

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

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024
TOGETHER WITH THE INDEPENDENT
AUDITOR'S REPORT

SAFWA ISLAMIC BANK
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN - THE HASHEMITE KINGDOM OF JORDAN
31 DECEMBER 2024

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Safwa Islamic Bank – Public Shareholding Company (the “Bank”) and its subsidiary (together referred to as the “Group”) which comprise the consolidated statement of financial position as at 31 December 2024 and the consolidated statement of income and other comprehensive income, the consolidated statement of income and attribution related to quasi-equity, the consolidated statement of changes in equity, and the consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Group as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with Islamic Shari’a rules and principles as determined by the Shari’a Supervisory Board of the Group and in accordance with Financial Accounting Standards as issued by the Accounting and Auditing Organization for Islamic Financial Institutions (“AAOIFI”).

Basis for Opinion

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

Other Matter

The consolidated financial statements for the year ended 31 December 2023 were audited by another auditor. An unqualified opinion was issued on the consolidated financial statements on 18 February 2024.

Key Audit Matters

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

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

Expected credit losses of deferred sales receivables and other receivables (note 7)	
Key Audit matter	How the key audit matter was addressed in the audit
<p>The process of estimating expected credit losses for deferred sales receivables and other receivables in accordance with Islamic Financial Accounting Standard No. (30) is important and complex and requires significant judgement.</p> <p>Financial Accounting Standard No. (30) requires the use of the expected credit loss model which requires the Group's management to use several assumptions and estimates in determining the timing and value of expected credit losses in addition to applying judgment to determine the inputs to the impairment measurement process, including collateral assessment and determining the default date.</p> <p>Due to the importance of the judgements applied in Financial Accounting Standard No. (30) and credit exposures that form a major part of the Group's assets, the expected credit losses are considered a key audit matter.</p>	<p>Our audit procedures included an understanding of the nature of the portfolios of customers' receivables and financings in addition to testing the internal controls used in the granting, recording, credit monitoring, and assessing the effectiveness of main procedures followed in granting and recording.</p> <p>As part of the control testing procedures, we assessed whether the key controls in the above processes were designed, implemented and operated effectively, as well as procedures for assessing the following:</p> <ul style="list-style-type: none"> - The Group's policy regarding the provision for expected credit losses in accordance with the Financial Accounting Standard No. (30).

The gross deferred sales receivables and other receivables as of 31 December 2024 amounted to JD 1,863,334,476 and the related provisions amounted to JD 92,615,496. The expected credit losses provision policy is presented in the accounting policies in note (2) to the consolidated financial statements.

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

	<ul style="list-style-type: none"> - Legal agreements and related documents to confirm the existence of collaterals and the existence of the legal right related to them. <p>We also assessed whether the consolidated financial statements' disclosures appropriately reflect the requirements of the Accounting Standards for Islamic Financial Institutions issued by the Accounting and Auditing Organization for Islamic Financial Institutions.</p>
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Other information included in the Group's 2024 annual report

Other information consists of the information included in the Group's 2024 Annual Report other than the consolidated financial statements and our auditor's report thereon. Management is responsible for the other information. The Group's 2024 Annual Report is expected to be made available to us after the date of this auditor's report.

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

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

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB), and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

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

Statement "A"

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

		31 December	
	Notes	2024	2023
		JD	JD
Assets			
Cash and balances at the Central Bank of Jordan	4	244,541,023	255,949,654
Balances at banks and the financial institutions	5	16,841,108	26,513,323
International wakala investments - net	6	217,144,756	85,131,319
Deferred sales receivables and other receivables - net	7	1,549,428,421	1,287,370,515
Financial assets at fair value through other comprehensive income - net	8	46,023,435	508,000
Financial assets at fair value through quasi-equity - net	9	450,917,406	452,088,535
Financial assets at amortized cost	10	119,852,000	-
Investment in associate	11	332,759	349,622
Ijara Muntahia Bittamleek assets - net	12	762,094,570	695,772,768
Al Qard Al Hasan - net	13	11,443,367	34,380,739
Property and equipment - net	14	22,323,578	20,750,849
Intangible assets - net	15	1,673,942	1,697,221
Right-of-use assets	49/A	9,698,565	10,188,361
Deferred tax assets	21/C	18,506,502	12,225,792
Other assets	16	63,715,366	46,056,778
Total Assets		3,534,536,798	2,928,983,476
Liabilities and Quasi-equity and Equity			
Liabilities			
Banks and financial Institutions' accounts	17	30,544,484	23,144,067
Customers' current accounts	18	313,833,370	319,719,876
Cash margins	19	153,061,234	95,274,911
Income tax provision	21/A	20,680,565	11,919,750
Other provisions	20	163,719	163,719
Lease liabilities	49/B	9,851,375	10,295,338
Other liabilities	22	80,462,885	82,999,447
Total Liabilities		608,597,632	543,517,108
Quasi-equity			
Unrestricted investment accounts	23	2,716,418,549	2,196,527,695
Fair value reserve	24/B	16,942	(371,067)
Total Quasi-equity		2,716,435,491	2,196,156,628
Equity			
Paid-in capital	25	120,000,000	100,000,000
Statutory reserve	27	38,320,046	35,041,275
Fair value reserve through other comprehensive income	24/A	94,068	(25,069)
Retained earnings	28	51,089,561	54,293,534
Total Equity		209,503,675	189,309,740
Total Liabilities and Quasi-equity and Equity		3,534,536,798	2,928,983,476

The attached notes (1) to (61) form part of these consolidated financial statements and should be read with them.

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

	Notes	For the year ended 31 December	
		2024	2023
		JD	JD
Deferred sales income	29	94,548,534	88,064,172
Income from Ijara Muntahia Bittamleek assets - net	30	68,051,329	54,471,516
Income from International wakala investments - net	31	8,785,237	4,204,173
Income from financial assets at fair value through other comprehensive income	32	859,693	42,000
Income from financial assets at fair value through quasi-equity	33	23,730,716	13,708,385
Income from financial assets at fair value through statement of income	34	7,854	36,857
Income from financial assets at amortized cost	35	2,609,377	1,336,449
Net share of results of investment in an associate company	11	(16,863)	3,668
Losses from foreign currencies evaluation	36	(84,177)	(9,426)
Bank's share from the restricted investments revenue as agent	37	-	64,588
Income from foreign currencies	38	3,258,872	2,240,008
Banking services income - net	39	12,763,260	8,510,484
Other income	40	1,523,055	1,659,180
Gross income		216,036,887	174,332,054
Provision of expected credit losses and other receivables	41	(32,980,780)	(15,907,189)
Deposit insurance fees		(5,008,487)	(4,466,698)
Employees' expenses	42	(19,472,549)	(16,955,550)
Depreciation and amortization	14 & 15	(3,180,785)	(3,151,714)
Depreciation of right of use assets	49	(1,803,410)	(1,736,700)
Finance costs / discount on lease liability	49	(346,719)	(357,517)
Rent expenses		(187,209)	(152,318)
Other expenses	43	(10,208,606)	(9,046,509)
Total expenses		(73,188,545)	(51,774,195)
Net profit for the year before tax and net profit attributable to quasi-equity		142,848,342	122,557,859
Less : Net profit attributable to quasi-equity	44	(110,060,634)	(94,233,978)
Net profit for the year before tax		32,787,708	28,323,881
Income tax expense	21/B	(12,562,797)	(10,813,635)
Net profit for the year		20,224,911	17,510,246
Other comprehensive income items :			
Gains from sale of financial assets at fair value through other comprehensive income		-	34,815
Net change in fair value reserve for financial assets		119,137	(39,662)
Total comprehensive income for the year		20,344,048	17,505,399
		JD/FILS	JD/FILS
Basic and diluted earnings per share for the year	46	0/169	0/146

The attached notes (1) to (61) form part of these consolidated financial statements and should be read with them.

Statement "C"

Safwa Islamic Bank
(A Public Shareholding Limited Company)
Amman - The Hashemite Kingdom of Jordan
Consolidated Statement of Income and Attribution Related to Quasi-Equity

	Notes	For the year ended 31 December	
		2024	2023
		JD	JD
Net profit for the year before tax and net profit attributable to Quasi-Equity		142,848,342	122,557,859
Less : Unrelated income to quasi-equity		(17,894,014)	(11,763,598)
Add : Unrelated expenses to quasi-equity		39,017,964	34,050,350
Net profit for the year before net profit attributable to Quasi-Equity		163,972,292	144,844,611
Less : Bank's share as mudarib and rab mal	45	(75,666,056)	(60,636,884)
Add : Bank's contribution to quasi-equity	45	21,754,398	10,026,251
Net profit attributable to Quasi-Equity	44	110,060,634	94,233,978

The attached notes (1) to (61) form part of these consolidated financial statements and should be read with them.

Statement "D"

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

	Paid-in capital*	Statutory Reserve	Fair value reserve through other comprehensive income	Retained Earnings**	Total
	JD	JD	JD	JD	JD
<u>For the year ended 31 December 2024</u>					
Balance as at 1 January	100,000,000	35,041,275	(25,069)	54,293,534	189,309,740
Capital increase	20,000,000	-	-	(20,000,000)	-
Capital increase fees	-	-	-	(150,113)	(150,113)
Profit for the year - (Statement B)	-	-	119,137	20,224,911	20,344,048
Transferred to reserve	-	3,278,771	-	(3,278,771)	-
Balance as of 31 December 2024	120,000,000	38,320,046	94,068	51,089,561	209,503,675
<u>For the year ended 31 December 2023</u>					
Balance as at 1 January	100,000,000	32,208,887	14,593	39,580,861	171,804,341
Profit for the year - (Statement B)	-	-	(39,662)	17,545,061	17,505,399
Transferred to reserve	-	2,832,388	-	(2,832,388)	-
Balance as of 31 December 2023	100,000,000	35,041,275	(25,069)	54,293,534	189,309,740

- Retained earnings include a balance of JD 1,351,047 as of 31 December 2024 (JD 887,643 as at 31 December 2023) and it is restricted from use based on the Central Bank of Jordan instructions. which represents deferred tax assets -self.

* The Bank's capital was increased from JD (100) million to JD (120) million after obtaining the approval of the Central Bank of Jordan in addition to the approval of the Bank's General Assembly in its meeting held on 18 April 2024.

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

The attached notes (1) to (61) form part of these consolidated financial statements and should be read with them.

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

	Notes	For the ended year at	
		31 December 2024	
		2024	2023
		JD	JD
Cash flows from operating activities			
Profit for the year before tax - statement (B)		32,787,708	28,323,881
Adjustments for non-monetary items:			
Depreciation and amortization	15, 14	3,180,785	3,151,714
Depreciation of Ijara Muntahia Bittamleek assets (self & joint)		74,299,224	52,371,357
Depreciation of right of use assets	49	1,803,410	1,736,700
Finance costs (discount on lease liabilities)	49	346,719	357,517
Provision of expected credit losses and other receivables	41	32,980,780	15,907,189
Provision for seized assets	16	437,446	104,944
Net share of (loss) profit from investment in associate company	11	16,863	(3,668)
Gain on sale of property and equipment		(56,047)	(1,672)
Disposal of Intangible assets	15	7,061	168
Gain from sale of seized assets against debts		(232,248)	(51,537)
Profit before changes in assets and liabilities		145,571,701	101,896,593
Changes in assets and liabilities :			
Deferred sales receivables and other receivables		(293,817,428)	14,019,250
Ijara Muntahia Bittamleek assets		(140,621,026)	(134,844,353)
Qard Hasan		22,374,750	(27,997,110)
Other assets		(20,022,266)	(31,490,628)
Customers' current accounts		(5,886,506)	19,841,596
Cash margin accounts		57,786,323	52,374,779
Other liabilities		(2,133,764)	24,785,711
Net cash flows (used in) from operating activities before income tax paid and paid from legal provision		(236,748,216)	18,585,838
Income tax paid	21	(10,041,995)	(11,610,802)
Paid from legal provision	20	-	(276,281)
Net cash flows (used in) from operating activities		(246,790,211)	6,698,755
Cash flows from investing activities			
Net sale of financial assets at fair value through statement of income		-	35,143
Net purchase of financial assets at fair value through other comprehensive income	8	(45,460,745)	(264,307)
Purchase of financial assets at fair value through quasi- equity - net	9	(52,614,699)	(232,078,011)
Maturity of financial assets at fair value through quasi- equity - net	9	54,173,404	53,377,698
Purchase of financial assets at amortized cost	10	(119,852,000)	-
Maturity of financial assets at amortized cost		-	37,313,000
Purchase of intangible assets	15	(690,038)	(500,330)
Purchase of property and equipment & payments on purchase of property, equipment and projects under progress	14	(4,038,066)	(1,819,622)
Proceeds from sale of property and equipment		46,855	10,216
Proceeds from sale of assets seized by the bank against debts		1,420,518	292,148
Net Increase in International Wakala Investments		(132,312,726)	(21,782,937)
Net cash flows used in investing activities		(299,327,497)	(165,417,002)
Cash Flows from Financing Activities			
Joint investment accounts		519,890,854	221,193,482
Paid from lease liabilities	49	(2,104,296)	(2,013,929)
Capital increase fees		(150,113)	-
Net cash flows from financing activities		517,636,445	219,179,553
Net (decrease) increase in cash and cash equivalents		(28,481,263)	60,461,306
Cash and cash equivalents at beginning of the year		259,318,910	198,857,604
Cash and cash equivalents at end of the year	47	230,837,647	259,318,910
Non-cash transactions:			
Transfer to property and equipment from installments to purchase property, equipment and projects in progress	14	264,926	628,485
Financing transferred to off statement of financial position or bad debts		-	12,114,982

The attached notes (1) to (61) form part of these consolidated financial statements and should be read with them.

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

(1) GENERAL

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

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

The Bank’s authorized and paid-up capital is JD 120 million consisting of 120 million shares with a nominal value of one JD per share, where the Bank’s capital was increased from JD (100) million to JD (120) million after obtaining the approval of the Central Bank of Jordan in addition to the approval of the Bank’s General Assembly in its meeting held on 18 April 2024.

Etihad Islamic Investment Company owns 62.37% of the Bank’s capital.

The consolidated financial statements were approved by the Bank’s Board of Directors in their meeting No. (1/2025) held on 30 January 2025, are subject to the approval of the General Assembly of Shareholders and Central Bank of Jordan.

The consolidated financial statements were read and reviewed by the Bank’s Sharia Supervisory Board, in their meeting No. (3/2025) held on 29 January 2025, and the board issued its Shari’a report thereon.

(2) BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION

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

The consolidated financial statements of the Bank have been prepared in accordance with the financial accounting standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (“AAOIFI”). In the absence of standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions related to the items of the consolidated financial statements, the International Financial Reporting Standards and their interpretations are applied in conformity with Sharia’ standards until Islamic standards are issued for them.

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

The Bank has fully implemented the Islamic Accounting Standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions starting from 1 January 2024 instead of the Islamic Accounting Standards as amended by the instructions of the Central Bank of Jordan and the variances between these two frameworks are not material to the consolidated financial statements.

The consolidated financial statements are prepared on historical cost basis except for the financial assets at fair value through other comprehensive income and financial assets at fair value through quasi-equity.

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

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

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

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

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

The subsidiary owned by the Bank as at 31 December 2024 is as follows:

Company name	Paid up Capital (JD)	Source of Funding	Ownership %	Company Main Activity	Operation location	Acquisition Date
Misc for brokerage company	2,000,000	Self	100%	Brokerage	Amman	2011

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

Control is achieved when the Bank: -

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

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

If the voting rights of the Bank are less than the majority of voting rights in any of the investee companies, it shall have the power to control when the voting rights suffice to grant the Bank the ability to direct the activities of the related subsidiary unilaterally. The Bank takes into consideration all the facts and circumstances when assessing whether the Bank has voting rights in the investee so as to grant it the ability to control or not. Among these facts and circumstances are the following:

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

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

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

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

(2-3) CHANGES IN ACCOUNTING POLICIES

The accounting policies used in the preparation of the consolidated financial statements are consistent with those used in the preparation of the consolidated financial statements for the year ended 31 December 2023 except for the impact of the application of the following standards:

Financial Accounting Standard No. (1) (Revised 2021) - General Presentation and Disclosure in Financial Statements

The Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) has issued this revised standard, which supersedes the previous Financial Accounting Standard No. (1) "General Presentation and Disclosure in the Financial Statements of Islamic Banks and Financial Institutions." The standard introduces the concepts of quasi-equity, off-balance sheet assets under management and comprehensive income to enhance the information provided to users of financial statements.

The Group has implemented the standard and implemented certain presentation and disclosure changes in the consolidated financial statements. The application of this standard did not have a material impact on the recognition and measurement principle.

The following illustrates the most important amendments to the standard:

1. The revised conceptual framework is now an integral part of the Financial Accounting Standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions.
2. The term quasi-equity has been added to the standard, which represents a broader concept to include "joint investment accounts" and other transactions under similar structures. Similarly, the broader term "off-balance sheet assets under management" is now used instead of "restricted investment accounts."
3. The concept of other comprehensive income has been included, with the option of preparing a single statement that is a combination of the income statement and other comprehensive income statement or preparing the two statements separately. The Bank has chosen to prepare a single statement.
4. A new statement "statement of income and attribution related to quasi-equity" has been added.
5. The statement of Al Qard Al Hasan has been moved to the notes to the financial statements and hence the statement of Al Qard Al Hasan has been removed as a main statement.
6. Treatment of changes in accounting policies, changes in estimates and correction of errors has been improved.
7. The disclosures of related parties, subsequent events and the going concern basis have been improved.
8. The disclosures of foreign currencies and segment reporting have been improved.

Financial Accounting Standard No. (40) "Financial Reporting for Islamic Finance Windows"

This standard improves and replaces FAS no. (18) "Islamic financial services provided by conventional financial institutions" and specifies financial reporting requirements applicable to conventional financial institutions that provide Islamic financial services. This standard requires traditional financial institutions that provide Islamic financial services through Islamic financing windows to prepare and submit financial statements for Islamic financing windows aligned with the requirements of this standard and other financial accounting standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI). This standard provides principles of financial reporting including presentation and disclosure requirements applicable to Islamic finance windows.

This standard is not applicable to the Group.

Financial Accounting Standard No. (44) "Determining Control of Assets and Business"

Financial Accounting Standard no. (44) aims to establish principles for assessing whether an enterprise controls assets and business projects both in the case of assets subject to a participatory structure contract (so as to determine whether they are on or off-balance sheet) as well as to enforce the consolidation of the financial statements of subsidiaries.

The application of this standard had no impact on the consolidated financial statements.

New Standard Issued but Not Yet Effective

The following new accounting standard issued but not yet effective up to the date of the financial statements is listed below, and the Group will apply the standards when they become effective:

Financial Accounting Standard No. (42) “Presentation and Disclosures in the Financial Statements of Takaful Institutions”

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

This standard is effective for financial reporting periods beginning on or after 1 January 2025, with early application permitted if applied in conjunction with Financial Accounting Standard No. (43) “Accounting for Takaful: Recognition and Measurement”. The standard will be applied as of 1 January 2025 and is not expected to have a material impact on the Group upon its application.

Financial Accounting Standard No. (43) “Accounting for Takaful: Recognition and Measurement”

The Accounting and Auditing Organization for Islamic Financial Institutions issued Financial Accounting Standard No. (43) in 2022. This standard replaces Financial Accounting Standard No. (13) “Disclosure of the Basis for Determining and Allocation of Surplus or Deficit in Islamic Insurance Companies”. This standard addresses the principles of recognition and measurement of Takaful arrangements and related transactions. The standard should be read in conjunction with Financial Accounting Standard No. (42) “Presentation and Disclosures in the Financial Statements of Takaful Institutions”.

This standard is effective for financial reporting periods beginning on or after 1 January 2025, with early adoption permitted if applied in conjunction with Financial Accounting Standard No. (42) “Presentation and Disclosures in the Financial Statements of Takaful Institutions”. The standard will be applied as of 1 January 2025 and is not expected to have a material impact on the Group upon its application.

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

The Accounting and Auditing Organization for Islamic Financial Institutions issued Financial Accounting Standard No. (45) in 2023. This standard describes the principles of financial reporting related to participatory investment instruments (including investment accounts) in which an Islamic financial institution controls the underlying assets (usually as a working partner), on behalf of stakeholders other than the shareholders’ equity. Such instruments (including, in particular, unrestricted investment accounts) are usually eligible for accounting in the statement of financial position and are recorded as quasi-equity. This standard also provides general accounting standards in the statement of financial position for participatory investment instruments and quasi-equity, in addition to the aggregation, recognition, derecognition, measurement, presentation and disclosure of quasi-equity. The standard also addresses financial reporting related to quasi-equity instruments. The standard also addresses financial reporting related to other quasi-equity instruments and some specific issues. The concept of quasi-equity is introduced in Financial Accounting Standard No. (1) “General Presentation and Disclosures in Financial Statements” (revised in 2021).

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

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

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

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

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

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

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

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

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

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

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

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

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

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

The Accounting and Auditing Organization for Islamic Financial Institutions issued Financial Accounting Standard No. (50) in 2024. This standard replaces Financial Accounting Standard No. (14) “Investment Funds”. The standard sets out the principles of financial reporting that apply to Islamic investment institutions and focuses specifically on achieving consistency and providing a unified basis for the format and content of financial statements for Islamic investment institutions. It also sets out the general requirements for presentation and the minimum content and recommended structure of their financial statements to enhance true and fair presentation in accordance with the principles and provisions of Sharia.

This standard is effective for financial reporting periods beginning on or after 1 January 2027. The standard will be applied from 1 January 2027 and is not expected to have a material impact on the Group upon its application

Segments information

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

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

The combined return on investment of equity holders and holders of joint investment accounts for the year 2024 was distributed as follows:

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

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

The weights of the joint investment accounts are as follows:

- From 11% to 50% of the lowest balance of savings accounts in Jordanian Dinars.
- From 14% to 33% of the lowest balance of savings accounts in foreign currencies.
- From 55% to 97% of the average balance of term accounts in Jordanian Dinars.
- From 18% to 61% of the average balance of foreign currency term accounts.
- 90% of average the balance of the accounts of the investment certificates of deposit in Jordanian Dinars.
- From 80% to 85% of the average balance of the certificates of deposit in foreign currencies.

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

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

Priority Investment / Equal Investment Opportunities and Profit Sharing:

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

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

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

Zakah

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

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

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

Deferred sales receivable

Murabaha contracts:

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

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

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

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

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

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

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

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

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

Financial instruments

Initial recognition and measurement:

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

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

Financial assets

Initial recognition and measurement:

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

Subsequent measurement:

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

Specifically:

- Finance instruments held in a business model intended to collect contractual cash flows that have contractual cash flows and are subsequently measured at amortized cost; and
- All other financing instruments, such as:
 - Financial assets managed on a fair value basis through the unrestricted investment account holders are measured at fair value through the rights of the joint investment holder's equity.
 - Financial assets at fair value through shareholders equity are subsequently measured at fair value through other statement of comprehensive income.
 - Financial assets at fair value through the statement of income are subsequently measured at fair value through the statement of income.

Evaluation of the business model

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

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

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

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

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

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

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

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

Reclassification

If the business model in which the Bank retains financial assets is reclassified, the financial assets that have been affected are reclassified. The classification and measurement requirements relating to the new class are effective from the first day of the first reporting period after the change in the business model resulting in the reclassification of the Bank's financial assets. Moreover, the changes in contractual cash flows are considered. The accounting policy framework for the adjustment and disposal of financial assets is described below:

Financial assets at fair value through the statement of income

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

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

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

Financial assets at fair value through shareholders' equity-self financed.

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

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

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

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

Financial assets at fair value through quasi-equity

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

These assets are recognized at fair value, plus acquisition costs, and are subsequently revalued at fair value. The change in fair value under fair value reserve is shown in the unrestricted investment account holders' equity.

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

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

Gains and losses arising from the foreign currency translation differences of these assets, if any, are recognized in the fair value reserve within unrestricted investment accounts holders' equity.

