

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

CONDENSED CONSOLIDATED INTERIM FINANCIAL
INFORMATION FOR THE
NINE MONTHS ENDED SEPTEMBER 30, 2022
TOGETHER WITH THE REVIEW REPORT

THE HOUSING BANK FOR TRADE AND FINANCE
(PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN - THE HASHEMITE KINGDOM OF JORDAN
SEPTEMBER 30, 2022

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Review Report on the Condensed Consolidated Interim Financial Information

AM/ 010923

H.E. The Chairman and Board of Directors Members
The Housing Bank for Trade and Finance
(Public Shareholding Limited Company)
Amman – The Hashemite Kingdom of Jordan

Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of The Housing Bank for Trade and Finance (Public Shareholding Limited Company) as of September 30, 2022 and the related condensed consolidated interim statements of profit or loss and comprehensive income for the three and nine months ended on September 30, 2022, and changes in owners' equity and cash flows for the nine-months then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of these condensed consolidated interim financial information in accordance with the international accounting standard No. (34) "Interim Financial Reporting" as adopted by the Central Bank of Jordan. Our responsibility is to express a conclusion on these condensed consolidated interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements No.2410, "Review of Condensed Interim Financial Information Performed by the Independent Auditor". A review of condensed interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters in the bank, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information are not prepared, in all material respects in accordance with the International Accounting Standard No. (34) "interim financial reporting as adopted by the Central Bank of Jordan".

Other Matter

The accompanying condensed consolidated interim financial information are a translation of the statutory condensed consolidated interim financial information in the Arabic language to which reference is to be made.

Amman – Jordan
October 25, 2022

Deloitte & Touche (M.E.) – Jordan

Deloitte & Touche (M.E.)
ديلويت آند توش (الشرق الأوسط)

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THE HOUSING BANK FOR TRADE AND FINANCE
(PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN - THE HASHEMITE KINGDOM OF JORDAN
CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

	Note	September 30, 2022 (Reviewed)	December 31, 2021 (Audited)
<u>Assets:</u>		JD	JD
Cash and balances at central banks - net	5	739,303,970	1,006,941,503
Balances at banks and financial institutions - net	6	321,380,578	410,798,114
Deposits at banks and financial institutions - net	7	84,131,395	50,637,962
Financial assets at fair value through profit or loss	8	4,988,996	4,630,805
Financial assets at fair value through other comprehensive income	9	361,892,630	376,198,378
Direct credit facilities at fair value through profit or loss	10	78,784,650	96,646,207
Direct credit facilities at amortized cost - net	11	4,143,253,813	3,850,266,147
Financial assets at amortized cost - net	12	2,016,425,983	1,992,268,062
Property and equipment - net		162,889,522	167,054,195
Intangible assets - net		20,851,451	19,931,202
Right of use asset		22,229,451	24,653,213
Deferred tax assets		137,186,824	122,196,386
Other assets - net	13	131,398,931	123,060,092
TOTAL ASSETS		8,224,718,194	8,245,282,266
<u>LIABILITIES AND OWNERS' EQUITY:</u>			
<u>LIABILITIES:</u>			
Banks and financial institutions deposits		743,381,827	844,625,678
Customers' deposits	14	5,298,900,293	5,213,190,466
Cash margins		283,974,851	270,741,937
Borrowed funds	15	397,267,979	362,265,848
Sundry provisions	16	29,528,934	28,099,182
Income tax provision	17/a	44,005,582	55,815,858
Deferred tax liabilities		3,812,515	6,853,746
Lease liability		21,223,737	23,680,698
Other liabilities	18	193,878,754	223,204,678
TOTAL LIABILITIES		7,015,974,472	7,028,478,091
<u>OWNERS' EQUITY:</u>			
<u>BANK'S SHAREHOLDERS' EQUITY:</u>			
Authorized and paid-up capital		315,000,000	315,000,000
Share premium		328,147,537	328,147,537
Statutory reserve		257,619,984	257,997,671
Special reserve		11,454,951	11,459,758
Foreign currencies translation		(144,844,787)	(128,208,080)
Fair value reserve - net	20	(13,274,332)	3,542,409
Retained earnings	21	304,566,444	367,183,950
Profit for the period		95,454,097	-
TOTAL BANK'S SHAREHOLDERS' EQUITY		1,154,123,894	1,155,123,245
Non-controlling interest		54,619,828	61,680,930
TOTAL OWNERS' EQUITY		1,208,743,722	1,216,804,175
TOTAL LIABILITIES AND OWNERS' EQUITY		8,224,718,194	8,245,282,266

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THE HOUSING BANK FOR TRADE AND FINANCE
(PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN - THE HASHEMITE KINGDOM OF JORDAN
CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS

	Note	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
		2022	2021	2022	2021
		(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)
		JD	JD	JD	JD
Interest income	22	107,969,058	95,431,388	300,722,577	279,997,583
Interest expense	23	(26,137,172)	(17,633,379)	(63,757,625)	(54,681,999)
Net Interest Income		81,831,886	77,798,009	236,964,952	225,315,584
Net commission income		5,922,818	5,761,815	19,135,665	17,103,063
Net Interest and Commission Income		87,754,704	83,559,824	256,100,617	242,418,647
Gain from foreign currencies		1,862,009	1,864,782	6,436,482	6,324,663
(Loss) from financial assets at fair value through profit or loss	24	(603,857)	(189,393)	(2,420,587)	(631,846)
Cash dividends from financial assets at fair value through other comprehensive income		555	555	196,943	169,582
Other income		6,907,824	5,280,984	22,633,661	18,775,950
Total Income		95,921,235	90,516,752	282,947,116	267,056,996
Expenses					
Employees' expenses		21,337,737	18,494,117	64,092,565	55,749,603
Depreciation and amortization		5,985,978	6,224,209	18,228,254	18,583,175
Other expenses		13,474,226	13,904,677	39,492,962	41,954,902
Allowance for expected credit loss - net	19	12,073,594	10,556,066	22,178,809	47,208,332
Expense (recovery of) sundry provisions		(4,308,057)	550,713	155,797	(15,346,868)
Total Expenses		48,563,478	49,729,782	144,148,387	148,149,144
Profit for the Period before Income Tax Expense		47,357,757	40,786,970	138,798,729	118,907,852
Income tax expense	17/b	(13,666,650)	(13,591,615)	(41,288,601)	(39,057,685)
Profit for the Period		33,691,107	27,195,355	97,510,128	79,850,167
Attributable to:					
Bank's Shareholders		31,935,990	26,669,077	95,454,097	76,105,311
Non-Controlling Interest		1,755,117	526,278	2,056,031	3,744,856
		33,691,107	27,195,355	97,510,128	79,850,167
Basic and diluted earnings per share for the period attributable to the Bank's Shareholders	25	0.101	0.085	0.303	0.242

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THE HOUSING BANK FOR TRADE AND FINANCE
(PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN - THE HASHEMITE KINGDOM OF JORDAN
CONDENSED CONSOLIDATED INTERIM
STATEMENT OF COMPREHENSIVE INCOME

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2022 (Reviewed)	2021 (Reviewed)	2022 (Reviewed)	2021 (Reviewed)
	JD	JD	JD	JD
Profit for the period	33,691,107	27,195,355	97,510,128	79,850,167
<u>Other comprehensive income items which may be reclassified to profit or loss in the subsequent period</u>				
Foreign currencies translation	(6,356,470)	(4,866,822)	(21,792,200)	(8,196,706)
Net change in valuation reserve of financial assets at fair value through other comprehensive income after tax – debt instrument	(3,450,214)	(600,660)	(17,201,052)	(3,533,545)
<u>Other comprehensive income items that will not be reclassified to profit or loss in the subsequent period</u>				
Net change in valuation reserve of financial assets at fair value through other comprehensive income after tax – equity instrument	6,351	17,138	38,658	11,611
Total Other Comprehensive Income for the Period after Tax	<u>(9,800,333)</u>	<u>(5,450,344)</u>	<u>(38,954,594)</u>	<u>(11,718,640)</u>
Total Comprehensive Income for the Period	<u>23,890,774</u>	<u>21,745,011</u>	<u>58,555,534</u>	<u>68,131,527</u>
<u>Attributable to:</u>				
Bank's shareholders	23,956,914	22,265,144	62,000,649	66,711,972
Non-controlling interest	(66,140)	(520,133)	(3,445,115)	1,419,555
	<u>23,890,774</u>	<u>21,745,011</u>	<u>58,555,534</u>	<u>68,131,527</u>

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**THE HOUSING BANK FOR TRADE AND FINANCE
(PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN - THE HASHEMITE KINGDOM OF JORDAN
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN OWNERS' EQUITY**

	Bank's Shareholders Equity										
	Reserves										
	Paid-up Capital	Share premium	Statutory	Special Reserve	Foreign Currency Translation	Fair value reserve - net	Retained Earnings	profit for the Period	Total Shareholder's Equity	Non-controlling Interest	Total Owners' Equity
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
For the Nine Months Ended September 30, 2022 (Reviewed)											
Beginning balance for the period (Audited)	315,000,000	328,147,537	257,997,671	11,459,758	(128,208,080)	3,542,409	367,183,950	-	1,155,123,245	61,680,930	1,216,804,175
Profit for the period	-	-	-	-	-	-	-	95,454,097	95,454,097	2,056,031	97,510,128
Net change in valuation reserve of financial assets at fair value through other comprehensive income after tax- debit instruments	-	-	-	-	-	(16,855,399)	-	-	(16,855,399)	(345,653)	(17,201,052)
Net change in valuation reserve of financial assets at fair value through other comprehensive income after tax - equity instruments	-	-	-	-	-	38,658	-	-	38,658	-	38,658
Foreign currencies translation	-	-	-	-	(16,636,707)	-	-	-	(16,636,707)	(5,155,493)	(21,792,200)
Total Comprehensive Income for the Period	-	-	-	-	(16,636,707)	(16,816,741)	-	95,454,097	62,000,649	(3,445,115)	58,555,534
Transferred from/to reserves	-	-	(377,687)	(4,807)	-	-	382,494	-	-	-	-
Dividends paid	-	-	-	-	-	-	(63,000,000)	-	(63,000,000)	(3,615,987)	(66,615,987)
Ending Balance for the Period (Reviewed)	315,000,000	328,147,537	257,619,984	11,454,951	(144,844,787)	(13,274,332)	304,566,444	95,454,097	1,154,123,894	54,619,828	1,208,743,722
For the Nine Months Ended September 30, 2021 (Reviewed)											
Beginning balance for the period (Audited)	315,000,000	328,147,537	243,461,008	11,433,336	(120,824,117)	9,654,188	313,925,834	-	1,100,797,786	61,059,722	1,161,857,508
Profit for the period	-	-	-	-	-	-	-	76,105,311	76,105,311	3,744,856	79,850,167
Net change in valuation reserve of financial assets at fair value through other comprehensive income after tax- debit instruments	-	-	-	-	-	(3,715,775)	-	-	(3,715,775)	182,230	(3,533,545)
Net change in valuation reserve of financial assets at fair value through other comprehensive income after tax - equity instruments	-	-	-	-	-	11,611	-	-	11,611	-	11,611
Foreign currencies translation	-	-	-	-	(5,689,175)	-	-	-	(5,689,175)	(2,507,531)	(8,196,706)
Total Comprehensive Income for the Period	-	-	-	-	(5,689,175)	(3,704,164)	-	76,105,311	66,711,972	1,419,555	68,131,527
Transferred from/to reserves	-	-	(38)	13,016	-	-	(12,978)	-	-	-	-
Dividends paid	-	-	-	-	-	-	(37,800,000)	-	(37,800,000)	(1,186,988)	(38,986,988)
Ending Balance for the Period (Reviewed)	315,000,000	328,147,537	243,460,970	11,446,352	(126,513,292)	5,950,024	276,112,856	76,105,311	1,129,709,758	61,292,289	1,191,002,047

