

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

**INTERIM CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS FOR THE
SIX MONTHS ENDED 30 JUNE 2024
TOGETHER WITH THE REVIEW REPORT**

The Housing Bank for Trade and Finance
(Public shareholding limited company)
30 June 2024 (Reviewed)

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REVIEW REPORT ON THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

TO H.E. THE CHAIRMAN AND MEMBERS OF THE BOARD OF DIRECTORS OF THE HOUSING BANK FOR TRADE AND FINANCE

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of The Housing Bank for Trade and Finance (the "Bank") and its subsidiaries (together the "Group") as at 30 June 2024 and the related interim condensed consolidated statements of profit or loss and other comprehensive income for the three and six months period then ended, and the interim condensed consolidated statement of equity and cash flow for the six-months period then ended, and other 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"

A blue ink signature, appearing to read "Omar Kalanzi", written over a horizontal line.

Omar Kalanzi
License No (1015)

Amman, Jordan
28 July 2024

The Housing Bank for Trade and Finance
(Public shareholding limited company)
Amman - the Hashemite kingdom of Jordan
Interim condensed consolidated statement of financial position
As at 30 June 2024 (Reviewed)

		30 June 2024 (Reviewed) JD	31 December 2023 (Audited) JD
	Note		
Assets			
Cash and balances at central banks – net	5	566,354,723	553,689,927
Balances at banks and financial institutions – net	6	283,312,187	323,043,611
Deposits at banks and financial institutions – net	7	17,893,415	44,751,813
Financial assets at fair value through profit or loss	8	4,337,768	4,425,551
Financial assets at fair value through other comprehensive income	9	405,160,508	403,462,628
Direct credit facilities at fair value through profit or loss	10	15,908,757	31,496,582
Direct credit facilities at amortized cost - net	11	4,695,130,617	4,442,544,481
Financial assets at amortized cost – net	12	2,547,000,221	2,418,523,210
Property and equipment – net		158,357,045	159,245,811
Intangible assets – net		22,580,737	22,214,936
Right of use asset		22,443,338	21,364,626
Deferred tax assets		120,496,863	125,044,861
Other assets – net	13	168,900,774	127,072,572
Total Assets		9,027,876,953	8,676,880,609
Liabilities and equity:			
Liabilities:			
Banks and financial institutions deposits		861,234,711	716,654,103
Customers' deposits	14	5,855,059,495	5,649,898,542
Cash margins		344,484,587	296,137,233
Borrowed funds	15	285,753,308	297,089,265
Sundry provisions		32,500,099	31,232,872
Income tax provision	16/a	29,551,009	61,676,475
Deferred tax liabilities		4,844,835	6,374,087
Lease liability		21,635,121	21,064,223
Other liabilities	17	267,653,867	268,891,814
Total liabilities		7,702,717,032	7,349,018,614
Equity:			
Bank's shareholders' equity:			
Authorized and paid-up capital		315,000,000	315,000,000
Share premium		328,147,537	328,147,537
Statutory reserve		296,295,588	296,295,588
Special reserve		11,743,708	11,743,708
Foreign currencies translation		(131,785,173)	(130,825,280)
Fair value reserve – net	19	(5,344,643)	(3,920,263)
Retained earnings	20	374,215,949	452,965,949
Profit for the period		78,150,923	-
Net attributable to the bank's shareholders' equity		1,266,423,889	1,269,407,239
Non-controlling interest		58,736,032	58,454,756
Total equity		1,325,159,921	1,327,861,995
Total liabilities and equity		9,027,876,953	8,676,880,609

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

The Housing Bank for Trade and Finance
(Public shareholding limited company)
Amman - the Hashemite kingdom of Jordan
Interim condensed consolidated statement of profit or loss
For the three and six Months period Ended 30 June 2024 (Reviewed)

	Note	For the Three Months period Ended 30 June		For the Six Months period Ended 30 June	
		2024	2023	2024	2023
		(Reviewed) JD	(Reviewed) JD	(Reviewed) JD	(Reviewed) JD
Interest income	21	152,572,568	141,903,336	301,930,933	276,371,793
Interest expense	22	(56,284,889)	(45,183,346)	(110,744,630)	(84,483,471)
Net Interest Income		96,287,679	96,719,990	191,186,303	191,888,322
Net commission income		6,129,581	6,308,517	13,070,418	13,302,853
Net Interest and Commission Income		102,417,260	103,028,507	204,256,721	205,191,175
Gain from foreign currencies		2,342,018	2,307,679	4,401,691	4,363,049
Gain from financial assets at fair value through profit or loss	23	290,306	350,827	694,263	1,118,790
Cash dividends from financial assets at fair value through other comprehensive income		132,933	140,459	282,933	381,341
Other income		6,368,605	6,025,297	13,362,716	13,448,508
Total Income		111,551,122	111,852,769	222,998,324	224,502,863
Expenses					
Employees' expenses		24,407,455	23,768,246	49,777,568	48,290,893
Depreciation and amortization		6,481,318	6,398,818	13,080,812	12,614,759
Other expenses		14,962,720	14,733,137	29,605,888	28,647,823
Allowance for expected credit loss	18	1,394,070	5,524,406	6,396,798	18,815,287
Expense of (recovery from) sundry provisions		615,860	(97,271)	502,830	28,773
Total Expenses		47,861,423	50,327,336	99,363,896	108,397,535
Profit for the period before income tax expense		63,689,699	61,525,433	123,634,428	116,105,328
Income tax expense	16/b	(22,042,654)	(21,072,454)	(43,563,429)	(39,439,686)
Profit for the period		41,647,045	40,452,979	80,070,999	76,665,642
Attributable to:					
Bank's Shareholders		40,842,601	39,369,066	78,150,923	74,621,791
Non-Controlling Interest		804,444	1,083,913	1,920,076	2,043,851
		41,647,045	40,452,979	80,070,999	76,665,642
		JD	JD	JD	JD
Basic and diluted earnings per share for the period attributable to the Bank's shareholders	24	0.130	0.125	0.248	0.237

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

The Housing Bank for Trade and Finance
(Public shareholding limited company)
Amman - the Hashemite kingdom of Jordan
Interim condensed consolidated statement of comprehensive income
For the three and six Months period Ended 30 June 2024 (Reviewed)

	For the Three Months period Ended 30 June		For the Six Months period Ended 30 June	
	2024 (Reviewed)	2023 (Reviewed)	2024 (Reviewed)	2023 (Reviewed)
	JD	JD	JD	JD
Profit for the period	41,647,045	40,452,979	80,070,999	76,665,642
Other comprehensive income items which may be reclassified to profit or loss in the subsequent period				
Foreign currencies translation	(123,388)	2,013,234	(1,326,211)	3,954,248
Net change in valuation reserve of financial assets at fair value through other comprehensive income after tax – debt instrument	(606,394)	1,930,763	(1,198,282)	2,183,213
Other comprehensive income items that will not be reclassified to profit or loss in the subsequent period				
Net change in valuation reserve of financial assets at fair value through other comprehensive income after tax - equity instruments	(44,229)	21,208	(231,689)	21,208
Total other comprehensive income for the period after tax	(774,011)	3,965,205	(2,756,182)	6,158,669
Total Comprehensive Income for the Period	40,873,034	44,418,184	77,314,817	82,824,311
Attributable to:				
Bank's shareholders	40,185,215	43,163,341	75,766,650	80,461,154
Non-controlling interest	687,819	1,254,843	1,548,167	2,363,157
	40,873,034	44,418,184	77,314,817	82,824,311

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

The Housing Bank for Trade and Finance
(Public shareholding limited company)
Amman - the Hashemite kingdom of Jordan
Interim condensed consolidated statement of changes in equity
For the six Months period Ended 30 June 2024 (Reviewed)

	Attributable to the bank's shareholders' equity										
	Authorized and paid-up capital	Share Premium	Reserves		Foreign Currency Translation	Fair Value Reserve – Net	Retained Earnings	Profit for the Period	Total bank's shareholders' equity	Non-controlling Interest	Total Equity
			Statutory	Special Reserve							
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
For the six Months period Ended 30 June 2024 (Reviewed)											
Beginning Balance for the Period (Audited)	315,000,000	328,147,537	296,295,588	11,743,708	(130,825,280)	(3,920,263)	452,965,949	-	1,269,407,239	58,454,756	1,327,861,995
Profit for the period	-	-	-	-	-	-	-	78,150,923	78,150,923	1,920,076	80,070,999
Net change in valuation reserve of financial assets at fair value through other comprehensive income after tax– debit instruments	-	-	-	-	-	(1,192,691)	-	-	(1,192,691)	(5,591)	(1,198,282)
Net change in valuation reserve of financial assets at fair value through other comprehensive income after tax - equity instruments	-	-	-	-	-	(231,689)	-	-	(231,689)	-	(231,689)
Foreign currencies translation	-	-	-	-	(959,893)	-	-	-	(959,893)	(366,318)	(1,326,211)
Total comprehensive income for the period	-	-	-	-	(959,893)	(1,424,380)	-	78,150,923	75,766,650	1,548,167	77,314,817
Dividends paid	-	-	-	-	-	-	(78,750,000)	-	(78,750,000)	(1,266,891)	(80,016,891)
Ending Balance for the Period	315,000,000	328,147,537	296,295,588	11,743,708	(131,785,173)	(5,344,643)	374,215,949	78,150,923	1,266,423,889	58,736,032	1,325,159,921
For the six Months period Ended 30 June 2023 (Reviewed)											
Beginning Balance for the Period (Audited)	315,000,000	328,147,537	274,745,075	11,553,745	(134,490,422)	(10,908,261)	416,843,387	-	1,200,891,061	58,170,812	1,259,061,873
Profit for the period	-	-	-	-	-	-	-	74,621,791	74,621,791	2,043,851	76,665,642
Net change in valuation reserve of financial assets at fair value through other comprehensive income after tax– debit instruments	-	-	-	-	-	2,176,047	-	-	2,176,047	7,166	2,183,213
Net change in valuation reserve of financial assets at fair value through other comprehensive income after tax - equity instruments	-	-	-	-	-	21,208	-	-	21,208	-	21,208
Foreign currencies translation	-	-	-	-	3,642,108	-	-	-	3,642,108	312,140	3,954,248
Total comprehensive income for the period	-	-	-	-	3,642,108	2,197,255	-	74,621,791	80,461,154	2,363,157	82,824,311
Dividends paid	-	-	-	-	-	-	(78,750,000)	-	(78,750,000)	(3,310,350)	(82,060,350)
Ending Balance for the Period	315,000,000	328,147,537	274,745,075	11,553,745	(130,848,314)	(8,711,006)	338,093,387	74,621,791	1,202,602,215	57,223,619	1,259,825,834