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

Financial assets at amortized cost

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

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

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

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

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

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

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

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

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

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

Lease contracts

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

The Bank as a lessee

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

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

The lease payments included in the rental obligation measurement include:

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

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

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

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

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

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

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

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

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

The Bank as a lessor

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

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

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

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

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

Investment in an associate

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

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

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

Ijara and Ijara Muntahia Bittamleek

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

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

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

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

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

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

Transfer of assets

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

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

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

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

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

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

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

Profit equalization reserve

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

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

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

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

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

Fair value of financial assets

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

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

Input Level (1) inputs are induced inputs derived from quoted (unadjusted) prices of identical assets or liabilities in active markets that an enterprise can obtain on the measurement date;

Input Level (2) inputs are induced inputs derived from data other than quoted prices used at level (1) and observable for assets or liabilities, either directly or indirectly;

Input Level (3) inputs are induced inputs to assets or liabilities that are not based on observable market prices.

Impairment of financial assets

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

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

- International wakala agencies
- Direct credit financing (self and joint).
- Al Qard Al Hasan (self)
- (Sukuk) within financial assets at amortized cost.
- (Sukuk) within financial assets at fair value through shareholders equity – self
- (Sukuk) within financial assets at fair value through quasi-equity – joint
- Off-balance sheet exposures subject to credit risk (self and joint).

No impairment loss is recognized in equity instruments.

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

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

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

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

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

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

Credit-impaired financial assets

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

- The debtor is facing significant financial difficulties (severe weakness in the financial statements).
- Non-compliance with contractual conditions, such as the existence of dues equal to or greater than (90) days.
- The bank amortized part of the debtor's obligations for reasons related to financial difficulties facing the debtor and his inability to pay the obligations in full on time.
- The existence of clear indicators indicating the imminent bankruptcy of the debtor.
- Lack of an active market for a financial instrument due to financial difficulties faced by the debtor (source of credit exposure/non-cash debt instrument).

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

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

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

Definition of default

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

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

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

Significant increase in credit risk

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

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

In assessing whether the credit risk on a financial instrument has increased substantially since initial recognition, the group compares the risk of default of the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of default for the remaining maturity period at the date of the current report when the financial instrument is recognized for the first time. In the assessment process, the Bank considers both quantitative and qualitative information that is reasonable and reliable, including historical experience and future information available at no cost or undue effort, based on the Group's historical experience and the assessment of the credit expert, including future information.

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

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

Quantitative information is a key indicator of the significant increase in credit risk and is based on a change in the probability of default over a lifetime by comparing:

- The probability of remaining life-long defaults at the reporting date; and
- The probability of life-long defaults remaining at this point from the time estimated on the basis of facts and circumstances at initial recognition of exposure.

The group uses the same methodologies and data used to measure expected credit loss provisions.

Since the significant increase in credit risk since the initial recognition is a relative measure, a specific change, in absolute terms, in the probability of non-payment will be more important to a financial instrument with a lower initial non-payment probability compared to a financial instrument with a higher non-payment probability.

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

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

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

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

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

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

Write-off

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

Property and equipment

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

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

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

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

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

Intangible assets

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

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

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

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

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

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

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

The recoverable amount is the fair value of the asset - less selling costs - or the value of its use, whichever is greater. All impairment losses are recognized in the consolidated statement of Income and other comprehensive income.

Provisions

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

Income tax

Tax expenses represent amounts of accrued taxes and deferred taxes.

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

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

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

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

Deposit guarantee

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

Offsetting

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

Wakala Investment accounts

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

Realization of revenues and recognition of expenses

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

Commission income and expenses

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

Net trading income

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

Dividend income

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

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

- With respect to equity instruments held for trading, dividend income is recognized in the consolidated statement of income and other comprehensive income and comprehensive within item gain (loss) on financial assets at fair value through statement of income; and

- For equity instruments classified at fair value through shareholders' equity, equity is recognized in the consolidated statement of income and other comprehensive income under the Bank's self-financed revenue; and

○ For equity instruments that are not classified at fair value through shareholders equity - self and not held for trading, equity gains are recognized in the consolidated statement of income and other comprehensive income and consolidated comprehensive income under other income - self; and

○ With respect to equity instruments classified at fair value through the joint investment accounts holders' equity, the income from equity is included in the consolidated statement of income and other comprehensive income under profit from financial assets at fair value through unrestricted investment account holders' equity.

Cash and cash equivalents

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

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

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

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

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

Significant Judgments in applying the bank's accounting policies

Evaluation of business model

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

Significant increase in credit risk

The expected credit loss is measured as an allowance equivalent to the expected credit loss of (12) months for the assets of stage (1), or the credit loss over the life of the assets of the stage (2) and (3). The asset transferred to the stage (2) if credit risk increases significantly since initial recognition. FAS (30) issued by the Accounting and Auditing Organization for Financial and Islamic Institutions. does not specify what constitutes a significant increase in credit risk. In assessing whether the credit risk of any asset has increased significantly, the group takes into account reasonable and reliable quantitative and qualitative information. The estimates and uses by the Group's management of the significant change in credit risk that result in a change in classification within the three stages (1, 2 and 3) are explained in detail in Note (50).

Establishment of groups of assets with similar credit risk characteristics

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

Models and assumptions used

The Group uses various models and assumptions in measuring the fair value of financial assets as well as in assessing the expected credit loss described in note (50). The judgment is applied when determining the best models for each type of asset, as well as for the assumptions used in those models, which include assumptions regarding the main drivers of credit risk.

Extension and termination options in lease contracts

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

Key sources of estimation uncertainty

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

Impairment in value of seized assets by the bank against debt

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

The useful lives of tangible assets and intangible assets

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

Income tax provision

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

Legal Provisions

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

Assets that are stated at cost

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

Provision for expected credit losses

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

Provisions against assets financed by joint investment account holders (including provisions against sales receivables and joint financing) are charged to the profit of the joint investment pool.

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

The probability of default

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

Loss given default

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

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

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

Scenario	Weight as of 31 December 2024	Weight as of 31 December 2023
Baseline	50%	50%
Optimistic	10%	5%
Pessimistic	40%	45%

Fair value measurement and valuation procedures

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

Discount of lease payments

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

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

The details of this item are as follows:

	31 December	
	2024	2023
	JD	JD
Cash on vaults	34,126,657	27,298,492
Balances at the Central Bank of Jordan:		
Current accounts	99,935,812	133,591,073
Statutory cash reserve	110,478,554	95,060,089
Total balances at the Central Bank of Jordan	210,414,366	228,651,162
Total	244,541,023	255,949,654

- Except for the statutory cash reserve, there are no other restricted cash balances at the Central Bank of Jordan as at 31 December 2024 and 31 December 2023.
- Provision for expected credit losses has not been calculated on the balances at the Central Bank of Jordan , as they are exposures to the Jordanian government.

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

	Stage 1 (individual)	Stage 1 (individual)
	For the year ended	
	2024	2023
	JD	JD
Balance at the beginning of the year	228,651,162	178,217,660
New balances during the year	12,210,985	50,433,502
Settled balances	(30,447,781)	-
Balance at the end of the year	210,414,366	228,651,162

(5) BALANCES AT BANKS AND FINANCIAL INSTITUTIONS

The details of this item are as follows:

	Local banks and financial institutions		Foreign banks and financial institutions		Total	
	31 December		31 December		31 December	
	2024	2023	2024	2023	2024	2023
	JD	JD	JD	JD	JD	JD
Current and on demand accounts	1,130,382	1,261,566	15,710,726	25,251,757	16,841,108	26,513,323
Total	1,130,382	1,261,566	15,710,726	25,251,757	16,841,108	26,513,323

- There are no balances at banks and financial institutions on which the bank receives returns as at 31 December 2024 and 31 December 2023.
- There are no balances with banks and banking institutions for which the bank charges returns as on 31 December 2024 and as on 31 December 2023.
- All balances have current accounts that use the bank's operations, and there is no need for calculating financial provisions for them according to Islamic Financial Accounting Standard No. (30).

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

	Stage 1 (individual)	Stage 1 (individual)
	For the year ended 31 December 2024	For the year ended 31 December 2023
Balance at the beginning of the year	JD 26,513,323	13,551,162
New balances during the year	884,057	15,855,816
Settled balances	(159,731)	(2,893,655)
Changes resulting from modifications	(10,396,541)	-
Balance at the end of the year	16,841,108	26,513,323

(6) INTERNATIONAL WAKALA INVESTMENTS - NET

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

	joint 31 December	
	2024	2023
Matures:	JD	JD
Within a month	150,468,333	40,072,224
From a month to three	49,324,175	37,042,980
From three to six months	17,725,000	8,089,578
Total International Wakala Investments	217,517,508	85,204,782
Less: Provision for expected credit losses for international wakala investment	(372,752)	(73,463)
Net International Wakala Investments	217,144,756	85,131,319

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

	For the year ended 31 December 2024				For the year ended 31 December 2023
Item	Stage 1 (Individual)	Stage 2 (Individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Total balance at the beginning of the year	85,204,782	-	-	85,204,782	63,421,845
New balances and deposits during the year	217,517,508	-	-	217,517,508	85,204,782
Settled balances and deposits	(85,204,782)	-	-	(85,204,782)	(63,421,845)
Total balance at the end of the year	217,517,508	-	-	217,517,508	85,204,782

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

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

	For the year ended 31 December 2024				For the year ended 31 December 2023
Item	Stage 1 (Individual)	Stage 2 (Individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Total balance at the beginning of the year	73,463	-	-	73,463	280,449
Impairment loss of new balances during the year	372,752	-	-	372,752	73,463
Recoverable from impairment loss on repaid balance and deposits	(73,463)	-	-	(73,463)	(280,449)
Total balance at the end of the year	372,752	-	-	372,752	73,463

(7) DEFERRED SALES RECEIVABLES AND OTHER RECEIVABLES - NET

The details of this item are as follows:

	Joint		Self		Total	
	31 December		31 December		31 December	
	2024	2023	2024	2023	2024	2023
	JD	JD	JD	JD	JD	JD
Individuals (retail)						
Murabaha to the purchase orderer	526,346,249	468,912,266	2,224,346	1,837,634	528,570,595	470,749,900
Ijara Muntahia Bittamleek - receivables	3,510,405	2,333,538	-	-	3,510,405	2,333,538
Other receivables	11,092,616	8,443,484	20,391	20,391	11,113,007	8,463,875
Real estate financing	18,028,346	18,763,701	-	-	18,028,346	18,763,701
Ijara Muntahia Bittamleek - receivables	2,690,281	2,655,792	-	-	2,690,281	2,655,792
Corporate						
International Murabaha	28,838,192	2,238,029	-	-	28,838,192	2,238,029
Murabaha to the purchase orderer	514,081,207	431,091,493	-	-	514,081,207	431,091,493
Ijara Muntahia Bittamleek - receivables	1,010,419	666,410	-	-	1,010,419	666,410
Other receivables	-	-	58,147	112,202	58,147	112,202
Small and medium enterprises						
Murabaha to the purchase orderer	77,556,590	62,336,934	-	-	77,556,590	62,336,934
Ijara Muntahia Bittamleek - receivables	-	23,519	-	-	-	23,519
Other receivables	-	-	217,191	389,168	217,191	389,168
Government and the public sector	677,660,096	531,023,519	-	-	677,660,096	531,023,519
Total	1,860,814,401	1,528,488,685	2,520,075	2,359,395	1,863,334,476	1,530,848,080
Less: Deferred revenue	216,910,367	179,999,187	346,968	285,008	217,257,335	180,284,195
Suspended revenue	4,026,112	2,330,284	7,112	7,112	4,033,224	2,337,396
provision for expected credit losses	92,583,143	60,823,719	32,353	32,255	92,615,496	60,855,974
Net deferred sales receivable and other receivables	1,547,294,779	1,285,335,495	2,133,642	2,035,020	1,549,428,421	1,287,370,515

- The non-performing deferred sales receivables, other receivables, facilities, Ijara Muntahia Bittamleek receivables and Qard Al-Hasan amounted to JD 75,554,035 as at 31 December 2024, representing 4.03% of deferred sales receivables, other receivables, facilities, Ijara Muntahia Bittamleek receivables and Qard Al-Hasan (JD 45,306,142 as at 31 December 2023, representing 2.89% of deferred sales receivables, other receivables, facilities, Ijara Muntahia Bittamleek receivables and Qard Al-Hasan).
- The non-performing deferred sales receivables, Ijara Muntahia Bittamleek receivables, other receivables, facilities and Qard Al-Hasan after deducting suspended revenue amounted to JD 71,520,811 as at 31 December 2024, representing 3.82% of deferred sales receivables, Ijara Muntahia Bittamleek receivables, other receivables, facilities and Qard Al-Hasan after deducting suspended revenue amounted (JD 42,968,746 as at 31 December 2023, representing 2.75% of deferred sales receivables, Ijara Muntahia Bittamleek receivables, other receivables, facilities and Qard Al-Hasan).
- There are no non-performing debts converted to items outside the consolidated statement of financial position during the year ended 31 December 2024 compared to JD 12,114,982 as at 31 December 2023, noting that these debts are fully covered by provisions and outstanding profits.
- The provision for impairment of the jointly financed facilities, which is calculated based on the Central Bank of Jordan's Instructions No.(47/2009) in the (under supervision) portfolio amounted to JD 1,974,365. Moreover, the provision calculated based on the individual customer (non-performing) amounted to JD 49,947,865 as at 31 December 2024 (JD 1,773,195 and JD 30,015,210 respectively as at 31 December 2023).
- The deferred sales receivables and other receivables and facilities granted to and guaranteed by the Government of the Hashemite Kingdom of Jordan amounted to JD 591,846,287 as at 31 December 2024 representing 31.54% of the balance of deferred sales receivables, other receivables and facilities (JD 433,652,661 as at 31 December 2023, representing 27.69% of the balance of deferred sales receivables, other receivables and facilities).

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

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

Item	31 December 2024						31 December 2023
	Stage 1		Stage 2		Stage 3	Total	Total
	individual	Collective	individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
Total balance at the beginning of the year	32,284,007	1,716,023	2,133,784	149,130	1,041,219	37,324,163	9,618,451
New facilities during the year	8,174,454	1,721,352	1,799,351	34,838	602,600	12,332,595	35,032,653
Settled facilities	(31,772,582)	(404,296)	(2,025,026)	(91,319)	(9,159)	(34,302,382)	(6,700,005)
Transfer to Stage 1	-	133	-	(133)	-	-	-
Transfer to Stage 2	(472)	(14,567)	472	32,451	(17,884)	-	-
Transfer to Stage 3	-	(11,966)	(472)	(22,810)	35,248	-	-
The total impact on the size of exposures as a result of changing the classification between stages	-	-	202	(13,243)	(21,605)	(34,646)	(24,286)
Changes resulting from modifications	(9)	(294,566)	(47,731)	(29,313)	100,022	(271,597)	(558,025)
facilities transferred to off consolidated financial position items or bad debts	-	-	-	-	-	-	(44,625)
Total balance at the end of the year	8,685,398	2,712,113	1,860,580	59,601	1,730,441	15,048,133	37,324,163

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

Item	For the year ended 31 December 2024						For the year ended 31 December 2023
	Corporate	Small and medium enterprises	Retail (individual)	Real estate financing	Government and the public sector	Total	Total
	JD	JD	JD	JD	JD	JD	JD
Total blance at the beginning of the year	533,253	144,574	230,577	-	-	908,404	522,051
Impairment loss on new facilities during the year	193,662	380,571	107,563	-	-	681,796	572,380
Recovered from impairment loss on repaid facilities	(215,092)	(1,739)	(6,495)	-	-	(223,326)	(250,162)
Transfer to Stage 1	(8)	(70)	(2)	-	-	(80)	(47)
Transfer to Stage 2	(6)	17,883	(173)	-	-	17,704	256
Transfer to Stage 3	14	(17,813)	175	-	-	(17,624)	(209)
Effect on the provision - as at the end of the year - as a result of the change in classification between the three stages during the year	1,016	(10,430)	4,917	-	-	(4,497)	8,388
Changes resulting from modifications	54,300	48,498	5,949	-	-	108,747	100,372
Facilities transferred to off consolidated financial position items or bad debts	-	-	-	-	-	-	(44,625)
Total balance at the end of the year	567,139	561,474	342,511	-	-	1,471,124	908,404

Redistribution:

Provisions on an individual basis	567,139	560,161	330,372	-	-	1,457,672	900,011
Provisions at a collective basis	-	1,313	12,139	-	-	13,452	8,393

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

B- Joint

Item	31 December 2024						31 December 2023
	Stage 1		Stage 2		Stage 3	Total	Total
	individual	Collective	individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
Total balance at the beginning of the year	792,117,590	391,835,502	73,137,097	47,849,424	41,219,601	1,346,159,214	1,371,067,546
New facilities during the year	343,799,146	164,845,533	10,099,791	2,825,511	677,838	522,247,819	250,087,875
Settled facilities	(54,562,370)	(37,370,474)	(6,116,140)	(4,586,609)	(612,685)	(103,248,278)	(103,769,493)
Transfer to Stage 1	20,773,054	12,828,437	(20,773,054)	(12,825,902)	(2,535)	-	-
Transfer to Stage 2	(31,861,284)	(25,821,277)	31,861,284	27,449,348	(1,628,071)	-	-
Transfer to Stage 3	(150,687)	(2,180,041)	(17,394,507)	(5,583,407)	25,308,642	-	-
The total impact on the size of exposures as a result of changing the classification between stages	(3,076,759)	(1,285,488)	(545,078)	(2,661,259)	145,678	(7,422,906)	622,206
Changes resulting from modifications	(57,587,854)	(52,535,669)	(4,058,281)	(4,211,178)	535,055	(117,857,927)	(160,713,065)
Facilities transferred to off consolidated financial position items or bad debts	-	-	-	-	-	-	(11,135,855)
Total balance at the end of the year	1,009,450,836	450,316,523	66,211,112	48,255,928	65,643,523	1,639,877,922	1,346,159,214

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

Item	For the year ended 31 December 2024						For the year ended 31 December 2023
	Corporate	Small and medium enterprises	Retail (individual)	Real estate financing	Government and the public sector	Total	Total
	JD	JD	JD	JD	JD	JD	JD
	JD	JD	JD	JD	JD	JD	JD
Total balance at the beginning of the year	31,589,864	3,147,430	20,594,586	5,491,839	-	60,823,719	56,409,431
Impairment loss on new facilities during the year	2,094,315	56,262	1,006,391	2,683,352	-	5,840,320	2,577,852
Recoverable from impairment loss on settled facilities	(1,378,125)	(627,863)	(748,132)	(1,500,347)	-	(4,254,467)	(3,282,224)
Transfer to Stage 1	2,108,682	168,218	343,167	(717)	-	2,619,350	22,685
Transfer to Stage 2	(6,192,007)	(86,431)	(143,753)	(204,627)	-	(6,626,818)	(2,930,935)
Transfer to Stage 3	4,083,325	(81,787)	(199,414)	205,344	-	4,007,468	2,908,250
Effect on the provision as at the end of the year as a result of the change in classification between the three stages during the year	4,632,053	(94,269)	5,750,054	1,138,005	-	11,425,843	3,164,406
Changes resulting from modifications	5,849,843	1,490,179	8,533,249	2,874,457	-	18,747,728	13,090,109
Facilities transferred to off consolidated financial position items or bad debts	-	-	-	-	-	-	(11,135,855)
Total balance at the end of the year	42,787,950	3,971,739	35,136,148	10,687,306	-	92,583,143	60,823,719

Redistribution:

Provisions on an individual basis	42,787,950	3,253,884	-	10,673,469	-	56,715,303	39,702,815
Provisions at a collective basis	-	717,855	35,136,148	13,837	-	35,867,840	21,120,904

Suspended revenue :

The movement on suspended revenue is as follows:

	31Decmeber 2024				31December 2023			
	Retail (individual)	Corporate	Small and medium enterprises	Total	Retail (individual)	Corporate	Small and medium enterprises	Total
	JD	JD	JD	JD	JD	JD	JD	JD
	JD	JD	JD	JD	JD	JD	JD	JD
Balance at the beginning of the year (Self)	-	7,112	-	7,112	-	7,112	-	7,112
Add: suspended revenue during the year	-	-	-	-	-	-	-	-
Less: suspended revenue transferred to revenue	-	-	-	-	-	-	-	-
Balance at the end of the year (Self)	-	7,112	-	7,112	-	7,112	-	7,112
Balance at the beginning of the year (Joint)	1,380,940	699,135	250,209	2,330,284	1,225,804	1,363,282	134,325	2,723,411
Add: suspended revenue during the year	955,149	1,006,928	131,140	2,093,217	542,805	400,232	131,194	1,074,231
Less: suspended revenue transferred to revenue	350,073	2,764	44,552	397,389	299,081	218,465	15,310	532,856
Less: settled revenue transferred to off consolidated financial position items or bad debts	-	-	-	-	88,588	845,914	-	934,502
Balance at the end of the year (Joint)	1,986,016	1,703,299	336,797	4,026,112	1,380,940	699,135	250,209	2,330,284

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

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

Item	31 December 2024				31 December 2023
	Stage 1 (individual)	Stage 2 (individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Almost risk free	-	-	-	-	13,790
Low risk	6,101,608	281	-	6,101,889	29,841,401
Normal risk	801,332	605,107	-	1,406,439	898,639
Acceptable risk	1,272,471	-	-	1,272,471	2,995,493
Acceptable with due care	327	1,150,398	-	1,150,725	87,892
Watch list	-	-	-	-	30,858
Substandard	-	-	1,277	1,277	-
Doubtful	-	-	277	277	-
Loss	-	-	327,147	327,147	320,684
Unrated	-	104,794	484,804	589,598	355,310
Total	8,175,738	1,860,580	813,505	10,849,823	34,544,067

-The movement of facilities :

Item	31 December 2024				31 December 2023
	Stage 1 (individual)	Stage 2 (individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Total balance at the beginning of the year	31,774,347	2,133,784	635,936	34,544,067	6,759,266
New facilities during the year	8,174,454	1,799,351	120,781	10,094,586	34,021,519
Settled facilities	(31,772,582)	(2,025,026)	-	(33,797,608)	(5,948,519)
Transfer to Stage 1	-	-	-	-	-
Transfer to Stage 2	(472)	472	-	-	-
Transfer to Stage 3	-	(472)	472	-	-
The total impact on the size of exposures as a result of changing the classification between stages	-	202	555	757	351
Changes resulting from modifications	(9)	(47,731)	55,761	8,021	(287,550)
Facilities transferred to off consolidated financial position items or bad debts	-	-	-	-	(1,000)
Total balance at the end of the year	8,175,738	1,860,580	813,505	10,849,823	34,544,067

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

Item	For the year ended 31 December 2024				For the year ended 31 December 2023
	Stage 1 (individual)	Stage 2 (individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Total balance at the beginning of the year	198,143	18,744	316,366	533,253	261,035
Impairment loss on new financing during the year	55,663	17,218	120,781	193,662	516,461
Recoverable from the loss of impairment on reimbursements	(198,130)	(16,962)	-	(215,092)	(241,375)
Transfer to Stage 1	-	-	-	-	-
Transfer to Stage 2	(8)	8	-	-	-
Transfer to Stage 3	-	(14)	14	-	-
The total impact on the size of exposures as a result of changing the classification between stages	-	3	1,013	1,016	381
Changes resulting from modifications	-	(1,462)	55,762	54,300	(2,249)
Facilities transferred to off consolidated financial position items or bad debts	-	-	-	-	(1,000)
Total balance at the end of the year	55,668	17,535	493,936	567,139	533,253

B-Joint

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

Item	31 December 2024				31 December 2023
	Stage 1 (individual)	Stage 2 (individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Insignificant risk	2,573,579	-	-	2,573,579	3,579,075
Almost risk free	22,649,203	-	-	22,649,203	9,531,323
Low risk	33,098,001	-	-	33,098,001	6,432,799
Normal risk	94,637,917	4,938,890	-	99,576,807	62,642,713
Acceptable risk	198,783,708	13,718,625	-	212,502,333	233,384,634
Acceptable with due care	31,313,375	29,181,438	-	60,494,813	50,510,352
Watch list	-	7,351,828	-	7,351,828	13,633,607
Substandard	-	-	2,454,441	2,454,441	11,969,107
Doubtful	-	-	2,887,099	2,887,099	-
Loss	-	-	36,003,394	36,003,394	11,796,344
Unrated	30,665,392	367,589	-	31,032,981	2,546,096
Total	413,721,175	55,558,370	41,344,934	510,624,479	406,026,050

-The movement of facilities :

