

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

CONDENSED CONSOLIDATED INTERIM FINANCIAL
INFORMATION FOR THE
THREE MONTHS ENDED MARCH 31, 2022
TOGETHER WITH THE REVIEW REPORT

THE HOUSING BANK FOR TRADE AND FINANCE
(PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN - THE HASHEMITE KINGDOM OF JORDAN
MARCH 31, 2022

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Review Report on the Condensed Consolidated Interim Financial Information

AM/ 010923

H.E. The Chairman and Board of Directors Members
The Housing Bank for Trade and Finance
(Public Shareholding Limited Company)
Amman – The Hashemite Kingdom of Jordan

Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of The Housing Bank for Trade and Finance (Public Shareholding Limited Company) as of March 31, 2022 and the related condensed consolidated interim statements of profit or loss and other comprehensive income for the three months and three months ended on March 31, 2022, and condensed consolidated interim changes in owners' equity and cash flows for the three-months then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of these condensed consolidated interim financial information in accordance with the international accounting standard No.(34) "Interim Financial Reporting" as adopted by the Central Bank of Jordan. Our responsibility is to express a conclusion on these condensed consolidated interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements No.2410, "Review of Condensed Interim Financial Information Performed by the Independent Auditor". A review of condensed interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters in the Bank, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information are not prepared, in all material respects in accordance with the International Accounting Standard No. (34)" interim financial reporting" as adopted by the Central Bank of Jordan.

Other Matter

The accompanying condensed consolidated interim financial information are a translation of the statutory condensed consolidated interim financial information in the Arabic language to which reference is to be made.

Amman – Jordan
April 26, 2022

Deloitte & Touche (M.E.) – Jordan

Deloitte & Touche (M.E.)

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THE HOUSING BANK FOR TRADE AND FINANCE
(PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN - THE HASHEMITE KINGDOM OF JORDAN
CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

		March 31, 2022	December 31, 2021
	Note	(Reviewed)	(Audited)
<u>Assets:</u>		JD	JD
Cash and balances at central banks – net	5	775,143,534	1,006,941,503
Balances at banks and financial institutions – net	6	363,874,821	410,798,114
Deposits at banks and financial institutions – net	7	45,587,474	50,637,962
Financial assets at fair value through profit or loss	8	4,771,715	4,630,805
Financial assets at fair value through other comprehensive income	9	377,496,263	376,198,378
Direct credit facilities at fair value through profit or loss	10	96,255,906	96,646,207
Direct credit facilities at amortized cost - net	11	4,066,262,247	3,850,266,147
Financial assets at amortized cost – net	12	2,064,282,852	1,992,268,062
Property and equipment – net		164,743,516	167,054,195
Intangible assets – net		19,954,617	19,931,202
Right of use asset		24,354,925	24,653,213
Deferred tax assets		126,896,634	122,196,386
Other assets – net	13	134,626,735	123,060,092
TOTAL ASSETS		8,264,251,239	8,245,282,266
<u>LIABILITIES AND OWNERS' EQUITY:</u>			
<u>LIABILITIES:</u>			
Banks and financial institutions deposits		736,159,072	844,625,678
Customers' deposits	14	5,229,109,580	5,213,190,466
Cash margins		306,406,745	270,741,937
Borrowed funds	15	430,639,944	362,265,848
Sundry provisions		28,978,095	28,099,182
Income tax provision	16/a	49,705,457	55,815,858
Deferred tax liabilities		5,416,071	6,853,746
Lease liability		23,365,807	23,680,698
Other liabilities	17	282,335,979	223,204,678
TOTAL LIABILITIES		7,092,116,750	7,028,478,091
<u>OWNERS' EQUITY:</u>			
<u>BANK'S SHAREHOLDERS' EQUITY:</u>			
Authorized and paid-up capital		315,000,000	315,000,000
Share premium		328,147,537	328,147,537
Statutory reserve		257,619,984	257,997,671
Special reserve		11,454,951	11,459,758
Foreign currencies translation		(132,846,635)	(128,208,080)
Fair value reserve – net	19	(2,294,926)	3,542,409
Retained earnings	20	304,566,444	367,183,950
Profit for the period		29,331,239	-
TOTAL BANK'S SHAREHOLDERS' EQUITY		1,110,978,594	1,155,123,245
Non-controlling interest		61,155,895	61,680,930
TOTAL OWNERS' EQUITY		1,172,134,489	1,216,804,175
TOTAL LIABILITIES AND OWNERS' EQUITY		8,264,251,239	8,245,282,266

THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL PART OF THESE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION AND SHOULD BE READ WITH THEM AND WITH THE REVIEW REPORT.

THE HOUSING BANK FOR TRADE AND FINANCE
(PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN - THE HASHEMITE KINGDOM OF JORDAN
CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS

	Note	For the Three Months Ended March 31,	
		2022 (Reviewed)	2021 (Reviewed)
		JD	JD
Interest income	21	94,050,439	93,987,455
Interest expense	22	(17,234,029)	(19,188,440)
Net Interest Income		76,816,410	74,799,015
Net commission income		6,838,010	5,864,631
Net Interest and Commission Income		83,654,420	80,663,646
Gain from foreign currencies		2,109,039	2,035,685
(Loss) from financial assets at fair value through profit or loss	23	(1,513,003)	(391,104)
Cash dividends from financial assets at fair value through other comprehensive income		196,388	-
Other income		8,677,108	6,802,775
Total Income		93,123,952	89,111,002
Expenses			
Employees' expenses		21,350,867	18,065,778
Depreciation and amortization		6,060,907	6,137,075
Other expenses		13,645,504	12,782,394
Allowance for expected credit loss	18	11,618,731	12,632,000
Sundry provisions		15,845	284,762
Total Expenses		52,691,854	49,902,009
Profit for the period before income tax expense		40,432,098	39,208,993
Income tax expense	16/b	(10,339,935)	(13,842,306)
Profit for the Period		30,092,163	25,366,687
Attributable to:			
Bank's Shareholders		29,331,239	24,280,377
Non-Controlling Interest		760,924	1,086,310
		30,092,163	25,366,687
Basic and diluted earnings per share for the period attributable to the Bank's Shareholders	24	0,093	0,077

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THE HOUSING BANK FOR TRADE AND FINANCE
(PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN - THE HASHEMITE KINGDOM OF JORDAN
CONDENSED CONSOLIDATED INTERIM
STATEMENT OF COMPREHENSIVE INCOME