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THE HOUSING BANK FOR TRADE AND FINANCE
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN - THE HASHEMITE KINGDOM OF JORDAN
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

	For the Nine Months Ended September 30,	
	2022 (Reviewed)	2021 (Reviewed)
	JD	JD
<u>OPERATING ACTIVITIES</u>		
Profit for the period before income tax	138,798,729	118,907,852
Adjustments for non-cash items:		
Depreciation and amortization	18,228,254	18,583,175
Provision for expected credit losses	22,178,809	47,208,332
Net unrealized (gain) from valuation of financial assets at fair value through profit and loss	(216,747)	(320,382)
Cash dividends from financial assets at fair value through other comprehensive income	(196,943)	(169,582)
Net unrealized loss from valuation of credit facilities at fair value through	2,811,032	1,055,031
Unrealized (gain) loss from valuation of derivatives	(2,811,032)	(1,055,031)
Net accrued interest and commission income	8,632,007	2,744,269
Effect of the change in exchange rates on cash and cash equivalents	(4,183,285)	(3,729,721)
Provision for end of service indemnity expense	1,920,143	1,107,938
Premiums and discounts amortization	(996,957)	303,684
Sundry provisions	155,797	(15,346,868)
Others	2,636,247	4,416,154
Cash Flows from Operating Activities Before Changes in Assets and Liabilities	186,956,054	173,704,851
(Increase) in Assets:		
Deposits at banks and financial institutions (maturing within more than 3 months)	(33,596,972)	(6,567,464)
Direct credit facilities	(347,235,625)	(95,101,289)
Financial assets at fair value through profit or loss	(141,444)	(25,604)
Other assets	(6,861,647)	(10,207,634)
Increase (Decrease) in Liabilities:		
Banks and financial institutions' deposits (maturing within more than 3 months)	115,434,097	102,092,767
Customers' deposits	104,457,457	(148,819,042)
Cash margins	13,820,423	25,531,250
Other liabilities	(36,599,916)	(7,906,477)
Sundry provisions	(471,048)	(1,385,060)
Net Cash Flow (Used in) from Operating Activities Before Income Tax	(4,238,621)	31,316,298
Income tax paid	(62,214,985)	(59,441,424)
Net Cash Flow (Used in) Operating Activities	(66,453,606)	(28,125,126)
<u>INVESTING ACTIVITIES</u>		
(Purchase) of financial assets at fair value through comprehensive income	(129,122,604)	(103,359,072)
Matured financial assets at fair value through comprehensive income	114,936,712	91,700,325
Cash dividends from financial assets at fair value through other comprehensive income	196,943	169,582
(Purchase) of financial assets at amortized cost	(595,661,542)	(367,774,129)
Matured financial assets at amortized cost	573,421,122	259,315,519
(Purchase) of property and equipment	(6,673,509)	(3,670,621)
Proceeds from sale of property and equipment	50,402	(59,648)
(Purchase) of intangible assets	(5,542,126)	(5,262,824)
Net Cash Flow (Used in) Investing Activities	(48,394,602)	(128,940,868)
<u>Financing Activities</u>		
Borrowed funds	35,002,131	8,616,316
Dividends paid to shareholders	(59,977,788)	(35,944,851)
Lease liability paid	(3,615,988)	(4,482,119)
Non-controlling interest	(3,988,043)	(1,186,988)
Net Cash Flows (Used in) Financing Activities	(32,579,688)	(32,997,642)
Net (Decrease) in Cash and Cash Equivalent	(147,427,896)	(190,063,636)
Effect of the change in exchange rates on cash and cash equivalents	6,990,724	(20,630,155)
Cash and cash equivalents - beginning of the period	653,346,160	771,041,221
Cash and Cash Equivalents - End of the Period (Note 26)	512,908,988	560,347,430

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THE HOUSING BANK FOR TRADE AND FINANCE
(PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN - THE HASHEMITE KINGDOM OF JORDAN
NOTES TO THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL INFORMATION

1. Incorporation and Activities

- 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 – The Hashemite Kingdom of Jordan, in accordance with the Jordanian Companies Law No. (12) of 1964.
- The Bank provides its banking and financing business activities through its headquarter in Amman– Jordan and through its branches in Jordan (111 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 condensed consolidated interim financial information was approved by the Bank's Board of Directors on October 20, 2022.

2. Basis of Preparation of the Condensed Consolidated Interim Financial Information

- The accompanying condensed consolidated interim financial information have been prepared in accordance with the International Accounting Standard No. (34) "Interim Financial Reporting", as adopted by the Central Bank of Jordan.
- The condensed consolidated interim financial information is prepared in accordance with the historical cost principle, except for financial assets and financial liabilities which are stated at fair value at the date of the condensed consolidated interim financial information.
- The reporting currency of the condensed consolidated interim financial information is the Jordanian Dinar, which is the main functional currency of the Bank.
- The condensed consolidated interim financial information do not include all notes and information presented in the annual financial statements which is prepared in accordance with the international financial reporting standards as adopted by the Central Bank of Jordan and should be read with the Bank's annual report for the year ended December 31, 2021. The results of the nine months ended September 30, 2022 do not necessarily indicate the expected results for the year ended December 31, 2022. There was no appropriation of the profit of the nine months ended September 30, 2022 which is usually performed at the end of the financial year.

The condensed consolidated interim financial information includes the condensed interim financial information of the Bank and its subsidiaries under its control. Control is achieved when the Bank has the ability to control the financial and operational policies of subsidiaries in order to obtain benefits from their activities. Transactions, balances, revenue and expenses between the Bank and its subsidiaries are eliminated.

As of September 30, 2022, the Bank owns the following subsidiaries:

a. Foreign subsidiaries:

- International Bank for Trade and Finance / Syria: paid-in capital is Syrian Lira 8.4 billion, of which the Bank owns 49.063%. The Bank has the power to control administrative and financial policies of this bank. Therefore, its accounts 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 with an ownership percentage of 85% of the company's capital amounting to 100 million SYL, 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: the 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 back to 2002.
- Jordan International Bank / London: The Bank ownership is 75% of paid-up capital, which amounts to 65 million pounds sterling (65 million shares). The main objective of this bank is to conduct banking activities.

b. Local subsidiaries:

- International Financial Center Company- Jordan: The Bank ownership is 77.5% of paid-up capital, which amounted to JD 5 million. The Company's main activity is financial brokerage in local and foreign financial markets, and it conducts purchase and sale transactions of financial instruments for customers and the company. The Bank's ownership in this company dates back to 1998.
- Specialized Lease Finance Company – Jordan: The Bank owns 100% of paid-in capital of JD 30 million (30 million shares). 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 financial leasing purposes. The Bank's ownership in this company dates back to 2005.
- Jordan Real Estate Investments Company – Jordan (under liquidation) : The Bank owns 100% of this company's paid-in capital of JD 40,000. The Bank's ownership in this company dates back to 1997. The Company's General assembly approved the Company's liquidation on March 1, 2022.

3. Significant Accounting Policies

The accounting policies used in the preparation of the condensed consolidated interim financial information for the period ended on September 30, 2022 are consistent with those used in the preparation of the annual consolidated financial statements for the year ended December 31, 2021. However, the Bank has adopted the following amendments and interpretations that apply for the first time in 2021 and have not materially affected the amounts and disclosures in the condensed consolidated interim financial information for the period and prior years, which may have an impact on the accounting treatment of future transactions and arrangements:

Amendments to IAS 1 – Classification of Liabilities as Current or Non-current

The amendments to IAS 1 affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.

The amendments clarify that the classification of liabilities as current or noncurrent is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

Amendments to IFRS 3 – Reference to the Conceptual Framework

The amendments update IFRS 3 so that it refers to the 2018 Conceptual Framework instead of the 1989 Framework. They also add to IFRS 3 a requirement that, for obligations within the scope of IAS 37, an acquirer applies IAS 37 to determine whether at the acquisition date a present obligation exists as a result of past events. For a levy that would be within the scope of IFRIC 21 Levies, the acquirer applies IFRIC 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date.

Finally, the amendments add an explicit statement that an acquirer does not recognise contingent assets acquired in a business combination.

Amendments to IAS 37 – Onerous Contracts—Cost of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract consist of both the incremental costs of fulfilling that contract (examples would be direct labour or materials) and an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

The amendments apply to contracts for which the entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which the entity first applies the amendments. Comparatives are not restated. Instead, the entity shall recognise the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.

Amendments to IAS 16 – Property, Plant and Equipment—Proceeds before Intended Use

The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced before that asset is available for use, i.e. proceeds while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Consequently, an entity recognises such sales proceeds and related costs in profit or loss. The entity measures the cost of those items in accordance with IAS 2 Inventories.

The amendments also clarify the meaning of 'testing whether an asset is functioning properly'. IAS 16 now specifies this as assessing whether the technical and physical performance of the asset is such that it is capable of being used in the production or supply of goods or services, for rental to others, or for administrative purposes.

If not presented separately in the statement of comprehensive income, the financial statements shall disclose the amounts of proceeds and cost included in profit or loss that relate to items produced that are not an output of the entity's ordinary activities, and which line item(s) in the statement of comprehensive income include(s) such proceeds and cost.

The amendments are applied retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments.

The entity shall recognise the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.

IFRS Financial Enhancements 2018-2020**IFRS 1 First-time Adoption of International Financial Reporting Standards**

The amendment provides additional relief to a subsidiary which becomes a first-time adopter later than its parent in respect of accounting for cumulative translation differences. As a result of the amendment, a subsidiary that uses the exemption in IFRS 1:D16 (a) can now also elect to measure cumulative translation differences for all foreign operations at the carrying amount that would be included in the parent's consolidated financial statements, based on the parent's date of transition to IFRS Standards, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. A similar election is available to an associate or joint venture that uses the exemption in IFRS 1:D16 (a).

IFRS 9 Financial Instruments

The amendment clarifies that in applying the 10% test to assess whether to derecognise a financial liability, an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf. The amendment is applied prospectively to modifications and exchanges that occur on or after the date the entity first applies the amendment.

IAS 41 Agriculture

The amendment removes the requirement in IAS 41 for entities to exclude cash flows for taxation when measuring fair value. This aligns the fair value measurement in IAS 41 with the requirements of IFRS 13 Fair Value Measurement to use internally consistent cash flows and discount rates and enables preparers to determine whether to use pre-tax or post-tax cash flows and discount rates for the most appropriate fair value measurement.

The amendment is applied prospectively, i.e. for fair value measurements on or after the date an entity initially applies the amendment.

Standards issued but not effective

At the date of authorization of these condense consolidated interim financial information, the Group has not applied the following new and revised IFRS Standards that have been issued but are not yet effective:

New and revised IFRSs	Effective date
<p>IFRS 17 Insurance Contracts (including the June 2020 amendments to IFRS 17)</p> <p>IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and supersedes IFRS 4 Insurance Contracts.</p> <p>IFRS 17 outlines a general model, which is modified for insurance contracts with direct participation features, described as the variable fee approach. The general model is simplified if certain criteria are met by measuring the liability for remaining coverage using the premium allocation approach.</p> <p>The general model uses current assumptions to estimate the amount, timing and uncertainty of future cash flows and it explicitly measures the cost of that uncertainty. It takes into account market interest rates and the impact of policyholders' options and guarantees.</p> <p>In June 2020, the Board issued Amendments to IFRS 17 to address concerns and implementation challenges that were identified after IFRS 17 was published. The amendments defer the date of initial application of IFRS 17 (incorporating the amendments) to annual reporting periods beginning on or after January 1, 2023. At the same time, the Board issued Extension of the Temporary Exemption from Applying IFRS 9 (Amendments to IFRS 4) that extends the fixed expiry date of the temporary exemption from applying IFRS 9 in IFRS 4 to annual reporting periods beginning on or after January 1, 2023.</p> <p>For the purpose of the transition requirements, the date of initial application is the start of the annual reporting period in which the entity first applies the Standard, and the transition date is the beginning of the period immediately preceding the date of initial application.</p>	<p>The amendments are applied retrospectively for annual periods beginning on or after January 1, 2023, unless impracticable, in which case the modified retrospective approach or the fair value approach is applied.</p>
<p>Amendments to IFRS 10 and IAS 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</p> <p>The amendments to IFRS 10 and IAS 28 deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulted from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognised in the parent's profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. Similarly, gains and losses resulted from the remeasurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognised in the former parent's profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture.</p> <p>The directors of the Company anticipate that the application of these amendments may have an impact on the Group's consolidated financial statements in future periods should such transactions arise.</p>	<p>The effective date is yet to be set. Earlier application is permitted.</p>

New and revised IFRSs

Effective date

Amendments to IAS 1 – Classification of Liabilities as Current or Non-current

The amendments to IAS 1 affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.