Item	31 December 2024				31 December 2023
	Stage 1 (individual)	Stage 2 (individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Total balance at the beginning of the year	319,499,970	62,757,129	23,768,951	406,026,050	491,966,433
New facilities during the year	158,238,731	6,740,227	-	164,978,958	54,790,998
settled facilities	(49,822,360)	(5,619,124)	(95,137)	(55,536,621)	(64,497,716)
Transfer to Stage 1	20,735,274	(20,735,274)	-	-	-
Transfer to Stage 2	(31,757,093)	31,757,093	-	-	-
Transfer to Stage 3	(69,265)	(17,056,277)	17,125,542	-	-
The total impact on the size of exposures as a result of changing the classification between stages	(3,355,294)	(470,359)	246,686	(3,578,967)	3,517,378
Changes resulting from modifications	251,212	(1,815,045)	298,892	(1,264,941)	(68,880,144)
Facilities transferred to off consolidated financial position items or bad debts	-	-	-	-	(10,870,899)
Total balance at the end of the year	413,721,175	55,558,370	41,344,934	510,624,479	406,026,050

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

Item	For the year ended 31 December 2024				For the year ended 31 December 2023
	Stage 1 (individual)	Stage 2 (individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Total balance at the beginning of the year	2,038,754	14,401,186	15,149,924	31,589,864	38,857,647
Impairment loss on new financing during the year	558,049	1,536,266	-	2,094,315	1,246,889
Recoverable from the loss of impairment on reimbursements	(301,483)	(931,672)	(144,970)	(1,378,125)	(2,892,956)
Transfer to Stage 1	2,402,751	(2,402,751)	-	-	-
Transfer to Stage 2	(293,444)	293,444	-	-	-
Transfer to Stage 3	(625)	(4,082,700)	4,083,325	-	-
Effect on the provision - as at the end of the year - as a result of the change in classification between the three stages during the year	(2,244,072)	2,306,537	4,569,588	4,632,053	(723,092)
Changes resulting from modifications	91,088	3,001,594	2,757,161	5,849,843	5,972,275
facilities transferred to off consolidated financial position items or bad debts	-	-	-	-	(10,870,899)
Total balance at the end of the year	2,251,018	14,121,904	26,415,028	42,787,950	31,589,864

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

A-Self

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

Item	31 December 2024						31 December 2023
	Stage 1		Stage 2		Stage 3	Total	Total
	(individual) JD	(Collective) JD	(individual) JD	(Collective) JD			
Not rated	-	304,811	-	28,869	583,233	916,913	442,841
Total	-	304,811	-	28,869	583,233	916,913	442,841

-The movement on facilities :

Item	31 December 2024						31 December 2023
	Stage 1		Stage 2		Stage 3	Total	Total
	individual JD	Collective JD	individual JD	Collective JD			
Total balance at the beginning of the year	-	124,461	-	135,427	182,953	442,841	715,162
New facilities during the year	-	247,557	-	4,121	379,260	630,938	59,438
Settled facilities	-	(13,531)	-	(81,116)	(5,108)	(99,755)	(195,866)
Transfer to Stage 1	-	133	-	(133)	-	-	-
Transfer to Stage 2	-	(14,562)	-	32,446	(17,884)	-	-
Transfer to Stage 3	-	(11,797)	-	(19,321)	31,118	-	-
The total impact on the size of exposures as a result of changing the classification between stages	-	-	-	(13,247)	(23,593)	(36,840)	(25,056)
Changes resulting from modifications	-	(27,450)	-	(29,308)	36,487	(20,271)	(67,212)
Facilities transferred to off consolidated financial position items	-	-	-	-	-	-	(43,625)
or bad debts	-	-	-	-	-	-	-
Total balance at the end of the year	-	304,811	-	28,869	583,233	916,913	442,841

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

Item	For the year ended 31 December 2024						For the year ended 31 December 2023
	Stage 1		Stage 2		Stage 3	Total	Total
	(individual) JD	(Collective) JD	(individual) JD	(Collective) JD			
Total balance at the beginning of the year	-	133	-	-	144,441	144,574	66,344
Impairment loss on new financing during the year	-	1,187	-	124	379,260	380,571	19,903
Recoverable from the loss of impairment on reimbursements	-	(60)	-	-	(1,679)	(1,739)	(1,480)
Transfer to Stage 1	-	-	-	-	-	-	-
Transfer to Stage 2	-	-	-	17,884	(17,884)	-	-
Transfer to Stage 3	-	(70)	-	(1)	71	-	-
Effect on the provision - as at the end of the year - as a result of the change in classification between the three stages during the year	-	-	-	(17,884)	7,454	(10,430)	893
Changes resulting from modifications	-	-	-	-	48,498	48,498	102,539
Facilities transferred to off consolidated financial position items	-	-	-	-	-	-	(43,625)
or bad debts	-	-	-	-	-	-	-
Total balance at the end of the year	-	1,190	-	123	560,161	561,474	144,574

B-Joint

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

Item	31 December 2024						31 December 2023
	Stage 1		Stage 2		Stage 3	Total	Total
	(individual) JD	(Collective) JD	(individual) JD	(Collective) JD			
unrated	-	58,802,832	-	10,823,467	4,245,893	73,872,192	59,540,078
Total	-	58,802,832	-	10,823,467	4,245,893	73,872,192	59,540,078

-The movement on facilities :

Item	31 December 2024						31 December 2023
	Stage 1		Stage 2		Stage 3	Total	Total
	(individual) JD	(Collective) JD	(individual) JD	(Collective) JD			
Total balance at the beginning of the year	-	39,434,115	-	15,847,526	4,258,437	59,540,078	50,846,935
New facilities during the year	-	17,879,603	-	897,511	104,148	18,881,262	16,199,728
settled facilities	-	(4,485,806)	-	(2,017,787)	(139,789)	(6,643,382)	(10,059,887)
Transfer to Stage 1	-	7,893,358	-	(7,893,358)	-	-	-
Transfer to Stage 2	-	(4,182,850)	-	4,477,448	(294,598)	-	-
Transfer to Stage 3	-	(231,455)	-	(260,820)	492,275	-	-
The total impact on the size of exposures as a result of changing the classification between stages	-	(212,751)	-	506,356	(159,601)	134,004	1,171,109
Changes resulting from modifications	-	2,708,618	-	(733,409)	(14,979)	1,960,230	1,382,193
Total balance at the end of the year	-	58,802,832	-	10,823,467	4,245,893	73,872,192	59,540,078

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

Item	For the year ended 31 December 2024						For the year ended 31 December 2023
	Stage 1		Stage 2		Stage 3	Total	Total
	(individual) JD	(Collective) JD	(individual) JD	(Collective) JD			
Total balance at the beginning of the year	-	106,802	-	413,664	2,626,964	3,147,430	2,057,211
Impairment loss on new financing during the year	-	26,383	-	21,374	8,505	56,262	53,521
Recoverable from the loss of impairment on reimbursements	-	(6,455)	-	(169,839)	(451,569)	(627,863)	(26,008)
Transfer to Stage 1	-	179,931	-	(179,931)	-	-	-
Transfer to Stage 2	-	(9,485)	-	97,226	(87,741)	-	-
Transfer to Stage 3	-	(2,228)	-	(3,726)	5,954	-	-
Effect on the provision - as at the end of the year - as a result of the change in classification between the three stages during the year	-	(157,064)	-	1,687	61,108	(94,269)	39,969
Changes resulting from modifications	-	34,541	-	364,975	1,090,663	1,490,179	1,022,737
Total balance at the end of the year	-	172,425	-	545,430	3,253,884	3,971,739	3,147,430

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

A-Self

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

Item	31 December 2024				31 December 2023
	Stage 1 (collective)	Stage 2 (collective)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Unrated	2,407,302	30,732	333,703	2,771,737	1,827,595
Total	2,407,302	30,732	333,703	2,771,737	1,827,595

- The movement on facilities:

Item	31 December 2024				31 December 2023
	Stage 1 (collective)	Stage 2 (collective)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Total balance at the beginning of the year	1,591,562	13,703	222,330	1,827,595	1,634,363
New facilities during the year	1,473,795	30,717	102,559	1,607,071	951,696
Settled facilities	(390,765)	(10,203)	(4,051)	(405,019)	(555,620)
Transfer to Stage 1	-	-	-	-	-
Transfer to Stage 2	(5)	5	-	-	-
Transfer to Stage 3	(169)	(3,489)	3,658	-	-
The total impact on the size of exposures as a result of changing the classification between stages	-	4	1,433	1,437	419
Changes resulting from modifications	(267,116)	(5)	7,774	(259,347)	(203,263)
Total balance at the end of the year	2,407,302	30,732	333,703	2,771,737	1,827,595

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

Item	For the year ended 31 December 2024				For the year ended 31 December 2023
	Stage 1 (collective)	Stage 2 (collective)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Total balance at the beginning of the year	7,405	855	222,317	230,577	194,672
Impairment loss on new financing during the year	7,291	1,029	99,243	107,563	36,016
Recoverable from the loss of impairment on reimbursements	(1,765)	(679)	(4,051)	(6,495)	(7,307)
Transfer to Stage 1	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-
Transfer to Stage 3	(2)	(173)	175	-	-
Effect on the provision - as at the end of the year - as a result of the change in classification between the three stages during the year	-	-	4,917	4,917	7,114
Changes resulting from modifications	(1,822)	-	7,771	5,949	82
Total balance at the end of the year	11,107	1,032	330,372	342,511	230,577

B-Joint

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

Item	31 December 2024				31 December 2023
	Stage 1 (collective)	Stage 2 (collective)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Unrated	388,022,131	36,675,051	18,810,962	443,508,144	392,633,707
Total	388,022,131	36,675,051	18,810,962	443,508,144	392,633,707

-The movement on facilities :

Item	31 December 2024				31 December 2023
	Stage 1 (collective)	Stage 2 (collective)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Total balance at the beginning of the year	348,303,301	31,386,516	12,943,890	392,633,707	355,772,450
New facilities during the year	145,909,938	1,925,784	302,311	148,138,033	123,108,111
settled facilities	(32,567,962)	(2,527,950)	(375,099)	(35,471,011)	(28,139,905)
Transfer to Stage 1	4,925,589	(4,923,054)	(2,535)	-	-
Transfer to Stage 2	(21,423,903)	22,757,376	(1,333,473)	-	-
Transfer to Stage 3	(1,948,586)	(5,312,166)	7,260,752	-	-
The total impact on the size of exposures as a result of changing the classification between stages	(1,082,375)	(3,213,577)	(131,276)	(4,427,228)	(3,949,092)
Changes resulting from modifications	(54,093,871)	(3,417,878)	146,392	(57,365,357)	(53,892,901)
Facilities transferred to off consolidated financial position items or bad	-	-	-	-	(264,956)
Total balance at the end of the year	388,022,131	36,675,051	18,810,962	443,508,144	392,633,707

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

Item	For the year ended 31 December 2024				For the year ended 31 December 2023
	Stage 1 (collective)	Stage 2 (collective)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Total balance at the beginning of the year	5,985,405	3,045,183	11,563,998	20,594,586	12,187,031
Impairment loss on new financing during the year	588,689	231,712	185,990	1,006,391	1,046,596
Recoverable from the loss of impairment on reimbursements	(161,835)	(124,793)	(461,504)	(748,132)	(265,343)
Transfer to Stage 1	469,048	(467,780)	(1,268)	-	-
Transfer to Stage 2	(109,198)	1,062,592	(953,394)	-	-
Transfer to Stage 3	(16,683)	(738,565)	755,248	-	-
Effect on the provision - as at the end of the year - as a result of the change in classification between the three stages during the year	(447,870)	964,320	5,233,604	5,750,054	3,931,121
Changes resulting from modifications	7,630,265	(680,235)	1,583,219	8,533,249	3,960,137
Facilities transferred to off consolidated financial position items or bad	-	-	-	-	(264,956)
Total balance at the end of the year	13,937,821	3,292,434	17,905,893	35,136,148	20,594,586

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

A-Self

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

Item	31 December 2024				31 December 2023	
	Stage 1		Stage 2		Total	Total
	(individual)	(Collective)	(individual)	(Collective)		
	JD	JD	JD	JD	JD	JD
Total	-	-	-	-	-	-

-The movement on facilities:

Item	31 December 2024				31 December 2023	
	Stage 1		Stage 2		Total	Total
	(individual)	(Collective)	(individual)	(Collective)		
	JD	JD	JD	JD	JD	JD
Total balance at the beginning of the year	-	-	-	-	-	-
Total balance at the end of the year	-	-	-	-	-	-

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

Item	For the year ended 31 December 2024				For the year ended 31 December 2023	
	Stage 1		Stage 2		Total	Total
	(individual)	(Collective)	(individual)	(Collective)		
	JD	JD	JD	JD	JD	JD
Total balance at the beginning of the year	-	-	-	-	-	-
Total balance at the end of the year	-	-	-	-	-	-

B-Joint

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

Item	31 December 2024				31 December 2023	
	Stage 1		Stage 2		Total	Total
	(individual)	(Collective)	(individual)	(Collective)		
	JD	JD	JD	JD	JD	JD
Low risk	35,374	-	-	-	35,374	75,956
Normal Risk	539,219	-	-	-	539,219	75,159
Acceptable risk	694,695	-	-	-	694,695	1,690,078
Acceptable with due care	26,973	-	29,830	-	56,803	9,195,453
Watch list	32,213	-	10,622,912	-	10,655,125	315,727
Substandard	-	-	-	-	155,156	-
Doubtful	-	-	-	-	434,747	-
Loss	-	-	-	-	327,013	182,158
Unrated	273,280	3,491,560	-	757,410	4,847,068	6,337,415
Total	1,601,754	3,491,560	10,652,742	757,410	1,241,734	17,871,946

- The movement on facilities :

Item	31 December 2024				31 December 2023	
	Stage 1		Stage 2		Total	Total
	(individual)	(Collective)	(individual)	(Collective)		
	JD	JD	JD	JD	JD	JD
Total balance at the beginning of the year	2,530,187	4,098,086	10,379,968	615,382	17,871,946	18,035,251
New facilities during the year	256,929	1,055,992	3,359,564	2,216	4,946,080	3,103,623
Settled facilities	(1,817,368)	(316,706)	(497,016)	(40,872)	(2,674,622)	(1,071,985)
Transfer to Stage 1	37,780	9,490	(37,780)	(9,490)	-	-
Transfer to Stage 2	(104,191)	(214,524)	104,191	214,524	-	-
Transfer to Stage 3	(81,422)	-	(338,230)	(10,421)	430,073	-
The total impact on the size of exposures as a result of changing the classification between stages	278,535	9,638	(74,719)	45,962	189,869	(117,189)
Changes resulting from modifications	501,304	(1,150,416)	(2,243,236)	(59,891)	104,750	(2,077,754)
Total balance at the end of the year	1,601,754	3,491,560	10,652,742	757,410	1,241,734	17,871,946

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

Item	For the year ended 31 December 2024				For the year ended 31 December 2023	
	Stage 1		Stage 2		Total	Total
	(individual)	(Collective)	(individual)	(Collective)		
	JD	JD	JD	JD	JD	JD
Total balance at the beginning of the year	47,495	3,288	4,764,168	2,564	5,491,839	3,307,542
Impairment loss on new financing during the year	781	1,381	1,992,103	19	2,683,352	230,846
Recoverable from the loss of impairment on reimbursements	(45,628)	(1,124)	(1,452,094)	-	(1,500,347)	(97,917)
Transfer to Stage 1	440	-	(440)	-	-	-
Transfer to Stage 2	(1,122)	(35)	1,122	35	-	-
Transfer to Stage 3	-	-	(204,234)	(1,110)	205,344	-
Effect on the provision - as at the end of the year - as a result of the change in classification between the three stages during the year	2,923	132	363,746	4,858	1,138,005	(83,592)
Changes resulting from modifications	1,840	(527)	2,829,309	4,356	2,874,457	2,134,960
Total balance at the end of the year	6,729	3,115	8,293,680	10,722	10,687,306	5,491,839

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

A- Self

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

Item	31 December 2024				31 December 2023
	Stage 1 (individual)	Stage 2 (individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Almost free risk	509,660	-	-	509,660	509,660
Total	509,660	-	-	509,660	509,660

- The movement on facilities :

Item	31 December 2024				31 December 2023
	Stage 1 (individual)	Stage 2 (individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Total balance at the beginning of the year	509,660	-	-	509,660	509,660
Total balance at the end of the year	509,660	-	-	509,660	509,660

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

Item	For the year ended 31 December 2024				For the year ended 31 December 2023
	Stage 1 (individual)	Stage 2 (individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Total balance at the beginning of the year	-	-	-	-	-
Total balance at the end of the year	-	-	-	-	-

B-Joint

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

Item	31 December 2024				31 December 2023
	Stage 1 (individual)	Stage 2 (individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Insignificant Risk	594,127,907	-	-	594,127,907	470,087,433
Total	594,127,907	-	-	594,127,907	470,087,433

-The movement on facilities :

Item	31 December 2024				31 December 2023
	Stage 1 (individual)	Stage 2 (individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Total balance at the beginning of the year	470,087,433	-	-	470,087,433	454,446,477
New facilities during the year	185,303,486	-	-	185,303,486	52,885,415
Settled facilities	(2,922,642)	-	-	(2,922,642)	-
Transfer to Stage 1	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-
The total impact on the size of exposures as a result of changing the classification between stages	-	-	-	-	-
Changes resulting from modifications	(58,340,370)	-	-	(58,340,370)	(37,244,459)
Total balance at the end of the year	594,127,907	-	-	594,127,907	470,087,433

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

Item	For the year ended 31 December 2024				For the year ended 31 December 2023
	Stage 1 (individual)	Stage 2 (individual)	Stage 3	Total	Total
	JD	JD	JD	JD	JD
Total balance at the beginning of the year	-	-	-	-	-
Total balance at the end of the year	-	-	-	-	-

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

A - Self

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

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

B - Joint

	Stage 1				Stage 2				Stage 3				Total			
	Total	ECL	Suspended revenue	Deferred revenue	Total	ECL	Suspended revenue	Deferred revenue	Total	ECL	Suspended revenue	Deferred revenue	Total	ECL	Suspended revenue	Deferred revenue
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Corporates	437,987,823	2,251,018	-	24,266,648	59,448,583	14,121,904	-	3,890,213	46,493,412	26,415,028	1,416,746	3,731,732	543,929,818	42,787,950	1,416,746	31,888,593
Small and medium enterprises	61,705,960	172,425	-	2,903,128	11,368,592	545,430	-	545,125	4,482,038	3,253,884	200,457	35,688	77,556,590	3,971,739	200,457	3,483,941
Retail (Individual)	476,033,026	13,937,821	-	88,010,895	42,595,116	3,292,434	-	5,920,065	22,321,128	17,905,893	1,961,776	1,548,390	540,949,270	35,136,148	1,961,776	95,479,350
Real estate financing	5,929,531	9,844	-	836,217	13,100,229	8,304,402	-	1,690,077	1,688,867	2,373,060	447,133	-	20,718,627	10,687,306	447,133	2,526,294
Government and public sector	677,660,096	-	-	83,532,189	-	-	-	-	-	-	-	-	677,660,096	-	-	83,532,189
Total	1,659,316,436	16,371,108	-	199,549,077	126,512,520	26,264,170	-	12,045,480	74,985,445	49,947,865	4,026,112	5,315,810	1,860,814,401	92,583,143	4,026,112	216,910,367

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

The following are credit exposures in accordance to financial accounting standard (30) Issued by the Accounting and Auditing Organization for Islamic Financial Institutions as at 31 December 2023

A- Self

	Stage 1				Stage 2				Stage 3				Total			
	Total	ECL	Suspended revenue	Deferred revenue	Total	ECL	Suspended revenue	Deferred revenue	Total	ECL	Suspended revenue	Deferred revenue	Total	ECL	Suspended revenue	Deferred revenue
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Corporates	31,774,347	198,143	-	-	2,133,784	18,744	-	-	643,048	316,366	7,112	-	34,551,179	533,253	7,112	-
Small and medium enterprises	124,461	133	-	-	135,427	-	-	-	182,953	144,441	-	-	442,841	144,574	-	-
Retail (Individual)	1,876,570	7,405	-	285,008	13,703	855	-	-	222,330	222,317	-	-	2,112,603	230,577	-	285,008
Real estate financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Government and public sector	509,660	-	-	-	-	-	-	-	-	-	-	-	509,660	-	-	-
Total	34,285,038	205,681	-	285,008	2,282,914	19,599	-	-	1,048,331	683,124	7,112	-	37,616,283	908,404	7,112	285,008

-The financing amount in according to financial accounting standard (30) Issued by the Accounting and Auditing Organization for Islamic Financial Institutions instructions does not include the amount of JD (6,197,259) , representing Ijara Muntahia Bittamleek.

B - Joint

	Stage 1				Stage 2				Stage 3				Total			
	Total	ECL	Suspended revenue	Deferred revenue	Total	ECL	Suspended revenue	Deferred revenue	Total	ECL	Suspended revenue	Deferred revenue	Total	ECL	Suspended revenue	Deferred revenue
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Corporates	339,574,344	2,038,754	-	20,074,374	69,716,082	14,401,186	-	6,958,953	24,705,506	15,149,924	624,998	311,557	433,995,932	31,589,864	624,998	27,344,884
Small and medium enterprises	41,072,020	106,802	-	1,637,905	16,793,415	413,664	-	945,889	4,495,018	2,626,964	184,363	52,218	62,360,453	3,147,430	184,363	2,636,012
Retail (Individual)	428,293,176	5,985,405	-	79,989,875	36,118,756	3,045,183	-	4,732,240	15,277,356	11,563,998	1,356,701	976,765	479,689,288	20,594,586	1,356,701	85,698,880
Real estate financing	7,568,232	50,783	-	939,959	13,438,716	4,766,732	-	2,443,366	412,545	674,324	164,222	-	21,419,493	5,491,839	164,222	3,383,325
Government and public sector	531,023,519	-	-	60,936,086	-	-	-	-	-	-	-	-	531,023,519	-	-	60,936,086
Total	1,347,531,291	8,181,744	-	163,578,199	136,066,969	22,626,765	-	15,080,448	44,890,425	30,015,210	2,330,284	1,340,540	1,528,488,685	60,823,719	2,330,284	179,999,187

-The financing amount in accordance with Financial accounting standard (30) Issued by the Accounting and Auditing Organization for Islamic Financial Institutions instructions does not include the amount of JD (689,575,509) representing Ijara Muntahia Bittamleek.

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

A- Self

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

- The finances that are covered according to Instructions No. (47/2009) were linked to the results of their calculation according to the instructions of the Central Bank of Jordan.
- The financing amount in according to financial accounting standard (30) Issued by the Accounting and Auditing Organization for Islamic Financial Institutions instructions does not include the amount of JD (6,820,782), representing Ijara Muntahia Bittamleek.

B - Joint

	According to classification instructions No. (47/2009)					According to financial accounting standard (30)																Total			
						stage 1				stage 2				stage 3											
	Total	Deferred revenue	Suspended revenue	Net	ECL	Total	ECL	Deferred revenue	Suspended revenue	Total	ECL	Deferred revenue	Suspended revenue	Total	ECL	Deferred revenue	Suspended revenue	Total	ECL	Deferred revenue	Suspended revenue	Total	ECL	Deferred revenue	Suspended revenue
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Performing loans	2,508,714,231	208,244,075	-	2,300,470,156	-	1,658,906,986	16,368,821	199,512,012	-	93,364,509	14,676,819	8,732,063	-	1,168,948	-	-	-	1,753,440,443	31,045,640	208,244,075	-				
Watch list	33,557,461	3,350,482	-	30,206,979	1,974,365	409,450	2,287	37,065	-	33,148,011	11,587,351	3,313,417	-	-	-	-	-	33,557,461	11,589,638	3,350,482	-				
Non-performing debt	73,816,497	5,315,810	4,026,112	64,474,575	49,947,865	-	-	-	-	-	-	-	-	73,816,497	38,415,764	5,315,810	4,026,112	73,816,497	38,415,764	5,315,810	4,026,112				
of watch :																									
Substandard	2,828,123	340,805	30,918	2,456,400	979,040	-	-	-	-	-	-	-	-	2,828,123	1,221,819	340,805	30,918	2,828,123	1,221,819	340,805	30,918				
Bad debts	10,617,483	1,650,702	396,667	8,570,114	6,087,940	-	-	-	-	-	-	-	-	10,617,483	3,422,832	1,650,702	396,667	10,617,483	3,422,832	1,650,702	396,667				
Loss	60,370,891	3,324,303	3,598,527	53,448,061	42,880,885	-	-	-	-	-	-	-	-	60,370,891	33,771,113	3,324,303	3,598,527	60,370,891	33,771,113	3,324,303	3,598,527				
Total	2,616,088,189	216,910,367	4,026,112	2,395,151,710	51,922,230	1,659,316,436	16,371,108	199,549,077	-	126,512,520	26,264,170	12,045,480	-	74,985,445	38,415,764	5,315,810	4,026,112	1,860,814,401	81,051,042	216,910,367	4,026,112				

- The finances that are covered according to Instructions No. (47/2009) were linked to the results of their calculation according to the instructions of the Central Bank of Jordan.
- The financing amount in accordance with Financial accounting standard (30) Issued by the Accounting and Auditing Organization for Islamic Financial Institutions instructions does not include the amount of JD (755,273,788) representing Ijara Muntahia Bittamleek.

