



بنك صفوة الإسلامي  
Safwa Islamic Bank

الرقم : مالية 2026/1634/2/1/

التاريخ : 2025/3/24

السادة هيئة الأوراق المالية المحترمين،،

السادة بورصة عمان المحترمين،،

تحية طيبة وبعد،،

الموضوع : نسخة مترجمة من القوائم المالية الختامية الموحدة للبنك للسنة المالية المنتهية في 31 كانون الاول 2025

بالإشارة الى الموضوع أعلاه نرفق لكم نسخة مترجمة الى اللغة الإنجليزية من القوائم المالية الختامية الموحدة لبنك صفوة الاسلامي للسنة المالية المنتهية في 31 كانون الاول 2025 بالإضافة الى تقرير مدقق الحسابات حولها.

وتفضلوا بقبول فائق الاحترام ، ، ،

أحمد صلاح غنيم  
رئيس المالية والاستراتيجيات المؤسسية



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

CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025  
TOGETHER WITH THE INDEPENDENT  
AUDITOR'S REPORT

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

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## **INDEPENDENT AUDITOR'S REPORT**

**To the Shareholders of Safwa Islamic Bank – Public Shareholding Company  
Amman – Jordan**

### **Report on the Audit of the Consolidated Financial Statements**

#### **Opinion**

We have audited the consolidated financial statements of Safwa Islamic Bank – Public Shareholding Company (the “Bank”) and its subsidiary (together referred to as the “Group”) which comprise the consolidated statement of financial position as at 31 December 2025 and the consolidated statement of income and other comprehensive income, the consolidated statement of income and attribution related to quasi-equity, the consolidated statement of changes in equity, and the consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Group as at 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with Islamic Shari’a rules and principles as determined by the Shari’a Supervisory Board of the Group and in accordance with Financial Accounting Standards as issued by the Accounting and Auditing Organization for Islamic Financial Institutions (“AAOIFI”).

#### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards, are further described in the Auditor’s Responsibilities for the Audit of the consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants’ *International Code of Ethics for Professional Accountants* (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in Jordan, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter provided in that context .

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

<b>Expected credit losses of deferred sales receivables and other receivables (note 8)</b>	
<b>Key Audit matter</b>	<b>How the key audit matter was addressed in the audit</b>
<p>The process of estimating expected credit losses for deferred sales receivables and other receivables in accordance with Islamic Financial Accounting Standard No. (30) is important and complex and requires significant judgement.</p> <p>Financial Accounting Standard No. (30) requires the use of the expected credit loss model which requires the Group's management to use several assumptions and estimates in determining the timing and value of expected credit losses in addition to applying judgment to determine the inputs to the impairment measurement process, including collateral assessment and determining the default date.</p> <p>Due to the importance of the judgements applied in Financial Accounting Standard No. (30) and credit exposures that form a major part of the Group's assets, the expected credit losses are considered a key audit matter.</p>	<p>Our audit procedures included an understanding of the nature of the portfolios of customers' receivables and financings in addition to testing the internal controls used in the granting, recording, credit monitoring, and assessing the effectiveness of main procedures followed in granting and recording.</p> <p>As part of the control testing procedures, we assessed whether the key controls in the above processes were designed, implemented and operated effectively, as well as procedures for assessing the following:</p> <ul style="list-style-type: none"> <li>- The Group's policy regarding the provision for expected credit losses in accordance with the Financial Accounting Standard No. (30).</li> </ul>

The gross deferred sales receivables and other receivables as of 31 December 2025 amounted to JD 2,294,065,935 and the related provisions amounted to JD 118,030,001. The expected credit losses provision policy is presented in the accounting policies in note (2) to the consolidated financial statements.

- Reviewing and understanding the expected credit loss model used in calculating provisions and its compliance with the requirements of Islamic Financial Accounting Standard No. (30) and the relevant regulatory guidelines and directives.
- Key assumptions and judgments related to the significant increase in credit risk, the definition of default, and the use of macroeconomic inputs to verify that the ECL amounts recorded reflect the underlying credit quality and macroeconomic trends.
- The appropriateness of stages.
- Appropriateness of determining exposure at default, including the consideration of repayments in the cash flows and the resultant arithmetical calculations.
- Appropriateness of the probability of default (PD), exposure at default (EAD), and loss given default (LGD) used for the exposures at different stages.
- Appropriateness and objectivity of the internal rating of facilities.
- Soundness and appropriateness of the process for calculating expected credit losses.
- Facilities transferred between stages and the basis for assessing the extent of significant increase in credit risk for facilities in terms of timing, in addition to any deterioration in credit quality.
- The process of calculating expected credit losses for facilities individually, in addition to understanding the latest developments in facilities in terms of cash flows and whether there is any rescheduling or restructuring.

	<ul style="list-style-type: none"> <li>- Legal agreements and related documents to confirm the existence of collaterals and the existence of the legal right related to them.</li> </ul> <p>We also assessed whether the consolidated financial statements' disclosures appropriately reflect the requirements of the Accounting Standards for Islamic Financial Institutions issued by the Accounting and Auditing Organization for Islamic Financial Institutions.</p>
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#### **Other information included in the Group's 2025 annual report**

Other information consists of the information included in the Group's 2025 Annual Report other than the consolidated financial statements and our auditor's report thereon. Management is responsible for the other information. The Group's 2025 Annual Report is expected to be made available to us after the date of this auditor's report.

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

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

#### **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Islamic Shari'a rules and principles as determined by the Shari'a Supervisory Board of the Group and in accordance with Financial Accounting Standards as issued by the Accounting and Auditing Organization for Islamic Financial Institutions ("AAOIFI"), and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

## **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exist, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However future events or conditions may cause the Group to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

### **Report on Other Legal and Regulatory Requirements**

The Group maintains proper books of accounts which are in agreement with the consolidated financial statements.

The partner in charge of the audit resulting in this auditor's report was Osama Shakhathreh; license number 1079.

**ERNST & YOUNG**  
Amman - Jordan

Amman – Jordan  
3 February 2026

## Statement "A"

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

		as at 31 December	
	Notes	2025	2024
		JD	JD
<b>Assets</b>			
Cash and balances at the Central Bank of Jordan	4	244,092,528	244,541,023
Balances at banks and the financial institutions	5	19,956,320	16,841,108
International wakala investments - net	6	245,612,315	217,144,756
Financial assets at fair value through statement of income	7	1,466,896	-
Deferred sales receivables and other receivables - net	8	1,895,030,847	1,540,465,378
Financial assets at fair value through other comprehensive income - net	9	110,002,090	46,023,435
Financial assets at fair value through quasi-equity - net	10	405,828,077	450,917,406
Financial assets at amortized cost	11	261,652,000	119,852,000
Investment in associate	12	339,331	332,759
Ijara Muntahia Bittamleek assets - net	13	933,532,662	762,094,570
Al-Qard Al-Hasan - net	14	52,354,010	11,443,367
Investments in real estate	15	1,730,415	-
Property and equipment - net	16	23,548,235	22,323,578
Intangible assets - net	17	2,617,423	1,673,942
Right-of-use assets	51/A	11,281,983	9,698,565
Deferred tax assets	23/C	19,369,777	18,506,502
Other assets	18	60,051,179	72,678,409
<b>Total Assets</b>		<b>4,288,466,088</b>	<b>3,534,536,798</b>
<b>Liabilities and Quasi-equity and Equity</b>			
<b>Liabilities</b>			
Banks and financial Institutions' accounts	19	17,564,555	30,544,484
Customers' current accounts	20	351,192,050	313,833,370
Cash margins	21	208,290,849	153,061,234
Income tax provision	23/A	18,142,645	20,680,565
Deferred tax liabilities	23/C	31,161	-
Other provisions	22	159,326	163,719
Lease liabilities	51/B	11,381,785	9,851,375
Other liabilities	24	181,965,027	80,462,885
<b>Total Liabilities</b>		<b>788,727,398</b>	<b>608,597,632</b>
<b>Quasi-equity</b>			
Unrestricted investment accounts	25	3,258,163,271	2,716,418,549
Fair value reserve	26/A	4,054,351	16,942
<b>Total Quasi-equity</b>		<b>3,262,217,622</b>	<b>2,716,435,491</b>
<b>Equity</b>			
Authority paid-in capital	27	150,000,000	120,000,000
Statutory reserve	29	42,712,902	38,320,046
Fair value reserve - net	26/B	1,538,618	94,068
Retained earnings	30	43,269,548	51,089,561
<b>Total Equity</b>		<b>237,521,068</b>	<b>209,503,675</b>
<b>Total Liabilities, Quasi-equity and Equity</b>		<b>4,288,466,088</b>	<b>3,534,536,798</b>

The attached notes (1) to (63) form part of these consolidated financial statements and should be read with them.

Statement "B"

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

	Notes	For the year ended 31 December	
		2025	2024
		JD	JD
Deferred sales income	31	111,949,828	94,548,534
Income from Ijara Muntahia Bittamleek assets	32	66,938,401	68,051,329
Income from International wakala investments	33	7,685,737	8,785,237
Income from financial assets at fair value through other comprehensive income	34	3,513,022	859,693
Income from financial assets at fair value through quasi-equity	35	20,881,954	23,730,716
Income from financial assets at fair value through statement of income	36	195,637	7,854
Income from financial assets at amortized cost	37	14,376,298	2,609,377
Net share of results of investment in an associate company	12	11,572	(16,863)
Gains (losses) from foreign currencies revaluation	38	102,736	(84,177)
Income from foreign currencies	39	3,272,793	3,258,872
Banking services income - net	40	13,174,515	12,763,260
Other income - net	41	3,070,718	1,523,055
<b>Gross income</b>		<b>245,173,211</b>	<b>216,036,887</b>
Provision expense for expected credit losses and other receivables	42	(28,361,127)	(32,980,780)
Deposit insurance fees	43	(5,945,207)	(5,008,487)
Employees' expenses	44	(23,459,485)	(19,472,549)
Depreciation and amortization	16 & 17	(3,354,325)	(3,180,785)
Depreciation of right of use assets	51	(1,957,045)	(1,803,410)
Finance costs / discount on lease liability	51	(359,606)	(346,719)
Rent expenses		(213,047)	(187,209)
Other expenses	45	(12,572,816)	(10,208,606)
<b>Total expenses</b>		<b>(76,222,658)</b>	<b>(73,188,545)</b>
<b>Profit for the year before tax and net profit attributable to quasi-equity</b>		<b>168,950,553</b>	<b>142,848,342</b>
Less : Net profit attributable to quasi-equity	46	(125,021,997)	(110,060,634)
<b>Profit for the year before tax</b>		<b>43,928,556</b>	<b>32,787,708</b>
Income tax expense	23/B	(17,214,342)	(12,562,797)
<b>Net profit for the year</b>		<b>26,714,214</b>	<b>20,224,911</b>
<b>Other comprehensive income items :</b>			
Net change in fair value reserve for financial assets		1,503,287	119,137
<b>Total comprehensive income for the year</b>		<b>28,217,501</b>	<b>20,344,048</b>
		JD/FILS	JD/FILS
Basic and diluted earnings per share for the year	48	0/178	0/135

The attached notes (1) to (63) form part of these consolidated financial statements and should be read with them.

Statement "C"

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

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

	Notes	For the year ended 31 December	
		2025	2024
		JD	JD
<b>Net profit for the year before tax and net profit attributable to Quasi-Equity</b>		<b>168,950,553</b>	<b>142,848,342</b>
Less : Unrelated income to quasi-equity		(28,577,836)	(17,894,014)
Add : Unrelated expenses to quasi-equity		45,494,384	39,017,964
<b>Net profit for the year before net profit attributable to Quasi-Equity</b>		<b>185,867,101</b>	<b>163,972,292</b>
Less : Bank's share as mudarib and rab mal	47	(89,693,600)	(75,666,056)
Add : Bank's contribution	47	28,848,496	21,754,398
<b>Net profit attributable to Quasi-Equity</b>	46	<b>125,021,997</b>	<b>110,060,634</b>

The attached notes (1) to (63) form part of these consolidated financial statements and should be read with them.

Statement "D"

**Safwa Islamic Bank**  
**(Public Shareholding Limited Company)**  
**Amman - The Hashemite Kingdom of Jordan**  
**Consolidated Statement of Changes in Equity**

	Paid-in capital*	Statutory Reserve	Fair value reserve - net	Retained Earnings**	Total
	JD	JD	JD	JD	JD
<b><u>For the year ended 31 December 2025</u></b>					
Balance as at 1 January	120,000,000	38,320,046	94,068	51,089,561	209,503,675
Capital increase	30,000,000	-	-	(30,000,000)	-
Capital increase fees	-	-	-	(200,108)	(200,108)
Total comprehensive income for the year - (Statement B)	-	-	1,503,287	26,714,214	28,217,501
Released from reserve as a result of the sale of financial assets through other comprehensive income	-	-	(58,737)	58,737	-
Transferred to statutory reserve	-	4,392,856	-	(4,392,856)	-
Balance as at 31 December	<b>150,000,000</b>	<b>42,712,902</b>	<b>1,538,618</b>	<b>43,269,548</b>	<b>237,521,068</b>
<b><u>For the year ended 31 December 2024</u></b>					
Balance as at 1 January	100,000,000	35,041,275	(25,069)	54,293,534	189,309,740
Capital increase	20,000,000	-	-	(20,000,000)	-
Capital increase fees	-	-	-	(150,113)	(150,113)
Total comprehensive income for the year - (Statement B)	-	-	119,137	20,224,911	20,344,048
Transferred to statutory reserve	-	3,278,771	-	(3,278,771)	-
Balance as at 31 December	<b>120,000,000</b>	<b>38,320,046</b>	<b>94,068</b>	<b>51,089,561</b>	<b>209,503,675</b>

- Retained earnings a balance include of JD 1,729,949 as at 31 December 2025 (JD 1,351,047 as at 31 December 2024) and it is restricted from use based on the Central Bank of Jordan instructions. Which represents deferred tax assets -self.

\* The Bank's capital was increased from JD 120 million to JD 150 million after obtaining the approval of the Central Bank of Jordan in addition to the approval of the Bank's General Assembly at its meeting held on 24 April, 2025.

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

The attached notes (1) to (63) form part of these consolidated financial statements and should be read with them.

## Statement "E"

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

	Notes	For the year ended 31 December	
		2025	2024
		JD	JD
<b>Cash flows from operating activities</b>			
Profit for the year before tax - statement (B)		43,928,556	32,787,708
<b>Adjustments for non-monetary items:</b>			
Depreciation and amortization	16 & 17	3,354,325	3,180,785
Depreciation of Ijara Muntahia Bittamleek assets (self & joint)		104,372,780	74,299,224
Depreciation of right of use assets	51	1,957,045	1,803,410
Finance costs (discount on lease liabilities)	51	359,606	346,719
Unrealized gains for financial assets at fair value through statement of Income	36	(58,675)	-
Provision of expected credit losses and other receivables	42	28,361,127	32,980,780
(Recovered from) provision for impairment seized real estates	18	(214,418)	437,446
Net share of (profit) loss from the revaluation of investment in associate company	12	(6,572)	16,863
Gains from sale of property and equipment		(2,169)	(56,047)
Disposal of Intangible assets	17	-	7,061
Gain from sale of seized assets against debts		(1,449,119)	(232,248)
<b>Profit before changes in assets and liabilities</b>		<b>180,602,486</b>	<b>145,571,701</b>
<b>Changes in assets and liabilities :</b>			
Deferred sales receivables and other receivables		(382,126,859)	(293,817,428)
Ijara Muntahia Bittamleek assets		(275,810,872)	(140,621,026)
Real Estate Investments		(1,042,660)	-
Al Qard Al Hasan		(41,363,423)	22,374,750
Other assets		(14,552,526)	(20,022,266)
Customers' current accounts		37,358,680	(5,886,506)
Cash margin accounts		55,229,615	57,786,323
Other liabilities		101,495,926	(2,133,764)
Paid from the legal provision	22	(4,393)	-
<b>Net cash flows used in operating activities before income tax paid</b>		<b>(340,214,026)</b>	<b>(236,748,216)</b>
Income tax paid	23	(20,614,017)	(10,041,995)
<b>Net cash flows used in operating activities</b>		<b>(360,828,043)</b>	<b>(246,790,211)</b>
<b>Cash flows used in investing activities</b>			
Purchase of financial assets at fair value through statement of income - net	8	(1,408,221)	-
Purchase of financial assets at fair value through other comprehensive income - net	9	(62,909,235)	(45,460,745)
Maturity financial assets at fair value through other comprehensive income	9	453,707	-
Purchase of financial assets at fair value through quasi-equity - net	10	(17,756,633)	(52,614,699)
Maturity of financial assets at fair value through quasi-equity - net	10	66,218,416	54,173,404
Purchase of financial assets at amortized cost - net	11	(141,800,000)	(119,852,000)
Purchase of intangible assets	17	(1,737,750)	(690,038)
Purchase of property and equipment & payments on purchase of property, equipment and projects under progress	16	(3,794,786)	(4,038,066)
Proceeds from sale of property and equipment		12,242	46,855
Proceeds from sale of seized assets by the bank against debts		28,389,374	1,420,518
Net Increase in International Wakala Investments		(28,367,380)	(132,312,726)
<b>Net cash flows used in investing activities</b>		<b>(162,700,266)</b>	<b>(299,327,497)</b>
<b>Cash Flows from Financing Activities</b>			
Unrestricted investment accounts		541,744,722	519,890,854
Paid from lease liabilities	51	(2,369,659)	(2,104,296)
Capital increase fees		(200,108)	(150,113)
<b>Net cash flows from financing activities</b>		<b>539,174,955</b>	<b>517,636,445</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>15,646,646</b>	<b>(28,481,263)</b>
Cash and cash equivalents at beginning of the year		230,837,647	259,318,910
<b>Cash and cash equivalents at end of the year</b>	49	<b>246,484,293</b>	<b>230,837,647</b>
<b>Non-cash transactions:</b>			
Transfer to property and equipment from Payments on purchases property, equipment and projects in progress	16	1,808,433	264,926
Financing transferred to off statement of financial position items or bad debts		2,575,239	-

The attached notes (1) to (63) form part of these consolidated financial statements and should be read with them.

SAFWA ISLAMIC BANK  
(A PUBLIC SHAREHOLDING LIMITED COMPANY)  
AMMAN-THE HASHEMITE KINGDOM OF JORDAN  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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**(1) GENERAL**

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

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

The Bank's authorized and paid-up capital is JD (150) million consisting of (150) million shares with a nominal value of one JD per share, on 24 April 2025, the General Assembly of Shareholders approved an increase in the Bank's capital from JD (120) million to JD (150) million, with 25% of the subscribed capital after obtaining the approval of the Central Bank of Jordan, the procedures for registering the Bank's capital increase shares were completed on 1 July 2025.

Etiihad Islamic Investment Company "the parent" owns 62.37% of the Bank's capital.

The consolidated financial statements were approved by the Bank's Board of Directors in their meeting No. (1/2026) held on 29 January 2026, are subject to the approval of the General Assembly of Shareholders.

The consolidated financial statements were read and reviewed by the Bank's Sharia Supervisory Board, in their meeting No. (1/2026) held on 29 January 2026, and the board issued its Shari'a report thereon.

**(2) BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION**

**(2-1) BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS**

The consolidated financial statements of the Bank and its subsidiary financed from the Bank's funds (the "Group") have been prepared in accordance with the financial accounting standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions ("AAOIFI"). In the absence of standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions related to the items of the consolidated financial statements, the International Financial Reporting Standards and their interpretations are applied in conformity with Sharia' standards until Islamic standards are issued for them.

The Bank complies with the applicable local laws and the instructions of the Central Bank of Jordan.

The consolidated financial statements are prepared on historical cost basis except for the financial assets at fair value through statement of income, financial assets at fair value through other comprehensive income, financial assets at fair value through quasi-equity and investments in real estate which are presented at fair value at the date of the consolidated financial statements

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

## **(2-2) BASIS OF CONSOLIDATION OF THE FINANCIAL STATEMENTS**

The consolidated financial statements comprise of the financial statements of the Bank and its subsidiary which is financed by the Bank's Self Funds where the Bank has control to govern the operational and financial policies of the subsidiary to obtain benefits from their activities. All intra-company balances, transactions, revenues and expenses between the Bank and its subsidiary are eliminated.

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

The results of the operations of the subsidiary are consolidated in the consolidated statement of income and other comprehensive income from the date of its acquisition, which is the date on which the bank's control is effectively transferred to its subsidiary, and the results of the operations of the subsidiary that were disposed of are consolidated in the consolidated statement of income and other comprehensive income until the date of disposal, which is the date in which the bank loses control of its subsidiary.

The subsidiary owned by the Bank as at 31 December 2025 is as follows:

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

When preparing the separate financial statements for the Bank as an independent entity, investments in subsidiary are shown at cost or net proceeds value in case of liquidation.

Control is achieved when the Bank:

- Has the ability to control the investee.
- Is subject to variable returns or has the right to variable returns arising from its association with the investee; and
- Has the ability to use its power to influence the returns of the investee.

The Bank re-assesses whether it controls the investee companies or whether the facts and circumstances indicate that there are changes to one or more control check points referred to above.

If the voting rights of the Bank are less than the majority of voting rights in any of the investee companies, it shall have the power to control when the voting rights suffice to grant the Bank the ability to direct the activities of the related subsidiary unilaterally. The Bank takes into consideration all the facts and circumstances when assessing whether the



Bank has voting rights in the investee so as to grant it the ability to control or not. Among these facts and circumstances are the following:

- The volume of voting rights owned by the Bank in relation to the volume and distribution of other voting right;
- Potential voting rights held by the Bank and any other voting rights holders or third parties;
- Rights arising from other contractual arrangements;
- Any additional facts and circumstances indicating that the Bank has or does not have current responsibility for directing relevant activities at the time of making the required decisions, including how to vote at previous General Assembly meetings.

When the Bank loses control over any of its subsidiaries, the Bank:

- Derecognizes the assets of the subsidiary (including goodwill) and liabilities;
- Derecognizes the carrying amount of any uncontrolled interest;
- Derecognizes the cumulative transfer differences recognized in equity;
- Derecognizes the fair value of the consideration received;
- Derecognizes the fair value of any investment held;
- Derecognizes the surplus or deficit in the statement of income.
- Reclassifies the equity of the previously restricted bank in other comprehensive income to the statement of Profit or loss or retained earnings, as appropriate.

Non-controlling interests if any represent the portion not owned by the Bank in the equity of the subsidiaries.

### **(2-3) CHANGES IN ACCOUNTING POLICIES**

The accounting policies used in the preparation of the consolidated financial statements are consistent with those used in the preparation of the consolidated financial statements for the year ended 31 December 2024 except for the impact of the application of the following standards:

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

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

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

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

The Accounting and Auditing Organization for Islamic Financial Institutions issued Financial Accounting Standard No. (43) in 2022. This standard replaces Financial Accounting Standard No. (13) "Disclosure of the Basis for Determining and

Allocation of Surplus or Deficit in Islamic Insurance Companies”. This standard addresses the principles of recognition and measurement of Takaful arrangements and related transactions. The standard should be read in conjunction with Financial Accounting Standard No. (42) “Presentation and Disclosures in the Financial Statements of Takaful Institutions”.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

The Accounting and Auditing Organization for Islamic Financial Institutions issued Financial Accounting Standard No. (50) in 2024. This standard replaces Financial Accounting Standard No. (14) “Investment Funds”. The standard sets out the principles of financial reporting that apply to Islamic investment institutions and focuses specifically on achieving consistency and providing a unified basis for the format and content of financial statements for Islamic investment institutions. It also sets out the general requirements for presentation and the minimum content and recommended structure of their financial statements to enhance true and fair presentation in accordance with the principles and provisions of Sharia. This standard is effective for financial reporting periods beginning on or after 1 January 2027. The standard will be applied from 1 January 2027 and is not expected to have a material impact on the Group upon its application.

### **Financial Accounting Standard No. (51) – Participatory Ventures**

The Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) has issued Financial Accounting Standard No. (51), which supersedes Financial Accounting Standard No. (4) “Musharakah Financing” and Financial Accounting Standard No. (3) “Mudarabah Financing.”

This standard establishes the accounting principles and financial reporting requirements for participatory venture. It applies to the accounting and financial reporting by investors, managing partners, as well as the participatory venture themselves, in respect of all participatory venture arrangements falling within its scope, including those involving equity or quasi-equity interests.

The standard will become effective on 1 January 2027, and it is not expected to have a material impact on the Group upon adoption.

### **Financial Accounting Standard No. (52) – Deferred Delivery Sales - Salam and Istisna**

The Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) has issued Financial Accounting Standard No. (52). This standard establishes the accounting principles and financial reporting requirements relating to deferred delivery sales transactions, including Salam and Istisna arrangements, covering recognition, measurement, presentation, and disclosure.

This standard applies to the accounting and financial reporting of deferred delivery sales transactions executed in accordance with the rules and principles of Shariah, by Islamic financial institutions and other entities applying the Financial Accounting Standards issued by AAOIFI. It applies to both sellers and purchasers, except for Istisna transactions that are specifically excluded from the scope of application under the provisions of this standard.

The standard will become effective on 1 January 2027, and it is not expected to have a material impact on the Group upon adoption.

### **Segments information**

A business is a group of assets and operations that jointly engage in the rendering of products or services subject to risks and rewards different from those of other business segments, and which are measured according to reports used by the chief executive officer and the main decision maker of the Bank. A geographical segment is associated with the provision

of products or services in a specific economic environment subject to risks and rewards that differ from those of segments operating in other economic environments.

**The basis for the distribution of joint investment profits between shareholders' equity and holders of joint investment accounts**

The combined return on investment of equity holders and holders of joint investment accounts for the year 2025 was distributed as follows:

	<b><u>Percentage</u></b>
Share of joint investment account holders	67%
Share of shareholders' equity	33%

The Joint Investment Accounts shall participate in the results of the investment profits, and shall be distributed to the depositors each according to their participation rate, taking into consideration the weights of the concerned joint investment accounts and the terms of the account signed between the Bank and the depositor.

The weights of the joint investment accounts are as follows:

- From 11% to 50% of the lowest balance of savings accounts in Jordanian Dinars.
- From 14% to 35% of the lowest balance of savings accounts in foreign currencies.
- From 58% to 97% of the average balance of Jordanian Dinars term accounts.
- From 18% to 61% of the average balance of foreign currency term accounts.
- From 90% to 97% of the average balance of the certificates of deposit in Jordanian Dinars.
- From 80% to 85% of the average balance of the certificates of deposit in foreign currencies.

The Bank shall bear all administrative expenses except for the advertising and marketing expenses of the products. The insurance expenses of the Ijarah Muntahia Bittamleek assets are incurred in the joint investment pool.

The Bank combines (mixes) its funds and any other funds (which were not received by the Bank on the basis of Mudaraba contract) in the Joint Investment Accounts.

**Priority Investment / Equal Investment Opportunities and Profit Sharing:**

The principle of equal investment opportunities is applied to the shareholders' funds and the funds of the investment account holders in the joint Mudaraba. The Bank's own investments are presented in separate accounts from investments through the rights of the Joint Investment Accounts holders' equity.

Moreover, the joint investment accounts shall share in the results of the investment profits, which shall distribute to the holders of the joint investment accounts according to their participation rate, taking into account the weights of the respective investment accounts concerned and the terms of the account signed between the Bank and the depositor.

The weighting of the joint investment accounts proposed by the Bank's management is approved by the Bank's Shari'a Supervisory Board.

## **Zakah**

Zakah is the responsibility of the shareholders and unrestricted investment accounts holders. In this regard, the Bank is not directly and explicitly authorized to expend it, nor is there a law for its collection. In addition, the Bank's Articles of Association do not prescribe it, nor the General Assembly's decisions do not specify it. There is no related authorization by the shareholders either. Therefore, the shareholders and the unrestricted investment accounts holder shall pay zakat on their shares and funds if the Shari'a conditions and rules are fulfilled.

## **Revenue, gains, expenses and losses in violation of Islamic Shari'a**

The sums devolved to the bank from sources or by means that are inconsistent with the provisions and principles of Islamic Sharia are set aside to the charity account within the other credit balances in the consolidated balance sheet, to be disbursed for charitable causes in accordance with what is decided by the Sharia supervisory board in the bank.

## **Deferred sales receivable**

### **Murabaha contracts:**

**Murabaha:** is selling commodity for the same purchase plus an agreed predetermined profit margin computed based on a percentage of the price or fixed amount, and it represent one of Boy'ou Amanah types that depend on disclosing the purchase price or cost.

**Murabaha to the purchase order:** it is the sale of an asset by the Bank to its client (the purchase order) with a specific increase in the asset's price or cost after determining the increase (Murabaha profit in the promise).

The Bank applies the principle of making the promise in Murabaha transactions to the buying manager in accordance with the standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions.

Deferred sales revenue is recognized when the transaction is executed (which paid in one installment after the current financial period or paid in installments over subsequent financial periods). Revenue is allocated to future financial periods for each period, irrespective of whether cash has been paid cash or not.

Deferred sales receivables are recognized when they occur at their nominal value and are measured at the end of the financial period on the basis of net realizable value.

At the end of the financial period, finance assets are carried at cost or at the expected recoverable cash value, whichever is lower.

Deferred sales revenue which was granted to non-performing customers is suspended in accordance with the instructions of the Central Bank of Jordan.

Deferred sales receivable and funds financed from the joint investment accounts are written off in case of the measures taken to collect them are ineffective which will be written off against the joint provisions and suspended profits (if any), the proceeds from the joint provisions (if any) previously written off are transferred to the common pool profits (presented in the Consolidated statement of income and other comprehensive income). On the other hand, deferred sales receivable and financing from the Bank's self-funds for which there is an impairment provision are written off in case the measures for their collection are ineffective. In this respect, they are deducted from the self-provisions and suspended profits (if any), and any provision surplus is transferred to the consolidated statement of income and other

comprehensive income/ Prior funding is written off to income, any shortage will be recorded on the consolidated statement of income and other comprehensive income.

### **Financial instruments**

#### **Initial recognition and measurement:**

Financial assets and liabilities are recognized in the Bank's consolidated statement of financial position when the Bank becomes a party to the contractual provisions of the instrument. Moreover, funds are recognized to customers since they are credited to the customer's accounts.

Financial assets and financial liabilities are measured initially at fair value, transaction costs directly attributable to the acquisition or issuance of financial assets and liabilities, and are added to the fair value of the financial asset or financial liability or, where appropriate, deducted from the financial asset at initial recognition. Furthermore, transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through Profit or loss are recognized directly in the consolidated statement of income and other comprehensive income.

### **Financial assets**

#### **Initial recognition and measurement:**

All financial assets are recognized on the trade date when the purchase or sale of a financial asset under a contract that requires the delivery of the financial asset within a time frame determined by the relevant market and is initially measured at fair value plus transaction costs except for those financial assets designated at fair value through statements of income. Transaction costs directly attributable to the acquisition of financial assets designated at fair value through statements of income are recognized in the consolidated statement of income and other comprehensive income.

#### **Subsequent measurement:**

The measurement of all recognized financial assets that fall within the scope of AAOIFI (33) is subsequently carried at amortized cost or fair value based on the entity's business model for managing financial assets and contractual cash flow characteristics of financial assets.

Specifically:

- Finance instruments held in a business model intended to collect contractual cash flows that have contractual cash flows and are subsequently measured at amortized cost.
- All other financing instruments, such as:
  - Financial assets managed on a fair value basis through quasi-equity are measured at fair value through quasi-equity.
  - Financial assets at fair value through other statement of comprehensive income-self are subsequently measured at statement of comprehensive income.
  - Financial assets at fair value through the statement of income are subsequently measured at fair value through the statement of income.

### **Evaluation of the business model**

An assessment of the business model for managing the financial assets is essential for their classification. The Bank defines a business model at a level that reflects how the groups of financial assets are managed together to achieve a particular business objective. Moreover, the Bank's business model does not rely on management intentions in relation

to an individual instrument, and therefore the business model is assessed at a group level and not on an instrument-by-instrument basis.

The Bank adopts a business model to manage its financial instruments that reflects how the Bank manages its financial assets in order to generate cash flows. In addition, the Bank's business model determines whether cash flows will result from the collection of contractual cash flows or the sale of financial assets or both.

The Bank also takes into consideration all relevant information available when conducting an evaluation of the business model. However, this assessment is not made on the basis of scenarios that the Bank does not reasonably expect, such as the so-called "worst case" or "stress" scenarios. Furthermore, the Bank takes into account all relevant evidence available, such as:

- The stated policies and objectives of the portfolio and the application of those policies whether the management strategy focuses on obtaining contractual revenues, maintaining a specific profit rate, matching the period of financial assets with the period of financial liabilities that finance those assets, or achieving cash flows through the sale of assets;
- How to evaluate the performance of the business model and financial assets held in this business model and to report to key management personnel;
- Risks affecting the performance of the business model (and the financial assets of that model), in particular, the manner in which such risks are managed; and
- How to compensate business managers (for example, whether compensation is based on the fair value of the assets managed or on the contractual cash flows received).

Upon initial recognition of a financial instrument, the Bank determines whether the newly recognized financial asset is part of its existing business model or whether it reflects the beginning of a new business model. In this respect, the Bank evaluates its business model for each reporting period to determine whether the business model needs to be changed from the prior year.

When the sukuk measured at fair value through comprehensive income are derecognized, the cumulative gain / loss previously recognized in other comprehensive income in shareholders equity is reclassified to the consolidated statement of income. On the other hand, for equity investments measured at fair value through shareholders' equity, the cumulative gain / loss previously recognized in other comprehensive income is not subsequently reclassified to the consolidated statement of income but transferred directly to the statement of shareholders equity in retained earnings item.

In respect of Sukuk and equity instruments within joint investments, when these financial assets are derecognized which are measured at fair value through the quasi equity, the cumulative gain / loss previously recognized in the fair value reserve - joint in the quasi equity is reclassified to the consolidated statement of income and other comprehensive income.

#### **Reclassification**

If the business model in which the Bank retains financial assets is reclassified, the financial assets that have been affected are reclassified. The classification and measurement requirements relating to the new class are effective from the first day of the first reporting period after the change in the business model resulting in the reclassification of the Bank's



financial assets. Moreover, the changes in contractual cash flows are considered. The accounting policy framework for the adjustment and disposal of financial assets is described below:

**Financial assets at fair value through the statement of income**

Financial assets at fair value through the statement of income are:

- Assets with contractual cash flows that are not payments on assets and returns on the principal outstanding amount; or / and
- Assets held in a business model other than those held to collect contractual cash flows or held for collection and sale; or.

These assets are measured at fair value any gain/loss arising on remeasurement recognized in the consolidated statement of income and other comprehensive income.

**Financial assets at fair value through other comprehensive income**

These assets represent investments in equity instruments and sukuk instruments financed from the Bank's self funds for the purpose of maintaining them over the long term.