	For the Three Months Ended March 31,	
	2022	2021
	(Reviewed)	(Reviewed)
	JD	JD
Profit for the period	30,092,163	25,366,687
<u>Other comprehensive income items which may be reclassified to profit or loss in the subsequent period</u>		
Foreign currencies translation	(5,757,944)	(1,243,820)
Net change in valuation reserve of financial assets at fair value through comprehensive income after tax – debt instrument	(6,003,905)	(2,592,397)
Total other comprehensive income for the period after tax	(11,761,849)	(3,836,217)
Total Comprehensive Income for the Period	18,330,314	21,530,470
Attributable to:		
Bank's shareholders	18,855,349	20,752,438
Non-controlling interest	(525,035)	778,032
	18,330,314	21,530,470

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**THE HOUSING BANK FOR TRADE AND FINANCE
(PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN - THE HASHEMITE KINGDOM OF JORDAN
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN OWNERS' EQUITY**

	Bank's Shareholders Equity										
	Reserves				Foreign Currency Translation	Fair value reserve – net	Retained Earnings	Profit for the Period	Total Shareholder's Equity	Non- controlling Interest	Total Owners' Equity
	Paid-up Capital	Share premium	Statutory	Special Reserve							
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
For the Three Months Ended											
March 31, 2022 (Reviewed)											
Beginning Balance for the Period (Audited)	315,000,000	328,147,537	257,997,671	11,459,758	(128,208,080)	3,542,409	367,183,950	-	1,155,123,245	61,680,930	1,216,804,175
Profit for the period	-	-	-	-	-	-	-	29,331,239	29,331,239	760,924	30,092,163
Net change in valuation reserve of financial assets at fair value through other comprehensive income after tax– debit instruments	-	-	-	-	-	(5,837,335)	-	-	(5,837,335)	(166,570)	(6,003,905)
Foreign currencies translation	-	-	-	-	(4,638,555)	-	-	-	(4,638,555)	(1,119,389)	(5,757,944)
Total comprehensive income for the period	-	-	-	-	(4,638,555)	(5,837,335)	-	29,331,239	18,855,349	(525,035)	18,330,314
Transferred to/from reserves	-	-	(377,687)	(4,807)	-	-	382,494	-	-	-	-
Dividends paid (Note 20)	-	-	-	-	-	-	(63,000,000)	-	(63,000,000)	-	(63,000,000)
Ending Balance for the Period (Reviewed)	<u>315,000,000</u>	<u>328,147,537</u>	<u>257,619,984</u>	<u>11,454,951</u>	<u>(132,846,635)</u>	<u>(2,294,926)</u>	<u>304,566,444</u>	<u>29,331,239</u>	<u>1,110,978,594</u>	<u>61,155,895</u>	<u>1,172,134,489</u>
For the Three Months Ended											
March 31, 2021 (Reviewed)											
Beginning Balance for the Period (Audited)	315,000,000	328,147,537	243,461,008	11,433,336	(120,824,117)	9,654,188	313,925,834	-	1,100,797,786	61,059,722	1,161,857,508
Profit for the period	-	-	-	-	-	-	-	24,280,377	24,280,377	1,086,310	25,366,687
Net change in valuation reserve of financial assets at fair value through other comprehensive income after tax– debit instruments	-	-	-	-	-	(2,592,397)	-	-	(2,592,397)	-	(2,592,397)
Foreign currencies translation	-	-	-	-	(935,542)	-	-	-	(935,542)	(308,278)	(1,243,820)
Total comprehensive income for the period	-	-	-	-	(935,542)	(2,592,397)	-	24,280,377	20,752,438	778,032	21,530,470
Transferred to/from reserves	-	-	(38)	3,250	-	-	(3,212)	-	-	-	-
Ending Balance for the Period (Reviewed)	<u>315,000,000</u>	<u>328,147,537</u>	<u>243,460,970</u>	<u>11,436,586</u>	<u>(121,759,659)</u>	<u>7,061,791</u>	<u>313,922,622</u>	<u>24,280,377</u>	<u>1,121,550,224</u>	<u>61,837,754</u>	<u>1,183,387,978</u>

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THE HOUSING BANK FOR TRADE AND FINANCE
(PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN - THE HASHEMITE KINGDOM OF JORDAN
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

	For the Three Months Ended	
	2022	2021
Note	(Reviewed)	(Reviewed)
	JD	JD
<u>OPERATING ACTIVITIES</u>		
Profit for the period before income tax	40,432,098	39,208,993
Adjustments for non-cash items:		
Depreciation and amortization	6,060,907	6,137,075
Provision for expected credit losses	11,618,731	12,632,000
Net unrealized gain from valuation of financial assets at fair value through profit or loss	(140,910)	(38,043)
Cash dividends from financial assets at fair value through other comprehensive income	(196,388)	-
Net unrealized gain from valuation of direct credit facilities at fair value through profit and loss	1,675,785	429,363
Unrealized (gain) from valuation of derivatives	(2,005,879)	(429,363)
Net accrued interest and commission income	3,031,364	(196,173)
Effect of the change in exchange rates on cash and cash equivalents	(1,157,200)	(1,119,791)
Provision for end of service indemnity expense	913,368	209,369
Premiums and discounts amortization	(86,349)	(365,156)
Sundry provisions	15,845	284,762
Others	604,622	978,019
Cash flows from operating activities before changes in assets and liabilities	60,765,994	57,731,055
Decrease (Increase) in Assets:		
Deposits at banks and financial institutions (maturing within more than 3 months)	5,055,675	37,933,379
Direct credit facilities	(235,016,500)	(95,793,542)
Financial assets at fair value through profit or loss	-	(6,411)
Other assets	(10,350,638)	(6,509,290)
Increase (Decrease) in Liabilities:		
Banks and financial institutions' deposits (maturing within more than 3 months)	56,161,323	40,644,993
Customers' deposits	21,962,350	(118,111,841)
Cash margins	36,380,245	1,378,870
Other liabilities	(9,054,647)	8,002,504
Sundry provisions	(50,742)	(311,144)
Net Cash Flow (Used in) Operating Activities Before Income Tax	(74,146,940)	(75,041,427)
Income tax paid	(19,765,704)	(14,010,256)
Net Cash Flow (Used in) Operating Activities	(93,912,644)	(89,051,683)
<u>INVESTING ACTIVITIES</u>		
(Purchase) of financial assets at fair value through comprehensive income	(85,362,184)	(54,115,309)
Selling/ Matured financial assets at fair value through comprehensive income	74,276,349	52,014,499
Cash dividends from financial assets at fair value through other comprehensive income	196,388	-
(Purchase) of financial assets at amortized cost	(352,028,321)	(211,003,172)
Matured financial assets at amortized cost	279,256,389	95,587,100
(Purchase) of property and equipment	(1,266,124)	(899,201)
Proceeds from sale of property and equipment	55,236	(68,087)
(Purchase) of intangible assets	(1,578,924)	(2,012,807)
Net Cash Flow (Used in) Investing Activities	(86,451,191)	(120,496,977)
<u>FINANCING ACTIVITIES</u>		
Borrowed funds	68,374,096	(14,968,562)
Dividends paid to shareholders	(16,551)	(5,564)
Paid for lease liabilities	(1,355,056)	(1,696,992)
Net Cash Flows from (Used in) Financing Activities	67,002,489	(16,671,118)
Net (Decrease) in Cash and Cash Equivalent	(113,361,346)	(226,219,778)
Effect of the change in exchange rates on cash and cash equivalents	(760,545)	1,056,852
Cash and cash equivalents - beginning of the period	653,346,160	771,041,221
Cash and Cash Equivalents - End of the Period (Note 25)	539,224,269	545,878,295

