

**JORDAN ISLAMIC BANK**

**PUBLIC SHAREHOLDING COMPANY**

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(REVIEWED AND UNAUDITED)**

**30 JUNE 2024**

**JORDAN ISLAMIC BANK**  
**PUBLIC SHAREHOLDING COMPANY**  
**AMMAN - JORDAN**  
**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(REVIEWED AND UNAUDITED)**  
**30 JUNE 2024**  
**Table of Contents**

**Independent Auditor's Report**

	<b><u>Statement</u></b>
Interim Condensed Consolidated Statement of Financial Position	A
Interim Condensed Consolidated Income Statement	B
Interim Condensed Consolidated Statement of Comprehensive Income	C
Interim Condensed Consolidated Statement of Changes in Owner's Equity	D
Interim Condensed Consolidated Statement of Cash Flows	E
Interim Condensed Consolidated Statement of Sources and Uses of Funds of Al Qard Al Hasan Fund	F
	<b><u>Page</u></b>
Notes to the Interim Condensed Consolidated Financial Statements	1-76



**REVIEW REPORT ON INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
TO THE CHAIRMAN AND THE BOARD OF DIRECTORS OF JORDAN ISLAMIC BANK  
(PUBLIC SHAREHOLDING COMPANY)**

**Introduction**

We have reviewed the accompanying interim condensed consolidated statement of financial position of Jordan Islamic Bank ("the Bank") and its subsidiaries (together "the Group") as at 30 June 2024 and the related interim condensed consolidated statement of income and interim condensed consolidated statement of comprehensive income for the three-month and six-month periods then ended, and the interim condensed consolidated statement of changes in owners' equity and the interim condensed consolidated statement of cash flows and the interim condensed consolidated statement of sources and uses of funds of Al-Qard Al-Hasan for the six-month 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 Financial Accounting Standard 41 "Interim Financial Reporting" issued by Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) as adopted by the Central Bank of Jordan. 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 Financial Accounting Standard 41 "Interim Financial Reporting" issued by Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) as adopted by Central Bank of Jordan.

For and on behalf of PricewaterhouseCoopers "Jordan"

  
Omar Jamal Kalanji  
License No (1015)



Amman - Jordan  
25 July 2024

PricewaterhouseCoopers "Jordan", 3rd Circle, Jabal Amman – 14 Hazza' Al Majali Street, P.O. Box 5175, Amman 11183, Jordan

T: +(962) 6 500 1300, F: +(962) 6 4610880, [www.pwc.com](http://www.pwc.com)

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

**AS OF 30 JUNE 2024 (REVIEWED AND UNAUDITED)**

**STATEMENT (A)**

	Notes	30 June 2024 JD (Reviewed and Unaudited)	31 December 2023 JD (Audited)
<b>Assets</b>			
Cash and balances with central bank of Jordan	4	799,402,536	777,350,208
Balances at banks and financial institutions	5	90,872,251	81,079,251
Investment accounts at banks and financial institutions	6	6,020,655	4,253,943
Wakala Bil Istithmar Accounts	7	41,719,396	42,115,026
Deferred sales receivables and other receivables –net	8	3,071,350,936	2,966,911,453
Ijarah Muntahia Bittamleek assets – net	9	932,402,052	921,810,017
Financing – net	10	41,005,506	39,847,919
Financial assets at fair value through income statement-self financed	11	17,806	-
Financial assets at fair value through owner's equity – self-financed	12	20,356,076	19,680,861
Financial assets at fair value through joint investment accounts holders' equity	13	37,201,458	34,445,102
Financial assets at amortized cost	14	419,212,160	405,438,544
Investments in associates	15	9,640,618	9,338,454
Investments in real estate	16	109,831,149	110,863,490
Al Qard Al Hasan – net		25,824,922	24,119,037
Property and equipment – net		84,895,768	85,163,156
Intangible assets		10,437,673	8,752,312
Right of use assets		11,688,012	10,322,875
Deferred tax assets		-	743,047
Other assets	17	97,650,945	83,597,523
<b>Total Assets</b>		<b>5,809,529,919</b>	<b>5,625,832,218</b>
<b>Liabilities, Joint Investment Accounts Holders' Equity, Non-controlling interests and Owner's Equity</b>			
<b>Liabilities</b>			
Banks and financial institutions' accounts		10,070,066	11,898,666
Customers' current and on demand accounts	18	1,377,438,843	1,357,885,272
Cash margins		65,409,823	62,405,648
Other provisions	19	12,574,431	13,044,962
Income tax provision	20-A	14,966,547	29,925,751
Deferred tax liabilities		1,195,256	1,669,338
Lease obligations		11,630,811	10,702,286
Other liabilities	21	49,420,134	39,320,402
<b>Total Liabilities</b>		<b>1,542,705,911</b>	<b>1,526,852,325</b>
<b>Joint Investment Accounts Holders' Equity</b>			
Unrestricted investment accounts	22-A	3,724,417,940	3,538,066,606
Investment accounts holders' reserve in subsidiaries and associates	22-B	15,704,242	15,295,376
Fair value reserve	23-A	(2,002,521)	(1,119,632)
<b>Total joint investment accounts holders' equity</b>		<b>3,738,119,661</b>	<b>3,552,242,350</b>
Non-controlling interests	22-B	38,632	38,571
<b>Total joint investment accounts holders' equity and non-controlling interest</b>		<b>3,738,158,293</b>	<b>3,552,280,921</b>
Provision against future risks	24-A	5,738,077	12,900,524
<b>Equity</b>			
<b>Owner's equity</b>			
Paid-in capital		200,000,000	200,000,000
Statutory reserve		129,978,057	129,978,057
Voluntary reserve		74,053,362	74,053,362
Fair value reserve	23-D	3,952,677	3,843,291
Retained earnings		81,923,738	125,923,738
Profit for the period after tax		33,019,804	-
<b>Total Owner's Equity – Bank's shareholders</b>		<b>522,927,638</b>	<b>533,798,448</b>
<b>Total liabilities, joint investment accounts holders' equity, non-controlling interests and owner's equity</b>		<b>5,809,529,919</b>	<b>5,625,832,218</b>
<b>Accounts Managed for Others:</b>			
Restricted investments		202,969,919	176,788,935
Al Wakala Bi Al Istithmar (Investment's portfolio)		559,540,541	546,376,491
Al Wakala Bi Al Istithmar		59,198,918	73,564,134

General Manager

Chairman

The accompanying notes from (1) to (42) form an integral part of these interim condensed consolidated financial statements

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**

**INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT**

**FOR THE THREE AND SIX MONTHS ENDED 30 JUNE 2024 (REVIEWED AND UNAUDITED)**

**STATEMENT (B)**

	Notes	For the three months Ended 30 June		For the Six Months Ended 30 June	
		2024	2023	2024	2023
		JD	JD	JD	JD
		(Reviewed and Unaudited)	(Reviewed and Unaudited)	(Reviewed and Unaudited)	(Reviewed and Unaudited)
Deferred sales revenues	25	45,215,312	39,242,331	88,314,506	77,107,281
Financing revenues	26	151,421	141,429	300,911	295,744
Gain from financial assets at fair value through joint investment accounts holders' equity	27	210,891	131,257	634,458	666,398
Revenues from financial assets at amortized cost	28	5,204,075	4,271,154	10,609,968	10,359,053
Dividends from subsidiaries and associates	29	548,200	467,480	1,148,200	1,067,480
Revenues from Investments in real estate- net	30	585,450	607,100	701,482	1,240,822
Revenues from Ijarah Muntahia Bittamleek assets- net		13,805,632	13,990,037	27,740,929	26,634,436
Revenues from other investments		1,647,858	2,199,270	2,623,165	2,714,196
Recovered from provision for expected credit losses - joint		-	2,000,000	-	2,000,000
<b>Revenues of Joint Investment Accounts</b>		<b>67,368,839</b>	<b>63,050,058</b>	<b>132,073,619</b>	<b>122,085,410</b>
Net income of subsidiaries		311,677	256,804	705,536	177,288
Share of profits from investments in associates		(291,172)	(70,694)	403,028	572,615
<b>Total Revenues of Joint Investment Accounts</b>		<b>67,389,344</b>	<b>63,236,168</b>	<b>133,182,183</b>	<b>122,835,313</b>
Deposits guarantee fees joint investment accounts		(1,512,342)	(1,384,650)	(3,024,683)	(2,769,345)
Share of unrestricted investment accounts holders' Share of investment accounts holders' from net income of subsidiaries	31	(36,442,422)	(32,208,179)	(62,350,160)	(52,049,176)
Share of non-controlling interests' from net income of subsidiaries		(311,486)	(256,842)	(705,488)	(177,875)
Share of profits from investments in associates		(191)	38	(48)	587
Share of profits from investments in associates		291,172	70,694	(403,028)	(572,615)
<b>Bank's share of the joint investment accounts revenues as Mudarib and Rab Mal</b>	32	<b>29,414,075</b>	<b>29,457,229</b>	<b>66,698,776</b>	<b>67,266,889</b>
Bank's self-financed revenues	33	526	595	10,398	12,041
Bank's share of restricted investments revenues as Mudarib		261,027	158,127	491,789	308,420
Bank's share of restricted investments revenues as Wakeel		3,620,588	4,373,897	3,636,482	4,394,229
Banking services revenues		7,299,804	6,927,961	15,053,438	14,230,864
Foreign currency gain		1,004,430	679,661	1,737,764	1,115,147
Other income		978,884	1,243,890	1,332,894	1,508,452
Deposits guarantee fees – self		(1,177,551)	(1,179,090)	(2,355,112)	(2,358,187)
<b>Gross Income</b>		<b>41,401,783</b>	<b>41,662,270</b>	<b>86,606,429</b>	<b>86,477,855</b>
Employees expenses		(9,587,610)	(9,816,569)	(23,050,668)	(23,878,979)
Depreciation and amortization		(1,672,294)	(1,777,289)	(3,279,376)	(3,599,430)
Other expenses		(5,684,896)	(5,196,440)	(12,411,713)	(13,040,037)
(Added) Recovered - provision for expected credit losses - self		-	(380,801)	-	1,019,199
<b>Total Expenses</b>		<b>(16,944,800)</b>	<b>(17,171,099)</b>	<b>(38,741,757)</b>	<b>(39,499,247)</b>
<b>Profit Before Income Tax</b>		<b>24,456,983</b>	<b>24,491,171</b>	<b>47,864,672</b>	<b>46,978,608</b>
Income tax	20-B	(6,833,673)	(7,595,589)	(14,844,868)	(14,970,084)
<b>Profit After Income Tax</b>		<b>17,623,310</b>	<b>16,895,582</b>	<b>33,019,804</b>	<b>32,008,524</b>
		JD / FILS	JD / FILS	JD / FILS	JD / FILS
<b>Basic Earnings per Share for the Period</b>	34	<b>0/088</b>	<b>0/084</b>	<b>0/165</b>	<b>0/160</b>

General Manager

Chairman

The accompanying notes from (1) to (42) form an integral part of these interim condensed consolidated financial statements

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

**FOR THE THREE AND SIX MONTHS ENDED 30 JUNE 2024 (REVIEWED AND UNAUDITED)**

**STATEMENT (C)**

	For the Three Months Ended 30 June		For the Six Months Ended 30 June	
	2024	2023	2024	2023
	JD	JD	JD	JD
	(Reviewed And Unaudited)	(Reviewed And Unaudited)	(Reviewed And Unaudited)	(Reviewed And Unaudited)
<b>Profit after income tax</b>	<b>17,623,310</b>	<b>16,895,582</b>	<b>33,019,804</b>	<b>32,008,524</b>
<b>comprehensive income items, net after tax:</b>				
<b>Items that can't be transferred later to the income statement</b>				
Change in fair value reserve of financial assets – net	(131,307)	420,049	109,386	657,604
<b>Total of Comprehensive Income for the Period</b>	<b>17,492,003</b>	<b>17,315,631</b>	<b>33,129,190</b>	<b>32,666,128</b>

The accompanying notes from (1) to (42) form an integral part of these interim condensed consolidated financial statements

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN OWNER'S EQUITY**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2024 (REVIEWED AND UNAUDITED)**

**STATEMENT (D)**

	Paid-in Capital	Statutory Reserve	Voluntary Reserve	Fair Value Reserve *	Retained Earnings**	Profit for the Period after tax	<b>Total</b>
	JD	JD	JD	JD	JD	JD	JD
<b>For the six months ended 30 June 2024</b>							
<b>Balance at 1 January 2024</b>	<b>200,000,000</b>	<b>129,978,057</b>	<b>74,053,362</b>	<b>3,843,291</b>	<b>125,923,738</b>	-	<b>533,798,448</b>
Profit for the period after tax	-	-	-	-	-	33,019,804	<b>33,019,804</b>
Change in fair value reserve	-	-	-	109,386	-	-	<b>109,386</b>
<b>Total Comprehensive Income for the period after tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>109,386</b>	<b>-</b>	<b>33,019,804</b>	<b>33,129,190</b>
Dividends***	-	-	-	-	(44,000,000)	-	<b>(44,000,000)</b>
<b>Balance at 30 June 2024</b>	<b>200,000,000</b>	<b>129,978,057</b>	<b>74,053,362</b>	<b>3,952,677</b>	<b>81,923,738</b>	<b>33,019,804</b>	<b>522,927,638</b>

\* The fair value reserve balance of JD 3,952,677 as at 30 June 2024 is restricted from use, in accordance with the instructions of the securities commission.

\*\* An amount of JD 1,000,000 from retained earnings, which was transferred from general banking risk reserve, is restricted from use without prior approval from the Central Bank of Jordan.

\*\*\* The general Assembly approved on 27 April 2024 the distribution of cash dividends to shareholders at a rate of 22% from the paid in capital of JD 200 million / share, amounted to JD 44 million through the retained earnings.

The accompanying notes from (1) to (42) form an integral part of these condensed consolidated interim financial statements

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN OWNER'S EQUITY**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2024 (REVIEWED AND UNAUDITED)**

**STATEMENT (D)**

	Paid-in Capital	Statutory Reserve	Voluntary Reserve	Fair Value Reserve *	Retained Earnings**	Profit for the Period after tax	Total
	JD	JD	JD	JD	JD	JD	JD
<b>For the six months ended 30 June 2023</b>							
<b>Balance at 1 January 2023</b>	<b>200,000,000</b>	<b>120,471,745</b>	<b>64,602,142</b>	<b>2,928,070</b>	<b>132,574,276</b>	-	<b>520,576,233</b>
Profit for the period after tax	-	-	-	-	-	32,008,524	<b>32,008,524</b>
Change in fair value reserve	-	-	-	657,604	-	-	<b>657,604</b>
<b>Total Comprehensive Income for the period after tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>657,604</b>	<b>-</b>	<b>32,008,524</b>	<b>32,666,128</b>
Profits from sale of financial assets at fair value through owner's equity	-	-	-	(5,294)	5,294	-	-
Dividends***	-	-	-	-	(50,000,000)	-	<b>(50,000,000)</b>
<b>Balance at 30 June 2023</b>	<b>200,000,000</b>	<b>120,471,745</b>	<b>64,602,142</b>	<b>3,580,380</b>	<b>82,579,570</b>	<b>32,008,524</b>	<b>503,242,361</b>

\* The fair value reserve balance of JD 3,580,380 as at 30 June 2023 is restricted from use, in accordance with the instructions of the securities commission.

\*\* An amount of JD 1,000,000 from retained earnings, which was transferred from general banking risk reserve, is restricted from use without prior approval from the Central Bank of Jordan

\*\* An amount of JD 774,499 from retained earnings balance, which represents deferred tax assets as at 30 June 2023, is restricted from use according to the Central bank of Jordan and the Securities Commission

\*\*\* The general Assembly approved on 27 April 2023 the distribution of cash dividends to shareholders at a rate of 25% from the paid in capital of JD 200 million / share amounted to JD 50 million through the retained earnings.

**The accompanying notes from (1) to (42) form an integral part of these interim condensed consolidated financial statements**

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2024 (REVIEWED AND UNAUDITED)**

**STATEMENT(E)**

	Notes	For The Six Months Ended on 30 June	
		2024	2023
		JD (Reviewed And Unaudited)	JD (Reviewed And Unaudited)
<b><u>Cash flows from operating activities</u></b>			
<b>Profit before tax</b>		<b>47,864,672</b>	<b>46,978,608</b>
<b>Adjustments for non-monetary items:</b>			
Depreciations and amortizations		3,279,376	3,599,430
Costs of lease obligations		334,045	309,334
Recovered from provision for expected credit losses – joint		-	(2,000,000)
Recovered from provision for expected credit losses - self		-	(1,019,199)
Gain on sale of property and equipment		-	(106)
Gain on sale of investments in real estate		(264,174)	(956,666)
Evaluation differences of investments in real estate		379,137	-
Profits from sale of repossessed assets		(67,271)	(349,893)
Exchange rates effect on cash and cash equivalents		(1,341,421)	(643,649)
<b>Profit before change in assets and liabilities</b>		<b>50,184,364</b>	<b>45,917,859</b>
<b>Change in Assets and Liabilities:</b>			
(Increase) Decrease in investment accounts at banks and financial institutions for more than 3 months		(1,772,500)	1,418,000
Increase in deferred sales receivables and other receivables		(111,415,856)	(23,769,288)
Increase in financing		(1,157,776)	(106,596)
Increase in Ijara muntahia bitamleek assets		(10,595,825)	(24,885,278)
(Increase) Decrease in Al Qard Al Hasan		(436,180)	8,285,597
Increase in other assets		(10,373,017)	(11,231,289)
Increase (Decrease) in current and on demand accounts		19,553,571	(8,840,069)
Increase in cash margins		3,004,175	2,451,907
Increase in other liabilities		10,111,733	14,139,765
<b>Net change in assets and liabilities</b>		<b>(103,081,675)</b>	<b>(42,537,251)</b>
<b>Net cash flows (used in) from operating activities before tax and other payments</b>		<b>(52,897,311)</b>	<b>3,380,608</b>
Taxes paid	20 A	(29,804,072)	(27,642,116)
End of paid service provision	19	(584,751)	(1,974,476)
<b>Net Cash Flows used in Operating Activities</b>		<b>(83,286,134)</b>	<b>(26,235,984)</b>
<b><u>Cash flows from Investment Activities</u></b>			
Proceeds from sale of financial assets at fair value through income statement-self		54,335	11,975
Purchase of financial assets at fair value through income statement-self		(71,542)	-
Proceeds from sale of financial assets at fair value through owner' equity-self		1,215	17,400
Purchase of financial assets at fair value through owner's equity-self		(500,000)	(1,036)
Proceeds from sale of financial assets at fair value through joint investment accounts holders' equity		226,554	-
Purchase of financial assets at fair value through Joint investment accounts holders' equity		(3,777,614)	(368,678)
Purchase of financial assets at amortized cost		(14,654,672)	(13,298,715)
Maturity of financial assets at amortized cost		903,791	45,219,176
Proceeds from sale of investment in real estates		1,032,341	2,912,909
Purchase of investment in real estates		-	(213,942)
Acquired repossessed real estate		(4,711,786)	(4,159,178)
Proceeds from sale of repossessed real estate		1,092,077	2,285,390
Proceeds from sale of properties and equipment		-	1,509
Purchase of properties and equipment		(1,673,922)	(2,254,623)
Purchase of intangible assets		(2,314,374)	(757,371)
<b>Net cash flows (used in) from Investment Activities</b>		<b>(24,393,597)</b>	<b>29,394,816</b>
<b><u>Cash Flow from Financing Activities</u></b>			
Increase in unrestricted investment accounts holders' equity		186,668,990	79,043,847
Dividends Distributed		(44,000,000)	(50,000,000)
Payments of lease liabilities		(1,604,430)	(1,257,034)
<b>Net Cash Flow from Financing Activities</b>		<b>141,064,560</b>	<b>27,786,813</b>
<b>Net Increase in Cash and Cash Equivalents</b>		<b>33,384,829</b>	<b>30,945,645</b>
Exchange rates effect on cash and cash equivalents		1,341,421	643,649
<b>Cash and cash equivalents at the beginning of the period</b>		<b>848,063,381</b>	<b>726,121,519</b>
<b>Cash and Cash Equivalents at end of period</b>	35	<b>882,789,631</b>	<b>757,710,813</b>

The accompanying notes from (1) to (42) form an integral part of these interim condensed consolidated financial statements

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF SOURCES AND USES OF FUNDS OF AL QARD**

**AL HASAN FUND AS OF 30 JUNE 2024 (REVIEWED AND UNAUDITED)**

**STATEMENT (F)**

	30 June 2024 JD (Reviewed And Unaudited)	31 December 2023 JD (Audited)
<b>Beginning balance for the period / year</b>	<b>28,300,475</b>	<b>41,906,315</b>
<b>Sources of the Fund:</b>		
Central bank account/ Al Qard Al Hasan Fund	3,987,716	6,516,675
Sources the Bank is authorized to use	37,353,157	53,845,565
Sources outside the Bank	2,316,800	2,394,621
<b>Total sources of the fund's assets for the period / year</b>	<b>43,657,673</b>	<b>62,756,861</b>
<b>Uses of the Fund:</b>		
Education	235,130	478,860
Medical treatment	145,420	370,840
Marriage	130,600	351,350
Overdraft accounts and other Al Qard al Hasan	13,567,428	16,398,730
Social advances for the Bank's employees	1,171,478	2,936,482
Central Bank of Jordan Program for Facing Corona Pandemic & Med-term agreement	-	100,000
<b>Total uses for the period / year</b>	<b>15,250,056</b>	<b>20,636,262</b>
<b>Settled for the period / year</b>	<b>(14,813,876)</b>	<b>(34,242,102)</b>
<b>Ending balance for the period / year</b>	<b>28,736,655</b>	<b>28,300,475</b>
Less: Provision for expected credit loss – self	(2,911,733)	(4,181,438)
<b>Ending balance for the period / year– net</b>	<b>25,824,922</b>	<b>24,119,037</b>

The accompanying notes from (1) to (42) form an integral part of these condensed consolidated interim financial statements

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

---

**(1) General Information**

Jordan Islamic Bank (the "Bank") was established as a public shareholding company on 28 November 1978 pursuant to the provisions of the Companies Law No. (12) Of 1964, Head Office is located in Amman with a capital of 200 million dinar authorized, subscribed and fully paid up at nominal value at one dinar per share.