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

The Housing Bank for Trade and Finance
(Public shareholding limited company)
Amman - the Hashemite kingdom of Jordan
Interim condensed consolidated statement of cash flows
For the six Months period Ended 30 June 2024 (Reviewed)

		For the six Months period Ended 30 June,	
		2024	2023
Note	(Reviewed)	(Reviewed)	
	JD	JD	
<u>Operating activities</u>			
Profit for the period before income tax	123,634,428	116,105,328	
Adjustments for non-cash items:			
Depreciation and amortization	13,080,812	12,614,759	
Provision for expected credit losses	6,396,798	18,815,287	
Net unrealized (gain) loss from valuation of financial assets at fair value through profit or loss	(36,644)	25,432	
Cash dividends from financial assets at fair value through other comprehensive income	(282,933)	(381,341)	
Net unrealized gain from valuation of direct credit facilities at fair value through profit or loss	(551,217)	(876,677)	
Unrealized loss from valuation of derivatives	551,217	876,678	
Net accrued interest and commission income	(4,204,817)	5,806,738	
Effect of the change in exchange rates on cash and cash equivalents	(3,056,144)	(2,744,097)	
Provision for end of service indemnity expense	1,260,999	1,327,543	
Premiums and discounts amortization	(1,820,217)	(2,332,390)	
Sundry provisions expense	502,830	28,773	
Others	1,298,407	1,896,791	
Cash flows from operating activities before changes in assets and liabilities	136,773,519	151,162,824	
Decrease (increase) in assets:			
Deposits at banks and financial institutions (maturing within more than 3 months)	26,799,285	7,436,548	
Direct credit facilities	(244,668,622)	(327,134,835)	
Financial assets at fair value through profit or loss	124,427	194,626	
Other assets	(40,531,469)	3,555,728	
Decrease (increase) in liabilities:			
Banks and financial institutions' deposits (maturing within more than 3 months)	32,197	(70,478,906)	
Customers' deposits	207,385,713	343,775,793	
Cash margins	48,591,985	6,605,901	
Other liabilities	(1,072,109)	3,063,431	
Sundry provisions paid	(496,602)	(786,900)	
Net cash flow generated from operating activities before income tax	132,938,324	117,394,210	
Income tax paid	(70,771,935)	(53,602,640)	16
Net cash flow generated from operating activities	62,166,389	63,791,570	
<u>Investing activities</u>			
Purchase of financial assets at fair value through other comprehensive income	(127,133,474)	(70,425,677)	
Selling/ Matured financial assets at fair value through other comprehensive income	122,780,640	59,580,130	
Cash dividends from financial assets at fair value through other comprehensive income	282,933	381,341	
Purchase of financial assets at amortized cost	(489,783,423)	(298,762,686)	
Matured financial assets at amortized cost	362,464,587	192,656,614	
Purchase of property and equipment	(6,811,848)	(6,625,680)	
Proceeds from sale of property and equipment	(32,722)	20,447	
Purchase of intangible assets	(3,760,169)	(3,197,820)	
Net cash flows used in investing activities	(141,993,476)	(126,373,331)	
<u>Financing activities</u>			
Borrowed funds	137,362,170	89,967,409	
Paid from borrowed funds	(148,698,127)	(155,633,749)	
Dividends paid to shareholders	(74,980,082)	(74,914,521)	
Impact on non-controlling interest from subsidiaries paid dividends	(1,266,891)	(3,310,350)	
Paid lease liabilities	(3,259,329)	(2,628,835)	
Net cash flows used in financing activities	(90,842,259)	(146,520,046)	
Net decrease in cash and cash equivalent	(170,669,346)	(209,101,807)	
Effect of the change in exchange rates on cash and cash equivalents	(870,916)	(1,679,056)	
Cash and cash equivalents - beginning of the period	244,726,146	302,075,135	
Cash and cash equivalents - end of the period	73,185,884	91,294,272	25

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

The Housing Bank for Trade and Finance
(Public shareholding limited company)
Amman - the Hashemite kingdom of Jordan
Notes to the interim condensed consolidated financial statements
For the six Months period Ended 30 June 2024 (Reviewed)

(1) General Information

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

The Bank's paid up capital amounted to JD 315 million distributed to 315 million shares, with a par value of JD 1 per share.

The Bank provides its banking and financing business activities through its headquarter in Amman – Jordan and through its branches in Jordan (105 branches) and abroad in Palestine and Bahrain (16 branches) and through its subsidiaries in Jordan, Syria, Algeria and the United Kingdom.

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

The interim condensed consolidated financial statements were approved by the Bank's Board of Directors on 25 July, 2024.

(2) Basis of Preparation of the Interim Condensed Consolidated Financial Statements

The accompanying interim condensed consolidated financial statements have been prepared in accordance with the International Accounting Standard No. (34) "Interim Financial Reporting", as amended by the Central Bank of Jordan instructions.

The interim condensed consolidated financial statements are prepared in accordance with the historical cost convention, except for financial assets and financial liabilities which are stated at fair value at the date of the interim condensed consolidated financial statements.

The reporting currency of the interim condensed consolidated financial statements is the Jordanian Dinar, which is the functional currency of the Bank.

The interim condensed consolidated financial statements do not include all notes and information presented in the annual financial statements which is prepared in accordance with the IFRS Accounting Standards as amended by the Central Bank of Jordan instructions and should be read with the Bank's annual report for the year ended 31 December 2023. The results of the six months ended 30 June 2024 do not indicate the expected results for the year ended 31 December 2024. There was no appropriation of the profit of the six months period ended 30 June 2024 which is performed at year end.

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

- 1- Some items in the statement of financial position and statement of comprehensive income are presented and classified as per the instructions of the Central bank of Jordan and related illustrative template , which may not encompass all the IFRS Accounting standards disclosure requirements such as those outlined in IFRS 7,9 and 13.

- 2- Provisions for expected credit losses are calculated in accordance with the Central Bank of Jordan (CBJ) instructions No. (13/2018) "International Financial Reporting Standard (9) Implementation" dated 6 June 2018 and in accordance with the regulatory authorities' instructions in the countries that the Bank operates whichever is more strict, the main significant differences are as follows:
- A- Exclusion of the debt instruments issued or guaranteed by the Jordanian Government, so that credit exposures issued or guaranteed by the Jordanian Government are considered to have no credit losses.
- B- When calculating credit losses against credit exposures, the calculation results in accordance with IFRS (9) are compared with the calculation as per the instructions of the Central Bank of Jordan No. (47/2009) dated 10 December, 2009 for each stage separately and the stricter results are recorded.
- 3- In accordance with the instructions of the Central Bank of Jordan and the instructions of the supervisory authorities in the countries in which the Bank operates, interest and commissions are suspended on non-performing credit facilities.
- 4- Additional provisions are calculated in the consolidated financial statements against some of the Bank's foreign investments in some neighboring countries.
- 5- In previous years, additional provisions were recorded against seized assets under the instructions of the Central Bank of Jordan until October 2022, these instructions were canceled and reversing the booked provisions is allow only upon the disposal of the related asset.
- 6- The statutory cash reserve held at the Central Bank of Jordan is not excluded from the cash and cash equivalents.

2-1 Basis of Consolidation of the Interim Condensed Consolidated Financial Statements

The interim condensed consolidated financial statements are consolidated from the date control is exercised until such control ceases. The assets, liabilities, expenses, and revenues of the subsidiaries are consolidated into the income statement from the date the group gains control over the subsidiaries until control ceases.

The results of the subsidiaries' operations in the consolidated statement of profit or loss are being consolidated effective from their acquisition date, which is the date on which control over the subsidiaries is effectively transferred to the Bank. Furthermore, the results of the disposed-of subsidiaries are consolidated in the consolidated statement of profit or loss up to the date of their disposal, which is the date on which the Bank loses control over the subsidiaries.

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

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

The Housing Bank for Trade and Finance
(Public shareholding limited company)
Amman - the Hashemite kingdom of Jordan
Notes to the interim condensed consolidated financial statements
For the six Months period Ended 30 June 2024 (Reviewed)

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

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

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

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

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

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

2-2 As of 30 June 2024, the Bank owns the following subsidiaries:

(a) Foreign subsidiaries:

International Bank for Trade and Finance / Syria: paid-in capital is Syrian Lira 10.5 billion, of which the Bank owns 49.063%. The Bank has the power to control the administrative and financial policies of this bank. Therefore, its financial statements have been consolidated with the financial statements of the Bank. In this regard, the Bank's main objective is to conduct commercial banking activities, and ownership of this bank dates back to 2003. In addition, the International Bank for Trade and Finance has a subsidiary – The International Financial Center/ Syria with an ownership percentage of 85% of the company's capital amounting to 100 million SYL, whereas The Housing Bank for Trade and Finance owns a percentage of 5% of the company's capital.

Housing Bank for Trade and Finance – Algeria: the ownership is 85% of the bank's capital of 20 billion Algerian dinars. The main objective of this Bank is to conduct commercial banking activities, and ownership of this bank dates back to 2002.

Jordan International Bank / London: The Bank ownership is 75% of paid-up capital, which amounts to 65 million pound sterling (65 million shares). The main objective of this Bank is to conduct banking activities.

(b) Local subsidiaries:

International Financial Center Company- Jordan: The Bank ownership is 77.5% of paid-up capital, which amounted to JD 5 million. The Company's main activity is financial brokerage in local and foreign markets, and it conducts purchase and sale transactions of financial instruments for customers and the company. The Bank's ownership in this Company dates back to 1998.

Specialized Lease Finance Company – Jordan: The Bank owns 100% of paid- in capital of JD 30 million (30 million shares). The Company's main activity is to conduct finance leases for various types of equipment and machinery, in addition to real estate, land, vehicles, and other items purchased by the company for finance lease purposes. The Bank's ownership in this Company dates back to 2005.

(3) Significant Accounting Policies

The accounting policies used in the preparation of the interim condensed consolidated financial statements for the period ended on 30 June 2024 are consistent with those used in the preparation of the annual consolidated financial statement for the year ended 31 December 2023. However, the Group has adopted the following amendments and interpretations that apply for the first time in January 2024 and have not materially affected the amounts and disclosures in the interim condensed consolidated financial statements for the period and prior years, which may have an impact on the accounting treatment of future transactions and arrangements.

3-1 Changes in accounting policy and disclosures

(A) New and amended standards and interpretations issued and adopted by the Group in the financial year beginning on 1 January 2024:

Classification of Liabilities as Current or Non-current – Amendments to IAS 1 Non-current Liabilities with Covenants – Amendments to IAS 1 - 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.	1 January 2024
Lease Liability in a Sale and Leaseback – Amendments to IFRS 16: 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.	1 January 2024
Supplier finance arrangements – Amendments to IAS 7 and IFRS 7: 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.	1 January 2024
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. 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).	1 January 2024

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

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

<p>Amendments to IAS 21 – Lack of Exchangeability</p> <p>An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.</p>	<p>Annual periods beginning on or after 1 January 2025 (early adoption is available)</p>
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The management is still in the process of evaluating the impact of these new amendments on the Group's consolidated financial statements, and it believes that there will be no significant 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.