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.THE HOUSING BANK FOR TRADE AND FINANCE
(PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN - THE HASHEMITE KINGDOM OF JORDAN
NOTES TO THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL INFORMATION

1. Incorporation and Activities

- The Housing Bank for Trade and Finance ("the Bank") was established in 1973 and registered as a public shareholding limited company in accordance with the Jordanian Companies Law No. (12) of 1964.
- The Bank provides its banking and financing business activities through its headquarter in Amman – Jordan and through its branches in Jordan (113 branches) and abroad in Palestine and Bahrain (16 branches) and through its subsidiaries in Jordan, Syria, Algeria and the United Kingdom.
- The Bank's shares are traded on Amman Stock Exchange.
- The condensed consolidated interim financial information were approved by the Bank's Board of Directors on April 21st 2022.

2. Basis of Preparation of the Condensed Consolidated Interim Financial Information

- The accompanying condensed consolidated interim financial information have been prepared in accordance with the International Accounting Standard No. (34) "Interim Financial Reporting", as adopted by the Central Bank of Jordan.
- The condensed consolidated interim financial information are prepared in accordance with the historical cost principle, except for financial assets and financial liabilities which are stated at fair value at the date of the condensed consolidated interim financial information.
- The reporting currency of the condensed consolidated interim financial information is the Jordanian Dinar, which is the functional currency of the Bank.
- The condensed consolidated interim financial information do not include all notes and information presented in the annual financial statements which is prepared in accordance with the international financial reporting standards as adopted by the Central Bank of Jordan and should be read with the Bank's annual report for the year ended December 31, 2021. The results of the three months ended March 31, 2022 do not indicate the expected results for the year ended December 31, 2022. There was no appropriation of the profit of the three months ended March 31, 2022 which is usually performed at year end.
- The condensed consolidated interim financial information includes the condensed interim financial information of the Bank and its subsidiaries under its control. Control is achieved when the Bank has the ability to control the financial and operational policies of subsidiaries in order to obtain benefits from their activities. Transactions, balances, revenue and expenses between the Bank and its subsidiaries are eliminated.

As of March 31, 2022, the Bank owns the following subsidiaries:

a. Foreign subsidiaries:

- International Bank for Trade and Finance / Syria : paid-in capital is Syrian Lira 8.4 billion, of which the Bank owns 49.063%. The Bank has the power to control the administrative and financial policies of this bank. Therefore, its financial statements have been consolidated with the financial statements of the Bank. In this regard, the Bank's main objective is to conduct commercial banking activities, and ownership of this bank dates back to 2003. In addition, the International Bank for Trade and Finance has a subsidiary – The International Financial Center/ Syria with an ownership percentage of 85% of the company's capital amounting to 100 million SYL, whereas The Housing Bank for Trade and Finance owns a percentage of 5% of the company's capital.
- Housing Bank for Trade and Finance – Algeria : the ownership is 85% of the bank's capital of 20 billion Algerian dinars. The main objective of this bank is to conduct commercial banking activities, and ownership of this bank dates bank to 2002.
- Jordan International Bank / London: the Bank ownership is 75% of paid-up capital, which amounts to 65 million pound sterling (65 million shares). The main objective of this bank is to conduct banking activities.

b. Local subsidiaries:

- International Financial Center Company- Jordan : the Bank ownership is 77.5% of paid-up capital, which amounted to JD 5 million. The Company's main activity is financial brokerage in local and foreign markets, and it conducts purchase and sale transactions of financial instruments for customers and the company. The Bank's ownership in this company dates back to 1998.
- Specialized Lease Finance Company – Jordan : the Bank owns 100% of paid- in capital of JD 30 million (30 million shares). The Company's main activity is to conduct finance leases for various types of equipment and machinery, in addition to real estate, land, vehicles, and other items purchased by the company for finance lease purposes. The Bank's ownership in this company dates back to 2005.
- Jordan Real Estate Investments Company – Jordan (under liquidation): the Bank owns 100% of the Company's paid- up capital of JD 40,000. The Bank's ownership in this Company dates back to 1997. The Company's General assembly approved the Company's liquidation on March 1, 2022.

3. Significant Accounting Policies

The accounting policies used in the preparation of the condensed consolidated interim financial information for the period ended on March 31, 2021 are consistent with those used in the preparation of the annual consolidated financial statements for the year ended December 31, 2020. However, the Bank has adopted the following amendments and interpretations that apply for the first time in 2021 and have not materially affected the amounts and disclosures in the condensed consolidated interim financial information for the period and prior years, which may have an impact on the accounting treatment of future transactions and arrangements:

Amendments to IAS 1 – Classification of Liabilities as Current or Non-current

The amendments to IAS 1 affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.

The amendments clarify that the classification of liabilities as current or noncurrent is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

Amendments to IFRS 3 – Reference to the Conceptual Framework

The amendments update IFRS 3 so that it refers to the 2018 Conceptual Framework instead of the 1989 Framework. They also add to IFRS 3 a requirement that, for obligations within the scope of IAS 37, an acquirer applies IAS 37 to determine whether at the acquisition date a present obligation exists as a result of past events. For a levy that would be within the scope of IFRIC 21 Levies, the acquirer applies IFRIC 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date.

Finally, the amendments add an explicit statement that an acquirer does not recognise contingent assets acquired in a business combination.