These assets are recognized at fair value, plus acquisition expenses, and subsequently revalued at fair value. The change in fair value is included in the fair value reserve under shareholders' equity.

In case of sale of these assets or part thereof, the resulting gain or loss is recognized in retained earnings within shareholders' equity.

Gains and losses arising from foreign exchange differences on these assets, if any, are recognized in the fair value reserve in shareholders' equity- self financed.

**Financial assets at fair value through quasi-equity**

These assets represent investments in equity and (Sukuk) instruments financed from the joint investment accounts for the purpose of maintaining them over the long term.

These assets are recognized at fair value, plus acquisition costs, and are subsequently revalued at fair value. The change in fair value under fair value reserve is shown in quasi-equity.

The impairment loss previously recognized in the consolidated statement of income and other comprehensive income can be reversed if it is objectively determined that the increase in fair value occurred in a subsequent period to record impairment losses through the fair value reserve that is reflected in quasi-equity.

As the quasi-equity on a continuous joint Mudaraba basis are characterized by a discontinuity at the beginning and end of the deposits in the accounts, the profit of the deferred operations over subsequent periods is distributed over the entire term of maturity and proportionality with each period.

Gains and losses arising from the foreign currency translation differences of these assets, if any, are recognized in the fair value reserve within quasi-equity.

Financial assets for which fair value cannot be reliably measured are stated at cost. Impairment test of these assets is carried out at the end of each financial period, and any impairment is recognized in the consolidated statement of income and other comprehensive income. And the impairment loss can't be retrieved on subsequent periods.

#### **Financial assets at amortized cost**

These are the financial assets that the Bank's management, in accordance with its business model, intends to maintain to collect contractual cash flows that represent fixed or determinable payments to the capital and profits of such assets.

These assets are recognized at cost, plus acquisition costs, and are revalued at the end of the current period using the effective profit rate method. Moreover, any gain or loss arising from amortization is recognized in the consolidated statement of income and other comprehensive income and comprehensive income. Additionally, any expected credit losses regarding self-financed instruments are recognized in the consolidated statement of income and other comprehensive income. As for joint investments, the calculated expected credit losses are recognized in the consolidated statement of income and other comprehensive income joint investment pool.

The amount of impairment in value for these assets represents the difference between the carrying amount and the present value of the expected cash flows calculated on the basis of the original effective profit rate and any impairment provisions.

#### **Gain and loss on sale, purchase and valuation of foreign currencies**

Transactions in foreign currencies are recorded during the year at the rates prevailing at the transaction date (Trading).

The balances of financial assets and financial liabilities are translated at the average foreign exchange rates prevailing at the consolidated statement of financial position date, as announced by the Central Bank of Jordan.

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

Non-monetary assets and non-monetary liabilities denominated in foreign currencies at fair value are translated on the date when the fair value is determined.

Foreign exchange gains and losses are recognized in the consolidated statement of income and other comprehensive income.

Translation differences on non-monetary assets and liabilities in foreign currencies (such as shares) are recorded in the fair value reserve self within the shareholders equity of the financial assets financed by the Bank's own funds and within the fair value reserve ( quasi-equity).

#### **Lease contracts**

The Bank applied the Islamic Financial Accounting Standard No. (32) "Ijara and Ijara Muntahia Bittamleek" which defines the principles relating to of recognition, classification, measurement and About the different types of rent as a landlord and tenant and Ijara Muntahia Bitamlik.

### The Bank as a lessee

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

The lease obligation is initially measured at the present value of the lease payments that were not paid on the start date of the lease contract, deducted using the additional financing rate.

The lease payments included in the rental obligation measurement include as follow:

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

Lease obligations are presented as a separate line item in the consolidated statement of financial position.

Lease obligations are subsequently measured by increasing the carrying amount to reflect the costs of the additional financing over the lease obligations (using the incremental cost of financing method) and by reducing the carrying amount to reflect the paid rental payments.

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

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

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

Right of use assets are presented as a separate line item in the consolidated statement of financial position.

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

Variable rents that are not dependent on an index or rate are not included in the measurement of lease obligations and right of use assets. The related payments are recognized as an expense in the period in which the event or condition that leads to these payments occurs and are included in the statement of income and the comprehensive statement of income.

#### The Bank as a lessor

The bank enters into leases as a lessor in relation to some of its investment properties.

Lease contracts in which the bank is leased are classified as finance or operating leases. In the event that the terms of the lease contract transfer all risks and benefits of ownership to the lessee, the contract is classified as a finance lease and all other leases are classified as operating leases.

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

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

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

#### Investment in an associate

An associate is a company in which the Bank exercises effective influence over its financial and operating policy decisions, and which is not held for trading. In this respect, the investments in the associate are accounted for using the equity method.

Investments in the associate are included in the consolidated statement of financial position at cost, in addition to the Bank's share of changes in the net assets of the associate. Goodwill arising on investment in an associate is recognized as part of the investment account of the associate and is not amortized. The Bank's share of the associate's income is recognized in the consolidated statement of income and other comprehensive income. If there is a change in the equity of the associate, such a change is recognized in the statement of changes in shareholders' equity. Gains and losses arising from transactions between the Bank and the associate are eliminated to the extent of the Bank's interest in the associate company.

In the separate financial statements of the Bank as an independent entity, investments in the associate are stated at cost.

#### Ijara and Ijara Muntahia Bittamleek

Ijara is ownership of the benefit of return and is divided into:

**Operating Ijara:** is an Ijara contract that does not end up with transfer of ownership of leased assets to the lessee.

**Ijarah Muntahia Bittamleek:** Ijarah which ends with the lessee owning the leased assets and taking several types as stated in the Ijara and Ijarah Muntahia Bittamleek standard No. (32) issued by the Accounting and Auditing Organization for Financial and Islamic Institutions.

Assets acquired for the purpose of leasing are measured at historical cost, including direct expenses, to make them usable. The leased assets are depreciated in accordance with the Bank's depreciation policy.

When the recoverable amount of any asset acquired for Ijarah is less than its net carrying amount, the amount is reduced to the recoverable amount, and the impairment loss is recognized in the Consolidated statement of income and other comprehensive income.

The income of Ijarah shall be distributed in proportion to the financial periods covered by the lease contract. Basic insurance and maintenance expenses of leased assets are recognized in the financial year in which they arise.

### **Transfer of assets**

Any transfers of tangible and financial assets made between the assets financed from the joint investment accounts, shareholders' equity, restricted investment accounts, investment funds, conversion bases and accounting policies adopted for this purpose shall be disclosed. Disclosure shall also be made of the related financial effect, balances of any assets transferred to the beginning of the financial year, changes that occurred during the financial year, and the balance at the end of the year.

All transfers to related parties are disclosed, and description is made of the nature of the relationship, type of transactions carried out, and total value of the operations at the beginning and end of the financial period, indicating the financial implications.

The Bank's bases for asset valuation are disclosed when transfers are made.

Differences resulting from foreign currency transactions and financial implications are also disclosed.

The nature and terms of the transferred assets are disclosed as to whether they are separable, and any related provisions are disclosed as well.

The reasons and principles governing the transfer of assets between different investment accounts are disclosed.

Obligations and restrictions required by the contractual relationship between investment account holders and equity holders, if any, are disclosed.

### **Profit equalization reserve**

This reserve is created / set up with a view to allocate appropriate and competitive rates of return to the Joint/Restricted Investment Account holders and to the shareholders in the event of exceptional circumstances and sharp fluctuations in the markets that actually make the actual profit rates less than what the holders of the Joint Investment Accounts expect. The same applies to the Bank's shareholders. This reserve is established based on the pre-approval of the Shari'a Supervisory Board and approval of the unrestricted investment accounts holders' equity.

This reserve shall be allocated to the share of the profits of the holders of the Joint Investment Accounts holders' equity and the shareholders equity before the deduction of Mudarib's share. The balance available in the reserve account shall

be invested in the aggregated joint money account. The profits from the investment shall be credited to the reserve account.

If the balance in the profit equalization reserve account is insufficient to meet the competition, the shareholders may give part of their share of profits to the holders of the joint investment accounts as a donation.

The bank abides by what is stated in the Financial Accounting Standard No. (35) "Risk Reserve" issued by the Accounting and Auditing Organization for Islamic Financial Institutions when there is a need to create/compose a profit rate reserve.

The profit equalization reserve is transferred to the shareholders and unrestricted investment accounts holders' equity each according to its share of the deduction.

### **Fair value of financial assets**

Fair value is defined as the price at which an asset should be sold or paid to convert any of the liabilities in a structured transaction between the market participants on the measurement date, irrespective of whether the price can be realized directly or it is estimated using another valuation technique. When estimating the fair value of an asset or liability, the Bank takes into consideration, upon determining the price of any asset or liability, whether market participants are required to take these factors into account at the measurement date. The fair value for the purposes of measurement and / or disclosure is determined for these financial statements on the same basis.

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

- Input Level (1) inputs are induced inputs derived from quoted (unadjusted) prices of identical assets or liabilities in active markets that an enterprise can obtain on the measurement date;
- Input Level (2) inputs are induced inputs derived from data other than quoted prices used at level (1) and observable for assets or liabilities, either directly or indirectly;
- Input Level (3) inputs are induced inputs to assets or liabilities that are not based on observable market prices.

### **Impairment of financial assets**

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

The expected credit losses provisions are calculated on the following financial instruments:

- International wakala agencies
- Direct credit financing (self and joint).
- Al Qard Al Hasan (self)
- (Sukuk) within financial assets at amortized cost.

- (Sukuk) within financial assets at fair value through other comprehensive income-self.
- (Sukuk) within financial assets at fair value through quasi-equity – joint
- Off-balance sheet exposures subject to credit risk (self and joint).

No impairment loss is recognized in equity instruments.

The expected credit losses should be measured through an impairment provision equivalent of:

- The expected (12) -month credit losses, or, the expected life of the expected credit losses resulting from those default events on financial instruments that can be achieved within (12) months after the reporting date, referred to as stage one, or
- Expected life time credit loss, life of expected credit losses arising from all possible default events over the life the financial instrument referred to the stage two and stage three.

A provision for the expected credit loss over the life of a financial instrument is required if the credit risk on that instrument increases substantially since initial recognition.

For all other financial instruments, the expected credit loss is measured at an amount equal to the expected credit loss for a period of (12) months.

The expected credit losses are a possible weighted estimate of the present value of the credit loss. This value is measured as the present value of the difference between the cash flows due to the Bank under the contract and the cash flows that the Group is expected to receive arising from the weighting of several future economic scenarios, discounted at the effective yield rate of the asset.

For unutilized limits, the expected credit losses are the difference between the present value of the difference between the contractual cash flows payable to the Bank, if the borrower withdraws the financing, and cash flows that the Group expects to receive, if the financing is utilized; and The Group measures the expected credit losses on an individual basis or on a collective basis for funding that shares the characteristics of similar economic risks. The measurement of the provision for loss is based on the present value of the expected cash flows of the asset using the original effective rate of return of the asset, irrespective of whether it is measured on an individual or collective basis.

### **Credit-impaired financial assets**

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

- The debtor is facing significant financial difficulties (severe weakness in the financial statements).
- Non-compliance with contractual conditions, such as the existence of dues equal to or greater than (90) days.
- The existence of clear indicators indicating the imminent bankruptcy of the debtor.
- Lack of an active market for a financial instrument due to financial difficulties faced by the debtor (source of credit exposure/non-cash debt instrument).

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

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

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

#### **Definition of default on payment**

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

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

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

#### **Significant increase in credit risk**

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

The Bank does not consider financial assets with "low" credit risk at the reporting date if they have not been exposed to a significant increase in credit risk. As a result, the bank monitors all financial assets and liabilities of financing issued and financial guarantees contracts that are subject to impairment for the significant increase in credit risk.

In assessing whether the credit risk on a financial instrument has increased substantially since initial recognition, the group compares the risk of default of the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of default for the remaining maturity period at the date of the current report when the financial instrument is recognized for the first time. In the assessment process, the Bank considers both quantitative and



qualitative information that is reasonable and reliable, including historical experience and future information available at no cost or undue effort, based on the Group's historical experience and the assessment of the credit expert, including future information.

Multiple economic scenarios represent the basis for determining the probability of default on initial recognition and subsequent reporting dates. Various economic scenarios will result in a different probability of default. The weighting of the different scenarios is the basis of the weighted average probability of default that is used to determine whether the credit risk has increased significantly.

The qualitative factors that indicate a marked increase in credit risk are reflected in the probability of default models at the appropriate time. However, the Bank is still looking separately at some qualitative factors to assess whether the credit risk has increased significantly. With regard to corporate finance, there is a particular focus on the assets included in the "watch list" where exposure is included in the watch list when there are concerns about the deterioration of credit worthiness. With regard to individual financing, the Bank takes into account expectations of the non-payment periods and defaults, and signs of low credit.

The Bank uses the same methodologies and data used to measure expected credit loss provisions. Since the significant increase in credit risk since the initial recognition is a relative measure, a specific change, in absolute terms, in the probability of non-payment will be more important to a financial instrument with a lower initial non-payment probability compared to a financial instrument with a higher non-payment probability.

As a safety valve when an asset's maturity exceeds more than (30) days, the group considers that a significant increase in credit risk has occurred, and the asset is in the second stage of the impairment model, meaning that the loss provision is measured as a credit loss for life expectancy.

#### **Presentation of provision for expected credit loss in the consolidated statement of financial position**

The expected credit loss provisions are presented in the consolidated statement of financial position as follows:

For joint financial assets: as a deduction from the total value of the net assets.

Direct and indirect financing – Self: The provision for credit losses is recognized as a deduction from the balance of self-financing, and off-balance sheet items are presented in other liabilities.

Direct and indirect financing – Joint: The provision for credit losses is recognized as a deduction from the balance of joint financing, and off-balance sheet items are presented in other liabilities.

#### **Write-off**

Financial assets are derecognized when there is no reasonable expectation of recovery, such as a client's failure to participate in a payment plan with the Group. The group classifies funds or amounts due to be written off after all possible payment methods have been exhausted. However, if the financing or receivables are written off, the Group continues its enforcement activity to attempt to recover the receivable, which is recognized in the consolidated statement of income and other comprehensive income upon recovery.

### **Investments in real estate**

It is the acquisition of real estate or land or part of it for the purpose of obtaining periodic income or the purpose of anticipating an increase in its future value or for both.

Investments in real estate are recorded at cost and include expenditures whose origin can be directly determined, and subsequent measurements of these investments are done at fair value. Unrealized profits resulting from the change in the fair value of investment in real estate are directly recognized in owner's equity under the category of fair value reserve for investments, taking into account the separation between owner's equity and what is related to investment account holders, and unrealized losses resulting from the re-evaluation of the fair value of investments in real estate must be adjusted to the extent that the balance of that reserve permits, and in the event that unrealized losses exceed the reserve balance, what exceeds the reserve balance shall be recorded in the income statement Under the item unrealized losses from the valuation of investments in real estate, taking into account the ownership of the funds invested in the real estate.

In the event that there are unrealized losses that were proven in a previous financial period and evaluation profits (unrealized) occurred in a subsequent financial period, then these profits are recorded in the income statement to the extent that equals the unrealized losses that were recorded in the previous financial periods in the income statement and any surplus in this profit is added to the fair value reserve for investments in real estate.

Periodic income from investments in real estate is recognized in the consolidate income statement according to accrual, taking into account the ownership of the funds invested in real estate.

Maintenance costs for investments in real estate are recorded in the consolidate income statement upon incurring them, taking into account the ownership of the money invested in real estate.

### **Property and equipment**

Property and equipment are stated at cost less accumulated depreciation and any impairment in value. Property and equipment (excluding lands) are depreciated when they are ready to be used on a straight-line basis over the estimated useful life using the following annual rates:

<b><u>Item</u></b>	<b><u>Annual depreciation rate</u></b>
Buildings	2%
Equipment, device and furniture	15%
Vehicles	15%
Computers	20%
Others	4% - 10%

Where the estimated recoverable amount of any property and equipment is less than its net carrying amount, the carrying amount of the asset and equipment is written down to its recoverable amount, and the amount of impairment is recognized in the consolidated statement of income and other comprehensive income.

The useful life of property and equipment is reviewed at the end of each year. If the expected useful life is different from the previous estimates, the change in estimate for subsequent years is recorded as a change in estimates.

Property and equipment are derecognized upon disposal or when no future benefits are expected to arise from its use or disposal.

### **Intangible assets**

Intangible assets are classified on the basis of their estimated useful lives for a specified period or unspecified period. Intangible assets with a finite useful life are amortized over a period of up to four years, and the amortization is recognized in the consolidated statement of income and other comprehensive income. Intangible assets with an indefinite useful life are reviewed for impairment at the consolidated statement of financial position date, and any impairment loss is recognized in the consolidated statement of income and other comprehensive income.

Intangible assets arising from the Bank's business are not capitalized and are recognized in the consolidated statement of income and other comprehensive income for the same period.

Any indications of impairment of intangible assets are reviewed at the date of consolidated statement of financial position date. The life of the asset is reviewed, and any adjustments are made in the subsequent periods.

The amortization rate for the group's intangible assets item is as follows:

Computer's systems & Software	20%
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### **Impairment in non-financial assets:**

The carrying value of the Group's non-financial assets is reviewed at the end of each fiscal year, except for the deferred tax assets, to determine whether there is an indication of impairment. In the event of an indication of impairment, the amount recoverable from those assets is estimated.

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

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

All impairment losses are recognized in the consolidated statement of Income and other comprehensive income.

### **Provisions**

Provisions are recognized when the Bank has obligations as of the date of the consolidated statement of financial position arising from past events, and the payment of the liability is probable and can be reliably measured.

### **Income tax**

Tax expenses represent amounts of accrued taxes and deferred taxes.

Due taxes are calculated based on taxable profits, which differ from those declared in the financial statements. In this regard, declared profits include non-taxable income or expenses not deductible in the fiscal year but deductible in subsequent years, deductible accumulated tax losses, or items not subject to tax or tax deductible.

The Bank deducts taxes and establishes a provision for income tax in accordance with Income Tax Law No. (34) of 2014 and IAS (12), which recognizes deferred taxes arising from time differences in the fair value reserve.

Deferred taxes are the taxes expected to be paid or recovered as a result of temporary timing differences between the value of the assets or liabilities in the consolidated financial statements and the amount on which the taxable profit is calculated. Deferred taxes are calculated using the method that complies with the consolidated statement of financial position, and they are calculated according to the tax rates expected to be applied when the tax liability is settled or deferred tax assets are realized. A rate of 38% was used to calculate deferred taxes for this year (35% tax rate, 3% national contribution rate), effective from 1 January 2019, to calculate deferred taxes in accordance with the Income Tax Law No. 38 of 2018. As such deferred taxes should be calculated according to the prescribed rate or expected rates for future years.

The balance of deferred tax assets is reviewed at the date of the consolidated financial statements, and is reduced in case that it is not probable that the tax asset will be fully or partially utilized.

### **Deposit guarantee**

On 1 April, 2019, a law amending the Deposit Insurance Corporation Law was issued, which included Islamic banks under the Deposit Insurance Corporation, noting that Islamic banks were not previously covered by the law, and the amended law stipulated that deposit accounts that fall within the bank's trust (credit accounts or the like, The part that does not participate in the profits from the joint investment accounts) entails fees for guaranteeing deposits and the bank bears from its own funds. As for the joint investment accounts, the owners of the joint investment accounts bear the participation fees for these accounts.

### **Offsetting**

Financial assets are offsetted against financial liabilities, and the net amount is recognized in the consolidated statement of financial position only when the legally binding rights are available and settled on an offsetting basis, or the asset is realized and the liability settled simultaneously.

### **Wakala Investment accounts**

The accounts managed by the Bank are represented by Wakala within a specific program with the Central Bank of Jordan. Funds invested in the Wakala are shown off-side the consolidated statement of financial position, and the Bank's share of the Wakala (gains) is included in the consolidated statement of income and other comprehensive income.

### **Realization of revenues and recognition of expenses**

Revenues and expenses are recognized on the accrual basis except for non-performing deferred sales revenue and financing which are recognized in the suspended revenue account.

### **Commission income and expenses**

Commissions are recognized as income, when the related services are provided, in the consolidated statement of income and other comprehensive income. Commissions are charged in respect of banking services and financing services when they are met.

### **Net trading income**

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

### **Dividend income**

Dividend income is recognized when the right to receive payment is established, which is the earlier date of the earnings per share and is usually the date on which the shareholders approve the dividend for unquoted equity.

Dividend distribution in the consolidated statement of income and other comprehensive income depends on the classification and measurement of equity investment, i.e.:

- With respect to equity instruments held for trading, dividend income is recognized in the consolidated statement of income and other comprehensive income and comprehensive within item gain (loss) on financial assets at fair value through statement of income; and
- For equity instruments classified at fair value through shareholders' equity, equity is recognized in the consolidated statement of income and other comprehensive income under the Bank's self-financed revenue; and
- For equity instruments that are not classified at fair value through shareholders equity - self and not held for trading, equity gains are recognized in the consolidated statement of income and other comprehensive income and consolidated comprehensive income under other income – self.
- With respect to equity instruments classified at fair value through the joint investment accounts holders' equity, the income from equity is included in the consolidated statement of income and other comprehensive income under profit from financial assets at fair value through unrestricted investment account holders' equity.

### **Cash and cash equivalents**

Cash and cash balances maturing within three months, including: cash and balances with the Central Bank of Jordan, balances with banks and financial institutions, and deposits of banks and financial institutions with maturities of three months and restricted balances.

### **(3) Significant accounting estimates and key sources of estimation uncertainty**

The preparation of the consolidated financial statements and the application of accounting policies require management to make estimates and judgments that affect the amounts of financial assets and liabilities and to disclose potential liabilities. These estimates and judgments also affect profit or loss, comprehensive income, equity and equity holders of joint investment accounts. In particular, the Bank's management is required to issue significant judgments to estimate the amounts and timing of future cash flows. These estimates are necessarily based on assumptions and multiple factors that have varying degrees of estimation and uncertainty and that the actual results may differ from the estimates as a result of changes resulting from the circumstances and circumstances of those estimates in the future.

Judgments, estimates, and assumptions are reviewed periodically. The effect of the change in estimates is recognized in the financial year in which the change occurs if the change affects only the financial year, and the effect of the change

in estimates is recognized in the financial year in which the change occurs and in future periods. In case the change affects the financial year and future financial periods.

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

### **Significant judgments in applying the bank's accounting policies**

#### **Evaluation of business model**

The classification and measurement of financial assets depends on the test results of the principal amount and profit payment on the principal outstanding and the business model test. The Group defines a business model at a level that reflects how the groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgment that reflects all relevant evidence, including how to assess the performance of the asset, measure its performance and the risks that affect the performance of the asset and how it is managed, and how the asset managers are compensated. The Group monitors financial assets measured at amortized cost or fair value through income - equity or fair value through the rights of the holders of the joint investment that have been derecognized before maturity to understand the reasons for derecognition and whether the reasons are consistent with the objective of the business being retained. The control is part of the Group's continuous assessment of whether the business model under which the remaining financial assets are retained is appropriate, and whether it is inappropriate if there is a change in the business model and therefore a future change is made in the classification of those assets.

#### **Significant increase in credit risk**

The expected credit loss is measured as an allowance equivalent to the expected credit loss of (12) months for the assets of stage (1), or the credit loss over the life of the assets of the stage (2) and (3). The asset transferred to the stage (2) if credit risk increases significantly since initial recognition. FAS (30) issued by the Accounting and Auditing Organization for Financial and Islamic Institutions. does not specify what constitutes a significant increase in credit risk. In assessing whether the credit risk of any asset has increased significantly, the group takes into account reasonable and reliable quantitative and qualitative information. The estimates and uses by the Group's management of the significant change in credit risk that result in a change in classification within the three stages (1, 2 and 3) are explained in detail in Note (52).

#### **Establishment of groups of assets with similar credit risk characteristics**

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

### Models and assumptions used

The Bank uses various models and assumptions in measuring the fair value of financial assets as well as in assessing the expected credit loss described in note (52). The judgment is applied when determining the best models for each type of asset, as well as for the assumptions used in those models, which include assumptions regarding the main drivers of credit risk.

### Extension and termination options in lease contracts

Extension and termination options are included in the number of leases, these conditions are used to increase operational flexibility in contract management. Most extension and termination options are exercisable by both the group and the lessor when determining the duration of a lease, management takes into consideration all facts and circumstances that create an economic incentive to exercise the option of extension or not to exercise the option of termination. Extension options (or periods following termination options) are only included in the term of the lease if the lease contract is reasonably confirmed to be extended (or not terminated). An assessment is reviewed if an important event or a significant change occurs in the circumstances affecting the valuation that are under the control of the lessee.

### Key sources of estimation uncertainty

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

### Impairment in value of seized assets by the bank against debt

Any impairment in value of the seized assets is recorded as a loss in the consolidated statement of income and other comprehensive income however, the increase in value is not recorded as revenue. Subsequent increase is recorded in the consolidated statement of income and other comprehensive income to the extent that it does not exceed the value of the decrease that has been previously recorded.

### The useful lives of tangible assets and intangible assets

The management periodically recalculates the useful lives of tangible assets and intangible assets for the purpose of calculating annual depreciation and amortization based on the general condition of these assets and estimated future useful lives. Moreover, impairment losses are recognized in the consolidated statement of income and other comprehensive income for the year.

### Income tax provision

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

### Legal Provisions

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

### Assets that are stated at cost

The management periodically reviews financial assets stated at cost to assess any impairment in their value, which is taken to the consolidated statement of income and other comprehensive income.

### Provision for expected credit losses

Banks management requires to use significant judgments and estimates to estimate the amounts and timing of future cash flows and to estimate the risks of an increase in credit risk for financial assets after initial recognition and future measurement information for expected credit losses.

Provisions against assets financed by quasi-equity (including provisions against sales receivables and joint financing) are charged to the profit of the joint investment pool, whereas provisions against assets financed by self pool (including provisions against sales receivables and self financing) are charged the consolidated statement of income and other comprehensive income.

Where provisions for expected credit losses were formed in accordance with FAS (30) in accordance with the instructions of the Central Bank of Jordan, whichever is stricter.

### The probability of default

It is the possibility of irregular payment, where the probability of default is measured for the purposes of calculating the expected credit loss for each stage of the instructions for the implement of Financial Accounting Standard No. (30) issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) based on historical data that reflects historical default rates in addition to stress testing scenarios related to macroeconomic indicators, where the bank has developed appropriate risk exposures, also the bank has reflected the global and local economic conditions on the probability of default (Macroeconomic Adjusted PD) to be as a basis in the process of calculating expected credit losses for the purpose of precaution and conservation.

### Loss given default

LGD is the magnitude of the likely loss if there is a default, which is calculated through a statistical model that analyzes historical payments of debt at the level of each portfolio. Where the loss is measured by assuming default for the purposes of calculating the expected credit loss for each of the stages according to the instructions for the implement of Financial Accounting Standard No. (30) issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) by calculating the recoverable value represented by the different guarantees (cars, real estate, cash insurance, land, machinery, equipment and vehicles) provided to the bank against the facilities granted and legally documented within the credit contracts through a conversion factor for each type of collateral, taking into account The timing of access to collateral and its conversion into cash (expected cash flow and timing).



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

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

Year	Basic scenario (Baseline)	Best scenario (Optimistic)	Worst case scenario (Pessimistic)
2025	70%	10%	20%
2026	65%	15%	20%
2027	60%	20%	20%
2028-2031	60%	20%	20%

**Fair value measurement and valuation procedures**

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

**Discount of lease payments**

Lease payments are discounted using the bank's average finance cost, where the administration has applied judgments and estimates to determine the average financing costs when the lease contract begins.

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

The details of this item are as follows:

	31 December	
	2025	2024
	JD	JD
Cash on vaults	31,454,847	34,126,657
<b>Balances at the Central Bank of Jordan:</b>		
Current accounts	82,030,530	99,935,812
Statutory cash reserve	130,607,151	110,478,554
<b>Total balances at the Central Bank of Jordan</b>	<b>212,637,681</b>	<b>210,414,366</b>
<b>Total</b>	<b>244,092,528</b>	<b>244,541,023</b>

- Except for the statutory cash reserve, there are no other restricted cash balances at the Central Bank of Jordan as at 31 December 2025 and 31 December 2024.
- Provision for expected credit losses has not been calculated on the balances at the Central Bank of Jordan , as they are exposures to the Jordanian government.

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

	Stage 1 (individual)	Stage 1 (individual)
	For the year ended	For the year ended
	31 December	31 December
	2025	2024
	JD	JD
Balance at the beginning of the year	210,414,366	228,651,162
New balances during the year	4,195,778	12,210,985
Settled balances	(1,972,463)	(30,447,781)
<b>Balance at the end of the year</b>	<b>212,637,681</b>	<b>210,414,366</b>

#### (5) BALANCES AT BANKS AND FINANCIAL INSTITUTIONS

The details of this item are as follows:

	Local banks and financial institutions		Foreign banks and financial institutions		Total	
	31 December		31 December		31 December	
	2025	2024	2025	2024	2025	2024
	JD	JD	JD	JD	JD	JD
Current and on demand accounts	1,724,594	1,130,382	18,231,726	15,710,726	19,956,320	16,841,108
<b>Total</b>	<b>1,724,594</b>	<b>1,130,382</b>	<b>18,231,726</b>	<b>15,710,726</b>	<b>19,956,320</b>	<b>16,841,108</b>

- There are no restricted cash balances at banks and financial institutions on which the bank receives returns as at 31 December 2025 and 31 December 2024.
- There are no balances with banks and banking institutions for which the bank charges returns as at 31 December 2025 and 31 December 2024.
- All balances have current accounts that use the bank's operations, and there is no need for calculating financial provisions for them according to Islamic Financial Accounting Standard No. (30).

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

	Stage 1 (individual)	Stage 1 (individual)
	For the year ended 31 December 2025	For the year ended 31 December 2024
	JD	JD
Balance at the beginning of the year	16,841,108	26,513,323
New balances during the year	1,360,614	884,057
Settled balances	(340,871)	(159,731)
Changes resulting from modifications	2,095,469	(10,396,541)
<b>Balance at the end of the year</b>	<b>19,956,320</b>	<b>16,841,108</b>

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

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

	Joint 31 December	
	2025	2024
	JD	JD
Matures:		
Within a month	185,626,138	150,468,333
From a month to three months	28,360,000	49,324,175
From three to six months	22,447,500	17,725,000
More than a year	9,451,250	-
<b>Total International Wakala Investments</b>	<b>245,884,888</b>	<b>217,517,508</b>
Less: Provision for expected credit losses for international wakala investment	(272,573)	(372,752)
<b>Net International Wakala Investments</b>	<b>245,612,315</b>	<b>217,144,756</b>

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

	31 December 2025				31 December 2024
Item	Stage 1 (Individual)	Stage 2 (Individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
<b>Total balance at the beginning of the year</b>	<b>217,517,508</b>	-	-	<b>217,517,508</b>	<b>85,204,782</b>
New balances and deposits during the year	245,884,888	-	-	245,884,888	217,517,508
Settled balances and deposits	(217,517,508)	-	-	(217,517,508)	(85,204,782)
<b>Total balance at the end of the year</b>	<b>245,884,888</b>	-	-	<b>245,884,888</b>	<b>217,517,508</b>

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

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

	For the year ended 31 December 2025				For the year ended 31 December 2024
Item	Stage 1 (Individual)	Stage 2 (Individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
<b>Total balance at the beginning of the year</b>	<b>372,752</b>	-	-	<b>372,752</b>	<b>73,463</b>
Impairment loss of new balances during the year	272,573	-	-	272,573	372,752
Recoverable from impairment loss on repaid balance and deposits	(372,752)	-	-	(372,752)	(73,463)
<b>Total balance at the end of the year</b>	<b>272,573</b>	-	-	<b>272,573</b>	<b>372,752</b>

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

The details of this item are as follows:

	Joint 31 December	
	2025	2024
	JD	JD
Islamic Sukuk quoted in financial market	1,466,896	-
<b>Total</b>	<b>1,466,896</b>	-

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

The details of this item are as follows:

	Joint		Self		Total	
	31 December		31 December		31 December	
	2025	2024	2025	2024	2025	2024
	JD	JD	JD	JD	JD	JD
<b>Individuals (retail)</b>						
Murabaha to the purchase orderer	536,862,198	517,383,206	2,518,651	2,224,346	539,380,849	519,607,552
Ijara Muntahia Bittamleek - receivables	5,306,813	3,510,405	1,150	-	5,307,963	3,510,405
Other receivables	12,149,190	11,092,616	12,905	20,391	12,162,095	11,113,007
<b>Real estate financing</b>	<b>15,822,254</b>	<b>18,028,346</b>	<b>-</b>	<b>-</b>	<b>15,822,254</b>	<b>18,028,346</b>
Ijara Muntahia Bittamleek - receivables	4,814,517	2,690,281	-	-	4,814,517	2,690,281
<b>Corporate</b>						
International Murabaha	42,032,160	28,838,192	-	-	42,032,160	28,838,192
Murabaha to the purchase orderer	693,461,856	514,081,207	-	-	693,461,856	514,081,207
Ijara Muntahia Bittamleek - receivables	1,298,037	1,010,419	-	-	1,298,037	1,010,419
Other receivables	126,114	-	18,799	58,147	144,913	58,147
<b>Small and medium enterprises</b>						
Murabaha to the purchase orderer	97,161,595	77,556,590	-	-	97,161,595	77,556,590
Other receivables	117,643	-	122,350	217,191	239,993	217,191
<b>Government and the public sector</b>	<b>882,239,703</b>	<b>677,660,096</b>	<b>-</b>	<b>-</b>	<b>882,239,703</b>	<b>677,660,096</b>
<b>Total</b>	<b>2,291,392,080</b>	<b>1,851,851,358</b>	<b>2,673,855</b>	<b>2,520,075</b>	<b>2,294,065,935</b>	<b>1,854,371,433</b>
Less: Deferred revenue	274,241,810	216,910,367	378,860	346,968	274,620,670	217,257,335
Suspended revenue	6,377,305	4,026,112	7,112	7,112	6,384,417	4,033,224
Provision for expected credit losses	118,005,117	92,583,143	24,884	32,353	118,030,001	92,615,496
<b>Net deferred sales receivable and other receivables</b>	<b>1,892,767,848</b>	<b>1,538,331,736</b>	<b>2,262,999</b>	<b>2,133,642</b>	<b>1,895,030,847</b>	<b>1,540,465,378</b>

- The non- performing deferred sales receivables, Ijara Muntahia Bittamleek receivables , other receivables , facilities and Al-Qard Al-Hasan amounted to JD 93,607,687 as at 31 December 2025, representing 3.99% of deferred sales receivables, Ijara Muntahia Bittamleek receivables, other receivables, facilities and Al-Qard Al-Hasan ( JD 75,554,035 as at 31 December 2024, representing 4.03% of deferred sales receivables, Ijara Muntahia Bittamleek receivables, other receivables, facilities and Al-Qard Al-Hasan).
- The non- performing deferred sales receivables , Ijara Muntahia Bittamleek receivables, other receivables , facilities and Al Qard Al Hasan after deducting suspended revenue amounted to JD 87,223,270 as at 31 December 2025, representing 3.72% of deferred sales receivables, Ijara Muntahia Bittamleek receivables , other receivables, facilities and Al Qard Al Hasan after deducting suspended revenue amounted ( JD 71,520,811 as at 31 December 2024, representing 3.82% of deferred sales receivables, Ijara Muntahia Bittamleek receivables, other receivables, facilities and Al Qard Al Hasan after deducting the suspended revenue).
- The non- performing and written off facilities facilities transferred to off consolidated financial position items, amounted to JD 2,575,239 as at 31 December 2025 , Moreover , these financing are fully covered with the suspended interests and provisions (There are no non-performing written off facilities or transferred to off- balance sheet items during the year ended 31 December 2024).
- The provision for impairment of the facilities , which is calculated based on the Central Bank of Jordan's Instructions No.(8/2024) in the (under supervision) portfolio amounted to JD 3,509,961 . Moreover, the provision for impairment office calculated based on the individual customer (non-performing) amounted to JD 69,684,357 as at 31 December 2025 ( JD 1,995,109 and JD 51,332,334 , respectively, as at 31 December 2024).
- The deferred sales receivables and other receivables and facilities granted to and guaranteed by the Government of the Hashemite Kingdom of Jordan amounted to JD 852,273,479 as at 31 December 2025 representing 36.29% of the balance of deferred sales receivables , other receivables and facilities JD 591,846,287 as at 31 December 2024, representing 31.54% of the balance of deferred sales receivables , Ijara Muntahia Bittamleek receivables, other receivables, facilities and Al-Qard Al-Hasan).