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

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

The critical judgements and estimates used in the preparation of these interim condensed consolidated financial statements are reasonable and consistent with those used in the preparation of the Bank's annual consolidated financial statements for the year ended 31 December 2023.

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(5) Cash and Balances at Central Banks - Net

The details of this item are as follows:

	30 June 2024	31 December 2023
	(Reviewed)	(Audited)
	JD	JD
Cash in hand and vault	116,993,174	95,538,393
Balances at central banks:		
Current accounts and demand deposits	118,190,785	156,580,071
Term and notice deposits	97,910,766	66,452,395
Statutory cash reserve*	233,295,625	235,155,656
Total Balances at Central Banks	449,397,176	458,188,122
Total Cash and Balances at Central Banks	566,390,350	553,726,515
<u>Less:</u> Provision for expected credit losses	(35,627)	(36,588)
Net	566,354,723	553,689,927

* Except for the statutory cash reserve, there are no restrictions balances as of 30 June 2024 and 31 December 2023, and it's not excluded from the cash and cash equivalents.

The above balances are classified under stage 1. There were no transfers between stages (1, 2 and 3) for the balances and expected loss provision or written off balances during the six months period ended 30 June 2024 and for the year ended 31 December 2023.

(6) Balances at Banks and Financial Institutions - Net

The details of this item are as follows:

Description:	Local Banks and		Foreign Banks and		Total	
	Financial Institutions		Financial Institutions			
	30 June	31 December	30 June	31 December	30 June	31 December
	2024	2023	2024	2023	2024	2023
	(Reviewed)	(Audited)	(Reviewed)	(Audited)	(Reviewed)	(Audited)
	JD	JD	JD	JD	JD	JD
Current and demand accounts	76,608	1,886,490	139,164,952	131,420,838	139,241,560	133,307,328
Deposits maturing within or less than 3 months	59,002,645	18,137,629	85,376,267	171,831,200	144,378,912	189,968,829
Total	59,079,253	20,024,119	224,541,219	303,252,038	283,620,472	323,276,157
Provision for expected credit losses	(61,958)	(22,881)	(246,327)	(209,665)	(308,285)	(232,546)
Net	59,017,295	20,001,238	224,294,892	303,042,373	283,312,187	323,043,611

The non-interest bearing balances at banks and financial institutions amounted to JD 28 million as at 30 June 2024 (JD 27.4 million as at 31 December 2023).

There were no restricted balances as at 30 June 2024 and 31 December 2023.

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The above balances are classified under stage 1. There were no transfers between stages (1, 2 and 3) for balances and expected credit loss provision or written off balances during the six months period ended 30 June 2024 and for the year ended 31 December 2023.

(7) Deposits at Banks and Financial Institutions - Net

The details of this item are as follows:

	Local Banks and Financial Institutions		Foreign Banks and Financial Institutions		Total	
	31		31		31	
	30 June 2024 (Reviewed)	December 2023 (Audited)	30 June 2024 (Reviewed)	December 2023 (Audited)	30 June 2024 (Reviewed)	December 2023 (Audited)
	JD	JD	JD	JD	JD	JD
Deposits mature during the period:						
From 3 months to 6 months	-	30,000,000	3,253,396	11,427,972	3,253,396	41,427,972
From 6 months to 9 months	-	-	4,932,977	472,050	4,932,977	472,050
From 9 months to 12 months	-	-	9,941,951	3,027,587	9,941,951	3,027,587
Total	-	30,000,000	18,128,324	14,927,609	18,128,324	44,927,609
Provision for expected credit losses	-	-	(234,909)	(175,796)	(234,909)	(175,796)
Net	-	30,000,000	17,893,415	14,751,813	17,893,415	44,751,813

There were no restrictions on deposits as at 30 June 2024 and 31 December 2023.

The above balances are classified under stage 1. There were no transfers between stages (1,2 and 3) for balances and expected loss provision or written off balances during the six months period ended 30 June 2024 and for the year ended 31 December 2023.

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

The details of this item are as follows:

	30 June 2024 (Reviewed)	31 December 2023 (Audited)
	JD	JD
Quoted Financial Assets:		
Companies shares and funds listed in financial markets	4,337,768	4,425,551
Total	4,337,768	4,425,551

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

The details of this item are as follows:

	30 June 2024 (Reviewed)	31 December 2023 (Audited)
	JD	JD
Shares with available market prices	16,197,156	5,794,878
Shares and funds with no available market prices	50,995,916	45,578,991
Total Shares	67,193,072	51,373,869
Jordanian treasury bonds	163,428,654	180,139,559
Jordanian government bills and bonds	36,286,375	37,348,952
Foreign governments bills and bonds	75,263,437	68,231,824
Corporate bonds	63,146,599	66,659,891
Total Bonds	338,125,065	352,380,226
<u>Less: Provision of expected credit losses</u>	<u>(157,629)</u>	<u>(291,467)</u>
Total Bonds – Net	337,967,436	352,088,759
Total	405,160,508	403,462,628

The maturity dates for Bonds range from year 2024 to year 2036.

Interest rates on bonds and treasury bills ranges from 1.4% to 7.67%.

The following represents the movement on shares at fair value through other comprehensive income for shares during the period/year:

	30 June 2024 (Reviewed)	31 December 2023 (Audited)
	JD	JD
Fair value - beginning balance period / year	51,373,869	42,699,806
New investments during the period / year	16,182,988	6,728,145
Change in fair value during the period / year	(362,655)	1,990,783
Adjustments resulted from change in exchange rates	(1,130)	(44,865)
Balance – End of the Period/Year	67,193,072	51,373,869

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The following represents the movement on bonds at fair value through other comprehensive income for bonds during the period / year:

	Stage (1) Individual JD	Stage (2) Individual JD	Stage (3) JD	Total JD
30 June 2024 (Reviewed)				
Fair value – beginning of the period	343,176,172	9,204,054	-	352,380,226
New investments during the period	110,950,486	-	-	110,950,486
Matured investments during the period	(122,780,640)	-	-	(122,780,640)
Change in fair value during the period	(2,810,096)	873,404	-	(1,936,692)
Amortization of premium/ discount	385,315	(5,460)	-	379,855
Adjustments resulted from change in exchange rates	(677,680)	(190,490)	-	(868,170)
Balance – End of the Period	328,243,557	9,881,508	-	338,125,065
31 December 2023 (Audited)				
Fair value – beginning of the year	323,781,644	2,904,743	-	326,686,387
New investments during the year	95,181,309	-	-	95,181,309
Matured investments during the year	(80,291,355)	-	-	(80,291,355)
Transferred to stage (2)	(5,889,206)	5,889,206	-	-
Change in fair value during the year	8,970,664	20,684	-	8,991,348
Amortization of premium/ discount	1,047,873	168,447	-	1,216,320
Adjustments resulted from change in exchange rates	375,243	220,974	-	596,217
Balance – End of the Year	343,176,172	9,204,054	-	352,380,226

The following represents the movement on expected credit losses during the period / year:

	Stage (1) Individual JD	Stage (2) Individual JD	Stage (3) JD	Total JD
30 June 2024 (Reviewed)				
Balance – beginning of the period	190,133	101,334	-	291,467
Expected credit loss for new investments during the period	8,204	-	-	8,204
Reversed from impairment losses on matured investments	(1,197)	-	-	(1,197)
Effect on provision resulted from adjustments	(71,303)	(68,304)	-	(139,607)
Adjustments resulted from change in exchange rates	(1,048)	(190)	-	(1,238)
Balance – End of the Period	124,789	32,840	-	157,629
31 December 2023 (Audited)				
Balance – beginning of the year	195,993	95,196	-	291,189
Expected credit loss for new investments during the year	10,364	-	-	10,364
Reversed from impairment losses on matured investments	(635)	-	-	(635)
Effect on provision due to adjustments between stages during the year	-	73,255	-	73,255
Effect on provision resulted from adjustments	(28,922)	(67,429)	-	(96,351)
Adjustments resulted from change in exchange rates	13,333	312	-	13,645
Balance – End of the Year	190,133	101,334	-	291,467

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(10) Direct Credit Facilities at Fair Value through Profit or Loss

The following represents the movement on direct credit facilities at fair value through profit or loss during the period / year:

	30 June 2024 (Reviewed)	31 December 2023 (Audited)
	JD	JD
Balance – beginning of the period / year	31,496,582	61,967,403
Paid credit facilities during the period / year	(15,952,500)	(32,641,948)
Effect of adjustments	(186,542)	368,650
Change in fair value during the period / year	551,217	1,802,477
Balance – End of the Period/Year	15,908,757	31,496,582

(11) Direct Credit Facilities at Amortized Cost – Net

The details of this item are as follows:

	30 June 2024 (Reviewed)	31 December 2023 (Audited)
	JD	JD
Individuals (retail):		
Overdraft accounts	11,927,956	9,894,896
Loans and discounted bills *	1,037,716,048	1,021,291,763
Credit cards	28,488,719	26,592,656
Real estate loans	1,413,443,917	1,428,803,673
Includes Housing loans	837,201,911	838,630,863
Companies:		
Large		
Overdraft accounts	281,569,748	218,591,162
Loans and discounted bills *	1,379,999,381	1,274,488,310
Small and Medium		
Overdraft accounts	102,851,738	103,772,398
Loans and discounted bills *	352,162,796	345,959,026
Government and public sector	689,496,629	620,198,707
Total	5,297,656,932	5,049,592,591
<u>Less:</u> Provision of expected credit losses	(439,761,170)	(450,901,539)
Interest in suspense	(162,765,145)	(156,146,571)
Net Direct Credit Facilities	4,695,130,617	4,442,544,481

* Net after deducting interest and commission received in advance of JD 22,489,200 as at 30 June 2024 (JD 25,225,416 as at 31 December 2023).

Non-performing credit facilities amounted to JD 420,349,743 which is equivalent to 7.9% of total direct credit facilities at amortized cost as at 30 June 2024 (JD 388,939,256 which is equivalent to 7.7% of total direct credit facilities at amortized cost as at 31 December 2023).

Non-performing credit facilities after deducting interest and commissions in suspense amounted to JD 285,769,750 which is equivalent to 5.6% of total direct credit facilities balance at amortized cost after deducting interest and commission in suspense as at 30 June 2024 (JD 265,332,134 which is equivalent to 5.4% of total credit facilities balance at amortized cost after deducting interest and commission in suspense as at 31 December 2023).