Amendments to IAS 37 – Onerous Contracts—Cost of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract consist of both the incremental costs of fulfilling that contract (examples would be direct labour or materials) and an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

The amendments apply to contracts for which the entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which the entity first applies the amendments. Comparatives are not restated. Instead, the entity shall recognise the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.

Amendments to IAS 16 – Property, Plant and Equipment—Proceeds before Intended Use

The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced before that asset is available for use, i.e. proceeds while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Consequently, an entity recognises such sales proceeds and related costs in profit or loss. The entity measures the cost of those items in accordance with IAS 2 Inventories.

The amendments also clarify the meaning of 'testing whether an asset is functioning properly'. IAS 16 now specifies this as assessing whether the technical and physical performance of the asset is such that it is capable of being used in the production or supply of goods or services, for rental to others, or for administrative purposes.

If not presented separately in the statement of comprehensive income, the financial statements shall disclose the amounts of proceeds and cost included in profit or loss that relate to items produced that are not an output of the entity's ordinary activities, and which line item(s) in the statement of comprehensive income include(s) such proceeds and cost.

The amendments are applied retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments.

The entity shall recognise the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.

IFRS Financial Enhancements 2018-2020

IFRS 1 First-time Adoption of International Financial Reporting Standards

The amendment provides additional relief to a subsidiary which becomes a first-time adopter later than its parent in respect of accounting for cumulative translation differences. As a result of the amendment, a subsidiary that uses the exemption in IFRS 1:D16 (a) can now also elect to measure cumulative translation differences for all foreign operations at the carrying amount that would be included in the parent's consolidated financial statements, based on the parent's date of transition to IFRS Standards, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. A similar election is available to an associate or joint venture that uses the exemption in IFRS 1:D16 (a).

IFRS 9 Financial Instruments

The amendment clarifies that in applying the '10 per cent' test to assess whether to derecognise a financial liability, an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

The amendment is applied prospectively to modifications and exchanges that occur on or after the date the entity first applies the amendment.

IAS 41 Agriculture

The amendment removes the requirement in IAS 41 for entities to exclude cash flows for taxation when measuring fair value. This aligns the fair value measurement in IAS 41 with the requirements of IFRS 13 Fair Value Measurement to use internally consistent cash flows and discount rates and enables preparers to determine whether to use pretax or post-tax cash flows and discount rates for the most appropriate fair value measurement.

The amendment is applied prospectively, i.e. for fair value measurements on or after the date an entity initially applies the amendment.

Standards issued but not effective

At the date of authorization of these condensed consolidated interim financial information, the Group has not applied the following new and revised IFRS Standards that have been issued but are not yet effective:

New and revised IFRSs	Effective date
IFRS 17 Insurance Contracts (including the June 2020 amendments to IFRS 17) IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and supersedes IFRS 4 Insurance Contracts. IFRS 17 outlines a general model, which is modified for insurance contracts with direct participation features, described as the variable fee approach. The general model is simplified if certain criteria are met by measuring the liability for remaining coverage using the premium allocation approach. The general model uses current assumptions to estimate the amount, timing and uncertainty of future cash flows and it explicitly measures the cost of that uncertainty. It takes into account market interest rates and the impact of policyholders' options and guarantees. In June 2020, the Board issued Amendments to IFRS 17 to address concerns and implementation challenges that were identified after IFRS 17 was published. The amendments defer the date of initial application of IFRS 17 (incorporating the amendments) to annual reporting periods beginning on or after January 1, 2023. At the same time, the Board issued Extension of the Temporary Exemption from Applying IFRS 9 (Amendments to IFRS 4) that extends the fixed expiry date of the temporary exemption from applying IFRS 9 in IFRS 4 to annual reporting periods beginning on or after January 1, 2023. For the purpose of the transition requirements, the date of initial application is the start of the annual reporting period in which the entity first applies the Standard, and the transition date is the beginning of the period immediately preceding the date of initial application.	The amendments are applied retrospectively for annual periods beginning on or after January 1, 2023, unless impracticable, in which case the modified retrospective approach or the fair value approach is applied.
Amendments to IFRS 10 and IAS 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture The amendments to IFRS 10 and IAS 28 deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognised in the parent's profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. Similarly, gains and losses resulting from the remeasurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognised in the former parent's profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture. The directors of the Company anticipate that the application of these amendments may have an impact on the Group's consolidated financial statements in future periods should such transactions arise.	The effective date is yet to be set. Earlier application is permitted.

New and revised IFRSs

Effective date

Amendments to IAS 1 – Classification of Liabilities as Current or Non-current

The amendments to IAS 1 affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.

The amendments clarify that the classification of liabilities as current or noncurrent is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

The amendments are applied retrospectively for annual periods beginning on or after January 1, 2023, with early application permitted.

Amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements - Disclosure of Accounting Policies

The amendments change the requirements in IAS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

January 1, 2023, with earlier application permitted and are applied prospectively.

The supporting paragraphs in IAS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

The Board has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in IFRS Practice Statement 2.

New and revised IFRSs

Amendments to IAS 8 - Definition of Accounting Estimates

The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty".

The definition of a change in accounting estimates was deleted. However, the Board retained the concept of changes in accounting estimates in the Standard with the following clarifications:

- A change in accounting estimate that results from new information or new developments is not the correction of an error
- The effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors

The Board added two examples (Examples 4-5) to the Guidance on implementing IAS 8, which accompanies the Standard. The Board has deleted one example (Example 3) as it could cause confusion in light of the amendments.

Amendments to IAS 12 - Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The amendments introduce a further exception from the initial recognition exemption. Under the amendments, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences.

Depending on the applicable tax law, equal taxable and deductible temporary differences may arise on initial recognition of an asset and liability in a transaction that is not a business combination and affects neither accounting nor taxable profit. For example, this may arise upon recognition of a lease liability and the corresponding right-of-use asset applying IFRS 16 at the commencement date of a lease.

Following the amendments to IAS 12, an entity is required to recognise the related deferred tax asset and liability, with the recognition of any deferred tax asset being subject to the recoverability criteria in IAS 12.

The Board also adds an illustrative example to IAS 12 that explains how the amendments are applied.

The amendments apply to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period an entity recognises:

- A deferred tax asset (to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised) and a deferred tax liability for all deductible and taxable temporary differences associated with:
 - Right-of-use assets and lease liabilities
 - Decommissioning, restoration and similar liabilities and the corresponding amounts recognised as part of the cost of the related asset
- The cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at that date.