The amendments clarify that the classification of liabilities as current or noncurrent is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

The amendments are applied retrospectively for annual periods beginning on or after January 1, 2023, with early application permitted.

Amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements - Disclosure of Accounting Policies

The amendments change the requirements in IAS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

January 1, 2023, with earlier application permitted and are applied prospectively.

The supporting paragraphs in IAS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

The Board has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in IFRS Practice Statement 2.

New and revised IFRSs	Effective date
<p>Amendments to IAS 8 - Definition of Accounting Estimates</p> <p>The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”.</p> <p>The definition of a change in accounting estimates was deleted. However, the Board retained the concept of changes in accounting estimates in the Standard with the following clarifications:</p> <ul style="list-style-type: none"> • A change in accounting estimate that results from new information or new developments is not the correction of an error • The effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors <p>The Board added two examples (Examples 4-5) to the Guidance on implementing IAS 8, which accompanies the Standard. The Board has deleted one example (Example 3) as it could cause confusion in light of the amendments.</p>	<p>January 1, 2023, with earlier application permitted</p>
<p>Amendments to IAS 12 - Deferred Tax related to Assets and Liabilities arising from a Single Transaction</p> <p>The amendments introduce a further exception from the initial recognition exemption. Under the amendments, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences.</p> <p>Depending on the applicable tax law, equal taxable and deductible temporary differences may arise on initial recognition of an asset and liability in a transaction that is not a business combination and affects neither accounting nor taxable profit. For example, this may arise upon recognition of a lease liability and the corresponding right-of-use asset applying IFRS 16 at the commencement date of a lease.</p> <p>Following the amendments to IAS 12, an entity is required to recognise the related deferred tax asset and liability, with the recognition of any deferred tax asset being subject to the recoverability criteria in IAS 12.</p> <p>The Board also adds an illustrative example to IAS 12 that explains how the amendments are applied.</p> <p>The amendments apply to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period an entity recognises:</p> <ul style="list-style-type: none"> • A deferred tax asset (to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised) and a deferred tax liability for all deductible and taxable temporary differences associated with: <ul style="list-style-type: none"> - Right-of-use assets and lease liabilities - Decommissioning, restoration and similar liabilities and the corresponding amounts recognised as part of the cost of the related asset • The cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at that date. <p>Management anticipates that these new standards, interpretations and amendments will be adopted in the Group’s condensed consolidated interim financial statements as and when they are applicable and adoption of these new standards, interpretations and amendments, may have no material impact on the condensed consolidated interim financial statements of the Group in the period of initial application.</p>	<p>January 1, 2023, with earlier application permitted</p>

4. Significant Accounting Judgments and key Sources of Uncertainty Estimates:

Preparation of the condensed consolidated interim financial information and application of the accounting policies require 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 condensed consolidated interim 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 assumptions 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.

The critical judgements and estimates used in the preparation of these condensed consolidated interim financial information are consistent with those used in the preparation of the Bank's annual consolidated financial statements for the year ended 2021.

5. Cash and Balances at Central Banks – Net

The details of this item are as follows:

	September 30, 2022 (Reviewed)	December 31, 2021 (Audited)
	JD	JD
Cash on hand and treasury	121,170,078	122,100,127
Balance at central banks:		
Current accounts and demand deposits	298,171,942	634,102,683
Term and notice deposits	65,540,462	48,433,251
Certificates of deposit	43,000,000	-
Statutory cash reserve	211,461,975	202,351,318
Total Balances at Central Banks	618,174,379	884,887,252
Total Cash and Balances at Central Banks	739,344,457	1,006,987,379
<u>Less:</u> Provision for expected credit losses	(40,487)	(45,876)
Net	739,303,970	1,006,941,503

- The certificates of deposits are maturing with in a period less than 3 months.
- Except for the statutory cash reserve, there are no restricted balances as of September 30, 2022 and December 31, 2021.
- There were no transfers between stages (1, 2 and 3) for the balances and expected loss provision or written off balances during the nine months period ended September 30, 2022 and for the year ended December 31, 2021.

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	
	September 30, 2022 (Reviewed)	December 31, 2021 (Audited)	September 30, 2022 (Reviewed)	December 31, 2021 (Audited)	September 30, 2022 (Reviewed)	December 31, 2021 (Audited)
	JD	JD	JD	JD	JD	JD
Current and under demand accounts	12,272,217	21,514,080	56,285,926	181,578,674	68,558,143	203,092,754
Deposits maturing during nine months or less	52,084,664	32,629,765	201,013,243	175,405,729	253,097,907	208,035,494
Total	64,356,881	54,143,845	257,299,169	356,984,403	321,656,050	411,128,248
Provision for expected credit losses	(97,059)	(69,959)	(178,413)	(260,175)	(275,472)	(330,134)
Net	64,259,822	54,073,886	257,120,756	356,724,228	321,380,578	410,798,114

- Non-interest-bearing balances at banks and financial institutions amounted to JD 34,611,548 as of September 30, 2022 (JD 44,905,096 as of December 31, 2021).
- There are no restricted balances as of September 30, 2022 and December 31, 2021.
- There is no transfers between stages (1, 2 and 3) or written off balances during the nine months period ended September 30, 2022 and for the year ended December 31, 2021.

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	
	September 30, 2022 (Reviewed)	December 31, 2021 (Audited)	September 30, 2022 (Reviewed)	December 31, 2021 (Audited)	September 30, 2022 (Reviewed)	December 31, 2021 (Audited)
	JD	JD	JD	JD	JD	JD
Deposits mature during the period:						
From 3 months to 6 months	-	30,000,000	35,782,158	4,844,778	35,782,158	34,844,778
From 6 months to 9 months	30,000,000	5,000,000	6,587,814	9,649,603	36,587,814	14,649,603
From 9 months to 12 months	5,000,000	-	2,964,649	1,367,138	7,964,649	1,367,138
More than a year	-	-	4,123,870	-	4,123,870	-
Total	35,000,000	35,000,000	49,458,491	15,861,519	84,458,491	50,861,519
Provision for expected credit losses	(4,063)	(796)	(323,033)	(222,761)	(327,096)	(223,557)
Net	34,995,937	34,999,204	49,135,458	15,638,758	84,131,395	50,637,962

- There are no restricted deposits as of September 30, 2022 and December 31, 2021.
- There were no transfers between stages (1, 2 and 3) for balances and expected loss provision or written off balances during the nine months period ended September 30, 2022 and the year ended December 31, 2021.

8. Financial Assets at Fair Value through Profit or Loss

The details of this item are as follows:

	September 30, 2022 (Reviewed)	December 31, 2021 (Audited)
	JD	JD
Quoted Financial Assets:		
Companies shares and funds listed in financial markets	4,538,412	4,180,221
Total	4,538,412	4,180,221
Unquoted Financial Assets:		
Companies shares not listed in financial markets	450,584	450,584
Total	450,584	450,584
Grand Total	4,988,996	4,630,805

9. Financial Assets at Fair Value through Other Comprehensive Income

The details of this item are as follows:

	September 30, 2022 (Reviewed)	December 31, 2021 (Audited)
	JD	JD
Shares and funds with no available market prices	42,341,119	26,347,895
Total Shares	42,341,119	26,347,895
Jordanian Treasury bonds	153,191,162	155,629,181
Foreign governments bills and bonds	34,392,859	40,038,806
Treasury Bills	73,372,277	81,660,210
Corporate bonds	58,822,192	72,855,698
Total Bonds	319,778,490	350,183,895
<u>Less:</u> Provision of expected credit loss	(226,979)	(333,412)
Total Bonds – Net	319,551,511	349,850,483
Total	361,892,630	376,198,378

- The maturity dates for bonds range from year 2022 to year 2036.
- Interest rates on bonds and treasury bills ranges from 1.40% to 7%.

The movement on financial assets at fair value through other comprehensive income for shares and funds during the period/year was as follow:

	September 30, 2022 (Reviewed)	December 31, 2021 (Audited)
	JD	JD
Fair value - beginning balance period / year	26,347,895	26,129,906
New investments during the period / year	15,983,708	684,443
Change in fair value during the period / year	9,516	(466,454)
Balance – End of the Period / Year	42,341,119	26,347,895

The movement on financial assets at fair value through other comprehensive income for bonds during the period / year was as follow:

	Stage (1) Individual	Stage (2) Individual	Stage (3)	Total
	JD	JD	JD	JD
For the Nine Months Period				
Ended September 30, 2022 (Reviewed)				
Fair value-beginning of the period (Audited)	346,858,682	3,325,213	-	350,183,895
New investments during the period	113,138,895	-	-	113,138,895
Matured investments during the period	(114,936,712)	-	-	(114,936,712)
Change in fair value during the period	(26,060,309)	(513,861)	-	(26,574,170)
Amortize premium/ discount	(435,321)	5,696	-	(429,625)
Adjustments resulted from change in change rates	(1,378,388)	(225,405)	-	(1,603,793)
Balance – End of the Period (Reviewed)	317,186,847	2,591,643	-	319,778,490

	Stage (1) Individual JD	Stage (2) Individual JD	Stage (3) JD	Total JD
<u>For the Year Ended</u>				
<u>December 31, 2021 (Audited)</u>				
Fair value – beginning of the year	346,259,956	-	-	346,259,956
New investments during the year	114,516,625	-	-	114,516,625
Matured investments during the year	(99,316,676)	-	-	(99,316,676)
Transferred to stage 2	(3,752,742)	3,752,742	-	-
Change in fair value during the year	(8,400,918)	(285,454)	-	(8,686,372)
Amortize premium/ discount	(849,920)	9,284	-	(840,636)
Adjustments resulted from change in change rates	(1,597,643)	(151,359)	-	(1,749,002)
Balance – End of the Year	346,858,682	3,325,213	-	350,183,895

- The movement on expected credit losses during the period / year were as follow:

	Stage (1) Individual JD	Stage (2) Individual JD	Stage (3) JD	Total JD
<u>For the Nine Months Period</u>				
<u>Ended September 30, 2022 (Reviewed)</u>				
Balance – beginning of the period (Audited)	244,415	88,997	-	333,412
Expected credit losses for new investment during the period	235	-	-	235
Reversed from impairment losses on matured investments	(4,295)	-	-	(4,295)
Changes resulted from adjustments	(47,851)	-	-	(47,851)
Effect resulted from change in exchange rates	(43,893)	(10,629)	-	(54,522)
Balance – End of the Period (Reviewed)	148,611	78,368	-	226,979

<u>For the Year Ended</u>				
<u>December 31, 2021 (Audited)</u>				
Balance – beginning of the year	507,262	-	-	507,262
Expected credit losses for new investment during the year	217	-	-	217
Reversed from impairment on matured investment	(28,770)	-	-	(28,770)
Transferred to stage 2	(56,004)	56,004	-	-
Effect on provision due to adjustments between stages	-	32,993	-	32,993
Effect on provision due to adjustments	(175,453)	-	-	(175,453)
Effect resulted from change in exchange rates	(2,837)	-	-	(2,837)
Balance – End of the Year	244,415	88,997	-	333,412