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

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

Item	31 December 2025						31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
<b>Total balance at the beginning of the year</b>	8,685,398	2,712,113	1,860,580	59,601	1,730,441	15,048,133	37,324,163
New facilities during the year	49,439,246	1,927,000	795,993	151,923	164,802	52,478,964	12,332,595
Settled facilities	(8,174,364)	(930,028)	(763,931)	(34,250)	(60,401)	(9,962,974)	(34,302,382)
Transfer to Stage 1	2,011	88	(1,911)	(66)	(122)	-	-
Transfer to Stage 2	-	(176)	-	574	(398)	-	-
Transfer to Stage 3	(342)	(55,375)	(3,466)	(25,246)	84,429	-	-
The total impact on the size of exposures as a result of changing the classification between stages	(1,330)	(43)	-	421	18,871	17,919	(34,646)
Changes resulting from modifications	(40)	(383,193)	(650,000)	(1)	(1,744)	(1,034,978)	(271,597)
Facilities transferred to off-balance sheet items or written off facilities	-	-	-	-	(13,620)	(13,620)	-
<b>Total balance at the end of the year</b>	<b>49,950,579</b>	<b>3,270,386</b>	<b>1,237,265</b>	<b>152,956</b>	<b>1,922,258</b>	<b>56,533,444</b>	<b>15,048,133</b>

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

Item	For the year ended 31 December 2025						For the year ended 31 December 2024
	Corporate	Small and medium enterprises	Individual (Retail)	Real estate finance	Government and the public sector	Total	Total
	JD	JD	JD	JD	JD	JD	JD
<b>Balance at the beginning of the year</b>	567,139	561,474	342,511	-	-	1,471,124	908,404
Impairment loss on new facilities during the year	399,739	40,239	74,780	-	-	514,758	681,796
Recoverable from the loss on settled facilities	(72,912)	(33,135)	(12,307)	-	-	(118,354)	(223,326)
Transfer to Stage 1	100	(4)	(420)	-	-	(324)	(80)
Transfer to Stage 2	(97)	240	(107)	-	-	36	17,704
Transfer to Stage 3	(3)	(236)	527	-	-	288	(17,624)
Effect on the provision as a result of the change in classification between the three stages during the year	10,414	15,713	63,291	-	-	89,418	(4,497)
Changes resulting from modifications	(1,410)	(30,877)	5,396	-	-	(26,891)	108,747
Facilities transferred to off-balance sheet items or written off facilities	(2,699)	-	(10,921)	-	-	(13,620)	-
<b>Total balance at the end of the year</b>	<b>900,271</b>	<b>553,414</b>	<b>462,750</b>	<b>-</b>	<b>-</b>	<b>1,916,435</b>	<b>1,471,124</b>
<b>Redistribution:</b>							
Provisions on an individual basis	900,271	551,519	444,188	-	-	1,895,978	1,457,672
Provisions at a collective basis	-	1,895	18,562	-	-	20,457	13,452

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

B- Joint

Item	31 December 2025						31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
<b>Total balance at the beginning of the year</b>	1,009,450,836	441,353,480	66,211,112	48,255,928	65,643,523	1,630,914,879	1,344,700,348
New facilities during the year	522,919,339	160,151,211	5,496,054	2,423,959	931,152	691,921,715	522,247,819
Settled facilities	(91,912,539)	(40,995,132)	(4,085,097)	(3,800,228)	(900,372)	(141,693,368)	(110,752,455)
Transfer to Stage 1	20,756,794	14,529,093	(20,756,794)	(14,517,799)	(11,294)	-	-
Transfer to Stage 2	(10,592,031)	(19,524,843)	10,592,031	20,711,368	(1,186,525)	-	-
Transfer to Stage 3	-	(5,444,096)	(3,604,301)	(9,467,916)	18,516,313	-	-
The total impact on the size of exposures as a result of changing the classification between stages	224,029	(2,255,975)	(566,700)	(3,120,662)	(354,344)	(6,073,652)	(7,422,906)
Changes resulting from modifications	(89,661,896)	(65,407,928)	(2,838,315)	(3,597,592)	(657,613)	(162,163,344)	(117,857,927)
Facilities transferred to off-balance sheet items or written off facilities	-	-	-	-	(2,133,265)	(2,133,265)	-
<b>Total balance at the end of the year</b>	<b>1,361,184,532</b>	<b>482,405,810</b>	<b>50,447,990</b>	<b>36,887,058</b>	<b>79,847,575</b>	<b>2,010,772,965</b>	<b>1,630,914,879</b>

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

Item	For the year ended 31 December 2025						For the year ended 31 December 2024
	Corporate	Small and medium enterprises	Individual (Retail)	Real estate finance	Government and the public sector	Total	Total
	JD	JD	JD	JD	JD	JD	JD
<b>Balance at the beginning of the year</b>	42,787,950	3,971,739	35,136,148	10,687,306	-	92,583,143	60,823,719
Impairment loss on new facilities during the year	1,809,229	64,650	1,191,601	27,285	-	3,092,765	5,840,320
Recoverable from impairment loss on settled facilities	(639,321)	(85,982)	(908,244)	(210,808)	-	(1,844,355)	(4,254,467)
Transfer to Stage 1	889,921	76,639	673,282	1,216,429	-	2,856,271	2,619,350
Transfer to Stage 2	(2,601,329)	232,744	(1,183,412)	(1,202,406)	-	(4,754,403)	(6,626,818)
Transfer to Stage 3	1,711,408	(309,383)	510,130	(14,023)	-	1,898,132	4,007,468
Effect on the provision as a result of the change in classification between the three stages during the year	564,776	1,435,343	8,660,800	(1,189,045)	-	9,471,874	11,425,843
Changes resulting from modifications	27,753,428	(1,340,635)	(8,220,495)	(1,357,343)	-	16,834,955	18,747,728
Facilities transferred to off-balance sheet items or written off facilities	(724,604)	(49,388)	(1,359,273)	-	-	(2,133,265)	-
<b>Total balance at the end of the year</b>	<b>71,551,458</b>	<b>3,995,727</b>	<b>34,500,537</b>	<b>7,957,395</b>	<b>-</b>	<b>118,005,117</b>	<b>92,583,143</b>

**Redistribution:**

Provisions on an individual basis	71,551,458	3,277,156	-	7,931,311	-	82,759,925	56,715,303
Provisions at a collective basis	-	718,571	34,500,537	26,084	-	35,245,192	35,867,840

**Suspended revenue :**

The movement on suspended revenue is as follows:

	31 December 2025				31 December 2024			
	Retail (individual)	Corporate	Small and medium enterprises	Total	Retail (individual)	Corporate	Small and medium enterprises	Total
	JD	JD	JD	JD	JD	JD	JD	JD
Balance at the beginning of the year (Self)	-	7,112	-	7,112	-	7,112	-	7,112
Add: suspended revenue during the year	-	-	-	-	-	-	-	-
Less: suspended revenue transferred to revenue	-	-	-	-	-	-	-	-
<b>Balance at the end of the year (Self)</b>	<b>-</b>	<b>7,112</b>	<b>-</b>	<b>7,112</b>	<b>-</b>	<b>7,112</b>	<b>-</b>	<b>7,112</b>
Balance at the beginning of the year (Joint)	1,986,016	1,703,299	336,797	4,026,112	1,380,940	699,135	250,209	2,330,284
Add: suspended revenue during the year	1,941,215	1,449,203	420,156	3,810,574	955,149	1,006,928	131,140	2,093,217
Less: suspended revenue transferred to revenue	629,094	113,020	294,897	1,037,011	350,073	2,764	44,552	397,389
Less: settled revenue transferred to off-balance sheet items or written off facilities	313,568	100,741	8,061	422,370	-	-	-	-
<b>Balance at the end of the year (Joint)</b>	<b>2,984,569</b>	<b>2,938,741</b>	<b>453,995</b>	<b>6,377,305</b>	<b>1,986,016</b>	<b>1,703,299</b>	<b>336,797</b>	<b>4,026,112</b>

**1) Impairment loss on Credit financing - corporates :**  
**(A) Self (Deferred sales receivables, other receivables and Al Qard AL Hassan)**

**-The distribution of total finances according to the Bank's internal credit rating categories (After deducting deferred and suspended revenue):**

Item	31 December 2025				31 December 2024
	Stage 1 (individual)	Stage 2 (individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Low risk	46,858,294	-	1,737	46,860,031	6,101,889
Normal risk	2,580,297	-	-	2,580,297	1,406,439
Acceptable risk	958	-	-	958	1,272,471
Acceptable with due care	-	441,273	8,175	449,448	1,150,725
Watch list	20	658,297	-	658,317	-
Substandard	-	-	1,661	1,661	1,277
Doubtful	-	70,000	41	70,041	277
Loss	-	-	334,440	334,440	327,147
Unrated	1,350	67,695	523,833	592,878	589,598
<b>Total</b>	<b>49,440,919</b>	<b>1,237,265</b>	<b>869,887</b>	<b>51,548,071</b>	<b>10,849,823</b>

**-The movement of facilities :**

Item	31 December 2025				31 December 2024
	Stage 1 (individual)	Stage 2 (individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
<b>Total balance at the beginning of the year</b>	8,175,738	1,860,580	813,505	10,849,823	34,544,067
New facilities during the year	49,439,246	795,993	53,400	50,288,639	10,094,586
Settled facilities	(8,174,364)	(763,931)	(8,556)	(8,946,851)	(33,797,608)
Transfer to Stage 1	2,011	(1,911)	(100)	-	-
Transfer to Stage 2	-	-	-	-	-
Transfer to Stage 3	(342)	(3,466)	3,808	-	-
The total impact on the size of exposures as a result of changing the classification between stages	(1,330)	-	6,807	5,477	757
Changes resulting from modifications	(40)	(650,000)	3,722	(646,318)	8,021
Facilities transferred to off-balance sheet items or written off facilities	-	-	(2,699)	(2,699)	-
<b>Total balance at the end of the year</b>	<b>49,440,919</b>	<b>1,237,265</b>	<b>869,887</b>	<b>51,548,071</b>	<b>10,849,823</b>

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

Item	For the year ended 31 December 2025				For the year ended 31 December 2024
	Stage 1 (individual)	Stage 2 (individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
<b>Total balance at the beginning of the year</b>	55,668	17,535	493,936	567,139	533,253
Impairment loss on new financing during the year	273,567	72,772	53,400	399,739	193,662
Recoverable from the loss of impairment on reimbursements	(55,662)	(8,694)	(8,556)	(72,912)	(215,092)
Transfer to Stage 1	106	(6)	(100)	-	-
Transfer to Stage 2	-	-	-	-	-
Transfer to Stage 3	(6)	(91)	97	-	-
Effect on the provision as a result of the change in classification between the three stages during the year	(104)	-	10,518	10,414	1,016
Changes resulting from modifications	-	(5,132)	3,722	(1,410)	54,300
Facilities transferred to off-balance sheet items or written off facilities	-	-	(2,699)	(2,699)	-
<b>Total balance at the end of the year</b>	<b>273,569</b>	<b>76,384</b>	<b>550,318</b>	<b>900,271</b>	<b>567,139</b>

**B-Joint**

**- The distribution of total finances according to the Bank's internal credit rating categories (After deducting deferred and suspended revenue):**

Item	31 December 2025				31 December 2024
	Stage 1 (individual)	Stage 2 (individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Insignificant risk	1,510,827	-	-	1,510,827	2,573,579
Almost risk free	49,820,352	330	-	49,820,682	22,649,203
Low risk	137,344,272	-	-	137,344,272	33,098,001
Normal risk	96,416,007	-	-	96,416,007	99,576,807
Acceptable risk	272,869,832	-	-	272,869,832	212,502,333
Acceptable with due care	-	15,761,766	-	15,761,766	60,494,813
Watch list	-	23,849,354	-	23,849,354	7,351,828
Substandard	-	-	366,838	366,838	2,454,441
Doubtful	-	-	860,930	860,930	2,887,099
Loss	-	-	43,129,664	43,129,664	36,003,394
Unrated	41,667,274	78,430	306,247	42,051,951	31,032,981
<b>Total</b>	<b>599,628,564</b>	<b>39,689,880</b>	<b>44,663,679</b>	<b>683,982,123</b>	<b>510,624,479</b>

**-The movement of facilities :**

Item	31 December 2025				31 December 2024
	Stage 1 (individual)	Stage 2 (individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
<b>Total balance at the beginning of the year</b>	413,721,175	55,558,370	41,344,934	510,624,479	406,026,050
New facilities during the year	255,715,319	5,496,054	597,182	261,808,555	164,978,958
Settled facilities	(66,378,182)	(4,085,097)	(159,962)	(70,623,241)	(55,536,621)
Transfer to Stage 1	20,486,736	(20,486,736)	-	-	-
Transfer to Stage 2	(10,592,031)	10,592,031	-	-	-
Transfer to Stage 3	-	(3,603,943)	3,603,943	-	-
The total impact on the size of exposures as a result of changing the classification between stages	261,355	(566,700)	(151,954)	(457,299)	(3,578,967)
Changes resulting from modifications	(13,585,808)	(3,214,099)	154,140	(16,645,767)	(1,264,941)
Facilities transferred to off-balance sheet items or written off facilities	-	-	(724,604)	(724,604)	-
<b>Total balance at the end of the year</b>	<b>599,628,564</b>	<b>39,689,880</b>	<b>44,663,679</b>	<b>683,982,123</b>	<b>510,624,479</b>

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

Item	For the year ended 31 December 2025				For the year ended 31 December 2024
	Stage 1 (individual)	Stage 2 (individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
<b>Total balance at the beginning of the year</b>	2,251,018	14,121,904	26,415,028	42,787,950	31,589,864
Impairment loss on new financing during the year	903,804	763,126	142,299	1,809,229	2,094,315
Recoverable from the loss of impairment on reimbursements	(302,500)	(281,575)	(55,246)	(639,321)	(1,378,125)
Transfer to Stage 1	981,437	(981,437)	-	-	-
Transfer to Stage 2	(91,516)	91,516	-	-	-
Transfer to Stage 3	-	(1,711,408)	1,711,408	-	-
Effect on the provision as a result of the change in classification between the three stages during the year	(793,124)	375,550	982,350	564,776	4,632,053
Changes resulting from modifications	(219,714)	19,472,356	8,500,786	27,753,428	5,849,843
Facilities transferred to off-balance sheet items or written off facilities	-	-	(724,604)	(724,604)	-
<b>Total balance at the end of the year</b>	<b>2,729,405</b>	<b>31,850,032</b>	<b>36,972,021</b>	<b>71,551,458</b>	<b>42,787,950</b>

## 2) Impairment Loss on Credit facilities - Small and Medium Enterprises:

### A-Self

The distribution of total finances according to the Bank's internal credit rating categories (After deducting deferred and suspended revenue) :

Item	31 December 2025						31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	(individual)	(Collective)	(individual)	(Collective)			
	JD	JD	JD	JD	JD	JD	JD
Not rated	-	408,434	-	30,142	596,097	1,034,673	916,913
<b>Total</b>	-	<b>408,434</b>	-	<b>30,142</b>	<b>596,097</b>	<b>1,034,673</b>	<b>916,913</b>

-The movement on facilities :

Item	31 December 2025						31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	(individual)	(Collective)	(individual)	(Collective)			
	JD	JD	JD	JD	JD	JD	JD
<b>Total balance at the beginning of the year</b>	-	304,811	-	28,869	583,233	916,913	442,841
New facilities during the year	-	380,269	-	29,864	38,357	448,490	630,938
Settled facilities	-	(247,168)	-	(9,612)	(42,991)	(299,771)	(99,755)
Transfer to Stage 1	-	66	-	(66)	-	-	-
Transfer to Stage 2	-	(176)	-	527	(351)	-	-
Transfer to Stage 3	-	(1,845)	-	(19,191)	21,036	-	-
The total impact on the size of exposures as a result of changing the classification between stages	-	(26)	-	(249)	7,727	7,452	(36,840)
Changes resulting from modifications	-	(27,497)	-	-	(10,914)	(38,411)	(20,271)
Facilities transferred to off-balance sheet items or written off facilities	-	-	-	-	-	-	-
<b>Total balance at the end of the year</b>	-	<b>408,434</b>	-	<b>30,142</b>	<b>596,097</b>	<b>1,034,673</b>	<b>916,913</b>

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

Item	For the year ended 31 December 2025						For the year ended 31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	(individual)	(Collective)	(individual)	(Collective)			
	JD	JD	JD	JD	JD	JD	JD
<b>Total balance at the beginning of the year</b>	-	1,190	-	123	560,161	561,474	144,574
Impairment loss on new financing during the year	-	742	-	1,140	38,357	40,239	380,571
Recoverable from the loss of impairment on reimbursements	-	(1,183)	-	(12)	(31,940)	(33,135)	(1,739)
Transfer to Stage 1	-	-	-	-	-	-	-
Transfer to Stage 2	-	-	-	351	(351)	-	-
Transfer to Stage 3	-	(4)	-	(111)	115	-	-
Effect on the provision as a result of the change in classification between the three stages during the year	-	-	-	(341)	16,054	15,713	(10,430)
Changes resulting from modifications	-	-	-	-	(30,877)	(30,877)	48,498
Facilities transferred to off-balance sheet items or written off facilities	-	-	-	-	-	-	-
<b>Total balance at the end of the year</b>	-	<b>745</b>	-	<b>1,150</b>	<b>551,519</b>	<b>553,414</b>	<b>561,474</b>

### B-Joint

The distribution of total finances according to the Bank's internal credit rating categories (After deducting deferred and suspended revenue) :

Item	31 December 2025						31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	(individual)	(Collective)	(individual)	(Collective)			
	JD	JD	JD	JD	JD	JD	JD
unrated	-	75,788,156	-	8,797,267	7,715,086	92,300,509	73,872,192
<b>Total</b>	-	<b>75,788,156</b>	-	<b>8,797,267</b>	<b>7,715,086</b>	<b>92,300,509</b>	<b>73,872,192</b>

-The movement on facilities :

Item	31 December 2025						31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	(individual)	(Collective)	(individual)	(Collective)			
	JD	JD	JD	JD	JD	JD	JD
<b>Total balance at the beginning of the year</b>	-	58,802,832	-	10,823,467	4,245,893	73,872,192	59,540,078
New facilities during the year	-	25,185,395	-	1,141,730	64,679	26,391,804	18,881,262
Settled facilities	-	(6,307,491)	-	(1,044,041)	(70,858)	(7,422,390)	(6,643,382)
Transfer to Stage 1	-	5,749,570	-	(5,749,570)	-	-	-
Transfer to Stage 2	-	(4,873,870)	-	5,276,557	(402,687)	-	-
Transfer to Stage 3	-	(2,998,031)	-	(621,180)	3,619,211	-	-
The total impact on the size of exposures as a result of changing the classification between stages	-	(218,936)	-	(847,472)	482,139	(584,269)	134,004
Changes resulting from modifications	-	448,687	-	(182,224)	(173,903)	92,560	1,960,230
Facilities transferred to off-balance sheet items or written off facilities	-	-	-	-	(49,388)	(49,388)	-
<b>Total balance at the end of the year</b>	-	<b>75,788,156</b>	-	<b>8,797,267</b>	<b>7,715,086</b>	<b>92,300,509</b>	<b>73,872,192</b>

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

Item	For the year ended 31 December 2025						For the year ended 31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	(individual)	(Collective)	(individual)	(Collective)			
	JD	JD	JD	JD	JD	JD	JD
<b>Total balance at the beginning of the year</b>	-	172,425	-	545,430	3,253,884	3,971,739	3,147,430
Impairment loss on new financing during the year	-	30,901	-	12,055	21,694	64,650	56,262
Recoverable from the loss of impairment on reimbursements	-	(18,888)	-	(24,150)	(42,944)	(85,982)	(627,863)
Transfer to Stage 1	-	94,046	-	(94,046)	-	-	-
Transfer to Stage 2	-	(12,531)	-	332,618	(320,087)	-	-
Transfer to Stage 3	-	(4,876)	-	(5,828)	10,704	-	-
Effect on the provision as a result of the change in classification between the three stages during the year	-	(67,708)	-	(299,791)	1,802,842	1,435,343	(94,269)
Changes resulting from modifications	-	48,386	-	10,528	(1,399,549)	(1,340,635)	1,490,179
Facilities transferred to off-balance sheet items or written off facilities	-	-	-	-	(49,388)	(49,388)	-
<b>Total balance at the end of the year</b>	-	<b>241,755</b>	-	<b>476,816</b>	<b>3,277,156</b>	<b>3,995,727</b>	<b>3,971,739</b>



### 3) Impairment loss on credit facilities - Individual portfolio (retail):

#### A-Self

- The distribution of total finances according to the Bank's internal credit rating categories (After deducting deferred and suspended revenue) :

Item	31 December 2025				31 December 2024
	Stage 1 (collective)	Stage 2 (collective)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Unrated	2,861,952	122,814	456,274	3,441,040	2,771,737
<b>Total</b>	<b>2,861,952</b>	<b>122,814</b>	<b>456,274</b>	<b>3,441,040</b>	<b>2,771,737</b>

- The movement on facilities :

Item	31 December 2025				31 December 2024
	Stage 1 (collective)	Stage 2 (collective)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
<b>Total balance at the beginning of the year</b>	2,407,302	30,732	333,703	2,771,737	1,827,595
New facilities during the year	1,546,731	122,059	73,045	1,741,835	1,607,071
Settled facilities	(682,860)	(24,638)	(8,854)	(716,352)	(405,019)
Transfer to Stage 1	22	-	(22)	-	-
Transfer to Stage 2	-	47	(47)	-	-
Transfer to Stage 3	(53,530)	(6,055)	59,585	-	-
The total impact on the size of exposures as a result of changing the classification between stages	(17)	670	4,337	4,990	1,437
Changes resulting from modifications	(355,696)	(1)	5,448	(350,249)	(259,347)
Facilities transferred to off-balance sheet items or written off facilities	-	-	(10,921)	(10,921)	-
<b>Total balance at the end of the year</b>	<b>2,861,952</b>	<b>122,814</b>	<b>456,274</b>	<b>3,441,040</b>	<b>2,771,737</b>

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

Item	For the year ended 31 December 2025				For the year ended 31 December 2024
	Stage 1 (collective)	Stage 2 (collective)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
<b>Total balance at the beginning of the year</b>	11,107	1,032	330,372	342,511	230,577
Impairment loss on new financing during the year	7,619	6,202	60,959	74,780	107,563
Recoverable from the loss of impairment on reimbursements	(4,589)	(873)	(6,845)	(12,307)	(6,495)
Transfer to Stage 1	22	-	(22)	-	-
Transfer to Stage 2	-	47	(47)	-	-
Transfer to Stage 3	(442)	(154)	596	-	-
Effect on the provision as a result of the change in classification between the three stages during the year	(22)	(13)	63,326	63,291	4,917
Changes resulting from modifications	(1,374)	-	6,770	5,396	5,949
Facilities transferred to off-balance sheet items or written off facilities	-	-	(10,921)	(10,921)	-
<b>Total balance at the end of the year</b>	<b>12,321</b>	<b>6,241</b>	<b>444,188</b>	<b>462,750</b>	<b>342,511</b>

#### B-Joint

- The distribution of total finances according to the Bank's internal credit rating categories (After deducting deferred and suspended revenue) :

Item	31 December 2025				31 December 2024
	Stage 1 (collective)	Stage 2 (collective)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Unrated	404,375,301	26,635,736	26,371,620	457,382,657	434,545,101
<b>Total</b>	<b>404,375,301</b>	<b>26,635,736</b>	<b>26,371,620</b>	<b>457,382,657</b>	<b>434,545,101</b>

-The movement on facilities :

Item	31 December 2025				31 December 2024
	Stage 1 (collective)	Stage 2 (collective)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
<b>Total balance at the beginning of the year</b>	379,059,088	36,675,051	18,810,962	434,545,101	391,174,841
New facilities during the year	133,895,459	1,207,242	249,495	135,352,196	148,138,033
Settled facilities	(34,122,257)	(2,740,097)	(624,849)	(37,487,203)	(42,975,188)
Transfer to Stage 1	8,636,366	(8,625,072)	(11,294)	-	-
Transfer to Stage 2	(13,532,609)	14,298,974	(766,365)	-	-
Transfer to Stage 3	(2,446,065)	(8,758,577)	11,204,642	-	-
The total impact on the size of exposures as a result of changing the classification between stages	(1,969,278)	(2,118,399)	(589,617)	(4,677,294)	(4,427,228)
Changes resulting from modifications	(65,145,403)	(3,303,386)	(542,081)	(68,990,870)	(57,365,357)
Facilities transferred to off-balance sheet items or written off facilities	-	-	(1,359,273)	(1,359,273)	-
<b>Total balance at the end of the year</b>	<b>404,375,301</b>	<b>26,635,736</b>	<b>26,371,620</b>	<b>457,382,657</b>	<b>434,545,101</b>

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

Item	For the year ended 31 December 2025				For the year ended 31 December 2024
	Stage 1 (collective)	Stage 2 (collective)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
<b>Total balance at the beginning of the year</b>	13,937,821	3,292,434	17,905,893	35,136,148	20,594,586
Impairment loss on new financing during the year	733,798	245,350	212,453	1,191,601	1,006,391
Recoverable from the loss of impairment on reimbursements	(145,630)	(80,206)	(682,408)	(908,244)	(748,132)
Transfer to Stage 1	748,313	(745,156)	(3,157)	-	-
Transfer to Stage 2	(57,007)	664,141	(607,134)	-	-
Transfer to Stage 3	(18,024)	(1,102,397)	1,120,421	-	-
Effect on the provision as a result of the change in classification between the three stages during the year	(705,094)	1,164,890	8,201,004	8,660,800	5,750,054
Changes resulting from modifications	(9,183,803)	(19,096)	982,404	(8,220,495)	8,533,249
Facilities transferred to off-balance sheet items or written off facilities	-	-	(1,359,273)	(1,359,273)	-
<b>Total balance at the end of the year</b>	<b>5,310,374</b>	<b>3,419,960</b>	<b>25,770,203</b>	<b>34,500,537</b>	<b>35,136,148</b>

#### 4) Impairment loss on credit facilities - Real estate facilities:

##### A-Self

- The distribution of total finances according to the Bank's internal credit rating categories ( After deducting deferred and suspended revenue ) :

Item	31 December 2025						31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	(individual)	(Collective)	(individual)	(Collective)			
	JD	JD	JD	JD	JD	JD	JD
<b>Total</b>	-	-	-	-	-	-	-

-The movement on facilities:

Item	31 December 2025						31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	(individual)	(Collective)	(individual)	(Collective)			
	JD	JD	JD	JD	JD	JD	JD
<b>Total balance at the beginning of the year</b>	-	-	-	-	-	-	-
<b>Total balance at the end of the year</b>	-	-	-	-	-	-	-

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

Item	For the year ended 31 December 2025						For the year ended 31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	(individual)	(Collective)	(individual)	(Collective)			
	JD	JD	JD	JD	JD	JD	JD
<b>Total balance at the beginning of the year</b>	-	-	-	-	-	-	-
<b>Total balance at the end of the year</b>	-	-	-	-	-	-	-

##### B-Joint

- The distribution of total finances according to the Bank's internal credit rating categories (After deducting deferred and suspended revenue ) :

Item	31 December 2025						31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	(individual)	(Collective)	(individual)	(Collective)			
	JD	JD	JD	JD	JD	JD	JD
Low risk	112,875	-	-	-	-	112,875	35,374
Normal Risk	300,801	-	-	-	-	300,801	539,219
Acceptable risk	1,434,234	-	-	-	-	1,434,234	694,695
Acceptable with due care	-	-	20,409	-	-	20,409	56,803
Watch list	-	-	10,737,701	-	-	10,737,701	10,655,125
Substandard	-	-	-	-	-	-	155,156
Doubtful	-	-	-	-	-	-	434,747
Loss	-	-	-	-	882,029	882,029	327,013
Unrated	278,642	2,242,353	-	1,454,055	215,161	4,190,211	4,847,068
<b>Total</b>	<b>2,126,552</b>	<b>2,242,353</b>	<b>10,758,110</b>	<b>1,454,055</b>	<b>1,097,190</b>	<b>17,678,260</b>	<b>17,745,200</b>

- The movement on facilities :

Item	31 December 2025						31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	(individual)	(Collective)	(individual)	(Collective)			
	JD	JD	JD	JD	JD	JD	JD
<b>Total balance at the beginning of the year</b>	1,601,754	3,491,560	10,652,742	757,410	1,241,734	17,745,200	17,871,946
New facilities during the year	291,538	1,070,357	-	74,987	19,796	1,456,678	4,946,080
Settled facilities	(17,910)	(565,384)	-	(16,090)	(44,703)	(644,087)	(2,674,622)
Transfer to Stage 1	270,058	143,157	(270,058)	(143,157)	-	-	-
Transfer to Stage 2	-	(1,118,364)	-	1,135,837	(17,473)	-	-
Transfer to Stage 3	-	-	(358)	(88,159)	88,517	-	-
The total impact on the size of exposures as a result of changing the classification between stages	(37,326)	(67,761)	-	(154,791)	(94,912)	(354,790)	449,285
Changes resulting from modifications	18,438	(711,212)	375,784	(111,982)	(95,769)	(524,741)	(2,847,489)
Facilities transferred to off-balance sheet items or written off facilities	-	-	-	-	-	-	-
<b>Total balance at the end of the year</b>	<b>2,126,552</b>	<b>2,242,353</b>	<b>10,758,110</b>	<b>1,454,055</b>	<b>1,097,190</b>	<b>17,678,260</b>	<b>17,745,200</b>

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

Item	For the year ended 31 December 2025						For the year ended 31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	(individual)	(Collective)	(individual)	(Collective)			
	JD	JD	JD	JD	JD	JD	JD
<b>Total balance at the beginning of the year</b>	6,729	3,115	8,293,680	10,722	2,373,060	10,687,306	5,491,839
Impairment loss on new financing during the year	1,030	5,833	-	1,619	18,803	27,285	2,683,352
Recoverable from the loss of impairment on reimbursements	(79)	(1,237)	(200,060)	(1,187)	(8,245)	(210,808)	(1,500,347)
Transfer to Stage 1	1,217,223	9	(1,217,223)	(9)	-	-	-
Transfer to Stage 2	-	(803)	-	19,165	(18,362)	-	-
Transfer to Stage 3	-	-	(15)	(4,324)	4,339	-	-
Effect on the provision as a result of the change in classification between the three stages during the year	(1,214,755)	51	-	(6,224)	31,883	(1,189,045)	1,138,005
Changes resulting from modifications	2,347	641	(1,076,515)	(1,287)	(282,529)	(1,357,343)	2,874,457
Facilities transferred to off-balance sheet items or written off facilities	-	-	-	-	-	-	-
<b>Total balance at the end of the year</b>	<b>12,495</b>	<b>7,609</b>	<b>5,799,867</b>	<b>18,475</b>	<b>2,118,949</b>	<b>7,957,395</b>	<b>10,687,306</b>

## 5) Impairment loss on credit facilities - Government and public sector:

### A- Self

#### - The distribution of total finances according to the Bank's internal credit rating categories (After deducting deferred and suspended revenue)

Item	31 December 2025				31 December 2024
	Stage 1 (individual)	Stage 2 (individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Almost free risk	509,660	-	-	509,660	509,660
<b>Total</b>	<b>509,660</b>	<b>-</b>	<b>-</b>	<b>509,660</b>	<b>509,660</b>

#### - The movement on facilities :

Item	31 December 2025				31 December 2024
	Stage 1 (individual)	Stage 2 (individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
<b>Total balance at the beginning of the year</b>	509,660	-	-	509,660	509,660
<b>Total balance at the end of the year</b>	<b>509,660</b>	<b>-</b>	<b>-</b>	<b>509,660</b>	<b>509,660</b>

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

Item	For the year ended 31 December 2025				For the year ended 31 December 2024
	Stage 1 (individual)	Stage 2 (individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
<b>Total balance at the beginning of the year</b>	-	-	-	-	-
<b>Total balance at the end of the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### B-Joint

#### - The distribution of total finances according to the Bank's internal credit rating categories (After deducting deferred and suspended revenue) :

Item	31 December 2025				31 December 2024
	Stage 1 (individual)	Stage 2 (individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Insignificant Risk	759,429,416	-	-	759,429,416	594,127,907
<b>Total</b>	<b>759,429,416</b>	<b>-</b>	<b>-</b>	<b>759,429,416</b>	<b>594,127,907</b>

#### - The movement on facilities :

Item	31 December 2025				31 December 2024
	Stage 1 (individual)	Stage 2 (individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
<b>Total balance at the beginning of the year</b>	594,127,907	-	-	594,127,907	470,087,433
New facilities during the year	266,912,482	-	-	266,912,482	185,303,486
Settled facilities	(25,516,447)	-	-	(25,516,447)	(2,922,642)
Transfer to Stage 1	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-
The total impact on the size of exposures as a result of changing the classification between stages	-	-	-	-	-
Changes resulting from modifications	(76,094,526)	-	-	(76,094,526)	(58,340,370)
Facilities transferred to off-balance sheet items or written off facilities	-	-	-	-	-
<b>Total balance at the end of the year</b>	<b>759,429,416</b>	<b>-</b>	<b>-</b>	<b>759,429,416</b>	<b>594,127,907</b>

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

Item	For the year ended 31 December 2025				For the year ended 31 December 2024
	Stage 1 (individual)	Stage 2 (individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
<b>Total balance at the beginning of the year</b>	-	-	-	-	-
<b>Total balance at the end of the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

The following are credit exposures in accordance to financial accounting standard (30) Issued by the Accounting and Auditing Organization for Islamic Financial Institutions as at 31 December 2025

**A- Self**

	Stage 1				Stage 2				Stage 3				Total			
	Total	ECL	Suspended revenue	Deferred revenue	Total	ECL	Suspended revenue	Deferred revenue	Total	ECL	Suspended revenue	Deferred revenue	Total	ECL	Suspended revenue	Deferred revenue
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Corporates	49,440,919	273,569	-	-	1,237,265	76,384	-	-	876,999	550,318	7,112	-	51,555,183	900,271	7,112	-
Small and medium enterprises	408,434	745	-	-	30,142	1,150	-	-	596,097	551,519	-	-	1,034,673	553,414	-	-
Retail (Individual)	3,240,812	12,321	-	378,860	122,814	6,241	-	-	456,274	444,188	-	-	3,819,900	462,750	-	378,860
Real estate financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Government and public sector	509,660	-	-	-	-	-	-	-	-	-	-	-	509,660	-	-	-
<b>Total</b>	<b>53,599,825</b>	<b>286,635</b>	<b>-</b>	<b>378,860</b>	<b>1,390,221</b>	<b>83,775</b>	<b>-</b>	<b>-</b>	<b>1,929,370</b>	<b>1,546,025</b>	<b>7,112</b>	<b>-</b>	<b>56,919,416</b>	<b>1,916,435</b>	<b>7,112</b>	<b>378,860</b>

- The financing amount in according to financial accounting standard (30) Issued by the Accounting and Auditing Organization for Islamic Financial Institutions instructions does not include the amount of JD (7,116,414), representing Ijara Muntahia Bittamleek.