The Bank offers banking, financial and investment services on an interest-free basis in compliance with the rules and principles of the Islamic Sharia through its Head Office, 89 branches and 22 banking offices inside the Kingdom as well as its subsidiaries. The Bank's transactions are governed by the applicable Bank's Law.

Jordan Islamic Bank shares are listed in Amman Stock Exchange - Jordan.

The bank owned by Al Baraka Group – Bahrain as 66% (the parent company), which shares are listed on the Bahrain market.

The interim condensed consolidated financial statements were authorized for issue by the Bank's Board of Directors in their No.5 meeting held on 22 July 2024.

**(2) Significant Accounting Policies**

**1-2 Basis of Preparation of the Interim Condensed Consolidated Financial Statements:**

The accompanying consolidated financial statements of the Bank and its subsidiaries financed from the Bank's funds and the joint investment funds ("the group") have been prepared in accordance with the Financial Accounting Standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), and it was approved by Central Bank of Jordan. In the absence of Financial Accounting Standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions relating to financial statements items, the International Accounting Financial Reporting Standards and related interpretations are applied in conformity with the Shari'a standards, pending the promulgation of Islamic Standards therefor.

The main differences between the Islamic accounting standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions as they should be applied, and the instructions of the Central Bank of Jordan can be summarized as follows:

- The provision for expected credit losses for direct facilities is recorded in accordance with the standard Impairment and Credit Losses and Onerous Commitments (FAS 30) issued by the Accounting and Auditing Organization for Islamic Financial Institutions and Central Bank of Jordan instructions No. 47 of 2009, and the most severe results are taken for the stage 2 and stage 3.
- A provision was calculated against the infringing repossessed real estate at the rate of 5% of the total book values of those real estates, and according to the Central Bank of Jordan Circular No. (10/3/16234) dated October 10, 2022, the calculation of the impairment provision for the infringing repossessed real estate was stopped and the balance of the existing provision will be released for any of the infringing repossessed real estate that is got rid of.
- No expected credit losses provision is calculated on exposures or guarantees of the Jordanian government.
- Profits are suspended on non-performing credit financing.
- The mandatory cash reserve at the Central Bank of Jordan is not excluded from cash and cash equivalents in the statement of cash flows.

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

---

- The financial statements and disclosures are presented and disclosed in accordance with the disclosure requirements issued by the Accounting and Auditing Organization for Islamic Financial Institutions, and the guidance models issued by the Central Bank of Jordan and the requirements of the Central Bank of Jordan.

The consolidated financial statements have been prepared according to the historical cost basis, except for financial assets through the income statement, financial assets at fair value through owner's equity, financial assets at fair value through equity of joint investment account holders and investments in real estate, which appear at fair value on the date of the consolidated financial statements.

The consolidated financial statements are presented in Jordanian Dinars (JD) which is the functional currency of the bank.

A distinction should be made between owner's equity (self) and joint investment accounts holders' (joint).

The interim condensed consolidated financial statements do not contain all information and disclosures for annual consolidated financial statements prepared in accordance with Sharia' rules and principles determined by the Bank's Sharia Supervisory Board and in accordance with Financial Accounting Standards issued by Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) and it was approved by Central Bank of Jordan, and it shall be read in conjunction with the Bank's annual report as of 31 December 2023. In addition, the results for the six months period ended 30 June 2024 do not necessarily indicate the expected results for the year ended 31 December 2024 and no appropriation was made for the six months profits ended 30 June 2024 since it is made at year-end.

**2-2 Basis of consolidation of the interim condensed consolidated financial statements:**

The consolidated financial statements comprise the financial statements of the Bank and its subsidiaries financed from the Bank's funds and the joint investment funds and subject to the Bank's control("Group"). Control exists when the Bank has power to govern the financial and operational policies of subsidiaries in order to obtain benefit from their activities. All intra-company transactions, balances, revenues, and expenses are eliminated.

The financial statements of subsidiaries are prepared for the same reporting period as the Bank, using consistent accounting policies.

The results of subsidiaries operations are consolidated in the consolidated income statement from the acquisition date, being the date, the Bank obtains control over subsidiaries. The results of operations for disposed subsidiaries shall be consolidated within the consolidated income statement until the date of disposal, which is the same date on which the Bank's loses control over subsidiaries.

The non-controlling interests represent the portion not owned by the Bank or by the unrestricted investment accounts of the subsidiaries owner's equity.

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

The Bank owns the following subsidiaries as of 30 June 2024:

Company Name	Paid in capital JD	Bank's ownership	Nature of Business	Source of fund	Place of Work	Acquisition Date
Omariah Schools Company Ltd.	16,000,000	99.8%	Education	Joint	Amman	1987
Al Samaha Financing and Islamic Investment Company Ltd.	12,000,000	100%	Financing	Joint	Amman	1998
Future Applied Computer Technology Company Ltd	5,000,000	100%	Services	Self	Amman	1998
Sanabel Al-Khair for Financial Investments Company Ltd.	5,000,000	100%	Brokerage	Self	Amman	2005

**2-3 Changes in Accounting Policies:**

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Bank's annual consolidated financial statements for the year ended 31 December 2023, except that the Bank has adopted the following new standards.

**The revised FAS 1- "General Presentation and Disclosures in the Financial Statements"**

The standard describes and improves the overall presentation and disclosure requirements prescribed in line with the global best practices and supersedes the earlier FAS 1. It is applicable to all Islamic financial institutions and other institutions following AAOIFI FASs. The revision of FAS 1 is in line with the modifications made to the "AAOIFI Conceptual Framework for Financial Reporting" (revised 2020) (the conceptual framework). The revised FAS 1 will assist preparers to produce financial statements that are clear, transparent and understandable, and in turn will aid the users to take better economic decisions.

The application of this standard on the interim consolidated financial statements did not have any impact.

There are no new standards that are binding and the group has not applied them as of 30 June 2024.

**4-2 Significant Accounting Policies that have an impact on the interim condensed consolidated financial statements as of 30 June 2024:**

Basis of distributing joint investments profit between owner's equity, unrestricted investment accounts holders' restricted investments accounts holders' and Al-Wakala Bi Al Istithmar accounts holders' (Investment portfolio):

**-Unrestricted investment accounts:**

The bank share as Mudarib was 40% for Jordanian dinar and 50% for foreign currency from total joint investment profit. (2023: 45% for Jordanian dinar, 55% for foreign currency), the remaining balance was distributed between each according to its percentage of contribution, taking into consideration that the priority for funds investment relates to the unrestricted investment accounts holders'.

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

---

The bank waived a portion of its share as Mudarib to become 24.9% instead of 40% to improve the overall share of profits distributed to all the Unrestricted investment account holders with an amount of JD 11,519,200 and some of the Unrestricted investment account holders with an amount of JD 7,180,043.

The bank waived a portion of its share as Mudarib in foreign currencies to become 36.0% instead of 50% to improve the overall share of profits distributed to all the Unrestricted investment account holders with an amount of JD 696,000 and some of the Unrestricted investment account holders with an amount of JD 510,291.

The semi-annual investment profits were distributed after deducting the bank's share as a mudarib as of 30 June 2024.

The Unrestricted investment accounts share in the investment profits, which are distributed to all investors each by its percentage of participation and conditions of the account agreement signed between the Bank and the investor.

**Unrestricted investment accounts participate in the profit as follows:**

- 40% of the annual average balance of saving accounts.
- 70% of the annual average balance of notice accounts.
- 90% of the minimum balance of term deposit accounts.

The bank bears all administrative expenses except for the insurance expense of Ijarah Muntahia Bittamleek assets which are allocated to the joint investment accounts profit.

**Al wakala Bi Al Istishmar accounts (investment portfolio):**

The bank's fees as an agent (wakeel) were deducted at a rate of 2% of the Al Wakala Bi Al Istithmar account's Capital (Investment Portfolio) as of 30 June 2024, if the annual net profit exceeds 3% after deducting the dividend tax, the excess shall be divided equally between the mawkeel and the wakeel as an incentive for the wakeel. The bank (wakeel) waived part of its share as a wakeel and its share in the increase in net profit by 3% after deducting income tax from the distributed profits determined according to the prospectus with an amount of JD 2,914,424.

The Bank's fees as an agent (wakeel) were deducted at a rate of 2% of the Al Wakala Bi Al Istithmar account's Capital (Investment Portfolio) as of 30 June 2023. The Bank (as an agent – Wakeel) waived part of its share as a wakeel with an amount of JD 1,719,561.

Profit was distributed to Al Wakala Bi Al Istithmar (Investment Portfolio) accounts holders' after deducting the bank's fees as an agent (wakeel).

**(3) Use of Estimates**

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of financial assets and liabilities and disclosure of contingent liabilities. These estimates and assumptions also affect the revenues and expenses and the provisions as well as fair value changes reported in shareholders' equity and unrestricted account holders' equity. In particular, considerable judgment by management is required in the estimation of the amount and timing of future cash flows. Such estimates are necessarily based on assumptions about several factors involving varying degrees of judgment and uncertainty and actual results may differ as a result of changes in conditions and circumstances of those estimates in the future.

In management's opinion, the estimates in the interim condensed consolidated financial statements are reasonable as follows:

- Expected credit losses for credit exposures: in determining expected credit losses for financial assets, judgment is required in the estimation of the amount and timing of future cash flows as well as an assessment of whether the credit risk on the financial assets has increased significantly since initial recognition and incorporation of forward looking information in the measurement of expected credit losses.
- Income tax provision: the fiscal period is charged with its related income tax according to the laws and accounting standards. Also, the deferred tax assets and liabilities as well as the required tax provision are estimated and recorded.
- Management periodically reevaluates the financial assets carried at cost in order to assess any expected credit losses. The expected credit losses are allocated in accordance to the financing party.
- A provision is set for the lawsuits raised against the Bank. This provision is based to an adequate legal study prepared by the Bank's legal advisor. Moreover, the study highlights potential risks that the Bank may encounter in the future. Such legal assessments are reviewed periodically.

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

---

**(4) Cash and Balances with Central Bank**

This item consists of the following:

	30 June 2024	31 December 2023
	JD (Reviewed And Unaudited)	JD (Audited)
<b>Cash in vaults</b>	<b>186,903,229</b>	<b>167,785,610</b>
<b>Balances at the Central Bank of Jordan:</b>		
Current accounts	423,606,657	426,174,524
Statutory cash reserve	188,892,650	183,390,074
<b>Total balances at the Central Bank of Jordan</b>	<b>612,499,307</b>	<b>609,564,598</b>
<b>Total</b>	<b>799,402,536</b>	<b>777,350,208</b>

In compliance with Islamic Shari'a rules and the Bank's Articles of Association and bylaws, the Bank does not earn any interest on balances and current accounts held with the Central Bank of Jordan.

An amount of JD 66,553,558 and JD 56,668,768 were deducted as at 30 June 2024 and as at 31 December 2023 respectively, which represent cash balances for accounts managed on behalf of others.

There are no balances maturing within more than three months period as of 30 June 2024 and 31 December 2023.

There are no restricted balances except for the statutory cash reserve as of 30 June 2024 and 31 December 2023. which is not excluded from cash and cash equivalent.

No provision for expected credit losses is calculated on balances with the Central Bank of Jordan according to the instructions of the Central Bank of Jordan that related to the application of a standard of impairment of assets, credit losses and high risk commitment standard No. (30) as at 5 July 2020

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

---

**.A- Movement on balances at Central bank note (4):**

**As of 30 June 2024 (Reviewed and Unaudited):**

	Stage 1
	Individual
	JD
Balances at the beginning of the period	609,564,598
New balances and accounts during the period	386,167,966
Balance and accounts settled	(383,233,257)
<b>Ending Balance</b>	<b><u>612,499,307</u></b>

**As of 31 December 2023 (Audited)**

	Stage 1
	Individual
	JD
Balances at the beginning of the year	526,481,153
New balances and accounts during the year	742,630,703
Balance and accounts settled	(659,547,258)
<b>Ending Balance</b>	<b><u>609,564,598</u></b>

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

**(5) Balances at Banks and Financial Institutions**

This item consists of the following:

	Foreign banks and financial institutions	
	30 June 2024	31 December 2023
	JD (Reviewed And Unaudited)	JD (Audited)
Current and on demand accounts	31,419,661	41,135,339
Less: provision for expected credit loss	(2,579,317)	(1,527,269)
<b>Net Current and on demand accounts</b>	<b>28,840,344</b>	<b>39,608,070</b>
Unrestricted accounts maturing within 3 months or less	62,037,500	41,476,500
Less: provision for expected credit loss	(5,593)	(5,319)
<b>Net unrestricted accounts maturing within 3 months or less</b>	<b>62,031,907</b>	<b>41,471,181</b>
<b>Total</b>	<b>90,872,251</b>	<b>81,079,251</b>

- In compliance with Islamic Shari'a rules and the Bank's Articles of Association and bylaws, the Bank does not earn any interest on current and on demand accounts at local and foreign banks and financial institutions.
- restricted balances at the local and foreign banks and financial institutions within current accounts amounted to (2,967,692 JD) as of 30 June 2024 compared to (1,923,631JD) as of 31 December 2023 which is deducted from cash and cash equivalents.

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

**(6) Investment accounts at bank and financial institutions**

This item consists of the following:

	Foreign banks and financial institutions	
	30 June 2024	31 December 2023
	JD	JD
	(Reviewed and Unaudited)	(Audited)
Within (3-6) months	2,836,000	4,254,000
Within (6-9) months	3,190,500	-
Less: expected credit losses provision	(5,845)	(57)
<b>Total</b>	<b>6,020,655</b>	<b>4,253,943</b>

There are no restricted balances for foreign banks and financial institutions as of 30 June 2024 and 31 December 2023.

**(7) Wakala Bil Istithmar Accounts**

This item consists of the following:

	Foreign banks and financial institutions	
	30 June 2024	31 December 2023
	JD	JD
	(Reviewed And Unaudited)	(Audited)
Maturing within 3 months or less	7,090,000	7,090,000
Within (3-6) months	35,450,000	17,725,000
Within (9-12) months	-	17,725,000
Less: Expected credit losses provision	(820,604)	(424,974)
<b>Total</b>	<b>41,719,396</b>	<b>42,115,026</b>

There are no restricted balances within al wakala bil istithmar accounts as of 30 June 2024 and 31 December 2023.

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

**A. Movement on balances at banks and financial institutions, investment accounts at banks and financial institution and wakala bil istithmar accounts (notes 5,6 and 7):**

**As of 30 June 2024 (Reviewed and Unaudited):**

	Stage 1 Individual JD	Stage 2 Individual JD	Stage 3 JD	Total JD
Balance at the beginning of the period	127,436,952	45,256	1,923,631	<b>129,405,839</b>
New balances and accounts during the period	95,011,706	-	-	<b>95,011,706</b>
Balances and accounts settled	(83,392,689)	(45,256)	-	<b>(83,437,945)</b>
Transferred from restricted investment accounts	-	-	1,063,500	<b>1,063,500</b>
Adjustments due to changes exchange rates	-	-	(19,439)	<b>(19,439)</b>
<b>Balance at the end of the period</b>	<b>139,055,969</b>	<b>-</b>	<b>2,967,692</b>	<b>142,023,661</b>

**As of 31 December 2023 (Audited):**

	Stage 1 Individual JD	Stage 2 Individual JD	Stage 3 JD	Total JD
Balance at the beginning of the year	79,863,598	-	1,000,309	<b>80,863,907</b>
New balances and accounts during the year	81,659,994	2,795	763	<b>81,663,552</b>
Balances and accounts settled	(33,836,906)	(207,273)	-	<b>(34,044,179)</b>
Transferred (from) to stage 2	(249,734)	249,734	-	<b>-</b>
Transferred from restricted investment accounts	-	-	1,063,500	<b>1,063,500</b>
Adjustments due to changes exchange rates	-	-	(140,941)	<b>(140,941)</b>
<b>Balance at the end of the year</b>	<b>127,436,952</b>	<b>45,256</b>	<b>1,923,631</b>	<b>129,405,839</b>

**B. movement on the expected credit losses on banks and financial institutions, investment accounts and wakala bil istithmar accounts (notes 5,6 and 7):**

**As of 30 June 2024 (Reviewed and Unaudited):**

	Stage 1 Individual JD	Stage 2 Individual JD	Stage 3 JD	Total JD
Balance at the beginning of the period	462,504	1,549	1,493,566	<b>1,957,619</b>
Expected credit losses on new balances and accounts during the period	484,824	-	-	<b>484,824</b>
Expected credit loss recovered from balances and accounts settled	(83,315)	(1,549)	-	<b>(84,864)</b>
Impact due to transferred from restricted investment accounts	-	-	1,063,500	<b>1,063,500</b>
Adjustments due to exchange rates changes	-	-	(9,720)	<b>(9,720)</b>
<b>Balance at the end of the period</b>	<b>864,013</b>	<b>-</b>	<b>2,547,346</b>	<b>3,411,359</b>

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

---

**As of 31 December 2023 (Audited):**

	Stage 1 Individual	Stage 2 Individual	Stage 3	Total
	JD	JD	JD	JD
Balance at the beginning of the year	336,775	-	500,155	<b>836,930</b>
Expected credit loss on new balances and accounts during the year	166,995	96	381	<b>167,472</b>
Expected credit loss recovered from balances and accounts settled	(25,868)	(13,945)	-	<b>(39,813)</b>
Transferred (from) to stage 2	(15,398)	15,398	-	-
Impact due to transferred from restricted investment accounts	-	-	1,063,500	<b>1,063,500</b>
Adjustments due to exchange rates changes	-	-	(70,470)	<b>(70,470)</b>
<b>Balance at the end of the year</b>	<b>462,504</b>	<b>1,549</b>	<b>1,493,566</b>	<b>1,957,619</b>

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

**(8) Deferred Sales Receivables and Other Receivables – Net**

This item consists of the following:

	Joint		Self		Total	
	30 June 2024	31 December 2023	30 June 2024	31 December 2023	30 June 2024	31 December 2023
	JD (Reviewed And Unaudited)	JD (Audited)	JD (Reviewed And Unaudited)	JD (Audited)	JD (Reviewed And Unaudited)	JD (Audited)
<b>Individuals (Retail):</b>						
Murabaha to the purchase orderer	1,014,717,477	977,064,943	-	-	<b>1,014,717,477</b>	<b>977,064,943</b>
Deferred sales	13,568,798	14,233,096	-	-	<b>13,568,798</b>	<b>14,233,096</b>
Ijarah Mawsoofa Bil Thimma	12,863,685	12,207,817	-	-	<b>12,863,685</b>	<b>12,207,817</b>
Ijarah Muntahia Bittamleek	8,217,272	7,575,802	-	-	<b>8,217,272</b>	<b>7,575,802</b>
Istisna'a	901,622	335,463	-	-	<b>901,622</b>	<b>335,463</b>
Customers' receivables	7,009,113	7,076,041	2,329,006	2,386,804	<b>9,338,119</b>	<b>9,462,845</b>
<b>Real estate financing</b>	<b>590,449,208</b>	<b>582,814,108</b>	<b>-</b>	<b>-</b>	<b>590,449,208</b>	<b>582,814,108</b>
<b>Corporate:</b>						
International Murabaha	32,837,165	28,952,856	-	-	<b>32,837,165</b>	<b>28,952,856</b>
Murabaha to the purchase orderer	742,927,584	655,142,126	-	-	<b>742,927,584</b>	<b>655,142,126</b>
Deferred sales	5,743,013	-	-	-	<b>5,743,013</b>	<b>-</b>
Ijarah Muntahia Bittamleek receivables	496,084	376,806	-	-	<b>496,084</b>	<b>376,806</b>
Istisna'a	13,497,663	15,131,782	-	-	<b>13,497,663</b>	<b>15,131,782</b>
<b>Small and Medium Enterprises (SME's):</b>						
Murabaha to the purchase orderer	192,189,943	186,368,176	-	-	<b>192,189,943</b>	<b>186,368,176</b>
Deferred sales	21,126	75,974	-	-	<b>21,126</b>	<b>75,974</b>
Ijarah Mawsoofa bil Thimma	672,905	22,755	-	-	<b>672,905</b>	<b>22,755</b>
Ijarah Muntahia Bittamleek	485,271	605,892	-	-	<b>485,271</b>	<b>605,892</b>
Istisna'a	2,457,576	1,582,582	-	-	<b>2,457,576</b>	<b>1,582,582</b>
Customers' receivables	-	-	4,056,730	4,207,014	<b>4,056,730</b>	<b>4,207,014</b>
<b>Government and public sector</b>	<b>892,302,986</b>	<b>932,500,508</b>	<b>-</b>	<b>58,825</b>	<b>892,302,986</b>	<b>932,559,333</b>
<b>Total</b>	<b>3,531,358,491</b>	<b>3,422,066,727</b>	<b>6,385,736</b>	<b>6,652,643</b>	<b>3,537,744,227</b>	<b>3,428,719,370</b>
Less: deferred revenues	(317,051,043)	(301,930,742)	-	-	<b>(317,051,043)</b>	<b>(301,930,742)</b>
Less: suspended revenues	(7,587,600)	(8,840,213)	-	-	<b>(7,587,600)</b>	<b>(8,840,213)</b>
Less: deferred mutual insurance provision	(32,188,818)	(30,131,872)	-	-	<b>(32,188,818)</b>	<b>(30,131,872)</b>
	(108,221,008)	(119,560,268)	(1,344,822)	(1,344,822)	<b>(109,565,830)</b>	<b>(120,905,090)</b>
<b>Net deferred sales and other receivables</b>	<b>3,066,310,022</b>	<b>2,961,603,632</b>	<b>5,040,914</b>	<b>5,307,821</b>	<b>3,071,350,936</b>	<b>2,966,911,453</b>

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

Movements on the suspended revenues (note 8) were as follows:

	Joint (Reviewed and Unaudited)				
	For the period ended 30 June 2024				
	Retail	Real estate financing	Large corporates	Small and Medium Enterprises	Total
	JD	JD	JD	JD	JD
Balance at the beginning of the period	4,256,876	1,187,263	2,829,837	566,237	<b>8,840,213</b>
Add: suspended revenues during the period	556,610	351,570	170,586	34,134	<b>1,112,900</b>
Less: revenue in suspense transferred to revenue	(87,286)	(71,758)	(89,089)	(43,470)	<b>(291,603)</b>
Less: suspended revenues written off	-	-	(2,073,910)	-	<b>(2,073,910)</b>
<b>Balance at the end of the period</b>	<b>4,726,200</b>	<b>1,467,075</b>	<b>837,424</b>	<b>556,901</b>	<b>7,587,600</b>
	Joint (Audited)				
	For the year ended 31 December 2023				
	Retail	Real estate financing	Large corporates	Small and Medium Enterprises	Total
	JD	JD	JD	JD	JD
Balance at the beginning of the year	4,435,761	1,186,801	3,037,492	725,116	<b>9,385,170</b>
Add: suspended revenues during the year	1,562,532	418,060	1,069,981	255,428	<b>3,306,001</b>
Less: revenue in suspense transferred to revenue	(1,640,195)	(272,649)	(1,079,837)	(333,211)	<b>(3,325,892)</b>
Less: suspended revenues written off	(101,222)	(144,949)	(197,799)	(81,096)	<b>(525,066)</b>
<b>Balance at the end of the year</b>	<b>4,256,876</b>	<b>1,187,263</b>	<b>2,829,837</b>	<b>566,237</b>	<b>8,840,213</b>

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

---

**(9) Ijarah Muntahia Bittamleek Assets - Net**

	Joint	
	30 June 2024	31 December 2023
	JD (Reviewed and Unaudited)	JD (Audited)
Cost	1,189,461,436	1,160,427,050
Accumulated Depreciation	(256,984,384)	(238,542,033)
Impairment provision	(75,000)	(75,000)
<b>Net Ijarah Muntahia Bittamleek assets</b>	<b>932,402,052</b>	<b>921,810,017</b>

The accrued Ijarah installments amounted to JD 9,198,627 as at 30 June 2024 compared to JD 8,558,500 as at 31 December 2023 and it is included in deferred sales receivables and other receivables (Note 8).

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

**(10) Financing – Net**

	Joint		Self		Total	
	30 June 2024	31 December 2023	30 June 2024	31 December 2023	30 June 2024	31 December 2023
	JD	JD	JD	JD	JD	JD
	(Reviewed	(Audited)	(Reviewed	(Audited)	(Reviewed	(Audited)
	And		And		And	
	Unaudited)		Unaudited)		Unaudited)	
<b>Individuals (Retail):</b>						
Diminishing Musharaka	41,093,156	39,925,049	168,741	179,072	<b>41,261,897</b>	<b>40,104,121</b>
Less: Expected credit loss provision	(254,825)	(253,710)	(1,566)	(2,492)	<b>(256,391)</b>	<b>(256,202)</b>
<b>Net Financing</b>	<b>40,838,331</b>	<b>39,671,339</b>	<b>167,175</b>	<b>176,580</b>	<b>41,005,506</b>	<b>39,847,919</b>

Non-performing deferred sales receivables, Ijarah Muntahia Bittamleek receivables, other receivables, financing and Al Qard Al Hasan amounted to JD 126,524,616 as at 30 June 2024, representing 3.51% of deferred sales receivable, Ijarah Muntahia Bittamleek receivables, other receivables, financing and Al Qard Al Hasan balance compared to JD 105,054,334 as at 31 December 2023, representing 3% of the utilized balance at the end of the previous year.

Non-performing deferred sales receivables, Ijarah Muntahia Bittamleek receivables, other receivables, financing and Al Qard Al Hasan after deducting suspended revenues amounted to JD 118,937,016 as at 30 June 2024, representing 3.30% of deferred sales, Ijarah Muntahia Bittamleek receivables, other receivables, financing and Al Qard Al Hasan balance after deductions suspended revenues, compared to JD 98,169,507 as at 31 December 2023, representing 2.81% of the utilized balance at the end of the previous year.

Deferred sales, other receivables, and financing granted to and guaranteed by the Government of Jordan amounted to JD 895,298,070 as at 30 June 2024, representing 24.82% of deferred sales, other receivables and financing balance, compared to JD 935,554,417 as at 31 December 2023, representing 26.75% of the utilized balance at the end of the previous year.

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

**A- Cumulative movement on direct facilities (deferred sales receivables, other receivables, financing and Al-Qard Al-Hasan) before expected credit losses provision:**

**As of 30 June 2024 (Reviewed And Unaudited):**

	Stage 1		Stage 2		Stage 3	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
<b>Balance at the beginning of the period</b>	1,554,042,188	1,063,481,170	378,255,206	45,125,637	115,316,938	<b>3,156,221,139</b>
New facilities during the period	579,976,384	201,568,197	100,960,466	4,843,828	826,620	<b>888,175,495</b>
Settled facilities	(475,145,350)	(170,785,080)	(108,461,082)	(9,764,391)	(10,016,121)	<b>(774,172,024)</b>
Transferred (from) to stage 1	28,574,534	11,962,582	(28,362,871)	(10,568,126)	(1,606,119)	-
Transferred (from) to stage 2	(116,580,802)	(30,762,571)	124,156,117	33,496,184	(10,308,928)	-
Transferred (from) to stage 3	(1,826,331)	(3,074,317)	(24,620,100)	(8,455,120)	37,975,868	-
Written of facilities	-	-	(19,309,292)	-	-	<b>(19,309,292)</b>
<b>Balance at the end of the period</b>	<b>1,569,040,623</b>	<b>1,072,389,981</b>	<b>422,618,444</b>	<b>54,678,012</b>	<b>132,188,258</b>	<b>3,250,915,318</b>

**As of 31 December 2023 (Audited):**

	Stage 1		Stage 2		Stage 3	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
<b>Balance at the beginning of the year</b>	1,624,433,741	1,034,199,652	349,255,458	42,654,507	115,430,682	<b>3,165,974,040</b>
New facilities during the year	658,525,781	412,028,403	158,769,388	9,000,460	6,047,972	<b>1,244,372,004</b>
Settled facilities	(675,277,983)	(362,211,030)	(164,392,819)	(18,295,189)	(27,362,354)	<b>(1,247,539,375)</b>
Transferred (from) to stage 1	53,627,957	14,956,592	(51,462,882)	(12,392,264)	(4,729,403)	-
Transferred (from) to stage 2	(91,831,894)	(28,546,828)	106,742,151	32,821,215	(19,184,644)	-
Transferred (from) to stage 3	(15,435,414)	(6,945,619)	(20,656,090)	(8,663,092)	51,700,215	-
Written of facilities	-	-	-	-	(6,585,530)	<b>(6,585,530)</b>
<b>Balance at the end of the year</b>	<b>1,554,042,188</b>	<b>1,063,481,170</b>	<b>378,255,206</b>	<b>45,125,637</b>	<b>115,316,938</b>	<b>3,156,221,139</b>

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

**B- Movement on the expected credit loss for direct facilities by segment (deferred sales receivables, other receivables, financing and Al-Qard Al-Hasan):**

**As of 30 June 2024 (Reviewed And Unaudited):**

	Large corporates	SMEs	Individuals	Real estate financing	Total
	JD	JD	JD	JD	JD
<b>Balance at the beginning of the period</b>	54,818,320	14,436,436	39,471,408	16,616,566	<b>125,342,730</b>
Expected credit loss on the new facilities during the period	2,548,167	426,980	1,187,015	198,663	<b>4,360,825</b>
Expected credit loss recovered from settled facilities	(117,318)	(226,924)	(826,667)	(120,590)	<b>(1,291,499)</b>
Transferred (from) to stage 1	(1,814,216)	3,383	749,688	425,764	<b>(635,381)</b>
Transferred (from) to stage 2	2,539,570	524,353	412,255	980,121	<b>4,456,299</b>
Transferred (from) to stage 3	(725,354)	(527,736)	(1,161,943)	(1,405,885)	<b>(3,820,918)</b>
Impact on ending balance provision due to change in staging classification	3,379,665	957,439	4,044,656	1,298,427	<b>9,680,187</b>
Adjustments	(2,451,697)	(139,077)	(1,778,229)	(1,679,994)	<b>(6,048,997)</b>
Written off facilities	(19,309,292)	-	-	-	<b>(19,309,292)</b>
<b>Balance at the end of the period</b>	<b>38,867,845</b>	<b>15,454,854</b>	<b>42,098,183</b>	<b>16,313,072</b>	<b>112,733,954</b>
<b>Reallocated:</b>					
Individual level provision	38,867,845	12,994,645	11,204,086	7,465,539	<b>70,532,115</b>
Collective level provision	-	2,460,209	30,894,097	8,847,533	<b>42,201,839</b>

**As of 31 December 2023 (Audited):**

	Large corporates	SMEs	Individuals	Real estate financing	Total
	JD	JD	JD	JD	JD
<b>Balance at the beginning of the year</b>	55,333,502	17,440,531	34,512,265	21,745,435	<b>129,031,733</b>
Expected credit loss on the new facilities during the year	4,481,153	964,719	2,294,281	760,184	<b>8,500,337</b>
Expected credit loss recovered from settled facilities	(3,829,059)	(1,381,068)	(2,668,850)	(1,356,083)	<b>(9,235,060)</b>
Transferred (from) to stage 1	1,265,562	116,218	2,160,524	842,286	<b>4,384,590</b>
Transferred (from) to stage 2	4,631,417	1,164,166	95,933	(105,702)	<b>5,785,814</b>
Transferred (from) to stage 3	(5,896,979)	(1,280,384)	(2,256,457)	(736,584)	<b>(10,170,404)</b>
Impact on ending balance provision due to change in staging classification	4,249,259	981,601	4,410,775	8,165,654	<b>17,807,289</b>
Adjustments	(1,741,872)	(2,770,123)	1,585,012	(11,766,775)	<b>(14,693,758)</b>
Written off facilities	(3,674,663)	(799,224)	(662,075)	(931,849)	<b>(6,067,811)</b>
<b>Balance at the end of the period</b>	<b>54,818,320</b>	<b>14,436,436</b>	<b>39,471,408</b>	<b>16,616,566</b>	<b>125,342,730</b>
<b>Reallocated:</b>					
Individual level provision	54,818,320	12,373,913	9,657,234	8,262,589	<b>85,112,056</b>
Collective level provision	-	2,062,523	29,814,174	8,353,977	<b>40,230,674</b>

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

**Cumulative movement on the expected credit loss for direct facilities by stage (sales receivables, other receivables, financing and Al-Qard Al-Hasan):**

	As of 30 June 2024 (Reviewed and Unaudited)						As of 31 December 2023 (Audited)
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
Balance at the beginning of the period / year	3,564,292	9,294,179	32,224,194	3,923,605	76,336,460	125,342,730	129,031,733
Impairment loss on new exposures during the period / year	834,808	321,915	2,151,685	607,832	444,585	4,360,825	8,500,337
Recovered from impairment loss on settled exposures	(4,485)	(26,154)	(122,279)	(151,009)	(987,572)	(1,291,499)	(9,235,060)
Transferred (from) to stage 1	169,911	1,383,011	(138,640)	(636,958)	(777,324)	-	-
Transferred (from) to stage 2	(2,055,395)	(119,190)	5,842,027	1,158,217	(4,825,659)	-	-
Transferred (from) to stage 3	(3,106)	(10,612)	(751,417)	(1,016,930)	1,782,065	-	-
Impact on impairment loss due to change in staging classification	636,617	4,090,466	8,041,108	2,233,394	(5,321,398)	9,680,187	17,807,289
Impact on provision due to adjustment	(1,094,653)	(11,064,473)	(13,156,360)	(939,231)	20,205,720	(6,048,997)	(14,693,758)
Impairment loss on written off exposures	-	-	(19,309,292)	-	-	(19,309,292)	(6,067,811)
Balance at the end of the period / year	2,047,989	3,869,142	14,781,026	5,178,920	86,856,877	112,733,954	125,342,730

**(11) Financial Assets at Fair Value Through Income Statement – Self Financed**

	30 June 2024 JD (Reviewed and Unaudited)	31 December 2023 JD (Audited)
<b>Quoted financial assets</b>		
Companies shares	17,806	-
<b>Total financial assets at fair value through income statement – self financed</b>	<b>17,806</b>	<b>-</b>

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

**(12) Financial Assets at Fair Value Through Owner's Equity – Self Financed**

	30 June 2024	31 December 2023
	JD (Reviewed And Unaudited)	JD (Audited)
<b>Quoted financial assets</b>		
Companies shares	5,855,061	5,805,840
<b>Total financial assets – quoted</b>	<b>5,855,061</b>	<b>5,805,840</b>
<b>Unquoted financial assets</b>		
Companies shares	2,897,515	2,875,021
Al Wakala Bi Al Istithmar (investment portfolio)	11,603,500	11,000,000
<b>Total financial assets - unquoted</b>	<b>14,501,015</b>	<b>13,875,021</b>
<b>Total financial assets at fair value through owner's equity – self financed</b>	<b>20,356,076</b>	<b>19,680,861</b>

**(13) Financial Assets at Fair Value Through Joint Investment Account Holder's Equity**

	30 June 2024	31 December 2023
	JD (Reviewed And Unaudited)	JD (Audited)
<b>Quoted financial assets:</b>		
Companies shares	13,529,287	14,874,723
<b>Total quoted financial assets</b>	<b>13,529,287</b>	<b>14,874,723</b>
<b>Unquoted financial assets:</b>		
Companies shares	21,954,853	18,368,379
Al Wakala Bi Al Istithmar (investment portfolio)	1,717,318	1,202,000
<b>Total unquoted financial assets</b>	<b>23,672,171</b>	<b>19,570,379</b>
<b>Total financial assets at fair value through joint investment accounts holders' equity</b>	<b>37,201,458</b>	<b>34,445,102</b>

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

**(14) Financial Assets at Amortized Cost**

	30 June 2024 JD (Reviewed And Unaudited)	31 December 2023 JD (Audited)
<b>Quoted financial assets</b>		
Islamic Sukuk	12,762,000	12,762,000
Less: Expected credit losses provision	(33,393)	(61,929)
<b>Net quoted financial assets</b>	<b>12,728,607</b>	<b>12,700,071</b>
<b>Unquoted financial assets at amortized cost</b>		
Islamic Sukuk	406,492,946	392,727,989
Islamic banks portfolio	1,818,373	1,832,449
<b>Total unquoted financial assets</b>	<b>408,311,319</b>	<b>394,560,438</b>
Less: Expected credit losses provision	(1,827,766)	(1,821,965)
<b>Net unquoted financial assets</b>	<b>406,483,553</b>	<b>392,738,473</b>
<b>Total Financial Assets at amortized cost</b>	<b>419,212,160</b>	<b>405,438,544</b>

- Islamic Sukuk in Jordanian Dinars rate of return ranges between (3.55% - 6.00%) payable on a semi-annual basis, with a maturity of less than 5 years.
- Islamic Sukuk in US Dollars rate of return on long term ranges between (6.87% - 10.00%) payable on a semi-annual basis, with a maturity of less than 9 years.
- Rate of return on short term Islamic Sukuk in US Dollars ranges between (5.65% - 6.10%) with a maturity of 3-6 months.

**A. Cumulative movement on financial assets at amortized cost:**

**As of 30 June 2024 (Reviewed and Unaudited):**

	Stage 1 Individual JD	Stage 2 Individual JD	Stage 3 JD	Total JD
<b>Balance at the beginning of the period</b>	405,489,989	14,076	1,818,373	<b>407,322,438</b>
New investments during the period	14,654,672	-	-	<b>14,654,672</b>
Matured investments	(889,715)	(14,076)	-	<b>(903,791)</b>
<b>Balance at the end of the period</b>	<b>419,254,946</b>	<b>-</b>	<b>1,818,373</b>	<b>421,073,319</b>

**As of 31 December 2023 (Audited):**

	Stage 1 Individual JD	Stage 2 Individual JD	Stage 3 JD	Total JD
<b>Balance at the beginning of the year</b>	393,671,885	3,016,672	1,818,373	<b>398,506,930</b>
New investments during the year	195,652,986	14,076	-	<b>195,667,062</b>
Matured investments	(183,834,882)	(3,016,672)	-	<b>(186,851,554)</b>
<b>Balance at the end of the year</b>	<b>405,489,989</b>	<b>14,076</b>	<b>1,818,373</b>	<b>407,322,438</b>

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

**B. Cumulative movement on the expected credit loss provision:**

**As of 30 June 2024 (Reviewed And Unaudited):**

	Stage 1 Individual JD	Stage 2 Individual JD	Stage 3 JD	Total JD
<b>Balance at the beginning of the period</b>	65,497	24	1,818,373	<b>1,883,894</b>
Expected credit loss on new investments during the period	9,393	-	-	<b>9,393</b>
Expected credit loss recovered from matured investments	(32,104)	(24)	-	<b>(32,128)</b>
<b>Balance at the end of the period</b>	<b>42,786</b>	<b>-</b>	<b>1,818,373</b>	<b>1,861,159</b>

**As of 31 December 2023 (Audited):**

	Stage 1 Individual JD	Stage 2 Individual JD	Stage 3 JD	Total JD
<b>Balance at the beginning of the year</b>	142,555	184,090	1,818,373	<b>2,145,018</b>
Expected credit loss on new investments during the year	44,617	24	-	<b>44,641</b>
Expected credit loss recovered from matured investments	(121,675)	(184,090)	-	<b>(305,765)</b>
<b>Balance at the end of the year</b>	<b>65,497</b>	<b>24</b>	<b>1,818,373</b>	<b>1,883,894</b>

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

**(15) Investments in associates**

This item consists of the following:

Company Name	Country of incorporation	Percentage of ownership %	Nature of activity	Acquisition date	Joint			
					Cost		Value under equity method	
					30 June 2024	31 December 2023	30 June 2024	31 December 2023
					JD (Reviewed andUnaudited)	JD (Audited)	JD (Reviewed andUnaudited)	JD (Audited)
Jordan Center for International Trading Co.	Jordan	28.4	Commercial	1983	1,070,507	1,070,507	1,581,421	1,538,478
Islamic Insurance Co.	Jordan	33.3	Insurance	1995	4,625,908	4,625,908	8,059,197	7,799,976
<b>Total associates</b>					<b>5,696,415</b>	<b>5,696,415</b>	<b>9,640,618</b>	<b>9,338,454</b>

Investments in associates are measured using equity method, Fair value of these investments as at 30 June 2024 amounted to JD 9,957,150 compared to JD 7,966,400 as at 31 December 2023.