10. Direct Credit Facilities at Fair Value through the Profit or Loss

The movement on direct credit facilities at fair value through profit or loss during the period / year were as follow:

	September 30, 2022 (Reviewed) JD	December 31, 2021 (Audited) JD
Balance – beginning of the period / year	96,646,207	130,690,360
Paid facilities during the period / year	(17,059,491)	(33,378,382)
Effect of adjustments	2,008,966	1,106,991
Change in fair value during the period / year	(2,811,032)	(1,772,762)
Balance End of Period / Year	78,784,650	96,646,207

11. Direct Credit Facilities at Amortized Cost – Net

The details of this item are as follows:

	September 30, 2022 (Reviewed)	December 31, 2021 (Audited)
	JD	JD
Individuals (retail):		
Overdraft accounts	6,868,079	7,181,458
Loans and discounted bills *	1,009,134,134	917,931,394
Credit cards	20,398,983	18,218,924
Real estate loans	1,271,538,074	1,284,471,859
Includes Housing loans	808,155,451	788,721,239
Companies:		
Large		
Overdraft accounts	202,937,867	253,663,310
Loans and discounted bills *	1,328,179,046	1,201,849,580
Small and Medium		
Overdraft accounts	61,729,574	61,759,508
Loans and discounted bills *	316,425,847	288,057,037
Government and public sector	506,067,974	403,453,722
Total	4,723,279,578	4,436,586,792
<u>Less:</u> Provision of expected credit losses	(449,541,648)	(453,472,108)
Interest in suspense	(130,484,117)	(132,848,537)
Net Direct Credit Facilities	4,143,253,813	3,850,266,147

- * Net after deducting interest and commission received in advance of JD 23,216,370 as of September 30, 2022 (JD 25,453,532 as of December 31, 2021).
- Non-performing credit facilities amounted to JD 311,886,874 which is equivalent to 6.49% of total credit facilities (at amortized cost and at fair value) as of September 30, 2022 (JD 338,061,574 which is equivalent to 7.46 % of total credit facilities (at amortized cost and at fair value) as of December 31, 2021).
 - Non-performing credit facilities after deducting interest and commissions in suspense amounted to JD 201,773,280 which is equivalent to 4.32% of total direct credit facilities balance (at amortized cost and at fair value) after deducting interest and commission in suspense as of September 30, 2022 (JD 224,012,870 which is equivalent to 5.1% of total credit facilities balance (at amortized cost and at fair value) after deducting interest and commission in suspense as of December 31, 2021).
 - Non-performing credit facilities transferred to off-the consolidated statement of financial position amounted to JD 38,884,112 during the nine months period ended September 30, 2022 (JD 41,543,206 during the year 2021), the off-balance sheet item balance is amounted to JD 438,310,956 as of September 30, 2022 (JD 419,000,731 as of December 31, 2021). These debts are fully covered with provisions and interest in suspense.
 - Direct credit facilities granted to and guaranteed by the Government of Jordan amounted to JD 497,781,992 which is equivalent to 10.4 % of total direct credit facilities (at amortized cost and at fair value) as of September 30, 2022 (JD 423,550,934 which is equivalent to 9.3 % as of December 31, 2021).
 - Rescheduled loans amounted to JD 21.6 million during the period ended September 30, 2022 against JD 54.8 million during the year 2021.
 - Restructured loans amounted to JD 419.3 million during the period ended September 30, 2022 against JD 409.2 million during the year 2021.

The movement on Direct credit facilities during the period / year were as follow:

	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
<u>For the Nine Months Period</u>						
<u>Ended September 30, 2022 (Reviewed)</u>						
Balance - beginning of the period (Audited)	1,804,380,052	1,703,704,617	422,857,459	116,766,703	388,877,961	4,436,586,792
New credit facilities during the period	531,164,954	416,310,159	30,767,969	16,638,748	4,346,422	999,228,252
Paid credit facilities during the period	(161,200,578)	(225,136,276)	(25,647,723)	(7,825,659)	(20,693,969)	(440,504,205)
Transferred (from) to stage (1) - net	56,740,586	34,269,606	(57,421,396)	(29,586,436)	(4,002,360)	-
Transferred (from) to stage (2) - net	(26,123,870)	(34,279,688)	31,932,573	38,443,022	(9,972,037)	-
Transferred (from) to stage (3) - net	(588,510)	(4,499,233)	(8,338,134)	(7,518,818)	20,944,695	-
Changes resulted from adjustments	(95,608,687)	(58,471,270)	(25,116,357)	(6,869,943)	10,166,856	(175,899,401)
Written off / transferred to off-the statement of financial position	-	-	-	-	(50,974,014)	(50,974,014)
Adjustments resulted from change in exchange rates	(2,428,816)	(38,760,084)	(2,694,045)	(261,462)	(1,013,439)	(45,157,846)
Balance - End of the Period (Reviewed)	<u>2,106,335,131</u>	<u>1,793,137,831</u>	<u>366,340,346</u>	<u>119,786,155</u>	<u>337,680,115</u>	<u>4,723,279,578</u>
<u>For the Year Ended</u>						
<u>December 31, 2021 (Audited)</u>						
Balance - beginning of the year	2,029,419,235	1,620,627,677	338,844,132	94,476,568	439,715,239	4,523,082,851
Reclassification impact	127,476	(30,518,645)	-	30,391,169	-	-
Adjusted balance – beginning of the year	<u>2,029,546,711</u>	<u>1,590,109,032</u>	<u>338,844,132</u>	<u>124,867,737</u>	<u>439,715,239</u>	<u>4,523,082,851</u>
New credit facilities during the year	402,150,806	478,353,658	20,633,146	15,656,982	3,298,290	920,092,882
Paid credit facilities during the year	(312,842,489)	(286,691,998)	(13,290,508)	(10,977,286)	(18,875,463)	(642,677,744)
Transferred (from) to stage (1) - net	29,440,246	43,330,206	(27,514,719)	(33,819,929)	(11,435,804)	-
Transferred (from) to stage (2) - net	(137,506,241)	(33,243,666)	145,686,661	33,728,244	(8,664,998)	-
Transferred (from) to stage (3) - net	(8,503,977)	(4,965,582)	(15,769,183)	(4,529,601)	33,768,343	-
Changes resulted from adjustments	(190,236,748)	(79,038,906)	(23,995,604)	(4,678,618)	4,496,325	(293,453,551)
Written off / transferred to off-the statement of financial position	-	-	-	-	(46,874,115)	(46,874,115)
Adjustments resulted from change in exchange rates	(7,668,256)	(4,148,127)	(1,736,466)	(3,480,826)	(6,549,856)	(23,583,531)
Balance - End of the Year	<u>1,804,380,052</u>	<u>1,703,704,617</u>	<u>422,857,459</u>	<u>116,766,703</u>	<u>388,877,961</u>	<u>4,436,586,792</u>

The movement on the provision of expected credit loss during the period / year were as follows:

	Corporate JD	SME's JD	Retail JD	Real Estate JD	Governmental and Public JD	Total JD
<u>For the Nine Months Ended September 30, 2022 (Reviewed)</u>						
Balance - beginning of the period (Audited)	236,260,062	49,939,793	45,059,443	122,135,952	76,858	453,472,108
Reclassification impact	(1,422,294)	1,203,045	19,035	200,214	-	-
Adjusted Beginning Balance (Reviewed)	234,837,768	51,142,838	45,078,478	122,336,166	76,858	453,472,108
Impairment loss on new facilities during the period	6,853,779	1,750,279	4,232,405	3,482,264	20,530	16,339,257
Reversed from impairment loss on paid facilities	(8,080,999)	(5,298,235)	(3,622,474)	(5,169,972)	(922)	(22,172,602)
Transferred (from) to stage (1) - net	1,183,210	1,292,717	3,640,137	4,646,412	111	10,762,587
Transferred (from) to stage (2) - net	(1,479,144)	(2,672,633)	(3,382,068)	(3,808,707)	(111)	(11,342,663)
Transferred (from) to stage (3) - net	295,934	1,379,916	(258,069)	(837,705)	-	580,076
Effect on the provision as of the end of the period resulted from reclassification between the three stages during the period	351,908	(797,300)	3,428,106	458,790	(64)	3,441,440
Changes resulted from adjustment	9,160,425	2,776,921	4,650,128	9,916,716	28,352	26,532,542
Written off / transferred to off-the statement of financial position	(20,251,508)	(6,527,056)	(112,312)	(645,597)	-	(27,536,473)
Adjustments resulted from change in exchange rates	(210,290)	(260,402)	(2,842)	(61,090)	-	(534,624)
Balance - End of the Period (Reviewed)	222,661,083	42,787,045	53,651,489	130,317,277	124,754	449,541,648
Redistribution based on portfolio:						
Provisions on an individual level	221,524,037	41,524,972	30,601,012	107,443,384	124,754	401,218,159
Provisions on a collective level	1,137,046	1,262,073	23,050,477	22,873,893	-	48,323,489
	222,661,083	42,787,045	53,651,489	130,317,277	124,754	449,541,648
Redistribution based on stages:						
Stage (1)	12,066,020	4,833,335	8,724,657	11,212,441	122,554	36,959,007
Stage (2)	77,365,998	7,553,157	16,752,762	89,247,661	2,200	190,921,778
Stage (3)	133,229,065	30,400,553	28,174,070	29,857,175	-	221,660,863
	222,661,083	42,787,045	53,651,489	130,317,277	124,754	449,541,648

	Corporate JD	SME's JD	Retail JD	Real Estate JD	Governmental and Public JD	Total JD
For the Year Ended December 31, 2021 (Audited)						
Balance - beginning of the year	217,494,102	47,931,630	36,517,290	129,214,695	74,404	431,232,121
Reclassification impact	1,513,060	313,205	(67,056)	(1,759,209)	-	-
Adjusted Beginning Balance	219,007,162	48,244,835	36,450,234	127,455,486	74,404	431,232,121
Impairment loss on new facilities during the year	4,374,319	3,656,042	6,323,756	2,429,946	8,590	16,792,653
Reversed from impairment loss on paid facilities	(3,885,838)	(2,624,413)	(4,371,061)	(5,009,267)	-	(15,890,579)
Transferred (from) to stage (1) - net	(8,670,846)	(466,482)	4,795,123	(859,219)	(7,890)	(5,209,314)
Transferred (from) to stage (2) - net	4,643,255	(1,107,688)	(2,123,927)	(199,556)	7,890	1,219,974
Transferred (from) to stage (3) - net	4,027,591	1,574,170	(2,671,196)	1,058,775	-	3,989,340
Effect on the provision as of the end of the year resulted from reclassification between the three stages during the year	8,514,777	4,170,108	(98,403)	132,771	(6,484)	12,712,769
Changes resulted from adjustment	26,977,512	3,149,717	6,942,054	377,666	348	37,447,297
Written off / transferred to off-the statement of financial position	(17,019,477)	(6,080,995)	(180,796)	(3,226,466)	-	(26,507,734)
Adjustments resulted from change in exchange rates	(1,708,393)	(575,501)	(6,341)	(24,184)	-	(2,314,419)
Balance - End of the Year	236,260,062	49,939,793	45,059,443	122,135,952	76,858	453,472,108
Redistribution based on portfolio:						
Provisions on an individual level	233,682,840	48,919,436	27,670,421	107,141,646	76,858	417,491,201
Provisions on a collective level	2,577,222	1,020,357	17,389,022	14,994,306	-	35,980,907
	236,260,062	49,939,793	45,059,443	122,135,952	76,858	453,472,108
Redistribution based on stages:						
Stage (1)	16,649,893	2,240,922	7,653,936	6,759,098	75,410	33,379,259
Stage (2)	69,437,400	9,493,041	11,473,845	83,185,964	1,448	173,591,698
Stage (3)	150,172,769	38,205,830	25,931,662	32,190,890	-	246,501,151
	236,260,062	49,939,793	45,059,443	122,135,952	76,858	453,472,108

Interest in Suspense

The following is the movement on interest in suspense :

