

INVESTBANK
(PUBLIC LIMITED SHAREHOLDING COMPANY)
INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS
(UNAUDITED)
30 SEPTEMBER 2024

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(PUBLIC LIMITED SHAREHOLDING COMPANY)
INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)
30 September 2024

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**REVIEW REPORT ON THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
TO THE CHAIRMAN AND MEMBERS OF THE BOARD OF DIRECTORS OF INVEST BANK
A PUBLIC LIMITED SHAREHOLDING COMPANY**

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Invest Bank (the "Bank") and its subsidiaries (together the "Group") as at 30 September 2024 and the related interim condensed consolidated statement of profit or loss and the interim condensed consolidated statement of comprehensive income for the three-month and nine-month periods then ended, and the interim condensed consolidated statements of changes in equity and cash flows for the nine-month period then ended, and explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard (34) "interim financial reporting" as amended by the Central Bank of Jordan instructions. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.


Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements (2410) "Review of Interim Financial Information performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not properly prepared, in all material respects, in accordance with International Accounting Standard (34) as amended by the Central Bank of Jordan instructions.

For and on behalf PricewaterhouseCoopers "Jordan"


Omar Jamal Kalanji
License No (1015)

Amman, Jordan
27 October 2024



INVESTBANK (PUBLIC LIMITED SHAREHOLDING COMPANY)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2024 (UNAUDITED)

| | | 30 September | 31 December |
|---|-------|----------------------|----------------------|
| | Notes | 2024 | 2023 |
| | | JD | JD |
| | | (Unaudited) | (Audited) |
| Assets | | | |
| Cash and balances at the Central Bank of Jordan | 4 | 173,998,139 | 137,598,457 |
| Balances at banks and financial institutions | 5 | 70,938,890 | 46,206,056 |
| Deposits at banks and financial institutions | | - | 7,088,366 |
| Financial assets at fair value through profit or loss | | 844,118 | 2,799 |
| Financial assets at fair value through other comprehensive income | | 61,925,854 | 63,441,895 |
| Direct credit facilities at amortized cost – net | 6 | 1,185,067,319 | 1,060,853,398 |
| Financial assets at amortized cost | | 378,375,345 | 369,724,473 |
| Property and equipment – net | | 32,269,009 | 31,440,219 |
| Intangible assets | | 4,310,544 | 3,815,941 |
| Right of use of assets | | 5,681,321 | 4,068,172 |
| Deferred tax assets | | 18,134,627 | 19,943,770 |
| Other assets | 7 | 94,542,458 | 71,343,006 |
| | | 2,026,087,624 | 1,815,526,552 |
| Assets held for sale | 20 | - | 145,188 |
| Total assets | | 2,026,087,624 | 1,815,671,740 |
| Liabilities and equity | | | |
| Liabilities | | | |
| Banks and financial institutions deposits | | 57,238,940 | 52,081,563 |
| Customers' deposits | | 1,356,435,804 | 1,178,579,654 |
| Cash margins | | 47,333,913 | 56,464,360 |
| Borrowed funds | 8 | 273,491,747 | 257,376,326 |
| Bonds | 9 | 26,730,000 | 17,720,000 |
| Lease liabilities | | 4,661,108 | 3,104,073 |
| Sundry provisions | | 812,585 | 680,760 |
| Income tax provision | 10 | 5,673,960 | 8,228,335 |
| Deferred tax liabilities | | 975,538 | 1,345,153 |
| Other liabilities | | 31,485,852 | 27,660,513 |
| | | 1,804,839,447 | 1,603,240,737 |
| Liabilities directly associated with assets held for sale | 20 | - | 335 |
| Total liabilities | | 1,804,839,447 | 1,603,241,072 |
| Equity | | | |
| Bank's shareholders equity | | | |
| Authorized paid in capital | 1 | 125,000,000 | 100,000,000 |
| Subscribed and paid in capital | 1 | 100,000,000 | 100,000,000 |
| Statutory reserve | | 37,075,439 | 37,075,439 |
| Financial asset revaluation reserve | | 6,499,549 | 8,766,780 |
| Retained earnings | 11 | 52,353,896 | 62,801,714 |
| Net profit for the period | | 21,137,973 | - |
| Total Bank's shareholders equity | | 217,066,857 | 208,643,933 |
| Non-controlling interest | | 4,181,320 | 3,786,735 |
| Total equity | | 221,248,177 | 212,430,668 |
| Total liabilities and equity | | 2,026,087,624 | 1,815,671,740 |

The accompanying notes from 1 to 20 are an integral part of these interim condensed consolidated financial statements.

INVESTBANK
(PUBLIC LIMITED SHAREHOLDING COMPANY)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE THREE AND NINE MONTH PERIOD ENDED ON 30 SEPTEMBER 2024 (UNAUDITED)

| | Notes | For the three months ended 30 September | | For the nine months ended 30 September | |
|---|-------|--|---------------------|---|---------------------|
| | | 2024 | 2023 | 2024 | 2023 |
| | | JD | JD | JD | JD |
| | | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) |
| Interest income | | 40,989,848 | 32,561,506 | 110,334,634 | 89,227,861 |
| Interest expense | | (23,895,878) | (18,949,464) | (68,195,137) | (49,585,015) |
| Net interest income | | 17,093,970 | 13,612,042 | 42,139,497 | 39,642,846 |
| Net commission income | | 5,700,998 | 5,000,273 | 16,194,351 | 15,257,969 |
| Net interest and commission income | | 22,794,968 | 18,612,315 | 58,333,848 | 54,900,815 |
| Gains from foreign currencies | | 188,884 | 222,206 | 611,113 | 650,786 |
| Loss from selling financial assets as amortized cost | | - | - | (6,452) | - |
| Gains from financial assets at fair value through profit or loss | | 144,503 | 131,296 | 421,849 | 336,906 |
| Cash dividends from financial assets at fair value through other comprehensive income | | 197,813 | 218,383 | 1,899,722 | 2,022,997 |
| Other income | | 834,697 | 780,388 | 5,464,759 | 2,287,720 |
| Gross income | | 24,160,865 | 19,964,588 | 66,724,839 | 60,199,224 |
| Expenses | | | | | |
| Staff expenses | | (4,972,626) | (5,161,079) | (14,637,338) | (14,623,588) |
| Depreciation and amortization | | (1,126,892) | (878,105) | (3,197,501) | (2,677,959) |
| Other expenses | | (3,508,168) | (2,716,111) | (8,734,730) | (7,337,278) |
| (Expenses) reversed from provision for assets seized | | (1,686,183) | 25,522 | (1,677,586) | 787,306 |
| Expenses for expected credit loss against direct credit facilities at amortized cost | 6 | (2,581,883) | (2,515,007) | (8,725,665) | (9,322,596) |
| Expenses for expected credit loss provision on financial assets and off-balance sheet items | | 28,104 | (135,474) | (29,702) | (508,239) |
| Sundry provisions | | (15,290) | (59,892) | (146,718) | (124,155) |
| Total expenses | | (13,862,938) | (11,440,146) | (37,149,240) | (33,806,509) |
| Profit for the period before income tax | | 10,297,927 | 8,524,442 | 29,575,599 | 26,392,715 |
| Income tax expense for the period | | (2,892,117) | (2,124,163) | (8,069,675) | (7,192,424) |
| Net profit for the period | | 7,405,810 | 6,400,279 | 21,505,924 | 19,200,291 |
| Attributable to: | | | | | |
| Banks' shareholders | | 7,250,641 | 6,297,248 | 21,137,973 | 18,952,333 |
| Non-controlling interest | | 155,169 | 103,031 | 367,951 | 247,958 |
| | | 7,405,810 | 6,400,279 | 21,505,924 | 19,200,291 |
| | | JD/Share | JD/Share | JD/Share | JD/Share |
| Basic and diluted earnings per share from net profit for the period attributable to the Banks' shareholders | 17 | 0.073 | 0.063 | 0.211 | 0.190 |

The accompanying notes from 1 to 20 are an integral part of these interim condensed consolidated financial statements.

INVESTBANK
(PUBLIC LIMITED SHAREHOLDING COMPANY)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHINSIVE INCOME
FOR THE THREE AND NINE MONTH PERIOD ENDED ON 30 SEPTEMBER 2024 (UNAUDITED)

| | For the three months ended 30 September | | For the nine months ended 30 September | |
|--|--|--------------------|---|--------------------|
| | 2024 | 2023 | 2024 | 2023 |
| | JD | JD | JD | JD |
| | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) |
| Net profit for the period | 7,405,810 | 6,400,279 | 21,505,924 | 19,200,291 |
| Other comprehensive income items that will not be reclassified to profit or loss in subsequent periods: | | | | |
| Net changes in financial assets revaluation reserve – net after tax | (571,648) | (1,265,026) | (2,625,765) | 965,311 |
| Total other comprehensive income items | (571,648) | (1,265,026) | (2,625,765) | 965,311 |
| Total comprehensive income for the period | 6,834,162 | 5,135,253 | 18,880,159 | 20,165,602 |
| Total comprehensive income attributable to: | | | | |
| Banks' shareholders | 6,679,106 | 4,893,228 | 18,512,311 | 19,778,671 |
| Non-controlling interest | 155,056 | 242,025 | 367,848 | 386,931 |
| | 6,834,162 | 5,135,253 | 18,880,159 | 20,165,602 |

The accompanying notes from 1 to 20 are an integral part of these interim condensed consolidated financial statements.