Disclosure of credit exposures according to the classification instructions No. (47/2009) and in comparison with Financial Accounting Standard No. (30) issued by the Accounting and Auditing Organization for Islamic Financial Institutions as at December 31, 2023

A- Self

	According to classification instructions No. (47/2009)					According to financial accounting standard (30)												Total			
	Total	Deferred revenue	Suspended revenue	Net	ECL	stage 1				stage 2				stage 3				Total	ECL	Deferred revenue	Suspended revenue
						Total	ECL	Deferred revenue	Suspended revenue	Total	ECL	Deferred revenue	Suspended revenue	Total	ECL	Deferred revenue	Suspended revenue				
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Performing loans	42,664,674	285,008	-	42,379,666	-	34,285,038	205,681	285,008	-	2,182,362	17,837	-	-	15	12	-	-	36,467,415	223,530	285,008	-
Watch list	100,552	-	-	100,552	1,805	-	-	-	-	100,552	1,762	-	-	-	-	-	-	100,552	1,762	-	-
Non-performing debt	1,048,316	-	7,112	1,041,204	683,124	-	-	-	-	-	-	-	-	1,048,316	367,335	-	7,112	1,048,316	367,335	-	7,112
of watch :																					
Substandard	46,369	-	-	46,369	46,369	-	-	-	-	-	-	-	-	46,369	34,836	-	-	46,369	34,836	-	-
Bad debts	315,120	-	-	315,120	311,692	-	-	-	-	-	-	-	-	315,120	167,934	-	-	315,120	167,934	-	-
Loss	686,827	-	7,112	679,715	325,063	-	-	-	-	-	-	-	-	686,827	164,565	-	7,112	686,827	164,565	-	7,112
Total	43,813,542	285,008	7,112	43,521,422	684,929	34,285,038	205,681	285,008	-	2,282,914	19,599	-	-	1,048,331	367,347	-	7,112	37,616,283	592,627	285,008	7,112

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

- The financing amount in according to financial accounting standard (30) Issued by the Accounting and Auditing Organization for Islamic Financial Institutions instructions does not include the amount of JD (6,197,259) , representing Ijara Muntahia Bittamleek.

B - Joint

	According to classification instructions No. (47/2009)					According to financial accounting standard (30)												Total			
	Total	Deferred revenue	Suspended revenue	Net	ECL	stage 1				stage 2				stage 3				Total	ECL	Deferred revenue	Suspended revenue
						Total	ECL	Deferred revenue	Suspended revenue	Total	ECL	Deferred revenue	Suspended revenue	Total	ECL	Deferred revenue	Suspended revenue				
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Performing loans	2,146,143,429	175,241,300	-	1,970,902,129	-	1,347,033,910	8,179,267	163,561,853	-	108,901,411	19,138,504	11,679,336	-	632,599	1,309	111	-	1,456,567,920	27,319,080	175,241,300	-
Watch list	27,662,939	3,417,458	-	24,245,481	1,773,195	497,381	2,477	16,346	-	27,165,558	3,488,261	3,401,112	-	-	-	-	-	27,662,939	3,490,738	3,417,458	-
Non-performing debt	44,257,826	1,340,429	2,330,284	40,587,113	30,015,210	-	-	-	-	-	-	-	-	44,257,826	19,089,361	1,340,429	2,330,284	44,257,826	19,089,361	1,340,429	2,330,284
of watch :																					
Substandard	14,915,800	383,103	64,942	14,467,755	4,978,755	-	-	-	-	-	-	-	-	14,915,800	3,475,121	383,103	64,942	14,915,800	3,475,121	383,103	64,942
Bad debts	3,690,400	343,776	84,462	3,262,162	2,442,847	-	-	-	-	-	-	-	-	3,690,400	1,595,535	343,776	84,462	3,690,400	1,595,535	343,776	84,462
Loss	25,651,626	613,550	2,180,880	22,857,196	22,593,608	-	-	-	-	-	-	-	-	25,651,626	14,018,705	613,550	2,180,880	25,651,626	14,018,705	613,550	2,180,880
Total	2,218,064,194	179,999,187	2,330,284	2,035,734,723	31,788,405	1,347,531,291	8,181,744	163,578,199	-	136,066,969	22,626,765	15,080,448	-	44,890,425	19,090,670	1,340,540	2,330,284	1,528,488,685	49,899,179	179,999,187	2,330,284

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

- The financing amount in accordance with Financial accounting standard (30) Issued by the Accounting and Auditing Organization for Islamic Financial Institutions instructions does not include the amount of JD (689,575,509) representing Ijara Muntahia Bittamleek.

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

The details of this item are as follows:

	Self	
	31 December	
	2024	2023
	JD	JD
Quoted financial assets :		
Corporate Shares	572,000	508,000
Islamic Sukuk	45,515,882	-
Total quoted Financial Assets	46,087,882	508,000
Total financial assets at fair value through other comperhensive income :	46,087,882	508,000
Less : Provision for expected credit losses on financial assets	(64,447)	-
Net financial assets at fair value through other comperhensive income :	46,023,435	508,000

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

Item	31 December 2024				31 December 2023
	Stage1 (Individual)	Stage2 (Individual)	Stage3	Total	Total
	JD	JD	JD	JD	JD
Total balance at the beginning of the year	-	-	-	-	-
New investments during the year	45,515,882	-	-	45,515,882	-
Matured and sold investments	-	-	-	-	-
Transfer to Stage 1	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-
The total impact on the size of exposures as a result of changing the classification	-	-	-	-	-
Changes resulting from modifications	-	-	-	-	-
Total balance at the end of year	45,515,882	-	-	45,515,882	-

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

Item	For the year ended 31 December 2024				For the year ended 31 December 2023
	Stage1 (Individual)	Stage2 (Individual)	Stage3	Total	Total
	JD	JD	JD	JD	JD
Total balance at the beginning of the year	-	-	-	-	-
Impairment loss on new investments during the year	64,447	-	-	64,447	-
Recovered from loss of Matured and sold investments	-	-	-	-	-
Transfer to Stage 1	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-
Effect on the provision - as at the end of the year - as a result of the change in classification between the three stages during the year	-	-	-	-	-
Changes resulting from modifications	-	-	-	-	-
Total balance at the end of year	64,447	-	-	64,447	-

(9) FINANCIAL ASSETS AT FAIR VALUE THROUGH JOINT QUASI-EQUITY- NET

The details of this item are as follows:

	Joint	
	31 December	
	2024	2023
	JD	JD
Quoted financial assets :		
Corporate Shares	2,291,022	2,312,403
Islamic Sukuk	117,978,708	83,457,020
Total quoted financial assets	120,269,730	85,769,423
Unquoted financial assets		
Corporate Shares	7,551,544	5,881,231
Islamic Sukuk	323,246,189	360,587,505
Total unquoted financial assets	330,797,733	366,468,736
Total financial assets at fair value through quasi-equity	451,067,463	452,238,159
Less: Provision for expected credit losses for financial assets	(150,057)	(149,624)
Net financial assets at fair value through quasi-equity	450,917,406	452,088,535

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

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

Item	31 December 2024				31 December 2023
	Stage1 (Individual)	Stage2 (Individual)	Stage3	Total	Total
	JD	JD	JD	JD	JD
Total balance at the beginning of the year	444,044,525	-	-	444,044,525	267,191,222
New investments during the year	51,353,776	-	-	51,353,776	230,231,001
Matured and sold investments	(24,834,772)	-	-	(24,834,772)	(37,282,158)
Transfer to Stage 1	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-
The total impact on the size of exposures as a result of changing the	-	-	-	-	-
Changes resulting from modifications	(29,338,632)	-	-	(29,338,632)	(16,095,540)
Total balance at the end of year	441,224,897	-	-	441,224,897	444,044,525

- Movement on the expected credit losses provision for the financial assets at fair value through quasi-equity (Sukuk) :

Item	For the year ended 31 December 2024				For the year ended 31 December 2023
	Stage1 (Individual)	Stage2 (Individual)	Stage3	Total	Total
	JD	JD	JD	JD	JD
Total balance at the beginning of the year	149,624	-	-	149,624	232,941
Impairment loss on new investments during the year	42,699	-	-	42,699	40,282
Recovered from loss of Matured and sold investments	(19,504)	-	-	(19,504)	(42,641)
Transfer to Stage 1	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-
Effect on the provision - as at the end of the year - as a result of the change in classification between the three stages during the year	-	-	-	-	-
Changes resulting from modifications	(22,762)	-	-	(22,762)	(80,958)
Total balance at the end of year	150,057	-	-	150,057	149,624

(10) FINANCIAL ASSETS AT AMORTIZED COST

The details of this item are as follows:

	Joint	
	31 December	
	2024	2023
	JD	JD
Unquoted Financial Assets:		
Islamic Sukuk	119,852,000	-
Total unquoted Financial Assets	119,852,000	-
Total Financial Assets at Amortized Cost	119,852,000	-

- Matured during the year 2029

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

(11) INVESTMENT IN ASSOCIATE

Investment in associated company (jointly financed) :

	Percentage of ownership	Country	Principal activity	31 December	
				2024	2023
				JD	JD
Jordan Blending and Packing of Fertilizers Company	25%	Jordan	Manufacturing	332,759	349,622

- No dividends have been distributed during year 2024 & year 2023.

The movement on the investment in associate was as follows:

	Joint	
	31 December	
	2024	2023
	JD	JD
Balance at the beginning of the year	349,622	345,954
The share of joint funds from the (loss) profit of decline in the affiliate's investment	(16,863)	3,668
Balance at the end of year *	332,759	349,622

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

(12) IJARA MUNTAHIA BITTAMLEEK ASSETS - NET

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

	Joint			Self			Total		
	Cost	Accumulated Depreciation	Net Value	Cost	Accumulated Depreciation	Net Value	Cost	Accumulated Depreciation	Net Value
	JD	JD	JD	JD	JD	JD	JD	JD	JD
<u>31 December 2023</u>									
Ijara Muntahia Bittamleek assets-Real Estate	745,035,326	(127,341,664)	617,693,662	8,247,587	(2,050,328)	6,197,259	753,282,913	(129,391,992)	623,890,921
Ijara Muntahia Bittamleek assets-Machines	83,241,239	(16,318,926)	66,922,313	-	-	-	83,241,239	(16,318,926)	66,922,313
Ijara Muntahia Bittamleek assets-vehicles	5,836,477	(876,943)	4,959,534	-	-	-	5,836,477	(876,943)	4,959,534
Total	834,113,042	(144,537,533)	689,575,509	8,247,587	(2,050,328)	6,197,259	842,360,629	(146,587,861)	695,772,768

- The accrued Ijara installments amounted to JD 7,211,105 as at 31 December 2024 (JD 5,679,259 as at 31 December 2023). Moreover the due Ijara installments were presented under deferred sales receivables and other receivables-Net (Note 7).
- The non-performing Ijara Muntahia Bittamleek amounted to JD 12,531,617 as at 31 December 2024 representing 1.64% of the balance of Ijara Muntahia Bittamleek assets (JD 5,276,218 as at 31 December 2023, representing 0.76% of the balance of Ijara Muntahia Bittamleek assets).

(13) Al-Qard Al-Hasan - NET

The details of this item are as follows :

	31 December	
	2024	2023
	JD	JD
Balance at the beginning of the year	34,221,814	4,240,493
Sources of the fund from :		
Equity	(75,795,648)	(12,780,208)
Total Sources of the fund during the year	(75,795,648)	(12,780,208)
Uses of the fund on :		
Companies	50,173,249	42,691,704
Employees	68,106	69,825
Retail	1,519,276	-
Total uses during the year	51,760,631	42,761,529
Gross balance	10,186,797	34,221,814
Add: exposed accounts	2,695,341	1,035,074
Less : Provision for expected credit losses	(1,438,771)	(876,149)
Balance at the end of the year - Net	11,443,367	34,380,739

(14) PROPERTY AND EQUIPMENT - NET

	Lands	Buildings	Equipment, Devices and furniture	Vehicles	Computers	Others	Total
	JD	JD	JD	JD	JD	JD	JD
<u>For the year ended 31 December 2024</u>							
Cost:							
Beginning balance for the year	2,747,021	12,882,553	18,775,229	282,131	5,241,893	1,323,070	41,251,897
Additions / capitalization*	-	-	1,392,985	162,500	900,916	-	2,456,401
Disposals	-	-	(518,380)	(108,700)	(833,903)	-	(1,460,983)
Ending balance for the year	2,747,021	12,882,553	19,649,834	335,931	5,308,906	1,323,070	42,247,315
Accumulated depreciation:							
Beginning balance for the year	-	2,702,072	13,874,262	200,301	3,805,201	442,685	21,024,521
Depreciation for the year	-	258,008	1,566,506	36,400	535,094	78,521	2,474,529
Disposals	-	-	(509,480)	(108,699)	(833,612)	-	(1,451,791)
Ending balance for the year	-	2,960,080	14,931,288	128,002	3,506,683	521,206	22,047,259
Net book value for property and equipment	2,747,021	9,922,473	4,718,546	207,929	1,802,223	801,864	20,200,056
Advance payments on purchasing property and equipment	-	-	60,303	-	-	1,052,490	1,112,793
Projects under progress	-	-	1,010,729	-	-	-	1,010,729
Net property and equipment at the end of year	2,747,021	9,922,473	5,789,578	207,929	1,802,223	1,854,354	22,323,578
<u>For the year ended 31 December 2023</u>							
Cost:							
Beginning balance for the year	2,747,021	12,882,553	18,308,667	282,131	5,654,330	1,163,084	41,037,786
Additions / capitalization*	-	-	1,293,876	-	693,282	159,986	2,147,144
Disposals	-	-	(827,314)	-	(1,105,719)	-	(1,933,033)
Ending balance for the year	2,747,021	12,882,553	18,775,229	282,131	5,241,893	1,323,070	41,251,897
Accumulated depreciation:							
Beginning balance for the year	-	2,444,769	13,189,252	163,377	4,435,694	369,621	20,602,713
Depreciation for the year	-	257,303	1,504,424	36,924	474,582	73,064	2,346,297
Disposals	-	-	(819,414)	-	(1,105,075)	-	(1,924,489)
Ending balance for the year	-	2,702,072	13,874,262	200,301	3,805,201	442,685	21,024,521
Net book value for property and equipment	2,747,021	10,180,481	4,900,967	81,830	1,436,692	880,385	20,227,376
Advance payments on purchasing property and equipment	-	-	38,628	-	-	329,013	367,641
Projects under progress	-	-	155,832	-	-	-	155,832
Net property and equipment at the end of year	2,747,021	10,180,481	5,095,427	81,830	1,436,692	1,209,398	20,750,849

- Fully depreciated property and equipment amounted to JD 10,467,681 as at 31 December 2024 (JD 11,337,649 as at 31 December 2023).

- The total estimated cost to complete projects in progress amounted to JD 1,732,164 as at 31 December 2024.

*An amount of JD 264,926 was capitalized from payments on the purchase of property, equipment and projects under progress in 2024 (JD 628,485 during the year 2023).

(15) INTANGIBLE ASSETS-NET

The details of this item are as follows:

	Computer Systems & Software	
	31 December	
	2024	2023
	JD	JD
Beginning balance for the year	1,697,221	2,002,476
Additions	690,038	500,330
Disposal	(7,061)	(168)
Amortization for the year	(706,256)	(805,417)
Ending balance for the year	1,673,942	1,697,221

(16) OTHER ASSETS

The details of this item are as follows:

	31 December	
	2024	2023
	JD	JD
Seized assets by the Bank against debts-Net*	49,827,080	36,407,094
Prepaid expenses	1,928,440	1,838,427
Accrued revenue	9,462,075	5,671,086
Stationery and printing inventory	280,393	271,612
Withholding income tax	24,389	40,697
Petty cash	236,725	41,650
Other accounts receivable-Net**	179,058	869,165
Others	1,777,206	917,047
Total	63,715,366	46,056,778

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

	31 December 2024			31 December 2023
	Seized real estates -self	Seized real estates- joint	Total	Total
	JD	JD	JD	JD
Balance at the beginning of the year	391,729	37,450,928	37,842,657	9,613,940
Additions	-	15,045,702	15,045,702	28,446,339
Sales and disposal	-	(1,188,270)	(1,188,270)	(217,622)
Total	391,729	51,308,360	51,700,089	37,842,657
Provision for impairment of real estate - Central Bank of Jordan instructions	(343,441)	(1,529,568)	(1,873,009)	(1,435,563)
Balance at the end of the year	48,288	49,778,792	49,827,080	36,407,094

- The Central Bank of Jordan's regulations require disposal of seized assets during a maximum period of 2 years from the date of repossession, and in some cases the Central Bank of Jordan can extend the period for an additional 2 years at max.

The movement of real estate provision was as follows:

	For the year ended 31 December 2024			For the year ended 31 December 2023
	Seized real estates -self	Seized real estates- joint	Total	Total
	JD	JD	JD	JD
Balance at the beginning of the year	(343,441)	(1,092,122)	(1,435,563)	(1,330,619)
Additions to the provision for impairment in real estate	-	(474,883)	(474,883)	(148,687)
Additions to the real estate provision (instructions of the Central Bank of Jordan)	-	-	-	-
Released from the provision for impairment of real estate	-	37,437	37,437	41,134
Released from the real estate provision (Central Bank of Jordan instructions)	-	-	-	2,609
Balance at the end of the year	(343,441)	(1,529,568)	(1,873,009)	(1,435,563)

** Receivables include Legal expenses in the amount of JOD 697,265 fully covered by other receivables provision at the same amount as at 31 December 2024.

(17) BANKS AND FINANCIAL INSTITUTIONS ACCOUNTS

The details of this item are as follows:

	31 December 2024			31 December 2023
	Inside the Kingdom	Outside the Kingdom	Total	Total
	JD	JD	JD	JD
Current accounts	702,227	29,842,257	30,544,484	23,144,067
Total	702,227	29,842,257	30,544,484	23,144,067

(18) CUSTOMERS' CURRENT ACCOUNTS

The details of this item are as follows:

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

	31 December 2023				
	Retail	Corporate	Small and medium companies	Governmental and Public sector	Total
	JD	JD	JD	JD	JD
Current accounts	204,150,298	13,599,420	95,100,903	6,869,255	319,719,876
Total	204,150,298	13,599,420	95,100,903	6,869,255	319,719,876

- Government and public sector deposits inside the Kingdom as at 31 December 2024 amounted to JD 2,290,927 representing 0.73% of the total customers' current accounts (As at 31 December 2023 amounted to JD 6,869,255 representing 2.15 % of the total customers' current accounts) .

- The restricted accounts as at 31 December 2024 amounted to JD 4,333,691 representing 1.38% of the total customers' current accounts (As at 31 December 2023 amounted to JD 2,035,127 representing 0.64% of the total customers' current accounts) .

-The dormant accounts as at 31 December 2024 amounted to JD 9,176,613 (As at 31 December 2023 amounted to JD 12,382,378) .

(19) CASH MARGIN ACCOUNTS

The details of this item are as follows:

	31 December	
	2024	2023
	JD	JD
Margins against direct facilities	30,224,699	29,289,636
Margins against indirect facilities	121,418,099	64,602,087
Other margins	1,418,436	1,383,188
Total	153,061,234	95,274,911

(20) OTHER PROVISIONS

The details of this item are as follows:

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

	31 December 2023				
	Beginning balance	Provided during the year	Used during the year	Reversed to income	Ending balance
	JD	JD	JD	JD	JD
Provision of lawsuits against the group	340,000	-	276,281	-	63,719
Provision for contingent liabilities	100,000	-	-	-	100,000
Total	440,000	-	276,281	-	163,719

(21) INCOME TAX

A- Income tax provision

The movement on the income tax provision for the group is as follows :

	31 December	
	2024	2023
	JD	JD
Beginning balance for the year	11,919,750	8,746,097
Accrued income tax	18,843,507	14,770,915
Income tax from the sale of financial assets	-	13,540
Previous years adjustments (setting off tax deposits for the subsidiary)	(40,697)	-
Less: Income tax paid	(10,041,995)	(11,610,802)
Ending balance for the year	20,680,565	11,919,750

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

	For the year ended 31 December	
	2024	2023
	JD	JD
Income tax for the year	18,843,507	14,770,915
Released from deferred tax assets - self	246,772	225,067
Added from deferred tax assets - self	(710,176)	(319,489)
Added from deferred tax assets - joint	(5,817,306)	(3,862,858)
Total	12,562,797	10,813,635

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

Tax Status :

The Bank :

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

- In the opinion of management and its tax consultant, the tax provision recorded is sufficient as at 31 December 2024.

The Subsidiary :

Misc for financial brokerage company :

- Tax clearance was obtained until the end of 2023 .

C- Deferred tax assets

The details of this item are as follows:

	31 December				31 December
	2024				2023
	Beginning Balance for the year	Released Amounts	Additional Amounts	Ending Balance for the year	Deferred tax
	JD	JD	JD	JD	JD
Deferred tax assets					
<u>Deferred tax assets - self financed</u>					
Provision of lawsuits against the bank	63,719	-	-	63,719	24,213
Provision for impairment of assets seized by the bank against debts and provision for seized real estate (CBJ regulations) - self	343,441	-	-	343,441	130,507
Provision for credit losses for the first and second stages - self	289,163	-	809,614	1,098,777	417,535
Difference in the application of Standard (32) Islamic private Lease	889,002	-	59,316	948,318	360,361
Difference in the application of Standard (32) Islamic private Lease	100,000	-	-	100,000	38,000
Unpaid Employee bonuses	650,578	649,400	999,955	1,001,133	380,431
Total Deferred tax assets - self	2,335,903	649,400	1,868,885	3,555,388	1,351,047
<u>Deferred tax assets - joint</u>					
Provision for impairment of assets seized by the bank against debts and provision for seized real estate (CBJ regulations) - joint	990,431	-	437,446	1,427,877	542,593
Provision for credit losses for the first and second stages - joint	28,846,802	-	14,871,255	43,718,057	16,612,862
Total Deferred tax assets - joint	29,837,233	-	15,308,701	45,145,934	17,155,455
Total	32,173,136	649,400	17,177,586	48,701,322	18,506,502

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

	For the year ended 31 December	
	2024	2023
	JD	JD
Balance at the beginning of the year	887,643	793,221
Additions during the year	710,176	319,489
Released during the year	(246,772)	(225,067)
Balance at the end of the year	1,351,047	887,643

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

	For the year ended 31 December	
	2024	2023
	JD	JD
Balance at the beginning of the year	11,338,149	7,475,291
Additions during the year	5,817,306	3,862,858
Balance at the end of the year	17,155,455	11,338,149

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

	For the year ended 31 December	
	2024	2023
	JD	JD
Accounting profit for the Bank	32,787,708	28,323,881
Less: Non-taxable income	(704,400)	(647,281)
Add: Non-deductible expenses	17,762,270	11,498,100
Tax income for the Bank	49,845,578	39,174,700
Attributable to		
Taxable income for the Bank (separated)	48,821,703	38,167,659
Subsidiary's and associate's taxable profit	1,023,875	1,007,041
Statutory tax rate- bank	38%	38%
Statutory tax rate- subsidiary	28%	28%
Effective tax rate	38.3%	38.2%

(22) OTHER LIABILITIES

The details of this item are as follows:

	31 December	
	2024	2023
	JD	JD
Accrued and not paid expenses	2,907,389	1,618,292
Banker's cheques	9,470,706	9,868,834
Provision of expected credit losses on off balance sheet items - self (Note 56)	324,155	137,628
Provision of expected credit losses on off balance sheet items - joint(Note 56)	812,801	1,402,126
Shareholders and customers deposits	11,852,676	10,391,817
Customers' share of profits from unrestricted investment	36,592,700	32,856,675
Temporary deposits*	11,658,071	14,543,920
The charity account deposits**	24,349	14,770
Visa Claims	4,662,045	4,349,375
Others	2,157,993	7,816,010
Total	80,462,885	82,999,447

* It includes intermediate accounts for an amount of JD 7,361,632 as at 31 December 2024 (JD 10,193,322 as at 31 December 2023), which is the value of credits and deferred policies, and the value will be paid when due.