Management anticipates that these new standards, interpretations and amendments will be adopted in the Group's consolidated financial statements as and when they are applicable and adoption of these new standards, interpretations and amendments, may have no material impact on the consolidated financial statements of the Group in the period of initial application.

4. Significant Accounting Judgments and key Sources of Uncertainty Estimates:

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

The critical judgements and estimates used in the preparation of these condensed consolidated interim financial information are consistent with those used in the preparation of the Bank's annual financial statements for the year ended 2021.

Effective date

**January 1, 2023,
with earlier
application
permitted**

**January 1, 2023,
with earlier
application
permitted**

5. Cash and Balances at Central Banks - Net

The details of this item are as follows:

	March 31, 2022 (Reviewed)	December 31, 2021 (Audited)
	JD	JD
Cash on hand and treasury	129,412,525	122,100,127
Balance at central banks :		
Current accounts and demand deposits	403,254,488	634,102,683
Term and notice deposits	42,963,623	48,433,251
Statutory cash reserve	199,561,419	202,351,318
Total Balances at Central Banks	645,779,530	884,887,252
Total Cash and Balances at Central Banks	775,192,055	1,006,987,379
<u>Less:</u> Provision for expected credit losses	(48,521)	(45,876)
Net	775,143,534	1,006,941,503

- There are no certificate of deposits purchased from the Central Bank of Jordan as of March 31, 2022 and December 31, 2021.
- Except for the statutory cash reserve, there are no restrictions balances as of March 31, 2022 and December 31, 2021.
- The above balances are classified under stage 1. There were no transfers between stages (1, 2 and 3) for the balances and expected loss provision or written off balances during the three months period ended March 31, 2022 and for the year ended December 31, 2021.

6. Balances at Banks and Financial Institutions - Net

The details of this item are as follows:

	Local Banks and Financial Institutions		Foreign Banks and Financial Institutions		Total	
	March 31, 2022 (Reviewed)	December 31, 2021 (Audited)	March 31, 2022 (Reviewed)	December 31, 2021 (Audited)	March 31, 2022 (Reviewed)	December 31, 2021 (Audited)
	JD	JD	JD	JD	JD	JD
Current and demand accounts	2,074,799	21,514,080	162,151,736	181,578,674	164,226,535	203,092,754
Deposits maturing during three months or less	72,560,135	32,629,765	127,387,082	175,405,729	199,947,217	208,035,494
Total	74,634,934	54,143,845	289,538,818	356,984,403	364,173,752	411,128,248
Provision for expected credit losses	(87,082)	(69,959)	(211,849)	(260,175)	(298,931)	(330,134)
Net	74,547,852	54,073,886	289,326,969	356,724,228	363,874,821	410,798,114

- The Non-interest bearing balances at banks and financial institutions are amounted to JD 29,453,885 as of March 31, 2022 (JD 44,905,096 as of December 31, 2021).
- There are no restricted balances as of March 31, 2022 and December 31, 2021.
- The above balances are classified under stage 1. There were no transfers between stages (1, 2 and 3) for balances and expected credit loss provision or written off balances during the three months period ended March 31, 2022 and for the year ended December 31, 2021.

7. Deposits at Banks and Financial Institutions - Net

The details of this item are as follows:

	Local Banks and Financial Institutions		Foreign Banks and Financial Institutions		Total	
	March 31, 2022 (Reviewed)	December 31, 2021 (Audited)	March 31, 2022 (Reviewed)	December 31, 2021 (Audited)	March 31, 2022 (Reviewed)	December 31, 2021 (Audited)
	JD	JD	JD	JD	JD	JD
Deposits mature during the period:						
From 3 months to 6 months	5,000,000	30,000,000	27,546,496	4,844,778	32,546,496	34,844,778
From 6 months to 9 months	-	5,000,000	1,346,230	9,649,603	1,346,230	14,649,603
From 9 months to 12 months	-	-	11,913,118	1,367,138	11,913,118	1,367,138
Total	5,000,000	35,000,000	40,805,844	15,861,519	45,805,844	50,861,519
Provision for expected credit losses	(329)	(796)	(218,041)	(222,761)	(218,370)	(223,557)
Net	4,999,671	34,999,204	40,587,803	15,638,758	45,587,474	50,637,962

- There are no restrictions on deposits as of March 31, 2022 and December 31, 2021.
- The above balances are classified under stage 1. There were no transfers between stages (1,2 and 3) for balances and expected loss provision or written off balances during the three months period ended March 31, 2022 and for the year ended December 31, 2021.

8. Financial Assets at Fair Value through Profit or Loss

The details of this item are as follows:

	March 31, 2022 (Reviewed)	December 31, 2021 (Audited)
	JD	JD
Quoted Financial Assets:		
Companies shares and funds listed in financial markets	4,321,131	4,180,221
Total	4,321,131	4,180,221
Unquoted Financial Assets:		
Companies shares not listed in financial markets	450,584	450,584
Total	450,584	450,584
Grand Total	4,771,715	4,630,805

9. Financial Assets at Fair Value through other Comprehensive Income

The details of this item are as follows:

	March 31, 2022 (Reviewed)	December 31, 2021 (Audited)
	JD	JD
Shares and funds with no available market prices	26,347,895	26,347,895
Total Shares	26,347,895	26,347,895
Jordanian Treasury bonds	169,138,790	155,629,181
Foreign governments bills and bonds	37,413,820	40,038,806
Treasury Bills	80,999,118	81,660,210
Corporate bonds	63,873,158	72,855,698
Total Bonds	351,424,886	350,183,895
<u>Less:</u> Provision of expected credit losses	(276,518)	(333,412)
Total Bonds – Net	351,148,368	349,850,483
Total	377,496,263	376,198,378

- The maturity dates for Bonds range from year 2022 to year 2036.
- Interest rates on bonds and treasury bills ranges from 0.00% to 7%.