	Corporate Entities				Government and Public Sector	
	Corporate	SME's	Retail	Real Estate loans	JD	Total
	JD	JD	JD	JD	JD	JD
<u>For the Nine Months Ended September 30, 2022 (Reviewed)</u>						
Balance – beginning of the period (Audited)	41,236,413	31,527,946	27,680,494	32,403,684	-	132,848,537
Reclassification impact	1,399	(126,517)	21,225	103,893	-	-
Adjusted Beginning Balance (Reviewed)	41,237,812	31,401,429	27,701,719	32,507,577	-	132,848,537
Suspended interest on new exposures during the period	197,542	119,911	51,623	82,450	-	451,526
Suspended interest on settled exposures transferred to revenue during the period	(81,053)	(215,044)	(462,433)	(1,222,321)	-	(1,980,851)
Total effect on the suspended interest resulted from reclassification between the three stages	(155,128)	(110,778)	(369,897)	(451,761)	-	(1,087,564)
Total effect on the suspended interest resulted from adjustments	9,411,607	4,292,236	4,049,259	6,053,642	-	23,806,744
Written off interest in suspense / transferred to off-the statement of financial position	(10,885,491)	(10,946,196)	(556,370)	(1,049,484)	-	(23,437,541)
Adjustments resulted from changes in exchange rate	(12,114)	(102,075)	(2,083)	(462)	-	(116,734)
Balance – End of the Period (Reviewed)	39,713,175	24,439,483	30,411,818	35,919,641	-	130,484,117
<u>For the year ended December 31, 2021 (Audited)</u>						
Balance – beginning of the year	43,690,566	27,118,474	24,910,177	19,387,741	-	115,106,958
Reclassification impact	1,582	21,134	(44,608)	21,892	-	-
Adjusted beginning balance	43,692,148	27,139,608	24,865,569	19,409,633	-	115,106,958
Suspended interest on new exposures during the year	7,070	206,307	222,105	94,544	-	530,026
Suspended interest on settled exposures transferred to revenue during the year	(667,701)	(227,582)	(283,702)	(901,340)	-	(2,080,325)
Total effect on the suspended interest resulted from reclassification between the three stages	295,699	34,468	(631,338)	(442,941)	-	(744,112)
Total effect on the suspended interest resulted from adjustments	14,079,147	6,404,964	4,445,815	16,504,593	-	41,434,519
Written off interest in suspense / transferred to off-the statement of financial position	(15,373,146)	(1,803,156)	(930,045)	(2,260,034)	-	(20,366,381)
Adjustments resulted from change in exchange rates	(796,804)	(226,663)	(7,910)	(771)	-	(1,032,148)
Balance – End of the Year	41,236,413	31,527,946	27,680,494	32,403,684	-	132,848,537

- The following table shows total direct credit facilities classified by economic sector and geographic distribution:

Economic Sector	September 30, 2022 (Reviewed)			December 31, 2021 (Audited)
	Inside Jordan	Outside Jordan	Total	Total
	JD	JD	JD	JD
Financial	124,025,015	67,406,178	191,431,193	169,615,461
Industrial	356,413,958	141,128,005	497,541,963	459,216,480
Trading	336,417,164	236,127,335	572,544,499	539,357,668
Real estate	1,066,107,273	275,516,174	1,341,623,447	1,335,283,277
Agriculture	28,922,344	24,319,185	53,241,529	22,694,027
Shares	12,573,767	-	12,573,767	6,975,900
Individuals	1,009,638,373	32,493,628	1,042,132,001	943,963,002
Government and public sector	425,585,707	80,482,267	506,067,974	403,453,722
Other	446,158,196	59,965,009	506,123,205	556,027,255
	3,805,841,797	917,437,781	4,723,279,578	4,436,586,792

12. Financial Assets at Amortized Cost - Net

The details of this item are as follows:

	September 30, 2022 (Reviewed)	December 31, 2021 (Audited)
	JD	JD
Quoted Financial Assets:		
Jordanian Treasury Bills	89,316,037	40,907,441
Jordanian treasury bonds *	1,244,125,137	1,224,498,891
Governmental or guaranteed by government bonds	506,443,532	542,402,385
Foreign governments bonds	11,131,421	24,349,118
Corporate bonds and debentures	165,886,417	161,531,807
Total Quoted Financial Assets	2,016,902,544	1,993,689,642
Unquoted Financial Assets:		
Corporate bonds and debentures	3,000,001	3,000,001
Total Unquoted Financial Assets	3,000,001	3,000,001
Total	2,019,902,545	1,996,689,643
<u>Less: Provision for excepted credit losses</u>	(3,476,562)	(4,421,581)
Net	2,016,425,983	1,992,268,062
Bonds and Bills Analysis:		
at fixed rate	2,016,425,983	1,992,268,062
at floating rate	-	-
Total	2,016,425,983	1,992,268,062

- The maturity dates for Bonds range from year 2022 to year 2036.
- Interest rate on bonds and Treasury Bills ranges from 0.82% to 7.14%.
- * The Bank has entered into repurchase agreements with the Central Bank of Jordan as stated in note (15) against mortgaging treasury bonds with a nominal value of JD 55.3 million as of September 30, 2022 (JD 64.7 million as of December 31, 2021).

The following is the movement on financial assets at amortized cost during the period / year:

	Stage (1) Individual	Stage (2) Individual	Stage (3)	Total
	JD	JD	JD	JD
<u>For the Nine Months Ended September 30, 2022 (Reviewed)</u>				
Balance – beginning of the period (Audited)	1,993,689,642	-	3,000,001	1,996,689,643
New investments during the period	595,661,542	-	-	595,661,542
Matured investments	(573,421,122)	-	-	(573,421,122)
Amortization of premium / discount	1,426,582	-	-	1,426,582
Adjustments resulted from changes in exchange rates	(454,100)	-	-	(454,100)
Balance – End of the Period (Reviewed)	2,016,902,544	-	3,000,001	2,019,902,545
<u>For the Year Ended December 31, 2021 (Audited)</u>				
Balance – beginning of the year (Audited)	1,836,019,926	-	3,000,001	1,839,019,927
New investments during the year	438,523,685	-	-	438,523,685
Matured investments	(281,207,968)	-	-	(281,207,968)
Amortization of premium / discount	614,322	-	-	614,322
Adjustments resulted from changes in exchange rates	(260,323)	-	-	(260,323)
Balance – End of the Year	1,993,689,642	-	3,000,001	1,996,689,643

- The following is the movement on provision for expected credit losses during the period / year:

	Stage (1) Individual	Stage (2) Individual	Stage (3)	Total
	JD	JD	JD	JD
<u>For the Nine Months Ended September 30, 2022 (Reviewed)</u>				
Balance – beginning of the period (Audited)	1,421,581	-	3,000,000	4,421,581
Expected credit loss for new investments during the period	5,210	-	-	5,210
Expected credit loss for matured investments during the period	(54,231)	-	-	(54,231)
The effect on the provision resulted from the adjustments	(852,165)	-	-	(852,165)
Adjustments resulted from changes in exchange rates	(43,833)	-	-	(43,833)
Balance – End of the Period (Reviewed)	476,562	-	3,000,000	3,476,562
<u>For the Year Ended December 31, 2021 (Audited)</u>				
Balance – beginning of the year (Audited)	2,177,632	-	3,000,000	5,177,632
Expected credit loss for new investments during the year	150,056	-	-	150,056
Expected credit loss for matured investments during the year	(60,967)	-	-	(60,967)
The effect on the provision resulted from the adjustments	(842,314)	-	-	(842,314)
Adjustments resulted from changes in exchange rates	(2,826)	-	-	(2,826)
Balance – End of the Year	1,421,581	-	3,000,000	4,421,581

13. Other Assets – Net

The details of this item are as follows:

	September 30, 2022	December 31, 2021
	(Reviewed)	(Audited)
	JD	JD
Accrued revenues and interest	28,145,634	31,053,695
Prepaid expenses	6,441,181	3,903,941
Assets seized by the Bank *	63,416,514	64,750,491
Revaluation gain / Hedge derivatives	6,711,960	766,208
Cheques under collection	14,508,883	11,362,918
Other	12,490,835	11,478,415
Total	131,715,007	123,315,668
Provision for expected credit loss **	(316,076)	(255,576)
Net	131,398,931	123,060,092

* The regulations of Central Bank of Jordan require the Bank to dispose-off the assets it seizes during a maximum period of two years from the date of the acquisition.

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

	For the Nine Months	For the Year Ended
	Period Ended	December 31, 2021
	September 30, 2022	(Audited)
	(Reviewed)	
	JD	JD
Beginning balance of the period / year	64,750,491	66,579,286
Additions	7,001,135	15,295,999
Disposals	(6,829,155)	(13,514,652)
Impairment loss	(1,500,000)	(3,600,000)
Foreign currencies translation difference	(5,957)	(10,142)
Balance – Ending of the Period / Year	63,416,514	64,750,491

** The following is a summary of the movement on expected credit loss provision:

	For the Nine	For the Year
	Months Period	Ended December
	Ended September	31, 2021
	30, 2022	(Audited)
	(Reviewed)	
	JD	JD
Balance - beginning of the period / year	255,576	453,608
Expected credit loss for the period / year	60,500	(92,155)
Provisions no longer needed	-	(105,877)
Balance – Ending of the Period / Year	316,076	255,576

14. CUSTOMERS' DEPOSITS

The details of this item are as follows:

	Retail	Corporate	SME's	Governmental and Public	Total
	JD	JD	JD	JD	JD
<u>September 30, 2022</u>					
<u>(Reviewed)</u>					
Current accounts and demand deposits	706,089,383	207,419,167	380,211,781	46,114,628	1,339,834,959
Saving deposits	1,945,277,930	726,640	27,233,251	2,515,655	1,975,753,476
Time and notice deposits	1,101,016,812	270,271,407	70,582,625	299,080,173	1,740,951,017
Certificates of deposit	214,864,159	26,594,434	854,487	-	242,313,080
Others	47,761	-	-	-	47,761
Total	<u>3,967,296,045</u>	<u>505,011,648</u>	<u>478,882,144</u>	<u>347,710,456</u>	<u>5,298,900,293</u>

December 31, 2021**(Audited)**

Current accounts and demand deposits	729,353,852	189,171,350	348,874,343	28,946,430	1,296,345,975
Saving deposits	2,056,002,278	982,252	19,545,032	558,149	2,077,087,711
Time and notice deposits	1,109,204,379	273,186,282	53,154,762	182,383,184	1,617,928,607
Certificates of deposit	201,350,102	19,195,118	872,818	-	221,418,038
Others	410,135	-	-	-	410,135
Total	<u>4,096,320,746</u>	<u>482,535,002</u>	<u>422,446,955</u>	<u>211,887,763</u>	<u>5,213,190,466</u>

- The deposits of the public sector and the Government of Jordan inside the Kingdom amounted to approximately JD 324.2 million representing 6.11 % of total deposits as of September 30, 2022 (approximately JD 205.2 million, representing 3.94% of total deposits as of December 31, 2021).
- Non-interest-bearing deposits amounted to JD 1.53 billion, representing 28.9 % of total deposits as of September 30, 2022 (against around JD 1.50 billion, representing 28.8% of total deposits as of December 31, 2021).
- Restricted deposits (Restricted withdrawal) amounted to JD 102.1 million, representing 1.9 % of total deposits as of September 30, 2022 (against JD 150.3 million, representing 2.9% of total deposits as of December 31, 2021).
- Dormant accounts amounted to JD 261.9 million, representing 4.94 % of total deposits as of September 30, 2022 (against JD 296.7 million, representing 5.7% of total deposits as of December 31, 2021).