INVESTBANK (PUBLIC LIMITED SHAREHOLDING COMPANY)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTH PERIOD ENDED ON 30 SEPTEMBER 2024 (UNAUDITED)

| | Reserves | | | | Profit for the period attributable to the bank's | Total equity attributable to the bank's shareholders | Non-controlling interest | Total equity |
|---|--------------------------------|-------------------|--|-------------------|--|--|--------------------------|--------------------|
| | Subscribed and paid in capital | Statutory | Financial assets revaluation reserve-net | Retained earnings | | | | |
| (Unaudited) | JD | JD | JD | JD | JD | JD | JD | JD |
| As of 1 January 2024 | 100,000,000 | 37,075,439 | 8,766,780 | 62,801,714 | - | 208,643,933 | 3,786,735 | 212,430,668 |
| Profit for the period | - | - | - | - | 21,137,973 | 21,137,973 | 367,951 | 21,505,924 |
| Net changes in financial assets revaluation reserve –net after taxes | - | - | (2,625,662) | - | - | (2,625,662) | (103) | (2,625,765) |
| Total comprehensive income | - | - | (2,625,662) | - | 21,137,973 | 18,512,311 | 367,848 | 18,880,159 |
| Dividend distributions (Note 11) | - | - | - | (10,000,000) | - | (10,000,000) | - | (10,000,000) |
| Loss on sale of financial assets at fair value through other comprehensive income transferred to the retained earnings – equity instruments net after tax | - | - | 358,431 | (358,431) | - | - | - | - |
| Capital increment fees - net after tax | - | - | - | (77,562) | - | (77,562) | - | (77,562) |
| Impact of change in ownership of subsidiaries | - | - | - | (11,825) | - | (11,825) | 26,737 | 14,912 |
| As of 30 September 2024 | 100,000,000 | 37,075,439 | 6,499,549 | 52,353,896 | 21,137,973 | 217,066,857 | 4,181,320 | 221,248,177 |
| (Unaudited) | | | | | | | | |
| As of 1 January 2023 | 100,000,000 | 34,583,047 | 6,435,777 | 50,972,953 | - | 191,991,777 | 3,456,396 | 195,448,173 |
| Profit for the period | - | - | - | - | 18,952,333 | 18,952,333 | 247,958 | 19,200,291 |
| Net changes in financial assets revaluation reserve –net after taxes | - | - | 965,289 | - | - | 965,289 | 22 | 965,311 |
| Total comprehensive income | - | - | 965,289 | - | 18,952,333 | 19,917,622 | 247,980 | 20,165,602 |
| Dividend distributions (Note 11) | - | - | - | (10,000,000) | - | (10,000,000) | - | (10,000,000) |
| Loss on sale of financial assets at fair value through other comprehensive income transferred to the retained earnings – equity instruments net after tax | - | - | 368,337 | (368,337) | - | - | - | - |
| Impact of change in ownership of subsidiaries | - | - | - | 15,340 | - | 15,340 | (41,389) | (26,049) |
| As of 30 September 2023 | 100,000,000 | 34,583,047 | 7,769,403 | 40,619,956 | 18,952,333 | 201,924,739 | 3,662,987 | 205,587,726 |

- Retained earnings include an amount of JD 18,134,627 as of 30 September 2024 against JD 19,943,770 as of 31 December 2023 restricted against deferred tax assets in accordance with the instructions of the Central Bank of Jordan and Jordan Securities Commission.
- Retained earnings include a restricted amount of JD 1,039,200 as of 30 September 2024 and 31 December 2023, which represents the remaining balance related to fraudulent transaction in accordance with the instructions of the Central Bank of Jordan.
- Retained earnings include a restricted amount of JD 415,199 as of 30 September 2024 and 31 December 2023, which represents the effect of the early adoption of IFRS (9). The amount is restricted and cannot be utilized unless realized through actual sale as instructed by Jordan Securities Commission.
- It is prohibited to utilize any amount that represents unrealized gain from financial assets at fair value through profit or loss as of 30 September 2024 and 31 December 2023.
- In accordance with the instructions of the Central Bank of Jordan Circular No. (13/2018), the accumulated balance of the general banking risk reserve which amounted to JD 6,365,000 as of 31 December 2017 has been transferred to the retained earnings to offset the impact of the IFRS 9. The surplus after the offset which amounted to JD 1,971,056 is restricted.
- The use of the credit balance of the valuation reserve of financial assets through other comprehensive is restricted in accordance with the instructions of Central Bank of Jordan and Jordan Securities Commission.

The accompanying notes from 1 to 20 are an integral part of these interim condensed consolidated financial statements.

INVESTBANK (PUBLIC LIMITED SHAREHOLDING COMPANY)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE NINE MONTH PERIOD ENDED ON 30 SEPTEMBER 2024 (UNAUDITED)

| | Notes | or the nine month period ended 30 September | |
|--|--------------|--|----------------------|
| | | 2024 | 2023 |
| | | JD | JD |
| | | (Unaudited) | (Unaudited) |
| Operating activities | | | |
| Income for the period before income tax | | 29,575,599 | 26,392,715 |
| Adjustments for non-cash items: | | | |
| Depreciation and amortization | | 3,197,501 | 2,677,959 |
| Expenses for expected credit loss against direct credit facilities at amortized cost | | 8,725,665 | 9,322,596 |
| Sundry provisions | | 146,718 | 124,155 |
| Expenses for expected credit loss provision on financial assets and off-balance sheet items | | 29,702 | 508,239 |
| Interest expense on lease liabilities | | 125,973 | 108,300 |
| Expenses (reversed from) provision for assets seized | | 1,677,586 | (787,306) |
| Gain from property and equipment disposal | | (79,266) | (1,308,646) |
| (Gain) loss from sale of assets seized by the bank | | (158,355) | 923,841 |
| Loss from selling financial assets as amortized cost | | 6,452 | - |
| Unrealized (gain) loss from revaluation of financial assets at fair value through profit or loss | | (56,085) | 14 |
| Net interest expenses | | 5,437,314 | 3,517,135 |
| Effect of changes in exchange rates on cash and cash equivalents | | 3,123 | (10,040) |
| | | 48,631,927 | 41,468,962 |
| Changes in assets and liabilities | | | |
| Deposits at banks and financial institutions due in more than 3 months | | 7,090,000 | (26,219,177) |
| Financial assets at fair value through profit or loss | | (785,234) | (2,558) |
| Direct credit facilities at amortized cost | | (132,939,586) | (209,694,162) |
| Other assets | | (27,483,060) | (3,296,809) |
| Customers' deposits | | 177,856,150 | 242,618,490 |
| Cash margins | | (9,130,447) | 55,301,835 |
| Other liabilities | | 1,112,280 | 608,899 |
| Net changes in assets and liabilities | | 15,720,103 | 59,316,518 |
| Net cash flows generated from operating activities before income tax and provisions paid | | 64,352,030 | 100,785,480 |
| Paid from lawsuits provisions | | (14,893) | (12,468) |
| Income tax paid | | (8,797,891) | (10,110,095) |
| Net cash flows generated from operating activities | | 55,539,246 | 90,662,917 |
| Investing activities | | | |
| Purchase of financial assets at fair value through other comprehensive income | | (8,936,974) | (7,092,708) |
| Sale of financial assets at fair value through other comprehensive income | | 7,457,738 | 3,294,183 |
| Purchases of financial assets at amortized cost | | (67,093,276) | (181,305,033) |
| Matured financial assets at amortized cost | | 57,042,482 | 87,034,021 |
| Sold financial assets at amortized cost | | 1,396,092 | - |
| Purchase of property and equipment and advances for purchases of property, equipment and projects under progress | | (2,828,927) | (4,154,128) |
| Proceeds from sale of property and equipment | | 74,185 | 1,823,088 |
| Purchase of intangible assets | | (964,079) | (731,915) |
| Net cash flows generated from (used in) assets and liabilities held for sale | | 144,853 | (2,096) |
| Net cash flows used in investing activities | | (13,707,906) | (101,134,588) |
| Financing activities | | | |
| Dividends paid | | (10,000,000) | (10,000,000) |
| Borrowed funds | | 44,715,683 | 68,262,286 |
| Repayment of borrowed funds | | (28,600,262) | (33,247,732) |
| New issued bonds | | 12,060,000 | 3,050,000 |
| Matured bonds | | (3,050,000) | - |
| Lease liabilities payments | | (994,134) | (708,771) |
| Change in ownership of subsidiaries impact on retained earnings and non-controlling interest | | 14,912 | (26,049) |
| Net cash flows generated from financing activities | | 14,146,199 | 27,329,734 |
| Effect of changes in exchange rates on cash and cash equivalents | | (3,123) | 10,040 |
| Net increase in cash and cash equivalents | | 55,974,416 | 16,868,103 |
| Cash and cash equivalents at 1 January | | 131,723,768 | 119,008,897 |
| Cash and cash equivalents at 30 September | 14 | 187,698,184 | 135,877,000 |

The accompanying notes from 1 to 20 are an integral part of these interim condensed consolidated financial statements.

INVESTBANK (PUBLIC SHAREHOLDING COMPANY)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS OF 30 SEPTEMBER 2024 (UNAUDITED)

(1) GENERAL INFORMATION

- INVESTBANK (the “Bank”) was established as a Jordanian public shareholding company under registration No. (173) dated 12 August 1982 in accordance with the Companies Law No. (12) for the year 1964 with a paid in capital of JD 6 million distributed over 6 million shares with a par value of JD 1 per share. The Bank's capital was increased several times, the latest increase was on 10 April 2012. The Bank's authorized, subscribed and paid in capital became JD 100 millions / JD 1 per share.
- Based on the decision of the Bank's Board of Directors No. (03/2024) held on 5 June 2024 it was recommended to the Bank's General Assembly to approve an increase in the Bank's paid in capital by JD 25 million, so that the bank's authorized, subscribed and paid in capital becomes JD 125 million, and authorizing the Board of Directors to take the necessary measures to complete the procedures for the increase, and to obtain the necessary approvals from the regulatory authorities. On 29 July 2024 The Bank's General Assembly approved to increase the Bank's capital from JD 100 million to JD 125 million by private placement.
- The needed approvals has been obtained from both Companies Control Department on 22 September and the Jordan Securities Commission on 1 October 2024, the Bank's authorized paid in capital became JD 125 millions, and the booking procedures will take place during the fourth quarter of the year 2024.
- The Bank’s Head Office is located in Amman, Abd Alhameed Sharaf Street, Shmesani, Tel: 06-5001500, P.O Box 950601, Amman – 11195 Hashemite kingdom of Jordan.
- The Bank provides banking and related financial services through its Head Office and its twelve branches in the Hashemite Kingdom of Jordan, and through its subsidiaries.
- INVESTBANK is a Public Shareholding Company listed on Amman Stock Exchange.
- These interim condensed consolidated financial statements were approved by the Bank’s Board of Directors on their meeting number (06/2024) held on 23 October 2024.