The movement on financial assets at fair value through other comprehensive income for shares during the period/year was as follow:

	March 31, 2022 (Reviewed)	December 31, 2021 (Audited)
	JD	JD
Fair value - beginning balance / year	26,347,895	26,129,906
New investments during the period / year	-	684,443
Change in fair value during the period / year	-	(466,454)
Balance – End of the Period/Year	26,347,895	26,347,895

The movement on financial assets at fair value through other comprehensive income for bonds during the period / year was as follow:

	Stage (1) Individual JD	Stage (2) Individual JD	Stage (3) JD	Total JD
<u>For the Three Months Period</u>				
<u>Ended March 31, 2022 (Reviewed)</u>				
Fair value – beginning of the period (Audited)	346,858,682	3,325,213	-	350,183,895
New investments during the period	85,362,183	-	-	85,362,183
Matured investments during the period	(74,276,349)	-	-	(74,276,349)
Change in fair value during the period	(8,867,060)	(286,354)	-	(9,153,414)
Amortize premium/ discount	(208,128)	2,170	-	(205,958)
Adjustments resulted from change in exchange rates	(463,452)	(22,019)	-	(485,471)
Balance – End of the Period (Reviewed)	348,405,876	3,019,010	-	351,424,886
<u>For the Year Ended</u>				
<u>December 31, 2021 (Audited)</u>				
Fair value – beginning of the year	346,259,956	-	-	346,259,956
New investments during the year	114,516,625	-	-	114,516,625
Matured investments during the year	(99,316,676)	-	-	(99,316,676)
Transferred to stage 2	(3,752,742)	3,752,742	-	-
Change in fair value during the year	(8,400,918)	(285,454)	-	(8,686,372)
Amortize premium/ discount	(849,920)	9,284	-	(840,636)
Adjustments resulted from change in exchange rates	(1,597,643)	(151,359)	-	(1,749,002)
Balance – End of the Year	346,858,682	3,325,213	-	350,183,895

The movement on expected credit losses during the period / year was as follow:

	Stage (1) Individual JD	Stage (2) Individual JD	Stage (3) JD	Total JD
<u>For the Three Months Period</u>				
<u>Ended March 31, 2022 (Reviewed)</u>				
Balance – beginning of the period (Audited)	244,415	88,997	-	333,412
Expected credit loss for new investments during the period	20	-	-	20
Reversed from impairment losses on matured investments	(685)	-	-	(685)
Effect on provision due to adjustments between stages	(49,257)	-	-	(49,257)
Effect resulting from change in exchange rates	(4,167)	(2,805)	-	(6,972)
Balance – End of the Period (Reviewed)	190,326	86,192	-	276,518
<u>For the Year Ended</u>				
<u>December 31, 2021 (Audited)</u>				
Balance – beginning of the year	507,262	-	-	507,262
Expected credit loss for new investments during the year	217	-	-	217
Reversed from impairment losses on matured investments	(28,770)	-	-	(28,770)
Transferred to stage 2	(56,004)	56,004	-	-
Effect on provision due to adjustments between stages	-	32,993	-	32,993
Effect on provision due to adjustments	(175,453)	-	-	(175,453)
Adjustments resulting from change in exchange rates	(2,837)	-	-	(2,837)
Balance – End of the Year	244,415	88,997	-	333,412

10. Direct Credit Facilities at Fair Value through Profit or Loss

The movement on direct credit facilities at fair value through profit or loss during the period / year were as follow:

	March 31, 2022 (Reviewed) JD	December 31, 2021 (Audited) JD
Balance – beginning of the period/year	96,646,207	130,690,360
Paid credit facilities during the period / year	-	(33,378,382)
Effect of adjustments	1,285,484	1,106,991
Change in fair value during the period / year	(1,675,785)	(1,772,762)
Balance – End of the Period/Year	96,255,906	96,646,207

11. Direct Credit Facilities at Amortized Cost – Net

The details of this item are as follows:

	March 31, 2022 (Reviewed)	December 31, 2021 (Audited)
	JD	JD
Individuals (retail):		
Overdraft accounts	6,689,479	7,181,458
Loans and discounted bills *	948,001,943	917,931,394
Credit cards	18,887,145	18,218,924
Real estate loans	1,297,749,144	1,284,471,859
Includes Housing loans	781,006,326	788,721,239
Companies:		
Large		
Overdraft accounts	233,064,115	253,663,310
Loans and discounted bills *	1,334,583,618	1,201,849,580
Small and Medium		
Overdraft accounts	74,387,799	61,759,508
Loans and discounted bills *	303,063,195	288,057,037
Government and public sector	439,363,459	403,453,722
Total	4,655,789,897	4,436,586,792
<u>Less:</u> Provision of expected credit losses	(452,898,811)	(453,472,108)
Interest in suspense	(136,628,839)	(132,848,537)
Net Direct Credit Facilities	4,066,262,247	3,850,266,147

- * Net after deducting interest and commission received in advance of JD 25,713,500 as of March 31, 2022 (JD 25,453,532 as of December 31, 2021).
- Non-performing credit facilities amounted to JD 352,348,514 which is equivalent to 7.41% of total direct credit facilities as of March 31, 2022 (JD 338,061,574 which is equivalent to 7.46% of total direct credit facilities as of December 31, 2021).
 - Non-performing credit facilities after deducting interest and commissions in suspense amounted to JD 233,148,729 which is equivalent to 5.05% of total direct credit facilities (at amortized cost and at fair value) balance after deducting interest and commission in suspense as of March 31, 2022 (JD 224,012,870 which is equivalent to 5.1% of total credit facilities balance after deducting interest and commission in suspense as of December 31, 2021).
 - Non-performing credit facilities transferred to off-the consolidated statement of financial position amounted to JD Nil during the three months period ended March 31, 2022 (JD 41,543,206 during the year 2021), the off-balance sheet item balance is amounted to JD 417,740,180 as of March 31, 2022 (JD 419,000,731 as of December 31, 2021). These debts are fully covered with provisions and interest in suspense.
 - Direct credit facilities granted to and guaranteed by the Government of Jordan amounted to JD 449,444,238 which is equivalent to 9.5% of total direct credit facilities as of March 31, 2022 (JD 423,550,934 which is equivalent to 9.3% as of December 31, 2021).
 - Loans rescheduled are amounted to JD 3.3 million during the period ended March 31, 2022 against JD 54.8 million during the year 2021.
 - Loans restructured are amounted to JD 172.9 million during the period ended March 31, 2022 against JD 409.2 million during the year 2021.

