930
Other liabilities	180,861,019	91,941,747	272,802,766
Total Liabilities	3,635,516,301	4,268,351,956	7,903,868,257
Net	235,635,613	1,252,537,177	1,488,172,790

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	Up to 1 Year	Over 1 Year	Total
	JD	JD	JD
31 December 2024			
<u>Assets</u>			
Cash and balances at central banks	531,906,862	142,788,071	674,694,933
Balances at banks and financial institutions	440,250,877	-	440,250,877
Deposits at banks and financial institutions	53,483,697	-	53,483,697
Financial assets at fair value through profit or loss	4,407,981	-	4,407,981
Credit facilities at amortized cost - net	1,806,557,424	2,707,039,598	4,513,597,022
Financial assets at fair value through other comprehensive income	104,978,815	340,233,987	445,212,802
Financial assets at amortized cost	452,479,399	2,094,880,248	2,547,359,647
Property and equipment - net	-	158,385,051	158,385,051
Intangible assets	-	20,928,700	20,928,700
Right of use assets	-	23,946,833	23,946,833
Deferred tax assets	-	117,030,396	117,030,396
Other assets	43,366,370	184,071,174	227,437,544
Total Assets	3,437,431,425	5,789,304,058	9,226,735,483
<u>Liabilities:</u>			
Banks and financial institutions deposits	829,646,033	-	829,646,033
Customers' deposits	2,314,030,913	3,669,293,901	5,983,324,814
Margin accounts	189,143,945	124,589,246	313,733,191
Borrowed funds	138,828,566	158,703,752	297,532,318
Sundry provisions	540,130	33,027,898	33,568,028
Income tax provision	57,009,998	-	57,009,998
Deferred tax liabilities	1,784,261	9,565,750	11,350,011
Lease liabilities	2,140,243	21,022,197	23,162,440
Other liabilities	165,082,353	108,594,100	273,676,453
Total Liabilities	3,698,206,442	4,124,796,844	7,823,003,286
Net	(260,775,017)	1,664,507,214	1,403,732,197

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(50) Contractual Commitments and Contingent Liabilities

This item consists of the following:

(a) Credit commitments and commitments:

	31 December	
	2025	2024
	JD	JD
Letters of credit	396,358,286	346,691,474
Acceptances	140,022,207	95,387,519
Letters of guarantee:		
- Payment	190,863,902	183,032,027
- Performance	242,606,658	207,171,031
- Other	159,964,726	105,033,841
Forward foreign currency contracts	260,376,150	401,064,283
Currency swap contracts	43,450,000	44,450,000
Unutilized direct credit facilities ceilings	819,956,179	652,403,044
Total	<u>2,253,598,108</u>	<u>2,035,233,219</u>

(b) Contractual commitments:

	31 December	
	2025	2024
	JD	JD
Property and equipment purchase contracts	4,810,486	2,669,374
Construction projects contracts	7,700,844	4,046,304
Other procurement contracts	9,633,577	7,359,669
Total	<u>22,144,907</u>	<u>14,075,347</u>

(51) Lawsuits Raised by and against the Bank

Lawsuits raised against the Bank amounted to JD 27.8 million as of 31 December 2025 (JD 31.4 million as of 31 December 2024). In the opinion of the Bank's management and legal advisor, no liabilities will arise therefrom that exceed the booked provision of JD 6.0 million as of 31 December 2025 (JD 8.0 million as of 31 December 2024).

The lawsuits raised by the Bank against others amounted to JD 766.7 million as of 31 December 2025 (JD 651.5 million as of 31 December 2024).