(2) MATERIAL ACCOUNTING POLICY INFORMATION

Following are the material accounting policies used by the Bank in the preparation of these interim condensed consolidated financial statements.

2-1 Basis of preparation the consolidated financial statements

- The interim condensed consolidated financial statements of the Bank and its subsidiaries ('the group') have been prepared in accordance with International Accounting Standards No. (34) ("interim financial reporting") as amended by the Central Bank of Jordan instructions.

The main differences between the IFRS accounting standards as they shall be applied and what has been approved by the Central Bank of Jordan are the following:

- 1- Provisions for expected credit losses are formed in accordance with the instructions of the Central Bank of Jordan (No. 13/2018) "Application of the IFRS (9)" dated 6 June 2018 and in accordance with the instructions of the supervisory authorities in the countries in which the bank operates, whichever is stricter. The significant differences are as follows:
 - Debt instruments issued or guaranteed by the Jordanian government are excluded, so that credit exposures are treated and guaranteed by the Jordanian government without calculating the expected credit losses.
 - When calculating expected credit losses against credit exposures, a comparison is made between the calculation results as per IFRS 9 with the instructions of the Central bank of Jordan no. (47/2009) Dated December 10, 2009 at each stage, the stricter results are used, and classified in accordance with Central bank of Jordan requirements in this regard.
 - Interest and commissions are suspended on non-performing credit facilities and classified within stage 3 in accordance with the instructions of the Central Bank of Jordan.
 - According to the instructions of the Central Bank of Jordan No. (47/2009) issued on 10 December 2009 credit facilities are classified into the following categories:
 - The Central Bank of Jordan may request to calculate extra provisions within certain percentages on some credit exposures as agreed with the bank.

INVESTBANK (PUBLIC SHAREHOLDING COMPANY)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS OF 30 SEPTEMBER 2024 (UNAUDITED)

A- Low risk credit facilities, which do not require any provisions:

- 1) Facilities granted and guaranteed by the Jordanian government, as well as to the governments of countries in which Jordanian banks have branches, provided that these facilities are granted in the same currency of the host country.
- 2) Cash guaranteed by (100%) of the outstanding balance at any
- 3) Facilities guaranteed with an acceptable bank guarantee at

B- Acceptable risk credit facilities, which do not require provision:

- 1) Strong financial positions and adequate cash flows.
- 2) Contracted and covered with duly accepted guarantees.
- 3) Having good sources of repayment.
- 4) Active account movement and regular repayment of principal and interest.
- 5) Efficient management of the client.

C- Credit facilities listed under the watch-list (requiring special attention) which impairment allowances for are calculated within a range of (1.5% - 15%):

These credit facilities are characterized by any of the following:

- 1) The existence of dues for a period of more than (60) days and less than (90) days for the principal of credit facilities and/or interest.
- 2) Exceeding the overdraft predetermined limit by (10%), and for a period of more than (60) days and less than (90) days.
- 3) Credit facilities that have previously been classified as non-performing credit facilities then reclassified from the list upon meeting the rescheduling criteria.
- 4) Acceptable-risk credit facilities that has been rescheduled twice in one year.
- 5) Credit facilities that have been expired for more than 60 days and less than (90) days and have not been renewed.

This is in addition to other conditions detailed in the instructions.

INVESTBANK (PUBLIC SHAREHOLDING COMPANY)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS OF 30 SEPTEMBER 2024 (UNAUDITED)

D- Non-performing credit facilities:

The credit facilities that have any of the following characteristics:

- 1) They are past due, or the maturity of one of their instalments, or default payment of the principal amount and / or interest, or dormant current debit account for the following periods:

| Classification | Past due days | provision percentage in the 1st year |
|---------------------------------|----------------------|---|
| Sub-standard credit facilities | (90) - (179) days | 25% |
| Doubtful credit facilities | (180) to (359) days | 50% |
| Bad debt/loss credit facilities | (360) days and more | 100% |

- 2) Overdrafts that exceed the granting limit by (10%) and more, and for the duration of (90) days and more.
 - 3) Credit facilities that have been expired for (90) days or more and have not been renewed.
 - 4) Credit facilities granted to any customer declared bankrupt or to any company that has been deemed under liquidation.
 - 5) Credit facilities that were restructured three times within a year.
 - 6) Current and on-demand accounts overdrawn for (90) days or more.
 - 7) The value of guarantees paid on behalf of the clients and were not credited to their accounts with past due of (90) days or more.
- The expected credit losses provision against credit facilities is calculated in accordance with the 47/2009 instructions for this category of facilities according to the above ratios and the amount of unguaranteed credit facilities during the first year, while the allocation of the covered amount is completed at 25% and over four years.

INVESTBANK (PUBLIC SHAREHOLDING COMPANY)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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- 2- Assets that have been seized by the Bank in settlement of due debts are stated in the consolidated statement of financial position within other assets at the acquisition cost or the fair value, whichever is lesser, and are revalued on the date of the consolidated financial statements individually. Any impairment in their value is recorded as a loss in the consolidated statement of profit or loss and any appreciation in value is not recorded as income. The subsequent increase is taken to the consolidated statement of income to the extent that it does not exceed the value of the previously recorded impairment. A gradual provision is calculated against seized assets at a percentage of (5%) of the total book value of these properties (regardless of the period of violation) starting from the year 2022, so that the required provision percentage of (50%) of these properties is reached by the end of the year 2030. In accordance with the Central Bank of Jordan Circular No. 10/3/16234 dated 10 October 2022 the calculation of the gradual provision against seized assets was stopped, provided that the provisions recorded against seized assets that violate the provision of banking law are maintained and to be released upon the disposal of such assets.
- An extra provision against some sized assets were booked during this period based on the Central Bank of Jordan request.
- 3- Additional provisions are calculated in the interim condensed consolidated financial statements against some of the Bank's foreign investments in some neighboring countries, if any, and in accordance with the requirement of the Central Bank of Jordan.
- 4- Some items are classified and presented in the consolidated statement of financial position, consolidated statement of profit or loss and the consolidated statement of cash flows and the related disclosure, such as credit facilities, interest in suspense, expected credit losses, investments, fair value levels, segments classification and disclosures related to risks and others, are presented and disclosed in accordance with the Central Bank of Jordan requirements, its instructions and circulated guidance which might not include all the requirements of IFRS such as IFRS 7, 9 and 13.
- 5- Cash and balances with the Central Bank item includes, the cash reserve requirement, which represent restricted balances according to the instructions of the Central Bank of Jordan and in accordance with the instructions of the supervisory authorities in the countries in which the Bank operates, whichever is stricter, which is not excluded from the cash and balances with the Central Bank.

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- The interim condensed consolidated financial statements have been prepared under the historical cost conversion except for financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income which are measured at fair value at the date of the interim condensed consolidated financial statements. Also, financial assets and financial liabilities for which the risk of change in their fair value has been hedged are shown at fair value.
- These interim condensed consolidated financial statements do not include all information and disclosures required in the annual financial statements prepared in accordance with International Financial Reporting Standards (IFRS) as amended by the Central Bank of Jordan, these interim condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements of the Group for the year ended on 31 December 2023. Furthermore, the results of operations for the nine months period ended on 30 September 2024 do not necessarily reflect an accurate indicator about the expected results for the year ended 31 December 2024, furthermore, specifications have not been made for 30 September 2024 profits, which was done at year end.
- The Jordanian Dinar is the presentation currency for the interim condensed consolidated financial statements, which is also the Group's functional currency.

2-2 BASIS OF CONSOLIDATION

- The interim condensed consolidated financial statements include the financial statements of the Bank and the companies under its control (its subsidiaries), and control is achieved when the Bank:
 - Has the ability to control the investee;
 - Is exposed to variable returns, or has the right to variable returns, resulting from its association with the investee;
 - Has the ability to use its power to influence the returns of the investee.
- The Bank will re-estimate whether it controls the investees or not if the facts and circumstances indicate that there are changes on one or more of the control points referred to above.

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- In the event that the Bank's voting rights fall below the majority of voting rights in any of the investees, it will have the power to control when voting rights are sufficient to give the Bank the ability to unilaterally direct the related subsidiary activities. The bank takes into account all facts and circumstances when estimating whether the Bank has voting rights in the investee that are sufficient to give it the ability to control or not. These facts and circumstances include:
 - The volume of voting rights the Bank has in relation to the number and distribution of other voting rights;
 - Potential voting rights held by the Bank and any other voting rights holders or parties;
 - Rights arising from other contractual arrangements; and
 - Any additional facts and circumstances indicating that the bank has, or does not have, a current responsibility to direct the relevant activities at the time the required decisions are taken, including how to vote in meetings of previous general assembly's meetings.
- The subsidiary is consolidated when the Bank controls the subsidiary and is deconsolidated when the Bank loses control of the subsidiary. Specifically, the results of operations of subsidiaries acquired or excluded during the year are included in the consolidated statement of profit or loss from the date on which control is achieved until the date the control of the subsidiary is lost.
- Profits and losses and each item of the comprehensive income are distributed to the owners in the entity and the non-controlling interest, the comprehensive income for the subsidiaries belonging to the owners in the entity and the non-controlling share is distributed even if this distribution will lead to a deficit in the balance of the non-controlling interest.
- Adjustments are made to the financial statements of the subsidiaries, when required, to align their accounting policies with those used by the Bank.
- All assets, liabilities, equity, income and expenses related to transactions and balances between the bank and its subsidiaries are eliminated when consolidating.