Non-performing credit facilities transferred to off-the statement of financial position amounted to JD 14,676,277 during the six months period ended 30 June 2024 (JD 40,594,540 during the year 2023), the off-balance sheet item balance is amounted to JD 493,486,422 as at 30 June 2024 (JD 478,218,410 as at 31 December 2023). These debts are fully covered with provisions and interest in suspense.

Direct credit facilities granted to and guaranteed by the Government of Jordan amounted to JD 528,818,554 which is equivalent to 10% of total direct credit facilities as at 30 June 2024 (JD 520,190,865 which is equivalent to 10.2% as at 31 December 2023).

Loans rescheduled are amounted to JD 20.6 million during the period ended 30 June 2024 (JD 8.8 million during the year 2023).

Loans restructured are amounted to JD 96.1 million during the period ended 30 June 2024 (JD 246.1 million during the year 2023).

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The following represents the movement on direct credit facilities during the period / year:

	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
30 June 2024 (Reviewed)						
Balance - beginning of the period	2,364,415,649	1,827,942,755	345,744,346	117,628,983	393,860,858	5,049,592,591
New credit facilities during the period	435,673,650	169,797,038	10,046,368	4,440,372	2,709,243	622,666,671
Paid credit facilities during the period	(195,438,451)	(104,850,426)	(18,268,308)	(8,051,764)	(7,068,170)	(333,677,119)
Transferred (from) to stage (1) – net	23,017,866	19,005,538	(21,239,642)	(17,170,953)	(3,612,809)	-
Transferred (from) to stage (2) – net	(39,237,180)	(53,939,345)	47,106,331	55,298,084	(9,227,890)	-
Transferred (from) to stage (3) – net	(2,178,009)	(8,603,243)	(75,505,391)	(24,171,886)	110,458,529	-
Changes resulted from adjustments	77,720,651	(53,727,223)	(14,066,517)	(3,497,516)	(10,736,748)	(4,307,353)
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(33,454,044)	(33,454,044)
Adjustments resulting from change in exchange rates	(812,006)	(1,784,100)	(73,914)	(131,394)	(362,400)	(3,163,814)
Balance - End of the Period	2,663,162,170	1,793,840,994	273,743,273	124,343,926	442,566,569	5,297,656,932
31 December 2023 (Audited)						
Balance - beginning of the year	2,165,398,505	1,813,945,729	318,585,521	127,462,028	358,578,155	4,783,969,938
New credit facilities during the year	710,665,320	366,523,574	32,993,848	24,199,834	6,737,885	1,141,120,461
Paid credit facilities during the year	(364,078,631)	(251,005,946)	(35,010,658)	(12,337,645)	(11,855,728)	(674,288,608)
Transferred (from) to stage (1) – net	30,516,697	29,704,018	(28,143,365)	(26,123,277)	(5,954,073)	-
Transferred (from) to stage (2) – net	(63,075,279)	(47,750,236)	64,748,981	50,185,434	(4,108,900)	-
Transferred (from) to stage (3) – net	(4,948,653)	(28,246,991)	(5,621,279)	(42,014,623)	80,831,546	-
Changes resulting from adjustments	(112,894,589)	(59,281,703)	(2,363,447)	(3,737,055)	20,938,857	(157,337,937)
Credit facilities written off and transferred to off balance sheet items	-	-	-	-	(45,020,841)	(45,020,841)
Adjustments resulting from change in exchange rates	2,832,279	4,054,310	554,745	(5,713)	(6,286,043)	1,149,578
Balance - End of the Year	2,364,415,649	1,827,942,755	345,744,346	117,628,983	393,860,858	5,049,592,591

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The following represents the movement on the provision of expected credit loss during the period / year:

	Corporate	SME's	Retail	Real Estate	Governmental and Public	Total
	JD	JD	JD	JD	JD	JD
30 June 2024 (Reviewed)						
Balance - beginning of the period	190,857,754	46,714,501	59,195,817	145,689,389	8,444,078	450,901,539
Impairment loss on new facilities during the period	4,070,192	1,839,152	1,642,979	1,884,317	8,171	9,444,811
Reversed from impairment loss on paid facilities	(2,796,316)	(1,960,301)	(1,807,516)	(1,979,480)	(411)	(8,544,024)
Transferred (from) to stage (1)	1,535,829	(229,810)	2,115,934	2,979,208	-	6,401,161
Transferred (from) to stage (2)	(17,406,284)	111,843	(3,164,202)	(22,365,722)	-	(42,824,365)
Transferred (from) to stage (3)	15,870,455	117,967	1,048,268	19,386,514	-	36,423,204
Effect on the provision as of the end of the period resulting from reclassification between three stages during the period	(11,985,701)	2,093,666	5,892,032	(735,254)	-	(4,735,257)
Effect resulted from to adjustments	17,774,553	(960,848)	(1,771,014)	(10,207,129)	5,803,359	10,638,921
Transfers during the period (Note 13)	-	-	-	(1,634,000)	-	(1,634,000)
Credit facilities written off and transferred to off balance sheet items	(12,959,753)	(2,332,534)	(528,731)	(412,817)	-	(16,233,835)
Adjustments resulted from change in exchange rates	(16,622)	(38,075)	(410)	(21,878)	-	(76,985)
Balance - End of the Period	184,944,107	45,355,561	62,623,157	132,583,148	14,255,197	439,761,170
Redistribution based on portfolio:						
Provisions on an individual level	184,098,682	44,684,717	52,006,390	107,355,128	14,255,197	402,400,114
Provisions on a collective level	845,425	670,844	10,616,767	25,228,020	-	37,361,056
	184,944,107	45,355,561	62,623,157	132,583,148	14,255,197	439,761,170
Redistribution based on stages:						
Stage (1)	12,571,275	2,763,540	4,966,993	22,778,584	14,255,197	57,335,589
Stage (2)	51,812,229	12,302,985	8,261,920	54,486,740	-	126,863,874
Stage (3)	120,560,603	30,289,036	49,394,244	55,317,824	-	255,561,707
	184,944,107	45,355,561	62,623,157	132,583,148	14,255,197	439,761,170

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	Corporate	SME's	Retail	Real Estate	Governmental and Public	Total
	JD	JD	JD	JD	JD	JD
31 December 2023 (Audited)						
Balance - beginning of the period	208,433,406	43,270,920	43,114,322	137,305,942	79,802	432,204,392
Impairment loss on new facilities during the period	8,369,543	5,068,351	4,444,245	7,100,671	133,657	25,116,467
Reversed from impairment loss on paid facilities	(5,264,325)	(5,613,445)	(2,944,076)	(6,242,112)	(5,605)	(20,069,563)
Transferred (from) to stage (1)	(435,790)	56,370	3,414,279	2,783,043	-	5,817,902
Transferred (from) to stage (2)	(398,796)	(119,332)	(4,197,742)	(4,312,331)	-	(9,028,201)
Transferred (from) to stage (3)	834,586	62,962	783,463	1,529,288	-	3,210,299
Effect on the provision as of the end of the period resulting from reclassification between three stages during the period	4,186,544	2,030,643	14,721,327	6,355,848	-	27,294,362
Effect resulted from to adjustments	(11,502,145)	3,093,182	1,206,627	1,829,508	8,236,224	2,863,396
Credit facilities written off and transferred to off balance sheet items	(13,300,992)	(1,162,439)	(1,346,479)	(728,512)	-	(16,538,422)
Adjustments resulted from change in exchange rates	(64,277)	27,289	(149)	68,044	-	30,907
Balance - End of the Period	190,857,754	46,714,501	59,195,817	145,689,389	8,444,078	450,901,539
Redistribution based on portfolio:						
Provisions on an individual level	190,042,553	46,076,081	48,190,456	118,549,442	8,444,078	411,302,610
Provisions on a collective level	815,201	638,420	11,005,361	27,139,947	-	39,598,929
	190,857,754	46,714,501	59,195,817	145,689,389	8,444,078	450,901,539
Redistribution based on stages:						
Stage (1)	13,523,694	3,049,481	4,696,538	22,906,417	8,444,078	52,620,208
Stage (2)	49,477,852	12,692,864	7,937,069	86,499,338	-	156,607,123
Stage (3)	127,856,208	30,972,156	46,562,210	36,283,634	-	241,674,208
	190,857,754	46,714,501	59,195,817	145,689,389	8,444,078	450,901,539

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Interest in Suspense

The following is the movement on interest in suspense:

	Corporate Entities					
	Corporate	SME's	Retail	Real Estate loans	Governmental and Public	Total
	JD	JD	JD	JD	JD	JD
30 June 2024 (Reviewed)						
Balance – beginning of the period	43,459,532	26,469,903	34,569,753	45,113,550	6,533,833	156,146,571
Interest suspended on new exposure during the period	3,237	30,458	898,704	143,737	-	1,076,136
Interest in suspense transferred to income from exposure paid during the period	(235,875)	(340,217)	(1,082,978)	(450,505)	-	(2,109,575)
Effect on interest suspended due to reclassification between stages	(1,035,206)	77,967	288,858	7,094,006	-	6,425,625
Effect on interest in suspense due to adjustments	6,401,288	4,543,920	4,863,575	132,589	2,540,977	18,482,349
Credit facilities written off and transferred to off balance sheet items	(5,978,780)	(5,097,108)	(4,029,771)	(2,114,550)	-	(17,220,209)
Adjustments resulted from change in exchange rates	(7,578)	(25,103)	(401)	(2,670)	-	(35,752)
Balance – End of the Period	42,606,618	25,659,820	35,507,740	49,916,157	9,074,810	162,765,145
31 December 2023 (Audited)						
Balance – beginning of the period	47,842,871	25,103,210	31,830,670	37,921,968	-	142,698,719
Interest suspended on new exposure during the year	13,608	114,035	166,207	105,967	-	399,817
Interest in suspense transferred to income from exposure paid during the year	(1,754,799)	(223,845)	(435,258)	(733,007)	-	(3,146,909)
Effect on interest suspended due to reclassification between stages	274,892	88,590	616,380	2,120,106	-	3,099,968
Effect on interest in suspense due to adjustments	11,066,529	5,263,538	7,789,311	10,889,154	6,533,833	41,542,365
Credit facilities written off and transferred to off balance sheet items	(13,970,369)	(3,923,338)	(5,397,710)	(5,191,002)	-	(28,482,419)
Adjustments resulted from changes in exchange rates	(13,200)	47,713	153	364	-	35,030
Balance End of the Year	43,459,532	26,469,903	34,569,753	45,113,550	6,533,833	156,146,571