**B-Joint**

	Stage 1				Stage 2				Stage 3				Total			
	Total	ECL	Suspended revenue	Deferred revenue	Total	ECL	Suspended revenue	Deferred revenue	Total	ECL	Suspended revenue	Deferred revenue	Total	ECL	Suspended revenue	Deferred revenue
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Corporates	644,256,870	2,729,405	-	44,628,306	42,807,296	31,850,032	-	3,117,416	49,854,001	36,972,021	2,280,642	2,909,680	736,918,167	71,551,458	2,280,642	50,655,402
Small and medium enterprises	79,850,375	241,755	-	4,062,219	9,360,352	476,816	-	563,085	8,068,511	3,277,156	173,061	180,364	97,279,238	3,995,727	173,061	4,805,668
Retail (Individual)	491,739,993	5,310,374	-	87,364,692	30,858,627	3,419,960	-	4,222,891	31,719,581	25,770,203	2,984,568	2,363,393	554,318,201	34,500,537	2,984,568	93,950,976
Real estate financing	4,638,642	20,104	-	269,737	13,961,905	5,818,342	-	1,749,740	2,036,224	2,118,949	939,034	-	20,636,771	7,957,395	939,034	2,019,477
Government and public sector	882,239,703	-	-	122,810,287	-	-	-	-	-	-	-	-	882,239,703	-	-	122,810,287
<b>Total</b>	<b>2,102,725,583</b>	<b>8,301,638</b>	<b>-</b>	<b>259,135,241</b>	<b>96,988,180</b>	<b>41,565,150</b>	<b>-</b>	<b>9,653,132</b>	<b>91,678,317</b>	<b>68,138,329</b>	<b>6,377,305</b>	<b>5,453,437</b>	<b>2,291,392,080</b>	<b>118,005,117</b>	<b>6,377,305</b>	<b>274,241,810</b>

- The financing amount in accordance with Financial accounting standard (30) Issued by the Accounting and Auditing Organization for Islamic Financial Institutions instructions does not include the amount of JD (926,416,248) representing Ijara Muntahia Bittamleek.

The following are credit exposures in accordance to financial accounting standard (30) Issued by the Accounting and Auditing Organization for Islamic Financial Institutions as at 31 December 2024

A- Self

	Stage 1				Stage 2				Stage 3				Total			
	Total	ECL	Suspended revenue	Deferred revenue	Total	ECL	Suspended revenue	Deferred revenue	Total	ECL	Suspended revenue	Deferred revenue	Total	ECL	Suspended revenue	Deferred revenue
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Corporates	8,175,738	55,668	-	-	1,860,580	17,535	-	-	820,617	493,936	7,112	-	10,856,935	567,139	7,112	-
Small and medium enterprises	304,811	1,190	-	-	28,869	123	-	-	583,233	560,161	-	-	916,913	561,474	-	-
Retail (Individual)	2,754,270	11,107	-	346,968	30,732	1,032	-	-	333,703	330,372	-	-	3,118,705	342,511	-	346,968
Real estate financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Government and public sector	509,660	-	-	-	-	-	-	-	-	-	-	-	509,660	-	-	-
<b>Total</b>	<b>11,744,479</b>	<b>67,965</b>	<b>-</b>	<b>346,968</b>	<b>1,920,181</b>	<b>18,690</b>	<b>-</b>	<b>-</b>	<b>1,737,553</b>	<b>1,384,469</b>	<b>7,112</b>	<b>-</b>	<b>15,402,213</b>	<b>1,471,124</b>	<b>7,112</b>	<b>346,968</b>

- The financing amount in according to financial accounting standard (30) Issued by the Accounting and Auditing Organization for Islamic Financial Institutions instructions does not include the amount of JD (6,820,782), representing Ijara Muntahia Bittamleek.

B - Joint

	Stage 1				Stage 2				Stage 3				Total			
	Total	ECL	Suspended revenue	Deferred revenue	Total	ECL	Suspended revenue	Deferred revenue	Total	ECL	Suspended revenue	Deferred revenue	Total	ECL	Suspended revenue	Deferred revenue
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Corporates	437,987,823	2,251,018	-	24,266,648	59,448,583	14,121,904	-	3,890,213	46,493,412	26,415,028	1,416,746	3,731,732	543,929,818	42,787,950	1,416,746	31,888,593
Small and medium enterprises	61,705,960	172,425	-	2,903,128	11,368,592	545,430	-	545,125	4,482,038	3,253,884	200,457	35,688	77,556,590	3,971,739	200,457	3,483,941
Retail (Individual)	467,069,983	13,937,821	-	88,010,895	42,595,116	3,292,434	-	5,920,065	22,321,128	17,905,893	1,961,776	1,548,390	531,986,227	35,136,148	1,961,776	95,479,350
Real estate financing	5,929,531	9,844	-	836,217	13,100,229	8,304,402	-	1,690,077	1,688,867	2,373,060	447,133	-	20,718,627	10,687,306	447,133	2,526,294
Government and public sector	677,660,096	-	-	83,532,189	-	-	-	-	-	-	-	-	677,660,096	-	-	83,532,189
<b>Total</b>	<b>1,650,353,393</b>	<b>16,371,108</b>	<b>-</b>	<b>199,549,077</b>	<b>126,512,520</b>	<b>26,264,170</b>	<b>-</b>	<b>12,045,480</b>	<b>74,985,445</b>	<b>49,947,865</b>	<b>4,026,112</b>	<b>5,315,810</b>	<b>1,851,851,358</b>	<b>92,583,143</b>	<b>4,026,112</b>	<b>216,910,367</b>

- The financing amount in accordance with Financial accounting standard (30) Issued by the Accounting and Auditing Organization for Islamic Financial Institutions instructions does not include the amount of JD (755,273,788) representing Ijara Muntahia Bittamleek.

**Disclosure of credit exposures according to the classification (instructions No. (8/2024) and Ijara Instructions No. (13/2025)) and in comparison with Financial Accounting Standard No. (30) issued by the Accounting and Auditing Organization for Islamic Financial Institutions as at 31 December 2025**

**A- Self**

	According to classification instructions No. (8/2024) and Ijara Instructions No. (13/2025)					According to financial accounting standard (30)												Total			
						1 stage				2 stage				3 stage							
	Total	Deferred revenue	Suspended revenue	Asset	ECL	Total	ECL	Deferred revenue	Suspended revenue	Total	ECL	Deferred revenue	Suspended revenue	Total	ECL	Deferred revenue	Suspended revenue	Total	ECL	Deferred revenue	Suspended revenue
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Performing loans	60,716,239	378,860	-	60,337,379	-	53,599,825	286,635	378,860	-	-	-	-	-	-	-	-	-	53,599,825	286,635	378,860	-
Watch list	1,390,221	-	-	1,390,221	61,124	-	-	-	-	1,390,221	83,775	-	-	-	-	-	-	1,390,221	83,775	-	-
Non-performing debt	1,929,370	-	7,112	1,922,258	1,546,025	-	-	-	-	-	-	-	-	1,929,370	1,025,360	-	7,112	1,929,370	1,025,360	-	7,112
of watch :																					
Substandard	55,963	-	-	55,963	46,854	-	-	-	-	-	-	-	-	55,963	41,226	-	-	55,963	41,226	-	-
Doubtful	115,855	-	-	115,855	112,878	-	-	-	-	-	-	-	-	115,855	75,194	-	-	115,855	75,194	-	-
Loss	1,757,552	-	7,112	1,750,440	1,386,293	-	-	-	-	-	-	-	-	1,757,552	908,940	-	7,112	1,757,552	908,940	-	7,112
<b>Total</b>	<b>64,035,830</b>	<b>378,860</b>	<b>7,112</b>	<b>63,649,858</b>	<b>1,607,149</b>	<b>53,599,825</b>	<b>286,635</b>	<b>378,860</b>	<b>-</b>	<b>1,390,221</b>	<b>83,775</b>	<b>-</b>	<b>-</b>	<b>1,929,370</b>	<b>1,025,360</b>	<b>-</b>	<b>7,112</b>	<b>56,919,416</b>	<b>1,395,770</b>	<b>378,860</b>	<b>7,112</b>

- The finances that are covered according to Instructions No. (8/2024) and Ijara Instructions No. (13/2025) were linked to the results of their calculation according to the instructions of the Central Bank of Jordan.
- The financing amount in according to financial accounting standard (30) Issued by the Accounting and Auditing Organization for Islamic Financial Institutions instructions does not include the amount of JD (7,116,414) , representing Ijara Muntahia Bittamleek.

**B - Joint**

	According to classification instructions No. (8/2024) and Ijara Instructions No. (13/2025)					According to financial accounting standard (30)												Total			
						1 stage				2 stage				3 stage							
	Total	Deferred revenue	Suspended revenue	Asset	ECL	Total	ECL	Deferred revenue	Suspended revenue	Total	ECL	Deferred revenue	Suspended revenue	Total	ECL	Deferred revenue	Suspended revenue	Total	ECL	Deferred revenue	Suspended revenue
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Performing loans	3,029,141,831	259,135,241	-	2,770,006,590	-	2,102,725,583	8,301,638	259,135,241	-	-	-	-	-	-	-	-	-	2,102,725,583	8,301,638	259,135,241	-
Watch list	96,988,180	9,653,132	-	87,335,048	3,448,838	-	-	-	-	96,988,180	41,565,150	9,653,132	-	-	-	-	-	96,988,180	41,565,150	9,653,132	-
Non-performing debt	91,678,317	5,453,437	6,377,305	79,847,575	68,138,329	-	-	-	-	-	-	-	-	91,678,317	50,713,108	5,453,437	6,377,305	91,678,317	50,713,108	5,453,437	6,377,305
of watch :																					
Substandard	3,091,169	387,378	36,591	2,667,200	1,341,082	-	-	-	-	-	-	-	-	3,091,169	1,262,286	387,378	36,591	3,091,169	1,262,286	387,378	36,591
Doubtful	10,731,546	822,659	298,921	9,609,966	6,384,484	-	-	-	-	-	-	-	-	10,731,546	3,743,431	822,659	298,921	10,731,546	3,743,431	822,659	298,921
Loss	77,855,602	4,243,400	6,041,793	67,570,409	60,412,763	-	-	-	-	-	-	-	-	77,855,602	45,707,391	4,243,400	6,041,793	77,855,602	45,707,391	4,243,400	6,041,793
<b>Total</b>	<b>3,217,808,328</b>	<b>274,241,810</b>	<b>6,377,305</b>	<b>2,937,189,213</b>	<b>71,587,167</b>	<b>2,102,725,583</b>	<b>8,301,638</b>	<b>259,135,241</b>	<b>-</b>	<b>96,988,180</b>	<b>41,565,150</b>	<b>9,653,132</b>	<b>-</b>	<b>91,678,317</b>	<b>50,713,108</b>	<b>5,453,437</b>	<b>6,377,305</b>	<b>2,291,392,080</b>	<b>100,579,896</b>	<b>274,241,810</b>	<b>6,377,305</b>

- The finances that are covered according to Instructions No. (8/2024) and Ijara Instructions No. (13/2025) were linked to the results of their calculation according to the instructions of the Central Bank of Jordan.
- The financing amount in accordance with Financial accounting standard (30) Issued by the Accounting and Auditing Organization for Islamic Financial Institutions instructions does not include the amount of JD (926,416,248) representing Ijara Muntahia Bittamleek.

Disclosure of credit exposures according to the classification instructions No. (47/2009) and in comparison with Financial Accounting Standard No. (30) issued by the Accounting and Auditing Organization for Islamic Financial Institutions as at 31 December 2024

A- Self

	According to classification instructions No. (47/2009)					According to financial accounting standard (30)																Total			
						1 stage				2 stage				3 stage											
	Total	Deferred revenue	Suspended revenue	Asset	ECL	Total	ECL	Deferred revenue	Suspended revenue	Total	ECL	Deferred revenue	Suspended revenue	Total	ECL	Deferred revenue	Suspended revenue	Total	ECL	Deferred revenue	Suspended revenue	Total	ECL	Deferred revenue	Suspended revenue
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Performing debts	19,833,518	346,968	-	19,486,550	-	11,744,479	67,965	346,968	-	1,268,242	12,420	-	-	15	11	-	-	13,012,736	80,396	346,968	-				
Watch list	651,939	-	-	651,939	20,744	-	-	-	-	651,939	6,270	-	-	-	-	-	-	651,939	6,270	-	-				
Non-performing debt of watch :	1,737,538	-	7,112	1,730,426	1,384,469	-	-	-	-	-	-	-	-	1,737,538	861,311	-	7,112	1,737,538	861,311	-	7,112				
Substandard	47,711	-	-	47,711	44,654	-	-	-	-	-	-	-	-	47,711	35,461	-	-	47,711	35,461	-	-				
Doubtful	559,504	-	-	559,504	559,243	-	-	-	-	-	-	-	-	559,504	401,857	-	-	559,504	401,857	-	-				
Loss	1,130,323	-	7,112	1,123,211	780,572	-	-	-	-	-	-	-	-	1,130,323	423,993	-	7,112	1,130,323	423,993	-	7,112				
<b>Total</b>	<b>22,222,995</b>	<b>346,968</b>	<b>7,112</b>	<b>21,868,915</b>	<b>1,405,213</b>	<b>11,744,479</b>	<b>67,965</b>	<b>346,968</b>	<b>-</b>	<b>1,920,181</b>	<b>18,690</b>	<b>-</b>	<b>-</b>	<b>1,737,553</b>	<b>861,322</b>	<b>-</b>	<b>7,112</b>	<b>15,402,213</b>	<b>947,977</b>	<b>346,968</b>	<b>7,112</b>				

- The finances that are covered according to Instructions No. (47/2009) were linked to the results of their calculation according to the instructions of the Central Bank of Jordan.

- The financing amount in according to financial accounting standard (30) Issued by the Accounting and Auditing Organization for Islamic Financial Institutions instructions does not include the amount of JD (6,820,782), representing Ijara Muntahia Bitamleek.

B - Joint

	According to classification instructions No. (47/2009)					According to financial accounting standard (30)																Total			
						1 stage				2 stage				3 stage											
	Total	Deferred revenue	Suspended revenue	Asset	ECL	Total	ECL	Deferred revenue	Suspended revenue	Total	ECL	Deferred revenue	Suspended revenue	Total	ECL	Deferred revenue	Suspended revenue	Total	ECL	Deferred revenue	Suspended revenue	Total	ECL	Deferred revenue	Suspended revenue
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Performing debts	2,499,751,188	208,244,075	-	2,291,507,113	-	1,649,943,943	16,368,821	199,512,012	-	93,364,509	14,676,819	8,732,063	-	1,168,948	-	-	-	1,744,477,400	31,045,640	208,244,075	-				
Watch list	33,557,461	3,350,482	-	30,206,979	1,974,365	409,450	2,287	37,065	-	33,148,011	11,587,351	3,313,417	-	-	-	-	-	33,557,461	11,589,638	3,350,482	-				
Non-performing debt of watch :	73,816,497	5,315,810	4,026,112	64,474,575	49,947,865	-	-	-	-	-	-	-	-	73,816,497	38,415,764	5,315,810	4,026,112	73,816,497	38,415,764	5,315,810	4,026,112				
Substandard	2,828,123	340,805	30,918	2,456,400	979,040	-	-	-	-	-	-	-	-	2,828,123	1,221,819	340,805	30,918	2,828,123	1,221,819	340,805	30,918				
Doubtful	10,617,483	1,650,702	396,667	8,570,114	6,087,940	-	-	-	-	-	-	-	-	10,617,483	3,422,832	1,650,702	396,667	10,617,483	3,422,832	1,650,702	396,667				
Loss	60,370,891	3,324,303	3,598,527	53,448,061	42,880,885	-	-	-	-	-	-	-	-	60,370,891	33,771,113	3,324,303	3,598,527	60,370,891	33,771,113	3,324,303	3,598,527				
<b>Total</b>	<b>2,607,125,146</b>	<b>216,910,367</b>	<b>4,026,112</b>	<b>2,386,188,667</b>	<b>51,922,230</b>	<b>1,650,353,393</b>	<b>16,371,108</b>	<b>199,549,077</b>	<b>-</b>	<b>126,512,520</b>	<b>26,264,170</b>	<b>12,045,480</b>	<b>-</b>	<b>74,985,445</b>	<b>38,415,764</b>	<b>5,315,810</b>	<b>4,026,112</b>	<b>1,851,851,358</b>	<b>81,051,042</b>	<b>216,910,367</b>	<b>4,026,112</b>				

- The finances that are covered according to Instructions No. (47/2009) were linked to the results of their calculation according to the instructions of the Central Bank of Jordan.

- The financing amount in accordance with Financial accounting standard (30) Issued by the Accounting and Auditing Organization for Islamic Financial Institutions instructions does not include the amount of JD (755,273,788) representing Ijara Muntahia Bitamleel

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

The details of this item are as follows:

	Self	
	31 December	
	2025	2024
	JD	JD
<b>Quoted financial assets :</b>		
Corporate Shares	2,111,276	572,000
Islamic Sukuk	107,989,424	45,515,882
<b>Total quoted financial assets</b>	<b>110,100,700</b>	<b>46,087,882</b>
<b>Total financial assets at fair value through other comperhensive income</b>	<b>110,100,700</b>	<b>46,087,882</b>
Less : Provision for expected credit losses on financial assets	(98,610)	(64,447)
<b>Net financial assets at fair value through other comperhensive income</b>	<b>110,002,090</b>	<b>46,023,435</b>

- The movement of the total financial assets at fair value through other comperhensive income (Sukuk) :

Item	31 December 2025				31 December 2024
	Stage1 (Individual)	Stage2 (Individual)	Stage3	Total	Total
	JD	JD	JD	JD	JD
Total balance at the beginning of the year	45,515,882	-	-	45,515,882	-
New investments during the year	62,927,249	-	-	62,927,249	45,515,882
Matured and sold investments	(8,611,295)	-	-	(8,611,295)	-
Transfer to Stage 1	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-
The total impact on the size of exposures as a result of changing the classification between stages	-	-	-	-	-
Changes resulting from modifications	8,157,588	-	-	8,157,588	-
<b>Total balance at the end of year</b>	<b>107,989,424</b>	<b>-</b>	<b>-</b>	<b>107,989,424</b>	<b>45,515,882</b>

- Movement on the expected credit losses provision for the financial assets at fair value through other comperhensive income (Sukuk) :

Item	For the year ended 31 December 2025				For the year ended 31 December 2024
	Stage1 (Individual)	Stage2 (Individual)	Stage3	Total	Total
	JD	JD	JD	JD	JD
Total balance at the beginning of the year	64,447	-	-	64,447	-
Impairment loss on new investments during the year	45,985	-	-	45,985	64,447
Recovered from loss of Matured and sold investments	(14,544)	-	-	(14,544)	-
Transfer to Stage 1	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-
Effect on the provision - as at the end of the year - as a result of the change in classification between the three stages during the year	-	-	-	-	-
Changes resulting from modifications	2,722	-	-	2,722	-
<b>Total balance at the end of year</b>	<b>98,610</b>	<b>-</b>	<b>-</b>	<b>98,610</b>	<b>64,447</b>



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

The details of this item are as follows:

	Joint	
	31 December	
	2025	2024
	JD	JD
<b>Quoted financial assets :</b>		
Corporate Shares	21,348,531	2,291,022
Islamic Sukuk	89,101,493	117,978,708
<b>Total quoted financial assets</b>	<b>110,450,024</b>	<b>120,269,730</b>
<b>Unquoted financial assets:</b>		
Corporate Shares	9,600,322	7,551,544
Islamic Sukuk	285,904,988	323,246,189
<b>Total unquoted financial assets</b>	<b>295,505,310</b>	<b>330,797,733</b>
<b>Total financial assets at fair value through quasi-equity</b>	<b>405,955,334</b>	<b>451,067,463</b>
Less: Provision for expected credit losses for financial assets	(127,257)	(150,057)
<b>Net financial assets at fair value through quasi-equity</b>	<b>405,828,077</b>	<b>450,917,406</b>

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

- The movement of the total financial assets at fair value through quasi-equity (Sukuk) :

Item	31 December 2025				31 December 2024
	Stage1 (Individual)	Stage2 (Individual)	Stage3	Total	Total
	JD	JD	JD	JD	JD
Total balance at the beginning of the year	441,224,897	-	-	441,224,897	444,044,525
New investments during the year	-	-	-	-	51,353,776
Matured investments	(42,688,165)	-	-	(42,688,165)	(24,834,772)
Transfer to Stage 1	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-
The total impact on the size of exposures as a result of changing the classification between stages	-	-	-	-	-
Changes resulting from modifications	(23,530,251)	-	-	(23,530,251)	(29,338,632)
<b>Total balance at the end of year</b>	<b>375,006,481</b>	<b>-</b>	<b>-</b>	<b>375,006,481</b>	<b>441,224,897</b>

- The movement of the total financial assets at fair value through quasi-equity (Sukuk) :

Item	For the year ended 31 December 2025				For the year ended 31 December 2024
	Stage1 (Individual)	Stage2 (Individual)	Stage3	Total	Total
	JD	JD	JD	JD	JD
Total balance at the beginning of the year	150,057	-	-	150,057	149,624
Impairment loss on new investments during the year	-	-	-	-	42,699
Recovered from loss of Matured and sold investments	(29,185)	-	-	(29,185)	(19,504)
Transfer to Stage 1	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-
Effect on the provision - as at the end of the year - as a result of the change in classification between the three stages during the year	-	-	-	-	-
Changes resulting from modifications	6,385	-	-	6,385	(22,762)
<b>Total balance at the end of year</b>	<b>127,257</b>	<b>-</b>	<b>-</b>	<b>127,257</b>	<b>150,057</b>

#### (11) FINANCIAL ASSETS AT AMORTIZED COST

The details of this item are as follows:

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

- Matured during the years 2029 & 2030.

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

#### (12) INVESTMENT IN ASSOCIATE

##### Investment in associated company (joint) :

	Percentage of ownership	Country	Principal activity	31 December	
				2025	2024
				JD	JD
Jordan Blending and Packing of Fertilizers Company	25%	Jordan	Manufacturing	339,331	332,759

- The dividends distributed by the affiliated company amounted to 5,000 JD during the year 2025 (No dividends have been distributed during year 2024).

##### **The movement on the investment in associate was as follows:**

	Joint	
	31 December	
	2025	2024
	JD	JD
Balance at the beginning of the year	332,759	349,622
The share of joint funds from the profit (loss) for the year after tax	11,572	(16,863)
Cash dividends received from the associate	(5,000)	-
<b>Balance at the end of year*</b>	<b>339,331</b>	<b>332,759</b>

\* The latest audited and approved financial statements of the associate have been used for the purpose of valuation.

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

	Joint			Self			Total		
	Cost	Accumulated Depreciation	Net Value	Cost	Accumulated Depreciation	Net Value	Cost	Accumulated Depreciation	Net Value
	JD	JD	JD	JD	JD	JD	JD	JD	JD
<b><u>31 December 2025</u></b>									
Ijara Muntahia Bittamleek assets-Real Estate	1,041,248,050	(205,246,024)	836,002,026	9,538,414	(2,422,000)	7,116,414	1,050,786,464	(207,668,024)	843,118,440
Ijara Muntahia Bittamleek assets-Machines	104,259,079	(19,160,572)	85,098,507	-	-	-	104,259,079	(19,160,572)	85,098,507
Ijara Muntahia Bittamleek assets-vehicles	8,145,630	(2,829,915)	5,315,715	-	-	-	8,145,630	(2,829,915)	5,315,715
<b>Total</b>	<b>1,153,652,759</b>	<b>(227,236,511)</b>	<b>926,416,248</b>	<b>9,538,414</b>	<b>(2,422,000)</b>	<b>7,116,414</b>	<b>1,163,191,173</b>	<b>(229,658,511)</b>	<b>933,532,662</b>

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

- The accrued Ijara installments amounted to JD 11,420,517 as at 31 December 2025 ( JD 7,211,105 as at 31 December 2024 ). Moreover the due Ijara installments were presented under deferred sales receivables and other receivables-Net (Note 8).

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

The details of this item are as follows :

	31 December	
	2025	2024
	JD	JD
<b>Balance at the beginning of the year</b>	<b>10,186,797</b>	<b>34,221,814</b>
Sources of the fund from :		
Shareholders Equity	(30,860,956)	(75,795,648)
<b>Total Sources of the fund during the year</b>	<b>(30,860,956)</b>	<b>(75,795,648)</b>
Uses of the fund on :		
Companies	62,917,128	50,173,249
Employees	52,677	68,106
Retail	9,402,851	1,519,276
<b>Total uses during the year</b>	<b>72,372,656</b>	<b>51,760,631</b>
Gross balance	<b>51,698,497</b>	<b>10,186,797</b>
Add: exposed accounts	<b>2,547,064</b>	<b>2,695,341</b>
Less : Provision for expected credit losses	(1,891,551)	(1,438,771)
<b>Balance at the end of the year - Net</b>	<b>52,354,010</b>	<b>11,443,367</b>

**(15) Investments in Real Estate**

The details of this item are as follows :

	Joint	
	31 December	
	2025	2024
Investments in Real Estate *	1,730,415	-
<b>Total</b>	<b>1,730,415</b>	<b>-</b>

\* Investments in real estate are shown at fair value, noting that their cost was JD 1,042,660 as of 31 December 2025 (compared to nothing as of 31 December 2024).

The movement on real estate investments is as follows :

	Joint	
	Lands	
	31 December 2025	31 December 2024
	JD	JD
<b>Balance at the beginning of the year</b>	-	-
Additions	1,042,660	-
Valuation differences (changes in the fair value of real estate investments)*	687,755	-
<b>Balance at the ending of the year</b>	<b>1,730,415</b>	<b>-</b>

\* The fair value of real estate investments was based on the average valuations as of 31 December 2025.

**(16) PROPERTY AND EQUIPMENT - NET**

	Lands	Buildings	Equipment, Devices and furniture	Vehicles	Computers	Others	Total
	JD	JD	JD	JD	JD	JD	JD
<b>For the year ended 31 December 2025</b>							
<b>Cost:</b>							
Beginning balance for the year	2,747,021	12,882,553	19,649,834	335,931	5,308,906	1,323,070	42,247,315
Additions / capitalization*	-	-	1,049,020	52,400	714,262	4,407	1,820,089
Disposals	-	(4,575)	(197,406)	(11,000)	-	-	(212,981)
Ending balance for the year	<b>2,747,021</b>	<b>12,877,978</b>	<b>20,501,448</b>	<b>377,331</b>	<b>6,023,168</b>	<b>1,327,477</b>	<b>43,854,423</b>
<b>Accumulated depreciation:</b>							
Beginning balance for the year	-	2,960,080	14,931,288	128,002	3,506,683	521,206	22,047,259
Depreciation for the year	-	257,214	1,511,039	50,060	663,322	78,421	2,560,056
Disposals	-	(2,257)	(189,652)	(10,999)	-	-	(202,908)
Ending balance for the year	-	3,215,037	16,252,675	167,063	4,170,005	599,627	24,404,407
<b>Net book value for property and equipment</b>	<b>2,747,021</b>	<b>9,662,941</b>	<b>4,248,773</b>	<b>210,268</b>	<b>1,853,163</b>	<b>727,850</b>	<b>19,450,016</b>
Advance payments on purchasing property and equipment	-	-	441,482	-	-	2,369,646	2,811,128
Projects under progress	-	-	1,278,044	-	-	9,047	1,287,091
<b>Net property and equipment at the end of year</b>	<b>2,747,021</b>	<b>9,662,941</b>	<b>5,968,299</b>	<b>210,268</b>	<b>1,853,163</b>	<b>3,106,543</b>	<b>23,548,235</b>
<b>For the year ended 31 December 2024</b>							
<b>Cost:</b>							
Beginning balance for the year	2,747,021	12,882,553	18,775,229	282,131	5,241,893	1,323,070	41,251,897
Additions / capitalization*	-	-	1,392,985	162,500	900,916	-	2,456,401
Disposals	-	-	(518,380)	(108,700)	(833,903)	-	(1,460,983)
Ending balance for the year	<b>2,747,021</b>	<b>12,882,553</b>	<b>19,649,834</b>	<b>335,931</b>	<b>5,308,906</b>	<b>1,323,070</b>	<b>42,247,315</b>
<b>Accumulated depreciation:</b>							
Beginning balance for the year	-	2,702,072	13,874,262	200,301	3,805,201	442,685	21,024,521
Depreciation for the year	-	258,008	1,566,506	36,400	535,094	78,521	2,474,529
Disposals	-	-	(509,480)	(108,699)	(833,612)	-	(1,451,791)
Ending balance for the year	-	2,960,080	14,931,288	128,002	3,506,683	521,206	22,047,259
<b>Net book value for property and equipment</b>	<b>2,747,021</b>	<b>9,922,473</b>	<b>4,718,546</b>	<b>207,929</b>	<b>1,802,223</b>	<b>801,864</b>	<b>20,200,056</b>
Advance payments on purchasing property and equipment	-	-	60,303	-	-	1,052,490	1,112,793
Projects under progress	-	-	1,010,729	-	-	-	1,010,729
<b>Net property and equipment at the end of year</b>	<b>2,747,021</b>	<b>9,922,473</b>	<b>5,789,578</b>	<b>207,929</b>	<b>1,802,223</b>	<b>1,854,354</b>	<b>22,323,578</b>

- Fully depreciated property and equipment amounted to JD 14,152,110 as at 31 December 2025 (JD 10,467,681 as at 31 December 2024).

- The total estimated cost to complete projects in progress amounted to JD 6,476,666 as at 31 December 2025.

\* An amount of JD 1,808,433 was capitalized from payments on the purchase of property, equipment and projects under progress during the year 2025 (JD 264,926 during the year 2024).

**(17) INTANGIBLE ASSETS-NET**

The details of this item are as follows:

	Computer Systems & Software	
	31 December	
	2025	2024
	JD	JD
Beginning balance for the year	1,673,942	1,697,221
Additions	1,737,750	690,038
Disposal	-	(7,061)
Amortization for the year	(794,269)	(706,256)
<b>Ending balance for the year</b>	<b>2,617,423</b>	<b>1,673,942</b>

**(18) OTHER ASSETS**

The details of this item are as follows:

	31 December	
	2025	2024
	JD	JD
Cheques for collection	179,229	753,075
Seized assets by the Bank against debts-Net*	24,107,575	49,827,080
Prepaid expenses	2,110,080	1,928,440
Accrued and uncollected revenue	12,216,913	9,462,075
Stationery and printing inventory	310,396	280,393
Withholding income tax	27,639	24,389
Transaction in progres	10,212,218	8,963,043
Petty cash	195,389	236,725
Temporary debit accounts	9,905,291	-
Other receivable-Net	198,591	179,058
Others	587,858	1,024,131
<b>Total</b>	<b>60,051,179</b>	<b>72,678,409</b>

- Other receivables include Legal expenses in the amount of JD 965,491 fully covered by other receivables provision at the same amount as at 31 December 2025(697,265 as at 31 December 2024).