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

**(16) Investments in Real Estate**

	Joint	
	30 June 2024	31 December 2023
	JD	JD
	(Reviewed And Unaudited)	(Audited)
Investments in real estate *	109,831,149	110,863,490
<b>Total</b>	<b>109,831,149</b>	<b>110,863,490</b>

\* Investment in real estate is presented at fair value, with a book value (cost) of JD 105,646,096 as at 30 June 2024 compared to JD 106,050,355 as at 31 December 2023.

- Movements on investments in real estate were as follow:

	30 June 2024 (Reviewed and Unaudited)		
	Lands	Buildings	Total
	JD	JD	JD
Balance at the beginning of the period	63,957,497	46,905,993	<b>110,863,490</b>
Disposals	(1,032,341)	-	<b>(1,032,341)</b>
<b>Net Investments in real estate at the end of the period</b>	<b>62,925,156</b>	<b>46,905,993</b>	<b>109,831,149</b>

	31 December 2023 (Audited)		
	Lands	Buildings	Total
	JD	JD	JD
Balance at the beginning of the year	67,225,609	46,470,583	<b>113,696,192</b>
Additions	-	168,970	<b>168,970</b>
Disposals	(8,136,326)	(58,295)	<b>(8,194,621)</b>
Revaluation difference	4,868,214	324,735	<b>5,192,949</b>
<b>Net Investments in real estate at the end of the year</b>	<b>63,957,497</b>	<b>46,905,993</b>	<b>110,863,490</b>

- The fair value of real estate investments is based on the average of the valuations made by independent appraisers who have the professional qualifications and experience to evaluate the location and type of properties subject to appraisal as on 31 December 2023. The fair value was determined based on recent market transactions as well as the information and professional judgment of independent appraisers.

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

**(17) Other Assets**

	30 June 2024	31 December 2023
	JD	JD
	(Reviewed And Unaudited)	(Audited)
Accrued revenues	8,348,779	6,679,873
Prepaid expenses	8,275,382	339,297
Temporary debit accounts	9,600,164	8,032,556
Stationery and publications inventory	662,082	635,326
Stamps	82,821	79,285
Credit card accounts	13,617,315	10,668,072
Settlement guarantee fund deposits	25,000	25,000
Refundable deposits	372,832	385,405
Customer receivables from instant payment	-	3,750,528
Seized assets by the Bank against debts- net*	56,257,439	52,577,034
Others	409,131	425,147
<b>Total</b>	<b>97,650,945</b>	<b>83,597,523</b>

**\* The following is a summary of the movement for the seized assets owned by the Bank against debts:**

	Joint		Self		Total	
	31		31		31	
	30 June 2024	December 2023	30 June 2024	December 2023	30 June 2024	December 2023
	JD	JD	JD	JD	JD	JD
	(Reviewed And Unaudited)	(Audited)	(Reviewed And Unaudited)	(Audited)	(Reviewed And Unaudited)	(Audited)
<b>Beginning balance for the period / year</b>	54,369,668	44,977,351	141,247	79,467	<b>54,510,915</b>	<b>45,056,818</b>
Additions	4,629,812	14,413,182	81,974	61,780	<b>4,711,786</b>	<b>14,474,962</b>
Disposals	(1,024,806)	(5,020,865)	-	-	<b>(1,024,806)</b>	<b>(5,020,865)</b>
<b>Ending balance for the period / year</b>	<b>57,974,674</b>	<b>54,369,668</b>	<b>223,221</b>	<b>141,247</b>	<b>58,197,895</b>	<b>54,510,915</b>
Provision for acquired assets **	(562,358)	(567,784)	-	-	<b>(562,358)</b>	<b>(567,784)</b>
provision for impairment in acquired assets	(1,378,098)	(1,366,097)	-	-	<b>(1,378,098)</b>	<b>(1,366,097)</b>
<b>Total</b>	<b>56,034,218</b>	<b>52,435,787</b>	<b>223,221</b>	<b>141,247</b>	<b>56,257,439</b>	<b>52,577,034</b>

\*\* A provision was calculated against seized assets held for more than four years at the rate of 5% of the total book values of those assets during the year 2022, and according to the Central Bank of Jordan Circular No. (10/3/16234) dated 10 October 2022, the calculation of the provision was stopped and restricted the use of previously booked provision only upon the disposal of the seized assets.

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

**(18) Customers' Current and on Demand Accounts**

	30 June 2024 (Reviewed and Unaudited)				
	Retail	Large corporates	Small and Medium Enterprises	Government and public sector	Total
	JD	JD	JD	JD	JD
Current accounts	793,539,448	23,908,508	264,244,427	35,889,843	1,117,582,226
On demand accounts	257,987,503	588,041	1,281,073	-	259,856,617
Total	1,051,526,951	24,496,549	265,525,500	35,889,843	1,377,438,843

	31 December 2023 (Audited)				
	Retail	Large corporates	Small and Medium Enterprises	Government and public sector	Total
	JD	JD	JD	JD	JD
Current accounts	784,124,874	22,065,664	272,358,753	21,630,661	1,100,179,952
On demand accounts	256,260,387	487,150	957,783	-	257,705,320
Total	1,040,385,261	22,552,814	273,316,536	21,630,661	1,357,885,272

Government and public sector deposits inside the Kingdom amounted to JD 35,889,843 representing 2,61% of the total customers' current and on demand accounts as at 30 June 2024 compared to JD 21,630,661 representing 1.59% as at 31 December 2023.

Dormant accounts amounted to JD 9,952,875 as of 30 June 2024 compared to JD 11,519,230 as of 31 December 2023.

The restricted accounts amounted to JD 5,692,123 representing 0.41% of the total customers' current and on demand accounts as of 30 June 2024 compared to JD 7,752,466 representing 0.57% as of 31 December 2023 of the total customers' current and on demand accounts.

**(19) Other provisions**

This item consists of the following:

	30 June 2024 (Reviewed and Unaudited)				
	Beginning Balance for the period	Appropriated during the period	Transferred to (from) during the period	Utilized/Paid during the period	Ending Balance for the period
	JD	JD	JD	JD	JD
End of service indemnity provision	3,350,056	-	-	(584,751)	2,765,305
Legal case held against bank provision	75,000	-	-	-	75,000
Employees' vacation provision	3,950,000	-	-	-	3,950,000
Expected credit losses provision against Contingent liabilities -(Note 40-B) Joint	455,424	-	(104,363)	-	351,061
Expected credit losses provision against Contingent liabilities -(Note 40-B) Self	5,214,482	-	218,583	-	5,433,065
<b>Total</b>	<b>13,044,962</b>	<b>-</b>	<b>114,220</b>	<b>(584,751)</b>	<b>12,574,431</b>

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

31 December 2023 (Audited)

	Beginning Balance for the year JD	Appropriated during the year JD	Transferred to (from) during the year JD	Utilized/Paid during the period JD	Ending Balance for the year JD
End of service indemnity provision	5,200,000	550,000	-	(2,399,944)	<b>3,350,056</b>
Legal cases held against bank provision	75,000	-	-	-	<b>75,000</b>
Employees' vacation provision	3,800,000	150,000	-	-	<b>3,950,000</b>
Expected credit losses provision against Contingent liabilities -(Note 40-B) Joint	736,810	-	(281,386)	-	<b>455,424</b>
Expected credit losses provision against Contingent liabilities -(Note 40-B) Self	5,842,350	-	(627,868)	-	<b>5,214,482</b>
<b>Total</b>	<b>15,654,160</b>	<b>700,000</b>	<b>(909,254)</b>	<b>(2,399,944)</b>	<b>13,044,962</b>

**(20) Income Tax Provision**

**A- Bank's Income Tax Provision:**

Movements on the Bank's income tax provision were as follows:

	30 June 2024 JD (Reviewed And Unaudited)	31 December 2023 JD (Audited)
<b>Beginning balance for the period / year</b>	<b>29,925,751</b>	<b>31,300,247</b>
Income tax paid	(26,804,072)	(27,654,238)
Income tax expense	14,844,868	32,242,542
Income tax paid in advance for the years 2023 and 2024	(3,000,000)	(5,962,800)
<b>Ending balance for the period / year</b>	<b>14,966,547</b>	<b>29,925,751</b>

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

**B- The income tax expense shown in the interim condensed consolidated Income Statement represents the following:**

	30 June	
	2024	2023
	JD	JD
	(Reviewed And Unaudited)	(Reviewed And Unaudited)
Income tax expense for the profit of the period	14,844,868	14,993,632
Deferred tax assets (formed) during the period	-	(23,548)
<b>Total</b>	<b>14,844,868</b>	<b>14,970,084</b>

Income tax was calculated in accordance with Income Tax Law No. (38) of 2018 and its amendments, to become 35% income tax in addition to 3% national contribution, a total of 38% for the Bank.

The Bank reached a final settlement up to end of 2020 and the Bank submitted the income tax declarations for the years 2021 and 2023, but the Income and Sales Tax Department has not reviewed the records up to the date of this interim condensed consolidated financial statements.

There are no pending cases concerning the bank with the Income Tax Court, and in the opinion of the bank's administration and its tax consultant, the tax allocations taken are sufficient as of 30 June 2024.

**Subsidiary Companies:**

**Al Samaha Financing and Islamic Investment Company Ltd:**

The Company reached a final settlement with the income tax department up to end of 2022, , excluding the years 2019,2020,2021 and 2023 the Company submitted the income tax declaration for the years 2019,2020,2021 and 2023, the income and sales tax department has not reviewed the records up to the date of this interim condensed consolidated financial statements .

**Sanabel Al-Khair for financial investment Company Ltd:**

The Company reached a final settlement with the income tax department up to end of 2022, excluding the years 2021 and 2023 the Company submitted the income tax declaration for the years 2021 and 2023. The income and sales tax department has not reviewed the records up to the date of this interim condensed consolidated financial statements.

**Omaryeh school company Ltd:**

The Company reached final settlement with the income tax department up to end of 2022, excluding te year 2023 the Company submitted the income tax declaration for the year 2023, the income tax deparatement has not reviewed the records up to the date of this interim condensed consolidated financial statements.

**Future Applied Computer Technology Company Ltd:**

The Company reached final settlement with the income tax department up to end of 2022 , excluding the years 2021 and 2023 the Company submitted the income tax declaration for the years 2021 and 2023, the income and sales tax deparatement has not reviewed the records up to the date of this interim condensed consolidated financial statements.

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

**21) Other Liabilities**

This item consists of the following:

	30 June 2024	31 December 2023
	JD	JD
	(Reviewed And Unaudited)	(Audited)
Accepted cheques	218,907	333,416
Revenues received in advance	1,565,547	1,555,044
Al Qard Al Hasan Fund	2,316,800	2,394,621
Temporary deposits	2,114,477	1,975,326
Miscellaneous credit balances	1,548,346	1,640,906
Cheques against notes payables	4,277,086	5,965,229
Investments deposit profits	-	450,735
Banker's cheques	13,085,217	7,128,518
Accounts payable	1,590,461	1,199,041
Collection bills	8,865,001	6,020,454
Cards limits - received in advance	8,507,574	7,028,723
others	5,330,718	3,628,389
<b>Total</b>	<b>49,420,134</b>	<b>39,320,402</b>

**(22) Unrestricted Investment Accounts**

**A- This item consists of the following:**

	30 June 2024 (Reviewed and Unaudited)					
	Retail	Large corporates	Small and Medium Enterprises	Government and public sector	Banks	Total
	JD	JD	JD	JD	JD	JD
Saving accounts	600,459,813	442,753	7,313,491	997	32,117,982	640,335,036
Notice accounts	6,609,822	-	3,408,284	679,806	17,768,347	28,466,259
Investment deposit accounts	2,459,613,443	54,287,177	283,135,064	158,230,801	38,000,000	2,993,266,485
<b>Total</b>	<b>3,066,683,078</b>	<b>54,729,930</b>	<b>293,856,839</b>	<b>158,911,604</b>	<b>87,886,329</b>	<b>3,662,067,780</b>
Depositors' share from						
Investment returns-(Note 31)	49,359,480	1,394,562	6,417,967	3,933,304	1,244,847	62,350,160
<b>Total unrestricted investment accounts</b>	<b>3,116,042,558</b>	<b>56,124,492</b>	<b>300,274,806</b>	<b>162,844,908</b>	<b>89,131,176</b>	<b>3,724,417,940</b>
	31 December 2023 (Audited)					
	Retail	Large corporates	Small and Medium Enterprises	Government and public sector	Banks	Total
	JD	JD	JD	JD	JD	JD
Saving accounts	613,753,651	2,035,680	7,850,331	834	25,048,793	648,689,289
Notice accounts	7,251,271	-	3,369,511	669,287	13,977,981	25,268,050
Investment deposit accounts	2,316,033,844	47,332,577	255,663,493	153,120,592	35,000,000	2,807,150,506
<b>Total</b>	<b>2,937,038,766</b>	<b>49,368,257</b>	<b>266,883,335</b>	<b>153,790,713</b>	<b>74,026,774</b>	<b>3,481,107,845</b>
Depositors' share from						
Investment returns-(Note 31)	45,697,123	1,100,189	6,787,296	2,254,041	1,120,112	56,958,761
<b>Total unrestricted investment accounts</b>	<b>2,982,735,889</b>	<b>50,468,446</b>	<b>273,670,631</b>	<b>156,044,754</b>	<b>75,146,886</b>	<b>3,538,066,606</b>

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

Unrestricted investment accounts share of profits is calculated as follows:

- 40% of the annual average balance of saving accounts.
- 70% of the annual average balance of notice accounts.
- 90% of the minimum balance of Investment deposit accounts.

Profit distributed percentage for Jordanian Dinars on unrestricted investment accounts was 4.25% - 7.22% as at 30 June 2024 compared to as at 31 December 2023 was 4.00% - 5.90% .Profit distributed percentage of foreign currencies on unrestricted investment accounts was 3.35% - 5.78% as at 30 June 2024 compared to as at 30 June 2023 was 3.33% - 4.17%.

Profit distributed percentage for Jordanian Dinars on saving and notice accounts was 3.21% as at 30 June 2024 compared to as at 31 December 2023 was 2.8% .Profit distributed percentage of foreign currencies on saving and notice accounts was 2.76% as at 30 June 2024 compared to as at 30 June 2023 was 2.1%.

Unrestricted investment accounts (Government of Jordan and Public Sector) inside the Kingdom amounted to JD 162,844,908 representing 4.37 % of the total unrestricted investment accounts as at 30 June 2024 compared to 156,044,754 representing 4.41%as at 31 December 2023.

Dormant accounts amounted to JD 25,598,445 as at 30 June 2024 compared to JD 28,740,581 as at 31 December 2023.

The withdrawal restricted investment accounts amounted to JD 6,571,410 representing 0.18 % of the total unrestricted investment accounts as at 30 June 2024 compared to 6,809,398 representing 0.19% as at 31 December 2023.

The balance of the mutual insurance fund included in the unrestricted investment accounts amounted to 62,354,240 JD as of 30 June 2024 (2023: 61,174,333JD) (Note 24-B).

**B- Investment accounts holders' reserve and non- controlling interest – in subsidiaries and associates**

	Joint	
	30 June 2024	31 December 2023
	JD	JD
	(Reviewed And Unaudited)	(Audited)
Investment accounts holders' reserve – Subsidiaries	11,760,039	11,653,337
Investment accounts holders' reserve – Associates	3,944,203	3,642,039
<b>Total</b>	<b>15,704,242</b>	<b>15,295,376</b>
<b>Non-Controlling Interests-investment account holders</b>	<b>38,632</b>	<b>38,571</b>

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

**(23) Fair Value Reserve -net**

**A- Joint**

	Joint	
	30 June 2024	31 December 2023
	JD	JD
	(Reviewed And Unaudited)	(Audited)
Financial assets evaluation at fair value through joint investment accounts holders' equity reserve	(4,597,254)	(4,103,776)
Investments evaluation in real estate reserve	2,594,733	2,984,144
<b>Total</b>	<b><u>(2,002,521)</u></b>	<b><u>(1,119,632)</u></b>

**B - Movement on the fair value reserve\ joint investment accounts holders' equity  
were as follows:**

	30 June 2024 (Reviewed and Unaudited)		
	Financial assets at fair value	Investments in real estate	Total
	JD	JD	JD
<b>Balance at the beginning of the period *</b>	(6,618,994)	4,813,135	<b>(1,805,859)</b>
Unrealized losses	(758,071)	(363,908)	<b>(1,121,979)</b>
Deferred tax assets (liabilities)	2,817,672	(1,590,320)	<b>1,227,352</b>
Profits transferred to the consolidated income statement	(37,861)	(264,174)	<b>(302,035)</b>
<b>Balance at the end of the period</b>	<b><u>(4,597,254)</u></b>	<b><u>2,594,733</u></b>	<b><u>(2,002,521)</u></b>

	31 December 2023 (Audited)		
	Financial assets at fair value	Investments in real estate	Total
	JD	JD	JD
<b>Balance at the beginning of the year</b>	(3,141,520)	4,288,313	<b>1,146,793</b>
Unrealized (losses) profits	(3,160,771)	4,732,960	<b>1,572,189</b>
Deferred tax assets (liabilities)	2,515,218	(1,828,991)	<b>686,227</b>
Profits transferred to the consolidated income statement	(316,703)	(4,208,138)	<b>(4,524,841)</b>
<b>Balance at the end of the year</b>	<b><u>(4,103,776)</u></b>	<b><u>2,984,144</u></b>	<b><u>(1,119,632)</u></b>

\* The balance of the fair value reserve at the beginning of the current period after subtracting the deferred tax assets for the previous year is shown in the amount of JOD 686,227.

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

**C- Self**

	Self	
	30 June 2024	31 December 2023
	JD (Reviewed And Unaudited)	JD (Audited)
Financial assets evaluation reserve at fair value through owner's equity – self	3,952,677	3,843,291
<b>Total</b>	<b>3,952,677</b>	<b>3,843,291</b>

**D- Movement on the fair value reserve / owner's equity (shareholders equity) were as follows:**

	Financial assets at fair value	
	30 June 2024	31 December 2023
	JD (Reviewed And Unaudited)	JD (Audited)
Beginning Balance for the period / year *	6,198,856	4,722,693
Unrealized (losses) profits	176,429	1,481,457
Deferred tax liabilities	(2,422,608)	(2,355,565)
Profits transferred to retained earnings	-	(5,294)
<b>Ending Balance for the period / year</b>	<b>3,952,677</b>	<b>3,843,291</b>

\* The balance of the fair value reserve at the beginning of the current period appears after adding the deferred tax liabilities for the previous year in the amount of JOD 2,355,565.