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

Economic Sector	30 June 2024 (Reviewed)			31 December 2023 (Audited)
	Inside Jordan	Outside Jordan	Total	Total
	JD	JD	JD	JD
Financial	139,747,208	115,159,717	254,906,925	201,144,464
Industrial	433,465,938	198,638,211	632,104,149	610,901,188
Trading	396,385,097	294,282,613	690,667,710	621,243,978
Real estate	999,351,278	373,165,413	1,372,516,691	1,394,626,259
Agriculture	41,711,484	24,068,523	65,780,007	74,687,745
Shares	18,510,404	-	18,510,404	7,192,178
Individuals	1,047,452,184	34,282,162	1,081,734,346	1,059,666,571
Government and public sector	569,518,226	119,978,403	689,496,629	620,198,707
Other	419,227,659	72,712,412	491,940,071	459,931,501
Total	4,065,369,478	1,232,287,454	5,297,656,932	5,049,592,591

(12) Financial Assets at Amortized Cost - Net

The details of this item are as follows:

	30 June 2024 (Reviewed)	31 December 2023 (Audited)
	JD	JD
Quoted Financial Assets:		
Jordanian treasury bills	56,289,751	48,167,881
Jordanian treasury bonds *	1,738,127,799	1,636,729,257
Governmental or guaranteed by Government bonds	497,553,192	492,681,023
Foreign governments bonds	147,712,233	126,419,639
Corporate bonds and debentures	107,923,625	114,894,517
Total Quoted Financial Assets	2,547,606,600	2,418,892,317
Unquoted Financial Assets:		
Corporate bonds and debentures	3,000,001	3,000,001
Total Unquoted Financial Assets	3,000,001	3,000,001
Total	2,550,606,601	2,421,892,318
<u>Less:</u> Provision for excepted credit losses	(3,606,380)	(3,369,108)
Net	2,547,000,221	2,418,523,210
Bonds and Bills Analysis:		
At fixed rate	2,545,236,068	2,415,001,102
At floating rate	1,764,153	3,522,108
Total	2,547,000,221	2,418,523,210

The maturity dates for Bonds range from year 2024 to year 2036.

Interest rate on bonds and Treasury Bills ranges from 2.63% to 7.68%.

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

	Stage (1) Individual JD	Stage (2) Individual JD	Stage (3) JD	Total JD
30 June 2024 (Reviewed)				
Balance – beginning of the period	2,418,892,317	-	3,000,001	2,421,892,318
New investments during the period	489,783,423	-	-	489,783,423
Matured investments during the period	(362,464,587)	-	-	(362,464,587)
Amortization of premium/ discount	1,440,362	-	-	1,440,362
Adjustments resulted from changes in exchange rates	(44,915)	-	-	(44,915)
Balance – End of the Period	2,547,606,600	-	3,000,001	2,550,606,601
31 December 2023 (Audited)				
Balance – beginning of the year	2,231,487,705	-	3,000,001	2,234,487,706
New investments during the year	698,221,424	-	-	698,221,424
Matured investments during the year	(514,173,029)	-	-	(514,173,029)
Amortization of premium/ discount	3,356,217	-	-	3,356,217
Balance – End of the Year	2,418,892,317	-	3,000,001	2,421,892,318

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

	Stage (1) Individual JD	Stage (2) Individual JD	Stage (3) JD	Total JD
30 June 2024 (Reviewed)				
Balance – beginning of the period	369,108	-	3,000,000	3,369,108
Expected credit loss for new investments during the period	238,310	-	-	238,310
Expected credit loss for matured investments during the year	(24,619)	-	-	(24,619)
The effect on the provision resulting from the adjustments	25,237	-	-	25,237
Adjustments resulted from changes in exchange rates	(1,656)	-	-	(1,656)
Balance – End of the Period	606,380	-	3,000,000	3,606,380
31 December 2023 (Audited)				
Balance – beginning of the year	503,260	-	3,000,000	3,503,260
Expected credit loss for new investments during the year	32,597	-	-	32,597
Expected credit loss for matured investments during the year	(79,291)	-	-	(79,291)
The effect on the provision resulting from the adjustments	(100,512)	-	-	(100,512)
Adjustments resulted from changes in exchange rates	13,054	-	-	13,054
Balance – End of the Year	369,108	-	3,000,000	3,369,108

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(13) Other Assets - Net

The details of this item are as follows:

	30 June 2024 (Reviewed)	31 December 2023 (Audited)
	JD	JD
Accrued revenues and interest	43,758,931	40,643,445
Prepaid expenses	12,738,402	5,511,636
Assets seized by the Bank *	87,646,071	58,261,619
Revaluation gain / Hedge derivatives	1,256,469	950,459
Cheques under collection	11,474,650	10,898,152
Other	12,133,971	10,924,218
Total	169,008,494	127,189,529
Provision for expected credit loss	(107,720)	(116,957)
Net	168,900,774	127,072,572

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

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

	30 June 2024 (Reviewed)	31 December 2023 (Audited)
	JD	JD
Beginning balance period/ year	58,261,619	63,489,483
Additions during the period / year	34,189,363	17,550,732
Disposals during the period / year	(2,670,245)	(19,169,821)
Impairment loss during the period / year	(500,000)	(3,587,460)
Transferred to the impairment loss during the period	(1,634,000)	-
Foreign currencies translation difference during the period / year	(666)	(21,315)
Balance – End of the Period / Year	87,646,071	58,261,619

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(14) Customers' Deposits

The details of this item are as follows:

	Retail	Corporate	SME's	Governmental and Public	Total
	JD	JD	JD	JD	JD
30 June 2024 (Reviewed)					
Current accounts and demand deposits	645,767,889	246,169,080	444,897,268	34,957,302	1,371,791,539
Saving deposits	1,655,027,500	1,140,890	63,033,334	582,226	1,719,783,950
Time and notice deposits	1,348,825,637	488,649,095	105,198,799	549,094,275	2,491,767,806
Certificates of deposit	231,426,730	39,868,224	374,028	-	271,668,982
Others	47,218	-	-	-	47,218
Total	3,881,094,974	775,827,289	613,503,429	584,633,803	5,855,059,495
31 December 2023 (Audited)					
Current accounts and demand deposits	647,613,803	236,807,008	430,712,285	66,939,912	1,382,073,008
Saving deposits	1,671,351,743	1,311,191	56,381,184	633,401	1,729,677,519
Time and notice deposits	1,274,527,111	430,570,714	88,655,400	467,137,629	2,260,890,854
Certificates of deposit	232,032,528	44,802,038	375,377	-	277,209,943
Others	47,218	-	-	-	47,218
Total	3,825,572,403	713,490,951	576,124,246	534,710,942	5,649,898,542

The deposits of the public sector and the Government of Jordan inside the Kingdom amounted to approximately JD 567.5 million representing 9.7% of total deposits as at 30 June 2024 (approximately JD 522.1 million, representing 9.2% of total deposits as at 31 December 2023).

Non-interest bearing deposits are amounted to JD 1.44 million, representing 24.7% of total deposits as at 30 June 2024 (around JD 1.48 billion, representing 26.1% of total deposits as at 31 December 2023).

Restricted deposits (Restricted withdrawal) amounted to JD 89.8 million, representing 1.5% of total deposits as at 30 June 2024 (JD 103.8 million, representing 1.8% of total deposits as at 31 December 2023).

Dormant accounts amounted to JD 174.2 million, representing 3% of total deposits as at 30 June 2024 (JD 185.3 million, representing 3.3% of total deposits as at 31 December 2023).

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(15) Borrowed funds:

This item consists of the following:

30 June 2024 (Reviewed)	JD	Number of Total Payments	Number of Remaining Payments	Periodicity	Guarantee	Borrowing Interest Rate	Re-lending interest rate
Central Bank of Jordan loans:							
SME's Support programs	15,482,541	110	71	Semi Annual	Financial Solvency	2.5% to 7.66%	Guaranteed 6.0% to 9.85% Without Guarantee: 6.5% to 10.4%
Main Economic Sectors Support Programs	81,067,116	Based on the Periodicity of instalments due			On demand promissory note	Inside the capital city: 1% Outside the capital city: 0.5%	Inside the capital city: 3.75% as a minimum Outside the capital city: 3.25% as a minimum
National program to face COVID-19 pandemic	20,612,692	Based on the Periodicity of instalments due			On demand promissory note	0.00%	2.00%
Borrowing / local institutions	130,023,862	27	27	Semi annual Quarterly/ Semi annual	Financial Solvency / Mortgage	4.75% to 7.75%	8.5% to 11% Based on interest rate at the bank
Borrowing / foreign insinuations	38,567,097	83	80		Financial Solvency	5.86% to 6.81%	
Total	285,753,308						

The maturity dates of funds borrowed from the Central Bank of Jordan range from year 2024 to year 2039.

Borrowed funds from local institutions includes an amount of JD 90 million that were borrowed from Jordan Mortgage Refinance Company and the maturity dates of these borrowed funds range from year 2024 to year 2029.

Borrowed funds with a fixed interest rate amounted to JD 241,358,166 and borrowed funds with a variable interest rate amounted to JD 44,395,142.

The maturity dates of borrowed funds from foreign insinuations range from year 2024 to year 2028.

Borrowed funds during the period ended on 30 June 2024, amounted to JD 137,362,170 and settled borrowed funds amounted to JD 148,698,127 during the same period.

There were JD 50,000,000 of renewed loans during the period ended on 30 June 2024.

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

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31 December 2023 (Audited)	JD	Number of Total Payments	Number of Remaining Payments	Periodicity	Guarantee	Borrowing Interest Rate	Re-lending interest rate
Central Bank of Jordan loans:							
SME's Support programs	16,109,324	110	75	Semi Annual	Financial Solvency	2.5% to 5.69%	Guaranteed 6.0% to 9.14% Without Guarantee: 6.5% to 9.69%
Main Economic Sectors Support Programs	62,633,631	Based on the Periodicity of instalments due			On demand promissory note	Inside the capital city: 1% Outside the capital city: 0.5%	Inside the capital city: 3.75% as a minimum Outside the capital city: 3.25% as a minimum
National program to face COVID-19 pandemic	33,053,236	Based on the Periodicity of instalments due			On demand promissory note	0.00%	2.00%
Borrowing / local institutions	139,129,219	27	27	Monthly/Semi annual	Financial Solvency / Mortgage	4.25% to 6.35%	7.25% to 10.50%
Borrowing / foreign insinuations	46,163,855	99	97	Semi annual	Financial Solvency	4.14% to 6.65%	Based on interest rate at the bank
Total	<u>297,089,265</u>						

The maturity dates of funds borrowed from the Central Bank of Jordan range from year 2024 to year 2039.

Borrowed funds from local institutions includes an amount of JD 90 million that were borrowed from Jordan Mortgage Refinance Company and the maturity dates of these borrowed funds range from year 2024 to year 2029.

Borrowed funds with a fixed interest rate amounted to JD 252,133,133 and borrowed funds with a variable interest rate amounted to JD 44,956,132.

The maturity dates of borrowed funds from foreign insinuations range from year 2024 to year 2028.