15. Borrowed Funds

**September 30, 2022
(Reviewed)**

	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	15,411,836	109	83	Semi Annual	Financial Solvency	2.50% to 5.69%	Guaranteed 6.00 % to 9.14 % Without Guarantee: 6.50 % to 9.69 %
Main Economical Sectors Support Programs	53,862,282	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
National program to face COVID-19 pandemic	36,172,275	Based on the Periodicity of instalments due			On demand promissory note	0.00%	2.00%
Repurchase agreements	55,209,907	Based on each agreement			Government bonds	4.50 % - 2.75%	-
Borrowing / local institutions	152,000,000	18	18	Monthly/Semi annual	Financial Solvency / Mortgage	4.25 % - 6.35 %	5.75% to 10.5%
Borrowing / foreign insinuations	84,611,679	112	112	Semi annual	Financial Solvency	5.7 % to 2.3%	Based on interest rate at the bank
Total	<u>397,267,979</u>						

- The maturity dates of funds borrowed from the Central Bank of Jordan range from year 2022 to year 2039.
- The financial liabilities against repurchase agreements will due in less than one year.
- Borrowed funds from local institutions includes an amount of JD 130 million that borrowed from Jordan Mortgage Refinance Co and the maturity dates of these borrowed funds range from year 2023 to year 2029.
- Borrowed funds with a fixed interest rate amounted to JD 306,017,543 and borrowed funds with a variable interest rate amounted to JD 91,250,436.
- The maturity dates of borrowed funds from foreign insinuations range from year 2022 to year 2028.
- Borrowed funds amounted to JD 164,268,683 and settled borrowed funds amounted to JD 114,187,827 during the period ended September 30, 2022, excluding repurchase agreement.
- The renewed loans amounted to JD Nil during the period ended in September 30, 2022.

December 31, 2021(Audited)	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.	16,754,324	109	89	Semi Annual	Financial Solvency	1.95% to 3%	Guaranteed 5.59% to 6.5% Without Guarantee: 6.5% to 7.5%
Main Economical Sectors Support Programs	52,478,298	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
National program to face COVID-19 pandemic	27,734,055	Based on the Periodicity of instalments due			On demand promissory note	0.00%	2%
Repurchase agreements	70,288,632	Based on each agreement			Government bonds	2%	-
Borrowing / local institutions	148,000,018	22	22	Monthly/Semi annual	Financial Solvency / Mortgage	3.5% to 6.5%	5.75% to 10.5%
Borrowing / foreign insinuations	47,010,521	11	11	Semi annual	Financial Solvency	0.84% to 1.1%	Based on interest rate at the bank
Total	<u>362,265,848</u>						

- The maturity dates of funds borrowed from the Central Bank of Jordan range from year 2022 to year 2039.
- The financial liabilities against repurchase agreements will due in 2022.
- Borrowed funds from local institutions includes an amount of JD 120 million that borrowed from Jordan Mortgage Refinance Co and the maturity dates of these borrowed funds range from year 2022 to year 2024.
- Borrowed funds with a fixed interest rate amounted to JD 309,047,616 and borrowed funds with a variable interest rate amounted to JD 53,218,214.
- The maturity dates of borrowed funds from foreign insinuations range from year 2022 to year 2027.
- Borrowed funds amounted to JD 120,015,382 and settled borrowed funds amounted to JD 87,901,383 during 2021, excluding repurchase agreement.
- The renewed loans amounted to JD 5,000,000 during 2021.

16. 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
<u>For the Nine Months Ended September 30, 2022 (Reviewed)</u>	JD	JD	JD	JD
Balance – beginning of the period (Audited)	7,349,252	7,218,126	13,531,804	28,099,182
Provision for the period - net	1,920,143	738,942	(583,145)	2,075,940
Transferred from other liabilities	-	15,000	-	15,000
Provision used during the period	(199,251)	(264,849)	(6,948)	(471,048)
Currency translation difference for the period	9	(3,529)	(186,620)	(190,140)
Balance - End of the Period (Reviewed)	<u>9,070,153</u>	<u>7,703,690</u>	<u>12,755,091</u>	<u>29,528,934</u>
<u>For the Year Ended December 31, 2021 (Audited)</u>				
Balance – beginning of the year (Audited)	6,440,425	24,224,789	10,907,819	41,573,033
Provision for the year	1,698,983	1,407,988	2,484,894	5,591,865
Transfers from / to provisions	-	-	631,894	631,894
Provision used during the year	(177,524)	(1,268,133)	-	(1,445,657)
Reverse to revenue	(608,878)	(16,794,431)	-	(17,403,309)
Currency translation difference for the year	(3,754)	(352,087)	(492,803)	(848,644)
Balance - End of the Year	<u>7,349,252</u>	<u>7,218,126</u>	<u>13,531,804</u>	<u>28,099,182</u>

17. Income Tax

a. Income tax provision

The movement on the income tax provision is as follows:

	September 30, 2022	December 31, 2021
	(Reviewed)	(Audited)
	JD	JD
Balance – beginning of the period / year	55,815,858	48,515,568
Income tax paid	(62,214,985)	(61,423,324)
Accrued income tax	49,642,971	68,244,851
Accrued Income tax of distribution profit from a subsidiary	867,382	1,008,939
Currency translation	(105,644)	(530,176)
Balance – Ending of the Period / Year	44,005,582	55,815,858

- Income tax rate for Banks in Jordan is 35% and a 3% for the national contribution account. In addition, the average income tax rate in the countries in which the Bank has investments range from 0% to 31%.
- The Bank has reached a final settlement with the Income and Sales Tax Department in Jordan up to the year 2020, and declared taxes have been paid and have filed the tax returns for the year 2021.
- Taxes due on Palestine branches were cleared up to 2020, and declared taxes have been paid up to the year 2021.
- The income tax for the International Bank for Trade and Finance /Syria was paid up to the year 2021.
- The income tax for the Housing Bank for Trade and Finance /Algeria was paid up to the year 2021.
- The income tax for Jordan International Bank/ London was paid up to the year 2021.
- The income tax for the International Financial Centre Company was paid up to the year 2021. Moreover, a final settlement has been reached for all years except for the year 2018.
- The income tax for the Specialized Leasing Company was paid up to the year 2021, and a final settlement has been reached up to the year 2020.

b. Income tax expense appearing in the condensed consolidated interim statement of profit or loss represents the following:

	For the Nine Months	
	Ended September 30,	
	2022	2021
	(Reviewed)	(Reviewed)
	JD	JD
Provision for income tax for the period	49,642,971	53,791,270
Deferred tax assets for the period	(31,562,787)	(37,767,889)
Amortization of deferred tax assets	22,341,035	22,025,365
Income tax due on dividend's distribution from subsidiaries	867,382	1,008,939
Total	41,288,601	39,057,685

18. Other Liabilities

The details for this item are as follows:

	September 30, 2022 (Reviewed)	December 31, 2021 (Audited)
	JD	JD
Accrued interest	15,689,831	9,755,660
Interests and commissions received in advance	3,480,506	3,690,731
Accrued expenses	18,348,958	20,964,710
Certified cheques	21,263,937	26,489,133
Transfers in process	33,830,017	33,638,348
Payments in process	11,145,124	7,461,245
Prizes	1,630,484	547,109
Amounts payable to correspondent banks	1,373,037	1,281,254
General management trusts	4,966,148	5,092,032
Dividends payable to shareholders	7,497,788	4,476,573
Accounts payable	7,676,015	5,182,854
Unrealized loss / hedge derivatives	330,299	610,353
Other payable accounts	28,543,829	64,501,938
Provision for indirect facilities' expected credit losses	34,255,506	35,631,520
Other	3,847,275	3,881,218
Total	193,878,754	223,204,678

Below is the movement on indirect facilities during the period / year:

	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective	JD	JD
	JD	JD	JD	JD		
<u>For the Nine Months Period ended September 30, 2022 (Reviewed)</u>						
Balance at the beginning of the period (Audited)	879,962,296	65,193,881	70,044,694	6,345,472	19,401,318	1,040,947,661
New exposures during the period	351,719,214	14,284,132	775,774	45,942	970,470	367,795,532
Matured exposures during the period	(318,344,602)	(7,387,440)	(17,363,260)	(267,113)	(801,302)	(344,163,717)
Transferred to stage (1)	25,371,739	1,497,704	(25,351,739)	(1,415,704)	(102,000)	-
Transferred to stage (2)	(4,564,679)	(562,513)	4,882,679	613,007	(368,494)	-
Transferred to stage (3)	(31,000)	(114,811)	(1,357,530)	(1,000)	1,504,341	-
Changes resulted from adjustment	(9,052,550)	522,417	(3,310,191)	(312,245)	(482,051)	(12,634,620)
Adjustments resulted from changes in exchange rate	(1,467,257)	(7,599,825)	468	(1,151,475)	(173,681)	(10,391,770)
Balance at the Ending of the Period (Reviewed)	923,593,161	65,833,545	28,320,895	3,856,884	19,948,601	1,041,553,086
<u>For the Year ended December 31, 2021 (Audited)</u>						
Balance at the beginning of the year	692,194,446	64,259,589	39,957,175	4,312,028	19,027,488	819,750,726
New exposures during the year	418,041,181	14,820,855	15,698,120	285,654	104,950	448,950,760
Matured exposures during the year	(276,660,576)	(9,338,816)	(8,122,512)	(1,002,365)	(346,623)	(295,470,892)
Transferred to stage (1)	5,248,637	(2,769,693)	(5,248,637)	2,851,493	(81,800)	-
Transferred to stage (2)	(28,311,680)	(185,425)	28,333,668	239,125	(75,688)	-
Transferred to stage (3)	(1,108,737)	(60,000)	(407,291)	(3,500)	1,579,528	-
Changes resulted from adjustment	71,402,102	(136,891)	(162,472)	1,287,829	(788,138)	71,602,430
Adjustments resulted from changes in exchange rate	(843,077)	(1,395,738)	(3,357)	(1,624,792)	(18,399)	(3,885,363)
Balance at the Ending of the Year	879,962,296	65,193,881	70,044,694	6,345,472	19,401,318	1,040,947,661

Below is the movement on the expected credit loss for indirect facilities during the period / year:

	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective	JD	JD
	JD	JD	JD	JD	JD	JD
<u>For the Nine Months Period ended September 30, 2022 (Reviewed)</u>						
Balance at the beginning of the period (Audited)	8,072,411	292,651	9,743,753	225,130	17,297,575	35,631,520
Impairment loss on the new facilities	3,393,396	94,157	3,627	5,096	545,725	4,042,001
Reversed from impairment loss on the matured facilities	(3,346,469)	(65,451)	(1,351,046)	(21,666)	(547,035)	(5,331,667)
Transferred (from) to stage (1)	630,427	128,789	(619,259)	(99,064)	(40,893)	-
Transferred (from) to stage (2)	(213,617)	(5,708)	379,160	40,950	(200,785)	-
Transferred (from) to stage (3)	(171)	(610)	(205,588)	(517)	206,886	-
Effect on provision as of the end of the period resulted from reclassification between the three stages during the period	182,017	(83,813)	15,236	958	765,731	880,129
Changes resulted from adjustment	(1,162,667)	(69,887)	(219,352)	709,197	(23,869)	(766,578)
Adjustments resulted from changes in exchange rate	(40,706)	(16,530)	126	(116,504)	(26,285)	(199,899)
Balance at the Ending of the Period (Reviewed)	<u>7,514,621</u>	<u>273,598</u>	<u>7,746,657</u>	<u>743,580</u>	<u>17,977,050</u>	<u>34,255,506</u>
<u>For the Year Ended December 31, 2021 (Audited)</u>						
Balance at the beginning of the year	11,290,253	353,830	8,328,900	303,588	15,603,577	35,880,148
Impairment loss on new exposure during the year	4,092,789	117,347	810,066	21,698	58,606	5,100,506
Reversed impairment loss on matured exposure	(5,691,496)	(91,354)	(1,436,592)	(36,544)	(167,049)	(7,423,035)
Transferred (from) to stage (1)	319,943	153,009	(319,943)	(123,381)	(29,628)	-
Transferred (from) to stage (2)	(1,138,775)	(5,025)	1,152,442	20,347	(28,989)	-
Transferred (from) to stage (3)	(27,318)	(1,160)	(36,173)	-	64,651	-
Effect on provision as of the end of the year resulted from reclassification between the three stages during the year	(301,360)	(137,148)	136,044	15,671	605,001	318,208
Changes resulted from adjustment	(423,362)	(96,522)	1,109,085	23,751	1,192,560	1,805,512
Adjustments resulted from changes in exchange rate	(48,263)	(326)	(76)	-	(1,154)	(49,819)
Balance at the End of the Year	<u>8,072,411</u>	<u>292,651</u>	<u>9,743,753</u>	<u>225,130</u>	<u>17,297,575</u>	<u>35,631,520</u>