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

	31 December 2025			31 December 2024
	Seized real estates -self	Seized real estates- joint	Total	Total
	JD	JD	JD	JD
Balance at the beginning of the year	391,729	51,308,360	51,700,089	37,842,657
Additions	-	1,006,332	1,006,332	15,045,702
Sales and disposal	(6,977)	(26,933,278)	(26,940,255)	(1,188,270)
<b>Total</b>	<b>384,752</b>	<b>25,381,414</b>	<b>25,766,166</b>	<b>51,700,089</b>
Provision of seized assets (Central Bank of Jordan Instructions/impairment of real estate)	(159,630)	(1,498,961)	(1,658,591)	(1,873,009)
<b>Balance at the end of the year</b>	<b>225,122</b>	<b>23,882,453</b>	<b>24,107,575</b>	<b>49,827,080</b>

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

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

	For the year ended 31 December 2025			For the year ended 31 December 2024
	Seized real estates self	Seized real estates joint	Total	Total
	JD	JD	JD	JD
Provision balance at the beginning of the year	(343,441)	(1,529,568)	(1,873,009)	(1,435,563)
Additions to the provision for depreciation in real estate	-	(439,731)	(439,731)	(474,883)
Additions to the real estate provision (instructions of the Central Bank of Jordan)	-	-	-	-
Disposal from the provision for impairment of real estate	183,811	470,338	654,149	37,437
Disposal from the real estate provision (Central Bank of Jordan instructions)	-	-	-	-
<b>Balance at the end of the year</b>	<b>(159,630)</b>	<b>(1,498,961)</b>	<b>(1,658,591)</b>	<b>(1,873,009)</b>

#### (19) BANKS AND FINANCIAL INSTITUTIONS ACCOUNTS

The details of this item are as follows:

	31 December 2025			31 December 2024
	Inside the Kingdom	Outside the Kingdom	Total	Total
	JD	JD	JD	JD
Current accounts	3,260,438	14,304,117	17,564,555	30,544,484
<b>Total</b>	<b>3,260,438</b>	<b>14,304,117</b>	<b>17,564,555</b>	<b>30,544,484</b>

#### (20) CUSTOMERS' CURRENT ACCOUNTS

The details of this item are as follows:

	31 December 2025				
	Retail	Corporate	Small and medium companies	Governmental and Public sector	Total
	JD	JD	JD	JD	JD
Current accounts	216,237,841	16,807,937	114,847,992	3,298,280	351,192,050
<b>Total</b>	<b>216,237,841</b>	<b>16,807,937</b>	<b>114,847,992</b>	<b>3,298,280</b>	<b>351,192,050</b>

  

	31 December 2024				
	Retail	Corporate	Small and medium companies	Governmental and Public sector	Total
	JD	JD	JD	JD	JD
Current accounts	193,759,853	18,492,606	99,289,984	2,290,927	313,833,370
<b>Total</b>	<b>193,759,853</b>	<b>18,492,606</b>	<b>99,289,984</b>	<b>2,290,927</b>	<b>313,833,370</b>

- Government and public sector deposits inside the Kingdom as at 31 December 2025 amounted to JD 3,298,280 representing 0.94% of the total customers' current accounts (As at 31 December 2024 amounted to JD 2,290,927 representing 0.73% of the total customers' current accounts) .

- The restricted accounts as at 31 December 2025 amounted to JD 2,661,817 representing 0.76% of the total customers' current accounts (As at 31 December 2024 amounted to JD 4,333,691 representing 1.38% of the total customers' current accounts) .

- The dormant accounts as at 31 December 2025 amounted to JD 4,104,679 (As at 31 December 2024 amounted to JD 9,176,613) .

**(21) CASH MARGIN ACCOUNTS**

The details of this item are as follows:

	31 December	
	2025	2024
	JD	JD
Margins against direct facilities	48,708,975	31,523,135
Margins against indirect facilities	159,456,074	121,418,099
Other margins	125,800	120,000
<b>Total</b>	<b>208,290,849</b>	<b>153,061,234</b>

**(22) OTHER PROVISIONS**

The details of this item are as follows:

	31 December 2025				
	Beginning balance	Provided during the year	Used during the year	Reversed to income	Ending balance
	JD	JD	JD	JD	JD
Provision of lawsuits against the Bank	63,719	-	4,393	-	59,326
Provision for contingent liabilities	100,000	-	-	-	100,000
<b>Total</b>	<b>163,719</b>	<b>-</b>	<b>4,393</b>	<b>-</b>	<b>159,326</b>

	31 December 2024				
	Beginning balance	Provided during the year	Used during the year	Reversed to income	Ending balance
	JD	JD	JD	JD	JD
Provision of lawsuits against the Bank	63,719	-	-	-	63,719
Provision for contingent liabilities	100,000	-	-	-	100,000
<b>Total</b>	<b>163,719</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>163,719</b>



## **(23) INCOME TAX**

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

The movement on the income tax provision is as follows :

	31 December	
	2025	2024
	JD	JD
Beginning balance for the year	20,680,565	11,919,750
Accrued income tax	18,077,617	18,843,507
Income tax from the sale of financial assets	22,842	-
Previous years adjustments (setting off tax deposits for the subsidiary)	(24,362)	(40,697)
Less: Income tax paid	(20,614,017)	(10,041,995)
<b>Ending balance for the year</b>	<b>18,142,645</b>	<b>20,680,565</b>

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

	For the year ended 31 December	
	2025	2024
	JD	JD
Income tax for the period	18,077,617	18,843,507
Released from deferred tax assets - self	1,101,054	246,772
Released from deferred tax assets - joint	2,272,563	-
Added to deferred tax assets - self	(1,479,956)	(710,176)
Added to deferred tax assets - joint	(2,756,936)	(5,817,306)
<b>Total</b>	<b>17,214,342</b>	<b>12,562,797</b>

-Income tax has been calculated in accordance with the Income Tax Law No. (34) of 2014 and its amendments. The Bank's statutory income tax rate is 35% plus 3% National Contribution Tax, with a total of 38% implemented from 1 January 2019.

#### **Group tax status:**

##### **The bank:**

- A final settlement of income tax has been reached until the end of 2020, and the Bank submitted its self-assessment statements for the years 2021,2022,2023&2024 within the legal period, and the Income and Sales Tax Department has not reviewed the Bank's records until the date of preparing these consolidated financial statements.

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

Misc for financial brokerage company :

- Tax clearance was obtained until the end of 2023, The company submitted the self-assessment return for the year 2024 within the legal deadline, and the Income and Sales Tax Department has not reviewed the company's records up to the date of preparation of the financial statements.

- In the opinion of management and its tax consultant, the tax provision recorded for the group is sufficient as at 31 December 2025.

## C. Deferred tax assets/liabilities

### 1- Deferred tax assets

The details of this item are as follows:

	31 December					31 December
	2025					2024
	Beginning Balance for the year	Released Amounts	Additional Amounts	Ending Balance for the period	Deferred tax	Deferred tax
	JD	JD	JD	JD	JD	JD
<b>Deferred tax assets</b>						
<b>Deferred tax assets - self</b>						
Provision of lawsuits against the Bank	63,719	4,393	-	59,326	22,544	24,213
Provision for impairment of assets seized by the bank against debts and provision for seized real estate (CBJ regulations) - self	343,441	183,811	-	159,630	60,659	130,507
Provision for expected credit losses for the first and second stages and other receivables - self	1,098,777	-	607,125	1,705,902	648,243	417,535
Difference in the application of Standard (32) Islamic Lease	948,318	-	44,997	993,315	377,460	360,361
Provision for contingent liabilities	100,000	-	-	100,000	38,000	38,000
Unpaid Employee bonuses incentives	1,001,133	2,709,307	3,242,500	1,534,326	583,043	380,431
<b>Total Deferred tax assets - self</b>	<b>3,555,388</b>	<b>2,897,511</b>	<b>3,894,622</b>	<b>4,552,499</b>	<b>1,729,949</b>	<b>1,351,047</b>
<b>Deferred tax assets - joint</b>						
Provision for impairment of assets seized by the bank against debts and provision for seized real estate (CBJ regulations) - joint	1,427,877	30,608	-	1,397,269	530,962	542,593
Provision for expected credit losses for the first and second and third stages and other receivables - joint	43,718,057	5,949,820	7,255,094	45,023,331	17,108,866	16,612,862
<b>Total Deferred tax assets - joint</b>	<b>45,145,934</b>	<b>5,980,428</b>	<b>7,255,094</b>	<b>46,420,600</b>	<b>17,639,828</b>	<b>17,155,455</b>
<b>Total</b>	<b>48,701,322</b>	<b>8,877,939</b>	<b>11,149,716</b>	<b>50,973,099</b>	<b>19,369,777</b>	<b>18,506,502</b>

### 2- Deferred tax liabilities

The details of this item are as follows:

	31 December					31 December
	2025					2024
	Beginning Balance for the year	Released Amounts	Additional Amounts	Ending Balance for the period	Deferred tax	Deferred tax
	JD	JD	JD	JD	JD	JD
Financial asstes at fair value through other comprehensive income- Subsidiary Company ( Misc)	-	-	111,289	111,289	31,161	-
<b>Total Deferred tax liabilities - self</b>	<b>-</b>	<b>-</b>	<b>111,289</b>	<b>111,289</b>	<b>31,161</b>	<b>-</b>

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

	For the year ended 31 December	
	2025	2024
	JD	JD
Balance at the beginning of the year	1,351,047	887,643
Additions during the year	1,479,956	710,176
Released during the year	(1,101,054)	(246,772)
<b>Balance at the End of the year</b>	<b>1,729,949</b>	<b>1,351,047</b>

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

	For the year ended 31 December	
	2025	2024
	JD	JD
Balance at the beginning of the year	17,155,455	11,338,149
Additions during the year	2,756,936	5,817,306
Released during the year	(2,272,563)	-
<b>Balance at the end of the year</b>	<b>17,639,828</b>	<b>17,155,455</b>

**D - Reconciliation summary between taxable income and accounting income were as follow :-**

	For the year ended 31 December	
	2025	2024
	JD	JD
<b>Accounting profit for the Bank</b>	<b>43,928,556</b>	<b>32,787,708</b>
Less: Non-taxable income	(8,937,674)	(704,400)
Add: Non-deductible expenses	11,860,593	17,762,270
<b>Tax income for the Bank</b>	<b>46,851,475</b>	<b>49,845,578</b>
<b>Attributable to</b>		
Taxable income for the Bank (separated)	45,702,729	48,821,703
Subsidiary's and associate's taxable profit	1,153,746	1,023,875
Statutory tax rate- Bank	38%	38%
Statutory tax rate- Subsidiary	28%	28%
Effective tax rate	36.7%	38.3%

**(24) OTHER LIABILITIES**

The details of this item are as follows:

	31 December	
	2025	2024
	JD	JD
Accrued and not paid expenses	4,167,639	2,907,389
Banker's certified cheques	12,199,856	9,470,706
Provision of expected credit losses on off balance sheet items - self (Note 59)	183,806	324,155
Provision of expected credit losses on off balance sheet items - joint (Note 59)	959,366	812,801
Shareholders and customers deposits	96,793,507	11,852,676
Customers' share of profits from joint investment	40,575,926	36,592,700
Temporary deposits*	20,065,202	11,658,071
The charity account deposits**	62,023	24,349
Visa Claims	4,986,356	4,662,045
Others	1,971,346	2,157,993
<b>Total</b>	<b>181,965,027</b>	<b>80,462,885</b>

\* This includes intermediate accounts amounting to JD 12,420,587 as at 31 December 2025 (JD 7,361,632 as at 31 December 2024), which is the value of credits and deferred policies, and the value will be paid when due.

\*\* The net change in this item represents the amounts received by the Bank from sources or in ways that are not in accordance with the provisions and principles of Islamic Sharia, and the profits of which were set aside from the Bank's revenues during the year ended 31 December 2025, amounting to JD (58,943) to the deposits of the Al-Khairat account, and an amount of JD (21,269) was disbursed on charity during the year ended 31 December 2025.

**\*Expected credit losses**

**Expected credit loss of indirect facilities**

**A-Self**

**- Movement on indirect facilities :**

Item	31 December 2025						31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
<b>Total balance at the beginning of the year</b>	196,276,099	-	45,053,717	-	649,297	241,979,113	121,383,874
New exposures during the year	172,490,441	-	1,038,230	-	-	173,528,671	177,178,270
Settled exposures	(77,409,180)	-	(34,741,473)	-	(500,000)	(112,650,653)	(31,082,559)
Transfer to Stage 1	5,106,381	-	(5,106,381)	-	-	-	-
Transfer to Stage 2	(1,036,700)	-	1,036,700	-	-	-	-
Transfer to Stage 3	-	-	(600)	-	600	-	-
The total impact on the size of exposures as a result of changing the classification between stages	(651,475)	-	(129,704)	-	-	(781,179)	1,835,903
Changes resulting from modifications	(16,044,983)	-	(974,247)	-	-	(17,019,230)	(27,336,375)
<b>Total balance at the end of the year</b>	<b>278,730,583</b>	<b>-</b>	<b>6,176,242</b>	<b>-</b>	<b>149,897</b>	<b>285,056,722</b>	<b>241,979,113</b>

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

Item	For the year ended 31 December 2025						For the year ended 31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
<b>Total balance at the beginning of the year</b>	68,247	-	255,908	-	-	324,155	137,628
Impairment loss on new exposures during the year	75,877	-	12,209	-	-	88,086	143,130
Impairment loss of matured / exposures	(24,436)	-	(110,682)	-	-	(135,118)	(12,701)
Transfer to Stage 1	123,386	-	(123,386)	-	-	-	-
Transfer to Stage 2	(5,518)	-	5,518	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-
Effect on the provision as a result of the change in classification between the three stages during the year	(103,618)	-	(555)	-	-	(104,173)	96,828
Changes resulting from modifications	3,046	-	7,810	-	-	10,856	(40,730)
<b>Total balance at the end of the year</b>	<b>136,984</b>	<b>-</b>	<b>46,822</b>	<b>-</b>	<b>-</b>	<b>183,806</b>	<b>324,155</b>

## Expected credit loss of indirect facilities - Guarantees

### Distribution of total indirect facilities - guarantees

Item	31 December 2025						31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
Insignificant Risk	25,000	-	-	-	-	25,000	55,250
Almost risk free	2,900,200	-	-	-	-	2,900,200	3,205,232
Low risk	7,033,528	-	-	-	-	7,033,528	6,710,926
Normal risk	9,870,013	-	-	-	-	9,870,013	6,192,561
Acceptable risk	15,709,957	-	-	-	-	15,709,957	1,236,053
Acceptable with due care	-	-	2,809,598	-	-	2,809,598	1,180,427
Watch list	15,000	-	93,567	-	-	108,567	4,659,481
Doubtful	-	-	-	-	-	-	11,488
Loss	-	-	-	-	149,397	149,397	137,309
Unrated	2,761,495	-	3,273,077	-	500	6,035,072	14,019,320
<b>Total</b>	<b>38,315,193</b>	<b>-</b>	<b>6,176,242</b>	<b>-</b>	<b>149,897</b>	<b>44,641,332</b>	<b>37,408,047</b>

### - Movement on indirect facilities / Guarantees :

Item	31 December 2025						31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
<b>Total balance at the beginning of the year</b>	25,519,439	-	11,239,311	-	649,297	37,408,047	44,433,697
New exposures during the year	15,046,930	-	1,038,230	-	-	16,085,160	6,380,003
Settled exposures during the year	(7,721,193)	-	(927,067)	-	(500,000)	(9,148,260)	(2,956,496)
Transfer to Stage 1	5,106,381	-	(5,106,381)	-	-	-	-
Transfer to Stage 2	(1,036,700)	-	1,036,700	-	-	-	-
Transfer to Stage 3	-	-	(600)	-	600	-	-
The total impact on the size of exposures as a result of changing the classification between stages	(651,475)	-	(129,704)	-	-	(781,179)	1,835,903
Changes resulting from modifications	2,051,811	-	(974,247)	-	-	1,077,564	(12,285,060)
<b>Total balance at the end of the year</b>	<b>38,315,193</b>	<b>-</b>	<b>6,176,242</b>	<b>-</b>	<b>149,897</b>	<b>44,641,332</b>	<b>37,408,047</b>

### - Movement on the provision for expected credit loss ( indirect facilities / Guarantees ) :

Item	For the year ended 31 December 2025						For the year ended 31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
<b>Total balance at the beginning of the year</b>	48,584	-	147,772	-	-	196,356	132,796
Impairment loss on new exposures during the year	42,310	-	12,209	-	-	54,519	15,914
Impairment loss of matured / exposures	(16,931)	-	(2,546)	-	-	(19,477)	(8,914)
Transfer to Stage 1	123,386	-	(123,386)	-	-	-	-
Transfer to Stage 2	(5,518)	-	5,518	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-
Effect on the provision as a result of the change in classification between the three stages during the year	(103,618)	-	(555)	-	-	(104,173)	96,828
Changes resulting from modifications	7,664	-	7,810	-	-	15,474	(40,268)
<b>Total balance at the end of the year</b>	<b>95,877</b>	<b>-</b>	<b>46,822</b>	<b>-</b>	<b>-</b>	<b>142,699</b>	<b>196,356</b>

Expected credit loss of indirect facilities / Acceptances

Distribution of total on indirect facilities /Acceptances

Item	31 December 2025						31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
Low risk	10,967	-	-	-	-	10,967	13,741,085
Normal risk	11,183,789	-	-	-	-	11,183,789	1,532,089
Acceptable risk	21,128	-	-	-	-	21,128	-
Watch list	-	-	-	-	-	-	19,623
Unrated	7,700,463	-	-	-	-	7,700,463	7,040,288
<b>Total</b>	<b>18,916,347</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18,916,347</b>	<b>22,333,085</b>

Movement on indirect facilities / Acceptances :

Item	31 December 2025						31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
<b>Total balance at the beginning of the year</b>	16,499,662	-	5,833,423	-	-	22,333,085	7,978,979
New exposures during the year	18,905,380	-	-	-	-	18,905,380	21,084,816
Settled exposures during the year	(9,803,853)	-	(5,833,423)	-	-	(15,637,276)	(4,457,425)
Transfer to Stage 1	-	-	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-
The total impact on the size of exposures as a result of changing the classification between stages	-	-	-	-	-	-	-
Changes resulting from modifications	(6,684,842)	-	-	-	-	(6,684,842)	(2,273,285)
<b>Total balance at the end of the year</b>	<b>18,916,347</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18,916,347</b>	<b>22,333,085</b>

Movement on the provision for expected credit loss( indirect facilities / Acceptances) :

Item	For the year ended 31 December 2025						For the year ended 31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
<b>Total balance at the beginning of the year</b>	2,946	-	18,500	-	-	21,446	810
Impairment loss on new exposures during the year	9,870	-	-	-	-	9,870	21,433
Impairment loss of matured / exposures	(54)	-	(18,500)	-	-	(18,554)	(790)
Transfer to Stage 1	-	-	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-
Effect on the provision as a result of the change in classification between the three stages during the year	-	-	-	-	-	-	-
Changes resulting from modifications	(2,888)	-	-	-	-	(2,888)	(7)
<b>Total balance at the end of the year</b>	<b>9,874</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,874</b>	<b>21,446</b>

Expected credit loss of indirect facilities / Letters of credit

Distribution of total on indirect facilities /Letters of credit

Item	31 December 2025						31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
Almost risk free	1,831,661	-	-	-	-	1,831,661	8,824,869
Low risk	113,532,470	-	-	-	-	113,532,470	82,568,068
Normal risk	7,618,328	-	-	-	-	7,618,328	6,943,711
Acceptable risk	11,736,621	-	-	-	-	11,736,621	14,658,990
Watch list	-	-	-	-	-	-	1,356,205
Unrated	86,779,963	-	-	-	-	86,779,963	67,886,138
<b>Total</b>	<b>221,499,043</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>221,499,043</b>	<b>182,237,981</b>

.\_ Movement on indirect facilities / Letters of credit :

Item	31 December 2025						31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
<b>Total balance at the beginning of the year</b>	154,256,998	-	27,980,983	-	-	182,237,981	68,971,198
New exposures during the year	138,538,131	-	-	-	-	138,538,131	149,713,451
Settled exposures during the year	(59,884,134)	-	(27,980,983)	-	-	(87,865,117)	(23,668,638)
Transfer to Stage 1	-	-	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-
The total impact on the size of exposures as a result of changing the classification between stages	-	-	-	-	-	-	-
Changes resulting from modifications	(11,411,952)	-	-	-	-	(11,411,952)	(12,778,030)
<b>Total balance at the end of the year</b>	<b>221,499,043</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>221,499,043</b>	<b>182,237,981</b>

.\_ Movement on the provision for expected credit loss( indirect facilities / Letters of credit ) :

Item	For the year ended 31 December 2025						For the year ended 31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
<b>Total balance at the beginning of the year</b>	16,717	-	89,636	-	-	106,353	4,022
Impairment loss on new exposures during the year	23,697	-	-	-	-	23,697	105,783
Impairment loss of matured / exposures	(7,451)	-	(89,636)	-	-	(97,087)	(2,997)
Transfer to Stage 1	-	-	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-
Effect on the provision as a result of the change in classification between the three stages during the year	-	-	-	-	-	-	-
Changes resulting from modifications	(1,730)	-	-	-	-	(1,730)	(455)
<b>Total balance at the end of the year</b>	<b>31,233</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>31,233</b>	<b>106,353</b>

Expected credit loss of indirect facilities

B- joint

- Movement on indirect facilities :

Item	31 December 2025						31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
<b>Total balance at the beginning of the year</b>	182,134,063	-	2,348,172	-	-	184,482,235	229,713,569
New exposures during the year	75,728,451	-	1,330,314	-	-	77,058,765	37,306,127
Settled exposures during the year	(30,825,501)	-	(892,753)	-	-	(31,718,254)	(61,699,760)
Transfer to Stage 1	494,968	-	(494,968)	-	-	-	-
Transfer to Stage 2	(174,827)	-	174,827	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-
The total impact on the size of exposures as a result of changing the classification between stages	(192,941)	-	771,360	-	-	578,419	98,662
Changes resulting from modifications	(9,510,025)	-	552,715	-	-	(8,957,310)	(20,936,363)
<b>Total balance at the end of the year</b>	<b>217,654,188</b>	<b>-</b>	<b>3,789,667</b>	<b>-</b>	<b>-</b>	<b>221,443,855</b>	<b>184,482,235</b>

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

Item	For the year ended 31 December 2025						For the year ended 31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
Total balance at the beginning of the year	764,645	-	48,156	-	-	812,801	1,402,126
Impairment loss on new exposures during the year	267,297	-	43,006	-	-	310,303	137,720
Impairment loss of matured / exposures	(115,020)	-	(33,700)	-	-	(148,720)	(360,659)
Transfer to Stage 1	9,178	-	(9,178)	-	-	-	-
Transfer to Stage 2	(1,876)	-	1,876	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-
Effect on the provision as a result of the change in classification between the three stages during the year	(7,839)	-	33,190	-	-	25,351	16,519
Changes resulting from modifications	(50,460)	-	10,091	-	-	(40,369)	(382,905)
<b>Total balance at the end of the year</b>	<b>865,925</b>	<b>-</b>	<b>93,441</b>	<b>-</b>	<b>-</b>	<b>959,366</b>	<b>812,801</b>



Expected credit loss of indirect facilities - Unutilized credit limits

Distribution of total on indirect facilities/Unutilized credit limits

Item	31 December 2025						31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
Insignificant Risk	12,566,039	-	-	-	-	12,566,039	12,526,126
Almost risk free	17,819,300	-	-	-	-	17,819,300	15,193,155
Low risk	82,368,225	-	-	-	-	82,368,225	35,984,537
Normal risk	36,226,087	-	-	-	-	36,226,087	40,527,275
Acceptable risk	57,174,524	-	-	-	-	57,174,524	44,135,085
Acceptable with due care	30,508	-	1,720,537	-	-	1,751,045	3,864,808
Watch list	19,886	-	1,894,562	-	-	1,914,448	860,634
Unrated	11,449,619	-	174,568	-	-	11,624,187	31,390,615
<b>Total</b>	<b>217,654,188</b>	<b>-</b>	<b>3,789,667</b>	<b>-</b>	<b>-</b>	<b>221,443,855</b>	<b>184,482,235</b>

- Movement on the indirect facilities/credit Unutilized credit limits :

Item	31 December 2025						31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
<b>Total balance at the beginning of the year</b>	182,134,063	-	2,348,172	-	-	184,482,235	229,713,569
New exposures during the year	75,728,451	-	1,330,314	-	-	77,058,765	37,306,127
Settled exposures during the year	(30,825,501)	-	(892,753)	-	-	(31,718,254)	(61,699,760)
Transfer to Stage 1	494,968	-	(494,968)	-	-	-	-
Transfer to Stage 2	(174,827)	-	174,827	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-
The total impact on the size of exposures as a result of changing the classification between stages	(192,941)	-	771,360	-	-	578,419	98,662
Changes resulting from modifications	(9,510,025)	-	552,715	-	-	(8,957,310)	(20,936,363)
<b>Total balance at the end of the year</b>	<b>217,654,188</b>	<b>-</b>	<b>3,789,667</b>	<b>-</b>	<b>-</b>	<b>221,443,855</b>	<b>184,482,235</b>

- Movement on the provision for expected credit loss (indirect facilities ) /Unutilized credit limits :

Item	For the year ended 31 December 2025						For the year ended 31 December 2024
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
<b>Total balance at the beginning of the year</b>	764,645	-	48,156	-	-	812,801	1,402,126
Impairment loss on new exposures during the year	267,297	-	43,006	-	-	310,303	137,720
Impairment loss of matured / exposures	(115,020)	-	(33,700)	-	-	(148,720)	(360,659)
Transfer to Stage 1	9,178	-	(9,178)	-	-	-	-
Transfer to Stage 2	(1,876)	-	1,876	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-
Effect on the provision as a result of the change in classification between the three stages during the year	(7,839)	-	33,190	-	-	25,351	16,519
Changes resulting from modifications	(50,460)	-	10,091	-	-	(40,369)	(382,905)
<b>Total balance at the end of the year</b>	<b>865,925</b>	<b>-</b>	<b>93,441</b>	<b>-</b>	<b>-</b>	<b>959,366</b>	<b>812,801</b>

**(25) UNRESTRICTED INVESTMENT ACCOUNTS**

The details of this item are as follows:

31 December 2025						
	Individual	Corporate	Small and medium enterprises	Governmental and Public sector	Banks and Financial Institutions	Total
	JD	JD	JD	JD	JD	JD
Saving accounts	292,079,828	78,863,252	134,765,611	13,030,870	59,512,903	578,252,464
Term accounts / Investing deposits	946,438,275	455,165,416	206,688,238	170,127,957	107,333,226	1,885,753,112
Certificates of investing deposit	540,683,543	11,721,715	30,928,331	65,278,890	20,523,219	669,135,698
<b>Total</b>	<b>1,779,201,646</b>	<b>545,750,383</b>	<b>372,382,180</b>	<b>248,437,717</b>	<b>187,369,348</b>	<b>3,133,141,274</b>
Depositors' share from investments' revenue	72,179,576	20,999,424	11,508,704	10,950,938	9,383,355	125,021,997
<b>Total unrestricted investment accounts</b>	<b>1,851,381,222</b>	<b>566,749,807</b>	<b>383,890,884</b>	<b>259,388,655</b>	<b>196,752,703</b>	<b>3,258,163,271</b>

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

Unrestricted investment accounts share of profit is calculated as follows :

11% to 50% of the minimum balance of saving accounts in Jordanian Dinar.

14% to 35% of the minimum balance of saving accounts in foreign currencies.

58% to 97% of the average term accounts in Jordanian Dinar.

18% to 61% of the average term accounts in foreign currencies.

90% to 97% of the average balances of investing certificates of deposit in Jordanian Dinar.

80% to 85% of average balances of certificates of investing deposit in foreign currencies .

The general percentage of the profit on the Jordanian Dinar for the year ended 31 December 2025 is (3.99%) (for the year ended 31 December 2024 was (4.49%)).

The general percentage of the profit on USD for the year ended 31 December 2025 is (3.13%) (for the year ended 31 December 2024 was (3.34%)).

The unrestricted investment accounts for the Government and Public sector amounted to JD 259,388,655 as at 31 December 2025 which represents 7.96 % of the total Unrestricted investment accounts (As at 31 December 2024 amounted to JD 217,850,081 which represents 8.02 % of the total Unrestricted investment accounts ).

The restricted accounts amounted to JD 1,383,666 as at 31 December 2025 which represents 0.04% of the total Unrestricted investment (As at 31 December 2024 amounted to JD 4,220,528 which represent 0.16% of the total Unrestricted investment ).

The dormant accounts as at 31 December 2025 amounted to JD 11,575,917 (As at 31 December 2024 amounted to JD 7,866,495 ).

## (26) FAIR VALUE RESERVE

The movement of fair value reserve was as follows :

### **A- Fair value reserve within quasi-equity - net:**

	31 December 2025			31 December 2024		
	Financial assets at fair value	Investments in real estate	Total	Financial assets at fair value	Investments in real estate	Total
	JD	JD	JD	JD	JD	JD
Balance at the beginning of the year	16,942	-	16,942	(371,067)	-	(371,067)
Unrealized gains / sukuk	1,175,021	-	1,175,021	456,723	-	456,723
Unrealized (losses) gains / shares	2,174,633	-	2,174,633	(68,714)	-	(68,714)
Unrealized gains/investments in real estate	-	687,755	687,755	-	-	-
<b>Balance at the end of the year</b>	<b>3,366,596</b>	<b>687,755</b>	<b>4,054,351</b>	<b>16,942</b>	<b>-</b>	<b>16,942</b>

### **B- Fair value reserve within equity - net:**

	31 December	
	2025	2024
	Financial assets at fair value	
	JD	JD
Balance at the beginning of the year	94,068	(25,069)
Unrealized gains / shares	99,934	64,000
Unrealized gains / sukuk	1,403,353	55,137
Sale financial assets at fair value through other comprehensive income	(58,737)	-
<b>Balance at the end of the year</b>	<b>1,538,618</b>	<b>94,068</b>

## (27) AUTHORITY PAID IN CAPITAL

-The authorized and paid-in capital amounted to JD 150,000,000, consisting of 150,000,000 shares, at a par value of JD 1 per share as at 31 December 2025 (JD 120,000,000, consisting of 120,000,000 shares, as at 31 December 2024).

The bank's capital has been increased from JOD (120) million to JOD (150) million, following the approval of the Central Bank of Jordan and the General Assembly's approval during its meeting on 24 April 2025.

## (28) SHARES TO BE DISTRIBUTED TO SHAREHOLDERS

The Board of Directors recommended in its meeting held on 29 January 2026 of the General Assembly of Shareholders to approve the increase in the Bank's capital by JD(30) million and 20% of the Banks capital to become JD(180) million, by distributing bonus shares to shareholders (bonus shares were distributed to shareholders during the previous year with percent 25% of the Bank's capital).

## (29) RESERVES

### **- Statutory reserve :**

The accumulated amounts in this account represent the transferred (10%) of annual profits before taxes during the years, according to the Banks and Companies Laws. This reserve is not available for distribution to shareholders.

The following reserves are restricted:	31 December		Nature of recordly
	2025	2024	
	JD	JD	
Reserve name			
Statutory reserve	42,712,902	38,320,046	Law's requirement (Banking and companies)

**(30) RETAINED EARNINGS**

	31 December	
	2025	2024
	JD	JD
Beginning balance of the year	51,089,561	54,293,534
Transferred to statutory reserve	(4,392,856)	(3,278,771)
Capital increase	(30,000,000)	(20,000,000)
Capital increase fees	(200,108)	(150,113)
Net gain on sale of financial assets through other comprehensive income	58,737	-
Profit for the year	26,714,214	20,224,911
<b>Ending balance of the year</b>	<b>43,269,548</b>	<b>51,089,561</b>

- The retained earnings balance as at 31 December 2025 includes an amount to JD 1,799,949 (31 December 2024 amounted to JD 1,351,047) which represent deferred tax assets-self and it is restricted from use in accordance with the Central Bank of Jordan regulations.

- It is prohibited to dispose of the surplus from the balance of the general banking risk reserve, which is transferred to the retained earnings, amounting to JD 108,397 except with the prior approval of the Central Bank of Jordan, where the accumulated balance of the general banking risk reserve has been transferred to the retained earnings based on the instructions of the Central Bank of Jordan No. (13/2018) issued On 6 June 2018.