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- Non-controlling interests in the subsidiaries are determined separately from the Bank's equity in these entities. The non-controlling interests of the shareholders currently present in the equity granted to their owners with a proportionate share of the net assets upon liquidation may be measured initially at fair value or by the proportionate share of non-controlling interests in the fair value of the identifiable net purchase amount of assets. The measurement is selected on an acquisition basis. Other non-controlling interests are initially measured at fair value. After acquisition, the carrying value of non-controlling interests is the value of these interests upon initial recognition, in addition to the non-controlling interest's share of subsequent changes in equity. Total comprehensive income is attributable to the non-controlling interests even if that results in a deficit in the non-controlling interests balance.
- Changes in the Bank's interest in subsidiaries that do not result in loss of control are accounted for as equity transactions. The present value of the Bank's and non-controlling interests are adjusted to reflect changes in their relative shares in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Bank.
- When the bank loses control of a subsidiary, the profit or loss resulting from the disposal is calculated in the interim condensed consolidated statement of profit or loss, with the difference between (1) the total fair value of the consideration received and the fair value of any remaining shares and (2) the present value of the assets (including goodwill), less the liabilities of the subsidiary and any non-controlling interests.
- All amounts previously recognized in the other comprehensive income in relation to that subsidiary are accounted for as if the Bank had directly disposed of the assets or liabilities related to the subsidiary.
- The fair value of the investment that is held in the previous subsidiary at the date of loss of control is considered to be the fair value upon initial recognition of subsequent accounting under IFRS (9) "Financial instruments" when the provisions of this standard apply, or the cost of initial recognition of investment in an associate or a joint venture.

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- These interim condensed consolidated financial statements include the financial statement of the Bank and its following subsidiaries as of 30 September 2024:

| Name of the Company | Paid in capital | Bank's ownership | Nature of operations | Location | Acquisition date |
|---|------------------------|-------------------------|---|-----------------|-------------------------|
| | JD | % | | | |
| Tamkeen Leasing Co. | 20,000,000 | 97.5% | Finance leasing | Amman | 2006 |
| Al Istethmari Letamweel Selselat Al Imdad Co. | 3,000,000 | 94% | Management and operation of bonded warehouses | Amman | 2010 |

- Tamkeen Leasing Company owns the following subsidiaries:

| Name of the Company | Paid in capital | Bank's ownership | Nature of operations | Location | Acquisition date |
|--|------------------------|-------------------------|---|-----------------|-------------------------|
| | JD | % | | | |
| Jordan Trade Facilities Co. | 16,500,000 | 95.3% | Granting loans and facilities | Amman | 2016 |
| Trade Facilities for Finance Leasing Co. | 2,000,000 | 95.3% | Finance leasing | Amman | 2016 |
| Bindar Trade and Investment Co.* | 25,205,677 | 96.6% | Granting loans and facilities | Amman | 2017 |
| Ruboua Al Sharq Real Estate Co. | 50,000 | 96.6% | Sale of lands and properties owned by the Co. | Amman | 2017 |
| Rakeen Real Estate Co. | 30,000 | 96.6% | Sale of lands and properties owned by the Co. | Amman | 2017 |

- * Bindar Trade and Investment Company capital has been increased during the first quarter of the year 2024 by JD 5,205,677 which represent the net shareholders' equity on Summit Auto Trade Facilities Company (a former subsidiary merged with Bindar Trade and Investments Company).
- Based on the decision of Bindar Trade and Investments Company (a subsidiary) Board of Directors No. 18/2022 dated on 3 October 2022 it was approved to cease the operations of Bindar Financial Leasing Company (a former subsidiary) and liquidate it voluntarily during the year 2023, the liquidation procedures were completed on 7 February 2024 and the company registration certificate has been canceled.
- The financial statements of the subsidiaries are prepared for the same financial year of the Bank, using the same accounting policies used by the Bank. If the accounting policies adopted by the subsidiaries are different, the required adjustments are made on the financial statements of the subsidiaries to be consistent with the accounting policies used by the Bank.
- The financial statements of the subsidiaries are consolidated in the consolidated statement of profit or loss from the date of their ownership which is the date on which the control on the subsidiaries is actually transferred to the Bank, and stops consolidating when the Bank loses this control.
- Non-controlling interest represents the share in net profit or loss and net assets not owned - directly or indirectly - by the Bank in its subsidiaries and are shown in the consolidated statement of profit or loss, and within the equity in the consolidated statement of financial position separately from those attributable to the Bank's shareholders.

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2-3 CHANGE IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies used in the preparation of these interim condensed consolidated financial statements are consistent with those followed in the preparation of the last consolidated financial statements for the Group for the year ended 31 December 2023, except for the adoption of new standards and amendments to the existing standards as mentioned below.

A- Applicable accounting policies

New standards issued and applicable for the annual periods starting on or after 1 January 2024

- **IAS 1 Non-current Liabilities with Covenants** – Effective starting on or after 1 January 2024:
 - These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments also aim to improve information an entity provides related to liabilities subject to these conditions.
- **IFRS 16 Lease Liability in a Sale and Leaseback** – Effective starting on or after 1 January 2024:
 - These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.
- **Supplier finance arrangements – Amendments to IAS 7 and IFRS 7** – Effective starting on or after 1 January 2024:
 - These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on an entity's liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB's response to investors' concerns that some companies' supplier finance arrangements are not sufficiently visible, hindering investors' analysis.
- **Sale or contribution of assets between an investor and its associate or joint venture – Amendments to IFRS 10 and IAS 28:**
 - The IASB has made limited scope amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures.

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- The amendments clarify the accounting treatment for sales or contribution of assets between an investor and their associates or joint ventures. They confirm that the accounting treatment depends on whether the nonmonetary assets sold or contributed to an associate or joint venture constitute a 'business' (as defined in IFRS 3 Business Combinations).

*** In December 2015, the IASB decided to defer the application date of this amendment until such time as the IASB has finalized its research project on the equity method.

The implementation of the above standards did not have a material impact on the interim condensed consolidated financial statements.

B- New IFRSs and Amendments issued but not yet effective

The Group has not yet applied the following new standards, amendments and interpretations that have been issued but are not yet effective

The new standards, amendments, and interpretations issued are required to be applied to annual periods starting on or after 1 January 2025

- **Amendments to IAS 21 – Lack of Exchangeability** – Effective starting on or after 1 January 2025:
 - An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.
- The management is still in the process of evaluating the impact of these new amendments on the Group's interim condensed consolidated financial statements, and it believes that there will be no material impact on the interim condensed consolidated financial statements when they are implemented.
- There are no other standards that are not yet effective and that would be expected to have a material impact on the Group in the current year starting 1 January 2024 or future reporting periods and on foreseeable future transactions.

(3) ACCOUNTING ESTIMATES

The preparation of the interim condensed consolidated financial statements and the application of accounting policies require the Bank's management to make estimates and judgements that affect the amounts of assets and liabilities and disclosure of contingent liabilities. These estimates and judgments affect the revenues, expenses, provisions and reserve of valuation of financial assets at fair value. In particular, it requires the Bank's management to issue critical judgements to estimate the amounts of future cash flows and their timing. The mentioned estimates are necessarily based on multiple assumptions and factors involving varying degrees of judgment and uncertainty and that actual results may differ from the estimates as a result of changes resulting from the conditions and circumstances of those estimates in the future, the used estimates in preparing the condensed consolidated financial statements are the same used in preparing the audited consolidated financial statements of the Group for the year ended on 31 December 2023.

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

The details of this item are as follows:

| | <u>30 September 2024</u> | <u>31 December 2023</u> |
|--|--------------------------|-------------------------|
| | JD | JD |
| | (Unaudited) | (Audited) |
| Cash on hand | 25,248,512 | 15,361,075 |
| Balances at the Central Bank of Jordan: | | |
| Current and demand accounts and cash | 69,249,627 | 60,837,382 |
| reserve requirements | 43,500,000 | 20,500,000 |
| Term and notice deposits | 36,000,000 | 40,900,000 |
| Certificates of deposits | 173,998,139 | 137,598,457 |
| Total | 173,998,139 | 137,598,457 |

- There are no restricted balances, except for the statutory cash reserve which amounted to JD 68,161,234 as of 30 September 2024, against JD 60,002,897 as of 31 December 2023.
- There are no balances that mature within a period exceeding three months as of 30 September 2024 and 31 December 2023.
- The Bank has not calculated and recorded the provision for expected credit losses on the balances with the Central Bank of Jordan, in accordance with the Central Bank of Jordan's instructions (13/2018) regarding the implementation of IFRS (9).

(5) BALANCE AT BANKS AND FINANCIAL INSTITUTIONS

The details of this item are as follows:

| | <u>30 September 2024</u> | <u>31 December 2023</u> |
|--|--------------------------|-------------------------|
| | JD | JD |
| | (Unaudited) | (Audited) |
| Local banks and financial institutions | 16,431,788 | 5,349,359 |
| Foreign banks and financial institutions | 54,507,197 | 40,857,515 |
| Expected credit loss provision | (95) | (818) |
| Total | 70,938,890 | 46,206,056 |

- Non-interest-bearing balances held at banks and financial institutions amounted to JD 14,663,469 as of 30 September 2024, against JD 12,258,546 as of 31 December 2023.
- There are no restricted balances as of 30 September 2024, and 31 December 2023.