The movement on direct credit facilities during the period / year were as follow:

	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective	JD	JD
	JD	JD	JD	JD	JD	JD
<u>For the Three Months Period</u>						
<u>Ended March 31, 2022 (Reviewed)</u>						
Balance - beginning of the period (Audited)	1,804,380,052	1,703,704,617	422,857,459	116,766,703	388,877,961	4,436,586,792
New credit facilities during the period	231,894,690	157,215,573	31,853,982	4,688,753	674,297	426,327,295
Paid credit facilities during the period	(116,999,949)	(84,792,277)	(28,273,141)	(2,410,943)	(16,127,231)	(248,603,541)
Transferred (from) to stage (1) – net	22,736,832	16,362,200	(22,736,832)	(16,361,892)	(308)	-
Transferred (from) to stage (2) – net	(7,464,672)	(15,581,048)	13,237,980	18,275,867	(8,468,127)	-
Transferred (from) to stage (3) – net	(388,507)	(1,275,943)	(8,287,729)	(3,998,109)	13,950,288	-
Changes resulted from adjustments	111,554,734	(44,403,757)	(1,883,869)	(2,602,780)	(481,589)	62,182,739
Written off / transferred to off-the statement of financial position	-	-	-	-	(10,527,822)	(10,527,822)
Adjustments resulting from change in exchange rates	(2,956,610)	(5,042,395)	(1,750,947)	(3,275)	(422,339)	(10,175,566)
Balance - End of the Period (Reviewed)	<u>2,042,756,570</u>	<u>1,726,186,970</u>	<u>405,016,903</u>	<u>114,354,324</u>	<u>367,475,130</u>	<u>4,655,789,897</u>
<u>For the Year Ended</u>						
<u>December 31, 2021 (Audited)</u>						
Balance - beginning of the year	2,029,419,235	1,620,627,677	338,844,132	94,476,568	439,715,239	4,523,082,851
Reclassification impact	127,476	(30,518,645)	-	30,391,169	-	-
Adjusted balance – beginning of the year	<u>2,029,546,711</u>	<u>1,590,109,032</u>	<u>338,844,132</u>	<u>124,867,737</u>	<u>439,715,239</u>	<u>4,523,082,851</u>
New credit facilities during the year	402,150,806	478,353,658	20,633,146	15,656,982	3,298,290	920,092,882
Paid credit facilities during the year	(312,842,489)	(286,691,998)	(13,290,508)	(10,977,286)	(18,875,463)	(642,677,744)
Transferred (from) to stage (1) – net	29,440,246	43,330,206	(27,514,719)	(33,819,929)	(11,435,804)	-
Transferred (from) to stage (2) – net	(137,506,241)	(33,243,666)	145,686,661	33,728,244	(8,664,998)	-
Transferred (from) to stage (3) – net	(8,503,977)	(4,965,582)	(15,769,183)	(4,529,601)	33,768,343	-
Changes resulting from adjustments	(190,236,748)	(79,038,906)	(23,995,604)	(4,678,618)	4,496,325	(293,453,551)
Written off / transferred to off-the statement of financial position	-	-	-	-	(46,874,115)	(46,874,115)
Adjustments resulting from change in exchange rates	(7,668,256)	(4,148,127)	(1,736,466)	(3,480,826)	(6,549,856)	(23,583,531)
Balance - End of the Year	<u>1,804,380,052</u>	<u>1,703,704,617</u>	<u>422,857,459</u>	<u>116,766,703</u>	<u>388,877,961</u>	<u>4,436,586,792</u>

The movement on the provision of expected credit loss during the period / year were as follows:

	Corporate JD	SME's JD	Retail JD	Real Estate JD	Governmental and Public JD	Total JD
<u>For the Three Months Ended March 31, 2022</u>						
<u>(Reviewed)</u>						
Balance - beginning of the period (Audited)	227,745,358	47,297,744	45,053,010	133,299,138	76,858	453,472,108
Reclassification impact	(721,458)	718,313	3,688	(543)	-	-
Adjusted Beginning Balance (Reviewed)	227,023,900	48,016,057	45,056,698	133,298,595	76,858	453,472,108
Impairment loss on new facilities during the period	17,727,167	1,702,244	1,611,161	1,450,722	887	22,492,181
Reversed from impairment loss on paid facilities	(21,033,974)	(1,760,307)	(1,230,406)	(2,059,574)	-	(26,084,261)
Transferred (from) to stage (1)	346,834	349,051	1,637,328	1,863,178	111	4,196,502
Transferred (from) to stage (2)	(1,062,259)	(240,247)	(2,474,370)	(1,614,615)	(111)	(5,391,602)
Transferred (from) to stage (3)	715,425	(108,804)	837,042	(248,563)	-	1,195,100
Effect on the provision as of the end of the period resulting from reclassification between three stages during the period	(1,094,877)	(355,152)	243,133	(1,303,135)	(55)	(2,510,086)
Changes resulting from adjustment	3,709,304	476,195	3,961,726	5,491,497	22,793	13,661,515
Written off / transferred to off-the statement of financial position	(7,027,381)	(676,102)	(867)	(26,347)	-	(7,730,697)
Adjustments resulting from change in exchange rates	(111,945)	(274,522)	(2,057)	(13,425)	-	(401,949)
Balance - End of the Period (Reviewed)	219,192,194	47,128,413	49,639,388	136,838,333	100,483	452,898,811
Redistribution based on portfolio:						
Provisions on an individual level	217,898,299	45,915,713	33,224,233	119,088,067	100,483	416,226,795
Provisions on a collective level	1,293,895	1,212,700	16,415,155	17,750,266	-	36,672,016
	219,192,194	47,128,413	49,639,388	136,838,333	100,483	452,898,811
Redistribution based on stages:						
Stage (1)	15,569,197	2,923,326	8,202,004	8,622,019	99,144	35,415,690
Stage (2)	68,927,011	12,316,240	11,442,173	86,131,571	1,339	178,818,334
Stage (3)	134,695,986	31,888,847	29,995,211	42,084,743	-	238,664,787
	219,192,194	47,128,413	49,639,388	136,838,333	100,483	452,898,811