**(24) Provision for future expected risks and mutual insurance fund:**

**A- Provision for future expected risks**

**Movement on provision for future risks were as follows :**

	30 June 2024	31 December 2023
	JD (Reviewed And Unaudited)	JD (Audited)
Beginning balance for the period / year	12,900,524	15,155,371
Transfer to provision for expected credit loss-joint	(7,162,447)	(2,254,847)
<b>Ending Balance for the period / year</b>	<b>5,738,077</b>	<b>12,900,524</b>

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

**B. Mutual Insurance Fund**

**Movement on the Mutual Insurance Fund were as follows:**

	30 June 2024	31 December 2023
	JD (Reviewed And Unaudited)	JD (Audited)
<b>Beginning balance for the period / year</b>	<b>61,174,333</b>	<b>54,352,361</b>
Add: profits for the years 2023 and 2022	1,087,549	2,388,860
Add: insurance premiums collected during the period / year	6,983,576	12,578,487
Add: amounts recovered from prior years losses	65,262	179,376
Less: insurance premiums paid during the period / year	(3,822,168)	(7,060,355)
Less: income tax funds for the years 2023 and 2022	(2,117,312)	(662,135)
Less: fund's committee members remunerations	(17,000)	(16,783)
Less: consulting fees during the period / year	-	(1,741)
Less: losses written off during the period / year	-	(583,737)
Transferred to provision for expected credit losses during the period	(1,000,000)	-
<b>Ending balance for the period / year</b>	<b>62,354,240</b>	<b>61,174,333</b>

The mutual insurance fund was established based on Article (54) - paragraph (D/3) of the Banks Law No. (28) for the year 2000.

Prior approval of the Central Bank of Jordan must be obtained in case of any changes to the mutual insurance fund policies.

In case of discontinuing the mutual insurance fund for any reason, the Board of Directors shall determine the way of spending the fund's sources for charity.

The Central Bank of Jordan approved considering the Mutual Insurance Fund as mitigating risk exposure according to its letter No. (10/1/12160) dated 9 October 2014.

The bank expanded the coverage of the insured segment as of 1 July 2023 to include those who debts due amount (equal JD 200 thousand or less) instead of (JD 150 thousand or less) after obtaining the approval of the Central Bank of Jordan.

Compensation payment for the subscriber is made from the fund as determined by the Bank from the subscriber's outstanding debt insured in Murabaha or in any other form of deferred sales or as determined by the Bank from the debt and/or the remaining amount from the Ijarah asset in the following cases:

- Death of subscriber.
- The subscriber's physical disability, fully or partially.
- The subscriber's insolvency due to lack of income sources for at least one year, without having an asset or possessing the leased estate to settle his debt and has no opportunity to obtain income source in the upcoming year that enable the debtor to settle his debt or to continue in the finance lease and based on the bank's decision about it.
- As of the beginning of 2018, the group has applied the accrual basis instead of cash basis with regards to insurance premiums received from subscribers.
- Mutual insurance fund covers financing granted by the Bank (financing granted from joint investment accounts and Al Wakala Bi Al Istithmar accounts (Investments Portfolio)).
- The balance of the mutual fund insurance is among the unrestricted investment accounts (note 22-A).

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

**C. Provision for expected credit losses- Deferred sales receivables and other receivables - joint (note 8)**

	30 June 2024	31 December 2023
	JD	JD
	(Reviewed And Unaudited)	(Audited)
Provision for expected credit loss - Bank	105,909,998	117,349,258
Expected credit loss provision - for Al samaha funding and Islamic investment company Ltd.	824,865	824,865
Expected credit loss provision - for Al omariah school company Ltd.	1,486,145	1,386,145
<b>Total</b>	<b>108,221,008</b>	<b>119,560,268</b>

**D. Movement on the provision for expected credit losses and the Impairment provisions - joint( note 5 , 6 , 7 , 8 , 9 , 10 , 14 , 17 and 19)**

	30 June 2024	31 December 2023
	JD	JD
	(Reviewed and Unaudited)	(Audited)
Balance at the beginning of the period / year	124,592,527	127,947,727
Transferred from mutual insurance fund (Note 24 B)	1,000,000	-
Transferred from provision of expected future risk (Note 24 A)	7,162,447	2,254,847
Provision from subsidiaries	100,000	331,706
Written-off	(19,319,423)	(5,941,753)
<b>Balance at the end of the period/ year</b>	<b>113,535,551</b>	<b>124,592,527</b>

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

**(25) Deferred Sales Revenues**

	Joint		self		Total	
	For the six months ended 30 June		For the six months end 30 June		For the six months end 30 June	
	2024	2023	2024	2023	2024	2023
	JD	JD	JD	JD	JD	JD
	(Reviewed And Unaudited)	(Reviewed And Unaudited)	(Reviewed And Unaudited)	(Reviewed And Unaudited)	(Reviewed And Unaudited)	(Reviewed And Unaudited)
<b>Individuals (Retail):</b>						
Murabaha to the purchase orderer	33,300,653	27,906,352	-	-	<b>33,300,653</b>	<b>27,906,352</b>
Deferred sales	526,306	481,002	-	-	<b>526,306</b>	<b>481,002</b>
Ijarah Mawsoofa Bil Thimma	447,487	334,700	-	-	<b>447,487</b>	<b>334,700</b>
Istisna'a	4,391	6,651	-	-	<b>4,391</b>	<b>6,651</b>
<b>Real Estate Financing</b>	<b>16,207,220</b>	<b>14,268,617</b>	<b>-</b>	<b>-</b>	<b>16,207,220</b>	<b>14,268,617</b>
<b>Corporate:</b>						
International Murabaha	1,037,055	259,632	-	-	<b>1,037,055</b>	<b>259,632</b>
Murabaha to the purchase orderer	13,600,614	9,230,093	-	-	<b>13,600,614</b>	<b>9,230,093</b>
Istisna'a	379,095	534,824	-	-	<b>379,095</b>	<b>534,824</b>
<b>Small and Medium Enterprises:</b>						
Murabaha to the purchase orderer	5,414,503	4,390,457	-	-	<b>5,414,503</b>	<b>4,390,457</b>
Deferred sales	1,409	504	-	-	<b>1,409</b>	<b>504</b>
Ijarah Mawsoofa Bil Thimma	12,250	2,134	-	-	<b>12,250</b>	<b>2,134</b>
Istisna'a	65,836	30,305	-	-	<b>65,836</b>	<b>30,305</b>
<b>Government and public sector</b>	<b>17,317,687</b>	<b>19,662,010</b>	<b>-</b>	<b>-</b>	<b>17,317,687</b>	<b>19,662,010</b>
<b>Total</b>	<b>88,314,506</b>	<b>77,107,281</b>	<b>-</b>	<b>-</b>	<b>88,314,506</b>	<b>77,107,281</b>

**(26) Financing Revenues**

	Joint		Self (note no. 33)		Total	
	For the Six Months Ended on 30 June		For the Six Months Ended on 30 June		For the Six Months Ended on 30 June	
	2024	2023	2024	2023	2024	2023
	JD	JD	JD	JD	JD	JD
	(Reviewed And Unaudited)	(Reviewed And Unaudited)	(Reviewed And Unaudited)	(Reviewed And Unaudited)	(Reviewed And Unaudited)	(Reviewed And Unaudited)
<b>Individuals (Retail):</b>						
Diminishing Musharaka	300,911	295,744	1,823	1,565	<b>302,734</b>	<b>297,309</b>
<b>Total</b>	<b>300,911</b>	<b>295,744</b>	<b>1,823</b>	<b>1,565</b>	<b>302,734</b>	<b>297,309</b>

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

**(27) Gain from Financial Assets at Fair Value Through Joint Investment Accounts Holders' Equity**

	Joint	
	For the Six Months Ended on 30 June	
	2024	2023
	JD	JD
	(Reviewed And Unaudited)	(Reviewed And Unaudited)
Dividends distribution income	596,597	666,398
Gain from sale financial assets at fair value (note no. 23 – B)	37,861	-
<b>Total</b>	<b>634,458</b>	<b>666,398</b>

**(28) Gain from Financial Assets at Amortized Cost**

	Joint	
	For the Six Months Ended on 30 June	
	2024	2023
	JD	JD
	(Reviewed And Unaudited)	(Reviewed And Unaudited)
Islamic Sukuk	10,609,968	10,253,591
Islamic banks portfolio	-	105,462
<b>Total</b>	<b>10,609,968</b>	<b>10,359,053</b>

**(29) Dividends from subsidiaries and associates**

			Joint	
	Ownership percentage	Distribution percentage	30 June 2024	30 June 2023
	%	%	JD	JD
			(Reviewed and Unaudited)	(Reviewed and Unaudited)
<b>Subsidiaries</b>				
Al Samaha Financing and Islamic Investment Company Ltd.	100.0	5.0	600,000	600,000
<b>Associates</b>				
Jordanian Center for International Trading Co.	28.4	7.0	48,200	67,480
Islamic Insurance Co.	33.3	8.0	500,000	400,000
<b>Total</b>			<b>1,148,200</b>	<b>1,067,480</b>

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

**(30) Revenue from Investments in Real Estate**

	Joint	
	For the Six Months Ended on 30 June	
	2024	2023
	JD	JD
	(Reviewed And Unaudited)	(Reviewed And Unaudited)
Net rent income from investment in real estate	437,308	284,156
Net income from sale of investment in real estate (note 23- B)	264,174	956,666
<b>Revenues from investments in real estate</b>	<b>701,482</b>	<b>1,240,822</b>

**(31) Share of Unrestricted Investment Accounts Holders**

	For the Six Months Ended on 30 June	
	2024	2023
	JD	JD
	(Reviewed And Unaudited)	(Reviewed And Unaudited)
<b>Banks and Financial Institutions</b>	1,244,847	551,631
<b>Customers:</b>		
Saving Accounts	3,497,384	3,129,211
Notice Accounts	144,351	140,375
Investment deposit Accounts	57,463,578	48,227,959
<b>Total</b>	<b>62,350,160</b>	<b>52,049,176</b>

**(32) Bank's Share of the Joint Investment Accounts Revenues as Mudarib and Rab-Mal**

	For the Six Months Ended on 30 June	
	2024	2023
	JD	JD
	(Reviewed And Unaudited)	(Reviewed And Unaudited)
Bank's share as Mudarib	33,783,578	37,032,495
Bank's share as Rab Mal	32,915,198	30,234,394
<b>Total</b>	<b>66,698,776</b>	<b>67,266,889</b>

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

**(33) Bank's Self-financed Revenue**

	For the Six Months Ended on 30 June	
	2024	2023
	JD (Reviewed And Unaudited)	JD (Reviewed And Unaudited)
Financing revenues – Note (26)	1,823	1,565
Dividends from financial assets at the fair value through owner's equity	7,976	13,804
Losses from financial assets at fair value through consolidated income statement	599	(3,328)
<b>Total</b>	<b>10,398</b>	<b>12,041</b>

**(34) Basic Earnings Per Share (EPS)**

	For the Six Months Ended on 30 June	
	2024	2023
	(Reviewed And Unaudited)	(Reviewed And Unaudited)
Profit for the period after income tax (JD)	33,019,804	32,008,524
Weighted average number of shares (share)	200,000,000	200,000,000
<b>Basic earnings per share (JD/Fils)</b>	<b>0/165</b>	<b>0/160</b>

- The bank has not issued any new shares or convertible financial instruments that may lead to a reduced share.

**(35) Cash and Cash Equivalents**

	For the Six Months Ended on 30 June	
	2024	2023
	JD (Reviewed And Unaudited)	JD (Reviewed And Unaudited)
Cash and balances with the Central Banks maturing within 3 months*	799,402,536	697,809,526
Add: Balances at banks and financial institutions maturing within 3 months	93,457,161	83,804,627
Less: Balances at banks and financial institutions maturing within 3 months	(10,070,066)	(23,903,340)
<b>Total</b>	<b>882,789,631</b>	<b>757,710,813</b>

\*Statuary reserve includes (note 4).

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

---

**(36) Related Parties Transactions**

**A. The interim condensed consolidated financial statements include the financial statements of the Bank and the following subsidiaries:**

Company Name	Ownership	Paid-in Capital	
		30 June 2024	31 December 2023
		JD (Reviewed And Unaudited)	JD (Audited)
Al Omariah Schools Company Ltd.	99.8%	16,000,000	16,000,000
Al Samaha Financing and Islamic Investment Company Ltd.	100%	12,000,000	12,000,000
Future Applied Computer Technology Company Ltd.	100%	5,000,000	5,000,000
Sanabel Al-Khair for Financial Investments Company Ltd.	100%	5,000,000	5,000,000

The Bank entered into transactions with the parent company, shareholders, subsidiaries, associates, major shareholders, board members and senior executive management within the Bank's ordinary course of business using normal Murabaha rates and commercial commissions. All deferred sales receivables, financing and Ijarah Muntahia Bittamleek granted to related parties are considered performing.

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

**B. Below is a summary of transactions with related parties:**

	Related parties				Total	
	Parent Company	Associates	Subsidiaries	Board members and Senior Executive management	30 June 2024	31 December 2023
	JD	JD	JD	JD	JD	JD
					(Reviewed And Unaudited)	(Audited)
<b>Interim condensed consolidated statement of financial position items:</b>						
Deferred sales receivables, Ijarah						
Muntahia Bittamleek receivables and other receivables	-	1,170,464	1,040,099	2,173,089	<b>4,383,652</b>	<b>13,694,377</b>
Financing of employees housing / Musharaka	-	-	-	1,540,248	<b>1,540,248</b>	<b>1,479,489</b>
Deposits	247,641	10,567,820	3,561,388	4,335,938	<b>18,712,787</b>	<b>20,165,045</b>
Al-Wakala Bi Al Istithmar accounts	42,540,000	-	-	-	<b>42,540,000</b>	<b>42,540,000</b>
<b>Off consolidated statement of financial position items:</b>						
Guarantees and Letters of credit	-	101,713	561,000	96,428	<b>759,141</b>	<b>1,090,943</b>
					For the period ended on 30 June	
					2024	2023
					JD	JD
					(Reviewed And Unaudited)	(Reviewed And Unaudited)
<b>Interim condensed Consolidated income statement items:</b>						
Paid expenses	-	2,235,523	234,718	1,879,724	<b>4,349,965</b>	<b>7,119,168</b>
Received revenues	-	20,377	39,450	69,274	<b>129,101</b>	<b>282,439</b>
Paid Profits	-	150,280	37,350	46,563	<b>234,193</b>	<b>231,820</b>

- Murabaha rate on granted financing ranged between 3% - 4.75% annually as at 30 June 2024 (2023: 3.0% - 4.75%).
- Musharaka profit rate of financing granted to the employees ranged between 2.0% - 4.8% annually as at 30 June 2024 (2023: 2.0% - 4.8%).
- Guarantees commission rate ranged between 1% - 4% annually as at 30 June 2024 (2023: 1% - 4%). Letters of credit commission rate ranged between 1/4% - 3/8% quarterly as 30 June 2024 (2023: 1/4% - 3/8% quarterly).
- Individual and corporate deposits revenue is equals to the percentage of revenue for related parties' deposits.

**C. Compensation of the Bank's Executive Management Benefits (Salaries, Remuneration and other Benefits) were as follows:**

	For the Six Months Ended on 30 June	
	2024	2023
	JD	JD
	(Reviewed And Unaudited)	(Reviewed And Unaudited)
Salaries, remuneration and transportation	1,667,507	3,465,000
<b>Total</b>	<b>1,667,507</b>	<b>3,465,000</b>

**(37) Risk Management**

Banks are exposed to several risks because of the operations they provide to their customers and as a result, the need arose for banks to effectively and efficiently manage the risks that they may be exposed to by using the best available methods to manage risks in line with the nature and size of the risks they may be exposed to.

The Bank undertakes the risk management function through a comprehensive risk management framework approved by the Bank's Board of Directors and senior management to identify, measure, follow up and monitor the relevant risk categories and prepare reports on them, and maintain where needed sufficient capital to meet these risks. These measures take into account the appropriate steps to adhere to the provisions and principles of Islamic law, and this had a great impact in mitigating the effects of geopolitical tensions and the resulting impact on some sectors and increasing the likelihood of default for impacted customers through the necessary precautions to deal with the tensions and taking adequate allocations for expected losses.

The risks that the Bank may be exposed to are managed according to the general provisions for managing the risks approved by the Board of Directors according to the following principles:

1. Manage risk through a central, non-executive, independent of business and business support departments, which is the risk management department in accordance with the corporate governance instructions for banks issued by the Central Bank of Jordan.

2. Using the three defense lines model to manage risk in our bank, so that it is the first line of defense from the business and support departments, which is the body responsible for the risks to which our bank may be exposed (Risk Owners) and the application of approved controls, and the second line of defense from the Risk Management Department, the Compliance Control Department, the Information Security Department, the Internal Control Department, and the Credit and Sharia Compliance Department, which are the bodies concerned with providing complementary expertise, support, monitoring, identifying the necessary control controls and continuing to improve them, in cooperation and coordination with the Risk Management Department. The third line of defense consists of the Internal Audit Department and the Internal Sharia Audit Department, which are the bodies concerned with providing independent and objective assurance and providing advice to senior management and the Board of Directors on the adequacy and effectiveness of governance and risk management, including internal control, to support the achievement of organizational goals and to promote and facilitate the process of continuous improvement.
3. Identify risks that our bank might be exposed to and determine the material risks based on the materiality test that is carried out by the Risk Management Department.
4. Determining the acceptable level of risk for all material risks that our bank may be exposed to, and it is prohibited to exceed it under any circumstances except with the approval of the Board of Directors.
5. Seeking to use highly efficient measurement methods to measure all material risks and determine the capital required.
6. Monitor all risks that our bank may be exposed to on an ongoing basis and prepare the risk profile in accordance with the type of risk and the degree of its materiality.
7. Use of enterprise risk management systems (ERMs) which assist in dealing with risk management.
8. Applying instructions of central bank of Jordan, the requirements of Basel committee on Banking Supervision Standards and Islamic financial services board and best professional practices in risk management.
9. Disseminating culture of risk management for all the functional and administrative levels in our bank.

**The main objective of our bank's risk management is to provide a safe business environment that works to achieve our bank's strategic objectives, by achieving a set of goals as follows:**

**1. Capital:**

Maintaining a safe level of capital through adhering to the minimum levels of capital adequacy in accordance with the instructions of the Central Bank of Jordan.

Maintaining high- and high-quality capital capable of absorbing losses at any time and in accordance with the requirements of Basel 3 and Islamic financial services board (IFSB) and the relevant Central Bank of Jordan instructions.

Leverage ratio remains within safe levels by adhering to the minimum level in accordance with the instructions of the Central Bank of Jordan.

**2. Quality of Assets:**

The percentage of non-performing accounts remains within the limits set by the Board of Directors.

Maintain sufficient provisions to meet expected credit losses.

The absence of a concentration that exceeds the limits approved at the level of the customer / investment / economic sector / period.

**3. Liquidity:**

Having sufficient levels of liquidity to meet the needs of customers in normal and stress conditions.

Commitment to the minimum levels of the legal liquidity ratio for total currencies, the Jordanian dinar, the liquidity coverage ratio, and the net stable funding ratio.

**4. Internal Control and Control Systems:**

Reviewing the operations carried out in our bank and ensuring that the necessary controls are specified in a manner commensurate with the approved risk appetite and the nature and size of risks that our bank may be exposed to.

Achieving risk management objectives such as compliance with laws and regulations, acceptable ethical behavior, internal control, information and technology security, sustainability and quality assurance.

**5. An effective risk management reporting system:**

Having an effective system for risk data and preparing reports on risk management and submitting them to the senior executive management and the Board of Directors.

Commitment to what is mentioned in the instructions of the Central Bank of Jordan regarding dealing with domestic systemically important banks (D-SIB's) regarding data and preparing reports on risk management issued by the Basel Committee for Banking Supervision.

**6. Bank security and safety:**

Laying down the necessary precautionary measures in coordination with the Bank's occupational safety and health committee to maintain health and safety of the Bank employees and customers.

Setting a special approved guidance to use in the event of the spread of diseases and epidemics.

Availability of occupational safety and health manual and disaster and emergency response plans.

Readiness of a Bank's alternative site (the disaster recovery site) in addition to other alternative sites.

The Risk Management Department reports directly to the Risk Management Committee of the Board of Directors and indirectly to the CEO / General Manager of the Bank, and defines the responsibilities of the Risk Management Department according to the following:

1. Supervising the stages of the risk management process in our bank.
2. Identify the risks that our bank might be exposed to and evaluating them to determine the material risks.
3. Preparing and updating material risk policies that include approved risk appetite and risk management strategies.
4. Define risk management strategies according to the type of risk, its size and the acceptable level for each of them, taking into account the levels of capital, liquidity and human resources available in terms of the efficiency and adequacy of staff to manage the risks to which our bank may be exposed.
5. Use and develop high-efficiency measurement methods to measure all material risks and determine the required capital.