INVESTBANK (PUBLIC SHAREHOLDING COMPANY)**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS****AS OF 30 SEPTEMBER 2024 (UNAUDITED)****(6) DIRECT CREDIT FACILITIES AT AMORTIZED COST - NET**

The details of this item are as follows:

| | 30 September 2024 | 31 December 2023 |
|-------------------------------------|--------------------------|-------------------------|
| | JD | JD |
| | (Unaudited) | (Audited) |
| Individuals (Retail) | | |
| Overdraft | 2,552,322 | 2,513,889 |
| Loans and discounted bills * | 355,322,444 | 315,000,217 |
| Credit cards | 115,102,684 | 99,339,549 |
| Real estate loans | 115,310,029 | 126,693,272 |
| Corporates | | |
| SMEs | | |
| Overdraft | 5,749,694 | 7,526,367 |
| Loans and discounted bills * | 36,497,290 | 44,382,204 |
| Large Corporates | | |
| Overdraft | 69,342,849 | 71,563,541 |
| Loans and discounted bills * | 225,859,550 | 235,522,461 |
| Government and public sector | 359,185,378 | 245,451,960 |
| Total | 1,284,922,240 | 1,147,993,460 |
| Less: | | |
| Expected credit loss provision | 71,311,671 | 62,752,501 |
| Interest in suspense ** | 28,543,250 | 24,387,561 |
| Net direct credit facilities | 1,185,067,319 | 1,060,853,398 |

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- * The balance is presented in net, after deducting the commissions and interest received in advance which amounted to JD 99,477,074 as of 30 September 2024, against JD 80,897,715 as of 31 December 2023.
- ** Interest in suspense includes an amount of JD 745,969 as of 30 September 2024, against JD 2,160,182 as of 31 December 2023, which represents interests in suspense against some performing accounts classified within stage 2 and stage 3.
- Non-performing credit facilities according to the instructions of the Central Bank of Jordan amounted to JD 117,843,281 which is equivalent to 9.2% of the total direct credit facilities balance as of 30 September 2024, against JD 90,858,770 which is equivalent to 7.9% of the total direct credit facilities balance as of 31 December 2023.
- Non-performing credit facilities according to the instructions of the Central Bank of Jordan after deducting interest in suspense amounted to JD 90,045,999 which is equivalent to 7.2% of the total direct credit facilities balance after deducting interest in suspense as of 30 September 2024 against JD 68,631,391 which is equivalent to 6.1% of the direct credit facilities balance after deducting interest in suspense as of 31 December 2023.
- Credit facilities granted to the Jordanian Government and/or with its guarantee amounted to JD 359,185,371 which is equivalent to 28.0% of the total direct credit facilities as of 30 September 2024 against JD 219,275,406 which is equivalent to 19.1% of total direct credit facilities as of 31 December 2023.
- No non-performing loans were transferred the consolidated off balance sheet during the first nine months of the years 2024 and 2023.
- The value of non-performing loans transferred to the consolidated off balance sheet amounted to JD 61,374,980 as of 30 September 2024, and as of 31 December 2023.
- The Bank has not calculated or recorded expected credit loss provision on credit facilities granted to the Jordanian Government and/or with its guarantee, in accordance with the instructions of the Central Bank of Jordan No. (13/2018) related to the application of International Financial Reporting Standard No. (9).

A- Total credit facilities movement according to the stage and in accordance with the instructions of the Central Bank of Jordan**For the period ended 30 September 2024
(Unaudited)**

| | Stage 1 | Stage 2 | Stage 3 | Total |
|---|----------------------|--------------------|--------------------|----------------------|
| | JD | JD | JD | JD |
| Total balance at the beginning of the period | 931,891,439 | 119,560,712 | 96,541,309 | 1,147,993,460 |
| New balances during the period/additions | 266,542,355 | 9,807,496 | 6,949,311 | 283,299,162 |
| Repaid/ derecognized balances during the period | (72,950,756) | (25,075,949) | (5,211,678) | (103,238,383) |
| Transferred to stage 1 | 22,201,503 | (20,836,900) | (1,364,603) | - |
| Transferred to stage 2 | (48,654,748) | 51,635,434 | (2,980,686) | - |
| Transferred to stage 3 | (6,932,338) | (24,339,744) | 31,272,082 | - |
| Changes due to adjustments | (39,544,455) | (2,839,557) | (399,816) | (42,783,828) |
| Written off balances | - | - | (348,171) | (348,171) |
| Adjustments resulted from changes in exchange rates | - | - | - | - |
| Total balance at the end of the period | 1,052,553,000 | 107,911,492 | 124,457,748 | 1,284,922,240 |

**For the year ended 31 December 2023
(Audited)**

| | Stage 1 | Stage 2 | Stage 3 | Total |
|---|--------------------|--------------------|-------------------|----------------------|
| | JD | JD | JD | JD |
| Total balance at the beginning of the year | 732,850,366 | 109,509,781 | 77,758,786 | 920,118,933 |
| New balances during the year/ additions | 379,544,919 | 14,629,608 | 6,964,543 | 401,139,070 |
| Repaid/ derecognized balances during the year | (103,008,722) | (16,014,932) | (7,149,807) | (126,173,461) |
| Transferred to stage 1 | 36,272,880 | (33,889,445) | (2,383,435) | - |
| Transferred to stage 2 | (56,372,532) | 58,414,012 | (2,041,480) | - |
| Transferred to stage 3 | (12,343,401) | (10,529,545) | 22,872,946 | - |
| Changes due to adjustments | (45,052,071) | (2,558,767) | 1,054,309 | (46,556,529) |
| Written off balances | - | - | (534,553) | (534,553) |
| Adjustments resulted from changes in exchange rates | - | - | - | - |
| Total balance at the end of the year | 931,891,439 | 119,560,712 | 96,541,309 | 1,147,993,460 |

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B- The total movement on the expected credit loss provision per stage:

| For the period ended 30 September 2024 | Stage 1 | Stage 2 | Stage 3 | Total |
|--|------------------|------------------|-------------------|-------------------|
| (Unaudited) | JD | JD | JD | JD |
| Balance at the beginning of the period | 3,564,540 | 7,473,040 | 51,714,921 | 62,752,501 |
| Expected credit loss on new balances during the period / | 5,224,676 | 9,129,495 | 7,678,074 | 22,032,245 |
| Reversed expected credit loss on repaid/ derecognized balances | (256,856) | (3,509,169) | (9,355,160) | (13,121,185) |
| Transferred to stage 1 | 1,254,085 | (743,259) | (510,826) | - |
| Transferred to stage 2 | (454,027) | 1,536,071 | (1,082,044) | - |
| Transferred to stage 3 | (59,934) | (1,577,816) | 1,637,750 | - |
| Impact on the provision - at the end of the year – due to changes in the classification between the three stages during the period | (6,009,373) | (7,045,170) | 13,054,543 | - |
| Changes due to adjustments | (633,014) | (371,628) | 819,247 | (185,395) |
| Written off balances | - | - | (166,495) | (166,495) |
| Adjustme | - | - | - | - |
| Total | 2,630,097 | 4,891,564 | 63,790,010 | 71,311,671 |

| For the year ended 31 December 2023 | Stage 1 | Stage 2 | Stage 3 | Total |
|--|------------------|------------------|-------------------|-------------------|
| (Audited) | JD | JD | JD | JD |
| Balance at the beginning of the year | 2,529,397 | 4,377,530 | 44,715,964 | 51,622,891 |
| Expected credit loss on new balances during the year / Additions | 7,489,668 | 4,422,528 | 8,385,073 | 20,297,269 |
| Reversed expected credit loss on repaid/ derecognized balances during the | (326,413) | (1,016,415) | (7,960,218) | (9,303,046) |
| Transferred to stage 1 | 2,070,598 | (624,265) | (1,446,333) | - |
| Transferred to stage 2 | (331,326) | 1,570,617 | (1,239,291) | - |
| Transferred to stage 3 | (103,288) | (352,133) | 455,421 | - |
| Impact on the provision - at the end of the year – due to changes in the classification between the three stages during the year | (8,000,061) | (1,098,028) | 9,098,089 | - |
| Changes due to adjustments | 235,965 | 193,206 | (140,199) | 288,972 |
| Written off balances | - | - | (153,585) | (153,585) |
| Adjustments resulted from changes in exchange rates | - | - | - | - |
| Total balance at the end of the year | 3,564,540 | 7,473,040 | 51,714,921 | 62,752,501 |

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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C- Provision for expected credit loss based on segment

| | | | Companies | | |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| | Retail | Real estate loans | Corporate | SMEs | Total |
| | JD | JD | JD | JD | JD |
| For the period ended 30 September 2024 | | | | | |
| (Unaudited) | | | | | |
| Balance at the beginning of the period | 25,243,712 | 5,964,599 | 19,652,133 | 11,892,057 | 62,752,501 |
| Deducted from revenue during the year | 6,040,605 | 436,302 | 3,131,900 | (883,142) | 8,725,665 |
| Written off balances* | (131,671) | (5,173) | (9,346) | (20,305) | (166,495) |
| Balance at the end of the period | 31,152,646 | 6,395,728 | 22,774,687 | 10,988,610 | 71,311,671 |
| For the year ended 31 December 2023 | | | | | |
| (Audited) | | | | | |
| Balance at the beginning of the year | 19,729,466 | 4,454,694 | 13,248,467 | 14,190,264 | 51,622,891 |
| Deducted from revenue during the year | 5,624,981 | 1,518,381 | 6,407,023 | (2,267,190) | 11,283,195 |
| Written off balances* | (110,735) | (8,476) | (3,357) | (31,017) | (153,585) |
| Balance at the end of the year | 25,243,712 | 5,964,599 | 19,652,133 | 11,892,057 | 62,752,501 |