Borrowed funds during 2023 amounted to JD 139,743,704 and settled borrowed funds amounted to JD 195,725,742 during 2023.

There were no renewed loans during the year 2023.

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

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(16) Income Tax

(a) Income tax provision

The movement on the income tax provision is as follows:

	30 June 2024 (Reviewed) JD	31 December 2023 (Audited) JD
Balance – beginning of the period / year	61,676,475	53,415,160
Income tax paid	(70,771,935)	(68,809,941)
Accrued income tax	37,605,111	74,370,593
Accrued income tax of distribution profits from a subsidiary	1,074,500	2,813,347
Currency translation	(33,142)	(112,684)
Balance – End of the Period / Year	29,551,009	61,676,475

Income tax rate for Banks in Jordan is 35% and a 3% for the national contribution account. In addition, the income tax rates in the countries in which the Bank has investments range from 0% to 31%.

- The Bank has reached a final settlement with the Income and Sale Tax Department in Jordan up to the year 2020 and declared taxes have been paid and have filed the tax returns up to the year 2023, The related income tax returns were not reviewed by the Income and Sale Tax Department in Jordan.
- A final settlement has been reached for Palestine branches on income tax up to the year 2021, and declared taxes have been paid and have filed the tax returns for the year 2023.
- The income tax for the Housing Bank for Trade and Finance /Algeria was paid up to the year 2023.
- The income tax for the International Bank for Trade and Finance /Syria was paid up to the year 2023.
- The income tax for Jordan International Bank/ London was paid up to the year 2023.
- A final settlement has been reached for the International Financial Centre Company on income tax up to the year 2023.
- The Specialized Leasing Company has reached a final settlement with the Income and Sale Tax Department in Jordan up to the year 2020 and declared taxes have been paid and have filed the tax returns up to the year 2023.

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

	For the six Months period	
	Ended 30 June	
	2024	2023
	(Reviewed)	(Reviewed)
	JD	JD
Provision for income tax for the period	37,605,111	39,244,096
Deferred tax assets for the period	(20,842,547)	(15,361,552)
Amortization of deferred tax assets	26,800,865	15,557,142
Amortization of deferred tax liabilities	(1,074,500)	(2,813,347)
Income tax due on subsidiaries dividend's distribution	1,074,500	2,813,347
Total	43,563,429	39,439,686

(17) Other Liabilities

The details for this item are as follows:

	30 June	31 December
	2024	2023
	(Reviewed)	(Audited)
	JD	JD
Accrued interest	38,028,825	38,105,289
Interests and commissions received in advance	3,955,906	4,968,773
Accrued expenses	21,493,963	24,192,474
Certified cheques	40,276,286	37,748,026
Transfers in process	50,054,856	58,048,042
Payment in process	22,811,487	16,948,019
Prizes	3,654,153	1,768,836
Amounts payable to correspondent banks	1,193,668	1,438,673
General management trusts	4,269,347	4,383,652
Dividends payable to shareholders	14,953,159	11,183,336
Accounts payable	2,607,804	2,736,123
Unrealized loss / hedge derivatives	127,490	2,333,746
Other payable accounts	24,699,879	24,487,533
Provision for indirect facilities' expected credit loss	35,449,977	36,127,209
Others	4,077,067	4,422,083
Total	267,653,867	268,891,814

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The following is the movement on indirect facilities during the period / year:

	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective	JD	JD
	JD	JD	JD	JD		
30 June 2024 (Reviewed)						
Balance at the beginning of the period	1,074,762,043	54,960,747	33,646,972	4,587,452	17,727,266	1,185,684,480
New exposures during the period	384,084,894	14,085,627	87,047	2,100	-	398,259,668
Matured exposures during the period	(433,971,030)	(4,780,210)	(2,052,861)	(262,223)	(509,350)	(441,575,674)
Transferred (from) to stage (1)	646,651	183,872	(646,651)	(146,740)	(37,132)	-
Transferred (from) to stage (2)	(639,857)	(479,819)	639,857	489,819	(10,000)	-
Transferred (from) to stage (3)	(25,122)	-	(3,258,321)	(289,822)	3,573,265	-
Effect of the reclassification	(42,418,485)	(9,402,884)	(511,692)	(1,674,230)	(35,081)	(54,042,372)
Adjustments resulted from changes in exchange rate	(769,953)	(622,755)	(3,180)	(199,961)	(79,504)	(1,675,353)
Balance at the End of the Period	981,669,141	53,944,578	27,901,171	2,506,395	20,629,464	1,086,650,749
31 December 2023 (Audited)						
Balance at the beginning of the year	970,690,613	68,557,365	29,294,851	5,708,465	20,792,613	1,095,043,907
New exposure during the year	527,837,885	19,043,923	1,942,789	164,985	48,814	549,038,396
Matured exposure during the year	(383,862,633)	(19,242,425)	(4,547,881)	(84,785)	(2,392,029)	(410,129,753)
Transferred (from) to stage (1)	2,176,098	401,646	(2,148,398)	(397,146)	(32,200)	-
Transferred (from) to stage (2)	(7,617,826)	(290,410)	8,646,376	308,410	(1,046,550)	-
Transferred (from) to stage (3)	(120,000)	(86,000)	(175,500)	(2,000)	383,500	-
Effect of the reclassification	(37,982,052)	(11,620,614)	614,424	(431,179)	313,054	(49,106,367)
Adjustments resulted from changes in exchange rate	3,639,958	(1,802,738)	20,311	(679,298)	(339,936)	838,297
Balance at the End of the Year	1,074,762,043	54,960,747	33,646,972	4,587,452	17,727,266	1,185,684,480

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

	Stage (1)		Stage (2)		Stage (3)	Total
	Individual JD	Collective JD	Individual JD	Collective JD		
30 June 2024 (Reviewed)						
Balance at the beginning of the period	10,967,426	255,998	8,120,286	674,312	16,109,187	36,127,209
Impairment loss on the new facilities	3,599,735	85,432	2,102	-	-	3,687,269
Reversed from impairment loss on the matured facilities	(2,996,933)	(32,532)	(88,694)	(7,576)	(380,384)	(3,506,119)
Transferred (from) to stage (1)	154,832	28,412	(154,832)	(12,597)	(15,815)	-
Transferred (from) to stage (2)	(4,341)	(1,839)	4,341	6,370	(4,531)	-
Transferred (from) to stage (3)	(168)	-	(2,016,648)	(169,637)	2,186,453	-
Effect on provision as end of the period resulted from reclassification between the three stages during the period	(150,165)	(24,768)	3,400	3,390	1,123,050	954,907
Effect of the adjustments	(2,597,022)	46,372	891,992	(177,898)	60,424	(1,776,132)
Adjustments resulted from changes in exchange rate	(11,628)	(5,948)	(105)	(15,159)	(4,317)	(37,157)
Balance at the End of the Period	8,961,736	351,127	6,761,842	301,205	19,074,067	35,449,977
31 December 2023 (Audited)						
Balance at the beginning of the year	8,643,993	287,164	7,684,490	310,411	18,451,230	35,377,288
Impairment loss on the new facilities during the year	5,690,688	87,425	82,141	15,830	20,230	5,896,314
Reversed from impairment loss on the matured facilities	(3,568,467)	(246,226)	(418,780)	(4,007)	(2,270,474)	(6,507,954)
Transferred (from) to stage (1)	85,576	17,897	(69,919)	(17,897)	(15,657)	-
Transferred (from) to stage (2)	(238,669)	(2,133)	919,823	7,667	(686,688)	-
Transferred (from) to stage (3)	(1,435)	(529)	(54,072)	(105)	56,141	-
Effect on provision as of the end of year resulted from reclassification between the three stages during the year	(75,914)	(15,449)	(632,140)	18,095	191,185	(514,223)
Effect of the adjustments	375,846	136,460	608,647	415,843	379,960	1,916,756
Adjustments resulted from changes in exchange rate	55,808	(8,611)	96	(71,525)	(16,740)	(40,972)
Balance at the End of the Year	10,967,426	255,998	8,120,286	674,312	16,109,187	36,127,209

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(18) Expected Credit Losses Expense

The detail of this item is as follows:

	For the six Months period Ended 30 June	
	2024	2023
	(Reviewed)	(Reviewed)
	JD	JD
Balances and deposits at banks and financial institutions	135,331	(275,428)
Financial assets at fair value through other comprehensive income	(132,600)	(44,437)
Financial assets at amortized cost	238,928	(47,003)
Direct credit facilities	6,804,451	21,612,128
Commitments and contingent liabilities	(640,075)	(2,430,156)
Other assets	(9,237)	183
	6,396,798	18,815,287

(19) Fair Value Reserve – Net

The details of this item is as follows:

	30 June 2024	31 December 2023
	(Reviewed)	(Audited)
	JD	JD
Balance – beginning of the period/ year	(3,920,263)	(10,908,261)
Unrealized (loss) gain - debt instrument	(1,911,395)	8,916,680
Unrealized (loss) gain – equity instrument	(362,655)	1,990,783
Deferred tax assets	397,104	(2,576,882)
Deferred tax liabilities	452,566	(1,342,583)
Net change in valuation reserve of financial assets at fair value through comprehensive income after tax	(1,424,380)	6,987,998
Balance at the End of the Period/Year	(5,344,643)	(3,920,263)

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(20) Retained Earnings

The movement on retained earnings is as follows:

	30 June 2024 (Reviewed) JD	31 December 2023 (Audited) JD
Balance – beginning of the period / year	452,965,949	416,843,387
Income for the year	-	136,729,879
Dividends distribution	(78,750,000)	(78,750,000)
Transferred (to) reserves	-	(21,758,764)
The effect of the disposal of a subsidiary	-	(98,553)
Balance – End of the Period / Year	374,215,949	452,965,949

An amount of JD 6,275,955 is restricted from retained earnings which represents the financial assets revaluation differences in accordance with the instructions of the Jordan Securities Commission and the Central Bank of Jordan.

Retained earnings includes an amount of JD 617,210 which represents the effect of early implementation of the IFRS (9). This amount may not be used except for the amounts actually realized from sale.

An amount of JD 120,496,863 from retained earnings is restricted which represents deferred tax assets which are restricted against capitalization or distribution only to the extent if actually recognized in accordance with the instructions of the Central Bank of Jordan and the Jordan Securities Commission.

Retained earnings includes a restricted amount of JD 444,323 which represents the gain from the valuation of foreign currencies at the International Bank for Trade and Finance /Syria for the current period and the prior years.