19. Expected Credit Loss Expense - Net

The details of this item are as follows:

	For the Nine Months Ended September 30,	
	2022 (Reviewed)	2021 (Reviewed)
	JD	JD
Balances and deposits at banks and financial institutions	106,884	205,359
Financial assets at fair value through other comprehensive income	(51,911)	(113,914)
Financial assets at amortized cost	(901,186)	(1,030,138)
Direct credit facilities	24,140,637	51,687,173
Commitments and contingent liabilities	(1,176,115)	(3,447,688)
Other assets	60,500	(92,460)
	22,178,809	47,208,332

20. Fair Value Reserve – Net

The details of this item are as follows:

	For the Nine Months Ended September 30, 2022 (Reviewed)	For the Year Ended December 31, 2021 (Audited)
	JD	JD
Balance – beginning of the period/year	3,542,409	9,654,188
Unrealized (losses) - debt instrument	(25,982,827)	(8,899,814)
Unrealized gain (losses) - equity instrument	70,077	(450,679)
Deferred tax assets	6,054,778	1,111,266
Deferred tax liabilities	3,041,231	2,127,448
Net change in valuation reserve of financial assets at fair value through comprehensive income after tax	(16,816,741)	(6,111,779)
Balance at the End of the Period/Year	(13,274,332)	3,542,409

21. Retained Earnings

The movement on retained earnings is as follows:

	For the Nine Months Ended September 30, 2022 (Reviewed)	For the Year Ended December 31, 2021 (Audited)
	JD	JD
Balance – beginning of the period / year	367,183,950	313,925,834
Income for the year	-	105,621,201
Transferred from (to) reserves **	382,494	(14,563,085)
Dividends distribution *	(63,000,000)	(37,800,000)
Balance – End of the Period / Year	304,566,444	367,183,950

- * The Shareholders General Assembly, at its ordinary meeting held on March 24, 2022, resolved to distribute cash dividends to shareholders at a rate of 20% of the subscribed and paid-up capital, equivalent to JD 63 million.
- ** The amounts transferred from reserves for the period ended September 30, 2022 represents adjustments on subsidiaries financial statements that were recorded after the issuance of the Group consolidated financial statements for the year 2021.
- The Bank cannot use a restricted amount of JD 6,275,955 from retained earnings which represents the financial assets unrealized gain in accordance with the instructions of the Central Bank of Jordan and the Jordan Securities Commission.
- Retained earnings includes an amount of JD 609,438 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.
- The Bank cannot use a restricted amount of JD 137,186,824 from retained earnings which represents deferred tax assets which are restricted against capitalization or distribution only to the extent if actually realized in accordance with the instructions of the Central Bank of Jordan and the Jordan Securities Commission.
- Retained earnings includes a restricted amount of JD 2,011,869 which represents the gain from the valuation of foreign currencies at the International Bank for Trade and Finance /Syria for the current period and the prior periods.

22. Interest Income

The details of this item are as follows:

	For the Nine Months Ended September 30,	
	2022 (Reviewed)	2021 (Reviewed)
	JD	JD
Direct Credit Facilities		
Individual (retail) customer:		
Overdraft	231,650	222,843
Loans and promissory bills	56,278,242	50,965,182
Credit cards	1,716,620	1,558,827
Real estate loans	49,763,694	43,173,956
Large corporates:		
Overdraft	9,252,271	12,615,516
Loans and promissory bills	57,597,682	47,609,162
SME's		
Overdraft	3,287,774	5,177,069
Loans and promissory bills	14,763,120	11,172,299
Government and Public Sector	19,170,520	23,622,452
Balances at Central Banks	3,789,855	2,317,137
Balances and deposits at banks and financial institutions	4,348,377	1,451,571
Financial assets at amortized cost	70,753,496	71,630,014
Financial assets at fair value through other comprehensive income	9,769,276	8,481,555
	300,722,577	279,997,583

23. Interest Expense

The details of this item are as follows:

	For the Nine Months Ended September 30,	
	2022 (Reviewed)	2021 (Reviewed)
	JD	JD
Banks and financial institutions deposits	8,910,077	4,413,869
Customers deposits:		
Current accounts and demand deposits	494,030	409,707
Saving deposits	3,486,003	2,982,980
Time and notice deposits	29,619,808	26,268,046
Certificates of deposit	4,600,217	5,648,231
Cash margins	1,616,675	1,459,269
Borrowed funds	8,727,663	7,147,425
Deposits insurance fees	5,116,503	5,095,967
Lease liability	1,186,649	1,256,505
	63,757,625	54,681,999

24. (Loss) from Financial Assets at Fair Value through Profit or Loss

The details of this item are as follows:

	Realized		Unrealized		Dividends Received	Total
	Gain	(Loss)	Gain	(Loss)		
	JD	JD	JD	JD	JD	JD
For the Nine Months Period Ended September 30, 2022 (Reviewed)						
Corporate shares	2,129		216,747		171,569	390,445
Direct credit facilities	-	-	-	(2,811,032)	-	(2,811,032)
Total	2,129		216,747	(2,811,032)	171,569	(2,420,587)
For the Nine Months Period Ended September 30, 2021 (Reviewed)						
Corporate shares	-	(8,499)	320,382	-	111,302	423,185
Direct credit facilities	-	-	-	(1,055,031)	-	(1,055,031)
Total	-	(8,499)	320,382	(1,055,031)	111,302	(631,846)

25. Earnings Per Share Attributable to the Shareholders of the Bank Basic / Diluted

The details of this item are as follows:

	For the three Months Ended September 30,		For the Nine Months Ended September 30,	
	2022 (Reviewed)	2021 (Reviewed)	2022 (Reviewed)	2021 (Reviewed)
	JD	JD	JD	JD
Profit for the period attributable to shareholders'	31,935,990	26,669,077	95,454,097	76,105,311
Weighted average number of shares	315,000,000	315,000,000	315,000,000	315,000,000
Basic and diluted Earnings Per Share Attributable to the Shareholders of the Bank	JOD 0.101	JOD 0.085	JOD0.303	JOD 0.242

26. Cash and Cash Equivalents

This item consists of the following:

	As of September 30,	
	2022 (Reviewed)	2021 (Reviewed)
	JD	JD
Cash and balances with central banks maturing within 3 months	739,344,457	883,077,148
<u>Add</u> : Balances with banks and financial institutions maturing within 3 months	321,656,050	294,025,319
<u>(Less)</u> : Banks and financial institutions deposits maturing within 3 months	(548,091,519)	(616,755,037)
	512,908,988	560,347,430

27. Capital Adequacy

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

	September 30, 2022 (Reviewed)	December 31, 2021 (Audited)
	JD	JD
Common Equity Tier 1 Capital		
Paid-in capital	315,000,000	315,000,000
Retained earnings	295,575,310	294,806,752
Other comprehensive income items	(158,119,119)	(124,665,671)
Net fair value reserve	(13,274,332)	3,542,409
Foreign currency translation	(144,844,787)	(128,208,080)
Share premium	328,147,537	328,147,537
Statutory reserve	257,601,697	257,979,383
Other reserve	11,454,951	11,459,758
Non-controlling Interest	13,698,240	17,339,180
Condensed gains after tax and expected distribution value	36,391,597	-
Total capital for ordinary shares	1,099,750,213	1,100,066,939
Regulatory amendments (Propositions of the capital)	(165,132,500)	(149,174,146)
Goodwill and intangible assets	(20,851,451)	(19,931,202)
Deferred tax assets	(137,186,824)	(122,196,386)
Investments in the capital of non-consolidated subsidiaries with the bank	(40,681)	(40,681)
Mutual investments in banks' capital, financial companies, and insurance companies Within the CET1	(7,053,544)	(7,005,877)
Net ordinary shareholder's equity	934,617,713	950,892,793
Additional Tier 1		
Non-controlling Interest	2,417,336	3,059,855
Total additional capital	2,417,336	3,059,855
Regulatory amendments (Propositions of the capital)	-	-
Net Additional Capital Tier 1	2,417,336	3,059,855
Net Additional capital Tier 1	937,035,049	953,952,648
Tier 2 Capital		
Expected credit losses provision for the first stage – does not exceed 1.25% of the assets weighted credit risks	46,015,454	44,009,884
Non-controlling Interest	3,223,115	4,079,807
Total Tier 2 Capital	49,238,569	48,089,691
Regulatory amendments (Propositions of the capital)		-
Investments in capital of non-consolidated subsidiaries with the bank		-
Net additional capital Tier 2	49,238,569	48,089,691
Regulatory capital	986,273,618	1,002,042,339
Total Risk weighted assets	5,387,855,559	5,972,550,043
Capital Adequacy ordinary shareholders (CET1) Ratio %	17.35%	15.92%
Capital Adequacy Tier 1 Ratio %	17.39%	15.97%
Capital Adequacy Ratio %	18.31%	16.78%

28. Related Party Transactions

- a. 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 balances during the period/year:

	Related Party				Total	
	Major Shareholders	Subsidiaries	Board of Directors and their Related	Executive Management and their Related	September 30, 2022 (Reviewed)	December 31, 2021 (Audited)
	JD	JD	JD	JD	JD	JD
Financial position items:						
Total deposits with related parties	77,357,920	73,000,366	-	-	150,358,286	101,666,136
Total deposits from related parties	616,004,671	74,331,542	2,787,302	2,417,319	695,540,834	622,107,515
Loans and advances granted to related parties	24,035,975	590,894	267,330	1,332,576	26,226,775	27,061,866
Loans and facilities granted to related parties	-	2,799,232	-	-	2,799,232	3,207,422
Items off-statement of Financial position:						
Letters of credits and guarantees	35,672,488	2,158,867	-	-	37,831,355	19,626,589
Forward foreign currency contracts	45,703,668	-	-	-	45,703,668	49,150,826
Interest rate swap contracts	79,762,500	-	-	-	79,762,500	95,715,000

- c. Summary of related party transactions during the period:

	Related Party				Total	
	Major Shareholders	Subsidiaries	Board of Directors and their Related	Executive Management and their Related	For the Nine Months Ended September 30, 2022 (Reviewed)	2021 (Reviewed)
	JD	JD	JD	JD	JD	JD
Statement of Profit or Loss items						
Interest and commissions income	512,188	367,769	1,161	31,238	912,356	497,886
Interest and commissions Expense	6,455,252	1,456,412	14,227	18,760	7,944,651	3,496,385

- Interest income rates range from 0% to 7.75%.
- Interest expense rates range from 0% to 11%.

- d. The Bank's executive management remuneration were as follows:

	For the Nine Months Ended September 30,	
	2022 (Reviewed)	2021 (Reviewed)
	JD	JD
Salaries, bonuses, and other benefits	2,615,751	2,018,505
Salaries, bonuses, and other benefits/ Subsidiaries	1,297,634	2,002,333

29. Segment Analysis**Information on the Bank Activities:**

For management purposes, the Bank is divided into four major business segments according to reports sent to the chief operating officer:

- Retail Banking: Principally handling individual customers' and small businesses' deposits and providing loans, overdrafts, credit cards and other services.
- Corporate Banking: Principally handling deposits, credit facilities, and other financial services for corporate and institutional customers.
- Corporate Finance: Principally arranging structured finance and providing services relating to privatizations, IPO's, mergers and acquisitions.
- Treasury: Principally providing trading and treasury services and the management of the Bank's funds in money and capital markets.