** The change in this item represents the amounts that have been transferred to the bank from sources or in ways inconsistent with the provisions and principles of Islamic Sharia, and its profits from the bank's revenues during the year 2024, amounting to JD 10,579; were set aside to the charity account, and the amount of JD 1,000 was spent on charitable aspects during the year 2024.

• Expected credit losses

Expected credit loss of indirect facilities

A-Self

- Movement on indirect facilities :

Item	31 December 2024						31 December 2023
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
Total balance at the beginning of the year	117,879,308	-	3,356,757	-	147,809	121,383,874	113,801,360
New exposures during the year	141,581,284	-	35,596,986	-	-	177,178,270	73,731,901
Settled exposures during the year	(30,096,460)	-	(986,099)	-	-	(31,082,559)	(34,516,805)
Transfer to Stage 1	73,350	-	(73,350)	-	-	-	-
Transfer to Stage 2	(5,895,985)	-	5,905,985	-	(10,000)	-	-
Transfer to Stage 3	(9,488)	-	(502,000)	-	511,488	-	-
The total impact on the size of exposures as a result of changing the classification between stages	(22,344)	-	1,858,247	-	-	1,835,903	(167,015)
Changes resulting from modifications	(27,233,566)	-	(102,809)	-	-	(27,336,375)	(31,465,567)
Total balance at the end of the year	196,276,099	-	45,053,717	-	649,297	241,979,113	121,383,874

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

Item	For the year ended 31 December 2024						For the year ended 31 December 2023
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
Total balance at the beginning of the year	120,152	-	17,476	-	-	137,628	175,041
Impairment loss on new exposures during the year	23,924	-	119,206	-	-	143,130	28,190
Impairment loss of matured / derecognized exposures	(8,584)	-	(4,117)	-	-	(12,701)	(24,603)
Transfer to Stage 1	187	-	(187)	-	-	-	-
Transfer to Stage 2	(28,812)	-	28,812	-	-	-	-
Transfer to Stage 3	(57)	-	(425)	-	482	-	-
Effect on the provision as a result of the change in classification between the three stages during the year	(187)	-	97,497	-	(482)	96,828	(14,371)
Changes resulting from modifications	(38,376)	-	(2,354)	-	-	(40,730)	(26,629)
Total balance at the end of the year	68,247	-	255,908	-	-	324,155	137,628

Expected credit loss of indirect facilities / Guarantees

Distribution of total indirect facilities / guarantees

Item	31 December 2024						31 December 2023
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
Insignificant Risk	55,250	-	-	-	-	55,250	-
Almost risk free	3,205,232	-	-	-	-	3,205,232	3,367,297
Low risk	6,710,926	-	-	-	-	6,710,926	18,966,816
Normal risk	3,070,211	-	3,122,350	-	-	6,192,561	2,536,587
Acceptable risk	1,236,053	-	-	-	-	1,236,053	10,948,537
Acceptable with due care	1,101,564	-	78,863	-	-	1,180,427	1,688,561
Watch list	-	-	4,659,481	-	-	4,659,481	139,463
Substandard	-	-	-	-	-	-	22,500
Doubtful	-	-	-	-	11,488	11,488	-
Loss	-	-	-	-	137,309	137,309	114,809
Unrated	10,140,203	-	3,378,617	-	500,500	14,019,320	6,649,127
Total	25,519,439	-	11,239,311	-	649,297	37,408,047	44,433,697

- Movement on indirect facilities / Guarantees :

Item	31 December 2024						31 December 2023
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
Total balance at the beginning of the year	41,083,742	-	3,202,146	-	147,809	44,433,697	43,878,096
New exposures during the year	4,597,423	-	1,782,580	-	-	6,380,003	5,937,054
Settled exposures during the year	(2,125,008)	-	(831,488)	-	-	(2,956,496)	(4,779,982)
Transfer to Stage 1	73,350	-	(73,350)	-	-	-	-
Transfer to Stage 2	(5,895,985)	-	5,905,985	-	(10,000)	-	-
Transfer to Stage 3	(9,488)	-	(502,000)	-	511,488	-	-
The total impact on the size of exposures as a result of changing the classification between stages	(22,344)	-	1,858,247	-	-	1,835,903	(167,015)
Changes resulting from modifications	(12,182,251)	-	(102,809)	-	-	(12,285,060)	(434,456)
Total balance at the end of the year	25,519,439	-	11,239,311	-	649,297	37,408,047	44,433,697

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

Item	For the year ended 31 December 2024						For the year ended 31 December 2023
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
Total balance at the beginning of the year	115,810	-	16,986	-	-	132,796	152,351
Impairment loss on new exposures during the year	4,844	-	11,070	-	-	15,914	24,328
Impairment loss of matured / derecognized exposures	(5,287)	-	(3,627)	-	-	(8,914)	(10,260)
Transfer to Stage 1	187	-	(187)	-	-	-	-
Transfer to Stage 2	(28,812)	-	28,812	-	-	-	-
Transfer to Stage 3	(57)	-	(425)	-	482	-	-
Effect on the provision as a result of the change in classification between the three stages during the year	(187)	-	97,497	-	(482)	96,828	(14,371)
Changes resulting from modifications	(37,914)	-	(2,354)	-	-	(40,268)	(19,252)
Total balance at the end of the year	48,584	-	147,772	-	-	196,356	132,796

Expected credit loss of indirect facilities / Acceptances

Distribution of total on indirect facilities / Acceptances

Item	31 December 2024						31 December 2023
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
Low risk	13,741,085	-	-	-	-	13,741,085	3,489,449
Normal risk	1,532,089	-	-	-	-	1,532,089	-
Watch list	-	-	19,623	-	-	19,623	-
Unrated	1,226,488	-	5,813,800	-	-	7,040,288	4,489,530
Total	16,499,662	-	5,833,423	-	-	22,333,085	7,978,979

Movement on indirect facilities / Acceptances :

Item	31 December 2024						31 December 2023
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
Total balance at the beginning of the year	7,978,979	-	-	-	-	7,978,979	39,972,923
New exposures during the year	15,251,393	-	5,833,423	-	-	21,084,816	4,620,626
Settled exposures during the year	(4,457,425)	-	-	-	-	(4,457,425)	(6,306,828)
Transfer to Stage 1	-	-	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-
The total impact on the size of exposures as a result of changing the classification between stages	-	-	-	-	-	-	-
Changes resulting from modifications	(2,273,285)	-	-	-	-	(2,273,285)	(30,307,742)
Total balance at the end of the year	16,499,662	-	5,833,423	-	-	22,333,085	7,978,979

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

Item	For the year ended 31 December 2024						For the year ended 31 December 2023
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
Total balance at the beginning of the year	810	-	-	-	-	810	7,224
Impairment loss on new exposures during the year	2,933	-	18,500	-	-	21,433	151
Impairment loss of matured / derecognized exposures	(790)	-	-	-	-	(790)	(1,087)
Transfer to Stage 1	-	-	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-
Effect on the provision as a result of the change in classification between the three stages during the year	-	-	-	-	-	-	-
Changes resulting from modifications	(7)	-	-	-	-	(7)	(5,478)
Total balance at the end of the year	2,946	-	18,500	-	-	21,446	810

Expected credit loss of indirect facilities / Letters of credit

Distribution of total on indirect facilities /Letters of credit

Item	31 December 2024						31 December 2023
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
Almost risk free	8,824,869	-	-	-	-	8,824,869	500,314
Low risk	82,568,068	-	-	-	-	82,568,068	2,893,052
Normal risk	6,943,711	-	-	-	-	6,943,711	3,430,519
Acceptable risk	14,658,990	-	-	-	-	14,658,990	40,286,288
Acceptable with due care	-	-	-	-	-	-	397,446
Watch list	-	-	1,356,205	-	-	1,356,205	-
Unrated	41,261,360	-	26,624,778	-	-	67,886,138	21,463,579
Total	154,256,998	-	27,980,983	-	-	182,237,981	68,971,198

- Movement on indirect facilities / Letters of credit :

Item	31 December 2024						31 December 2023
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
Total balance at the beginning of the year	68,816,587	-	154,611	-	-	68,971,198	29,950,341
New exposures during the year	121,732,468	-	27,980,983	-	-	149,713,451	63,174,221
Settled exposures during the year	(23,514,027)	-	(154,611)	-	-	(23,668,638)	(23,429,995)
Transfer to Stage 1	-	-	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-
The total impact on the size of exposures as a result of changing the classification between stages	-	-	-	-	-	-	-
Changes resulting from modifications	(12,778,030)	-	-	-	-	(12,778,030)	(723,369)
Total balance at the end of the year	154,256,998	-	27,980,983	-	-	182,237,981	68,971,198

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

Item	For the year ended 31 December 2024						For the year ended 31 December 2023
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
Total balance at the beginning of the year	3,532	-	490	-	-	4,022	15,466
Impairment loss on new exposures during the year	16,147	-	89,636	-	-	105,783	3,711
Impairment loss of matured / derecognized exposures	(2,507)	-	(490)	-	-	(2,997)	(13,256)
Transfer to Stage 1	-	-	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-
Effect on the provision as a result of the change in classification between the three stages during the year	-	-	-	-	-	-	-
Changes resulting from modifications	(455)	-	-	-	-	(455)	(1,899)
Total balance at the end of the year	16,717	-	89,636	-	-	106,353	4,022

Expected credit loss of indirect facilities

B- joint

- Movement on indirect facilities :

Item	31 December 2024					31 December 2023	
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
Total balance at the beginning of the year	226,250,120	-	3,463,449	-	-	229,713,569	170,669,703
New exposures during the year	37,156,127	-	150,000	-	-	37,306,127	68,671,811
Settled exposures during the year	(58,834,091)	-	(2,865,669)	-	-	(61,699,760)	(30,771,696)
Transfer to Stage 1	441,303	-	(441,303)	-	-	-	-
Transfer to Stage 2	(1,874,817)	-	1,874,817	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-
The total impact on the size of exposures as a result of changing the classification between stages	160,341	-	(61,679)	-	-	98,662	(190,034)
Changes resulting from modifications	(21,164,920)	-	228,557	-	-	(20,936,363)	21,333,785
Total balance at the end of the year	182,134,063	-	2,348,172	-	-	184,482,235	229,713,569

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

Item	For the year ended 31 December 2024					For the year ended 31 December 2023	
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
Total balance at the beginning of the year	1,337,819	-	64,307	-	-	1,402,126	1,148,342
Impairment loss on new exposures during the year	134,939	-	2,781	-	-	137,720	363,158
Impairment loss of matured / derecognized exposures	(307,417)	-	(53,242)	-	-	(360,659)	(123,383)
Transfer to Stage 1	8,162	-	(8,162)	-	-	-	-
Transfer to Stage 2	(16,104)	-	16,104	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-
Effect on the provision as a result of the change in classification between the three stages during the year	(5,611)	-	22,130	-	-	16,519	(3,073)
Changes resulting from modifications	(387,143)	-	4,238	-	-	(382,905)	17,082
Total balance at the end of the year	764,645	-	48,156	-	-	812,801	1,402,126

Expected credit loss of indirect facilities - Unutilized credit limits

Distribution of total on indirect facilities/Unutilized credit limits

Item	31 December 2024						31 December 2023
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
Insignificant Risk	12,526,126	-	-	-	-	12,526,126	9,510,464
Almost risk free	15,193,155	-	-	-	-	15,193,155	15,976,296
Low risk	35,984,537	-	-	-	-	35,984,537	11,857,478
Normal risk	39,574,771	-	952,504	-	-	40,527,275	83,855,486
Acceptable risk	44,135,085	-	-	-	-	44,135,085	68,500,188
Acceptable with due care	3,864,808	-	-	-	-	3,864,808	16,897,974
Watch list	-	-	860,634	-	-	860,634	710,660
Unrated	30,855,581	-	535,034	-	-	31,390,615	22,405,023
Total	182,134,063	-	2,348,172	-	-	184,482,235	229,713,569

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

Item	31 December 2024						31 December 2023
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
Total balance at the beginning of the year	226,250,120	-	3,463,449	-	-	229,713,569	170,669,703
New exposures during the year	37,156,127	-	150,000	-	-	37,306,127	68,671,811
Settled exposures during the year	(58,834,091)	-	(2,865,669)	-	-	(61,699,760)	(30,771,696)
Transfer to Stage 1	441,303	-	(441,303)	-	-	-	-
Transfer to Stage 2	(1,874,817)	-	1,874,817	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-
The total impact on the size of exposures as a result of changing the classification between stages	160,341	-	(61,679)	-	-	98,662	(190,034)
Changes resulting from modifications	(21,164,920)	-	228,557	-	-	(20,936,363)	21,333,785
Total balance at the end of the year	182,134,063	-	2,348,172	-	-	184,482,235	229,713,569

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

Item	For the year ended 31 December 2024						For the year ended 31 December 2023
	Stage 1		Stage 2		Stage 3	Total	Total
	Individual	Collective	Individual	Collective			
	JD	JD	JD	JD	JD	JD	JD
Total balance at the beginning of the year	1,337,819	-	64,307	-	-	1,402,126	1,148,342
Impairment loss on new exposures during the year	134,939	-	2,781	-	-	137,720	363,158
Impairment loss of matured / derecognized exposures	(307,417)	-	(53,242)	-	-	(360,659)	(123,383)
Transfer to Stage 1	8,162	-	(8,162)	-	-	-	-
Transfer to Stage 2	(16,104)	-	16,104	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-
Effect on the provision as a result of the change in classification between the three stages during the year	(5,611)	-	22,130	-	-	16,519	(3,073)
Changes resulting from modifications	(387,143)	-	4,238	-	-	(382,905)	17,082
Total balance at the end of the year	764,645	-	48,156	-	-	812,801	1,402,126

(23) UNRESTRICTED INVESTMENT ACCOUNTS

The details of this item are as follows:

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

31 December 2023						
	Individual	Corporate	Small and medium enterprises	Governmental and Public sector	Banks and Financial Institutions	Total
	JD	JD	JD	JD	JD	JD
Saving accounts	177,854,180	26,509,581	80,270,165	7,981,193	38,158,333	330,773,452
Term accounts / Investing deposits	874,921,624	139,957,783	104,219,141	162,094,071	-	1,281,192,619
Certificates of investing deposit	352,017,857	23,585,730	32,218,881	41,994,820	40,510,358	490,327,646
Total	1,404,793,661	190,053,094	216,708,187	212,070,084	78,668,691	2,102,293,717
Depositors' share from investments' revenue	63,652,001	8,850,031	7,814,114	10,588,868	3,328,964	94,233,978
Total unrestricted investment accounts	1,468,445,662	198,903,125	224,522,301	222,658,952	81,997,655	2,196,527,695

- Unrestricted investment accounts share of profit is calculated as follows :
- 11% to 50% of the minimum balance of saving accounts in Jordanian Dinar.
- 14% to 33% of the minimum balance of saving accounts in foreign currencies.
- 55% to 97% of the average term accounts in Jordanian Dinar.
- 18% to 61% of the average term accounts in foreign currencies.
- 90% of the average balances of investing certificates of deposit in Jordanian Dinar.
- 80% to 85% of average balances of certificates of investing deposit in foreign currencies .
- The general percentage of the profit on the Jordanian Dinar for the year ended 31 December 2024 is (4.49%) (for the year ended 31 December 2023 was (4.52 %)).
- The general percentage of the profit on USD for the year ended 31 December 2024 is (3.34%) (for the same year last year was (3.77%)).
- The unrestricted investment accounts for the Government and Public sector amounted to JD 217,850,081 as of 31 December 2024 which represents 8.02 % of the total joint investment accounts (As of 31 December 2023 amounted to JD 222,658,952 which represents 10.14 % of the total joint investment accounts).
- The restricted accounts amounted to JD 4,220,528 as of 31 December 2024 which represents 0.16% of the total joint investment (As of 31 December 2023 amounted to JD 1,710,428 which represent 0.08% of the total joint investment).
- The dormant accounts as of 31 December 2024 amounted to JD 7,866,495 (As of 31 December 2023 amounted to JD 8,836,620).

(24) FAIR VALUE RESERVE

The details of this item are as follows:

A - Self

Fair value reserve for financial assets through other comprehensive income	31 December	
	2024	2023
	JD	JD
Balance at the beginning of the year	(25,069)	14,593
Unrealized gains (losses) on debt instruments / shares	64,000	(39,662)
Unrealized gains on debt instruments / Sukuk	55,137	-
Balance at the end of the year	94,068	(25,069)

B - Joint

fair value reserve for financial assets through quasi-equity	31 December	
	2024	2023
	JD	JD
Balance at the beginning of the year	(371,067)	(1,016,785)
Unrealized gains on debt instruments / sukuk	456,723	345,615
Unrealized (losses) gains on shares	(68,714)	300,103
Balance at the end of the year	16,942	(371,067)

(25) PAID IN CAPITAL

The authorized and paid-in capital amounted to JD 120,000,000, consisting of 120,000,000 shares, at a par value of JD 1 per share as at 31 December 2024 (JD 100,000,000, consisting of 100,000,000 shares, at a par value of JD 1 per share as at 31 December 2023).

* The Bank's capital was increased from JD (100) million to JD (120) million after obtaining the approval of the Central Bank of Jordan in addition to the approval of the Bank's General Assembly in its meeting held on 18 April 2024.

(26) SHARES PROPOSED TO BE DISTRIBUTED TO SHAREHOLDERS

The Board of Directors proposed in its meeting that was held on 30 January 2025, a recommendation to the General assembly of shareholders to approve a capital increase amounted to JOD 30 million equivalent to 25% of the paid-in capital where the paid-up capital becomes JOD 150 million by distributing free shares to shareholders (Free shares were distributed to shareholders during the previous year at a rate of 20% of the bank's capital).

(27) RESERVES**- Statutory reserve :**

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

Reserve name	31 December		Nature of recordly
	2024	2023	
	JD	JD	
Statutory reserve	38,320,046	35,041,275	Law's requirement (Banking and companies)

(28) RETAINED EARNINGS

	31 December	
	2024	2023
	JD	JD
Beginning balance of the year	54,293,534	39,580,861
Transferred to statutory reserve	(3,278,771)	(2,832,388)
Distributed bonus shares (capital increase)	(20,000,000)	-
Capital raising fees	(150,113)	-
Net sale gain financial assets through other comprehensive income	-	34,815
Profit for the year	20,224,911	17,510,246
Ending balance of the year	51,089,561	54,293,534

- The retained earnings balance as at 31 December 2024 includes an amount to JD 1,351,047 (31 December 2023 amounted to JD 887,643) which represent deferred tax assets-self and it is restricted from use in accordance with the Central Bank of Jordan regulations.

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

(29) DEFERRED SALES INCOME

The details of this item are as follows:

	For the year ended 31 December					
	2024			2023		
	Joint	Self	Total	Joint	Self	Total
	JD	JD	JD	JD	JD	JD
Individuals (Retail)						
Murabaha to the purchase orderer	36,268,356	128,289	36,396,645	30,436,678	110,528	30,547,206
Real estate facilities	2,193,042	-	2,193,042	1,752,434	-	1,752,434
Corporate						
International Murabaha	733,029	-	733,029	191,340	-	191,340
Murabaha to the purchase orderer	26,318,507	-	26,318,507	29,892,566	-	29,892,566
Small and medium enterprises						
Murabaha to the purchase orderer	5,149,064	-	5,149,064	4,139,824	-	4,139,824
Government and the public sector	23,758,247	-	23,758,247	21,540,802	-	21,540,802
Total	94,420,245	128,289	94,548,534	87,953,644	110,528	88,064,172

(30) IJARA MUNTAHIA BELTAMLEEK INCOME

The details of this item are as follows:

	For the year ended 31 December					
	2024			2023		
	Joint	Self	Total	Joint	Self	Total
	JD	JD	JD	JD	JD	JD
Ijara Muntahia Beltamleek – real state	134,798,701	805,476	135,604,177	100,286,379	762,521	101,048,900
Ijara Muntahia Beltamleek – machines	6,182,646	-	6,182,646	5,320,684	-	5,320,684
Ijara Muntahia Bittamleek assets-vehicles	563,730	-	563,730	473,289	-	473,289
Depreciation for Ijara Muntahia Beltamleek assets	(73,743,801)	(555,423)	(74,299,224)	(51,850,824)	(520,533)	(52,371,357)
Total	67,801,276	250,053	68,051,329	54,229,528	241,988	54,471,516

(31) International wakala investments income

The details of this item are as follows:

	Joint	
	For the year ended 31 December	
	2024	2023
	JD	JD
International wakala investments income	8,785,237	4,204,173
Total	8,785,237	4,204,173

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

The details of this item are as follows:

	Self	
	For the year ended	
	December 31	
	2024	2023
	JD	JD
Shares dividends	44,000	42,000
Gains on sale of financial assets (Sukuk)	78,970	-
Sukuk profits	736,723	-
Total	859,693	42,000

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

The details of this item are as follows:

	Joint	
	For the year ended 31 December	
	2024	2023
	JD	JD
Shares dividends	108,337	139,729
Gains on sale of financial assets (Sukuk & Shares)	268,576	8,314
Sukuk profits	23,353,803	13,560,342
Total	23,730,716	13,708,385

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

The details of this item are as follows:

	Joint							
	For the year ended 31 December							
	2024				2023			
	Realized gains	Unrealized gains	Dividends	Total	Realized gains	Unrealized gains	Dividends	Total
	JD	JD	JD	JD	JD	JD	JD	JD
Sukuk	7,854	-	-	7,854	36,857	-	-	36,857
Total	7,854	-	-	7,854	36,857	-	-	36,857

(35) INCOME FROM FINANCIAL ASSETS AT AMORTIZED COST

The details of this item are as follows:

	Joint	
	For the year ended	
	31 December	
	2024	2023
	JD	JD
Sukuk	2,609,377	1,336,449
Total	2,609,377	1,336,449

(36) LOSSES FROM FOREIGN CURRENCIES VALUATION

The details of this item are as follows:

	Joint	
	For the year ended 31 December	
	2024	2023
	JD	JD
Foreign currency valuation losses	(84,177)	(9,426)
Total	(84,177)	(9,426)

(37) BANKS SHARE FROM THE RESTRICTED INVESTMENT INCOME AS AGENT WAKEEL

The details of this item are as follows:

	Self	
	For the year ended 31 December	
	2024	2023
	JD	JD
Deferred sales income	-	1,338,292
Less: Muwakel's share	-	(1,273,704)
Banks share as an agent (wakeel)	-	64,588

This item represents revenue from Murabaha to purchase order within the Restricted Wakala Investment agreement signed with the Central Bank of Jordan.