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(21) Interest Income

The details of this item are as follows:

	For the six Months period Ended 30 June	
	2024	2023
	(Reviewed)	(Reviewed)
	JD	JD
Direct Credit Facilities:		
Individual retail customer:		
Overdraft	276,683	146,335
Loans and discounted bills	49,439,415	52,533,600
Credit cards	1,564,429	1,251,945
Real estate loans	53,586,832	50,157,491
Large corporates		
Overdraft	9,432,378	7,196,800
Loans and discounted bills	55,017,700	53,687,222
SME's		
Overdraft	5,790,151	3,047,511
Loans and discounted bills	13,891,455	11,985,946
Government and Public Sector	21,134,332	17,512,995
Balances at central banks	3,142,892	4,295,650
Balances and deposits at banks and financial institutions	7,925,921	8,334,705
Financial assets at amortized cost	71,820,982	58,454,193
Financial assets at fair value through other comprehensive income	8,907,763	7,767,400
	301,930,933	276,371,793

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(22) Interest Expense

The details of this item are as follows:

	For the six Months period Ended 30 June	
	2024	2023
	(Reviewed)	(Reviewed)
	JD	JD
Banks and financial institutions deposits	26,896,559	20,476,312
Customers deposits:		
Current accounts and demand deposits	2,039,051	1,108,991
Saving deposits	2,033,529	2,013,600
Time and notice deposits	60,816,688	43,498,653
Certificates of deposits	6,344,562	5,389,162
Cash margins	2,859,191	1,905,944
Borrowed funds	6,470,823	7,110,311
Deposits insurance fees	2,518,542	2,317,345
Other	765,685	663,153
	110,744,630	84,483,471

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(23) Gain (Loss) from Financial Assets at Fair Value Through Profit or Loss

The details of this item are as follows:

	Realized		Unrealized		Dividends	
	Gain	(Loss)	Gain	(Loss)	Received	Total
	JD	JD	JD	JD	JD	JD
30 June 2024 (Reviewed)						
Corporate shares	-	(62,518)	36,644	-	168,920	143,046
Direct credit facilities	-	-	551,217	-	-	551,217
Total	-	(62,518)	587,861	-	168,920	694,263
30 June 2023 (Reviewed)						
Corporate shares	79,057	-	-	(25,432)	188,488	242,113
Direct credit facilities	-	-	876,677	-	-	876,677
Total	79,057	-	876,677	(25,432)	188,488	1,118,790

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(24) Basic and diluted earnings per share for the period attributable to the Bank's Shareholders

The details of this item are as follows:

	For the Three Months period Ended 30 June		For the Six Months period Ended 30 June	
	2024 (Reviewed)	2023 (Reviewed)	2024 (Reviewed)	2023 (Reviewed)
	JD	JD	JD	JD
Profit for the period attributable to shareholders'	40,842,601	39,369,066	78,150,923	74,621,791
Weighted average number of shares	315,000,000	315,000,000	315,000,000	315,000,000
Basic and diluted earnings per share attributable to the shareholders of the Bank	0.130	JD 0.125	0.248	JD 0.237

(25) Cash and Cash Equivalents

This item consists of the following:

	For the six Months period Ended 30 June	
	2024 (Reviewed)	2023 (Reviewed)
	JD	JD
Cash and balances with central banks maturing within 3 months	566,390,350	597,685,301
<u>Add:</u> Balances with banks and financial institutions maturing within 3 months	283,620,472	235,620,031
<u>(Less):</u> Banks and financial institutions deposits maturing within 3 months	(776,824,938)	(742,011,060)
	73,185,884	91,294,272

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(26) Capital Adequacy

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

	30 June 2024 (Reviewed) JD	31 December 2023 (Audited) JD
Common Equity Tier 1 Capital		
Paid-in capital	315,000,000	315,000,000
Retained earnings	366,878,463	366,828,980
Other comprehensive income items	(137,129,816)	(134,745,543)
Net fair value reserve	(5,344,643)	(3,920,263)
Foreign currency translation reserve	(131,785,173)	(130,825,280)
Share premium	328,147,537	328,147,537
Statutory reserve	296,295,588	296,295,588
Other reserve	11,743,708	11,743,708
Non-controlling interest	17,583,387	17,594,850
Condensed gains after tax and expected distribution value	30,900,923	-
Total capital for ordinary shares	1,229,419,790	1,200,865,120
Regulatory amendments (Propositions of the capital)	(166,547,883)	(160,139,089)
Goodwill and intangible assets	(22,580,737)	(22,214,936)
Deferred tax assets	(120,496,863)	(125,044,861)
Mutual investments in banks' capital, financial companies, and insurance companies Within the CET1	(23,470,283)	(12,879,292)
Net ordinary shareholder's equity	1,062,871,907	1,040,726,031
Non-controlling Interest	3,102,951	3,104,974
Total additional capital	3,102,951	3,104,974
Regulatory changes (reduction from capital)	-	-
Net Additional Capital	3,102,951	3,104,974
Net additional capital Tier 1	1,065,974,858	1,043,831,005
Tier 2 Capital		
Expected credit losses provision for the first stage – does not exceed 1.25% of the assets weighted credit risks	66,934,390	64,261,410
Non-controlling interest	4,137,268	4,139,964
Total Capital	71,071,658	68,401,374
Regulatory amendments (Propositions of the capital)	-	-
Investments in the capital of non-consolidated subsidiaries with the bank	-	-
Net additional capital Tier 2	71,071,658	68,401,374
Regulatory capital	1,137,046,516	1,112,232,379
Total Risk weighted assets	6,120,069,739	5,905,441,161
Capital Adequacy ordinary shareholders (CETI) Ratio %	17.37%	17.62%
Capital Adequacy Tier 1 Ratio %	17.42%	17.68%
Capital Adequacy Ratio %	18.58%	18.83%

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(27) Related Party Transactions

- (a) The Bank entered into transactions with major shareholders, Board of Directors, and executive management in the course of its ordinary activities at commercial rates of interest and commissions. All facilities granted to related parties are performing and no provisions have been taken.
- (b) Summary of related party balances during the period/year:

	Related Party				Total	
	Major Shareholders	Subsidiaries*	Board of Directors and their related	Executive Management and their related	30 June 2024 (Reviewed)	31 December 2023 (Audited)
	JD	JD	JD	JD	JD	JD
Financial position items						
Total deposits with related parties	20,239,211	69,020,084	-	-	89,259,295	78,115,509
Total deposits from related parties	772,445,351	74,830,739	2,369,983	2,569,336	852,215,409	845,790,746
Loans and advances granted to related parties	53,662,087	774,391	896,090	1,906,978	57,239,546	41,144,023
Loans and advances granted from related parties	-	1,428,636	-	-	1,428,636	2,151,329
Financial assets at fair value through other comprehensive income	3,323,898	-	-	-	3,323,898	6,829,762
Items off-statement of financial position						
Letters of guarantees and credits	14,509,715	1,596,380	-	-	16,106,095	17,027,069
Forward foreign currency contracts	51,153,395	-	-	-	51,153,395	51,323,442
Interest swap contracts	17,775,000	-	-	-	17,775,000	31,905,000

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

	Related Party				Total	
					For the six Months period	
					Ended 30 June	
	Major Shareholders	Subsidiaries*	Board of Directors and their related	Executive Management and their related	2024 (Reviewed)	2023 (Reviewed)
	JD	JD	JD	JD	JD	JD
Statement of Profit or Loss items						
Interest and commissions income	2,750,148	1,910,593	32,525	48,326	4,741,592	4,742,210
Interest and commissions expense	21,937,100	1,733,327	46,424	53,622	23,770,473	19,719,329
Consulting fees	-	-	-	-	-	-
Rent income	-	80,568	-	-	80,568	78,500

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

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

* Amounts and transactions with subsidiaries are eliminated in these interim consolidated financial statements.

(d) The Bank's executive management remuneration were as follows:

	For the six Months period	
	Ended 30 June	
	2024 (Reviewed)	2023 (Reviewed)
	JD	JD
Salaries, bonuses, and other benefits	2,236,484	2,560,556
Salaries, bonuses, and other benefits/ Subsidiaries	1,448,608	1,285,153

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(28) Segment Analysis

Information on the Bank Activities:

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

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

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

							Total	
							For the six Months period	
							Ended 30 June	
							2024	2023
							(Reviewed)	(Reviewed)
	Retail	Corporate	Corporate	Treasury	Others	Elimination	JD	JD
	JD	JD	Finance	JD	JD	JD		
	JD	JD	JD	JD	JD	JD		
Gross Income	164,103,404	120,494,677	5,949,577	112,365,200	1,431,802	(70,601,706)	333,742,954	308,986,334
Allowance for expected credit loss for the period	(4,571,787)	(10,603,030)	9,019,678	(241,659)	-	-	(6,396,798)	(18,815,287)
Segment results	73,161,468	31,528,282	12,752,528	11,401,620	1,431,802	-	130,275,700	122,390,183
Unallocated expenses							(6,641,272)	(6,284,855)
Income before Tax							123,634,428	116,105,328
Income Tax							(43,563,429)	(39,439,686)
Profit for the Period							80,070,999	76,665,642

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(29) Risk Management

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

The Bank's risk management policies for the six -month period ended 30 June 2024 are identical to the policies followed for the year ended 31 December 2023, which are disclosed in the Bank's annual report as at 31 December 2023.

The Group's Operations in Palestine

The war in Gaza during the last quarter of 2023 resulted in destruction of economic and service facilities. Furthermore, numerous economic and commercial sectors in the West Bank have been adversely impacted by recurrent restrictions and closures. These factors have significantly increased the potential risks associated with the Group's operations in Palestine. While there are no notable credit exposures in Gaza, the complete outcome of the conflict remains difficult to foresee. The management is diligently monitoring the situation and proactively addressing anticipated effects in compliance with best practices and regulatory standards.

Expected credit losses for the ended period of 30 June 2024 have been assessed based on a range of anticipated economic scenarios, taking into account impairment indicators for exposures in sectors potentially affected by the conflict. This evaluation includes the Bank management's estimates regarding the impact on specific sectors or customers. Management maintains confidence in the Group's ability to sustain operations in Palestine in the future.