6. Analyzing the operations carried out in our bank and ensuring that the necessary controls are determined in proportion to the approved risk appetite and the type and size of risks.
7. Monitor the risks that our bank may be exposed to on an ongoing basis, and prepare the risk structure according to the type of risk and the degree of its materiality.
8. Supervising Enterprise Risk Management Solutions (ERM).

**Acceptable risk limits:**

The Bank determines the acceptable level of risk and approves them by the Board of Directors. The actual level is monitored and compared with the acceptable level of risk on a regular basis. It is considered one of the most important elements of governance in the risk management process, in line with the business model adopted by the Bank.

**1- credit risk**

**- Managing credit risk system:**

The main activity of our bank is the granting of funds and providing banking services to various customers. As a result, our bank is exposed to credit risk, which is defined as the inability or willingness of the customer to fulfill his contractual obligations to the bank. Credit risks are the main risks to which our bank is exposed to, which requires the availability of resources to manage these risks effectively.

**Credit risk management based on several principles, most notably:**

1. The segregation of duties between business, credit, and entities granting facilities in the core banking system.
2. Clearly define the criteria for granting credit to all customers in the credit policy, according to the nature of the customer.
3. Preparing the due diligence study for all credit applications, regardless of the nature of the customer, the amount of financing, the size and type of credit risk mitigations.
4. Determine the profit rate on facilities based on the degree of risk to which our bank is exposed to.
5. Determine the matrix of authorities granted to all related parties to the credit approval process according to the nature of the customer.
6. Determine the role of all entities related to the credit approval process according to the nature of the customer, in a manner that enhances corporate governance for managing credit risk.
7. Implement the requirements of the Basel Committee on Banking Supervision Standards and Best Professional Practices in Credit Risk Management in line with the instructions of the Central Bank of Jordan in particular.

**- Credit study, Control and Follow-up:**

The credit application is prepared by the business departments, and the credit department makes due diligence in studying credit applications, and then the credit application is presented to the credit authority body, in order to achieve the principle of segregation of duties.

The evaluation of customers of large, small and medium entities and high net worth individuals through the internal credit rating system (Moody's), at the level of the Obligor Risk Rating (ORR), and at the level of Facility Risk Rating (FRR).

The customer level credit rating (ORR) represents the creditworthiness of the customer and reflects the probability of default (PD).

The credit rating at the level of Facility Risk Rating (FRR) represents the quality of the credit risk mitigations provided by the customer, which reflects the loss given default ratio (LGD).

Financing applications for retail customers who are granted consuming financings are evaluated according to the Retail Credit Scoring system.

Granting of funds (automated system, branch committee, management committees) is determined according to the authorization matrix approved by the Board of Directors and senior management on the basis of the amount, completion of grant conditions and the degree of risk of the funding request.

**- Methodology of applying the Islamic Accounting Standard (30) - impairment and credit losses and onerous commitments (FAS 30)**

**1. Internal credit rating system:**

The Bank has an internal rating system to improve the quality of the credit process, as the classification process relies on "operational" qualitative and "financial" quantitative criteria to assess the creditworthiness of customers.

**The credit rating system aims to:**

- Improving the quality of the credit decision by relying on the internal credit rating.
- Calculate the customer probability of default.
- Pricing credit facilities in a manner consistent with the size of the risks to which our bank is exposed.
- Measuring the credit risks to which our bank exposed to in a standard way at the customer level and at the level of the credit portfolio.
- Improving the quality of the credit portfolio by setting the limits on the credit portfolio according to the internal credit classification.
- Monitor the credit portfolio through the internal credit rating.

**Internal credit rating system mechanism:**

- The classification process is carried out by analyzing basic inputs such as financial statements and customers' descriptive data according to an approved classification and evaluation methodology to determine the creditworthiness of the customer.
- The credit department confirms the customer's credit rating with the customer's current circumstances and approves the credit rating.
- A second review of the compatibility of the credit rating with the credit risk of the customer is carried out by the risk management department for applications of high credit risk.
- Ensure that customers' information is updated when a new credit request is received, or at least annually.

**2. Scope of application / expected credit loss:**

The expected credit loss measurement model was applied to the Bank according to the requirements of the standard as follows:

1. Direct and indirect credit facilities.
2. Sukuk recorded at amortized cost.
3. Islamic finance products that bear the characteristics of debt (principal and return).
4. Credit exposures to banks and financial institutions.
5. Ijarah Muntahia Bittamleek receivables.

**3. Governance of Application of Islamic Accounting Standard (30):**

**A. Board of Directors**

The Bank's board of directors and committees roles represented in the following:

Approve the methodology of applying the standard and related policies.

Approve the business model through which the objectives and principles of acquisition and classification of financial instruments are determined.

Ensuring the existence and implementation of effective control systems through which the roles of the related parties are defined.

Ensure the availability of infrastructure to ensure the application of the standard that includes (human resources / internal credit rating systems / automated systems to calculate expected credit losses, etc.), so that it is able to reach the results that ensure adequate hedging against expected credit losses.

## **B. Executive Management**

The role of the executive management is as follows:

Preparing the methodology for applying the standard according to the requirements of the regulatory authorities.

Preparing the business model in accordance with the bank's strategic plan.

Ensure compliance with the approved methodology for applying the standard.

Supervising the systems used to implement the standard.

Calculating the necessary provisions to meet the expected credit losses according to the instructions of the Central Bank of Jordan.

Monitor the size of the expected credit losses and ensure the adequacy of its provisions.

Preparing the required reports for the relevant authorities.

Communicate with the company providing the system with any updates that may occur to the calculation forms and tools or any other inquiries in particular.

### **4. Definition and mechanism for calculating and monitoring probability of default (PD), exposure at default (EAD), and loss given default (LGD):**

#### **A. Default Definition:**

The concept of default has been defined for the purposes of applying the standard as follows:

1. The presence of past dues on the customer for a period of 90 days or more, or the presence of clear indicators of their near default or bankruptcy.
2. Delay in the payment of profits and / or principal of the sukuk by the issuer of the sukuk for a period of 90 days or more.
3. Default of the banks whom our bank maintains their balances.

#### **B. The mechanism for calculating expected credit losses (ECL) on financial instruments:**

The external classification of international rating agencies was adopted to calculate the probability of default for the financial instrument, and the loss on default was calculated based on the best professional practices in this field, so that the geographical distribution, the economic sector and the capital structure of the issuer of this instrument are taken.

#### **C. Calculating Probability of Default:**

Probability of default (PD): The percentage of the debtor's probability of default or delay in fulfilling the payment of installments or obligations on the specified dates within the next 12 months.

**Individual basis:**

**1. Countries , banks and financial institutions:**

The probability of default for countries and banks and financial institutions issued by the international rating company S&P has been approved according to the approved credit scores and to the exposure currency (local currency / foreign currency). The probability of default is updated annually, taking into account the existence of a minimum probability of default of 0.03% based on the guidelines of the Basel Committee on Banking Supervision.

**2. Banks and financial institutions:**

The probability of default for banks and financial institutions issued by the international rating company S&P has been approved according to the approved credit scores. The probability of default is updated annually, taking into account the existence of a minimum probability of default of 0.03% based on the guidelines of the Basel Committee on Banking Supervision.

**3. Large, medium and small companies and high net worth individuals:**

The probability of default through the economic cycle (TTC PD) is extracted from the internal credit rating system.

The probability of default through the economic cycle (TTC PD) is converted to probability of default to a specific point in time (PIT PD) through a statistical model known as the Vasicek Model, which takes into account the following:

- Forecasts of macroeconomic indicators.
- Current and historical macroeconomic indicators.
- Credit assets correlation in each credit score (in accordance with the guidelines of the Basel Committee on Banking Supervision in particular).

**Collective Basis:**

Collective basis portfolio:

For the purposes of calculating the credit loss for customers in the collective portfolio, the portfolio has been divided into four sub-portfolios according to their risk shared characteristics, as follows:

- The commercial portfolio of unrated customers.
- Real-Estate financing portfolio.
- Vehicles financing portfolio.
- Personal financing portfolio.

Calculating the probability of default (PIT PD) using the system by analyzing historical data.

#### **D. Calculating Exposure at Default:**

##### **- Direct credit facilities:**

The credit exposure value has been calculated at default, equal to the balance of the credit facilities (drawn and undrawn) as at the date of the financial statements.

##### **- Indirect Credit Facilities:**

The credit exposure value was calculated at default, equal to the full indirect credit facilities (drawn and undrawn) without applying any credit conversion factor (CCF).

#### **E. Calculating Loss Given Default:**

Loss given default represents a part of the exposure that our Bank may lose when a customer defaults, after collecting recoveries when the customer defaults.

The Bank's customers are divided according to the segments as follows:

##### **1. Individual basis:**

1-1 The Jordanian government: using a percentage of loss given default of (0%) for the issued sukuk and the finances granted to the Jordanian government or guaranteed by it according to the instructions of the Central Bank of Jordan regarding to FAS 30.

1-2 Countries: The percentage of loss given default was used based on the geographical area of the countries.

1-3 Banks and financial institutions:

- Using loss given defaults in accordance with the decisions of Basel and the policy adopted by the Bank.

- If the exposure to banks and financial institutions is located in a geographical area, the percentage of loss assuming default is different, then the higher percentage is taken.

1-4 Companies: Using the loss-to-default ratio based on the division of the product type in the credit portfolio.

##### **2. Collective basis**

Using the rate of loss given default for dealers at the collective basis level based on the division of the credit portfolio.

The adoption of hair cut ratios for credit risk mitigants at the individual basis and the collective base levels.

**F. The main economic indicators that were used in calculating the expected credit loss (ECL):**

Macroeconomic factors are included in the calculation of expected credit loss, as the Risk Management Department determines the weights of macroeconomic scenarios in line with changes in economic conditions in Jordan and adjusts them whenever the need arises, provided that they are presented to the Risk Management Committee emanating from the Board of Directors, and Board of Directors for adaption.

**The mechanism for calculating the impairment provision according to the instructions of the Central Bank of Jordan regarding the classification of credit facilities No. (47/2009) (Dated December 10, 2009):**

First: Credit facilities of low risk and no provisions are calculated on them, and they have the following characteristics:

- Funds granted to and guaranteed by the Government of the Kingdom of Jordan
- Financing secured by 100% cash insurance.
- Financing guaranteed by 100% an acceptable bank guarantee.

Second: Credit facilities acceptable risks and no provisions are calculated on them. They have the following characteristics:

- Strong financial positions and sufficient cash flows.
- Documented by contracts and covered by duly accepted guarantees.
- Good sources of reimbursement.
- Active account movement and regular payment of the principal amount and returns.
- Efficient client management.

Third: Credit facilities under monitoring (requiring special care) and impairment provisions are calculated on them at a rate ranging from (1.5% for sales - 15% for personal finances, Al Qard Al Hasan and visa cards), and any of the following applies to them:

Existence of dues for a period of more than (60) days and less than (90) days for the original credit facilities.

Exceeding the granted ceiling balance by (10%) or more, for a period of more than (60) days and less than (90) days.

Credit facilities that were previously classified as non-performing credit facilities and were removed from the framework of non-performing credit facilities according to an original rescheduling, or due full payment.

Acceptable risk credit facilities that have been restructured twice within a year.

Credit facilities that have expired for a period of more than (60) days and less than (90) days and have not been renewed.

The absence of at least an annual credit study on the client based on certified financial statements (for companies that are required to prepare such data in accordance with the provisions of the Companies Law) and a financial statement for the rest of the clients on an annual basis in accordance with the provisions of the law.

Fourth: Non-performing credit facilities, to which any of the following applies:

It has passed since its due date, or one of its installments has become due, or the payment of the principal amount and/or profits has not been regular for the following periods:

Credit facilities substandard from (90) days to (179) days.

Doubtful credit facilities from (180) days to (359) days.

loss credit facilities from (360) days or more.

The granted credit limit exceeded by (10% or more) for a period of (90) days or more.

Credit facilities that have expired for a period of (90) days or more and have not been renewed.

Credit facilities granted to any client declared bankrupt or to any company declared to be in liquidation.

Credit facilities that have been structured for three times within a year.

Current and on demand accounts that are exposed for a period of (90) days or more.

**- The mechanism for calculating the provision for non-performing credit facilities:**

1 -Credit facilities not covered by acceptable in-kind guarantees:

An impairment provision is gradually prepared that covers the entire principal of non-performing credit facilities within one year from the date of stopping payments, as follows:

(%25) when the definition of substandard credit facilities applies.

(%50) when the definition of doubtful credit facilities applies.

(100%) when applying the definition of loss credit facilities.

2- Credit facilities covered by acceptable in-kind guarantees:

An impairment provision covering the entire principal of non-performing credit facilities is prepared as follows:

A- If the value of the accepted guarantee is equal to or more than the original credit facilities, an impairment provision shall be prepared that covers the entire facility over a period of (5) years at a rate of 20% annually from the original credit facilities.

B- If the value of the accepted guarantee is less than the principal of the credit facilities, an impairment provision is prepared as follows:

(%100) of the part not covered by an acceptable guarantee in the first year, or (20%) of the original facilities, whichever is greater.

The remaining amount of the required impairment allowance shall be prepared equally over the following four years.

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

---

The following are excluded from non-performing credit facilities when preparing impairment provision:

The part of non-operating credit facilities covered by cash collateral.

The part guaranteed by the Jordanian Loan Guarantee Company for the first year from the customer's cessation of payment, and the bank must prepare an impairment provision that covers these credit facilities starting from the second year, so that this provision is distributed equally over the years from the second to the fifth.

**- It is not permissible to disclose current and on demand accounts except in the narrowest limits and for short periods. If they continue to exist, an impairment provision is prepared as follows:**

Days past due	30-59 days	60-89 days	90 or more days
Impairment provision	3%	15%	100%

**- An impairment provision is prepared against the due credit facilities within the items (credit cards, personal finances, and personal loans and advances) as follows:**

Days past due	60-89 days	90-119 days	120-179 days	180-269 days	270 or more days
Impairment provision	15%	25%	50%	75%	100%

**- Ijarah Muntahia Bittamleek receivables classification**

- Performing receivables from 30 to 59 days.
- Watch list debts from 60 to 89 days.
- Non- performing receivables from 90 days and forward.

**- impairment provision for Muntahia Bittamleek receivables**

- Performing receivables 25%.
- Watch list receivables 50%.
- Non- performing receivables 100%.

**Credit risk mitigation against Credit Exposures (CRM):**

The quantity and quality of the required collaterals depends on the credit risk assessment of the counterparty. It is also possible to adjust or reduce the risk exposure related to the debtor, concerned party or any other obligor using the credit risk mitigation techniques applicable in the Islamic banks. These include (asset mortgage, third party guarantee, earnest sales, good faith deposit, cash margins, and shares mortgage).

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

Credit risk mitigations against credit exposure were as follows:

- Cash margins
- Jordanian government guarantees
- Real estate collaterals
- Vehicles and machinery mortgages
- Real estate collaterals
- Jordan Loan Guarantee Corporation

## **2- Liquidity Risks**

Liquidity risk is defined as the Bank's inability to provide the required liquidity to cover its obligations at their respective due dates. Bank manage such risks throughout the following:

1. Maintaining reasonable liquidity to cover outgoing cash flows.
2. Diversifying sources of financing.
3. Establishing the Assets and Liabilities committee .
4. Distribution of financing among various sectors and geographical areas to mitigate concentration risk.
5. Liquidity management is based on natural and emergency circumstances including using and analyzing assets and various financial ratios maturities.
6. Monitoring liquidity by following up on emergency financing plans metrics periodically.
7. Preparing internal liquidity pressure scenarios to address liquidity risks.

**- The bank is obligated to measure liquidity risks in accordance with the instructions of the central bank of Jordan and as follow:**

### **Liquidity Coverage Ratio (LCR)**

The monthly average Liquidity Coverage Ratio (LCR) according to the instructions of the Central Bank of Jordan for the period from 1 January 2024 to 30 June 2024 is (338%) (Minimum rate according to the Central Bank is 100%) .

#### **Components of the Liquidity Coverage Ratio (LCR) calculation as of 30 June 2024 (Reviewed And Unaudited):**

Component	Before applying adjustments and haircuts ratio	After applying adjustments and haircuts ratio
	JD	JD
Assets level one	1,071,136,287	1,071,136,287
Assets level two *	8,698,870	4,349,435
<b>Total High Quality Liquid Assets</b>	<b>1,079,835,157</b>	<b>1,075,485,722</b>
<b>Cash outflows</b>	<b>2,803,870,729</b>	<b>550,345,324</b>
<b>Cash inflows</b>	<b>541,190,676</b>	<b>276,478,590</b>

\* The maximum amount of level 2 liquid assets is JD 431,934,063 (40% of gross high quality liquid assets).

**Liquidity Coverage Ratio (LCR) calculation as of 30 June 2024 (Reviewed and Unaudited):**

Component	After applying adjustments and haircuts ratio
Total high-quality liquid assts after adjustments	1,075,485,722
Net cash outflows	273,866,734
<b>Liquidity coverage ratio</b>	<b>%392.7</b>

**Legal Liquidity Ratio (LLR):**

The daily average of the legal liquidity ratio (LLR) in total currencies and in the Jordanian dinar, from 1 January 2024 to 30 June 2024 (118% and 108%), respectively. (The minimum for this percentage according to the instructions of the Central Bank of Jordan is 100% and 70%, respectively).

**3- Market Risks:**

Market risk is the risk of loss resulting from fluctuations in the market price, which relates to equity instruments in the trading book, exchange rates, market rate of return, commodity and inventory prices, the Bank seeks to mitigate these risks throughout the following:

- 1) Diversifying and distributing investments among various sectors and geographical areas.
- 2) Analyzing rate of returns trends and expected exchange rates and investments.
- 3) Establishing limits to investments on the level of the country, currency, market, instrument and counter party.
- 4) Adapting the currency positions in accordance with Central Bank of Jordan regulations.
- 5) Studying and analyzing the risks related to new investments and clearing them through detailed reports before accepting them.
- 6) Complianing with the policies, procedures and instructions of the relevant regulatory authorities.
- 7) Calculating value at risk (VaR) to measure the risks of changes in stock prices and foregin currencies.

**A. Rate of return risks**

Rate of return risk results from the decline in the rate of return on investments compared to the local market increase in the rate of return "interest" and the Bank's inability to increase the rate of return on granted facilities with fixed rate of return (Murabaha).

The Bank manages these risks through out the following:

- 1) Managing the rate of return gaps and cost of assets and liabilities according to various maturity dates.
- 2) Studying the investments return trends.

#### **B. Foreign currency risks**

Foreign currency risk is the risk arising from the change in the foreign currency prices that the Bank maintains. Foreign currencies are managed on the basis of spot trading and foreign currencies positions are monitored on a daily basis against the approved limit for each currency, since the Bank's policy in managing foreign currencies, is to clear customer's current positions and cover required positions according to customer's needs.

Bank's investment policy stipulate that the maximum limit of the foreign currencies positions shall not exceed 15% of the total shareholder's equity (at a maximum limit of 5% of the shareholder's equity for each currency except for US Dollars) in order to cover the customers' needs in terms of letters of credit, transfers and bills under collection and not for speculation or trading purposes.

#### **C. Equity price risks**

Equity price risks result from a change in the fair value of investments in equity. The Bank seeks to manage these risks through diversifying investments in various geographical areas and economic sectors.

#### **D. Commodity risks**

Commodity risks arise from the fluctuations in the value of marketable assets. These risks are related to the current and future fluctuations and market values of specific assets. The Bank is exposed to fluctuations of fully paid commodity prices after the commencement of Salam contracts and to the fluctuations in the remaining value of the leased assets at the end of the lease term.

#### **4. Non- Compliance risks**

Compliance risks represents sanctions on matters related to legal and/ or decided by the regulatory authorities or financial losses or reputational risks and/ or financial crimes risks and/ or fraud and bribery and corruption risks and/or legitimate non-compliance risks, which the Bank might face because of non-compliance with laws, regulations, standards, codes of conduct, proper banking practices and decisions and Fatwas issued by the Sharia supervisory board. In order to protect the bank from these risks, the Compliance Control Department ensures that the bank and its internal policies comply with all laws, regulations, instructions, orders, codes of conduct, standards and proper banking practices issued by local and international supervisory authorities, by setting and developing a compliance control policy and guidelines, preparing and developing the general anti-money laundering policy and preparing procedures work procedures regarding internal and external laws, regulations and instructions, preparing a charter of professional conduct and holding the necessary training courses.