**(31) DEFERRED SALES INCOME**

The details of this item are as follows:

	For the year ended 31 December					
	2025			2024		
	Joint	Self	Total	Joint	Self	Total
	JD	JD	JD	JD	JD	JD
<b>Individuals (Retail)</b>						
Murabaha to the purchase orderer	38,734,393	143,628	38,878,021	36,268,356	128,289	36,396,645
<b>Real estate facilities</b>	581,286	-	581,286	2,193,042	-	2,193,042
<b>Corporate</b>						
International Murabaha	844,458	-	844,458	733,029	-	733,029
Murabaha to the purchase orderer	30,729,743	-	30,729,743	26,318,507	-	26,318,507
<b>Small and medium enterprises</b>						
Murabaha to the purchase orderer	6,401,712	-	6,401,712	5,149,064	-	5,149,064
<b>Government and the public sector</b>	34,514,608	-	34,514,608	23,758,247	-	23,758,247
<b>Total</b>	<b>111,806,200</b>	<b>143,628</b>	<b>111,949,828</b>	<b>94,420,245</b>	<b>128,289</b>	<b>94,548,534</b>

**(32) IJARA MUNTALIA BELTAMLEEK INCOME**

The details of this item are as follows:

	For the year ended 31 December					
	2025			2024		
	Joint	Self	Total	Joint	Self	Total
	JD	JD	JD	JD	JD	JD
Ijara Muntahia Beltamleek – real state	163,054,040	1,077,466	164,131,506	134,798,701	805,476	135,604,177
Ijara Muntahia Beltamleek – machines	6,625,177	-	6,625,177	6,182,646	-	6,182,646
Ijara Muntahia Bittamleek assets – vehicles	554,498	-	554,498	563,730	-	563,730
Depreciation for Ijara Muntahia Beltamleek assets	(103,575,685)	(797,095)	(104,372,780)	(73,743,801)	(555,423)	(74,299,224)
<b>Total</b>	<b>66,658,030</b>	<b>280,371</b>	<b>66,938,401</b>	<b>67,801,276</b>	<b>250,053</b>	<b>68,051,329</b>

**(33) International wakala investments income**

The details of this item are as follows:

	Joint	
	For the year ended	
	31 December	
	2025	2024
	JD	JD
International wakala investments income	7,685,737	8,785,237
<b>Total</b>	<b>7,685,737</b>	<b>8,785,237</b>

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

The details of this item are as follows:

	Self	
	For the year ended 31 December	
	2025	2024
	JD	JD
Shares dividends	-	44,000
Gains on sale of financial assets (Sukuk)	248,611	78,970
Islamic sukuk profits	3,264,411	736,723
<b>Total</b>	<b>3,513,022</b>	<b>859,693</b>

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

The details of this item are as follows:

	Joint	
	For the year ended 31 December	
	2025	2024
	JD	JD
Shares dividends	21,616	108,337
Gains on sale of financial assets (Sukuk & Shares)	386,726	268,576
Sukuk profits	20,473,612	23,353,803
<b>Total</b>	<b>20,881,954</b>	<b>23,730,716</b>

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

The details of this item are as follows:

	Joint							
	For the year ended 31 December							
	2025				2024			
	Realized gains	Unrealized (Losses) gains	Dividends	Total	Realized gains	Unrealized gains	Dividends	Total
	JD	JD	JD	JD	JD	JD	JD	JD
Companies shares	4,749	(5,742)	-	(993)	-	-	-	-
Sukuk	133,672	64,417	-	198,089	7,854	-	-	7,854
<b>Total</b>	<b>138,421</b>	<b>58,675</b>	<b>-</b>	<b>197,096</b>	<b>7,854</b>	<b>-</b>	<b>-</b>	<b>7,854</b>
<b>Less :</b>								
Commission for holding shares	34	-	-	34	-	-	-	-
Commission for holding sukuk	1,425	-	-	1,425	-	-	-	-
<b>Total</b>	<b>136,962</b>	<b>58,675</b>	<b>-</b>	<b>195,637</b>	<b>7,854</b>	<b>-</b>	<b>-</b>	<b>7,854</b>

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

The details of this item are as follows:

	For the year ended 31 December			For the year ended 31 December		
	2025			2024		
	Joint	Self	Total	Joint	Self	Total
	JD	JD	JD	JD	JD	JD
Sukuk	7,191,120	7,185,178	14,376,298	2,609,377	-	2,609,377
<b>Total</b>	<b>7,191,120</b>	<b>7,185,178</b>	<b>14,376,298</b>	<b>2,609,377</b>	<b>-</b>	<b>2,609,377</b>

**(38) GAINS (LOSSES) FROM FOREIGN CURRENCIES VALUATION**

The details of this item are as follows:

	Joint	
	For the year ended 31 December	
	2025	2024
	JD	JD
Gains (losses) foreign currency valuation	102,736	(84,177)
<b>Total</b>	<b>102,736</b>	<b>(84,177)</b>

**(39) INCOME FROM FOREIGN CURRENCIES**

The details of this item are as follows:

	Self	
	For the year ended 31 December	
	2025	2024
	JD	JD
Resulting from trading/dealing	3,272,793	3,258,872
<b>Total</b>	<b>3,272,793</b>	<b>3,258,872</b>

**(40) BANKING SERVICES REVENUE - NET**

The details of this item are as follows:

	Self	
	For the year ended 31 December	
	2025	2024
	JD	JD
Indirect facilities commissions	5,552,370	5,106,263
Direct facilities commissions	3,110,687	2,375,235
Other commissions	10,080,903	9,803,700
Less : debit commission	(5,569,445)	(4,521,938)
<b>Total</b>	<b>13,174,515</b>	<b>12,763,260</b>

**(41) Other income - Net**

The details of this item are as follows:

	For the year ended 31 December					
	2025			2024		
	Joint	Self	Total	Joint	Self	Total
	JD	JD	JD	JD	JD	JD
Gains from sale of property and equipment	-	2,169	2,169	-	56,047	56,047
Gains from sale of seized assets	1,564,415	11,023	1,575,438	533,487	-	533,487
Breakage deposit commission	1,313,764	-	1,313,764	1,402,115	-	1,402,115
Membership in the Board of Directors of Jordan Fertilizer Processing Company	-	3,348	3,348	-	3,348	3,348
Other revenue	-	10,883	10,883	-	19,029	19,029
Seized assets expenses - Joint	(49,303)	-	(49,303)	(53,525)	-	(53,525)
Recovery from provision (expense provision) for impairment of seized assets	30,608	183,811	214,419	(437,446)	-	(437,446)
<b>Total</b>	<b>2,859,484</b>	<b>211,234</b>	<b>3,070,718</b>	<b>1,444,631</b>	<b>78,424</b>	<b>1,523,055</b>

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

The details of this item are as follows:

	For the year ended 31 December					
	2025			2024		
	Joint	Self	Total	Joint	Self	Total
	JD	JD	JD	JD	JD	JD
International Wakala Investments	(100,179)	-	(100,179)	299,289	-	299,289
Deferred sales receivables , other receivables , facilities and Qard Al-Hasan	27,555,239	458,931	28,014,170	31,759,424	562,720	32,322,144
Financial assets at fair value through Other Comprehensive Income	-	34,163	34,163	-	64,447	64,447
Financial assets at fair value through Quasi-equity	(22,800)	-	(22,800)	433	-	433
Off-balance sheet items	146,565	(140,349)	6,216	(589,325)	186,527	(402,798)
Other receivables	-	429,557	429,557	-	697,265	697,265
<b>Total</b>	<b>27,578,825</b>	<b>782,302</b>	<b>28,361,127</b>	<b>31,469,821</b>	<b>1,510,959</b>	<b>32,980,780</b>

**(43) DEPOSIT INSURANCE FEES**

The details of this item are as follows:

	For the year ended 31 December					
	2025			2024		
	Joint	Self	Total	Joint	Self	Total
	JD	JD	JD	JD	JD	JD
Deposit insurance fees	3,946,544	1,998,663	5,945,207	3,256,183	1,752,304	5,008,487
<b>Total</b>	<b>3,946,544</b>	<b>1,998,663</b>	<b>5,945,207</b>	<b>3,256,183</b>	<b>1,752,304</b>	<b>5,008,487</b>

**(44) EMPLOYEES' EXPENSES**

The details of this item are as follows:

	For the year ended	
	31 December	
	2025	2024
	JD	JD
Salaries, benefits, allowances and bonuses for employees	20,459,514	16,859,311
Bank's contribution in social security	1,643,037	1,429,091
Medical expenses	1,144,951	966,876
Employees training	167,274	177,623
Insurance expenses	44,709	39,648
<b>Total</b>	<b>23,459,485</b>	<b>19,472,549</b>

**(45) OTHER EXPENSES**

The details of this item are as follows:

	For the year ended 31 December	
	2025	2024
	JD	JD
Stationery and printing	379,043	367,982
Postage, telephone and swift	838,475	663,319
Electricity, water and fuel	718,865	658,716
Travel and transportation expenses	347,381	261,190
Marketing and advertising	1,764,151	2,034,067
Subscriptions and fees	1,226,031	1,012,246
Maintenance and cleaning	718,861	594,479
Licences and fees	1,177,995	747,393
Board of Directors' meetings expenses	775,850	672,812
Information technology expenses	1,598,545	1,389,417
Security and insurance expenses	512,573	501,411
Donations	1,409,899	148,910
Management and consulting fees	349,504	330,513
Professional fees	110,917	114,123
Board of Directors' remunerations	55,000	55,000
Hospitality expenses	106,719	148,863
Money transportation expenses	275,839	296,312
Legal expenses - Self	53,682	101,177
Others	153,486	110,676
<b>Total</b>	<b>12,572,816</b>	<b>10,208,606</b>

**(46) Net profit attributable to quasi-equity**

The details of this item are as follows:

	For the year ended 31 December	
	2025	2024
	JD	JD
<b>Customers</b>		
Saving accounts	4,291,271	4,316,144
Term accounts	75,733,265	65,497,699
Certificates of investment deposit accounts	34,294,229	31,935,946
Cash margin accounts	4,506,665	3,952,009
<b>Total customer revenue</b>	<b>118,825,430</b>	<b>105,701,798</b>
<b>Banks</b>		
Banks and financial Institutions accounts	6,196,567	4,358,836
<b>Total banks revenue</b>	<b>6,196,567</b>	<b>4,358,836</b>
<b>Total</b>	<b>125,021,997</b>	<b>110,060,634</b>



**(47) BANK'S SHARE OF REVENUE FROM UNRESTRICTED INVESTMENT ACCOUNTS AS MUDARIB AND RAB MAL**

The details of this item are as follows:

	For the year ended 31 December	
	2025	2024
	JD	JD
As Mudarib	80,692,752	57,042,289
As Rab Mal	9,000,848	18,623,767
<b>Bank's share of revenue from unrestricted investment accounts as mudarib and rab mal before support</b>	<b>89,693,600</b>	<b>75,666,056</b>
Less : Bank's support (as mudarib)	(28,848,496)	(21,754,398)
<b>Bank's share of revenue from unrestricted investment accounts as mudarib and rab mal after support</b>	<b>60,845,104</b>	<b>53,911,658</b>

**(48) EARNINGS PER SHARE FROM PROFIT FOR THE YEAR**

The details of this item are as follows:

	For the year ended 31 December	
	2025	2024
	JD	JD
Profit for the year	26,714,214	20,224,911
	Share	Share
Weighted average number of shares	150,000,000	150,000,000
	JD/Fils	JD/Fils
Basic and diluted earnings per share for the year	<b>0/178</b>	<b>0/135</b>

**(49) CASH AND CASH EQUIVALENTS**

The details of this item are as follows:

	For the year ended 31 December	
	2025	2024
	JD	JD
Cash and balances at Central Bank of Jordan maturing within three months	244,092,528	244,541,023
Add: cash at banks and financial institutions maturing within three months	19,956,320	16,841,108
Less: banks and financial institutions accounts maturing within three months	(17,564,555)	(30,544,484)
<b>Total</b>	<b>246,484,293</b>	<b>230,837,647</b>

## **(50) RELATED PARTY TRANSACTIONS**

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

	Main shareholders	Senior management	Board of Directors members	Al-EtiHAD Islamic company for investment*	Sharia directors members	Total	
						31 December	
						2025	2024
	JD	JD	JD	JD	JD	JD	JD
<b><u>Consolidated statements of financial position items :</u></b>							
Balances at banks and financial institutions	-	-	-	1,716,299	-	1,716,299	651,208
Unrestricted investments accounts and current accounts	465,360	1,214,391	902,947	11,938,245	44,290	14,565,233	14,591,797
Deferred sales receivables and facilities	-	463,979	6,112	-	-	470,091	439,164
Ijara Muntahia Bittamleek assets	-	1,458,717	-	-	-	1,458,717	1,553,807
Balances at banks and the financial institutions	-	-	-	3,223,091	-	3,223,091	-
<b><u>Consolidated statement of financial position Off-balance items :</u></b>							
Letters of guarantee	-	-	-	-	-	-	621,416
<b><u>Consolidated statement of income and other comprehensive Income items :</u></b>						For the year ended 31 December	
						2025	2024
Dividends	35	37,789	15,679	506,637	4,037	564,177	609,219
Received profit	-	83,207	-	-	-	83,207	121,046
Salaries and bonuses	-	3,004,108	55,000	-	36,400	3,095,508	2,779,698
Transportation	-	-	734,400	-	45,100	779,500	656,800
Cards Services	-	-	-	8,508	-	8,508	8,508
Cash transportation commissions	-	-	-	68,231	-	68,231	83,931

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

- The lowest and highest received Murabaha rate were 6.35% and 7.75% respectively.
- The lowest and highest rate of Ijara Muntahia Bittamleek received by the Bank were 3.75% and 3.81% respectively.
- The lowest and highest distributed profit rate were 0.30% and 5.64% respectively.
- Executive management salaries and benefits for the year ended 31 December 2025 amounted to JD 3,004,108 (JD 2,672,298 for the year ended 31 December 2024).
- All facilities granted to related parties are performing and no provisions were recorded for it .

**(51) Right of use assets / lease liabilities**

The details of this item are as follows:

**A- Right of use assets**

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

	31 December 2025	31 December 2024
	JD	JD
Balance at the beginning of the year	9,698,565	10,188,361
Add : Additions during the year	3,758,168	1,500,841
Less : Disposals during the year	(217,705)	(187,227)
Less : Depreciation for the year	(1,957,045)	(1,803,410)
<b>Balance at the end of year</b>	<b>11,281,983</b>	<b>9,698,565</b>

The amounts recorded in the consolidated statement of income and other comprehensive income :

	For the year ended 31 December	
	2025	2024
	JD	JD
Depreciation of the right of use assets for the year	(1,957,045)	(1,803,410)
Finance costs (discounting of lease liabilities) during the year	(359,606)	(346,719)

**B- lease liabilities**

	31 December 2025	31 December 2024
	JD	JD
Balance at the beginning of the year	9,851,375	10,295,338
Add : Additions during the year	3,758,168	1,500,841
Less : Disposals during the year	(217,705)	(187,227)
Financing costs - discount of lease liabilities during the year	359,606	346,719
Less : Paid during the year	(2,369,659)	(2,104,296)
<b>Balance at the end of year</b>	<b>11,381,785</b>	<b>9,851,375</b>

Maturity analysis of lease contract liabilities:

	31 December 2025	31 December 2024
	JD	JD
In less than a year	385,362	111,028
From 1 to 5 years	4,153,206	3,283,812
More than 5 years	6,843,217	6,456,535
<b>Total</b>	<b>11,381,785</b>	<b>9,851,375</b>

The value of undiscounted rental contract obligations amounted to JD 11,420,850 as at 31 December 2025, and the following is the maturity analysis:

Maturity analysis of undiscounted lease contract liabilities:

	31 December 2025	31 December 2024
	JD	JD
In less than a year	391,008	111,760
From 1 to 5 years	4,173,342	3,509,109
More than 5 years	6,856,500	7,357,657
<b>Total</b>	<b>11,420,850</b>	<b>10,978,526</b>

## **(52) Risk Management**

The Group applies an Enterprise Risk Management (ERM) framework to manage the risks to which the Bank is exposed, based on a proactive approach that emphasizes prevention rather than remediation. The Risk Management Framework is documented and approved by the Board of Directors and serves as the foundation for the Bank's Risk Appetite framework, risk policies, the Internal Capital Adequacy Assessment Process (ICAAP), and stress testing activities.

Risk management is a primary responsibility of the Bank's Board of Directors, exercised through the Board Risk Committee, which reviews and recommends the Risk Management Framework for Board approval. The Risk Management Department role is to facilitate the management process of different types of risks that the Bank is exposed to and evaluating, measuring and developing an appropriate measurement method to mitigate these risks that's affecting the Bank's profitability and Capital Adequacy in line with the approved Risk framework. The Risk Management Department prepares periodic reports to the Board of Directors through the Risk Management Committee to inform them with the latest developments related to risk management for their evaluation and recommendations.

The Internal Audit Department also reports to the Board of Directors through Board Audit Committee on the compliance level of all departments with risk management policies and procedures; as well as auditing the Risk Management Department activities and reporting the findings to the concerned parties.

The Bank applies the Central Bank of Jordan instructions related to Risk Management through developing an Internal Capital Adequacy Assessment Plan (ICAAP) and Stress Testing on an annual and regular basis.

Risk Management Department adopts an integrated Risk Management methodology through identifying all risk factor that the Bank exposed to and then managing each type of risk within an integrated cycle that includes the following:

- A. Define all types of risk.
- B. Determine the strategic objectives for managing this type of risk.
- C. Defining the risk appetite.
- D. Assess and measure the type risks.
- E. Managing the risks.
- F. Monitoring and reporting of exposures.

**The Bank is exposed to the following risks:**

### **1- Credit risk:**

The Bank defines credit risk as the risk arising from a customer's inability or unwillingness to meet its financial obligations (principal and/or profit) in accordance with the agreed terms and maturities, resulting in potential financial losses to the Bank.

Credit risk is managed through the implementation of the Credit Manual, which regulates and governs the lending process for Corporate and Small Business clients. Also, The Retail Credit policy is Directed to govern the lending process for Retail Clients. As for Financial Institutions, the Credit limits are applied. All these policies are developed aligned with regulation issued by Central Bank of Jordan and Basel Accords.

▪ **Bank's exposure to credit risk in the Bank arises from its financing and investment operations, including:**

- Risks related to the client and the nature of business.
- Risks related to the granting and implementing of financing.
- Concentration risk.
- Risks related to Islamic financing instruments.

▪ **In this field, the Bank monitors and controls credit risks through:**

- Managing and controlling portfolio risks through a number of committees such as Board Risk Management committee approved by the Bank Board at director.
- Reviewing and approving credit applications through Credit Committees according to specific authorities that is documented and approved by the Board of Directors, where small amounts are approved by individual authorities.
- Applying credit rating methodologies in line with best practices.
- Monitor credit limits and issuing the needed reports to avoid breach of that limits and monitoring the quality of portfolio.
- Diversifying between financing and investment to avoid the Concentration Risk within individuals, groups or clients of specific geographical regions, specific economic sectors, or specific financing instruments or in the term of financing period.
- Managing nonperforming loans to reduce the expected credit losses.
- Segregation of duties between marketing and credit decision tasks.
- Segregation of duties between implementation and credit control role.
- Setting and updating credit policy, which is responsible of the credit process and decisions.

▪ **Credit risk measurement:**

The Bank applies the Standardized Approach to measure credit risk by calculating risk-weighted assets (RWA) based on credit exposures reflected in the consolidated balance sheet, in accordance with the Regulatory Capital Instructions and the amended Standard No. (15) issued by the Islamic Financial Services Board (IFSB). The Bank is taking the necessary steps to apply the Foundation Internal Risk Basis (FIRB), where a corporate credit rating system is periodically applied in addition to a specialized credit rating system for small companies and for individual clients to determine the credit quality for each client when granting the credit and monitoring this quality throughout the financing period to specify any deterioration that may occur and to specify the quality of the whole credit portfolio on a regular basis which will be reflected on credit policy and pricing.

■ **Credit Risk mitigation:**

The Bank uses various credit risk mitigation tools (such as real estate guarantees, financial, etc.) accordance to the approved credit risk mitigation policy in order to mitigate the exposure credit risks and the related impact on the Bank, where the volume and value of the required collateral is determined based on approved credit risk mitigation policy.

**The systems used by the Bank to manage Credit Risk:**

The Bank is currently using advanced technological programs to improve the quality of risk management. Perhaps the most important systems currently used are:

**1. Expected Credit Losses System (ECL):**

Risk management department with the related Bank's departments successfully implemented the Financial Accounting Standard (FAS 30) through an integrated and automated system to calculate the expected credit loss that is linked with the core Banking system. Also, the Bank implemented a new system to Calculate the Expected Credit Losses accordance with CBJ instructions No. (8/2024).

**2. Internal Credit Rating system and how it works:**

Rating system is a tool that is used to evaluate and improve the quality of the credit decision, in addition to be considered as a primary base to improve and develop the credit risk in line with the Basel requirements and FAS (30) instructions.

Safwa Islamic Bank implements the best international practices related to the internal credit rating on the Corporate Banking clients (Credit Lens: Moody's System), where the classification process is based on qualitative and quantitative credit criteria. Where the credit rating includes two ratings, one at the customer level (Obligor Risk Rating "ORR") and the other at the level of financing (Facility Risk Rating "FRR"). Whereas, the credit rating system is the main focus of calculating the Probability of Default "PD" in addition to calculating losses upon default and within the concept of losses assuming default (Loss Given Default "LGD").

The credit rating system (ORR) is determined by ten degrees and divided as follows:

- From one to five degrees for operating financing, where the first degree is considered the best.
- Grades six and seven for work under watchlist Accounts.
- Degrees eight to ten are for non-performing financing.

The customer is classified on the credit rating system at least once a year in case that no credit event occurs during the year (Credit Events).

In addition, a special system for internal credit rating has been implemented for small business customers, where the classification process is based on qualitative and quantitative criteria. Credit Decisions are made relying mainly on the system output.

The Bank continuously seeks to review and develop the credit rating systems applied for the various Bank's portfolios in accordance with the best international practices that complies with the international and local legislative requirements.

### **3. Management Information System (MIS)**

The management information system is considered a base for the development of credit risk management system in accordance with the requirements of the Basel decisions and the instructions for the application of the Accounting and Auditing Organization for Islamic Financial Institutions FAS (30). Where the system contributes to control risk management related to granted credit by providing periodic oversight reports. Which in turn contributes to control risk within acceptable levels.

#### **Governance of implementation of Financial Accounting Standard (FAS 30):**

The Bank applies an integrated corporate governance for the implementation of Financial Account Standard (FAS 30) where the board of directors' responsibility is to ensure compliance with the FAS 30, through adopting methodology and policies for the standard, which include defining the roles of relevant committees, departments, and business units also it includes the adopting of system for Financial Accounting Standard (FAS 30), implementation and providing the necessary infrastructure.

Also, through the Board committees the Board of Directors' responsibility is to approve the periodic results of expected credit loss in line with (FAS 30) instructions.

#### **Definition of Default Implementation and the Mechanism of Handling the Default**

The Bank applied the Central Bank of Jordan instructions regarding the default where the facilities is considered as defaulted (non-performing) if its maturity or the maturity of one of the installments is equal or more than 90 days or there are indicators that the facilities may be defaulted. The possibility of non-payment of financial Sukuk, International Murabaha and International Wakala with the Banking institutions also included into Bank's default concept.

Payment of due installments are monitored through the related departments within approved framework and policies.

#### **The Mechanism of Calculating the Expected Credit Losses (ECL)**

The Expected Credit Loss (ECL) is calculated in accordance with Financial Accounting Standard (FAS 30) using the following formula:

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

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

**A. Probability of Default (PD)**

**Definition of Probability of Default and the Mechanism of Calculation and Controlling (PD):**

Probability of Default (PD) represents the likelihood that a borrower will fail to meet its repayment obligations. PD is estimated based on historical default data, adjusted for forward-looking macroeconomic factors and stress testing assumptions. Moreover, the Bank also reflected the global and local economic conditions, in addition to the effects of Covid-19 pandemic on the possibility of default (Macroeconomic Adjusted PD) And adopting it as a basis in the process of calculating expected credit losses, with the aim of precaution.

The probability of default for a period of 12 months is calculated for the funds included in the first phase and the probability of default for the entire life of the financing for the funds included in the second and third stages. Whereas, the Bank adopts a default rate on the level of corporate portfolio clients and investment portfolio clients on an individual basis, while a general ratio for each individual product is based on a collective basis.

**B. Exposure at Default (EAD)**

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

It is the amount of potential exposure that is subject to risk - uncovered balance by acceptable collateral - for exposures that fall within the scope of Financial Accounting Standard (FAS 30) through a forward-looking for the period, which the default may occur. Where the exposure at default is measured for the purposes of calculating Expected Credit Loss for each stage of (FAS 30) instruction. An EAD Haircut is used to determine the on-balance exposure that subjected to risk where the off-balance statistical exposure utilization (DDF) is used to determine the potential utilization for those exposures (LGs, LCs and Unutilized Limits). Exposure at Default (EAD) is calculated by the total facilities for the first and second stage and net facilities for the third stage.

**C. Loss Given Default (LGD)**

**Definition of Loss Given Default and Mechanism of Calculating and Controlling (LGD):**

It is the amount of loss that arises as a result of defaulted facilities and that is calculated through a statistical model which analyzes the historical collections for each portfolio, where it measured for the purpose of calculating the expected credit loss for each stage of Expected Credit Losses according to the instructions for the implementation of (FAS 30) by calculating the recoverable amount of the different collateral (Cars, Real Estate, Cash, Land, Machinery, Equipment and Vehicles) provided to the Bank against the facilities that granted and legally documented into contracts through a conversion factor for each type of collateral



taking into consideration the timing of reaching each type of collateral and turn them into cash (expected cash flow and timing).

The Bank has developed a methodology for calculating loss on default (LGD), according to the following:

1. The loss ratio was taken under the assumption of default for the first and second stage customers, based on updated historical data for the amounts or collaterals recovered from the dealers.
2. The loss on default ratio was considered for the third stage dealers based on the default period, so that the relationship between the loss on default and the default period is positive.
3. The Bank has updated the data related to the loss on default ratio (LGD) and increased it based on economic studies issued by the international rating agencies.

#### **The Bank's policy in Determining the Elements of calculating Credit Risk and Expected Credit Loss on a Collective or Individual Basis**

The expected Credit Loss (ECL) methodology is classified into individual or collective basis where the collective basis was adopted for retail portfolio through a general PD ratio for each product and then calculating the expected credit loss for each retail portfolio product. While the individual basis was adopted for corporate portfolio as well as for each investment in the Bank's investment portfolios that are subjected to (FAS 30) instructions through a PD ratio for corporate and investment portfolio then calculating the Expected Credit Loss for corporate and investment portfolio.

#### **Key indicators of credit risk on which the Bank has relied in distributing its credit exposures among the three stages**

Bank classified exposures on the Expected Credit Loss automated system in line with Financial Accounting Standard (FAS 30) instructions into three stages depending on a set of determinants such as: corporate client internal credit rating, external credit rating, number of dues installments, restructuring and rescheduling, negative changes in the client behavior, increase credit risk, classifying the client under watching-list stage adjusting the credit terms, negative changes on the guarantees value, negative changes in the customer's economic sector, the Bank's legal follow-up with the client, In addition to the classification criteria mentioned in the CBJ instructions No. (8/2024).

#### **The Main Economic Factors Used by the Bank in Calculating the Expected Credit Loss (ECL)**

The main economic factors (macroeconomic factors) were included in the automated system for calculating the expected credit loss. The Bank adopts three scenarios, which are the base scenario, the upturn scenario, and the downturn scenario, which were determined based on economic studies issued by the World Bank and international rating agencies.

## **2- Market Risk:**

The Bank defines market risk as the potential losses that the Bank may be exposed to as a result of the decrease in the prices of the various financial instruments in which it invests, including equity instruments, Sukuk,

currency exchange and commodities. The Bank also adopts a conservative policy that aims to identify, assess, measure and manage all types of market risks that may be exposed, which ensures that the Bank's risk factors are reduced and kept within the minimum limits.

### **3- Operational Risk:**

The risk of losses resulting from inadequate or failure of internal processes and/or the human resources and/or systems and/or from external events.

Operational risk factors are managed according to a framework approved by the Board of Directors. This framework includes policies and procedures that clarify the mechanism of identifying and evaluating risk factors and assessing the current controls to determine the adequacy of these controls in mitigating the risk factors and reducing the likelihood of occurrence.

The Bank adopted and applied the Risk & Control Self-Assessment methodology through workshops to define and measure all the Operational Risk factors of operations, activities, products and services of the Bank, and to assess the effectiveness of current controls in mitigating these risks and to develop corrective plans to handle such gaps. As this methodology promotes and enhance the principles of direct responsibility of the business units for managing risk factors of their areas. also, it achieves the principle of continuous monitoring risk factors. Risk profiles were developed for all departments which are monthly examined and providing the results to the Risk Management Department.

Operational risk department reviews the internal audit reports of Bank's business units and includes new operational risks factors within the unit's risk profile in addition to the internal control unit findings.

The Bank applies Loss Data Collection methodology that arise as a result of operational events and the Board of Directors has adopted a detailed policy. The data for these events are currently collected, analyzed, linked with risk factors.

The Bank also applies the Lessons Learned methodology against the Internal and External incidents in order to assess our Internal Control Environment and ensure develop the needed corrective action against control gap(s).

The Bank has adopted a general framework for Key Risk Indicators (KRIs), which provides an important tool in managing operational risk factors and improving the Banks ability to manage these risks even before they occur.

All policies and procedures related to departments and business units are reviewed by Risk Management Department - within the process of approved policies and procedures – for the purpose of assessing the adequacy of controls to mitigate risk factors.

With regard to the Bank wide awareness of risk culture, Risk Department conducted many workshops for Bank employees on an annual basis.

As for capital adequacy purposes, the Operational Risks are measured using the Basic Indicator Approach according to the instructions of the Central Bank of Jordan, and the Bank is working to develop a methodology for transferring to the Standardized Approach in calculating Capital Adequacy against Operational Risks.

### **Information security and cybersecurity**

To maintain the confidentiality and availability of customer information and to provide banking services with the highest levels of protection and security, strategies, standards, and policies have been developed based on the best international information security standards. This aims to create a secure working environment that achieves objectives related to protecting information assets and continuously ensuring their confidentiality, integrity, and availability. The bank has undertaken the following:

- A long-term strategy and an integrated annual plan were developed to include the implementation of strategies, policies, standards and systems in the area of Information Security and Cybersecurity to reach a more secure environment and enhance the cybersecurity capabilities of the Bank.
- Information Security and Cybersecurity policies have been updated to comply with the instructions issued by Regulator and related global best practices . These updates have addressed the topic of artificial intelligence and its safe use in this field..
- Developing and updating the Security Operations Center (SOC), for 24/7 monitoring.
- Implementation of several information security and cybersecurity projects aimed at applying best-in-class global solutions and programs to protect and monitor the bank's information systems.
- Compliance with the PCI DSS standard for card security, and the bank has obtained the compliance certificate for the standard according to the latest version (PCI DSS Version 4.01).
- Compliance with SWIFT financial network security standard by applying SWIFT Customer Security Program (CSP).
- Several security checks are carried out on networks and systems, as well as specialized security checks for banking applications (Internet banking and Mobile banking), and the results of these checks are processed directly.
- The risk factors related to Information Technology are also managed through a continuous updating of Risk Matrix for Information Technology, Information Security and Cyber Security. also, controls are tested Periodically and making sure all control gaps are handled in a proper manner.
- With regard to Awareness of Information Security, Cyber Security and Business Continuity, training workshops are held for Bank staff on an annual basis, also, many Awareness Messages (including SMS) related to cyber security were sent to our customers.
- During this year, an examination and test of the security incident response plan (Incident Response Plan Test) was conducted with the aim of verifying the efficiency of procedures, speed of response, and integration of roles and responsibilities.

## **Business continuity**

In this regard, the bank's approved business continuity plan is periodically amended to suit changing working conditions. Remote work mechanisms have been adopted, and employees have been redeployed across bank locations.

The bank has also redesigned and activated the alternative site to provide a healthy and safe working environment. The bank conducts periodic checks of the alternative sites and systems to ensure their readiness in emergency situations to guarantee business continuity.

The bank conducted a test of its emergency plan for sensitive and critical financial systems. Several departments and divisions participated in the test, which was performed from the backup site. The results of the tests were monitored, and any issues addressed during and after the test were resolved.

In order to align with global best practices, having an alternative business location outside of Amman ensures that the alternative location is not exposed to the same risks as the original location.

## **4- Reputational risk**

The Bank considers reputation risks as the negative effects on the Bank's reputation and brand which is resulted from Bank failure to fulfill its responsibility towards all clients and / or its failure to manage its affairs efficiently and effectively and / or the failure to comply with the Sharia requirements and / or the failure to manage All other types of risks which leads to several negative effects, including a loss of client confidence and thus a decline in the client base and an increase of costs or a decrease of profits.

Reputation risk is managed through monitoring customer complaints and feedback, the follow-ups by Customer Complaints Unit. Also, this Risk is managed by tracking customer and public comments and interactions on social media platforms. The Bank places particular emphasis on addressing customer and public inquiries related to the Sharia enquiries related to banking operations, providing the needed clarification and information Bank's commitment to Sharia requirements in banking practices, which are made available on the Bank's official website. Furthermore the Bank actively participates in many social initiatives as per Bank's Framework of Social responsibilities which will positively enhance and strength Bank's image and reputation in the community. These initiatives also enhance the Bank's relationships with various segments of society, contributing to expanding and support Bank's Customer base.

## **5- Non-compliance risks**

The risks of non-compliance are the risks of legal or regulatory penalties, material losses or reputation risks to which the Bank may be exposed due to non-compliance with laws, regulations, instructions, codes of conduct and Banking standards.

The Bank evaluates and monitors compliance with the instructions issued by the Central Bank and other official bodies. In addition to reviewing all policies, procedures, agreements, announcements, and any new services or products to ensure the availability of the necessary controls to avoid risks arising from non-compliance.

The Bank educates employees on compliance issues and prepares written instructions in this regard. The Compliance Department provides advice and guidance to the executive management on applicable laws, regulations and standards and any amendments to them.

The Bank conducts a comprehensive assessment of the risks of money laundering and terrorist financing at least annually, or in the event that a need arises to conduct this assessment as a result of a fundamental change in the nature of the risks to which the Bank is exposed. Geographical regions, products, services, processes and service delivery channels, according to a methodology approved by the Board of Directors.

The Bank's commitment to the anti-money laundering and terrorist financing policy works to build a business relationship with customers based on ethical standers and best practices, especially with regard to (Know Your Customer) and taking the necessary measures to determine the true beneficiary of all transactions.

## **6- Legal risks related to operational activities**

Risks of exposure to legal procedures, follow-ups and fines as a result of the occurrence of operational risks and events, and the disputes arising as a result of non-compliance with applicable regulations and instructions, also the financial fines and claims that can be resulted from a third party. The insufficiency of documents and the lack of legal capacity and / or the invalidity of contracts and / or their lack of enforceability resulting from lack of proper documentation are among the most important causes of legal risks.

The responsibility for managing these risks lies with the legal department, as it reviews all contracts and documents related to the Bank's transactions, in addition to legal follow-up to the Bank's debtors – in coordination with the Credit Department-, and careful follow-up of the lawsuits to which the Bank is a party.

## **7- Risks of non-compliance withs Sharia Laws**

These are the risks faced by the Bank that may result in the nonrecognition of income and losses arising from related operations due to noncompliance with Sharia rules and regulations which negatively affect the institution's credibility and public trust. Such risks are managed through a comprehensive Sharia control framework that involves Sharia Compliance Department, Internal and Sharia Audit Department, Risk Management Department, Sharia Supervisory Board and the Audit Committee established by the Board of Directors.

### **The culture of the Bank risk management and the role of risk management policies and strategies in supporting and spreading the Bank's risk culture**

Risk Management Culture is considered as one of the main pillars of the risk management framework, as it enhances the understanding and communication process among all Bank's employees in a way that enables them to perform their daily work and make decisions on a basis of the risk management methodology.

Risk management framework and Operational Risk Management Framework included a main component related to strengthening the concept of Risk Management Culture through the support of the Board of Directors and Executive Management and the necessity to raise awareness of all managerial levels with a culture of risk management in addition to create an integrated training system for all the Bank employees to develop Risk Management Culture.

### **Bank Risk Appetite in line with the Approved business models**

The Bank adopts a documented and integrated policy of Risk Appetite, which is approved by the Bank's Board of Directors. Approved risk appetite aims to link the Bank's strategic objectives with the Bank risk management system as well as with the business models. The concept of integration of Risk Appetite into Risk Management Culture and the involvement of the various managerial levels will lead to the linkage of the strategic plan and the methodology of risk management at different managerial levels.

Risk Appetite have been specified for each type of risk in a manner consistent with the Bank's strategic directions and CBJ requirements in addition to analyze historical data for each type of risk.

An integrated system of control has been adopted for the Risk Appetite in terms of following up all these levels according to the periodicity specified in the approved document and issuing reports on Risk Appetite to management and to related committees with specifying the responsibility to follow up on any breach.

### **Stress testing**

Stress testing is considered as one of the most important tools that the Bank uses to measure its ability to withstand against shocks and high risks, as these tests aim to assess the financial position and the capital adequacy ratio for the Bank within different scenarios.

The Bank adopts a comprehensive methodology for conducting stress testing. These tests include the following:

**Sensitivity Analysis Tests:** These tests aim to measure the impact of different economic factors and internal risk factors on the financial position and the adequacy ratio of the Bank's capital. These tests cover credit, market, operational, liquidity and any other risks the Bank believes is necessary to stress tested.

**Scenarios tests:** These tests aim to assess the Bank's tolerance of crises and shocks related to the macro economic at county level economy of the country, such as changes in economic growth, unemployment rates, raise in interest rates and their impact on the Bank's financial position and capital adequacy ratio.

A policy for stress tests was developed and approved by the Bank's board of directors to cover the requirements for stress tests and to define the methodology adopted for conducting these tests and their periodicity as per CBJ instructions.

The Bank's Considering stress testing results as a reference for developing future plans and strategies. Stress testing is being incorporated into the Risk Management monthly reports to create a comprehensive culture and awareness of updated Risk Management Concepts.

The Bank adopts an integrated governance Framework of stress testing whereby the risk management periodically conducts stress tests and then submits results to the Risk Management Committee and to Board Risk Committee to get their recommendations and directions and then approves it by the Board of Directors, This methodology stimulates the best practices in involving the Bank's board of directors and senior executive management in stress testing methodology and the impact of their results on the Bank's strategic decisions.