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1. Distributed according to economic sector is as follows:

a. Distributions According to Financial Instruments Exposure:

	Financial JD	Industrial JD	Trading JD	Real Estate JD	Agriculture JD	Shares JD	Individuals JD	Government and Public JD	Other JD	Total JD
(Reviewed)										
Cash at central banks	-	-	-	-	-	-	-	449,361,549	-	449,361,549
Balances at banks and financial institutions	283,312,187	-	-	-	-	-	-	-	-	283,312,187
Deposits at banks and financial institutions	17,893,415	-	-	-	-	-	-	-	-	17,893,415
Credit facilities at amortized cost	241,011,228	532,662,494	569,359,363	1,200,758,164	55,221,605	16,148,940	979,957,506	666,376,464	433,634,853	4,695,130,617
Credit facilities at fair value through profit or loss	-	15,908,757	-	-	-	-	-	-	-	15,908,757
Bonds and bills:										
Within Financial assets at fair value through other comprehensive income	67,821,057	-	-	-	-	-	-	270,146,379	-	337,967,436
Within Financial assets at amortized cost	105,658,915	-	-	-	-	-	-	2,439,545,625	1,795,681	2,547,000,221
Total for the Period	715,696,802	548,571,251	569,359,363	1,200,758,164	55,221,605	16,148,940	979,957,506	3,825,430,017	435,430,534	8,346,574,182
Letter of guarantees	-	-	423,706,627	-	-	-	-	-	-	423,706,627
Letter of credit	-	-	526,083,399	-	-	-	-	-	-	526,083,399
Other liabilities	-	-	101,410,740	-	-	-	-	-	-	101,410,740
Total	715,696,802	548,571,251	1,620,560,129	1,200,758,164	55,221,605	16,148,940	979,957,506	3,825,430,017	435,430,534	9,397,774,948
Prior Year Total (Audited)	729,127,512	524,077,119	1,657,013,170	1,215,661,365	62,723,633	4,903,475	965,163,327	3,652,604,446	408,883,214	9,220,157,261

b. Distribution of exposures as staging according to International Financial Reporting Standard (9):

	Stage (1)		Stage (2)		Stage (3)	Total
	Individual JD	Collective JD	Individual JD	Collective JD	JD	JD
(Reviewed)						
Financial	668,541,710	31,903,979	6,736,807	6,304,383	2,209,923	715,696,802
Industrial	472,418,458	50,033,121	12,770,401	9,634,274	3,714,997	548,571,251
Trading	1,362,149,061	175,397,773	46,664,817	24,696,889	11,651,589	1,620,560,129
Real-estate	395,572,996	685,079,291	52,038,575	44,408,704	23,658,598	1,200,758,164
Agriculture	45,678,063	5,530,075	1,909,375	1,016,969	1,087,123	55,221,605
Shares	13,591,445	1,761,227	325,895	348,286	122,087	16,148,940
Individual	104,219,528	846,617,725	3,566,296	19,551,198	6,002,759	979,957,506
Government and public sector	3,815,581,352	-	9,848,665	-	-	3,825,430,017
Other	355,040,275	29,280,342	43,640,157	5,019,467	2,450,293	435,430,534
Total	7,232,792,888	1,825,603,533	177,500,988	110,980,170	50,897,369	9,397,774,948
Prior Year Total (Audited)	7,010,226,188	1,860,348,007	215,598,778	104,187,540	29,796,748	9,220,157,261

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2. Total Exposure Distribution According to Geographic Region:

a. Total distribution of exposures by geographical regions:

	Inside Jordan	Other Middle East Countries	Europe	Asia	Africa	America	Other Countries	Total
	JD	JD	JD	JD	JD	JD	JD	JD
(Reviewed)								
Cash at central banks	194,608,289	185,919,457	-	-	68,833,803	-	-	449,361,549
Balances at banks and financial institutions	59,017,295	48,794,279	54,280,618	424,535	11,010,411	109,785,049	-	283,312,187
Deposits at banks and financial institutions	-	1,297,500	9,808,696	6,787,219	-	-	-	17,893,415
Credit facilities at amortized cost	3,671,918,725	456,763,228	305,350,431	-	241,785,758	-	19,312,475	4,695,130,617
Credit facilities at fair value through profit or loss	15,908,757	-	-	-	-	-	-	15,908,757
Bonds and bills:								
Within Financial assets at fair value through other comprehensive income	199,715,027	24,197,610	59,577,557	10,163,371	8,133,376	36,180,495	-	337,967,436
Within Financial assets at amortized cost	2,346,924,479	52,185,085	9,703,760	-	136,391,197	1,795,700	-	2,547,000,221
Total for the Period	6,488,092,572	769,157,159	438,721,062	17,375,125	466,154,545	147,761,244	19,312,475	8,346,574,182
Letter of guarantees	252,816,129	75,137,270	5,284,860	-	90,468,368	-	-	423,706,627
Letter of credit	391,580,014	44,400,263	6,558,861	-	83,544,261	-	-	526,083,399
Other liabilities	78,260,937	-	23,149,803	-	-	-	-	101,410,740
Total	7,210,749,652	888,694,692	473,714,586	17,375,125	640,167,174	147,761,244	19,312,475	9,397,774,948
Prior Year Total (Audited)	7,045,888,148	753,362,395	547,680,387	16,185,675	649,894,894	167,761,790	39,383,972	9,220,157,261

b. Exposure distribution as staging according to International Financial Reporting Standard (9):

c.

	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective	JD	JD
	JD	JD	JD	JD		
(Reviewed)						
Inside Jordan	5,480,949,416	1,522,097,009	102,519,225	52,764,534	52,419,468	7,210,749,652
Other Middle Eastern countries	707,002,840	137,121,132	36,265,699	27,767,436	(19,462,415)	888,694,692
Europe	362,337,437	77,818,594	13,084,139	12,933,936	7,540,480	473,714,586
Asia	15,290,489	1,385,656	263,195	274,016	161,769	17,375,125
Africa	515,670,731	76,857,210	23,407,782	15,198,671	9,032,780	640,167,174
America	137,105,742	7,082,702	1,345,307	1,400,619	826,874	147,761,244
Other countries	14,436,233	3,241,230	615,641	640,958	378,413	19,312,475
Total	7,232,792,888	1,825,603,533	177,500,988	110,980,170	50,897,369	9,397,774,948
Prior Year Total (Audited)	7,010,226,188	1,860,348,007	215,598,778	104,187,540	29,796,748	9,220,157,261

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3. Credit exposures that have been reclassified:

a. Total credit exposures that have been reclassified:

	Stage (2)		Stage (3)			Percentage of Exposures that have been Reclassified
	Total Exposures Amount	Exposures that have been Reclassified	Total Exposures Amount	Exposures that have been Reclassified	Total Exposures that have been Reclassified	%
(Reviewed)	JD	JD	JD	JD	JD	
Credit facilities	398,087,199	102,404,415	442,566,569	110,458,529	212,862,944	4.0%
Bonds and bills:	-	-				
Within: Financial assets at amortized cost			3,000,001	-	-	0.0%
Within: Financial assets at fair value through other comprehensive income	9,881,508	-	-	-	-	0.0%
Total	407,968,707	102,404,415	445,566,570	110,458,529	212,862,944	3.5%
Letter of guarantees	29,941,854	807,572	20,629,465	3,573,265	4,380,837	1.0%
Letter of credit	167,419	59,387			59,387	0.0%
Other liabilities	298,293	262,717			262,717	0.3%
Total	30,407,566	1,129,676	20,629,465	3,573,265	4,702,941	0.4%
Total	438,376,273	103,534,091	466,196,035	114,031,794	217,565,885	3.0%
Prior Year Total (Audited)	510,811,806	129,778,407	414,588,126	81,215,046	210,993,453	2.9%

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

	Exposures that have been Reclassified			Expected Credit Loss due to Reclassified Exposures			
	Exposures Reclassified from Stage (2)	Exposures Reclassified from Stage (3)	Total	Stage (2)		Stage (3)	Total
Description	JD	JD	JD	Individual	Collective	JD	JD
(Reviewed)							
Credit facilities at amortized cost	102,404,415	110,458,529	212,862,944	6,508,880	1,246,177	45,577,541	53,332,598
Total	102,404,415	110,458,529	212,862,944	6,508,880	1,246,177	45,577,541	53,332,598
Letter of guarantees	807,572	3,573,265	4,380,837	3,416	6,341	2,186,453	2,196,210
Letter of credit	59,387	-	59,387	284	-	-	284
Other liabilities	262,717	-	262,717	641	29	-	670
Total	1,129,676	3,573,265	4,702,941	4,341	6,370	2,186,453	2,197,164
Total	103,534,091	114,031,794	217,565,885	6,513,221	1,252,547	47,763,994	55,529,762
Prior Year Total (Audited)	129,778,407	81,215,046	210,993,453	2,976,374	1,618,084	7,255,589	11,850,047

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4. Liquidity coverage Ratio (LCR):

The average liquidity coverage ratio for the year was 169% and 161.5% for Jordan Branches and the Banking Group respectively.

Following are the details of the calculation as at 30 June, 2024 (Reviewed):

	<u>Jordan Branches</u>	<u>Banking Group</u>
	<u>JD 000'</u>	<u>JD 000'</u>
High qualified liquid assets before adjustments	2,554,833	2,650,578
High qualified liquid assets after adjustments	2,554,833	2,650,578
Net Cash outflow	1,524,053	1,638,972
Liquidity Coverage Ratio (LCR)	167.6%	161.7%

(30) Commitments and Contingent Liabilities:

This item consists of the following:

	<u>30 June</u>	<u>31 December</u>
	<u>2024</u>	<u>2023</u>
	<u>(Reviewed)</u>	<u>(Audited)</u>
	<u>JD</u>	<u>JD</u>
Letters of credit	352,521,952	535,653,303
Acceptances	176,979,239	116,798,327
Guarantees:		
- Payment	176,445,356	183,091,674
- Performance bonds	210,578,800	203,335,170
- Other	67,380,642	68,757,390
Forward foreign currency contracts	358,595,258	318,081,799
Currency swap contracts	41,905,000	41,905,000
Un-utilized direct credit facilities ceilings	715,422,431	774,933,607
Total	2,099,828,678	2,242,556,270

(31) Lawsuits Raised Against the Bank and Lawsuits Raised by the Bank Against Others

Lawsuits raised against the Bank amounted to JD 25.9 million as at 30 June 2024 (JD 23.5 million as at 31 December 2023). In the opinion of the Bank's management and legal advisor, no liabilities will arise therefrom that exceed the booked provision of JD 7.9 as at 30 June 2024 (JD 7.8 million as at 31 December 2023).

The lawsuits raised by the Bank against others amounted to JD 686.5 million as at 30 June 2024 (JD 670.6 million as at 31 December 2023).

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(32) Fair Value Hierarchy

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

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

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

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

	Level (1)	Level (2)	Level (3)	Total
	JD	JD	JD	JD
30 June 2024 (Reviewed)				
Financial assets:				
Financial assets at fair value through other comprehensive income	354,164,592	-	50,995,916	405,160,508
Direct credit facilities at fair value through profit or loss	4,337,768	-	-	4,337,768
Financial assets at fair value through profit or loss	15,908,757	-	-	15,908,757
Total	374,411,117	-	50,995,916	425,407,033
31 December 2023 (Audited)				
Financial assets:				
Financial assets at fair value through other comprehensive income	357,883,637	-	45,578,991	403,462,628
Financial assets at fair value through profit or loss	4,425,551	-	-	4,425,551
Direct credit facilities at fair value through profit or loss	31,496,582	-	-	31,496,582
Total	393,805,770	-	45,578,991	439,384,761