## **5. Operational Risks**

Operational risks are the risks of loss arising from inadequacy or failure in internal operations, personnel or systems, or from external events. This includes legal risk and Islamic Shari'a non-compliance risk and excludes strategic and reputational risks. The Bank seeks to limit these risks throughout the following:

Reviewing the bank's operations and preparing documented policies and procedures that all necessary controls are included to reduce the probability and/or the impact of operational events.

Building a database of all errors, losses and operational events that occur with the Bank in order to evaluate and analyze them, identify weaknesses and work to raise the efficiency of the applied control procedures to reduce their recurrence in the future.

Automatically applying the Risk and Control Self-Assessment (RCSA) methodology using the operational risk management system (GRC) with the aim of improving the control environment and assisting senior management and internal audit in identifying high-risk areas and weaknesses in internal control systems.

Prepare and monitor the Key Risk Indicators (KRI's) automatically using the operational risk management system (GRC) for the Bank's main operations and develop corrective action plans in case they exceed the acceptable risk limits.

Preparing, updating and examining a Business Continuity Plan (BCP) and a Disaster Recovery Plan (IT DR) to reduce the exposures and interruptions faced by the bank, and a recovery plan to reduce the effects and losses resulting from crises and/or disasters - God forbid.

Legal department reviews all contracts and related documents used by the Bank.

The Shariah Supervisory Board of our Bank reviews and approves the contracts, agreements and operations forms related to all of our Bank's transactions, with the aim of ensuring that the mentioned contracts, agreements and operations are free of legal prohibitions.

The Information Technology department, in coordination and cooperation with the Information Cyber Security department, set the necessary policies and procedures to maintain the security and confidentiality of information in the Bank, and the authority to access programs and systems in the Bank.

The safety and health committee sets the necessary, instructions and conditions to insure a good work environment, in addition to educating employees of the need to follow the conditions of safety and health on ongoing basis.

## **6. Reputational Risks**

Reputational risks is being viewed by the Bank as negative impression on the Bank's reputation which might lead to potential losses in the sources of funding and loss of customers to competitive banks.

The Bank seeks to limits these risks throughout a set of policies and procedures to enhance the customers' confidenceh and providing a good banking services and maintaining banking confidentiality and avoid undertaking illegal acts or financing unfavorable sectors and provides suitable information security controls.

## **7. Strategic risks**

It is the risk arising from the current and future impact on income or capital resulting from negative business decisions, improper implementation of decisions, or failure to respond to economic changes.

## **8. Information Technology risk:**

The increased use of information technology has led to improvement in the effectiveness and efficiency of the operations and services provided by our bank, but it has also brought with it new risks related to information technology.

Under the supervision of the Information Technology Governance Committee and the Board Risk Committee, Our bank manages these risks to avoid exposure to them or mitigate their impact, through continuous monitoring and evaluation of the risks associated with information technology and its impact on banking operations and services in terms of the added value of technical solutions compared to their cost, In terms of quality and quality of projects with a technical basis and evaluation of their results on the bank's business and improving the level of performance compared to security and technical events that may result from its operation.

There are a number of outputs for the information technology risk management process according to the instructions for governing information and accompanying technology issued by the Central Bank of Jordan and according to the instructions of COBIT 2019, the most important of which is the detailed risk reigester for each technical process or banking service, risk scenarios, risk indicators and risk assessment of outsourcing parties.

## **9. Stress testing:**

### **Application methodology:**

Our bank stress testing methodology includes identifying all types of risks our bank may face under stressful conditions, and assessing the Bank's ability to withstand these risks according to stress scenarios.

**Role and Integrity of stress tests with risk management governance, risk culture and capital planning:**

The role of the Board of Directors and senior management is to establish test objectives, identify the scenarios required for each type of risk, and assess the results and needed actions based on the results. Especially the ones which have an integral role in the decision-making (capital planning).

**Scenario selection mechanism, including key assumptions related to macroeconomic variables:**

The Bank carries out sensitivity scenarios analysis determined based on the Central Bank of Jordan instructions in addition to other scenarios based on the assumption and proposal of the Bank to measure the degree of tolerance.

**The mechanism of using the tests results in decision making at the appropriate administrative level, including the strategic decisions of the Board of Directors and the senior executive management:**

The Risk Management Department prepares a summary of the results of the stress tests and raises them to the concerned parties, indicating the final impact of the tests within specific grades (low / medium / high) and whom is authorized party to make related decisions.

**Governance application of stress tests:**

The Bank identifies parties related to stress testing (Board of Directors / Risk Management Committee, Assets and Liabilities Committee, Risk Management Department, Business and other supervisory departments) and their respective responsibility for achieving complementarity and judgment in carrying out the required tests.

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

**A. Distribution of exposure according to economic sector:**

**1. Financial instruments total exposure distribution:**

**As at 30 June 2024 (Reviewed And Unaudited):**

	Financial	Industrial	Commercial	Real estate	Agriculture	Shares	Individuals	Government and public sector	Others	Total
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balances with central bank of Jordan	-	-	-	-	-	-	-	612,499,307	-	<b>612,499,307</b>
Balances at banks and financial institutions	31,419,661	-	-	-	-	-	-	-	-	<b>31,419,661</b>
Investments and Al-Wakala Bi Al Istithmar accounts	110,604,000	-	-	-	-	-	-	-	-	<b>110,604,000</b>
Sales receivables, other receivables, financing and Al-Qard Al-hasan	32,837,165	257,572,221	416,472,708	537,850,667	36,338,812	-	923,619,754	840,575,995	205,647,996	<b>3,250,915,318</b>
<b>Financial assets</b>	<b>29,235,101</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>391,838,218</b>	<b>-</b>	<b>421,073,319</b>
Within financial assets at fair value through income statement	-	-	-	-	-	-	-	-	-	-
Within financial assets at fair value through comprehensive income	-	-	-	-	-	-	-	-	-	-
Within financial assets at amortized cost	29,235,101	-	-	-	-	-	-	391,838,218	-	<b>421,073,319</b>
Encumbered financial assets (Debt instruments)	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>204,095,927</b>	<b>257,572,221</b>	<b>416,472,708</b>	<b>537,850,667</b>	<b>36,338,812</b>	<b>-</b>	<b>923,619,754</b>	<b>1,844,913,520</b>	<b>205,647,996</b>	<b>4,426,511,605</b>
Guarantees	7,803,905	12,765,599	33,492,068	-	1,361,444	-	13,470,822	-	88,672,657	<b>157,566,495</b>
Letter of credits	3,916,605	11,917,263	5,198,013	-	603,307	-	1,479,362	-	4,364,727	<b>27,479,277</b>
Acceptances	-	64,573	483,256	-	519,019	-	-	-	72,585	<b>1,139,433</b>
Unutilized limits	215,848	46,050,040	87,301,659	-	6,192,183	-	31,162,861	-	27,831,971	<b>198,754,562</b>
<b>Grand Total</b>	<b>216,032,285</b>	<b>328,369,696</b>	<b>542,947,704</b>	<b>537,850,667</b>	<b>45,014,765</b>	<b>-</b>	<b>969,732,799</b>	<b>1,844,913,520</b>	<b>326,589,936</b>	<b>4,811,451,372</b>

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

**As at 31 December 2023 (Audited):**

	Financial	Industrial	Commercial	Real estate	Agriculture	Shares	Individuals	Government and public sector	Others	Total
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balances with central bank of Jordan	-	-	-	-	-	-	-	609,564,598	-	<b>609,564,598</b>
Balances at banks and financial institutions	41,135,339	-	-	-	-	-	-	-	-	<b>41,135,339</b>
Investments and Al-Wakala Bi Al Istithmar accounts	88,270,500	-	-	-	-	-	-	-	-	<b>88,270,500</b>
Sales receivables, other receivables, financing and Al-Qard Al-hasan	28,952,856	231,046,666	278,495,274	534,736,489	38,145,096	-	895,047,212	882,264,656	267,532,890	<b>3,156,221,139</b>
<b>Financial assets</b>	<b>19,333,435</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>387,989,003</b>	<b>-</b>	<b>407,322,438</b>
Within financial assets at fair value through income statement	-	-	-	-	-	-	-	-	-	-
Within financial assets at fair value through comprehensive income	-	-	-	-	-	-	-	-	-	-
Within financial assets at amortized cost	19,333,435	-	-	-	-	-	-	387,989,003	-	<b>407,322,438</b>
Encumbered financial assets (Debt instruments)	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>177,692,130</b>	<b>231,046,666</b>	<b>278,495,274</b>	<b>534,736,489</b>	<b>38,145,096</b>	<b>-</b>	<b>895,047,212</b>	<b>1,879,818,257</b>	<b>267,532,890</b>	<b>4,302,514,014</b>
Guarantees	6,793,004	13,677,793	32,097,374	-	2,038,619	-	4,874,502	-	91,207,248	<b>150,688,540</b>
Letter of credits	3,467,131	11,695,862	5,231,089	-	512,795	-	181,446	-	2,558,237	<b>23,646,560</b>
Acceptances	-	136,872	607,006	-	795,644	-	-	-	-	<b>1,539,522</b>
Unutilized limits	326,080	58,115,005	81,020,960	-	10,741,966	-	19,218,058	-	27,480,719	<b>196,902,788</b>
<b>Grand total</b>	<b>188,278,345</b>	<b>314,672,198</b>	<b>397,451,703</b>	<b>534,736,489</b>	<b>52,234,120</b>	<b>-</b>	<b>919,321,218</b>	<b>1,879,818,257</b>	<b>388,779,094</b>	<b>4,675,291,424</b>

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

**2. Distribution of exposures according to the stages of classification in accordance with FAS 30:**

**As at 30 June 2024 (Reviewed and unaudited):**

	Stage 1		Stage 2		Stage 3	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
Financial	210,186,043	636,327	-	1,500	5,208,415	<b>216,032,285</b>
Industrial	205,799,855	2,217,491	107,441,670	281,827	12,628,853	<b>328,369,696</b>
Commercial	246,809,229	44,099,825	193,014,783	6,146,601	52,877,266	<b>542,947,704</b>
Real estate	100,904,696	333,131,442	63,775,570	17,160,378	22,878,581	<b>537,850,667</b>
Agriculture	19,607,533	587,941	23,080,072	72,215	1,667,004	<b>45,014,765</b>
Shares	-	-	-	-	-	-
Individuals	156,472,027	725,187,195	27,148,817	31,731,088	29,193,672	<b>969,732,799</b>
Government and public sector	1,844,913,520	-	-	-	-	<b>1,844,913,520</b>
Others	186,671,351	15,459,744	103,557,416	911,525	19,989,900	<b>326,589,936</b>
<b>Total</b>	<b><u>2,971,364,254</u></b>	<b><u>1,121,319,965</u></b>	<b><u>518,018,328</u></b>	<b><u>56,305,134</u></b>	<b><u>144,443,691</u></b>	<b><u>4,811,451,372</u></b>

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

**As at 31 December 2023 (Audited):**

	Stage 1		Stage 2		Stage 3	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
Financial	183,416,169	612,162	83,592	500	4,165,922	<b>188,278,345</b>
Industrial	197,055,898	3,888,657	107,066,876	436,257	6,224,510	<b>314,672,198</b>
Commercial	213,798,410	13,555,264	138,931,944	1,366,603	29,799,482	<b>397,451,703</b>
Real estate	106,759,435	339,853,764	51,911,653	14,911,910	21,299,727	<b>534,736,489</b>
Agriculture	29,028,692	932,078	21,999,046	154,654	119,650	<b>52,234,120</b>
Shares	-	-	-	-	-	-
Individuals	75,859,797	733,386,973	37,961,699	28,336,416	43,776,333	<b>919,321,218</b>
Government and public sector	1,879,818,257	-	-	-	-	<b>1,879,818,257</b>
Others	251,277,553	17,694,370	97,769,890	1,187,518	20,849,763	<b>388,779,094</b>
<b>Total</b>	<b>2,937,014,211</b>	<b>1,109,923,268</b>	<b>455,724,700</b>	<b>46,393,858</b>	<b>126,235,387</b>	<b>4,675,291,424</b>

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

**B. Distribution of exposure according to geographical distribution:**

**1. Geographic regions total exposure distribution:**

**As at 30 June 2024 (Reviewed and unaudited):**

	Inside the Kingdom	Other Middle East Countries	Europe	Asia	Africa	America	Other countries	Total
	JD	JD	JD	JD	JD	JD	JD	JD
Balances with central bank of Jordan	612,499,307	-	-	-	-	-	-	<b>612,499,307</b>
Balances at banks and financial institutions	260,715	8,116,922	4,546,932	46,460	-	18,448,632	-	<b>31,419,661</b>
Investments and Al-Wakala Bi Al Istithmar accounts	2,836,000	107,768,000	-	-	-	-	-	<b>110,604,000</b>
Sales receivables, other receivables, financing and Al-Qard Al-hasan	3,218,078,153	28,904,653	3,932,512	-	-	-	-	<b>3,250,915,318</b>
Financial assets	391,838,218	27,416,728	-	-	1,818,373	-	-	<b>421,073,319</b>
Within financial assets at fair value through income statement	-	-	-	-	-	-	-	-
Within financial assets at fair value through comprehensive income	-	-	-	-	-	-	-	-
Within financial assets at amortized cost	391,838,218	27,416,728	-	-	1,818,373	-	-	<b>421,073,319</b>
Encumbered financial assets (Debt instruments)	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-
<b>Total</b>	<b>4,225,512,393</b>	<b>172,206,303</b>	<b>8,479,444</b>	<b>46,460</b>	<b>1,818,373</b>	<b>18,448,632</b>	<b>-</b>	<b>4,426,511,605</b>
Guarantees	156,241,985	1,105,030	219,480	-	-	-	-	<b>157,566,495</b>
Letter of credits	27,463,002	16,275	-	-	-	-	-	<b>27,479,277</b>
Acceptances	1,139,433	-	-	-	-	-	-	<b>1,139,433</b>
Unutilized limits	198,754,562	-	-	-	-	-	-	<b>198,754,562</b>
<b>Total</b>	<b>4,609,111,375</b>	<b>173,327,608</b>	<b>8,698,924</b>	<b>46,460</b>	<b>1,818,373</b>	<b>18,448,632</b>	<b>-</b>	<b>4,811,451,372</b>

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

**As at 31 December 2023 (Audited):**

	Inside the Kingdom	Other Middle East Countries	Europe	Asia	Africa	America	Other countries	<b>Total</b>
	JD	JD	JD	JD	JD	JD	JD	JD
Balances with central bank of Jordan	609,564,598	-	-	-	-	-	-	<b>609,564,598</b>
Balances at banks and financial institutions	226,644	6,626,040	5,967,550	52,995	-	28,262,110	-	<b>41,135,339</b>
Investments and Al-Wakala Bi Al Istithmar accounts	-	88,270,500	-	-	-	-	-	<b>88,270,500</b>
Sales receivables, other receivables, financing and Al-Qard Al-hasan	3,127,268,283	25,790,407	3,162,449	-	-	-	-	<b>3,156,221,139</b>
Financial assets	387,989,003	17,515,062	-	-	1,818,373	-	-	<b>407,322,438</b>
Within financial assets at fair value through income statement	-	-	-	-	-	-	-	-
Within financial assets at fair value through comprehensive income	-	-	-	-	-	-	-	-
Within financial assets at amortized cost	387,989,003	17,515,062	-	-	1,818,373	-	-	<b>407,322,438</b>
Encumbered financial assets (Debt instruments)	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-
<b>Total</b>	<b>4,125,048,528</b>	<b>138,202,009</b>	<b>9,129,999</b>	<b>52,995</b>	<b>1,818,373</b>	<b>28,262,110</b>	<b>-</b>	<b>4,302,514,014</b>
Guarantees	149,411,278	1,277,262	-	-	-	-	-	<b>150,688,540</b>
Letter of credits	23,646,560	-	-	-	-	-	-	<b>23,646,560</b>
Acceptances	1,539,522	-	-	-	-	-	-	<b>1,539,522</b>
Unutilized limits	196,902,788	-	-	-	-	-	-	<b>196,902,788</b>
<b>Total</b>	<b>4,496,548,676</b>	<b>139,479,271</b>	<b>9,129,999</b>	<b>52,995</b>	<b>1,818,373</b>	<b>28,262,110</b>	<b>-</b>	<b>4,675,291,424</b>

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

**2. Distribution of exposures according to the stages of classification in accordance with FAS 30:**

**As at 30 June 2024 (Reviewed and unaudited):**

	Stage 1		Stage 2		Stage 3	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
Inside the Kingdom	2,773,810,322	1,121,319,965	518,018,328	56,305,134	139,657,626	<b>4,609,111,375</b>
Other Middle East Countries	170,359,916	-	-	-	2,967,692	<b>173,327,608</b>
Europe	8,698,924	-	-	-	-	<b>8,698,924</b>
Asia	46,460	-	-	-	-	<b>46,460</b>
Africa	-	-	-	-	1,818,373	<b>1,818,373</b>
America	18,448,632	-	-	-	-	<b>18,448,632</b>
<b>Total</b>	<b>2,971,364,254</b>	<b>1,121,319,965</b>	<b>518,018,328</b>	<b>56,305,134</b>	<b>144,443,691</b>	<b>4,811,451,372</b>

**As at 31 December 2023 (Audited):**

	Stage 1		Stage 2		Stage 3	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
Inside the Kingdom	2,762,137,671	1,109,923,268	455,645,108	46,393,858	122,448,771	<b>4,496,548,676</b>
Other Middle East Countries	137,431,436	-	79,592	-	1,968,243	<b>139,479,271</b>
Europe	9,129,999	-	-	-	-	<b>9,129,999</b>
Asia	52,995	-	-	-	-	<b>52,995</b>
Africa	-	-	-	-	1,818,373	<b>1,818,373</b>
America	28,262,110	-	-	-	-	<b>28,262,110</b>
<b>Total</b>	<b>2,937,014,211</b>	<b>1,109,923,268</b>	<b>455,724,700</b>	<b>46,393,858</b>	<b>126,235,387</b>	<b>4,675,291,424</b>

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

**C. Reclassified exposures:**

**1. Total reclassified exposures:**

**As at 30 June 2024 (Reviewed And Unaudited):**

	Stage 2		Stage 3		Total reclassified exposures	Percentage
	Total exposure	Reclassified exposures	Total exposure	Reclassified exposures	exposures	
	JD	JD	JD	JD	JD	
Balances with central bank of Jordan	-	-	-	-	-	-
Balances at banks and financial institutions	-	7,640	2,967,692	-	<b>7,640</b>	<b>0%</b>
Investments and Al-Wakala Bi Al Istithmar accounts	-	-	-	-	-	-
Sales receivables, other receivables, financing and Al-Qard Al-hasan	477,296,456	157,652,301	132,188,258	37,975,868	<b>195,628,169</b>	<b>%32</b>
Financial assets	-	-	1,818,373	-	-	-
Within financial assets at fair value through income statement	-	-	-	-	-	-
Within financial assets at fair value through comprehensive income	-	-	-	-	-	-
Within financial assets at amortized cost	-	-	1,818,373	-	-	-
Encumbered financial assets (Debt instruments)	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
<b>Total</b>	<b>477,296,456</b>	<b>157,659,941</b>	<b>136,974,323</b>	<b>37,975,868</b>	<b>195,635,809</b>	<b>32%</b>
Guarantees	35,935,890	6,643,575	7,275,863	1,514,032	<b>8,157,607</b>	<b>19%</b>
Letter of credits	9,567,215	3,736,302	-	-	<b>3,736,302</b>	<b>39%</b>
Acceptances	263,727	-	-	-	-	<b>0%</b>
Unutilized limits	51,260,173	16,884,549	193,506	906,063	<b>17,790,612</b>	<b>35%</b>
<b>Grand total</b>	<b>574,323,461</b>	<b>184,924,367</b>	<b>144,443,692</b>	<b>40,395,963</b>	<b>225,320,330</b>	<b>31%</b>