(38) INCOME FROM FOREIGN CURRENCIES

The details of this item are as follows:

	Self	
	For the year ended 31 December	
	2024	2023
	JD	JD
Resulting from trading/dealing	3,258,872	2,240,008
Total	3,258,872	2,240,008

(39) BANKING SERVICES REVENUE - NET

The details of this item are as follows:

	Self	
	For the year ended 31 December	
	2024	2023
	JD	JD
Indirect facilities commissions	5,106,263	2,202,470
Direct facilities commissions	2,375,235	2,271,238
Other commissions	9,803,700	7,966,170
Less : debit commission	(4,521,938)	(3,929,394)
Total	12,763,260	8,510,484

(40) Other income - Net

The details of this item are as follows:

	For the year ended 31 December					
	2024			2023		
	Joint	Self	Total	Joint	Self	Total
	JD	JD	JD	JD	JD	JD
Gains from sale of property and equipment	-	56,047	56,047	-	1,672	1,672
Gains from sale of seized assets	533,487	-	533,487	70,893	3,633	74,526
Breakage deposit commission	1,402,115	-	1,402,115	1,682,751	-	1,682,751
Membership in the Board of Directors of Jordan Fertilizer Processing Company	-	3,348	3,348	-	3,627	3,627
Other revenue	-	19,029	19,029	-	24,537	24,537
Seized assets expenses - Joint	(53,525)	-	(53,525)	(22,989)	-	(22,989)
Provision for impairment of seized assets	(437,446)	-	(437,446)	(104,944)	-	(104,944)
Total	1,444,631	78,424	1,523,055	1,625,711	33,469	1,659,180

(41) PROVISION EXPENSE FOR EXPECTED CREDIT LOSSES AND OTHER RECEIVABLES

	For the year ended 31 December					
	2024			2023		
	Joint	Self	Total	Joint	Self	Total
	JD	JD	JD	JD	JD	JD
International Wakala Investments	299,289	-	299,289	(206,986)	-	(206,986)
Deferred sales receivables , other receivables , facilities and Qard Al-Hasan	31,759,424	562,720	32,322,144	15,550,143	430,978	15,981,121
Financial assets at fair value through Other Comprehensive Income	-	64,447	64,447	-	-	-
Financial assets at fair value through Quasi-equity	433	-	433	(83,317)	-	(83,317)
Items off-balance sheet	(589,325)	186,527	(402,798)	253,784	(37,413)	216,371
Other receivables	-	697,265	697,265	-	-	-
Total	31,469,821	1,510,959	32,980,780	15,513,624	393,565	15,907,189

(42) EMPLOYEES' EXPENSES

The details of this item are as follows:

	For the year ended 31 December	
	2024	2023
	JD	JD
Salaries, benefits, allowances and bonuses for employees	14,342,044	12,362,040
Bank's contribution in social security	1,429,091	1,285,804
Medical expenses	966,876	831,956
Employees training	177,623	188,662
Insurance expenses	39,648	36,696
Other employees' expenses	2,517,267	2,250,392
Total	19,472,549	16,955,550

(43) OTHER EXPENSES

The details of this item are as follows:

	For the year ended 31 December	
	2024	2023
	JD	JD
Stationery and printing	367,982	361,783
Postage and telephone	663,319	599,565
Electricity, water and fuel	658,716	702,959
Travel and transportation	261,190	211,610
Marketing and advertising	2,034,067	1,051,277
Subscription and fees	1,012,246	636,136
Maintenance and cleaning	594,479	562,147
Licences and fees	747,393	601,644
Board of Directors' meetings expenses	672,812	634,210
Information technology expenses	1,389,417	1,433,137
Security and insurance expenses	501,411	532,331
Donations	148,910	722,658
Management and consulting fees	330,513	263,110
Professional fees	114,123	138,448
Board of Directors' remunerations	55,000	55,000
Hospitality expenses	148,863	90,407
Money transportation expenses	296,312	213,838
Legal expenses - Self	101,177	20,362
Others	110,676	215,887
Total	10,208,606	9,046,509

(44) Net profit attributable to quasi-equity

The details of this item are as follows:

	For the year ended 31 December	
	2024	2023
	JD	JD
Customers		
Saving accounts	4,316,144	3,175,126
Term accounts	65,497,699	67,555,082
Certificates of investment deposit accounts	31,935,946	17,980,339
Cash margin accounts	3,952,009	2,194,467
Total customer revenue	105,701,798	90,905,014
Banks		
Banks and financial Institutions accounts	4,358,836	3,328,964
Total banks revenue	4,358,836	3,328,964
Total	110,060,634	94,233,978

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

The details of this item are as follows:

	For the year ended 31 December	
	2024	2023
	JD	JD
Bank's share as Mudarib	57,042,289	43,021,177
Bank's share as Rab Mal	18,623,767	17,615,707
Bank's share of revenue from unrestricted investment accounts as mudarib and rab mal before support	75,666,056	60,636,884
Less : Bank's support (as mudarib)	(21,754,398)	(10,026,251)
Bank's share of revenue from unrestricted investment accounts as mudarib and rab mal after support	53,911,658	50,610,633

(46) EARNINGS PER SHARE

The details of this item are as follows:

	For the year ended 31 December	
	2024	2023
	JD	JD
Profit for the year	20,224,911	17,510,246
	Share	Share
Weighted average number of shares	120,000,000	120,000,000
	JD/Fils	JD/Fils
Basic and diluted earnings per share for the year	0/169	0/146

(47) CASH AND CASH EQUIVALENTS

The details of this item are as follows:

	For the year ended 31 December	
	2024	2023
	JD	JD
Cash and balances with Central Bank of Jordan maturing within three months	244,541,023	255,949,654
Add: cash at banks and financial institutions maturing within three months	16,841,108	26,513,323
Less: banks and financial institutions accounts maturing within three months	(30,544,484)	(23,144,067)
Total	230,837,647	259,318,910

(48) RELATED PARTY TRANSACTIONS

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

	Main shareholders	Senior management	Board of Directors members	Al-Etiihad Islamic company for investment*	Sharia directors members	Total	
						31 December	
						2024	2023
	JD	JD	JD	JD	JD	JD	JD
<u>Consolidated statements of financial position items :</u>							
Balances at banks and financial institutions	-	-	-	651,208	-	651,208	995,237
Unrestricted investments accounts and current accounts	382,349	1,903,963	747,618	11,440,492	117,375	14,591,797	13,591,349
Deferred sales receivables and facilities	-	437,556	1,608	-	-	439,164	409,409
Ijara Muntahia Bittamleek assets	-	1,083,357	470,450	-	-	1,553,807	1,776,306
<u>Statement of financial position Off-balance items :</u>							
Letters of guarantee	-	-	-	621,416	-	621,416	1,500
<u>Consolidated statement of income and other comprehensive Income items :</u>						For the year ended 31 December	
						2024	2023
Dividends	67	54,011	14,301	538,444	2,396	609,219	513,817
Received profit	-	80,199	40,847	-	-	121,046	107,331
Salaries and bonuses	-	2,672,298	55,000	-	52,400	2,779,698	2,565,338
Transportation	-	-	630,400	-	26,400	656,800	637,975
Cards Services	-	-	-	8,508	-	8,508	8,508
Paid commissions	-	-	-	83,931	-	83,931	50,381

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

- The lowest and highest received Murabaha rate were 6.58% and 7.75% respectively.
- The lowest and highest rate of Ijara Muntahia Bittamleek received by the Bank were 3.75% and 7.25% respectively.
- The lowest and highest distributed profit rate were 0.19% and 5.83% respectively.
- Executive management salaries and benefits for the year ended 31 December 2024 amounted to JD 2,672,298 (JD 2,457,938 as of 31 December 2023).
- All facilities granted to related parties are performing and no provisions were recorded for it .

(49) Right of use assets / lease liabilities

The details of this item are as follows:

A- Right of use assets

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

	31 December 2024	31 December 2023
	JD	JD
Balance at the beginning of the year	10,188,361	10,017,830
Additions during the year	1,500,841	2,071,160
Disposals during the year	(187,227)	(163,929)
Depreciation for the year	(1,803,410)	(1,736,700)
Balance at the end of year	9,698,565	10,188,361

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

	31 December 2024	31 December 2023
	JD	JD
Depreciation of the right of use assets for the year	(1,803,410)	(1,736,700)
Finance costs (discounting of lease liabilities) during the year	(346,719)	(357,517)

B- lease liabilities

	31 December 2024	31 December 2023
	JD	JD
Balance at the beginning of the year	10,295,338	10,044,519
Additions during the year	1,500,841	2,071,160
Disposals during the year	(187,227)	(163,929)
Financing costs - discount of lease liabilities during the year	346,719	357,517
Paid during the year	(2,104,296)	(2,013,929)
Balance at the end of year	9,851,375	10,295,338

Maturity analysis of lease contract liabilities:

	31 December 2024	31 December 2023
	JD	JD
In less than a year	111,028	85,966
From 1 to 5 years	3,283,812	2,060,862
More than 5 years	6,456,535	8,148,510
Total	9,851,375	10,295,338

The value of undiscounted rental contract obligations amounted to JD 10,978,526 as at 31 December 2024, and the following is the maturity analysis:

Maturity analysis of undiscounted lease contract liabilities:

	31 December 2024	31 December 2023
	JD	JD
In less than a year	111,760	86,274
From 1 to 5 years	3,509,109	2,181,512
More than 5 years	7,357,657	9,266,030
Total	10,978,526	11,533,816

(50) Risk Management

The Group applies a risk management system that adopts the concept of Enterprise Risk Management to manage the risks that the Bank is exposed to according to the concept of prevention before treatment, where the Bank adopts a Risk Management framework which is documented and approved by the Board of Directors as the basis for other policies related to the Risk Appetite and other risk policies and a basis of preparing an Internal Capital Adequacy Assessment Plan (ICAAP) and Stress Testing.

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

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

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

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

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

The Bank is exposed to the following risks:

1- Credit risk:

The Bank defines credit risk as the risk arising from the client's inability or unwillingness to fulfill their obligations (principal amount and / or profits) according to the agreed terms and maturities which is causing the Bank to incur financial losses.

The Risk Management Department manages credit risk by applying the Credit Manual that organizes and governs the credit process for corporate clients, in addition to the credit Policy for retail and small business clients, as well as the policy of financial institutions credit limits, in line with the Central Bank of Jordan policies and the Basel requirements.

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

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

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

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

▪ **Credit risk measurement:**

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

▪ **Credit Risk mitigation:**

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

The systems used by the Bank to manage Credit Risk:

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

1. Expected Credit Losses System (ECL):

Risk management department with the related Bank's departments has accomplished setting the Financial Accounting Standard (FAS 30) through an integrated and automated system to calculate the expected credit loss that is linked with the core Banking system.

2. Internal Credit Rating system and how it works:

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

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

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

- From one to six degrees for operating financing, where the first degree is considered the best.
- The seventh degree for operating under supervision
- Degrees eight to ten are for non-performing financing.

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

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

Risk Scoring System has been implemented, noting that it is considered an essential part of an integrated project to automate individual financing requests through a Work Flow System that includes all stages of submitting applications and approvals in the relevant departments.

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

3. Management Information System (MIS)

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

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

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

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

Definition of Default Implementation and the Mechanism of Handling the Default

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

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

The Mechanism of Calculating the Expected Credit Losses (ECL)

The mathematical model for calculating the Expected Credit Loss according to Financial Accounting Standard (FAS 30) instructions is as follows:

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

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

A. Probability of Default (PD)

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

It is the probability of irregularity in repayment where it is measured for the purpose of calculating the expected credit loss for each stage from the implementation of the Financial Accounting Standard (30) based on historical data that reflecting historical default rates as well as macroeconomic factors stress testing, Where the Bank has developed appropriate perceptions according to levels of risk for each economic sector and made several perceptions for sectors with high levels of risk and calculated the impact of this on expected credit losses. Moreover, the Bank also reflected the global and local economic conditions, in addition to the effects of Covid-19 pandemic on the possibility of default (Macroeconomic Adjusted PD) And adopting it as a basis in the process of calculating expected credit losses, with the aim of precaution.

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

B. Exposure at Default (EAD)

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

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

C. Loss Given Default (LGD)

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

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

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

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

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

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

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

Bank classified exposures on the Expected Credit Loss automated system in line with Financial Accounting Standard (FAS 30) instructions into three stages depending on a set of determinants such as: corporate client internal credit rating, external credit rating, number of dues installments, restructuring and rescheduling, negative changes in the client behavior, increase credit risk, classifying the client under watching-list stage adjusting the credit terms, negative changes on the guarantees value, negative changes in the customer's economic sector, the Bank's legal follow-up with the client, In addition to the classification criteria mentioned in the CBJ instructions No. (47/2009) December 10, 2009.

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

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

2- Market Risk:

The Bank defines market risk as the potential losses that the Bank may be exposed to as a result of the decrease in the prices of the various financial instruments in which it invests, including equity instruments, Sukuk, currency exchange and commodities. The Bank also adopts a conservative policy that aims to identify, assess, measure and manage all types of market risks that may be exposed, which ensures that the Bank's risk factors are reduced and kept within the minimum limits.

3- Operational Risk:

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

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

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

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

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

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

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

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

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

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

Information security and cybersecurity

Policies and strategies were developed based on the best practice of Information Security and Cybersecurity in order to maintain the Confidentiality and Availability of client information and provide Banking services within the highest levels of safety and to maintain a safety and secured work environment in which the goals related to information protection, confidentiality, integrity and availability are achieved by the Bank using the following:

- A long-term strategy and an integrated annual plan were developed to include the implementation of strategies, policies, standards and systems in the area of Information Security and Cybersecurity to reach a more secure environment and enhance the cybersecurity capabilities of the Bank.
- Information Security and CyberSecurity policies have been updated to comply with the instructions issued by Regulator and related global best practices (such as the ISO 27001 standard). These updates have referred to the topic of Artificial Intelligence (AI) and safe use in this field.
- Developing and updating the Security Operations Center (SOC), for 24/7 monitoring.
- Several projects related to Information Security and Cyber Security were implemented for the purpose of implementing the best solutions and programs to protect and monitor the information systems in the Bank.
- The Bank adherence to the International Standards for the year 2024 (such as the Payment Card Security Standard PCI DSS) and the Bank has obtained a certificate of compliance with the standard on its last version PCI DSS version 4 .
- Compliance with SWIFT financial network security standard by applying SWIFT Customer Security Program (CSP).
- In the field of security breaches, several tests were conducted on networks and systems, and also tests covered of Banking applications (Internet Banking and Mobile Banking).
- The risk factors related to Information Technology are also managed through a continuous updating of Risk Matrix for Information Technology, Information Security and Cyber Security. also, controls are tested Periodically and making sure all control gaps are handled in a proper manner.
- With regard to Awareness of Information Security, Cyber Security and Business Continuity, training workshops are held for Bank staff on an annual basis, also, many Awareness Messages (including SMS) related to cyber security were sent to our staff and customers.

Business continuity

An amendment has been made to the Business Continuity, as remote access mechanism was applied and staff were relocated between the Bank's sites to ensure social distancing.

Bank's alternative site was redesigned and reactivated to provide a safe and healthy work environment while achieving the terms of social distancing, and work continued in this alternative site until the pandemic's situation became acceptable and safer.

In addition, the Bank conducts periodic checks of Alternative Sites and Business Continuity Plan to ensure they are ready in emergency situations.

The Bank conducted an emergency plan test for sensitive and critical financial systems with participation of several departments.. The findings of the tests were followed up and solved during and directly after the test.

In order to align with the best international practices, the alternative site has been moved outside Amman to ensure that the alternative site is not exposed to the same risks as the original site

4- Reputational risk

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

Reputational risks are managed by the following up on customers complaints and answering them through the customer complaints unit. Also this risk is managed through following up the comments and interventions on social networking sites, the Bank follows up the inquiries of customers and the public about matters related to the legal aspects of Banking on the official website of the Bank.

5- Non-compliance risks

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

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

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

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

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

6- Legal risks related to operational activities

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

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

7- Risks of non-compliance withs Sharia Laws

These are the risks that Islamic Banks exposed to, which lead to non-recognition of income. Also, it includes the losses resulting from their operations in addition to the reputational risks resulting from non-compliance with Sharia laws. Where these risks are managed through an integrated system of Sharia controls for the Sharia Compliance Department, Internal and Sharia Audit Department, Risk Management Department, the Sharia Supervisory Board and the Audit Committee.

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

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

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

Bank Risk Appetite in line with the Approved business models

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

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

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

Stress testing

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

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

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

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

A policy for stress tests was prepared and approved by the Bank's board of directors to cover all the requirements for stress tests and to define the methodology adopted for applying these tests and their periodicity, as the instructions of the Central Bank of Jordan were based on.

This is in light of the spread of the new Corona virus (Covid-19) and its impact on the Jordanian economy, the Bank has added special scenarios to measure the Bank's ability to withstand shocks resulting from the economic changes due to the pandemic.

The Bank seeks to consider the results of stressful situations as a basic reference for developing future plans and appropriate strategies. The concept of stress tests is being incorporated into the department's monthly reports to create a comprehensive culture of the modern risk management concept.

The Bank adopts an integrated system for the governance of stress tests whereby the risk management periodically conducts stress tests and then submits them to the Risk Management Committee and then submits them to take the appropriate recommendation from the Board of Directors Committee for Risk Management and then approves it by the Board of Directors, where it simulates the best practical practices in involving the Bank's board of directors and senior executive management in the methodology of stress tests and the impact of their results on the Bank's strategic decisions.

(51/A) CREDIT RISK**1) Credit risk exposure (After impairment provision and before collateral and other risk reducers):**

	31 December 2024		
	Joint	Self	Total
	JD	JD	JD
Balances with Central Bank of Jordan	-	210,414,366	210,414,366
Balances at banks and financial institutions	-	16,841,108	16,841,108
International Wakala investments	217,144,756	-	217,144,756
Deferred sales receivables and other receivables			
Retail (individual)	408,371,996	1,870,174	410,242,170
Real estate financing	7,057,894	-	7,057,894
Corporate	467,836,529	158,696	467,995,225
Small and medium enterprises	69,900,453	104,772	70,005,225
Public and governmental sectors	594,127,907	-	594,127,907
Sukuk			
Within financial assets at fair value through quasi-equity - net	441,074,840	-	441,074,840
Within financial assets at fair value through other comprehensive income - net	-	45,451,435	45,451,435
Within financial assets at amortized cost	119,852,000	-	119,852,000
Al Qard Al Hasan - net	-	11,443,367	11,443,367
Other assets	8,703,905	1,128,277	9,832,182
Total consolidated statement of financial position items	2,334,070,280	287,412,195	2,621,482,475
Consolidated statement of financial position Off-balance sheet items:			
Letters of guarantees	-	37,211,691	37,211,691
Letters of credit	-	182,131,628	182,131,628
Acceptances	-	22,311,639	22,311,639
Unutilized limits	183,669,434	-	183,669,434
Grand total	2,517,739,714	529,067,153	3,046,806,867

	31 December 2023		
	Joint	Self	Total
	JD	JD	JD
Balances with Central Bank of Jordan	-	228,651,162	228,651,162
Balances at banks and financial institutions	-	26,513,323	26,513,323
International Wakala investments	85,131,319	-	85,131,319
Deferred sales receivables and other receivables			
Retail (individual)	372,039,121	1,545,518	373,584,639
Real estate financing	12,380,107	-	12,380,107
Corporate	374,436,186	213,878	374,650,064
Small and medium enterprises	56,392,648	275,624	56,668,272
Public and governmental sectors	470,087,433	-	470,087,433
Sukuk			
Within financial assets at fair value through quasi-equity - net	443,894,901	-	443,894,901
Within financial assets at fair value through other comprehensive income - net	-	-	-
Within financial assets at amortized cost	-	-	-
Al Qard Al Hasan - net	-	34,380,739	34,380,739
Other assets	5,615,703	1,151,018	6,766,721
Total consolidated statement of financial position items	1,819,977,418	292,731,262	2,112,708,680
Consolidated statement of financial position Off-balance sheet items:			
Letters of guarantees	-	44,300,901	44,300,901
Letters of credit	-	68,967,176	68,967,176
Acceptances	-	7,978,169	7,978,169
Unutilized limits	228,311,443	-	228,311,443
Grand total	2,048,288,861	413,977,508	2,462,266,369

Distribution of credit exposures

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

31 December 2024							
Internal rating of the Bank	Category Classification by Instructions (47/2009)	Total exposure value	Expected credit loss	The probability of default (PD) %	Classification according to external classification institutions	Exposure at default (EAD) per million dinars	Average loss at default (LGD)%
		JD	JD			JD	
A- Direct credit facilities (After deducting suspended and deferred revenue):							
Almost risk free	Performing exposure	509,660	-	0.4%	-	0.428	53%
Low risk	Performing exposure	6,101,889	33,085	1%	-	5.126	53%
Normal risk	Performing exposure	1,406,439	12,610	2%	-	1.193	53%
Acceptable risk	Performing exposure	1,272,471	15,462	3%	-	1.069	53%
Acceptable with due care	Performing exposure	1,150,725	9,061	3%	-	0.967	53%
Unrated	Performing exposure	2,876,508	16,437	2%	-	2.712	71%
Total (performing debt)		13,317,692	86,655			11.496	
Substandard	Non - performing exposure	1,277	1,277	100%	-	0.001	53%
Doubtful	Non - performing exposure	277	277	100%	-	0.000	53%
Loss	Non - performing exposure	327,147	13,552	100%	-	0.327	53%
Unrated	Non - performing exposure	1,401,740	1,369,363	100%	-	1.402	73%
Total (Non-performing debt)		1,730,441	1,384,469			1.730	
Total		15,048,133	1,471,124			13.226	

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

Insignificant Risk	Performing exposure	55,250	698	0.2%	-	0.022	53%
Almost risk free	Performing exposure	12,030,101	3,931	0.4%	-	2.124	53%
Low risk	Performing exposure	103,020,079	18,148	1%	-	11.764	53%
Normal risk	Performing exposure	14,668,361	20,520	2%	-	3.299	53%
Acceptable risk	Performing exposure	15,895,043	15,053	3%	-	1.877	53%
Acceptable with due care	Performing exposure	1,180,427	6,135	3%	-	0.477	53%
Watch list	Performing exposure	6,035,309	123,546	13%	-	2.012	53%
Unrated	Performing exposure	88,945,746	121,929	4%	-	12.849	66%
Total (performing debt)		241,830,316	309,960			34.425	
Doubtful	Non - performing exposure	11,488	3,398	100%	-	0.011	53%
Loss	Non - performing exposure	137,309	10,797	100%	-	0.137	53%
Total (Non-performing debt)		148,797	14,195			0.149	
Total exposure		241,979,113	324,155			34.574	

C. Sukuk :

Within financial assets at fair value through other comprehensive income	Performing exposure	45,515,882	64,447	0.2%	Aa3-Ba1	45.461	75%
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Distribution of credit exposures

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

31 December 2024							
Internal rating of the Bank	Category Classification by Instructions (47/2009)	Total exposure value	Expected credit loss	The probability of default (PD) %	Classification according to external classification institutions	Exposure at default (EAD) per million dinars	Average loss at default (LGD)%
		JD	JD			JD	
A- International wakala investments	Performing exposure	217,517,508	372,752	0.3%	A-B	219.184	75%
B- Sukuk:							
Within financial assets at fair value through quasi-equity - net	Performing exposure	441,224,897	150,057	0.3%	Aa3-B+	441.319	75%
C -Direct credit facilities (After deducting suspended and deferred revenue):							
Insignificant Risk	Performing exposure	596,701,486	-	0%	-	571.608	3%
Almost risk free	Performing exposure	22,649,203	38,616	0.4%	-	20.749	53%
Low risk	Performing exposure	33,133,375	155,116	1%	-	30.128	53%
Normal risk	Performing exposure	100,116,026	863,393	2%	-	92.197	53%
Acceptable risk	Performing exposure	213,197,028	1,239,703	3%	-	197.474	53%
Acceptable with due care	Performing exposure	60,551,616	12,148,240	9%	-	56.961	53%
Watch list	Performing exposure	18,006,953	10,180,579	18%	-	16.817	53%
Unrated	Performing exposure	529,878,712	18,009,631	2%	-	547.994	71%
Total (performing debt)		1,574,234,399	42,635,278			1,533.927	
Substandard	Non - performing exposure	2,609,597	1,093,999	100%	-	2.605	53%
Doubtful	Non - performing exposure	3,321,846	2,393,094	100%	-	3.295	53%
Loss	Non - performing exposure	36,330,407	24,568,964	100%	-	36.330	81%
Unrated	Non - performing exposure	23,381,673	21,891,808	100%	-	23.413	80%
Total (Non-performing debt)		65,643,523	49,947,865			65.644	
Total exposure		1,639,877,922	92,583,143			1,599.570	

D - Unutilized limits

Insignificant Risk	Performing exposure	12,526,126	-	0.0%	-	6.875	0%
Almost risk free	Performing exposure	15,193,155	17,749	0.4%	-	8.356	53%
Low risk	Performing exposure	35,984,537	120,283	1.2%	-	19.791	53%
Normal risk	Performing exposure	40,527,275	231,588	2.0%	-	22.290	53%
Acceptable risk	Performing exposure	44,135,085	323,438	2.7%	-	24.274	53%
Acceptable with due care	Performing exposure	3,864,808	38,843	3.4%	-	2.126	53%
Watch list	Performing exposure	860,634	33,104	13.1%	-	0.473	53%
Unrated	Performing exposure	31,390,615	47,796	1.0%	-	17.278	73%
Total (performing debt)		184,482,235	812,801			101.464	
Total exposure		184,482,235	812,801			101.464	

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

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

The bank maintains collateral or other credit enhancements to mitigate credit risk associated with financial assets. The Group maintains cash, investments and (joint) financing balances amounting to JD 2,427,176,232 as of 31 December 2024 (compared to JD 1,881,028,083 as of 31 December 2023). The estimated value of the joint collateral held is JD 334,251,145 as on 31 December 2024 (compared to JD 319,855,569 as on 31 December 2023) The value of collateral is only considered to the extent that it mitigates credit risk. There has been no change in The bank's guarantees policy during the current year.