D- Interest in suspense

The following is the movement on interest in suspense:

| | | | Companies | | |
|---|------------------|-------------------|-------------------|------------------|-------------------|
| | Retail | Real estate loans | Corporate | SMEs | Total |
| | JD | JD | JD | JD | JD |
| For the period ended 30 September 2024 | | | | | |
| (Unaudited) | | | | | |
| Balance at the beginning of the period | 6,035,463 | 2,907,424 | 11,386,203 | 4,058,471 | 24,387,561 |
| Interest suspended during the period | 2,192,733 | 194,042 | 3,239,926 | 953,979 | 6,580,680 |
| Interest transferred to revenues | (347,406) | (1,617,903) | (147,099) | (130,907) | (2,243,315) |
| Written off interest in suspense* | (131,912) | (31,366) | (3,763) | (14,635) | (181,676) |
| Balance at the end of the period | 7,748,878 | 1,452,197 | 14,475,267 | 4,866,908 | 28,543,250 |
| For the year ended 31 December 2023 | | | | | |
| (Audited) | | | | | |
| Balance at the beginning of the year | 4,924,316 | 2,420,654 | 8,056,007 | 3,475,409 | 18,876,386 |
| Interest suspended during the period | 2,076,762 | 674,772 | 3,447,860 | 1,172,261 | 7,371,655 |
| Interest transferred to revenue | (730,746) | (169,447) | (95,684) | (483,635) | (1,479,512) |
| Written off interest in suspense* | (234,869) | (18,555) | (21,980) | (105,564) | (380,968) |
| Balance at the end of the period | 6,035,463 | 2,907,424 | 11,386,203 | 4,058,471 | 24,387,561 |

* According to the decisions of the Bank's Board of Directors and the subsidiaries Executive Managements, non-performing credit facilities with their related interest, against which provisions and interest in suspense were booked, were written off by an amount of JD 348,171 during the period ended 30 September 2024, against JD 534,553 for the year ended 31 December 2023.

(7) OTHER ASSETS

The details of this item are as follows:

| | 30 September 2024 | 31 December 2023 |
|---|--------------------------|-------------------------|
| | JD | JD |
| | (Unaudited) | (Audited) |
| Interest and income receivables | 5,294,020 | 7,994,512 |
| Prepaid expenses | 2,248,246 | 1,753,896 |
| Assets seized by the Bank in settlement of due debts* | 42,752,658 | 24,869,270 |
| Refundable deposits | 831,921 | 914,760 |
| Clearing Cheques | 42,573 | 12,813 |
| Balances related to fraudulent transaction -net** | 1,039,200 | 1,039,200 |
| Purchased acceptances | 29,156,723 | 26,697,103 |
| Others | 13,177,117 | 8,061,452 |
| Total | 94,542,458 | 71,343,006 |

* According to the instructions of the Central Bank of Jordan, the Bank must dispose of assets seized by the Bank in settlement of customers due debts within two years from the date of their acquisition, and the Central Bank of Jordan may, in exceptional cases, extend this period for a maximum of two consecutive years. The seized assets are shown at net after deducting the impairment provision which amounted to JD 96,607 as of 30 September 2024, against JD 93,155 as of 31 December 2023, and the seized assets provision according to the instructions of the Central Bank of Jordan in which amounted to JD 2,930,906 as of 30 September 2024 against JD 1,257,317 as of 31 December 2023.

** During 2012, the Bank was exposed to a manipulation in the Bank's cash accounts with other banks and financial institutions, which led to a loss of amounts estimated at JD 12.9 million, mainly due to the possibility of collusion between some of the Bank's employees through deceiving the internal controls and control procedures in place. All the necessary legal procedures were taken by the Bank's management and a provision for an amount of JD 10.4 million was booked against the transaction as of 30 September 2024 and 31 December 2023 after netting the amounts expected to be recovered from the repossessed assets and the deduction of the proceeds collected from the insurance company which amounted to JD 1.5 million, the lawsuit is currently presented in Amman's Appeal Court.

(8) BORROWED FUNDS

The details of this item are as follows:

| | Amount | Number of instalments | | Frequency of instalments | Guarantees | Loan interest |
|---|--------------------|-----------------------|-----------|---|---|---------------|
| | | Total | Remaining | | | |
| 30 September 2024 | JD | | | | | |
| (Unaudited) | | | | | | |
| Borrowings from the Central Bank of Jordan | 10,205,211 | 2,147 | 1,262 | Monthly | Promissory notes | 0.5% - 1.0% |
| Borrowings from local banks/ financial institutions | 249,712,022 | 637 | 290 | Monthly, quarterly, semi-annual and at maturity | Mortgage bonds/ equipment and property mortgage | 4.9% to 9.5% |
| Borrowings from foreign institutions | 13,574,514 | 22 | 12 | Semi-annual and at maturity | - * | 6.4% to 7.8% |
| Total | 273,491,747 | | | | | |
| 31 December 2023 | | | | | | |
| (Audited) | | | | | | |
| Borrowings from the Central Bank of Jordan | 10,204,014 | 2,127 | 1,207 | Monthly | Promissory notes | 0.5% - 1.0% |
| Borrowings from local banks/ financial institutions | 239,901,517 | 590 | 304 | Monthly, quarterly, semi-annual and at maturity | Mortgage bonds/ equipment and property mortgage | 4.9% to 9.3% |
| Borrowings from foreign institutions | 7,270,795 | 16 | 11 | Semi-annual and at maturity | - * | 6.4% to 7.0% |
| Total | 257,376,326 | | | | | |

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- Borrowings from the Central Bank of Jordan which amounts to JD 10,205,211 represent amounts borrowed to refinance customers' facilities through medium term financing programs and the Central Bank of Jordan program to assist SMEs in facing COVID-19, the loans were re-lent with an average interest rate of 2.6%.
- The number of beneficiaries from the Central Bank of Jordan's program which aims to assist SMEs in facing COVID-19 are 14 clients as of 30 September 2024. These loans are matured within a period of 54 months from the granting date including the grace period according to the requirements of the program.
- Borrowed funds include amounts borrowed from local banks which amounts to JD 237,212,022 as of 30 September 2024 against JD 217,401,517 as of 31 December 2023, Such borrowings include overdraft accounts and revolving loans granted to the subsidiaries (Al-Istethmari Letamweel Selselat Al Imdad, Tamkeen Leasing Company, Jordan Trade Facilities Company and Bindar Trade and investments Company).
- Borrowed funds from local institutions include amounts borrowed from Jordan Mortgage Refinancing Company which amounts to JD 12,500,000 as of 30 September 2024, against JD 22,500,000 as of 31 December 2023, additionally, mortgage loans are refinanced with an average interest rate of 10.3% as of 30 September 2024 against 10.5% as of 31 December 2023.
- Borrowed funds from foreign institutions include amounts borrowed from "SANAD" fund for MSME and BANCA UBAE which amounts to USD 19.1 Million, equivalent to JD 13,574,514 for the Bank and its subsidiary (Jordan Trade Facilities Company) as of 30 September 2024, against amounts borrowed from "SANAD" fund for MSME which amounts to USD 10.3 Million, equivalent to JD 7,270,795 as of 31 December 2023.
- Fixed interest rates loans amounted to JD 39,852,377 and floating interest rates loans amounted to JD 233,639,370 as of 30 September 2024 against JD 54,161,784 of fixed interest rates loans and JD 203,214,542 of floating interest rates loans as of 31 December 2023.
- * There is a letter of comfort issued by the Bank regarding the borrowed funds by its subsidiaries from local banks and foreign financial institutions.

(9) BONDS

This item represents bonds issued by the subsidiaries as follows:

| Subsidiary | Value of bonds | Interest rate | Gross instalments | Remaining instalments | Frequency of instalments | Guarantees | Issue date | Maturity date |
|--------------------------------------|-------------------|------------------|----------------------|--------------------------|----------------------------------|------------|-----------------|------------------|
| | JD | | | | | | | |
| 30 September 2024 (Unaudited) | | | | | | | | |
| Tamkeen Leasing Company | 7,500,000 | 7.75% | 1 | 1 | One payment at the maturity date | N/A | 30 October 2023 | 28 November 2024 |
| Tamkeen Leasing Company | 5,970,000 | 7.75% | 1 | 1 | One payment at the maturity date | N/A | 8 November 2023 | 7 November 2024 |
| Jordan Trade Facilities Company | 4,160,000 | 7.50% | 2 | 1 | One payment at the maturity date | N/A | 7 January 2024 | 6 January 2025 |
| Tamkeen Leasing Company | 2,100,000 | 7.50% | 1 | 1 | One payment at the maturity date | N/A | 18 July 2024 | 17 July 2025 |
| Tamkeen Leasing Company | 3,400,000 | 7.50% | 1 | 1 | One payment at the maturity date | N/A | 4 March 2024 | 3 March 2025 |
| Tamkeen Leasing Company | 1,250,000 | 7.50% | 1 | 1 | One payment at the maturity date | N/A | 14 January 2024 | 14 January 2025 |
| Tamkeen Leasing Company | 1,200,000 | 7.50% | 1 | 1 | One payment at the maturity date | N/A | 12 October 2023 | 11 October 2024 |
| Tamkeen Leasing Company | 1,150,000 | 7.50% | 1 | 1 | One payment at the maturity date | N/A | 6 April 2024 | 7 April 2025 |
| Total | 26,730,000 | | | | | | | |
| 31 December 2023 (Audited) | | | | | | | | |
| Tamkeen Leasing Company | 7,500,000 | 7.75% | 1 | 1 | One payment at the maturity date | N/A | 30 October 2023 | 28 November 2024 |
| Tamkeen Leasing Company | 5,970,000 | 7.75% | 1 | 1 | One payment at the maturity date | N/A | 8 November 2023 | 7 November 2024 |
| Tamkeen Leasing Company | 2,000,000 | 7.50% | 1 | 1 | One payment at the maturity date | N/A | 18 July 2023 | 17 July 2024 |
| Tamkeen Leasing Company | 1,200,000 | 7.50% | 1 | 1 | One payment at the maturity date | N/A | 12 October 2023 | 11 October 2024 |
| Tamkeen Leasing Company | 1,050,000 | 7.50% | 1 | 1 | One payment at the maturity date | N/A | 7 February 2023 | 7 February 2024 |
| Total | 17,720,000 | | | | | | | |

(10) INCOME TAX

- Income tax is calculated in accordance with the income tax laws number (38) for the year 2018, the statutory income tax rate in Jordan for the bank and its subsidiaries amounts to 35% and 3% national contribution, 24% and 4% national contribution
- In the opinion of the Group's management and the tax advisor for the Bank and its subsidiaries, the provisions booked are sufficient to meet the tax liabilities as of 30 September 2024.