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

**As at 31 December 2023 (Audited):**

	Stage 2		Stage 3		Total	
	Total	Reclassified	Total	Reclassified	reclassified	Percentage
	exposure	exposures	exposure	exposures	exposures	
	JD	JD	JD	JD	JD	
Balances with central bank of Jordan	-	-	-	-	-	-
Balances at banks and financial institutions	45,256	214,913	1,923,631	-	<b>214,913</b>	<b>11%</b>
Investments and Al-Wakala Bi Al Istithmar accounts	-	-	-	-	-	-
Sales receivables, other receivables, financing and Al-Qard Al-hasan	423,380,843	139,563,365	115,316,938	51,700,215	<b>191,263,580</b>	<b>36%</b>
Financial assets	14,076	-	1,818,373	-	-	-
Within financial assets at fair value through income statement	-	-	-	-	-	-
Within financial assets at fair value through comprehensive income	-	-	-	-	-	-
Within financial assets at amortized cost	14,076	-	1,818,373	-	-	-
Encumbered financial assets (Debt instruments)	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
<b>Total</b>	<b>423,440,175</b>	<b>139,778,278</b>	<b>119,058,942</b>	<b>51,700,215</b>	<b>191,478,493</b>	<b>35%</b>
Guarantees	31,626,732	2,786,404	6,846,940	133,759	<b>2,920,163</b>	<b>8%</b>
Letter of credits	5,697,470	1,266,633	-	-	<b>1,266,633</b>	<b>22%</b>
Acceptances	156,556	-	-	-	-	<b>0%</b>
Unutilized limits	41,197,625	17,346,889	329,506	1,384,067	<b>18,730,956</b>	<b>45%</b>
<b>Grand total</b>	<b>502,118,558</b>	<b>161,178,204</b>	<b>126,235,388</b>	<b>53,218,041</b>	<b>214,396,245</b>	<b>34%</b>

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

**2. Expected credit losses for reclassified exposures:**

**As at 30 June 2024 (Reviewed And Unaudited):**

	Reclassified exposures			ECL for reclassified exposures				
	Total	Total		Exposures		Exposures		
	reclassified	reclassified	Total	within stage 2		within stage 3		
	exposures	exposures	reclassified					
	from stage 2	from stage 3	exposures	Individual	Collective	Individual	Collective	Total
	JD	JD	JD	JD	JD	JD	JD	JD
Balances with central bank of Jordan	-	-	-	-	-	-	-	-
Balances at banks and financial institutions	7,640	-	7,640	-	-	2,547,346	-	2,547,346
Investments and Al-Wakala Bi Al Istithmar accounts	-	-	-	-	-	-	-	-
Sales receivables, other receivables, financing and Al-Qard Al-hasan	157,652,301	37,975,868	195,628,169	14,780,020	4,807,716	48,109,272	24,344,166	92,041,174
Financial assets	-	-	-	-	-	1,818,373	-	1,818,373
Within financial assets at fair value through income statement	-	-	-	-	-	-	-	-
Within financial assets at fair value through comprehensive income	-	-	-	-	-	-	-	-
Within financial assets at amortized cost	-	-	-	-	-	1,818,373	-	1,818,373
Encumbered financial assets (Debt instruments)	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-
<b>Total</b>	<b>157,659,941</b>	<b>37,975,868</b>	<b>195,635,809</b>	<b>14,780,020</b>	<b>4,807,716</b>	<b>52,474,991</b>	<b>24,344,166</b>	<b>96,406,893</b>
Guarantees	6,643,575	1,514,032	8,157,607	98,337	150,120	3,796,998	723,239	4,768,694
Letter of credits	3,736,302	-	3,736,302	16,697	-	-	-	16,697
Acceptances	-	-	-	1,454	-	-	-	1,454
Unutilized limits	16,884,549	906,063	17,790,612	200,748	115,758	70,731	17,198	404,435
<b>Grand total</b>	<b>184,924,367</b>	<b>40,395,963</b>	<b>225,320,330</b>	<b>15,097,256</b>	<b>5,073,594</b>	<b>56,342,720</b>	<b>25,084,603</b>	<b>101,598,173</b>

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

**As at 31 December 2023 (Audited):**

	Reclassified exposures			ECL for reclassified exposures				
	Total	Total	Total	Exposures		Exposures		Total
	reclassified	reclassified		within stage 2		within stage 3		
	exposures	exposures						
	from stage 2	from stage 3	exposures	Individual	Collective	Individual	Collective	
JD	JD	JD	JD	JD	JD	JD	JD	
Balances with central bank	-	-	-	-	-	-	-	-
Balances at banks and financial institutions	214,913	-	214,913	1,549	-	1,493,566	-	1,495,115
Investments and Al-Wakala Bi Al Istithmar accounts	-	-	-	-	-	-	-	-
Sales receivables, other receivables, financing and Al-Qard Al-hasan	139,563,365	51,700,215	191,263,580	31,834,315	3,922,048	43,959,741	21,354,974	101,071,078
Financial assets	-	-	-	24	-	1,818,373	-	1,818,397
Within financial assets at fair value through income statement	-	-	-	-	-	-	-	-
Within financial assets at fair value through comprehensive income	-	-	-	-	-	-	-	-
Within financial assets at amortized cost	-	-	-	24	-	1,818,373	-	1,818,397
Encumbered financial assets (Debt instruments)	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-
<b>Total</b>	<b>139,778,278</b>	<b>51,700,215</b>	<b>191,478,493</b>	<b>31,835,888</b>	<b>3,922,048</b>	<b>47,271,680</b>	<b>21,354,974</b>	<b>104,384,590</b>
Guarantees	2,786,404	133,759	2,920,163	127,729	100,660	3,458,642	898,889	4,585,920
Letter of credits	1,266,633	-	1,266,633	9,312	-	-	-	9,312
Acceptances	-	-	-	204	-	-	-	204
Unutilized limits	17,346,889	1,384,067	18,730,956	152,192	58,111	185,313	2,829	398,445
<b>Grand total</b>	<b>161,178,204</b>	<b>53,218,041</b>	<b>214,396,245</b>	<b>32,125,325</b>	<b>4,080,819</b>	<b>50,915,635</b>	<b>22,256,692</b>	<b>109,378,471</b>

**(38) Segment information**

**A. Information about the Bank's activities**

The Bank is organized for administrative purposes based on the reports submitted to the General Manager and the chief decision maker into four main business sectors:

**Retails accounts:**

These encompass following up on the unrestricted investment accounts, deferred sales receivables and other financing and banking services related to individuals.

**Institutions accounts:**

These encompass following up on the unrestricted investment accounts, deferred sales receivables and other financing and banking services related to the institutions.

**Investment in assets:**

This includes investing in real estate and leasing.

**Treasury:**

This includes trading services and managing the Bank's funds.

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

**B. The below table illustrate the information on the Bank's business sectors distributed according to its activities:**

	Retails	Institutions	Investment in assets	Treasury	Others	Total	
						For the six months ending on 30 June (Reviewed and Unaudited)	
	JD	JD	JD	JD	JD	2024	2023
Total revenues (joint and self financed)	84,109,581	44,948,480	6,585,738	18,505,585	187,000	<b>154,336,384</b>	<b>143,654,563</b>
Net income of subsidiaries and share of profit from investments in associates	-	-	1,108,564	-	-	<b>1,108,564</b>	<b>749,903</b>
Deposits guarantee fees (joint and self financed)	(2,941,082)	(1,560,676)	(224,408)	(647,090)	(6,539)	<b>(5,379,795)</b>	<b>(5,127,532)</b>
Revenue and share of the unrestricted accounts and non-controlling from the net income of subsidiaries and share of investment from profits of associates	(34,162,017)	(20,688,573)	(1,108,564)	(7,499,570)	-	<b>(63,458,724)</b>	<b>(52,799,079)</b>
<b>Segment results</b>	<b>47,006,482</b>	<b>22,699,231</b>	<b>6,361,330</b>	<b>10,358,925</b>	<b>180,461</b>	<b>86,606,429</b>	<b>86,477,855</b>
Allocated expenses	(21,252,791)	(10,931,826)	(1,688,445)	(4,868,695)	-	<b>(38,741,757)</b>	<b>(39,499,247)</b>
<b>Profits before tax</b>	<b>25,753,691</b>	<b>11,767,405</b>	<b>4,672,885</b>	<b>5,490,230</b>	<b>180,461</b>	<b>47,864,672</b>	<b>46,978,608</b>
Income tax	(6,781,930)	(5,291,978)	(685,437)	(2,031,385)	(54,138)	<b>(14,844,868)</b>	<b>(14,970,084)</b>
<b>Profit after tax</b>	<b>18,971,761</b>	<b>6,475,427</b>	<b>3,987,448</b>	<b>3,458,845</b>	<b>126,323</b>	<b>33,019,804</b>	<b>32,008,524</b>
						30 June 2024	31 December 2023
						JD	JD
						(Reviewed And	(Audited)
						Unaudited)	
Sector assets	1,756,073,443	1,382,107,921	1,519,020,701	938,014,838	-	<b>5,595,216,903</b>	<b>5,427,914,851</b>
Investment in associates	-	-	9,640,618	-	-	<b>9,640,618</b>	<b>9,338,454</b>
Unallocated assets	-	-	-	-	204,672,398	<b>204,672,398</b>	<b>188,578,913</b>
<b>Total assets</b>	<b>1,756,073,443</b>	<b>1,382,107,921</b>	<b>1,528,661,319</b>	<b>938,014,838</b>	<b>204,672,398</b>	<b>5,809,529,919</b>	<b>5,625,832,218</b>
Segment liabilities	4,167,569,509	934,287,274	-	10,070,066	-	<b>5,111,926,849</b>	<b>4,907,850,544</b>
Unallocated liabilities	-	-	-	-	174,675,432	<b>174,675,432</b>	<b>184,183,226</b>
<b>Total liabilities, joint investment accounts holders' equity, non-controlling interests and provision against future risks</b>	<b>4,167,569,509</b>	<b>934,287,274</b>	<b>-</b>	<b>10,070,066</b>	<b>174,675,432</b>	<b>5,286,602,281</b>	<b>5,092,033,770</b>
						For the six months ending on 30 June (Reviewed and Unaudited)	
						2024	2023
Capital expenditures	-	-	-	-	3,988,296	<b>3,988,296</b>	<b>3,011,994</b>
Depreciation and amortization	-	-	-	-	3,279,376	<b>3,279,376</b>	<b>3,599,430</b>

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

**(39) Capital Management**

The Bank's capital consists of the paid-in capital, statutory reserve, voluntary reserve, other reserves and retained earnings.

According to the Central Bank of Jordan instruction based on the decisions by Islamic Financial Services Board, the bank should maintain sufficient capital to face the risks that related to the bank's business, which is credit risks, market risks and operational risks, the capital adequacy ratio should be at least 12.5% according to the established instructions.

The Bank achieves its capital objectives throughout the following:

- Achieving a satisfactory return on capital without affecting the financial stability of the Bank and achieving acceptable return on owner's equity.
- Achieving the required level of capital according to Basel Committee requirements and the supervisory bodies instructions.
- Providing an adequate capital to expand the granting of financing and large investments in consistency with the Central Bank of Jordan regulations as well as facing any future risks.

Capital adequacy ratio was calculated as at 30 June 2024 in accordance with standard number (15) issued by Islamic Financial Services Board, based on Central Bank of Jordan instruction number (72/2018) dated 4 February 2018.

	30 June 2024	31 December 2023
	Thousands JD (Reviewed And Unaudited)	Thousands JD (Audited)
<b>Common Equity Tier I</b>	<b>487,872</b>	<b>475,767</b>
Paid-in capital	200,000	200,000
Statutory reserve	129,978	129,978
Voluntary reserve	74,053	74,053
Retained earnings	81,924	81,924
Accumulated change in full fair value	1,897	1,943
Profits for the period after tax less expected dividends distribution	13,020	-
Intangible assets	(10,438)	(8,752)
Deferred tax assets	-	(743)
10% or less of investments in Banks, financial institutions and Takaful companies capital	(494)	(494)
10% or more of investments in Banks, financial institutions and Takaful companies capital, beyond unified regulatory scope.	(2,068)	(2,142)
<b>Additional Tier I</b>	<b>-</b>	<b>-</b>
<b>Additional Tier II</b>	<b>3,065</b>	<b>7,219</b>
Expected credit loss stage 1 (self) and the bank share from expected credit loss stage 1 (mixed) (not to exceed 1.25% of risky assets)	3,065	7,219
<b>Total regulatory capital</b>	<b>490,937</b>	<b>482,986</b>
<b>Risk Weighted Assets (RWA)</b>	<b>2,391,865</b>	<b>2,355,086</b>
<b>Common Equity Tier I Ratio</b>	<b>20.40%</b>	<b>20.20%</b>
<b>Additional Tier I Ratio</b>	<b>-</b>	<b>-</b>
<b>Tier I Ratio</b>	<b>20.40%</b>	<b>20.20%</b>
<b>Tier II Ratio</b>	<b>0.13%</b>	<b>0.31%</b>
<b>Capital Adequacy Ratio</b>	<b>20.53%</b>	<b>20.51%</b>

- Financial leverage percentage has reached (18.63%) as of 30 June 2024 (31 December 2023: 18.78%)

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

---

**(40) Commitments and Contingent Liabilities (Off the Interim Condensed Consolidated Statement of Financial Position)**

**Contingent Credit Commitments:**

	30 June 2024	31 December 2023
	JD	JD
	(Reviewed And Unaudited)	(Audited)
<b>Letters of credit</b>	<b>27,479,277</b>	<b>23,646,560</b>
<b>Acceptances</b>	<b>1,139,433</b>	<b>1,539,522</b>
<b>Guarantees:</b>	<b>157,566,495</b>	<b>150,688,540</b>
Payment	50,242,401	47,496,284
Performance	77,559,925	65,730,596
Others	29,764,169	37,461,660
<b>Unutilized Limits/ Direct</b>	<b>120,548,569</b>	<b>127,997,890</b>
<b>Unutilized Limits/ Indirect</b>	<b>78,205,993</b>	<b>68,904,898</b>
<b>Total</b>	<b>384,939,767</b>	<b>372,777,410</b>

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

**A. Cumulative movement on indirect facilities (Commitments and Contingent Liabilities):**

**As of 30 June 2024 (Reviewed And Unaudited):**

	Stage 1		Stage 2		Stage 3	Total
	Collective	Individual	Collective	Individual		
	JD	JD	JD	JD	JD	JD
<b>Balance at the beginning of the period</b>	<b>240,480,479</b>	<b>46,442,101</b>	<b>77,410,164</b>	<b>1,268,220</b>	<b>7,176,446</b>	<b>372,777,410</b>
New exposures during the period	140,145,807	22,945,346	49,996,708	1,003,229	5,924,755	<b>220,015,845</b>
Matured exposures	(131,753,359)	(20,544,916)	(47,719,071)	(661,109)	(7,175,033)	<b>(207,853,488)</b>
Transferred (from) to stage1	9,176,226	931,915	(9,056,172)	(584,220)	(467,749)	-
Transferred (from) to stage2	(26,244,460)	(610,820)	26,577,906	686,520	(409,146)	-
Transferred (from) to stage3	(291,284)	(233,642)	(1,809,651)	(85,518)	2,420,095	-
<b>Balance at the end of the period</b>	<b>231,513,409</b>	<b>48,929,984</b>	<b>95,399,884</b>	<b>1,627,122</b>	<b>7,469,368</b>	<b>384,939,767</b>

**As of 31 December 2023 (Audited):**

	Stage 1		Stage 2		Stage 3	Total
	Collective	Individual	Collective	Individual		
	JD	JD	JD	JD	JD	JD
<b>Balance at the beginning of the year</b>	<b>302,369,720</b>	<b>40,994,717</b>	<b>67,040,378</b>	<b>1,392,791</b>	<b>6,525,777</b>	<b>418,323,383</b>
New exposures during the year	221,605,579	35,557,315	73,056,870	1,024,015	7,089,056	<b>338,332,835</b>
Matured exposures	(274,084,946)	(29,985,500)	(71,100,082)	(1,128,768)	(7,579,512)	<b>(383,878,808)</b>
Transferred (from) to stage 1	12,762,573	192,353	(12,463,636)	(185,363)	(305,927)	-
Transferred (from) to stage 2	(21,072,256)	(256,896)	21,132,880	267,046	(70,774)	-
Transferred (from) to stage 3	(1,100,191)	(59,888)	(256,246)	(101,501)	1,517,826	-
<b>Balance at the end of the year</b>	<b>240,480,479</b>	<b>46,442,101</b>	<b>77,410,164</b>	<b>1,268,220</b>	<b>7,176,446</b>	<b>372,777,410</b>

**JORDAN ISLAMIC BANK - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (REVIEWED AND UNAUDITED)**

**B. Cumulative movement on the expected credit loss for indirect facilities (Commitments and Contingent Liabilities) (note 19):**

**As of 30 June 2024 (Reviewed And Unaudited):**

	Stage 1		Stage 2		Stage 3	Total
	Collective	Individual	Collective	Individual		
	JD	JD	JD	JD	JD	JD
<b>Balance at the beginning of the period</b>	<b>446,446</b>	<b>229,579</b>	<b>289,436</b>	<b>158,772</b>	<b>4,545,673</b>	<b>5,669,906</b>
Expected credit loss on new exposures during the period	219,036	148,125	185,663	156,962	3,930,957	<b>4,640,743</b>
Expected credit loss from matured exposures	(46,484)	(46,745)	(7,975)	(38,981)	(3,212,287)	<b>(3,352,472)</b>
Transferred (from) to stage 1	67,402	277,700	(23,565)	(77,420)	(244,117)	-
Transferred (from) to stage 2	(63,180)	(15,269)	204,639	39,275	(165,465)	-
Transferred (from) to stage 3	(750)	(6,298)	(4,717)	(15,737)	27,502	-
Impact on ending balance provision due to change in staging classification through the period	(59,300)	(274,101)	(184,639)	42,452	433,938	<b>(41,650)</b>
Changes resulting from Adjustments	(226,634)	(56,682)	(141,606)	556	(708,035)	<b>(1,132,401)</b>
<b>Balance at the end of the period</b>	<b>336,536</b>	<b>256,309</b>	<b>317,236</b>	<b>265,879</b>	<b>4,608,166</b>	<b>5,784,126</b>

**As of 31 December 2023 (Audited):**

	Stage 1		Stage 2		Stage 3	Total
	Collective	Individual	Collective	Individual		
	JD	JD	JD	JD	JD	JD
<b>Balance at the beginning of the year</b>	<b>1,018,191</b>	<b>195,018</b>	<b>488,864</b>	<b>186,056</b>	<b>4,691,031</b>	<b>6,579,160</b>
Expected credit loss on new exposures during the year	400,425	186,035	267,093	125,824	4,510,840	<b>5,490,217</b>
Expected credit loss from matured exposures	(372,771)	(139,339)	(238,257)	(134,963)	(3,931,818)	<b>(4,817,148)</b>
Transferred (from) to stage 1	267,913	39,032	(62,267)	(33,467)	(211,211)	-
Transferred (from) to stage 2	(71,541)	(2,411)	85,356	10,468	(21,872)	-
Transferred (from) to stage 3	(2,721)	(375)	(1,716)	(6,191)	11,003	-
Impact on ending balance provision due to change in staging classification through the year	(49,260)	11,422	(59,435)	(37,705)	(232,659)	<b>(367,637)</b>
Changes resulting from Adjustments	(743,790)	(59,803)	(190,202)	48,750	(269,641)	<b>(1,214,686)</b>
<b>Balance at the end of the year</b>	<b>446,446</b>	<b>229,579</b>	<b>289,436</b>	<b>158,772</b>	<b>4,545,673</b>	<b>5,669,906</b>

**(41) Lawsuits Filed Against the Bank**

The lawsuits filed against the Bank (self) amounted to JD 171,700 as of 30 June 2024 with a provision of JD 3,000 (provision booked amounted to JD 75,000) compared to JD 122,600 as of 31 December 2023 with a provision of JD 9,000. The lawsuits filed against the Bank (joint) as of 30 June 2024 amounted to JD 2,836,888 with a provision of JD 56,245 compared to JD 2,757,169 as of 31 December 2023 with a provision of JD 56,245. The Bank's management and its legal advisor believe that any obligations that may arise from the lawsuits against joint investments will be recognized within the investment risk fund, while the lawsuits against the Bank (self) will be covered by the established provision.

**(42) Statutory Reserves**

The Bank did not appropriate any amounts to the reserves as required by the Companies Law, since these condensed financial statements are interim financial statements.