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

Item	31 December 2024									
	Fair value of collateral									
	Total exposure value	Cash margin	Traded shares	Acceptable				Total value of collateral	Net exposure after collateral	Expected credit loss (ECL)
				bank guarantees	Real estate financing	Cars and mechanics	Other			
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balances with Central Bank of Jordan	-	-	-	-	-	-	-	-	-	-
Balances at banks and financial institutions	-	-	-	-	-	-	-	-	-	-
Deposits with banks and financial institutions	-	-	-	-	-	-	-	-	-	-
International Wakala investments	217,517,508	-	-	-	-	-	-	-	217,517,508	372,752
Direct credit facilities (after deducting deferred and suspended revenue) :										
Retail	443,508,144	6,861,938	-	-	9,554,502	132,963,744	-	149,380,184	294,127,960	35,136,148
Real estate financing	17,745,200	486,091	-	-	6,415,419	-	-	6,901,510	10,843,690	10,687,306
For corporate	510,624,479	4,533,008	-	-	93,443,844	12,254,681	2,114,765	112,346,298	398,278,181	42,787,950
Small and medium enterprises	73,872,192	3,462,448	-	-	56,068,115	2,227,643	3,864,947	65,623,153	8,249,039	3,971,739
Public and governmental sectors	594,127,907	-	-	-	-	-	-	-	594,127,907	-
Sukuk :										
Within financial assets at fair value through statement of income	-	-	-	-	-	-	-	-	-	-
Within financial assets at fair value through quasi-equity	441,224,897	-	-	-	-	-	-	-	441,224,897	150,057
Within financial assets at amortized cost	119,852,000	-	-	-	-	-	-	-	119,852,000	-
Other assets	8,703,905	-	-	-	-	-	-	-	8,703,905	-
Total	2,427,176,232	15,343,485	-	-	165,481,880	147,446,068	5,979,712	334,251,145	2,092,925,087	93,105,952
Unutilized credit limits	184,482,235	-	-	-	-	-	-	-	184,482,235	812,801
Grand total	2,611,658,467	15,343,485	-	-	165,481,880	147,446,068	5,979,712	334,251,145	2,277,407,322	93,918,753

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

The bank maintains collateral or other credit enhancements to mitigate credit risk associated with financial assets. The Bank maintains cash, investments and (self-financing) balances amounting to JD 288,947,766 as of 31 December 2024 (compared to JD 293,635,807 as of 31 December 2023). The estimated value of the joint guarantees held is JD 2,469,043 as on 31 December 2024 (compared to JD 2,249,441 as on 31 December 2023). The value of collateral is only considered to the extent that it mitigates credit risk. There was no change in the bank's guarantees policy during the current year.

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

31 December 2024										
Item	Fair value of collateral							Total value of collateral	Net exposure after collateral	Expected credit loss (ECL)
	Total exposure value	Cash margin	Traded shares	Acceptable bank guarantees	Real estate financing	Cars and mechanics	Other			
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balances with Central Bank of Jordan	210,414,366	-	-	-	-	-	-	-	210,414,366	-
Balances at banks and financial institutions	16,841,108	-	-	-	-	-	-	-	16,841,108	-
Direct credit facilities (after deducting deferred and suspended revenue) :										
Retail	2,771,737	-	-	-	-	1,107,825	-	1,107,825	1,663,912	342,511
Real estate financing	-	-	-	-	-	-	-	-	-	-
For corporate	10,849,823	5,972	-	-	46,782	1,091,273	-	1,144,027	9,705,796	567,139
Small and medium enterprises	916,913	-	-	-	204,503	-	12,688	217,191	699,722	561,474
Public and governmental sectors	509,660	-	-	-	-	-	-	-	509,660	-
Sukuk :										
Within financial assets at fair value through other comprehensive income - net	45,515,882	-	-	-	-	-	-	-	45,515,882	64,447
Other assets	1,128,277	-	-	-	-	-	-	-	1,128,277	-
Total	288,947,766	5,972	-	-	251,285	2,199,098	12,688	2,469,043	286,478,723	1,535,571
Bank guarantees	37,408,047	4,782,870	-	-	-	-	-	4,782,870	32,625,177	196,356
Credits	182,237,981	63,460,229	-	-	-	-	-	63,460,229	118,777,752	106,353
Acceptance	22,333,085	-	-	-	-	-	-	-	22,333,085	21,446
Grand total	530,926,879	68,249,071	-	-	251,285	2,199,098	12,688	70,712,142	460,214,737	1,859,726

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

	31 December 2024									
Item	Fair value of collateral								Net exposure after collateral	Expected credit loss (ECL)
	Total exposure value	Cash margin	Traded shares	Acceptable				Total value of collateral		
				bank guarantees	Real estate financing	Cars and mechanics	Other			
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balances with Central Bank of Jordan	-	-	-	-	-	-	-	-	-	-
Balances at banks and financial institutions	-	-	-	-	-	-	-	-	-	-
Deposits with banks and financial institutions	-	-	-	-	-	-	-	-	-	-
International wakala investments - net	-	-	-	-	-	-	-	-	-	-
Direct credit facilities (after deducting deferred and suspended revenue) :										
Retail	18,810,962	12,161	-	-	498,285	6,284,688	-	6,795,134	12,015,828	17,905,893
Real estate financing	1,241,734	-	-	-	830,145	-	-	830,145	411,589	2,373,060
For corporate	41,344,934	5,000	-	-	4,207,377	1,238,687	-	5,451,064	35,893,870	26,415,028
Small and medium enterprises	4,245,893	676,920	-	-	3,029,229	80,405	-	3,786,554	459,339	3,253,884
Public and governmental sectors	-	-	-	-	-	-	-	-	-	-
Sukuk:										
Within financial assets at fair value through other comprehensive income - net	-	-	-	-	-	-	-	-	-	-
Within financial assets at fair value through quasi-equity - net	-	-	-	-	-	-	-	-	-	-
Within Financial assets at amortized cost	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-	-
Total	65,643,523	694,081	-	-	8,565,036	7,603,780	-	16,862,897	48,780,626	49,947,865
Unutilized credit limits	-	-	-	-	-	-	-	-	-	-
Grand total	65,643,523	694,081	-	-	8,565,036	7,603,780	-	16,862,897	48,780,626	49,947,865

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

Item	31 December 2024									
	Fair value of collateral							Total value of collateral	Net exposure after collateral	Expected Credit Loss (ECL)
	Total exposure value	Cash Insurance	Shares traded	Acceptable bank guarantees	Real estate	Cars and Mechanics	Other			
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balances with Central Bank of Jordan	-	-	-	-	-	-	-	-	-	-
Balances at banks and financial institutions	-	-	-	-	-	-	-	-	-	-
Direct credit facilities (after deducting deferred and suspended revenue) :										
Retail	333,703	-	-	-	-	-	-	-	333,703	330,372
Real estate financing	-	-	-	-	-	-	-	-	-	-
For corporate	813,505	5,972	-	-	4,757	-	-	10,729	802,776	493,936
Small and medium enterprises	583,233	-	-	-	128,029	-	-	128,029	455,204	560,161
Public and governmental sectors	-	-	-	-	-	-	-	-	-	-
Sukuk:										
Within financial assets at fair value through other comprehensive income - net	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-	-
Total	1,730,441	5,972	-	-	132,786	-	-	138,758	1,591,683	1,384,469
Bank guarantees	649,297	-	-	-	-	-	-	-	649,297	-
Credits	-	-	-	-	-	-	-	-	-	-
Acceptance	-	-	-	-	-	-	-	-	-	-
Grand total	2,379,738	5,972	-	-	132,786	-	-	138,758	2,240,980	1,384,469

Deferred sales and other receivables and scheduled financing:

Are those that have previously been classified as non-performing financing and are eliminated from the balance of non-performing loans and borrowings under a fundamental schedule whether they are still under control or transferred to a transaction. Moreover, they are classified as cash and cash equivalents. Deferred sales and other receivables amounted to JD 9,523,435 as at 31 December 2024 (JD 10,684,240 as at 31 December 2023).

Deferred sales and other receivables and restructured financing:

Restructuring means a rearrangement of the status of the receivables / financing in terms of instalment adjustment, extension of the life of the receivables / financing, postponement of certain instalments, or extension of the grace period. They were classified as receivables / financing under control. Deferred sales and restructured receivables amounted to JD 172,061,843 as at 31 December 2024 (JD 146,723,390 as at 31 December 2023).

3) Sukuk

The following table illustrates sukuk grading under financial assets at fair value through unrestricted investment accounts holders in accordance with foreign grading institutions.

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

Classification grade	Grading institution	31 December 2024	31 December 2023
		JD	JD
Aa3	Moody's	52,296,997	-
A1	Moody's	-	10,155,967
A2	Moody's	10,388,258	7,225,542
A3	Moody's	12,653,926	2,337,548
B1	Moody's	1,115,316	-
B3	Moody's	-	1,074,215
Ba1	Moody's	4,542,538	-
Baa3	Moody's	331,002	-
AA-	Fitch	-	5,882,492
A+	Fitch	2,074,432	9,114,676
A	Fitch	26,576,948	17,393,267
A-	Fitch	1,420,883	20,453,845
BBB+	Fitch	1,511,417	1,340,979
BB	Fitch	-	3,148,035
B+	Fitch	4,916,934	5,180,830
Government	-	4,442,662	8,885,325
Government guarantee	-	318,803,527	351,702,180
	Total	441,074,840	443,894,901

B- Financial assets at amortized cost

Government guarantee	-	119,852,000	-
	Total	119,852,000	-

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

A	Fitch	6,446,591	-
A-	Fitch	710,427	-
BBB-	S&P	7,108,077	-
Aa3	Moody's	13,716,360	-
Baa3	Moody's	8,596,751	-
Ba1	Moody's	8,873,229	-
	Total	45,451,435	-
	Grand total	606,378,275	443,894,901

- All the above sukuk are classified within the first stage for the year 2024 .

4 -Concentration in credit exposures by geographical distribution .

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

Item	31 December 2024							31 December 2023	
	Within the Kingdom	Other Middle Eastern countries	Europe	Asia *	Africa	America	Other countries	Total	Total
	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balances with Central Bank of Jordan	210,414,366	-	-	-	-	-	-	210,414,366	228,651,162
Balances at banks and financial institutions	1,130,382	2,930,166	3,191,070	968,152	-	8,611,606	9,732	16,841,108	26,513,323
Deposits with banks and financial institutions	-	-	-	-	-	-	-	-	-
Direct credit facilities -net	13,577,009	-	-	-	-	-	-	13,577,009	36,415,759
Sukuk:									
Within financial assets at fair value through other comprehensive income	-	45,451,435	-	-	-	-	-	45,451,435	-
Other assets	1,128,277	-	-	-	-	-	-	1,128,277	1,151,018
Total	226,250,034	48,381,601	3,191,070	968,152	-	8,611,606	9,732	287,412,195	292,731,262
Letter of guarantees	37,158,691	48,000	-	-	-	-	5,000	37,211,691	44,300,901
Letters of credit	67,138,666	114,992,962	-	-	-	-	-	182,131,628	68,967,176
Acceptances	21,085,151	1,226,488	-	-	-	-	-	22,311,639	7,978,169
Grand total	351,632,542	164,649,051	3,191,070	968,152	-	8,611,606	14,732	529,067,153	413,977,508

*Except for Middle Eastern countries

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

Item	31 December 2024					
	Stage 1 Individual	Stage 1 Collective	Stage 2 Individual	Stage 2 Collective	Stage 3	Total
	JD	JD	JD	JD	JD	JD
Within the Kingdom	301,238,157	2,699,816	46,640,854	58,446	995,269	351,632,542
Other Middle Eastern countries	164,649,051	-	-	-	-	164,649,051
Europe	3,191,070	-	-	-	-	3,191,070
Asia	968,152	-	-	-	-	968,152
Africa	-	-	-	-	-	-
America	8,611,606	-	-	-	-	8,611,606
Other countries	14,732	-	-	-	-	14,732
Total	478,672,768	2,699,816	46,640,854	58,446	995,269	529,067,153

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

Item	31 December 2024								31 December 2023
	Within the Kingdom	Other Middle Eastern countries	Europe	Asia *	Africa	America	Other countries	Total	Total
	JD	JD	JD	JD	JD	JD	JD	JD	JD
International wakala investments -net	-	205,047,421	12,097,335	-	-	-	-	217,144,756	85,131,319
Direct credit facilities -net	1,518,482,320	28,812,459	-	-	-	-	-	1,547,294,779	1,285,335,495
Sukuk:									
Within financial assets at fair value through quasi-equity -net	323,246,189	116,713,335	1,115,316	-	-	-	-	441,074,840	443,894,901
Within financial assets at amortized cost -net	119,852,000	-	-	-	-	-	-	119,852,000	-
Other assets	8,703,905	-	-	-	-	-	-	8,703,905	5,615,703
Total	1,970,284,414	350,573,215	13,212,651	-	-	-	-	2,334,070,280	1,819,977,418
Unutilized credit limits	183,669,434	-	-	-	-	-	-	183,669,434	228,311,443
Grand total	2,153,953,848	350,573,215	13,212,651	-	-	-	-	2,517,739,714	2,048,288,861

* Except for middle eastern countries

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

Item	31 December 2024					
	Stage 1 Individual	Stage 1 Collective	Stage 2 Individual	Stage 2 Collective	Stage 3	Total
	JD	JD	JD	JD	JD	JD
Within the Kingdom	1,611,552,142	436,203,162	46,095,544	44,407,342	15,695,658	2,153,953,848
Other Middle Eastern countries	350,573,215	-	-	-	-	350,573,215
Europe	13,212,651	-	-	-	-	13,212,651
Asia	-	-	-	-	-	-
Africa	-	-	-	-	-	-
America	-	-	-	-	-	-
Other countries	-	-	-	-	-	-
Total	1,975,338,008	436,203,162	46,095,544	44,407,342	15,695,658	2,517,739,714

5- Distribution of exposures by economic sectors:

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

Item	31 December 2024										31 December 2023
	Financial	Industry	Trade	Real estates	Agriculture	Shares	Retail	Government and public sector	Other	Total	Total
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Balances with Central Bank of Jordan	210,414,366	-	-	-	-	-	-	-	-	210,414,366	228,651,162
Balances at banks and financial institutions	16,841,108	-	-	-	-	-	-	-	-	16,841,108	26,513,323
Deposits with banks and financial institutions	-	-	-	-	-	-	-	-	-	-	-
Direct credit facilities -net sukuk :	-	6,074,463	3,142,886	-	2,606	915,998	1,359,395	509,660	1,572,001	13,577,009	36,415,759
Within financial assets at fair value through other comprehensive income - net	45,451,435	-	-	-	-	-	-	-	-	45,451,435	-
Other assets	1,128,277	-	-	-	-	-	-	-	-	1,128,277	1,151,018
Total	273,835,186	6,074,463	3,142,886	-	2,606	915,998	1,359,395	509,660	1,572,001	287,412,195	292,731,262
Letter of guarantees	1,138,185	3,459,063	9,472,794	3,440,947	766,228	-	1,042,218	-	17,892,256	37,211,691	44,300,901
Letters of credit	11,831,076	16,931,164	150,418,667	-	-	1,350,944	-	-	1,599,777	182,131,628	68,967,176
Acceptances	1,724,223	5,817,144	14,750,725	-	-	-	-	-	19,547	22,311,639	7,978,169
Grand total	288,528,670	32,281,834	177,785,072	3,440,947	768,834	2,266,942	2,401,613	509,660	21,083,581	529,067,153	413,977,508

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

Item	31 December 2024					
	Stage 1 Individual	Stage 1 Collective	Stage 2 Individual	Stage 2 Collective	Stage 3	Total
	JD	JD	JD	JD	JD	JD
Financial	288,167,690	-	360,980	-	-	288,528,670
Industry	24,947,508	-	7,328,353	-	5,973	32,281,834
Trade	149,588,766	-	27,645,762	8,556	541,988	177,785,072
Real estates	324,697	-	3,114,250	-	2,000	3,440,947
Agriculture	759,534	2,606	6,694	-	-	768,834
Share's	-	915,998	1,350,944	-	-	2,266,942
Retail	1,042,218	1,339,232	-	16,847	3,316	2,401,613
Government and public sector	509,660	-	-	-	-	509,660
Other	13,332,695	441,980	6,833,871	33,043	441,992	21,083,581
Total	478,672,768	2,699,816	46,640,854	58,446	995,269	529,067,153

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

Item	31 December 2024										31 December 2023
	Financial	Industry	Trade	Real estates	Agriculture	Shares	Retail	Government and public sector	Other	Total	Total
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
International wakala investments -net	217,144,756	-	-	-	-	-	-	-	-	217,144,756	85,131,319
Direct credit facilities - net	31,775,151	146,311,594	145,478,595	7,057,894	9,086,249	295,629,973	156,297,948	595,437,492	160,219,883	1,547,294,779	1,285,335,495
Sukuk:											
Within financial assets at fair value through statement of income	-	-	-	-	-	-	-	-	-	-	-
Within financial assets at fair value through quasi-equity -net	117,828,651	-	-	-	-	-	-	323,246,189	-	441,074,840	443,894,901
Within financial assets at amortized cost -net	-	-	-	-	-	-	-	119,852,000	-	119,852,000	-
Other assets	8,703,905	-	-	-	-	-	-	-	-	8,703,905	5,615,703
Total	375,452,463	146,311,594	145,478,595	7,057,894	9,086,249	295,629,973	156,297,948	1,038,535,681	160,219,883	2,334,070,280	1,819,977,418
Unutilized limits	1,782,631	80,631,497	62,600,880	-	6,418,610	-	13,596,269	-	18,639,547	183,669,434	228,311,443
Grand total	377,235,094	226,943,091	208,079,475	7,057,894	15,504,859	295,629,973	169,894,217	1,038,535,681	178,859,430	2,517,739,714	2,048,288,861

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

Item	31 December 2024					
	Stage 1 Individual	Stage 1 Collective	Stage 2 Individual	Stage 2 Collective	Stage 3	Total
	JD	JD	JD	JD	JD	JD
Financial	377,235,094	-	-	-	-	377,235,094
Industry	217,555,906	10,631,989	(2,781,837)	1,536,140	893	226,943,091
Trade	148,737,882	22,665,903	25,136,937	3,910,712	7,628,041	208,079,475
Real estates	1,595,025	3,488,445	2,359,062	746,688	(1,131,326)	7,057,894
Agriculture	10,761,070	4,324,374	-	326,392	93,023	15,504,859
Shares	17,610,471	238,644,372	15,063,052	15,983,581	8,328,497	295,629,973
Retail	13,596,269	138,754,444	-	16,997,784	545,720	169,894,217
Government and public sector	1,038,535,681	-	-	-	-	1,038,535,681
Other	149,710,610	17,693,635	6,318,330	4,906,045	230,810	178,859,430
Total	1,975,338,008	436,203,162	46,095,544	44,407,342	15,695,658	2,517,739,714

6- Credit exposures that have been reclassified

1. Total credit exposures classified:

A. Self

31 December 2024						
Item	Stage 2		Stage 3		Total exposures that have been reclassified	Percentage of rated exposures
	Total exposure value	The exposures that have been reclassified	Total exposure value	The exposures that have been reclassified		
	JD	JD	JD	JD	JD	
Direct credit facilities-net	1,920,181	9,508	1,730,441	17,364	26,872	0.74%
Letters of guarantee	11,239,311	5,330,635	649,297	501,488	5,832,123	49.06%
Acceptances	5,833,423	-	-	-	-	-
Letters of credit	27,980,983	-	-	-	-	-
Grand total	46,973,898	5,340,143	2,379,738	518,852	5,858,995	11.87%

B. Joint

31 December 2023						
Item	Stage 2		Stage 3		Total exposures that have been reclassified	Percentage of rated exposures
	Total exposure value	The exposures that have been reclassified	Total exposure value	The exposures that have been reclassified		
	JD	JD	JD	JD	JD	
Direct credit facilities-net	114,467,040	2,733,762	65,643,523	23,678,036	26,411,798	14.66%
Unutilized limits	2,348,172	1,433,514	-	-	1,433,514	61.05%
Grand total	116,815,212	4,167,276	65,643,523	23,678,036	27,845,312	15.26%

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

A. Self 31 December 2024

Item	The exposures that have been reclassified			Expected credit loss on exposures that have been reclassified				Total
	Total exposures that have been reclassified/ Stage 2	Total exposures that have been reclassified/ Stage 3	Total exposures that have been reclassified	Stage 2 Individual	Stage 2 Collective	Stage 3 Individual	Stage 3 Collective	
	JD	JD	JD	JD	JD	JD	JD	JD
Direct credit facilities	9,508	17,364	26,872	(6)	17,710	14	(17,638)	80
Letters of guarantee	5,330,635	501,488	5,832,123	28,200	-	482	-	28,682
Letters of credit	-	-	-	-	-	-	-	-
Acceptances	-	-	-	-	-	-	-	-
Grand total	5,340,143	518,852	5,858,995	28,194	17,710	496	(17,638)	28,762

B. Joint 31 December 2024

Item	The exposures that have been reclassified			Expected credit loss on exposures that have been reclassified				Total
	Total exposures that have been reclassified rated from Stage 2	Total exposures that have been reclassified rated from Stage 3	Total exposures that have been reclassified	Stage 2 Individual	Stage 2 Collective	Stage 3 Individual	Stage 3 Collective	
	JD	JD	JD	JD	JD	JD	JD	JD
Direct credit facilities	2,733,762	23,678,036	26,411,798	(6,395,559)	(231,259)	4,083,325	(75,857)	(2,619,350)
Unutilized limits	1,433,514	-	1,433,514	7,942	-	-	-	7,942
Grand total	4,167,276	23,678,036	27,845,312	(6,387,617)	(231,259)	4,083,325	(75,857)	(2,611,408)

(51/B) MARKET RISKS

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

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

1- Rate of Return Risks

- Risks of rate of return arise from the unexpected changes in the market rates. Necessary procedures must be taken to ensure the existence of administrative procedures related to reviewing, measuring, and monitoring of rate of return risks.
- The Bank is exposed to rate of return risks as a result of the gap between assets and liabilities according to their terms and re-pricing the rate on subsequent transactions.
- The Bank manages these risks by determining the rates of future profits according to the expectations of market conditions and developing new instruments that comply with the Islamic rules and regulations through the Bank's risk management strategy:
 1. Attaining the best returns available in the market based on market indicators as a standard and Benchmarks for both the portfolios an investments managed by the Bank.
 2. Taking into account the risks resulting from these investments, depending on the diversification option based on countries and institutions to ensure mitigation of the impact of risks.
 3. The Bank is committed to manage investments based on matching the Bank's liabilities (represented by deposits term accounts) and assets in foreign currencies (represented by investments in foreign currencies).