#### **Systemic Importance – D-SIBs**

As per classifying our Bank's as a Domestic Systemically Important Bank (D-SIB), a comprehensive recovery plan was developed to reflects the Bank's values. The plan aims to enhance readiness for crises and ensure Bank continuity, thereby protect the interests of both customers and shareholders.

In this context, the Bank has prepared a document to comply with the principles of data aggregation and risk reporting issued by the Basel Committee - Effective Risk Data Aggregation and Risk Reporting (BCBS 239). This is achieved by enhancing data quality and improving reporting efficiency. The document also addresses the regulatory requirements outlined in the Instructions for Dealing with Domestic Systemically Important Banks No. (2/2017, dated (12/06/2017) which aim to strengthen the Bank's ability to effectively aggregate risk data and generate accurate and timely reports to support decision-making and sound risk management.

**(53 /A) CREDIT RISK**

**1) Credit risk exposure (After impairment provision and before collateral and other risk reducers):**

	31 December 2025		
	Joint	Self	Total
	JD	JD	JD
Balances at Central Bank of Jordan	-	212,637,681	212,637,681
Balances at banks and financial institutions	-	19,956,320	19,956,320
International Wakala investments	245,612,315	-	245,612,315
<b>Deferred sales receivables and other receivables</b>			
Retail (individual)	422,882,120	2,133,719	425,015,839
Real estate financing	9,720,865	-	9,720,865
Corporate	612,430,665	56,635	612,487,300
Small and medium enterprises	88,304,782	72,645	88,377,427
Public and governmental sectors	759,429,416	-	759,429,416
<b>Sukuk</b>			
Within financial assets at fair value through income statement	1,466,896	-	1,466,896
Within financial assets at fair value through quasi-equity	374,879,224	-	374,879,224
Within financial assets at fair value through other comprehensive income	-	107,890,814	107,890,814
Within financial assets at amortized cost	119,852,000	141,800,000	261,652,000
Al Qard Al Hasan	-	52,354,010	52,354,010
Other assets	8,284,881	14,063,553	22,348,434
<b>Total consolidated statement of financial position items</b>	<b>2,642,863,164</b>	<b>550,965,377</b>	<b>3,193,828,541</b>
<b>Consolidated statement of financial position Off-balance sheet items:</b>			
Letters of guarantees	-	44,498,633	44,498,633
Letters of credit	-	221,467,810	221,467,810
Acceptances	-	18,906,473	18,906,473
Unutilized limits	220,484,489	-	220,484,489
<b>Grand total</b>	<b>2,863,347,653</b>	<b>835,838,293</b>	<b>3,699,185,946</b>



	31 December 2024		
	Joint	Self	Total
	JD	JD	JD
Balances at Central Bank of Jordan	-	210,414,366	210,414,366
Balances at banks and financial institutions	-	16,841,108	16,841,108
International Wakala investments	217,144,756	-	217,144,756
<b>Deferred sales receivables and other receivables</b>			
Retail (individual)	399,408,953	1,870,174	401,279,127
Real estate financing	7,057,894	-	7,057,894
Corporate	467,836,529	158,696	467,995,225
Small and medium enterprises	69,900,453	104,772	70,005,225
Public and governmental sectors	594,127,907	-	594,127,907
<b>Sukuk</b>			
Within financial assets at fair value through quasi-equity	441,074,840	-	441,074,840
Within financial assets at fair value through other comprehensive income	-	45,451,435	45,451,435
Within financial assets at amortized cost	119,852,000	-	119,852,000
Al Qard Al Hasan	-	11,443,367	11,443,367
Other assets	8,703,905	1,128,277	9,832,182
<b>Total consolidated statement of financial position items</b>	<b>2,325,107,237</b>	<b>287,412,195</b>	<b>2,612,519,432</b>
<b>Consolidated statement of financial position Off-balance sheet items:</b>			
Letters of guarantees	-	37,211,691	37,211,691
Letters of credit	-	182,131,628	182,131,628
Acceptances	-	22,311,639	22,311,639
Unutilized limits	183,669,434	-	183,669,434
<b>Grand total</b>	<b>2,508,776,671</b>	<b>529,067,153</b>	<b>3,037,843,824</b>

## Distribution of credit exposures

### A. Distribution of credit exposures - self (After deducting the deferred and suspended revenues ):

31 December 2025

Internal rating of the Bank	Category Classification by Instructions (8/2024) and Ijara Instructions No. (13/2025)	Total exposure value	Expected credit loss	The probability of default (PD) %	Classification according to external classification institutions	Exposure at default (EAD) per million dinars	Average loss at default (LGD)%
		JD	JD			JD	
<b>A- Direct credit facilities (After deducting suspended and deferred revenue):</b>							
Almost risk free	Performing exposure	509,660	-	0.6%	-	0.428	61%
Low risk	Performing exposure	46,860,031	250,631	1%	-	39.366	59%
Normal risk	Performing exposure	2,580,297	22,916	2%	-	2.169	56%
Acceptable risk	Performing exposure	958	-	2%	-	0.001	54%
Acceptable with due care	Performing exposure	449,448	3,613	3%	-	0.371	53%
Watch list	Performing exposure	658,317	38,760	11%	-	0.554	58%
Unrated	Performing exposure	3,552,475	54,490	0%	-	145.153	72%
<b>Total (performing debt)</b>		<b>54,611,186</b>	<b>370,410</b>			<b>188.041</b>	
Substandard	Non - performing exposure	1,661	1,661	100%	-	0.002	53%
Doubtful	Non - performing exposure	70,041	41	100%	-	0.000	53%
Loss	Non - performing exposure	334,440	14,872	100%	-	0.334	53%
Unrated	Non - performing exposure	1,516,116	1,529,451	100%	-	1.586	73%
<b>Total (Non-performing debt)</b>		<b>1,922,258</b>	<b>1,546,025</b>			<b>1.922</b>	
<b>Total</b>		<b>56,533,444</b>	<b>1,916,435</b>			<b>189.963</b>	

### B. Indirect credit facilities(Statement of financial position off-balance items - self ) :

Insignificant Risk	Performing exposure	25,000	-	0.4%	-	0.010	77%
Almost risk free	Performing exposure	4,731,861	2,792	0.6%	-	1.374	61%
Low risk	Performing exposure	120,576,965	28,438	1%	-	13.515	60%
Normal risk	Performing exposure	28,672,130	33,743	2%	-	5.755	56%
Acceptable risk	Performing exposure	27,467,706	67,425	2%	-	7.452	54%
Acceptable with due care	Performing exposure	2,809,598	19,245	3%	-	1.135	53%
Watch list	Performing exposure	108,567	356	10%	-	0.044	60%
Unrated	Performing exposure	100,514,998	31,807	4%	-	10.705	64%
<b>Total (performing debt)</b>		<b>284,906,825</b>	<b>183,806</b>			<b>39.990</b>	
Loss	Non - performing exposure	149,397	-	100%	-	0.149	53%
Unrated	Non - performing exposure	500	-	0%	-	0.001	0%
<b>Total (Non-performing debt)</b>		<b>149,897</b>	<b>-</b>			<b>0.150</b>	
<b>Total exposure</b>		<b>285,056,722</b>	<b>183,806</b>			<b>40.140</b>	

### C. Sukuk :

Within financial assets at fair value through other comprehensive income	Performing exposure	107,989,424	98,610	0.1%	AA-Ba1	106.531	75%
Within financial assets at amortized cost	Performing exposure	141,800,000	-	0.0%	BB-	-	0%

## Distribution of credit exposures

### B. Distribution of credit exposures - Joint (After deducting the deferred and suspended revenues):

31 December 2025

Internal rating of the Bank	Category Classification by Instructions (8/2024) and Ijara Instructions No. (13/2025)	Total exposure value	Expected credit loss	The probability of default (PD) %	Classification according to external classification institutions	Exposure at default (EAD) per million dinars	Average loss at default (LGD)%
		JD	JD			JD	
<b>A- International wakala investments</b>	Performing exposure	245,884,888	272,573	0.2%	A-B	247.676	75%
<b>B- Sukuk:</b>							
Within financial assets at fair value through income statement	Performing exposure	1,466,896	-	0.0%	-	-	0%
Within financial assets at fair value through quasi-equity	Performing exposure	375,006,481	127,257	0.4%	Aa3-B+	375.393	75%
Within financial assets at amortized cost	Performing exposure	119,852,000	-	0.8%	BB-	119.852	75%
<b>C -Direct credit facilities (After deducting suspended and deferred revenue):</b>							
Insignificant Risk	Performing exposure	760,940,243	-	0%	-	742.468	9%
Almost risk free	Performing exposure	49,820,682	87,548	0.4%	-	47.991	60%
Low risk	Performing exposure	137,457,147	643,986	1%	-	128.376	58%
Normal risk	Performing exposure	96,716,808	609,113	2%	-	90.918	55%
Acceptable risk	Performing exposure	274,304,066	1,365,419	3%	-	255.626	54%
Acceptable with due care	Performing exposure	15,782,175	11,527,069	7%	-	14.349	54%
Watch list	Performing exposure	34,587,055	26,120,284	25%	-	32.849	54%
Unrated	Performing exposure	561,317,214	9,513,369	7%	-	913.353	71%
<b>Total (performing debt)</b>		<b>1,930,925,390</b>	<b>49,866,788</b>			<b>2,225.930</b>	
Substandard	Non - performing exposure	366,838	183,419	100%	-	2.605	53%
Doubtful	Non - performing exposure	860,930	286,717	100%	-	3.295	53%
Loss	Non - performing exposure	44,011,693	38,151,596	100%	-	36.330	84%
Unrated	Non - performing exposure	34,608,114	29,516,597	100%	-	23.413	80%
<b>Total (Non-performing debt)</b>		<b>79,847,575</b>	<b>68,138,329</b>			<b>65.644</b>	
<b>Total exposure</b>		<b>2,010,772,965</b>	<b>118,005,117</b>			<b>2,291.574</b>	
<b>D - Unutilized limits</b>							
Insignificant Risk	Performing exposure	12,566,039	203	0.5%	-	6.911	52%
Almost risk free	Performing exposure	17,819,300	23,796	0.5%	-	9.801	65%
Low risk	Performing exposure	82,368,225	261,939	0.9%	-	45.303	63%
Normal risk	Performing exposure	36,226,087	200,481	1.5%	-	19.924	61%
Acceptable risk	Performing exposure	57,174,524	367,201	2.4%	-	31.446	56%
Acceptable with due care	Performing exposure	1,751,045	17,440	2.8%	-	0.963	59%
Watch list	Performing exposure	1,914,448	72,917	9.0%	-	1.053	61%
Unrated	Performing exposure	11,624,187	15,389	3.8%	-	7.609	64%
<b>Total (performing debt)</b>		<b>221,443,855</b>	<b>959,366</b>			<b>123.009</b>	
<b>Total exposure</b>		<b>221,443,855</b>	<b>959,366</b>			<b>123.009</b>	

**2. Classification of deferred sales and other receivables according to the degree of risk In accordance with the Financial Accounting Standard (30) issued by the Accounting and Auditing Organization for Islamic Financial Institutions :**

**A) Distribution of the fair value of collateral against credit exposures - for total credit exposure - joint according to the following table:**

The bank maintains collateral or other credit enhancements to mitigate credit risk associated with financial assets. The Group maintains cash, investments and (joint) financing balances amounting to JD 2,761,268,111 as of 31 December 2025 (compared to JD 2,427,176,232 as at 31 December 2024 ). The estimated value of the joint collateral held is JD 370,614,656 as at 31 December 2025 (compared to JD 334,251,145 as at 31 December 2024) The value of collateral is only considered to the extent that it mitigates credit risk. There has been no change in The bank's guarantees policy during the current year.

**The table below shows each type of exposure and the associated collateral :**

	31 December 2025									
	Fair value of collateral									
Item	Total exposure value	Cash margin	Acceptable				Total value of collateral	Net exposure after collateral	Expected credit loss (ECL)	
			Traded shares	bank guarantees	Real estate financing	Cars and mechanics				Other
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balances at Central Bank of Jordan	-	-	-	-	-	-	-	-	-	-
Balances at banks and financial institutions	-	-	-	-	-	-	-	-	-	-
Deposits with banks and financial institutions	-	-	-	-	-	-	-	-	-	-
International Wakala investments	245,884,888	-	-	-	-	-	-	-	245,884,888	272,573
Direct credit facilities ( after deducting deferred and suspended revenue) :										
Retail (individual)	457,382,657	8,516,840	-	-	15,823,436	133,504,006	-	157,844,282	299,538,375	34,500,537
Real estate financing	17,678,260	518,842	-	-	6,807,822	-	-	7,326,664	10,351,596	7,957,395
For corporate	683,982,123	8,807,872	-	-	104,347,150	9,700,264	3,986,814	126,842,100	557,140,023	71,551,458
Small and medium enterprises (SMEs)	92,300,509	4,632,135	-	-	64,435,778	2,973,737	6,518,025	78,559,675	13,740,834	3,995,727
Public and governmental sectors	759,429,416	-	-	-	41,935	-	-	41,935	759,387,481	-
Sukuk :										
Within financial assets at fair value through statement of income	1,466,896	-	-	-	-	-	-	-	1,466,896	-
Within financial assets at fair value through quasi-equity	375,006,481	-	-	-	-	-	-	-	375,006,481	127,257
Within financial assets at amortized cost	119,852,000	-	-	-	-	-	-	-	119,852,000	-
Other assets	8,284,881	-	-	-	-	-	-	-	8,284,881	-
Total	2,761,268,111	22,475,689	-	-	191,456,121	146,178,007	10,504,839	370,614,656	2,390,653,455	118,404,947
Unutilized credit limits	221,443,855	-	-	-	-	-	-	-	221,443,855	959,366
Grand total	2,982,711,966	22,475,689	-	-	191,456,121	146,178,007	10,504,839	370,614,656	2,612,097,310	119,364,313

**B. Distribution of the fair value of collateral against credit exposure - for total credit exposures - self according to the following table:**

The bank maintains collateral or other credit enhancements to mitigate credit risk associated with financial assets The Bank maintains cash, investments and (self-financing) balances amounting to JD 522,980,422 as at 31 December 2025 (compared to JD 288,947,766 as at 31 December 2024). The estimated value of the self guarantees held is JD 1,876,169 as at 31 December 2024 (compared to JD 2,469,043 as at 31 December 2024 ). The value of collateral is only considered to the extent that it mitigates .credit risk. There was no change in the bank's guarantees policy during the current year

**The table below shows each type of exposure and the associated collateral :**

	31 December 2025									
Item	Fair value of collateral							Total value of collateral	Net exposure after collateral	Expected credit loss (ECL)
	Total exposure value	Cash margin	Traded shares	Acceptable						
				bank guarantees	Real estate financing	Cars and mechanics	Other			
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balances at Central Bank of Jordan	212,637,681	-	-	-	-	-	-	-	212,637,681	-
Balances at banks and financial institutions	19,956,320	-	-	-	-	-	-	-	19,956,320	-
Direct credit facilities ( after deducting deferred and suspended revenue) :										
Retail (individual)	3,441,040	-	-	-	1,150	1,393,101	-	1,394,251	2,046,789	462,750
Real estate financing	-	-	-	-	-	-	-	-	-	-
For corporate	51,548,071	5,972	-	-	6,339	347,257	-	359,568	51,188,503	900,271
Small and medium enterprises (SMEs)	1,034,673	-	-	-	113,037	-	9,313	122,350	912,323	553,414
Public and governmental sectors	509,660	-	-	-	-	-	-	-	509,660	-
Sukuk :										
Within financial assets at fair value through other comprehensive income	107,989,424	-	-	-	-	-	-	-	107,989,424	98,610
Within financial assets at amortized cost	141,800,000	-	-	-	-	-	-	-	141,800,000	-
Other assets	14,063,553	-	-	-	-	-	-	-	14,063,553	-
Total	552,980,422	5,972	-	-	120,526	1,740,358	9,313	1,876,169	551,104,253	2,015,045
Letters of guarantees	44,641,332	4,896,246	-	-	-	-	-	4,896,246	39,745,086	142,699
Letters of Credits	221,499,043	126,221,197	-	-	-	-	-	126,221,197	95,277,846	31,233
Letters of Acceptance	18,916,347	-	-	-	-	-	-	-	18,916,347	9,874
Grand total	838,037,144	131,123,415	-	-	120,526	1,740,358	9,313	132,993,612	705,043,532	2,198,851

C. Distribution of the fair value of collateral against credit exposures included in the third stage - joint according to the following table:

	31 December 2025									
Item	Fair value of collateral								Net exposure after collateral	Expected credit loss (ECL)
	Total exposure value	Cash margin	Traded shares	Acceptable				Total value of collateral		
				bank guarantees	Real estate financing	Cars and mechanics	Other			
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balances at Central Bank of Jordan	-	-	-	-	-	-	-	-	-	-
Balances at banks and financial institutions	-	-	-	-	-	-	-	-	-	-
Deposits with banks and financial institutions	-	-	-	-	-	-	-	-	-	-
International wakala investments - net	-	-	-	-	-	-	-	-	-	-
Direct credit facilities ( after deducting deferred and suspended revenue ) :										
Retail (individual)	26,371,620	3,769	-	-	780,980	8,746,421	-	9,531,170	16,840,450	25,770,203
Real estate financing	1,097,190	-	-	-	1,097,190	-	-	1,097,190	-	2,118,949
For corporate	44,663,679	5,000	-	-	5,309,852	291,773	-	5,606,625	39,057,054	36,972,021
Small and medium enterprises (SMEs)	7,715,086	714,273	-	-	5,226,882	191,025	-	6,132,180	1,582,906	3,277,156
Public and governmental sectors	-	-	-	-	-	-	-	-	-	-
Sukuk:										
Within financial assets at fair value through statement of income	-	-	-	-	-	-	-	-	-	-
Within financial assets at fair value through quasi-equity	-	-	-	-	-	-	-	-	-	-
Within Financial assets at amortized cost	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-	-
Total	79,847,575	723,042	-	-	12,414,904	9,229,219	-	22,367,165	57,480,410	68,138,329
Unutilized limits	-	-	-	-	-	-	-	-	-	-
Grand total	79,847,575	723,042	-	-	12,414,904	9,229,219	-	22,367,165	57,480,410	68,138,329

D. Distribution of the fair value of collateral against credit exposures included in the third stage - Self according to the following table:

Item	31 December 2025									
	Fair value of collateral							Total value of collateral	Net exposure after collateral	Expected Credit Loss (ECL)
	Total exposure value	Cash Insurance	Shares traded	Acceptable bank guarantees	Real estate	Cars and Mechanics	Other			
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balances at Central Bank of Jordan	-	-	-	-	-	-	-	-	-	-
Balances at banks and financial institutions	-	-	-	-	-	-	-	-	-	-
<b>Direct credit facilities ( after deducting deferred and suspended revenue) :</b>										
Retail (individual)	456,274	-	-	-	-	-	-	-	456,274	444,188
Real estate financing	-	-	-	-	-	-	-	-	-	-
For corporate	869,887	5,972	-	-	4,757	-	-	10,729	859,158	550,318
Small and medium enterprises (SMEs)	596,097	-	-	-	84,968	-	-	84,968	511,129	551,519
Public and governmental sectors	-	-	-	-	-	-	-	-	-	-
<b>Sukuk:</b>										
Within financial assets at fair value through other comprehensive income	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1,922,258</b>	<b>5,972</b>	<b>-</b>	<b>-</b>	<b>89,725</b>	<b>-</b>	<b>-</b>	<b>95,697</b>	<b>1,826,561</b>	<b>1,546,025</b>
Letters of guarantees	149,897	-	-	-	-	-	-	-	149,897	-
Letters of Credits	-	-	-	-	-	-	-	-	-	-
Letters of Acceptance	-	-	-	-	-	-	-	-	-	-
<b>Grand total</b>	<b>2,072,155</b>	<b>5,972</b>	<b>-</b>	<b>-</b>	<b>89,725</b>	<b>-</b>	<b>-</b>	<b>95,697</b>	<b>1,976,458</b>	<b>1,546,025</b>

**Deferred sales and other receivables and scheduled financing:**

It is an amendment to the contractual terms agreed with the customer by rearranging part or all of the customer's obligations, adjusting the value of the installments, extending the life of the exposure, granting or extending a grace period, postponing the due date of installments, profits or commissions, whether due or due in the future. While these exposures have been classified as non-performing exposures, and the non-performing credit exposures must be retained until the end of the probationary period, deferred sales receivables and other scheduled receivables amounted to JD 9,746,316 as at 31 December 2025.

**Deferred sales and other receivables and restructured financing:**

It is an amendment to the contractual terms agreed with the customer as a result of facing financial difficulties by rearranging part or all of the customer's obligations, adjusting the value of the installments, extending the life of exposure, granting or extending a grace period, postponing the due date of installments, profits or commissions, whether due or due in the future. While these exposures are classified as operating credit exposures, deferred sales receivables and other restructured receivables amounted to JD 79,950,684 as at 31 December 2025.

**3- Sukuk**

The following tables show the classifications of sukuk by external rating institutions:

**A- Financial assets at fair value through quasi-equity- net after deducting ECL**

Classification grade	Grading institution	31 December 2025	31 December 2024
		JD	JD
Aa3	Moody's	54,405,350	52,296,997
A2	Moody's	2,888,139	10,388,258
A3	Moody's	8,175,473	12,653,926
B1	Moody's	-	1,115,316
Ba1	Moody's	1,300,783	4,542,538
Ba3	Moody's	1,134,321	-
Baa3	Moody's	-	331,002
A+	Fitch	1,951,844	2,074,432
A	Fitch	14,582,035	26,576,948
A-	Fitch	-	1,420,883
BBB+	Fitch	-	1,511,417
B+	Fitch	4,536,291	4,916,934
Government	-	-	4,442,662
Government guarantee	-	285,904,988	318,803,527
	<b>Total</b>	<b>374,879,224</b>	<b>441,074,840</b>

**B- Financial assets at amortized cost**

Government guarantee	-	261,652,000	119,852,000
	<b>Total</b>	<b>261,652,000</b>	<b>119,852,000</b>

**C- Financial assets at fair value through other comprehensive income - net after deducting ECL**

A	Fitch	24,203,445	6,446,591
A-	Fitch	10,301,495	710,427
BBB-	S&P	7,422,394	7,108,077
Aa2	Moody's	7,022,519	-
Aa3	Moody's	42,991,301	13,716,360
A2	Moody's	1,445,035	-
A3	Moody's	918,650	-
Baa3	Moody's	1,810,337	8,596,751
Baa2	Moody's	2,933,763	-
Ba1	Moody's	8,841,875	8,873,229
	<b>Total</b>	<b>107,890,814</b>	<b>45,451,435</b>

**D- Financial assets at fair value through income statement - net after deducting ECL**

Ba1	Moody's	144,877	-
B+	Fitch	1,322,019	-
	<b>Total</b>	<b>1,466,896</b>	<b>-</b>
	<b>Grand total</b>	<b>745,888,934</b>	<b>606,378,275</b>

- All the above sukuk are classified within the first stage for the year 2025 .



#### 4 -Concentration in credit exposures by geographical distribution .

##### 1. The total distribution of exposures by geographical region-self (after impairment provision) :

Item	31 December 2025								31 December 2024
	Within the Kingdom	Other Middle Eastern countries	Europe	Asia *	Africa	America	Other countries	Total	Total
	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balances at Central Bank of Jordan	212,637,681	-	-	-	-	-	-	212,637,681	210,414,366
Balances at banks and financial institutions	1,724,594	2,991,032	6,328,258	858,108	-	8,043,851	10,477	19,956,320	16,841,108
Direct credit facilities -net	54,617,009	-	-	-	-	-	-	54,617,009	13,577,009
Sukuk:									
Within financial assets at amortized cost	141,800,000	-	-	-	-	-	-	141,800,000	-
Within financial assets at fair value through other comprehensive income	-	107,890,814	-	-	-	-	-	107,890,814	45,451,435
Other assets	14,063,553	-	-	-	-	-	-	14,063,553	1,128,277
<b>Total</b>	<b>424,842,837</b>	<b>110,881,846</b>	<b>6,328,258</b>	<b>858,108</b>	<b>-</b>	<b>8,043,851</b>	<b>10,477</b>	<b>550,965,377</b>	<b>287,412,195</b>
Letter of guarantees	44,270,383	223,250	-	-	-	-	5,000	44,498,633	37,211,691
Letters of credit	55,063,732	166,404,078	-	-	-	-	-	221,467,810	182,131,628
Acceptances	11,206,011	7,700,462	-	-	-	-	-	18,906,473	22,311,639
<b>Grand total</b>	<b>535,382,963</b>	<b>285,209,636</b>	<b>6,328,258</b>	<b>858,108</b>	<b>-</b>	<b>8,043,851</b>	<b>15,477</b>	<b>835,838,293</b>	<b>529,067,153</b>

\*Except for Middle Eastern countries

##### 2. Distributions according to classification according to the FAS No. (30) - Self :

Item	31 December 2025					
	Stage 1 Individual	Stage 1 Collective	Stage 2 Individual	Stage 2 Collective	Stage 3	Total
	JD	JD	JD	JD	JD	JD
Within the Kingdom	524,163,647	3,257,320	7,290,301	145,565	526,130	535,382,963
Other Middle Eastern countries	285,209,636	-	-	-	-	285,209,636
Europe	6,328,258	-	-	-	-	6,328,258
Asia	858,108	-	-	-	-	858,108
Africa	-	-	-	-	-	-
America	8,043,851	-	-	-	-	8,043,851
Other countries	15,477	-	-	-	-	15,477
<b>Total</b>	<b>824,618,977</b>	<b>3,257,320</b>	<b>7,290,301</b>	<b>145,565</b>	<b>526,130</b>	<b>835,838,293</b>

### 3. Total distribution of exposures by geographical region-joint (after impairment provision) :

Item	31 December 2025							31 December 2024	
	Within the Kingdom	Other Middle Eastern countries	Europe	Asia *	Africa	America	Other countries	Total	Total
	JD	JD	JD	JD	JD	JD	JD	JD	JD
International wakala investments -net	-	242,351,323	3,260,992	-	-	-	-	245,612,315	217,144,756
Direct credit facilities -net	1,850,770,751	17,198,031	-	-	-	24,799,066	-	1,892,767,848	1,538,331,736
Sukuk:									
Within financial assets at fair value through statement of Income	-	1,466,896	-	-	-	-	-	1,466,896	-
Within financial assets at fair value through quasi-equity -net	285,904,988	87,839,915	1,134,321	-	-	-	-	374,879,224	441,074,840
Within financial assets at amortized cost	119,852,000	-	-	-	-	-	-	119,852,000	119,852,000
Other assets	8,284,881	-	-	-	-	-	-	8,284,881	8,703,905
<b>Total</b>	<b>2,264,812,620</b>	<b>348,856,165</b>	<b>4,395,313</b>	<b>-</b>	<b>-</b>	<b>24,799,066</b>	<b>-</b>	<b>2,642,863,164</b>	<b>2,325,107,237</b>
Unutilized credit limits	220,484,489	-	-	-	-	-	-	220,484,489	183,669,434
<b>Grand total</b>	<b>2,485,297,109</b>	<b>348,856,165</b>	<b>4,395,313</b>	<b>-</b>	<b>-</b>	<b>24,799,066</b>	<b>-</b>	<b>2,863,347,653</b>	<b>2,508,776,671</b>

\* Except for middle eastern countries

### 4.Distribution of exposures according to the classification stages according to the FAS (30) - joint :

Item	31 December 2025					
	Stage 1 Individual	Stage 1 Collective	Stage 2 Individual	Stage 2 Collective	Stage 3	Total
	JD	JD	JD	JD	JD	JD
Within the Kingdom	1,947,275,667	476,846,072	16,494,317	32,971,807	11,709,246	2,485,297,109
Other Middle Eastern countries	348,856,165	-	-	-	-	348,856,165
Europe	4,395,313	-	-	-	-	4,395,313
Asia	-	-	-	-	-	-
Africa	-	-	-	-	-	-
America	24,799,066	-	-	-	-	24,799,066
Other countries	-	-	-	-	-	-
<b>Total</b>	<b>2,325,326,211</b>	<b>476,846,072</b>	<b>16,494,317</b>	<b>32,971,807</b>	<b>11,709,246</b>	<b>2,863,347,653</b>

5- Distribution of exposures by economic sectors:

1. Total distribution of exposures by financial instrument - self (after impairment provision) :

Item	31 December 2025										31 December 2024
	Financial	Industry	Trade	Real estates	Agriculture	Shares	Retail	Government and public sector	Other	Total	Total
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balances at Central Bank of Jordan	212,637,681	-	-	-	-	-	-	-	-	212,637,681	210,414,366
Balances at banks and financial institutions	19,956,320	-	-	-	-	-	-	-	-	19,956,320	16,841,108
Direct credit facilities -net sukuk :	-	46,573,874	3,541,287	-	1,609	919,550	1,213,049	509,660	1,857,980	54,617,009	13,577,009
Within financial assets at amortized cost	-	-	-	-	-	-	-	141,800,000	-	141,800,000	-
Within financial assets at fair value through other comprehensive income - net	107,890,814	-	-	-	-	-	-	-	-	107,890,814	45,451,435
Other assets	14,063,553	-	-	-	-	-	-	-	-	14,063,553	1,128,277
<b>Total</b>	<b>354,548,368</b>	<b>46,573,874</b>	<b>3,541,287</b>	<b>-</b>	<b>1,609</b>	<b>919,550</b>	<b>1,213,049</b>	<b>142,309,660</b>	<b>1,857,980</b>	<b>550,965,377</b>	<b>287,412,195</b>
Letter of guarantees	338,113	7,884,012	11,138,751	2,926,907	1,377,892	5,153,597	5,970,841	-	9,708,520	44,498,633	37,211,691
Letters of credit	83,220,508	11,305,786	118,493,496	1,077,314	-	546,965	1,448,798	-	5,374,943	221,467,810	182,131,628
Acceptances	7,700,462	9,926,313	1,258,569	-	-	-	-	-	21,129	18,906,473	22,311,639
<b>Grand total</b>	<b>445,807,451</b>	<b>75,689,985</b>	<b>134,432,103</b>	<b>4,004,221</b>	<b>1,379,501</b>	<b>6,620,112</b>	<b>8,632,688</b>	<b>142,309,660</b>	<b>16,962,572</b>	<b>835,838,293</b>	<b>529,067,153</b>

2. Distribution of divisions according to classification according to the classification of the FAS (30) self :

Item	31 December 2025					
	Stage 1 Individual	Stage 1 Collective	Stage 2 Individual	Stage 2 Collective	Stage 3	Total
	JD	JD	JD	JD	JD	JD
Financial	445,748,451	-	59,000	-	-	445,807,451
Industry	75,395,594	-	288,418	-	5,973	75,689,985
Trade	131,839,533	-	2,559,982	-	32,588	134,432,103
Real estates	2,059,614	-	1,942,607	-	2,000	4,004,221
Agriculture	1,373,692	1,609	4,200	-	-	1,379,501
Share's	5,615,997	919,550	19,756	-	64,809	6,620,112
Retail	7,417,639	1,213,049	-	-	2,000	8,632,688
Government and public sector	142,309,660	-	-	-	-	142,309,660
Other	12,858,797	1,123,112	2,416,338	145,565	418,760	16,962,572
<b>Total</b>	<b>824,618,977</b>	<b>3,257,320</b>	<b>7,290,301</b>	<b>145,565</b>	<b>526,130</b>	<b>835,838,293</b>

### 3. Total distribution of exposures by economic sector-Joint (after impairment provision) :

Item	31 December 2025										31 December 2024
	Financial	Industry	Trade	Real estates	Agriculture	Shares	Retail	Government and public sector	Other	Total	Total
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
International wakala investments -net	245,612,315	-	-	-	-	-	-	-	-	245,612,315	217,144,756
Direct credit facilities - net	49,177,059	221,868,533	168,103,783	9,720,865	9,438,743	330,756,773	151,245,405	759,429,415	193,027,272	1,892,767,848	1,538,331,736
Sukuk:											
Within financial assets at fair value through statement of income	1,466,896	-	-	-	-	-	-	-	-	1,466,896	-
Within financial assets at fair value through quasi-equity -net	88,974,236	-	-	-	-	-	-	285,904,988	-	374,879,224	441,074,840
Within financial assets at amortized cost -net	-	-	-	-	-	-	-	119,852,000	-	119,852,000	119,852,000
Other assets	8,284,881	-	-	-	-	-	-	-	-	8,284,881	8,703,905
<b>Total</b>	<b>393,515,387</b>	<b>221,868,533</b>	<b>168,103,783</b>	<b>9,720,865</b>	<b>9,438,743</b>	<b>330,756,773</b>	<b>151,245,405</b>	<b>1,165,186,403</b>	<b>193,027,272</b>	<b>2,642,863,164</b>	<b>2,325,107,237</b>
Unutilized limits	1,919,529	65,773,681	75,881,409	1,548,266	8,054,028	4,666,128	22,754,453	-	39,886,995	220,484,489	183,669,434
<b>Grand total</b>	<b>395,434,916</b>	<b>287,642,214</b>	<b>243,985,192</b>	<b>11,269,131</b>	<b>17,492,771</b>	<b>335,422,901</b>	<b>173,999,858</b>	<b>1,165,186,403</b>	<b>232,914,267</b>	<b>2,863,347,653</b>	<b>2,508,776,671</b>

### 4.Distribution of exposures according to the classification stages according to the FAS (30) - Joint

Item	31 December 2025					
	Stage 1 Individual	Stage 1 Collective	Stage 2 Individual	Stage 2 Collective	Stage 3	Total
	JD	JD	JD	JD	JD	JD
Financial	395,434,916	-	-	-	-	395,434,916
Industry	281,538,055	15,433,138	(10,423,429)	338,838	755,612	287,642,214
Trade	201,184,271	31,478,919	4,771,066	3,355,922	3,195,014	243,985,192
Real estates	2,177,445	2,234,744	6,443,121	1,435,580	(1,021,759)	11,269,131
Agriculture	12,782,457	2,690,086	76,741	978,050	965,437	17,492,771
Shares	40,781,602	263,356,142	12,083,894	11,800,204	7,401,059	335,422,901
Retail	22,776,943	139,963,128	82,657	11,074,801	102,329	173,999,858
Government and public sector	1,165,186,403	-	-	-	-	1,165,186,403
Other	203,464,119	21,689,915	3,460,267	3,988,412	311,554	232,914,267
<b>Total</b>	<b>2,325,326,211</b>	<b>476,846,072</b>	<b>16,494,317</b>	<b>32,971,807</b>	<b>11,709,246</b>	<b>2,863,347,653</b>

**6- Credit exposures that have been reclassified**

**1. Total credit exposures classified:**

**A. Self**

31 December 2025						
Item	Stage 2		Stage 3		Total exposures that have been reclassified	Percentage of rated exposures
	Total exposure value	The exposures that have been reclassified	Total exposure value	The exposures that have been reclassified		
	JD	JD	JD	JD	JD	
Direct credit facilities-net	1,390,221	(30,115)	1,922,258	83,909	53,794	1.62%
Letters of guarantee	6,176,242	(4,070,281)	149,897	600	(4,069,681)	(64.33%)
Acceptances	-	-	-	-	-	-
Letters of credit	-	-	-	-	-	-
<b>Grand total</b>	<b>7,566,463</b>	<b>(4,100,396)</b>	<b>2,072,155</b>	<b>84,509</b>	<b>(4,015,887)</b>	<b>(41.66%)</b>

**B. Joint**

31 December 2025						
Item	Stage 2		Stage 3		Total exposures that have been reclassified	Percentage of rated exposures
	Total exposure value	The exposures that have been reclassified	Total exposure value	The exposures that have been reclassified		
	JD	JD	JD	JD	JD	
Direct credit facilities-net	87,335,048	(17,043,411)	79,847,575	17,318,494	275,083	0.16%
Unutilized limits	3,789,667	(320,141)	-	-	(320,141)	(8.45%)
<b>Grand total</b>	<b>91,124,715</b>	<b>(17,363,552)</b>	<b>79,847,575</b>	<b>17,318,494</b>	<b>(45,058)</b>	<b>(0.03%)</b>

## 2.Credit losses expected for exposures that have been reclassified:

### A. Self

31 December 2025

Item	The exposures that have been reclassified			Expected credit loss on exposures that have been reclassified				Total
	Total exposures that have been reclassified/ Stage 2	Total exposures that have been reclassified/ Stage 3	Total exposures that have been reclassified	Stage 2 Individual	Stage 2 Collective	Stage 3 Individual	Stage 3 Collective	
	JD	JD	JD	JD	JD	JD	JD	JD
Direct credit facilities	(30,115)	83,909	53,794	(97)	133	(3)	291	324
Letters of guarantee	(4,070,281)	600	(4,069,681)	(117,868)	-	-	-	(117,868)
Letters of credit	-	-	-	-	-	-	-	-
Acceptances	-	-	-	-	-	-	-	-
<b>Grand total</b>	<b>(4,100,396)</b>	<b>84,509</b>	<b>(4,015,887)</b>	<b>(117,965)</b>	<b>133</b>	<b>(3)</b>	<b>291</b>	<b>(117,544)</b>

### B. Joint

31 December 2025

Item	The exposures that have been reclassified			Expected credit loss on exposures that have been reclassified				Total
	Total exposures that have been reclassified rated from Stage 2	Total exposures that have been reclassified rated from Stage 3	Total exposures that have been reclassified	Stage 2 Individual	Stage 2 Collective	Stage 3 Individual	Stage 3 Collective	
	JD	JD	JD	JD	JD	JD	JD	JD
Direct credit facilities	(17,043,411)	17,318,494	275,083	(3,818,567)	(935,836)	1,711,408	186,724	(2,856,271)
Unutilized limits	(320,141)	-	(320,141)	(7,302)	-	-	-	(7,302)
<b>Grand total</b>	<b>(17,363,552)</b>	<b>17,318,494</b>	<b>(45,058)</b>	<b>(3,825,869)</b>	<b>(935,836)</b>	<b>1,711,408</b>	<b>186,724</b>	<b>(2,863,573)</b>

## **(53/B) MARKET RISKS**

The Bank follows certain financial policies to manage different risks within a specific strategy. There is also a committee concerned with managing assets and liabilities in the Bank. This committee is charged with monitoring and controlling risks, and conducting the best strategic distribution of assets and liabilities whether on- or off -the statement of financial position. Its responsibilities include:

- Updating the investment policy followed by the Bank, submitting it to the Board of Directors to be approved on a regular basis, reviewing the implemented investment policy, and assessing its results against the banking market and competitive indicators.
- Forming investment decision-making committees and related authorities, according to the Bank's investment policy.
- Preparing the annual investment plan, in line with the Assets and Liabilities Committee's expectations of revenues and changes in market rates, including low-risk investment instruments available in the market.
- Preparing a report including market prices and presenting it to the Asset and Liabilities Committee to monitor any sudden change in prices of financial instruments and avoid changes in market prices.