Income tax provision

The movement on income tax provision is as follows:

| | 30 September | 31 December |
|---|---------------------|--------------------|
| | 2024 | 2023 |
| | JD | JD |
| Balance at the beginning of the period / year | 8,228,335 | 9,383,036 |
| Total income tax paid | (8,797,891) | (10,077,616) |
| Income tax for previous years | 6,925 | 8,279 |
| (Recovery of) Income tax from previous years | (17,017) | (500,000) |
| Income tax for the year | 6,253,608 | 9,414,636 |
| Balance at the end of the year the period / year | 5,673,960 | 8,228,335 |

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(11) RETAINED EARNINGS

The movement on retained earnings is summarized as follows:

| | <u>30 September 2024</u> | <u>31 December 2023</u> |
|--|--------------------------|--------------------------|
| | JD | JD |
| | (Unaudited) | (Audited) |
| Balance at the beginning of the period/ year | 62,801,714 | 50,972,953 |
| Profit for the year | - | 24,628,584 |
| Transferred to reserves | - | (2,492,392) |
| Dividend distributions* | (10,000,000) | (10,000,000) |
| Loss on sale of financial assets at fair value through other comprehensive income transferred to retained earning - equity instruments | (358,431) | (322,759) |
| Capital increment fees - net after tax | (77,562) | - |
| Effect of the increase in investment in subsidiaries | (11,825) | 15,328 |
| Balance at the end of the period/ year | <u>52,353,896</u> | <u>62,801,714</u> |

* According to the decision of the Shareholders General Assembly on 24 April 2024, JD 10 million were distributed from the retained earnings for the year 2023, which is equivalent to 10% of the Bank's capital. And According to the decision of the Shareholders General Assembly on 19 April 2023, JD 10 million were distributed from the retained earnings for the year 2022, which is equivalent to 10% of the Bank's capital.

(12) SEGMENT ANALYSIS

A- Information about the Bank's operating segments:

The Bank is organized for administrative purposes through three main business segments that are used by the General Manager and the Bank's decision makers. The Bank also has subsidiaries specialized in financial leasing services, and operation and management of bonded warehouses

- **Individual accounts:** includes handling individual customers' deposits, and providing credit facilities, credit cards and other services.
- **Corporates' accounts:** includes handling deposits, credit facilities, and other credit facilities granted to customers services related to corporates' customers.
- **Treasury:** includes providing trading and treasury services and the management of the Bank's funds.
- **Finance leasing services:** include granting customers credit facilities and other services.
- **Operating and managing bonded warehouses:** includes providing operating services and managing the bonded warehouses.

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The following table represents information on the Bank's segments distributed in accordance with the activities:

| | Individuals | Corporates | Treasury | Financial Leasing | Bonded Management | Others | Total For the nine months period ended 30 | |
|---|-------------------|-------------------|-------------------|----------------------|----------------------|---------------------|--|-------------------|
| | | | | | | | 2024 | 2023 |
| | JD (Unaudited) | JD (Unaudited) | JD (Unaudited) | JD (Unaudited) | JD (Unaudited) | JD (Unaudited) | JD (Unaudited) | JD (Unaudited) |
| Gross income | 40,689,768 | 20,741,130 | 2,674,737 | 1,456,232 | 707,705 | 455,267 | 66,724,839 | 60,199,224 |
| Expenses for expected credit loss against direct credit facilities at amortized cost | (6,167,095) | (1,701,687) | - | (354,143) | (502,740) | - | (8,725,665) | (9,322,596) |
| Expenses for expected credit loss provision on financial assets and off-balance sheet items | - | - | 4,979 | - | - | (34,681) | (29,702) | (508,239) |
| Sundry provisions | - | - | - | (102,769) | - | (43,949) | (146,718) | (124,155) |
| Segment operations results | 34,522,673 | 19,039,443 | 2,679,716 | 999,320 | 204,965 | 376,637 | 57,822,754 | 50,244,234 |
| Less: Expenses not distributed among sectors | - | - | - | (656,416) | (1,211,441) | (26,379,298) | (28,247,155) | (23,851,519) |
| Profit for the period before income tax | 34,522,673 | 19,039,443 | 2,679,716 | 342,904 | (1,006,476) | (26,002,661) | 29,575,599 | 26,392,715 |
| Income tax | - | - | - | (127,136) | 140,767 | (8,083,306) | (8,069,675) | (7,192,424) |
| Net Income for the period | 34,522,673 | 19,039,443 | 2,679,716 | 215,768 | (865,709) | (34,085,967) | 21,505,924 | 19,200,291 |

| | Individuals | Corporates | Treasury | Leasing | Bonded Management | Others | Total | |
|--|--------------------|--------------------|--------------------|--------------------|-------------------|--------------------|----------------------|----------------------|
| | | | | | | | 30 September 2024 | 31 December 2023 |
| | JD (Unaudited) | JD (Unaudited) | JD (Unaudited) | JD (Unaudited) | JD (Unaudited) | JD (Unaudited) | JD (Unaudited) | JD (Audited) |
| Sector's assets | 468,147,630 | 630,394,638 | 704,918,633 | 121,494,354 | 20,610,621 | - | 1,945,565,876 | 1,812,025,400 |
| Assets not distributed among sectors | - | - | - | - | - | 80,521,747 | 80,521,748 | 3,501,152 |
| Assets held for sale | - | - | - | - | - | - | - | 145,188 |
| Total assets | 468,147,630 | 630,394,638 | 704,918,633 | 121,494,354 | 20,610,621 | 80,521,747 | 2,026,087,624 | 1,815,671,740 |
| Sector's liabilities | 773,503,174 | 640,637,526 | 74,007,054 | 99,201,683 | 17,424,546 | - | 1,604,773,983 | 1,432,478,295 |
| liabilities not distributed among sectors | - | - | - | - | - | 200,065,464 | 200,065,464 | 170,762,442 |
| Liabilities associated with assets held for sale | - | - | - | - | - | - | - | 335 |
| Total liabilities | 773,503,174 | 640,637,526 | 74,007,054 | 99,201,683 | 17,424,546 | 200,065,464 | 1,804,839,447 | 1,603,241,072 |

For the nine months period ended 30

| | September | |
|-------------------------------|-------------------|-------------------|
| | 2024 | 2023 |
| | JD (Unaudited) | JD (Unaudited) |
| Capital expenditures | 3,793,006 | 4,886,043 |
| Depreciation and amortization | 3,197,501 | 2,677,959 |

B- Information on the geographical distribution.

The Bank performs most of its activities and operations inside the Kingdom which represent local activities. Accordingly, most of the Bank's revenues, assets and capital expenditures are in the Kingdom.

(13) TRANSACTIONS WITH RELATED PARTIES

The Bank entered into transactions with the subsidiaries, Board of Directors, the executive management and the major shareholders within the ordinary course of banking activities using commercial rates of interests and commissions.

The following represents a summary of balances and transactions with related parties:

| | The Related Parties | | | Total | |
|--|---------------------|--|---|--------------------|--------------------|
| | Subsidiaries* | Board of directors' members & executive management | Other (employees and their relative, relative of members of the board of directors and executive management and controlled companies) | 30 September 2024 | 31 December 2023 |
| | JD | JD | JD | JD | JD |
| On-balance sheet items: | | | | (Unaudited) | (Audited) |
| Credit facilities | 2,529,744 | 2,738,024 | 21,792,375 | 27,060,143 | 27,459,381 |
| Provision for impairment on direct credit facilities ** | - | - | 14,366 | 14,366 | 20,674 |
| Deposits, current accounts and cash margins | 132,363 | 9,247,608 | 13,357,108 | 22,737,079 | 15,545,611 |
| Deposits from banks and financial institutions | - | 17,492,434 | - | 17,492,434 | 16,947,080 |
| Off-balance sheet items: | | | | | |
| LGs | 118,500 | 193,937 | 367,128 | 679,565 | 1,191,030 |
| For the nine months ended 30 September | | | | | |
| Statement of profit or loss Items: | | | | 2024 | 2023 |
| | | | | JD | JD |
| | | | | (Unaudited) | (Unaudited) |
| Interest and commission income | 151,392 | 139,974 | 960,372 | 1,251,738 | 1,393,474 |
| Interest and commission expense | 84,249 | 1,202,822 | 435,757 | 1,722,828 | 1,339,178 |
| Impairment provision on credit facilities** | - | - | (6,308) | (6,308) | (14,573) |
| Maximum interest rate on direct credit facilities in JD | 21% | | Minimum interest rate on direct credit facilities in JD | 3.3% | |
| Maximum interest rate on direct credit facilities in FCY | 12% | | Minimum interest rate on direct credit facilities in FCY | 12% | |
| Maximum interest rate on deposits in JD | 6.8% | | Minimum interest rate on deposits in JD | Zero | |
| Maximum interest rate on deposits in FCY | 5.3% | | Minimum interest rate on deposits in FCY | Zero | |
| Maximum commission rate on credit | 1% | | Minimum commission rate on credit | Zero | |

The executive management salaries and benefits for the Bank and its subsidiaries amounted to JD 3,076,135 for the nine months ended on 30 September 2024, against JD 3,275,730 for the same period in 2023.