2- Currency Risks

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

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

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

2024	Change in the indicator (%5)	Impact on consolidated statement of income and other comprehensive income	Impact on equity
currency	JD	JD	JD
USD	-	-	-
Euro	7,007	7,007	7,007
GBP	1,514	1,514	1,514
Japanese Yen	52,256	52,256	52,256
Other currencies	102,883	102,883	102,883
2023	Change in the indicator (%5)	Impact on consolidated statement of income and other comprehensive income	Impact on equity
currency	JD	JD	JD
USD	-	-	-
Euro	(7,116)	(7,116)	(7,116)
GBP	1,332	1,332	1,332
Japanese Yen	41,483	41,483	41,483
Other currencies	124,279	124,279	124,279

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

Concentration in foreign currencies risks :

	31 December 2024					
	US Dollars	Euro	GBP	Japanese Yen	Others	Total
Assets :						
Cash and balances with Central Banks of Jordan	33,302,944	3,042,885	456,906	-	407,064	37,209,799
Balances at banks and financial institutions	9,329,146	2,858,378	489,807	826,011	3,054,332	16,557,674
Deferred sale receivables	149,284,649	11,078,111	-	-	-	160,362,760
Ijara Muntahia Bittamleek assets-net	4,273,520	-	-	-	-	4,273,520
International Wakala Investment	162,361,000	35,039,563	4,447,375	-	15,669,570	217,517,508
Financial assets at fair value through other comprehensive income - net	37,908,682	7,607,200	-	-	-	45,515,882
Financial assets at fair value through quasi-equity - net	110,794,702	7,607,200	-	-	-	118,401,902
Al Qard Al Hasan-net	305	55	-	-	-	360
Property and equipment-net	68,897	-	-	-	-	68,897
Other assets	(1,179,730)	(1,769,196)	3,828	537,292	(11,440,177)	(13,847,983)
Total assets	506,144,115	65,464,196	5,397,916	1,363,303	7,690,789	586,060,319
Liabilities :						
Banks and financial institutions' accounts (Current)	9,256,411	18,546,689	1,300	-	15,044	27,819,444
Customers' and Banks's deposit (current, saving, term, certificate deposit) accounts	365,082,210	33,948,614	5,309,018	318,180	5,594,507	410,252,529
Fair value reserve through other quasi-equity	(266,743)	170,668	-	-	-	(96,075)
Cash margins accounts	104,268,622	12,387,407	-	-	-	116,656,029
Other liabilities	11,002,015	220,280	57,321	-	23,588	11,303,204
Total liabilities	489,342,515	65,273,658	5,367,639	318,180	5,633,139	565,935,131
Equity :						
Fair value reserve through other comprehensive income	4,731	50,406	-	-	-	55,137
Total Liabilities and Quasi-equity and Equity	489,347,246	65,324,064	5,367,639	318,180	5,633,139	565,990,268
Net concentration in consolidated statement of financial position for the year	16,796,869	140,132	30,277	1,045,123	2,057,650	20,070,051
Contingent liabilities outside consolidated statement of financial position	206,011,355	63,389,872	-	4,489,249	5,922,868	279,813,344
	31 December 2023					
	US Dollars	Euro	GBP	Japanese Yen	Others	Total
Total Assets	372,108,159	35,752,157	3,814,545	1,173,340	9,591,566	422,439,767
Total Liabilities	354,211,510	35,894,469	3,787,900	343,671	7,105,987	401,343,537
Net concentration in consolidated statement of financial position for the year	17,896,649	(142,312)	26,645	829,669	2,485,579	21,096,230
Contingent liabilities outside consolidated statement of financial position	112,266,076	40,653,507	-	-	17,528,421	170,448,004

3- Change in stocks price risk:

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

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

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

2023	Increase in the indicator (5%)	Impact on consolidated statement of income and other comprehensive income	Impact on equity	Impact on quasi-equity
Indicator	JD	JD	JD	JD
Amman Stock Market	120,438	-	25,400	95,038
Foreign markets	20,583	-	-	20,583

If there is a negative change in the indicator, the effect is equal to the above change with the opposite sign.

4- COMMODITIES RISKS

Commodities risks are caused by any fluctuations in the prices of tradable or leasable assets, and relate to the current and future fluctuations in the market values of specific assets. The Bank is exposed to fluctuations in prices of fully-paid commodities after concluding the sale contracts during the year of possession, in addition to being exposed to the fluctuation in the residual value of leased asset at the end of the lease term.

(51/C) LIQUIDITY RISKS

The Cash Liquidity management ensures the Bank's ability to meet short and long-term cash obligations. The Bank's cash liquidity is reviewed and managed regularly. The cash obligations and available funds are assessed daily by the finance department and treasury department. Moreover, review and analysis of cash liquidity of the Bank's assets and liabilities are performed on a monthly basis. Moreover, the maturity of assets and liabilities is analysed. This also includes analysis of the sources of funds according to the nature of the sources and their uses.

First: below is a summary of the maturities of the Bank's undiscounted liabilities and Quasi-equity , based on the contractual payment date as of the date of the consolidated financial statements :

	Less than one month	1-3 months	3-6 months	6 months to 1 year	1-3 years	More than 3 years	Without maturity	Total
31 December 2024 :	JD	JD	JD	JD	JD	JD	JD	JD
Bank and financial institutions' accounts	30,544,484	-	-	-	-	-	-	30,544,484
Customers' current accounts	313,833,370	-	-	-	-	-	-	313,833,370
Cash margins accounts	120,158,383	10,896,085	14,874,054	8,132,794	-	-	-	154,061,316
Income tax provisions	20,680,565	-	-	-	-	-	-	20,680,565
Other provisions	163,719	-	-	-	-	-	-	163,719
Lease contract liabilities - long term	-	100,760	5,000	6,000	967,177	9,899,589	-	10,978,526
Other liabilities	58,538,501	16,214,533	4,256,156	1,453,695	-	-	-	80,462,885
Unrestricted investment accounts	522,333,717	495,631,716	515,834,791	1,137,758,172	80,452,771	-	-	2,752,011,167
Total undiscounted liabilities and Quasi-equity	1,066,252,739	522,843,094	534,970,001	1,147,350,661	81,419,948	9,899,589	-	3,362,736,032
Total assets based on maturities expected due dates	531,920,922	245,973,753	198,613,264	312,351,055	1,051,369,054	1,157,055,131	37,253,619	3,534,536,798
31 December 2023 :								
Bank and financial institutions' accounts	23,144,067	-	-	-	-	-	-	23,144,067
Customers' current accounts	319,719,876	-	-	-	-	-	-	319,719,876
Cash margins accounts	32,560,089	16,761,007	14,822,469	31,729,441	-	-	-	95,873,006
Income tax provisions	11,919,750	-	-	-	-	-	-	11,919,750
Other provisions	163,719	-	-	-	-	-	-	163,719
Lease contract liabilities - long term	-	86,274	-	-	2,181,512	9,266,030	-	11,533,816
Other liabilities	61,603,327	16,104,840	4,482,134	809,146	-	-	-	82,999,447
Unrestricted investment accounts	391,460,160	365,905,027	430,199,238	838,096,089	202,925,325	200,436	-	2,228,786,275
Total undiscounted liabilities and Quasi-equity	840,570,988	398,857,148	449,503,841	870,634,676	205,106,837	9,466,466	-	2,774,139,956
Total assets based on maturities expected due dates	440,799,821	162,473,525	186,592,363	231,053,323	1,004,583,918	858,764,309	44,716,217	2,928,983,476

Second: Statement of financial position Off-balance items

	31 December	
	2024	2023
	JD	JD
Letters of credit	182,237,981	68,971,198
Acceptances	22,333,085	7,978,979
Letters of guarantee	37,408,047	44,433,697
Unutilized limits	184,482,235	229,713,569
Total	426,461,348	351,097,443

(52) SEGMENT INFORMATION**A. Information on the Bank's Activities**

The Bank is structured for administrative purposes whereby sectors are measured according to the reports used by the executive director and main decision maker at the Bank through three major business sectors :

Retail Accounts:

This sector follows up on the unrestricted investment accounts, deferred sales receivables, financings, and other services related to retail.

Corporate Accounts:

This sector handles unrestricted investment accounts, deferred sales receivables, financings, and other banking services related to corporate

Treasury:

This sector handles the services of brokerage, treasury and management of the Bank's funds.

Information on the Bank's segments according to activities is shown as follows :

					For the year ended 31 December	
	Individuals	Corporate	Treasury	Other	2024	2023
					Total	Total
	JD	JD	JD	JD	JD	JD
Gross income	83,423,492	83,794,209	46,968,082	1,851,104	216,036,887	174,332,054
Results of segment's operations	83,423,492	83,794,209	46,968,082	1,851,104	216,036,887	174,332,054
Expected credit losses	(15,159,605)	(17,433,147)	(388,028)	-	(32,980,780)	(15,907,189)
Distributed expenses	(6,300,311)	(3,323,258)	(918,063)	-	(10,541,632)	(8,725,763)
Undistributed expenses	-	-	-	(29,666,133)	(29,666,133)	(27,141,243)
Net profit for the year before tax and net profit attributable to quasi-equity	61,963,576	63,037,804	45,661,991	(27,815,029)	142,848,342	122,557,859
Less : Net profit attributable to quasi-equity	(67,144,131)	(35,661,315)	(7,255,188)	-	(110,060,634)	(94,233,978)
Net profit for the year before tax	(5,180,555)	27,376,489	38,406,803	(27,815,029)	32,787,708	28,323,881
Income tax expense	-	-	-	(12,562,797)	(12,562,797)	(10,813,635)
Net profit for the yaer	(5,180,555)	27,376,489	38,406,803	(40,377,826)	20,224,911	17,510,246

					31 December	
					2024	2023
					JD	JD
Segments' assets	909,647,513	1,234,081,386	1,274,889,946	-	3,418,618,845	2,838,064,475
Undistributed assets	-	-	-	115,917,953	115,917,953	90,919,001
Total assets	909,647,513	1,234,081,386	1,274,889,946	115,917,953	3,534,536,798	2,928,983,476
Segment Liabilities and Quasi-equity	1,906,007,025	1,101,619,509	206,248,045	-	3,213,874,579	2,634,295,482
Undistributed liabilities	-	-	-	111,158,544	111,158,544	105,378,254
Total liabilities and Quasi-equity	1,906,007,025	1,101,619,509	206,248,045	111,158,544	3,325,033,123	2,739,673,736

	For the year ended 31 December	
	2024	2023
	JD	JD
Capital expenditures	4,728,104	2,319,952
Depreciation and amortization	3,180,785	3,151,714

Geographical Distribution Information

The following disclosure represents the geographical distribution for the bank's operations. The Bank performs its operations mainly inside the Kingdom. Which represent the local operation.

Distribution of the Bank's revenue, assets and capital expenditure according to geographical area is as follows :

	31 December 2024			31 December 2023		
	Inside Jordan	Outside Jordan	Total	Inside Jordan	Outside Jordan	Total
	JD	JD	JD	JD	JD	JD
Total assets	3,109,165,577	425,371,221	3,534,536,798	2,732,645,198	196,338,278	2,928,983,476

	For the year ended 31 December 2024			For the year ended 31 December 2023		
	Inside Jordan	Outside Jordan	Total	Inside Jordan	Outside Jordan	Total
Net income	199,301,493	16,735,394	216,036,887	68,448,386	7,703,525	76,151,911
Capital expenditures	4,728,104	-	4,728,104	2,319,952	-	2,319,952

(53) CAPITAL MANAGEMENT

The Bank's management takes into consideration the Central Bank of Jordan's requirements which require the Bank to have sufficient self resources to cover a certain percentage of its risk-weighted assets based on the nature of the finance granted and direct investment made. Accordingly, the capital considered as per the Central Bank of Jordan's requirements is the regulatory capital (both basic and additional capital) .

Capital management aims to invest the Bank's fund in various risk-weighted investments (low and high risk) to ensure that the Bank obtains a better rate of return and to maintain a capital adequacy of 12.5% (12% as instructed in addition to 0.5% for banks classified as banks of local systemic importance).

The capital adequacy ratio is calculated as on 30 September 2024 according to the instructions of the regulatory capital No. (72/2018) issued by the Central Bank of Jordan in accordance with the revised standard No. (15) issued by the Islamic Financial Services Council (IFSB) in support of the provisions of Article (99) / B) from the Banking Law. The following is the capital adequacy ratio in thousands of dinars:

	31 December	
	2024	2023
	JD"000	JD"000
Basic capital items	198,617	179,468
Authorised and (Paid) in capital	120,000	100,000
Retained earnings	51,090	54,294
Statutory reserve	38,320	35,041
Full fair value reserve (self)	94	(25)
The bank's share of the fair value reserve in full if the fund's are mixed	8	(159)
Intangible assets	(1,674)	(1,697)
Deferred tax assets (self financed)	(1,351)	(888)
The Bank's share of the deferred tax assets if the fund's are mixed	(7,870)	(4,853)
Investment in financial institutions,Banks and takaful companies that is less than 10%	-	(2,245)
Additional capital	-	-
Supporting capital	8,302	4,496
Self general banking risks reserve and the bank's share from the general banking risks reserve (joint)		
not to exceed 1.25% of financial assets weighted by credit risks.	8,302	4,496
Total regulatory capital	206,919	183,964
Total risk weighted assets	1,284,930	1,124,074
Capital adequacy ratio (%)	16.10%	16.37%
Basic capital ratio (%)	15.46%	15.97%
First tier ratio (%)	15.46%	15.97%
Second tier ratio (%)	0.65%	0.40%
Leverage ratio	13.75%	14.99%

(54) LIQUIDITY COVERAGE RATIO (LCR)

- The liquidity coverage ratio in total amounted to 490.5% as on 31 December 2024 with an average rate of 664.3% during the year (349.9% as on 31 December 2023 and an average rate of 355.3% during the year 2023).
- The liquidity coverage ratio in Jordanian Dinars reached 337.8% as at 31 December 2024 with an average rate of 380.0% during the year (355.4% as at 31 December 2023 and an average rate of 328.4 % during the year 2023).

Liquidity Coverage Ratio Calculation Items as on 31 December 2024:

Item	Before deducting and subtracting cap adjustments	After deducting and subtracting cap adjustments
	JD"000	JD"000
Assets (level 1)	655,827	655,827
Assets (level 2)	-	-
Total high quality liquid assets	655,827	655,827
Cash outflows	1,530,869	334,474
Cash inflows	267,910	200,769
Maximum level 2 assets. JOD (0% of the first level assets)		

Calculation of the Liquidity Coverage Ratio (LCR) as at 31 December 2024 :

Item	After deducting and subtracting cap adjustments
	JD"000
Total high quality liquid assets after deducting and subtracting cap adjustments	655,827
Net cash flows	133,705
Liquidity Coverage Ratio (LCR)	490.50%

(55) NET STABLE FUNDING RATIO (NFSR)

Net stable financing ratio in total currencies was 133.6% as at 31 December 2024 (135.5% as at 31 December 2023).

Items for calculating the NFSR ratio as on 31 December 2024:

Item	Value before available stable funding factor	Value after available stable funding factor
	JD"000	JD"000
Total stable funding available (after available stable funding factor)	3,551,563	2,710,508
Total stable funding required (after the required stable funding factor)	3,551,563	2,007,683
Total stable funding required for off-budget items (after the required stable funding factor)	426,157	21,308

Calculation of the net stable financing ratio (NFSR) as on 31 December 2024 :

Item	JD"000
Total stable funding available (after available stable funding factor)	2,710,508
Total stable funding required	2,028,991
Net stable funding ratio	133.59%

(56) ASSETS AND LIABILITIES MATURITY ANALYSIS:

Information on the Bank's segments according to activities is as follows:

31 December 2024	Within one year	More than one year	Total
	JD	JD	JD
<u>Assets</u>			
Cash and balances at the Central Bank of Jordan	244,541,023	-	244,541,023
Balances at banks and the financial institutions	16,841,108	-	16,841,108
International wakala investments - net	217,144,756	-	217,144,756
Deferred sales receivables and other receivables - net	556,217,402	993,211,019	1,549,428,421
Financial assets at fair value through quasi-equity - net	48,714,217	402,203,189	450,917,406
Financial assets at fair value through other comprehensive income - net	572,000	45,451,435	46,023,435
Financial assets at amortized cost	-	119,852,000	119,852,000
Investment in associate	332,759	-	332,759
Ijara Muntahia Bittamleek assets - net	111,580,510	650,514,060	762,094,570
Al Qard Al Hasan - net	10,691,878	751,489	11,443,367
Property and equipment - net	-	22,323,578	22,323,578
Intangible assets - net	-	1,673,942	1,673,942
Right-of-use assets	1,473	9,697,092	9,698,565
Deferred tax assets	18,506,502	-	18,506,502
Other assets	63,715,366	-	63,715,366
Total assets	1,288,858,994	2,245,677,804	3,534,536,798
<u>Liabilities and Quasi-equity</u>			
Banks and financial Institutions accounts	30,544,484	-	30,544,484
Customers' current accounts	313,833,370	-	313,833,370
Cash margins	153,061,234	-	153,061,234
Income tax provision	20,680,565	-	20,680,565
Other provisions	163,719	-	163,719
Lease liabilities - long term	111,028	9,740,347	9,851,375
Other liabilities	80,462,885	-	80,462,885
Fair value reserve-net	16,942	-	16,942
Unrestricted investment accounts	2,637,006,299	79,412,250	2,716,418,549
Total Liabilities and Quasi-equity	3,235,880,526	89,152,597	3,325,033,123
Net	(1,947,021,532)	2,156,525,207	209,503,675

31 December 2023

	Within one year	More than one year	Total
	JD	JD	JD
<u>Assets</u>			
Cash and balances at the Central Bank of Jordan	255,949,654	-	255,949,654
Balances at banks and the financial institutions	26,513,323	-	26,513,323
International wakala investments - net	85,131,319	-	85,131,319
Financial assets at fair value through statement of income	-	-	-
Deferred sales receivables and other receivables - net	454,790,687	832,579,828	1,287,370,515
Financial assets at fair value through quasi-equity - net	23,088,405	429,000,130	452,088,535
Financial assets at fair value through other comprehensive income - net	508,000	-	508,000
Financial assets at amortized cost	-	-	-
Investment in associate	349,622	-	349,622
Ijara Muntahia Bittamleek assets - net	82,339,776	613,432,992	695,772,768
Al Qard Al Hasan - net	33,871,079	509,660	34,380,739
Property and equipment - net	-	20,750,849	20,750,849
Intangible assets - net	-	1,697,221	1,697,221
Right-of-use assets	94,597	10,093,764	10,188,361
Deferred tax assets	12,225,792	-	12,225,792
Other assets	46,056,778	-	46,056,778
Total assets	1,020,919,032	1,908,064,444	2,928,983,476
<u>Liabilities and Quasi-equity</u>			
Banks and financial Institutions accounts	23,144,067	-	23,144,067
Customers' current accounts	319,719,876	-	319,719,876
Cash margins	95,274,911	-	95,274,911
Income tax provision	11,919,750	-	11,919,750
Other provisions	163,719	-	163,719
Lease liabilities - long term	85,966	10,209,372	10,295,338
Other liabilities	82,999,447	-	82,999,447
Fair value reserve-net	(371,067)	-	(371,067)
Unrestricted investment accounts	1,996,362,451	200,165,244	2,196,527,695
Total Liabilities and Quasi-equity	2,529,299,120	210,374,616	2,739,673,736
Net	(1,508,380,088)	1,697,689,828	189,309,740

(57) COMMITMENTS & CONTINGENT LIABILITIES (OFF-BALANCE SHEET ITEMS) :

A.Credit commitments and commitments/Self: *

	31 December 2024	31 December 2023
	JD	JD
Letters of credit	182,237,981	68,971,198
Acceptances	22,333,085	7,978,979
Letters of guarantees:		
- Payment	9,927,782	14,787,127
- Performance	19,361,901	16,932,374
- Others	8,118,364	12,714,196
Total	241,979,113	121,383,874

B. Contingent credit and commitments/Joint:

- Unutilized credit limit/Direct	184,482,235	229,713,569
Total	184,482,235	229,713,569

*Indirect unutilized limits / self amounted to JD 87,316,122 as of 31 December 2024.

The expected credit losses recorded against contingent credit commitments/self amounted under the implementation instructions of FAS (30) issued by Organization for Islamic Financial Institutions to JD 324,155 as at 31 December 2024 (JD137,628 as at 31 December 2023) and recorded in the other liabilities (note22).

The expected credit losses recorded against contingent credit commitments/joint amounted under the implementation instructions of FAS (30) issued by Organization for Islamic Financial Institutions to JD 812,801 as at 31 December 2024 (JD1,402,126 as at 31 December 2023) and recorded in other liabilities (note 22).

(58) LAWSUITS AGAINST THE GROUP

LAWSUITS AGAINST THE BANK

The total amount of the legal cases filed against the Bank (self) was JD 1,481,107 as at 31 Decemer 2024 (JD 1,093,872 as at 31 December 2023) which are within the Group's normal course of business. In the opinion of the management and the Group's lawyers, the allocated (self) case allowance of JD 63,719 as at 31December 2024 is sufficient to meet the obligations that the Bank may incur as a result of these cases (JOD 63,719 as at 31 December 2023).

In addition to the above, there are lawsuits against the Bank related to real estate owned and leased as a financial lease and/or mortgaged in favor of the Bank, and these cases do not a financial impact or obligation on the Bank.

LAWSUITS AGAINST THE SUBSIDIARY (MISC FOR FINANCIAL BROKERAGE COMPANY)

There are no legal cases filed against the subsidiary as at 31 December 2024 and 2023.

(59) FAIR VALUE HIERARCHY

IFRS 13 requires the identification and disclosure of a level in the fair value hierarchy in which fair value measurements are categorized in full, and the fair value measurements are classified according to the levels specified in IFRS. The difference between level (2) and level (3) for fair value measurements means assessing whether information or inputs are observable and the importance of information that is not observable. This requires careful judgment and analysis of the inputs used to measure fair value including consideration of all factors affecting the asset or liability

A. Fair value of financial assets and financial liabilities that are measured at fair value on a recurring basis:

Some of the financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table provides information about how the fair value of these financial assets and financial liabilities is determined (valuation techniques and key inputs).

Financial Assets/Financial Liabilities	Fair value		Fair value hierarchy	Valuation techniques and key inputs	Significant unobservable	Relationship of unobservable inputs to fair value
	31 December 2024	31 December 2023				
	JD	JD				
Financial assets at fair value through other comprehensive income - net	46,023,435	508,000	Level 1	Quoted rates in financial markets	Not applicable	Not applicable
Financial assets at fair value through quasi-equity - net						
Quoted shares	2,291,022	2,312,403	Level 1	Quoted rates in financial markets	Not applicable	Not applicable
Quoted sukuk	117,828,651	83,307,396	Level 1	Quoted rates in financial markets	Not applicable	Not applicable
Unquoted shares	7,551,544	5,881,231	Level 3	The latest financial prices available	Not applicable	Not applicable
Unquoted sukuk	323,246,189	360,587,505	Level 2	A similar financial instrument	Not applicable	Not applicable
Total Financial assets at fair value through quasi-equity - net	450,917,406	452,088,535				
Total	496,940,841	452,596,535				

There were no transfer between level 1 and 2 during the year ended 31 December 2024 and the year 2023.

B. Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis:

Except for what is detailed in the following table, we believe that the carrying amounts of financial assets and financial liabilities recognized in the Bank's financial statements approximate their fair values.

	31 December 2024		31 December 2023		Fair value hierarchy
	Book value	Fair value	Book value	Fair value	
	JD	JD	JD	JD	
Financial assets not calculated at fair value					
Deferred sales receivables and other receivables - Net	1,549,428,421	1,766,685,756	1,287,370,515	1,467,654,710	Level 2
Financial assets at amortized cost	119,852,000	121,721,645	-	-	Level 2
Ijara muntahia Bittamleek assets - Net	762,094,570	762,094,570	695,772,768	695,772,768	Level 2
Total financial assets not calculated at fair value	2,431,374,991	2,650,501,971	1,983,143,283	2,163,427,478	
Financial liabilities not calculated at fair value					
Customers' current accounts and unrestricted investment accounts	3,030,251,919	3,065,844,537	2,516,247,571	2,548,506,151	Level 2
Cash margins	153,061,234	154,061,316	95,274,911	95,873,006	Level 2
Total financial liabilities not calculated at fair value	3,183,313,153	3,219,905,853	2,611,522,482	2,644,379,157	

(60) Accounts managed in favor of clients

Accounts managed in favor of clients amounted to JD 50,934,212 as on 31 December 2024 (JD 41,754,276 as on 31 December 2023). These accounts are not shown among the bank's assets and liabilities in the financial statements. Fees and commissions for managing these accounts are shown in the consolidated statement of profit or loss and comprehensive income, fees and commissions for managing these accounts amounted to JD 53,446 for the year 2024 (JD 40,323 for the year 2023).

(61) COMPARATIVE FIGURES

The comparative figures for the year 2023 balances in the consolidated financial statements were reclassified to correspond with 31 December 2024 presentation. The reclassifications did not have any effect on profit and equity for the year 2023.