### **1- Rate of Return Risks**

- Risks of rate of return arise from the unexpected changes in the market rates. Necessary procedures must be taken to ensure the existence of administrative procedures related to reviewing, measuring, and monitoring of rate of return risks.

- The Bank is exposed to rate of return risks as a result of the gap between assets and liabilities according to their terms and re-pricing the rate on subsequent transactions.

- The Bank manages these risks by determining the rates of future profits according to the expectations of market conditions and developing new instruments that comply with the Islamic rules and regulations through the Bank's risk management strategy:

1. Attaining the best returns available in the market based on market indicators as a standard and Benchmarks for both the portfolios an investments managed by the Bank.
2. Taking into account the risks resulting from these investments, depending on the diversification option based on countries and institutions to ensure mitigation of the impact of risks.
3. The Bank is committed to manage investments based on matching the Bank's liabilities (represented by deposits term accounts) and assets in foreign currencies (represented by investments in foreign currencies).

### **2- Currency Risks**

Foreign currency centers are managed by Treasury and Investment Department on a daily basis in accordance with the principles of Islamic shari'a . The bank's policy of managing foreign currency centers is a conservative policy based on clearing the centers first and covering the required positions according to customers needs.

The maximum positions in foreign currencies shall not exceed 5% of equity for each currency except for the US Dollar at no more than 15% of total bank's equity . The total foreign currencies position shall not exceed 15% of total equity.

Below is the effect of foreign currency exchange against JD on consolidated statement of income and other comprehensive income with other variables being constant :-

2025	Change in the indicator (5%)	Impact on consolidated statement of income and other comprehensive income	Impact on equity
currency	JD	JD	JD
USD	-	-	-
Euro	36,469	36,469	36,469
GBP	20,537	20,537	20,537
Japanese Yen	71,042	71,042	71,042
Other currencies	1,012,657	1,012,657	1,012,657

  

2024	Change in the indicator (5%)	Impact on consolidated statement of income and other comprehensive income	Impact on equity
currency	JD	JD	JD
USD	-	-	-
Euro	7,007	7,007	7,007
GBP	1,514	1,514	1,514
Japanese Yen	52,256	52,256	52,256
Other currencies	102,883	102,883	102,883

The impact of the decrease in the exchange rate by 5% has the same impact of the opposite sign.

**: Concentration in foreign currencies risks**

	31 December 2025					
	US Dollars	Euro	GBP	Japanese Yen	Others	Total
<b>Assets :</b>						
Cash and balances at Central Banks of Jordan	35,823,542	3,272,693	455,729	-	285,939	39,837,903
Balances at banks and financial institutions	10,601,082	5,156,457	451,329	735,309	2,598,898	19,543,075
International wakala investments	192,848,000	9,983,760	5,248,128	-	37,805,000	245,884,888
Deferred sales receivables	157,432,648	-	-	813,193	17,212,238	175,458,079
Ijara Muntahia Bittamleek assets-net	6,334,539	-	-	-	-	6,334,539
Within financial assets at fair value through statement of income	1,466,896	-	-	-	-	1,466,896
Financial assets at fair value through other comprehensive income - net	87,048,737	20,940,687	-	-	-	107,989,424
Financial assets at fair value through quasi-equity - net	80,914,825	8,491,521	600,288	-	16,870,121	106,876,755
Within financial assets at amortized cost	141,800,000	-	-	-	-	141,800,000
Al Qard Al Hasan-net	391	62	-	-	-	453
Property and equipment-net	129,942	-	-	-	-	129,942
Other assets	5,324,033	137,472	24,465	-	58,624	5,544,594
<b>Total assets</b>	<b>719,724,635</b>	<b>47,982,652</b>	<b>6,779,939</b>	<b>1,548,502</b>	<b>74,830,820</b>	<b>850,866,548</b>
<b>Liabilities and Quasi-equity :</b>						
Banks and financial institutions' accounts ( Current )	8,776,217	3,716,406	-	-	33,271	12,525,894
Customers' and Banks's deposit (current, saving, term, certificate deposit) accounts	391,827,266	39,890,486	6,378,605	127,666	2,617,011	440,841,034
Fair value reserve (quasi-equity)	950,013	121,442	(65,817)	-	1,421,467	2,427,105
Cash margins accounts	143,781,925	3,099,473	-	-	50,915	146,932,313
Other liabilities	154,826,364	510,558	56,401	-	50,455,013	205,848,336
<b>Total Liabilities and Quasi-equity :</b>	<b>700,161,785</b>	<b>47,338,365</b>	<b>6,369,189</b>	<b>127,666</b>	<b>54,577,677</b>	<b>808,574,682</b>
<b>Equity :</b>						
Fair value reserve through (other comprehensive income)	1,543,574	(85,084)	-	-	-	1,458,490
<b>Total Liabilities and Quasi-equity and Equity</b>	<b>701,705,359</b>	<b>47,253,281</b>	<b>6,369,189</b>	<b>127,666</b>	<b>54,577,677</b>	<b>810,033,172</b>
<b>Net concentration in consolidated statement of financial position for the year</b>	<b>18,019,276</b>	<b>729,371</b>	<b>410,750</b>	<b>1,420,836</b>	<b>20,253,143</b>	<b>40,833,376</b>
Contingent liabilities outside consolidated statement of financial position	263,806,693	27,164,402	-	2,102,286	6,307,897	299,381,278
	31 December 2024					
	US Dollars	Euro	GBP	Japanese Yen	Others	Total
Total Assets	506,144,115	65,464,196	5,397,916	1,363,303	7,690,789	586,060,319
Total Liabilities and Quasi-equity	489,342,515	65,273,658	5,367,639	318,180	5,633,139	565,935,131
<b>Total Liabilities, Quasi-Equity, and Equity</b>	<b>489,347,246</b>	<b>65,324,064</b>	<b>5,367,639</b>	<b>318,180</b>	<b>5,633,139</b>	<b>565,990,268</b>
<b>Net concentration in consolidated statement of financial position for the year</b>	<b>16,796,869</b>	<b>140,132</b>	<b>30,277</b>	<b>1,045,123</b>	<b>2,057,650</b>	<b>20,070,051</b>
Contingent liabilities outside consolidated statement of financial position	206,011,355	63,389,872	-	4,489,249	5,922,868	279,813,344



### **3- Change in stocks price risk:**

Financial assets price risk is related to the supply and demand in the financial markets which causes a change in the fair value of the investments portfolio. The Treasury Department uses scientific and advanced financial bases to mitigate the risk of price change and to ensure that the Bank and the Bank's customers get better rates of return on their investments. The Department uses segmental and geographical distribution methodology and the credit ratings of the best credit rating agencies (Moody's, Standard & Poor, etc...). Moreover, the department analyses the financial indicators of these prices and evaluates them with a fair estimate of the weighted weight for the total investment portfolios managed by the bank to manage them accurately to ensure the risk of price fluctuations .

Below is the effect of market index movement by 5% on consolidated statement of income and other comprehensive income and Equity and Quasi equity with the other variables being constant :

2025	Increase in the indicator (5%)	Impact on consolidated statement of income and other comprehensive income	Impact on equity	Impact on quasi-equity
Indicator	JD	JD	JD	JD
Amman Stock Market	284,227	-	105,564	178,663
Foreign markets	888,763	-	-	888,763

  

2024	Increase in the indicator (5%)	Impact on consolidated statement of income and other comprehensive income	Impact on equity	Impact on quasi-equity
Indicator	JD	JD	JD	JD
Amman Stock Market	121,991	-	28,600	93,391
Foreign markets	21,160	-	-	21,160

If there is a negative change in the indicator, the effect is equal to the above change with the opposite sign.

### **4- COMMODITIES RISKS**

Commodities risks are caused by any fluctuations in the prices of tradable or leasable assets, and relate to the current and future fluctuations in the market values of specific assets. The Bank is exposed to fluctuations in prices of fully-paid commodities after concluding the sale contracts during the year of possession, in addition to being exposed to the fluctuation in the residual value of leased asset at the end of the lease term.

### **(53/C) LIQUIDITY RISKS**

The Cash Liquidity management ensures the Bank's ability to meet short and long-term cash obligations. The Bank's cash liquidity is reviewed and managed regularly. The cash obligations and available funds are assessed daily by the finance department and treasury department. Moreover, review and analysis of cash liquidity of the Bank's assets and liabilities are performed on a monthly basis. Moreover, the maturity of assets and liabilities is analysed. This also includes analysis of the sources of funds according to the nature of the sources and their uses.

First: below is a summary of the maturities of the Bank's undiscounted liabilities and Quasi-equity , based on the contractual payment date as of the date of the consolidated financial statements :

	Less than one month	1-3 months	3-6 months	6 months to 1 year	1-3 years	More than 3 years	Without maturity	Total
<b>31 December 2025 :</b>	JD	JD	JD	JD	JD	JD	JD	دينار
Bank and financial institutions' accounts	17,564,555	-	-	-	-	-	-	17,564,555
Customers' current accounts	351,192,050	-	-	-	-	-	-	351,192,050
Cash margins accounts	143,223,531	18,144,621	17,282,621	31,085,689	-	-	-	209,736,462
Income tax provisions	-	-	18,142,645	-	-	-	-	18,142,645
Deferred Tax Liabilities	-	-	-	31,161	-	-	-	31,161
Other provisions	159,326	-	-	-	-	-	-	159,326
Lease contract liabilities - long term	122,808	26,520	43,289	198,391	848,129	10,181,713	-	11,420,850
Other liabilities	68,154,443	104,696,950	6,782,399	2,331,235	-	-	-	181,965,027
Unrestricted investment accounts	689,651,234	688,331,784	583,782,712	1,292,786,688	42,741,166	-	-	3,297,293,584
<b>Total undiscounted liabilities and Quasi-equity</b>	<b>1,270,067,947</b>	<b>811,199,875</b>	<b>626,033,666</b>	<b>1,326,433,164</b>	<b>43,589,295</b>	<b>10,181,713</b>	<b>-</b>	<b>4,087,505,660</b>
<b>Total assets based on maturities expected due dates</b>	<b>589,875,815</b>	<b>234,835,573</b>	<b>259,355,776</b>	<b>658,829,588</b>	<b>925,880,414</b>	<b>1,567,233,814</b>	<b>52,455,108</b>	<b>4,288,466,088</b>
<b>31 December 2024 :</b>								
Bank and financial institutions' accounts	30,544,484	-	-	-	-	-	-	30,544,484
Customers' current accounts	313,833,370	-	-	-	-	-	-	313,833,370
Cash margins accounts	120,158,383	10,896,085	14,874,054	8,132,794	-	-	-	154,061,316
Income tax provisions	-	-	20,680,565	-	-	-	-	20,680,565
Other provisions	163,719	-	-	-	-	-	-	163,719
Lease contract liabilities - long term	-	100,760	5,000	6,000	967,177	9,899,589	-	10,978,526
Other liabilities	58,538,501	16,214,533	4,256,156	1,453,695	-	-	-	80,462,885
Unrestricted investment accounts	522,333,717	495,631,716	515,834,791	1,137,758,172	80,452,771	-	-	2,752,011,167
<b>Total undiscounted liabilities and Quasi-equity</b>	<b>1,045,572,174</b>	<b>522,843,094</b>	<b>555,650,566</b>	<b>1,147,350,661</b>	<b>81,419,948</b>	<b>9,899,589</b>	<b>-</b>	<b>3,362,736,032</b>
<b>Total assets based on maturities expected due dates</b>	<b>531,920,922</b>	<b>245,973,753</b>	<b>198,613,264</b>	<b>312,351,055</b>	<b>1,051,369,054</b>	<b>1,157,055,131</b>	<b>37,253,619</b>	<b>3,534,536,798</b>

**Second: Statement of financial position Off-balance items:**

	31 December 2025			31 December 2024		
	Up to one year	More than a year	Total	Up to one year	More than a year	Total
	JD	JD	JD	JD	JD	JD
Letters of credit	221,499,043	-	221,499,043	182,237,981	-	182,237,981
Acceptances	18,916,347	-	18,916,347	22,333,085	-	22,333,085
Letters of guarantee	38,539,894	6,101,438	44,641,332	30,936,494	6,471,553	37,408,047
Unutilized limits	221,443,855	-	221,443,855	184,482,235	-	184,482,235
<b>Total</b>	<b>500,399,139</b>	<b>6,101,438</b>	<b>506,500,577</b>	<b>419,989,795</b>	<b>6,471,553</b>	<b>426,461,348</b>

**(54) SEGMENT INFORMATION****A. Information on the Bank's Activities**

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

**Retail Accounts:**

.This sector follows up on the unrestricted investment accounts, deferred sales receivables, financings, and other services related to retail

**Corporate Accounts:**

.This sector handles unrestricted investment accounts, deferred sales receivables, financings, and other banking services related to corporate customers

**Treasury:**

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

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

	Individuals	Corporate	Treasury	Other	For the year ended 31 December	
					2025	2024
					Total	Total
	JD	JD	JD	JD	JD	JD
Gross income	85,207,062	98,728,684	54,830,816	6,406,649	245,173,211	216,036,887
<b>Results of segment's operations</b>	<b>85,207,062</b>	<b>98,728,684</b>	<b>54,830,816</b>	<b>6,406,649</b>	<b>245,173,211</b>	<b>216,036,887</b>
Expected credit losses	(1,135,019)	(27,305,594)	79,486	-	(28,361,127)	(32,980,780)
Distributed expenses	(6,901,606)	(4,539,565)	(1,153,045)	-	(12,594,216)	(10,541,632)
Undistributed expenses	-	-	-	(35,267,315)	(35,267,315)	(29,666,133)
Net profit for the year before tax and net profit attributable to quasi-equity	77,170,437	66,883,525	53,757,257	(28,860,666)	168,950,553	142,848,342
Less : Net profit attributable to quasi-equity	(67,192,405)	(48,446,237)	(9,383,355)	-	(125,021,997)	(110,060,634)
<b>Net profit for the year before tax</b>	<b>9,978,032</b>	<b>18,437,288</b>	<b>44,373,902</b>	<b>(28,860,666)</b>	<b>43,928,556</b>	<b>32,787,708</b>
Income tax expense	-	-	-	(17,214,342)	(17,214,342)	(12,562,797)
<b>Net profit for the year</b>	<b>9,978,032</b>	<b>18,437,288</b>	<b>44,373,902</b>	<b>(46,075,008)</b>	<b>26,714,214</b>	<b>20,224,911</b>

	Individuals	Corporate	Treasury	Other	31 December	
					2025	2024
					JD	JD
	JD	JD	JD	JD	JD	JD
Segments' assets	972,003,269	1,720,119,649	1,477,744,158	-	4,169,867,076	3,418,618,845
Undistributed assets	-	-	-	118,599,012	118,599,012	115,917,953
<b>Total assets</b>	<b>972,003,269</b>	<b>1,720,119,649</b>	<b>1,477,744,158</b>	<b>118,599,012</b>	<b>4,288,466,088</b>	<b>3,534,536,798</b>
Segment Liabilities and Quasi-equity	2,083,771,726	1,418,837,546	336,655,804	-	3,839,265,076	3,213,874,579
Undistributed liabilities	-	-	-	211,679,944	211,679,944	111,158,544
<b>Total liabilities and Quasi-equity</b>	<b>2,083,771,726</b>	<b>1,418,837,546</b>	<b>336,655,804</b>	<b>211,679,944</b>	<b>4,050,945,020</b>	<b>3,325,033,123</b>

	Individuals	Corporate	Treasury	Other	For the year ended 31 December	
					2025	2024
					Total	Total
	JD	JD	JD	JD	JD	JD
Capital expenditures					5,532,536	4,728,104
Depreciation and amortization					3,354,325	3,180,785

#### Geographical Distribution Information

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

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

	31 December 2025			31 December 2024		
	Inside Kingdom	Outside Kingdom	Total	Inside Kingdom	Outside Kingdom	Total
	JD	JD	JD	JD	JD	JD
	JD	JD	JD	JD	JD	JD
Total assets	3,766,517,742	521,948,346	4,288,466,088	3,109,165,577	425,371,221	3,534,536,798

	For the year ended 31 December 2025			For the year ended 31 December 2024		
	Inside Kingdom	Outside Kingdom	Total	Inside Kingdom	Outside Kingdom	Total
	JD	JD	JD	JD	JD	JD
	JD	JD	JD	JD	JD	JD
Net income	227,758,939	17,414,272	245,173,211	199,301,493	16,735,394	216,036,887
Capital expenditures	5,532,536	-	5,532,536	4,728,104	-	4,728,104

## (55) CAPITAL MANAGEMENT

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

Capital management aims to invest the Bank's fund in various risk-weighted investments (low and high risk) to ensure that the Bank obtains a better rate of return and to maintain a capital adequacy of 12.5% ( 12% as instructed in addition to 0.5% for banks classified as banks of local systemic importance ).

The capital adequacy ratio is calculated as on 31 December 2025 according to the instructions of the regulatory capital No. (72/2018) issued by the Central Bank of Jordan in accordance with the revised standard No. (15) issued by the Islamic Financial Services Council (IFSB) in support of the provisions of Article (99) / B) from the Banking Law. The following is the capital adequacy ratio in thousands of dinars:

	31 December	
	2025	2024
	JD"000	JD"000
<b>Basic capital items</b>	<b>213,965</b>	<b>198,617</b>
Authorised and (Paid) in capital	150,000	120,000
Retained earnings	43,270	51,090
Statutory reserve	42,713	38,320
Full fair value reserve (self)	1,539	94
The bank's share of the fair value reserve in full if the fund's are mixed	1,646	8
Intangible assets	(2,617)	(1,674)
Tax assets	(1,730)	(1,351)
The Bank's share of the deferred tax assets if the fund's are mixed	(7,164)	(7,870)
Investment in financial institutions,Banks and takaful companies that is less than 10%	(13,692)	-
<b>Additional capital</b>	<b>-</b>	<b>-</b>
<b>Supporting capital</b>	<b>4,408</b>	<b>8,302</b>
(joint) not to exceed 1.25% of financial assets weighted by credit risks.	4,408	8,302
<b>Total regulatory capital</b>	<b>218,373</b>	<b>206,919</b>
<b>Total risk weighted assets</b>	<b>1,430,113</b>	<b>1,284,930</b>
<b>Capital adequacy ratio (%)</b>	<b>%15.27</b>	<b>%16.10</b>
Basic capital ratio (%)	%14.96	%15.46
First tier ratio (%)	%14.96	%15.46
Second tier ratio (%)	%0.31	%0.65
Leverage ratio	%11.44	%13.75

#### **(56) LIQUIDITY COVERAGE RATIO (LCR)**

The liquidity coverage ratio in total amounted to 451.8% as on 31 December 2025 with an average rate of 563.2% during the year (490.5% as on 31 December 2024 and an average rate of 664.3% during the year 2024).

The liquidity coverage ratio in Jordanian Dinars reached 222.5% as at 31 December 2025 with an average rate of 297.8% during the year (337.8% as at 31 December 2024 and an average rate of 380.0 % during the year 2024).

#### **Liquidity Coverage Ratio Calculation Items as on 31 December 2025:**

Item	Before deducting and subtracting cap adjustments	After deducting and subtracting cap adjustments
	JD"000	JD"000
Assets (level 1)	789,163	789,163
Assets (level 2)	9,248	4,624
<b>Total high quality liquid assets</b>	<b>798,411</b>	<b>793,787</b>
Cash outflows	1,806,020	424,097
Cash inflows	331,143	248,407

#### **Calculation of the Liquidity Coverage Ratio (LCR) as at 31 December 2025 :**

Item	After deducting and subtracting cap adjustments
	JD"000
Total high quality liquid assets after deducting and subtracting cap adjustments	793,787
Net cash flows	175,690
Liquidity Coverage Ratio (LCR)	%451.8

#### **(57) NET STABLE FUNDING RATIO (NFSR)**

Net stable financing ratio in total currencies was 127.4% as at 31 December 2025 (133.6% as at 31 December 2024).

#### **Items for calculating the (NFSR) ratio as on 31 December 2025:**

Item	Value before available stable funding factor	Value after available stable funding factor
	JD"000	JD"000
Total Stable Funding Available	4,297,553	3,119,152
Total Stable Funding Required	4,297,553	2,422,572
Total stable funding required for off-budget items	506,360	25,318

#### **Calculation of the net stable financing ratio (NFSR) as on 31 December 2025 :**

Item	JD"000
Total stable funding available (after available stable funding	3,119,152
Total stable funding required	2,447,890
Net stable funding ratio	%127.4

**(58) ASSETS AND LIABILITIES MATURITY ANALYSIS:**

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

<b>31 December 2025</b>	<b>Within one year</b>	<b>More than one year</b>	<b>Total</b>
	<b>JD</b>	<b>JD</b>	<b>JD</b>
<b><u>Assets</u></b>			
Cash and balances at the Central Bank of Jordan	244,092,528	-	244,092,528
Balances at banks and the financial institutions	19,956,320	-	19,956,320
International wakala investments - net	236,169,457	9,442,858	245,612,315
financial assets at fair value through statement of income	1,466,896	-	1,466,896
Deferred sales receivables and other receivables - net	622,056,126	1,272,974,721	1,895,030,847
Financial assets at fair value through quasi-equity - net	321,698,393	84,129,684	405,828,077
Financial assets at fair value through other comprehensive income – net	2,111,276	107,890,814	110,002,090
Financial assets at amortized cost	-	261,652,000	261,652,000
Investments in an associate	339,331	-	339,331
Ijara Muntahia Bittamleek assets - net	161,380,809	772,151,853	933,532,662
Al Qard Al Hasan - net	52,354,010	-	52,354,010
Real Estate Investments	1,730,415	-	1,730,415
Property and equipment - net	-	23,548,235	23,548,235
Intangible assets - net	-	2,617,423	2,617,423
Right-of-use assets	120,235	11,161,748	11,281,983
Deferred tax assets	19,369,777	-	19,369,777
Other assets	60,051,179	-	60,051,179
<b>Total assets</b>	<b>1,742,896,752</b>	<b>2,545,569,336</b>	<b>4,288,466,088</b>
<b><u>Liabilities and Quasi-equity</u></b>			
Banks and financial Institutions accounts	17,564,555	-	17,564,555
Customers' current accounts	351,192,050	-	351,192,050
Cash margins	208,290,849	-	208,290,849
Income tax provision	18,142,645	-	18,142,645
Other provisions	159,326	-	159,326
Deferred tax liabilities	31,161	-	31,161
Lease Obligations - Long Term	385,362	10,996,423	11,381,785
Other liabilities	181,965,027	-	181,965,027
Fair Value Reserve - Net	4,054,351	-	4,054,351
Unrestricted investment accounts	3,215,422,105	42,741,166	3,258,163,271
<b>Total Liabilities &amp; Quasi-Equity</b>	<b>3,997,207,431</b>	<b>53,737,589</b>	<b>4,050,945,020</b>
<b>Net</b>	<b>(2,254,310,679)</b>	<b>2,491,831,747</b>	<b>237,521,068</b>

**31 December 2024**

	Within one year	More than one year	Total
	JD	JD	JD
<b><u>Assets</u></b>			
Cash and balances at the Central Bank of Jordan	244,541,023	-	244,541,023
Balances at banks and the financial institutions	16,841,108	-	16,841,108
International wakala investments - net	217,144,756	-	217,144,756
Deferred sales receivables and other receivables - net	547,254,359	993,211,019	1,540,465,378
Financial assets at fair value through equity – net	48,714,217	402,203,189	450,917,406
Financial assets at fair value through other comprehensive income – net	572,000	45,451,435	46,023,435
Financial assets at amortized cost	-	119,852,000	119,852,000
Investments in an associate	332,759	-	332,759
Ijara Muntahia Bittamleek assets - net	111,580,510	650,514,060	762,094,570
Al Qard Al Hasan - net	10,691,878	751,489	11,443,367
Property and equipment - net	-	22,323,578	22,323,578
Intangible assets - net	-	1,673,942	1,673,942
Right-of-use assets	1,473	9,697,092	9,698,565
Deferred tax assets	18,506,502	-	18,506,502
Other assets	72,678,409	-	72,678,409
<b>Total assets</b>	<b>1,288,858,994</b>	<b>2,245,677,804</b>	<b>3,534,536,798</b>
<b><u>Liabilities and Quasi-equity</u></b>			
Banks and financial Institutions accounts	30,544,484	-	30,544,484
Customers' current accounts	313,833,370	-	313,833,370
Cash margins	153,061,234	-	153,061,234
Income tax provision	20,680,565	-	20,680,565
Other provisions	163,719	-	163,719
Lease liabilities - long term	111,028	9,740,347	9,851,375
Other liabilities	80,462,885	-	80,462,885
Fair value reserve-net	16,942	-	16,942
Unrestricted investment accounts	2,637,006,299	79,412,250	2,716,418,549
<b>Total Liabilities and Quasi-equity</b>	<b>3,235,880,526</b>	<b>89,152,597</b>	<b>3,325,033,123</b>
<b>Net</b>	<b>(1,947,021,532)</b>	<b>2,156,525,207</b>	<b>209,503,675</b>



**(59) COMMITMENTS & CONTINGENT LIABILITIES (OFF-BALANCE SHEET ITEMS) :**

**A.Credit commitments and commitments/Self: \***

	31 December 2025	31 December 2024
	JD	JD
Letters of credit	221,499,043	182,237,981
Acceptances	18,916,347	22,333,085
Letters of guarantees:		
- Payment	12,941,058	9,927,782
- Performance	16,990,863	19,361,901
- Others	14,709,411	8,118,364
<b>Total</b>	<b>285,056,722</b>	<b>241,979,113</b>

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

- Unutilized credit limit/Direct	221,443,855	184,482,235
<b>Total</b>	<b>221,443,855</b>	<b>184,482,235</b>

\*Indirect unutilized limits / self amounted to JD 93,606,967 as of 31 December 2025 ( 87,316,122 as of 31 December 2024)

Expected credit losses calculated on commitments and liabilities/subjective according to Financial Accounting Standard No. (30) issued by the Accounting and Auditing Organization for Islamic Financial Institutions amounted to JD 183,806 as at 31 December 2025 (JD 324,155 as at 31 December 2024) and appeared under Other Liabilities (Note 24).

Expected credit losses calculated on commitments and liabilities/subscribers according to the Financial Accounting Standard No. (30) issued by the Accounting and Auditing Organization for Islamic Financial Institutions amounted to JD959,366 as at 31 December 2025 (JD812,801 as at 31 December 2024) and appeared under Other Liabilities (Note 24).

**(60) LAWSUITS AGAINST THE GROUP**

**LAWSUITS AGAINST THE BANK**

The total amount of the legal cases filed against the Bank (self) was JD 1,534,998 as at 31 Decemer 2025 (JD 1,481,107 as at 31 December 2024) which are within the Bank normal course of business. In the opinion of the management and the Bank lawyers, the allocated (self) case allowance of JD 59,326 as at 31December 2025 is sufficient to meet the obligations that the Bank may incur as a result of these cases (JOD 63,719 as at 31 December 2024).

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

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

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

## **(61) FAIR VALUE HIERARCHY**

IFRS 13 requires the identification and disclosure of a level in the fair value hierarchy in which fair value measurements are categorized in turn, and the fair value measurements are classified according to the levels specified in IFRS. The difference between level (2) and level (3) for fair value measurements means assessing whether information or inputs are observable and the importance of information that is not observable. This requires careful judgment and analysis of the inputs used to measure fair value including consideration of all factors affecting the asset or liability.

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

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

Financial Assets/Financial Liabilities	Fair value		Fair value hierarchy	Valuation techniques and key inputs	Significant unobservable	Relationship of unobservable inputs to fair value
	31 December 2025	31 December 2024				
	JD	JD				
<b>Financial assets at fair value through other statement of income - net</b>						
Quoted sukuk	1,466,896	-	Level 1	Quoted rates in financial markets	Not applicable	Not applicable
<b>Financial assets at fair value through other comprehensive income – net</b>						
Quoted shares	2,111,276	572,000	Level 1	Quoted rates in financial markets	Not applicable	Not applicable
Quoted sukuk	107,890,814	45,451,435	Level 1	Quoted rates in financial markets	Not applicable	Not applicable
<b>Financial assets at fair value through quasi equity – net</b>						
Quoted shares	21,348,531	2,291,022	Level 1	Quoted rates in financial markets	Not applicable	Not applicable
Quoted sukuk	88,974,236	117,828,651	Level 1	Quoted rates in financial markets	Not applicable	Not applicable
Unquoted shares	9,600,322	7,551,544	Level 3	The latest financial prices available	Not applicable	Not applicable
Unquoted sukuk	285,904,988	323,246,189	Level 2	A similar financial instrument	Not applicable	Not applicable
<b>Total</b>	<b>517,297,063</b>	<b>496,940,841</b>				

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

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

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

	31 December 2025		31 December 2024		Fair value hierarchy
	Book value	Fair value	Book value	Fair value	
	JD	JD	JD	JD	
<b>Financial assets not calculated at fair value</b>					
Deferred sales receivables and other receivables - Net	1,895,030,847	2,169,651,517	1,540,465,378	1,757,722,713	Level 2
Financial assets at amortized cost	261,652,000	266,526,176	119,852,000	121,721,645	Level 2
Ijara muntahia Bittamleek assets - Net	933,532,662	933,532,662	762,094,570	762,094,570	Level 2
<b>Total financial assets not calculated at fair value</b>	<b>3,090,215,509</b>	<b>3,369,710,355</b>	<b>2,422,411,948</b>	<b>2,641,538,928</b>	
<b>Financial liabilities not calculated at fair value</b>					
Customers' current accounts and unrestricted investment accounts	3,609,355,321	3,648,485,634	3,030,251,919	3,065,844,537	Level 2
Cash margins	208,290,849	209,736,462	153,061,234	154,061,316	Level 2
<b>Total financial liabilities not calculated at fair value</b>	<b>3,817,646,170</b>	<b>3,858,222,096</b>	<b>3,183,313,153</b>	<b>3,219,905,853</b>	

## **(62) Accounts managed in favor of clients**

Accounts managed in favor of clients amounted to JD 85,798,736 as on 31 December 2025 (JD 50,934,212 as on 31 December 2024). These accounts are not shown among the bank's assets and liabilities in the Consolidated financial statements. Fees and commissions for managing these accounts are shown in the consolidated statement of profit or loss and comprehensive income, fees and commissions for managing these accounts amounted to JD 75,840 for the year 2025 (JD 53,446 for the year 2024).

## **(63) COMPARATIVE FIGURES**

The comparative figures for the year 2024 balances in the consolidated financial statements were reclassified to correspond with 31 December 2025 presentation. The reclassifications did not have any effect on profit and equity for the year 2024.