The number of related parties' customers amounted to 974 customers as of 30 September 2024, against 1,001 as of 31 December 2023.

The value of the collaterals provided by the related clients against the granted credit facilities amounted to JD 19,922,724 as of 30 September 2024 against JD 19,151,804 as of 31 December 2023.

* The balances and transactions with subsidiaries are eliminated in these interim condensed consolidated financial statements and are shown for explanatory purposes only.

** Represents the provisions recorded according to the Central Bank of Jordan instructions no. (47/2009).

(14) CASH AND CASH EQUIVALENTS

The details of this item are as follows:

| | As of 30 September | |
|---|--------------------|--------------------|
| | 2024 | 2023 |
| | JD | JD |
| | (Unaudited) | (Unaudited) |
| Cash and balances at the Central Bank of Jordan maturing within three months | 173,998,139 | 138,763,420 |
| Add: balances at banks and financial institutions maturing within three months | 70,938,985 | 61,526,213 |
| Deduct: banks and financial institutions' deposits maturing within three months | 57,238,940 | 64,412,633 |
| | 187,698,184 | 135,877,000 |

(15) FAIR VALUE HIERARCHY

The below table presents the financial instruments carried at fair value according to the valuation method. The different levels were defined as follows:

Level 1: quoted prices (unadjusted) for assets or liabilities in active markets. Most of the financial assets at fair value through other comprehensive income are on Amman Stock Exchange, Palestine exchange and international markets.

Level 2: quoted prices in active markets for similar assets or liabilities or other valuation techniques for which all inputs which have a significant effect on the recorded fair value are based on market information.

Level 3: techniques which not all significant inputs are based on observable market data, the Bank used the book value method as it's the most appropriate measurement tool for those investments.

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The following table represents financial instruments recorded at fair value.

| (Unaudited) | Level 1 | Level 2 | Level 3 | Total |
|---|-------------------|----------------|-------------------|-------------------|
| 30 September 2024 | JD | JD | JD | JD |
| Financial assets at fair value through profit or loss | 844,118 | - | - | 844,118 |
| Financial assets at fair value through other comprehensive income | 36,481,856 | - | 25,443,998 | 61,925,854 |
| | 37,325,974 | - | 25,443,998 | 62,769,972 |
| (Audited) | Level 1 | Level 2 | Level 3 | Total |
| 31 December 2023 | JD | JD | JD | JD |
| Financial assets at fair value through profit or loss | 2,799 | - | - | 2,799 |
| Financial assets at fair value through other comprehensive income | 38,006,500 | - | 25,435,395 | 63,441,895 |
| | 38,009,299 | - | 25,435,395 | 63,444,694 |

No transferred were done between level three and two during the period ended at 30 September 2024, and the year ended at 31 December 2023.

(16) FAIR VALUE OF FINANCIAL INSTRUMENTS

There are no material differences between the fair value of financial instruments not measured at fair value on the consolidated statement of financial position and their book value recognized in the consolidated financial statements. Moreover, there are no material differences between the fair value and the book value of the direct credit facilities, financial assets at amortized cost, banks and financial institutions deposits, customers' deposits, cash margins and borrowed funds stated at amortized costs in consolidated financial statements, due to the immaterial difference in the market interest rates for similar financial instruments of the contractual prices and due to the short terms of maturity of the banks and financial institutions deposits. The fair value of financial assets at amortized cost is determined through the quoted prices if available or through the valuation models used for fixed price bonds.

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(17) EARNINGS PER SHARE FOR THE PERIOD ATTRIBUTABLE TO THE BANK'S SHAREHOLDERS

The details of this item are as follows:

| | For the three months ended 30 September | | For the nine months ended 30 September | |
|--|---|--------------|--|--------------|
| | 2024 | 2023 | 2024 | 2023 |
| | JD | JD | JD | JD |
| | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) |
| Net profit for the period attributable to the bank's shareholders | 7,250,641 | 6,297,248 | 21,137,973 | 18,952,333 |
| Weighted average number of shares | 100,000,000 | 100,000,000 | 100,000,000 | 100,000,000 |
| Basic and diluted earnings per share from the net profit for the period | 0.073 | 0.063 | 0.211 | 0.190 |

Basic earnings per share from the net profit for the period attributable to the Bank's shareholders equals the diluted earnings per share, as the bank did not issue any financial instruments that would have an impact on the basic earnings per share.

(18) CONTINGENT LIABILITIES (OFF-BALANCE SHEET)

- Credit commitments and contingencies:

| | 30 September 2024 | 31 December 2023 |
|---|--------------------|--------------------|
| | JD | JD |
| | (Unaudited) | (Audited) |
| Letters of credit | 16,182,145 | 20,460,007 |
| Acceptances and time-drawings | 4,103,926 | 4,244,293 |
| Guarantees: | | |
| Payment | 18,261,191 | 19,136,966 |
| Performance bonds | 28,225,978 | 24,704,476 |
| Other | 17,869,846 | 14,829,992 |
| Unutilized direct credit facilities credit limits | 23,552,401 | 18,149,429 |
| Unutilized indirect credit facilities credit limits | 23,399,311 | 26,954,195 |
| Total | 131,594,798 | 128,479,358 |
| Less: | | |
| Expected credit loss provision | 401,088 | 423,936 |
| Total | 131,193,710 | 128,055,422 |

(19) LAWSUITS AGAINST THE BANK AND ITS SUBSIDIARIES

Lawsuits raised against the Bank amounted to JD 3,249,315 as of 30 September 2024 against JD 3,306,907 as at 31 December 2023. The total booked provisions against these lawsuits amounted to JD 176,537 as of 30 September 2024 and as at 31 December 2023. Based on the management's assessment and the Bank's legal consultant, the Bank will not incur any additional liabilities with regard to these lawsuits.

The lawsuits raised against Tamkeen Financial Leasing amounted to JD 2,262,981 as of 30 September 2024 against JD 2,219,240 as of 31 December 2023. The total booked provisions against these lawsuits amounted to JD 102,769 as of 30 September 2024 against JD Zero as at 31 December 2023. Based on the management's assessment and the company's legal consultant, the company will not incur any additional liabilities with regard to these lawsuits.

There is a lawsuit raised against Al Istethmari Letamweel Selselat Al Imdad as of 30 September 2024 and as at 31 December 2023 and based on the management's assessment and the Company's legal consultant, there is no need for the company to take any provisions against this case.

Lawsuits raised against Jordan Trade Facilities amounted to JD 137,889 as of 30 September 2024 against JD 153,045 as of 31 December 2023. The total booked provisions against these lawsuits amounted to JD 220,000 as of 30 September 2024 and as of 31 December 2023. Based on the management's assessment and the Company's legal consultant, the company will not incur any additional liabilities with regard to these lawsuits.

Lawsuits raised against Trade Facilities for Financial Leasing (Subsidiary of Jordan Trade Facilities Company) amounted to JD 10,001 as of 30 September 2024 and as of 31 December 2023. The total booked provisions against these lawsuits amounted to JD 65,000 as of 30 September 2024 and as of 31 December 2023. based on the management's assessment and the Company's legal consultant; no additional liabilities would rise from these lawsuits.

Lawsuits raised against Bindar Trading and Investments Company (Subsidiary of the Bank) amounted to JD 196,057 as of 30 September 2024 against JD 171,995 as of 31 December 2023. The total booked provisions against these lawsuits amounted to JD 129,975 as of 30 September 2024, against JD 103,913 as of 31 December 2023, based on the management's assessment and the Company's legal consultant; the company will not incur any additional liabilities with regard to these lawsuits.

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(20) ASSETS HELD FOR SALE AND LIABILITIES DIRECTLY ASSOCIATED WITH ASSETS HELD FOR SALE

- Bindar for Financial Leasing (a former subsidiary):

During the last quarter of the year 2022, the Board of Director of Bindar trading and investment company (a subsidiary) decided to liquidate Bindar financial leasing company (a subsidiary), accordingly each of the company's assets and liabilities classified under separate item in accordance with requirements of (IFRS 5). the liquidation procedures were completed on 7 February 2024 and the company registration certificate has been canceled. Net cash flows generated from assets and liabilities held for sale were amounted to JOD 144,853. The details of each of the company's assets and liabilities are as follows:

| | 30 September | 31 December |
|--|---------------------|--------------------|
| | 2024 | 2023 |
| | JD | JD |
| | (Unaudited) | (Audited) |
| Assets | | |
| Cash and balances at Banks | - | 144,354 |
| Due from related parties | - | 945,132 |
| Other assets | - | 834 |
| Total assets held for sale | - | 1,090,320 |
| Eliminations as a result of intergroup transactions | - | (945,132) |
| Total assets held for sale | - | 145,188 |
| Liabilities | | |
| Other liabilities | - | 335 |
| Total liabilities directly associated with assets held for sale | - | 335 |
| Eliminations as a result of intergroup transactions | - | - |
| Total liabilities directly associated with assets held for sale | - | 335 |