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

							Total For the Nine Months Period Ended September 30,	
	Retail JD	Corporate JD	Corporate Finance JD	Treasury JD	Others JD	Elimination JD	2022 (Reviewed) JD	2021 (Reviewed) JD
Gross Income	154,215,089	125,882,356	2,698,659	109,607,954	1,962,189	(47,661,506)	346,704,741	321,738,995
Allowance expected credit loss	(13,372,359)	(11,884,403)	2,231,740	846,213	-	-	(22,178,809)	(47,208,332)
Segment results	53,335,877	51,428,162	3,859,818	35,560,308	1,962,188	-	146,146,353	126,222,548
Unallocated expenses	-	-	-	-	-	-	(7,347,624)	(7,314,696)
Income before Tax	-	-	-	-	-	-	138,798,729	118,907,852
Income Tax	-	-	-	-	-	-	(41,288,601)	(39,057,685)
Profit for the Period							97,510,128	79,850,167
							September 30, 2022 (Reviewed)	December 31, 2021 (Audited)
Segment Assets	4,576,388,255	2,544,386,943	-	3,510,297,910	1,352,665,492	-	11,980,738,600	12,136,386,854
Elimination of assets between segments	(2,718,323,863)	-	-	(537,796,528)	(637,086,839)	-	(3,893,207,230)	(4,013,300,974)
Unallocated assets on segments	-	-	-	-	-	-	137,186,824	122,196,386
Total Assets							8,224,718,194	8,245,282,266
Segment Liabilities	4,519,694,029	2,620,661,309	-	3,452,515,175	312,498,674	-	10,905,369,187	11,034,925,319
Elimination of liabilities between segments	-	(1,237,287,265)	-	(2,655,919,965)	-	-	(3,893,207,230)	(4,013,300,974)
Unallocated liabilities	-	-	-	-	-	-	3,812,515	6,853,746
Total Liabilities							7,015,974,472	7,028,478,091
							For the Nine Months Ended September 30,	2021 (Reviewed)
Capital expenditures							12,215,635	8,933,445
Depreciation and amortization							18,228,254	18,583,175

30. 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 Bank's risk management policies for the nine-month period ended September 30, 2022 are identical to the policies followed for the year ended December 31, 2021, which are disclosed in the Bank's annual report as of December 31, 2021.

1- Distributed according to economic sector is as follows:

	Financial	Industrial	Trading	Real Estate	Agriculture	Equities	Individuals	Government and Public	Other	Total
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balances at central banks	-	-	-	-	-	-	-	618,133,892	-	618,133,892
Balances at banks and financial institutions	321,380,578	-	-	-	-	-	-	-	-	321,380,578
Deposits at banks and financial institutions	84,131,395									84,131,395
Credit facilities at amortized cost	181,903,931	370,145,280	463,247,545	1,196,180,658	46,969,440	4,116,722	948,754,917	501,741,573	430,193,747	4,143,253,813
Credit Facilities at fair value through profit or loss	-	78,784,650	-	-	-	-	-	-	-	78,784,650
Bonds and bills:										
<u>Within:</u> Financial assets at fair value through other comprehensive income	58,595,211	-	-	-	-	-	-	260,956,300	-	319,551,511
<u>Within:</u> Financial assets at amortized cost	148,870,219	-	-	-	-	-	-	1,857,042,627	10,513,137	2,016,425,983
	794,881,334	448,929,930	463,247,545	1,196,180,658	46,969,440	4,116,722	948,754,917	3,237,874,392	440,706,884	7,581,661,822
Total for the Period										
Letter of guarantees			398,248,223	-	-	-	-	-	-	398,248,223
Letter of credit			538,116,204	-	-	-	-	-	-	538,116,204
Other liabilities			70,933,153	-	-	-	-	-	-	70,933,153
Total	794,881,334	448,929,930	1,470,545,125	1,196,180,658	46,969,440	4,116,722	948,754,917	3,237,874,392	440,706,884	8,588,959,402
Prior Year Total	833,197,930	433,033,636	1,382,847,425	1,187,906,936	17,164,296	4,599,075	867,099,145	3,397,722,153	448,121,062	8,571,691,658

2- Total Exposure Distribution According to Geographic Region:

	Inside Jordan	Other Middle East Countries	Europe	Asia	Africa	America	Other Countries	Total
	JD	JD	JD	JD	JD	JD	JD	JD
Balances at central banks	277,038,455	153,376,303	-	-	187,719,134	-	-	618,133,892
Balances at banks and financial institutions	64,259,822	66,865,298	95,297,170	382,654	29,005,752	65,569,882	-	321,380,578
Deposits at banks and financial institutions	34,995,937	44,562,550	4,572,908	-	-	-	-	84,131,395
Credit facilities at amortized cost	3,341,058,463	462,529,897	202,475,477	-	137,189,976	-	-	4,143,253,813
Credit Facilities at fair value through profit or loss	78,784,650	-	-	-	-	-	-	78,784,650
Bonds and Bills:								
Financial assets at fair value through other comprehensive income	182,744,038	26,180,961	57,422,392	9,482,710	8,834,786	34,886,624	-	319,551,511
Financial assets at amortized cost	1,954,227,904	46,610,614	6,575,911	-	-	5,213,657	3,797,897	2,016,425,983
Total for the Period	5,933,109,269	800,125,623	366,343,858	9,865,364	362,749,648	105,670,163	3,797,897	7,581,661,822
Letter of guarantee	232,966,424	56,836,269	13,634,506	-	94,811,024	-	-	398,248,223
Letter of credit	465,395,960	21,547,680	6,493,862	2,963,937	41,714,765	-	-	538,116,204
Other liabilities	38,514,357	(132,998)	32,588,146	-	(36,352)	-	-	70,933,153
Total	6,669,986,010	878,376,574	419,060,372	12,829,301	499,239,085	105,670,163	3,797,897	8,588,959,402
Prior Year Total	6,559,845,574	798,603,835	438,595,131	26,469,160	556,963,902	187,311,547	3,902,509	8,571,691,658

3. Credit exposures that have been reclassified:

A. Total credit exposures that have been reclassified:

	Stage (2)		Stage (3)			
	Total Exposures Amount	Exposures that have been Reclassified	Total Exposures Amount	Exposures that have been Reclassified	Total Exposures that have been Reclassified	Percentage of Exposures that have been Reclassified
	JD	JD	JD	JD	JD	
Credit facilities at amortized cost	486,126,501	70,375,595	337,680,115	20,944,695	91,320,290	1.9%
Bonds and bills						
<u>Within:</u> Financial assets at amortized cost	-	-	3,000,001	-	-	0.0%
<u>Within:</u> Financial assets at fair value through other comprehensive income	2,591,643	-	-	-	-	0.0%
Total	488,718,144	70,375,595	340,680,116	20,944,695	91,320,290	1.1%
Letter of guarantees	29,211,713	5,088,485	19,005,632	1,504,341	6,592,826	1.5%
Letter of credit	860,435	382,352	942,970	-	382,352	0.1%
Other liabilities	2,105,626	24,849	-	-	24,849	0.0%
Total	32,177,774	5,495,686	19,948,602	1,504,341	7,000,027	0.7%
Sub Total	520,895,918	75,871,281	360,628,718	22,449,036	98,320,317	1.1%
Prior Year Sub Total	612,917,891	207,987,698	411,279,279	35,347,871	243,335,569	2.6%

b. Expected credit loss for exposures that have been reclassified:

Description	Exposures that have been Reclassified			Expected Credit Loss due to Reclassified Exposures			
	Exposures Reclassified from Stage (2)	Exposures Reclassified from Stage (3)	Exposures that have been Reclassified	Stage (2)		Stage (3)	Total
	JD	JD	JD	Individual	Collective		
Credit facilities at amortized cost	70,375,595	20,944,695	91,320,290	3,867,018	1,827,723	7,155,824	12,850,565
Bonds and Bills	-	-	-	-	-	-	-
<u>Within:</u> Financial assets at amortized cost	-	-	-	-	-	-	-
Total	70,375,595	20,944,695	91,320,290	3,867,018	1,827,723	7,155,824	12,850,565
Letter of guarantees	5,088,485	1,504,341	6,592,826	370,651	40,639	206,886	618,176
Letter of credit	382,352	-	382,352	903	-	-	903
Other liabilities	24,849	-	24,849	7,606	311	-	7,917
Total	5,495,686	1,504,341	7,000,027	379,160	40,950	206,886	626,996
Sub Total	75,871,281	22,449,036	98,320,317	4,246,178	1,868,673	7,362,710	13,477,561
Prior Year Sub Total	207,987,698	35,347,871	243,335,569	15,246,214	2,731,497	11,413,668	29,391,379

31. Commitments and Contingent Liabilities:

This item consists of the following:

	September 30, 2022 (Reviewed)	December 31, 2021 (Audited)
	JD	JD
Letters of credit	427,142,246	423,024,343
Acceptances	114,857,686	130,515,192
Guarantees:		
- Payment guarantees	173,346,673	176,037,434
- Performance bonds	174,969,401	181,346,794
- Other	79,440,021	77,489,955
Forward foreign currency contracts	255,854,777	288,753,278
Currency swap contracts	14,180,000	14,180,000
Un-utilized direct credit facilities ceilings	579,186,930	525,281,052
Total	1,818,977,734	1,816,628,048

32. Lawsuits Raised Against the Bank and Lawsuits Raised by the Bank Against Others

Lawsuits raised against the Bank amounted to approximately JD 30.9 million as of September 30, 2022 (approximately JD 34.3 million as of December 31, 2021). In the opinion of the Bank's management and legal advisor, no liabilities will arise therefrom that exceed the booked provision of JD 7.7 million as of September 30, 2022 (JD 7.2 million as of December 31, 2021).

Other than the above-mentioned lawsuits, during the year 2019, the inspectors of the Central Bank of Algeria visited the management of the Housing Bank for Trade and Finance Algeria (a subsidiary company) and cited reports of violations attributed to the Bank related to violating some banking procedures in the Republic of Algeria. In this connection, an appealable preliminary decision by the Court of First Instance in Algeria was issued. The said decision imposed a fine of DZD 6.5 billion (Equivalent to JD 32,5 million as of September 30, 2022) on the Housing Bank for Trade and Finance / Algeria (a subsidiary company) for one of the violations. The subsidiary company appealed on the preliminary decision, and the decision of the Algerian Judicial Council was issued on May 25, 2021, which acquitted the subsidiary of all charges against it in the civil and criminal lawsuit. Subsequently on October 20, 2022 a final and non-appealable decision was issued from the Hight Court of Algeria which acquitted the subsidiary of all charges against it in the civil and criminal lawsuit.

On the other hand, the lawsuits raised by the Bank against others amounted to approximately JD 614.6 million as of September 30, 2022 (approximately JD 574.4 million as of December 31, 2021).

33. Fair Value Hierarchy

The following table analyses 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
<u>September 30, 2022 (Reviewed)</u>	JD	JD	JD	JD
Financial assets:				
Financial assets at fair value through other comprehensive income	319,551,511	-	42,341,119	361,892,630
Financial assets at fair value through profit or loss	4,538,412	-	450,584	4,988,996
Direct credit facilities at fair value through profit or loss	78,784,650	-	-	78,784,650
Total	<u>402,874,573</u>	<u>-</u>	<u>42,791,703</u>	<u>445,666,276</u>
<u>December 31, 2021 (Audited)</u>				
Financial assets:				
Financial assets at fair value through other comprehensive income	349,850,483	-	26,347,895	376,198,378
Financial assets at fair value through profit or loss	4,180,221	-	450,584	4,630,805
Direct credit facilities at fair value through profit or loss	96,646,207	-	-	96,646,207
Total	<u>450,676,911</u>	<u>-</u>	<u>26,798,479</u>	<u>477,475,390</u>