	Corporate JD	SME's JD	Retail JD	Real Estate JD	Governmental and Public JD	Total JD
For the Year Ended December 31, 2021 (Audited)						
Balance - beginning of the year	217,494,102	47,931,630	36,517,290	129,214,695	74,404	431,232,121
Reclassification impact	1,513,060	313,205	(67,056)	(1,759,209)	-	-
Adjusted Beginning Balance	219,007,162	48,244,835	36,450,234	127,455,486	74,404	431,232,121
Impairment loss on new facilities during the year	4,374,319	3,656,042	6,323,756	2,429,946	8,590	16,792,653
Reversed from impairment loss on paid facilities	(3,885,838)	(2,624,413)	(4,371,061)	(5,009,267)	-	(15,890,579)
Transferred (from) to stage (1)	(8,670,846)	(466,482)	4,795,123	(859,219)	(7,890)	(5,209,314)
Transferred (from) to stage (2)	4,643,255	(1,107,688)	(2,123,927)	(199,556)	7,890	1,219,974
Transferred (from) to stage (3)	4,027,591	1,574,170	(2,671,196)	1,058,775	-	3,989,340
Effect on the provision as of the end of the year resulting from reclassification between three stages during the year	8,514,777	4,170,108	(98,403)	132,771	(6,484)	12,712,769
Changes resulting from adjustment	18,462,808	507,668	6,935,621	11,540,852	348	37,447,297
Written off / transferred to off-the statement of financial position	(17,019,477)	(6,080,995)	(180,796)	(3,226,466)	-	(26,507,734)
Adjustments resulting from change in exchange rates	(1,708,393)	(575,501)	(6,341)	(24,184)	-	(2,314,419)
Balance - End of the Year	227,745,358	47,297,744	45,053,010	133,299,138	76,858	453,472,108
Redistribution based on portfolio:						
Provisions on an individual level	225,168,136	46,277,522	27,663,861	118,304,824	76,858	417,491,201
Provisions on a collective level	2,577,222	1,020,222	17,389,149	14,994,314	-	35,980,907
	227,745,358	47,297,744	45,053,010	133,299,138	76,858	453,472,108
Redistribution based on stages:						
Stage (1)	16,687,884	2,202,796	7,653,258	6,759,911	75,410	33,379,259
Stage (2)	68,123,368	10,807,073	11,474,650	83,185,159	1,448	173,591,698
Stage (3)	142,934,106	34,287,875	25,925,102	43,354,068	-	246,501,151
	227,745,358	47,297,744	45,053,010	133,299,138	76,858	453,472,108

Interest in Suspense

The following is the movement on interest in suspense:

For the Three Months Ended March 31, 2022 (Reviewed)

Balance – beginning of the period (Audited)

Reclassification impact

Adjusted Beginning Balance (Reviewed)

Suspended interest on new exposures during the period

Suspended interest on settled exposures transferred to revenue during the period

Total effect on the suspended interest resulting from reclassification between stages

Total effect on the suspended interest resulting from adjustments

Written off interest in suspense / transferred to off-the statement of financial position

Adjustments resulting from change in exchange rates

Balance – End of the Period (Reviewed)

For the year ended December 31, 2021 (Audited)

Balance – beginning of the year

Reclassification impact

Adjusted Beginning Balance

Suspended interest on new exposures during the year

Suspended interest on settled exposures transferred to revenue during the year

Total effect on the suspended interest resulting from reclassification between stages

Total effect on the suspended interest resulting from adjustments

Written off interest in suspense / transferred to off-the statement of financial position

Adjustments resulting from change in exchange rates

Balance – End of the Year

Corporate Entities					
Corporate	SME's	Retail	Real Estate loans	Government and Public Sector	Total
JD	JD	JD	JD	JD	JD
36,264,675	28,812,811	27,677,038	40,094,013	-	132,848,537
(12,963)	12,963	-	-	-	-
36,251,712	28,825,774	27,677,038	40,094,013	-	132,848,537
5,729	39,459	23,459	14	-	68,661
(7,249)	(72,220)	(158,298)	(349,487)	-	(587,254)
(200,331)	(65,092)	(81,342)	(164,608)	-	(511,373)
2,829,132	1,466,590	1,273,331	2,152,693	-	7,721,746
(1,556,849)	(787,378)	(147,242)	(305,656)	-	(2,797,125)
(1,947)	(110,124)	(1,738)	(544)	-	(114,353)
37,320,197	29,297,009	28,585,208	41,426,425	-	136,628,839
43,690,566	27,118,474	24,910,177	19,387,741	-	115,106,958
1,582	21,134	(44,608)	21,892	-	-
43,692,148	27,139,608	24,865,569	19,409,633	-	115,106,958
7,070	206,307	222,105	94,544	-	530,026
(667,701)	(227,582)	(283,702)	(901,340)	-	(2,080,325)
295,699	34,468	(631,338)	(442,941)	-	(744,112)
9,107,409	3,689,829	4,442,359	24,194,922	-	41,434,519
(15,373,146)	(1,803,156)	(930,045)	(2,260,034)	-	(20,366,381)
(796,804)	(226,663)	(7,910)	(771)	-	(1,032,148)
36,264,675	28,812,811	27,677,038	40,094,013	-	132,848,537

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

Economic Sector	March 31, 2022 (Reviewed)			December 31, 2021 (Audited)
	Inside Jordan	Outside Jordan	Total	Total
	JD	JD	JD	JD
Financial	174,821,361	68,528,335	243,349,696	169,615,461
Industrial	326,544,431	118,195,861	444,740,292	459,216,480
Trading	359,436,244	228,606,104	588,042,348	539,357,668
Real estate	1,068,944,740	272,915,173	1,341,859,913	1,335,283,277
Agriculture	20,431,548	23,276,760	43,708,308	22,694,027
Shares	6,365,968	4,877,085	11,243,053	6,975,900
Individuals	943,779,087	34,975,990	978,755,077	943,963,002
Government and public sector	358,695,697	80,667,762	439,363,459	403,453,729
Other	517,932,312	46,795,439	564,727,751	556,027,248
	3,776,951,388	878,838,509	4,655,789,897	4,436,586,792

12. Financial Assets at Amortized Cost - Net

The details of this item are as follows:

	March 31, 2022 (Reviewed)	December 31, 2021 (Audited)
	JD	JD
Quoted Financial Assets:		
Jordanian Treasury Bills	49,719,704	40,907,441
Jordanian treasury bonds *	1,283,226,496	1,224,498,891
Governmental or guaranteed by Government bonds	541,839,265	542,402,385
Foreign governments bonds	24,349,815	24,349,118
Corporate bonds and debentures	167,622,367	161,531,807
Total Quoted Financial Assets	2,066,757,647	1,993,689,642
Unquoted Financial Assets:		
Corporate bonds and debentures	3,000,001	3,000,001
Total Unquoted Financial Assets	3,000,001	3,000,001
Total	2,069,757,648	1,996,689,643
<u>Less: Provision for excepted credit losses</u>	<u>(5,474,796)</u>	<u>(4,421,581)</u>
Net	2,064,282,852	1,992,268,062
Bonds and Bills Analysis:		
at fixed rate	2,064,282,852	1,992,268,062
at floating rate	-	-
Total	2,064,282,852	1,992,268,062

- The maturity dates for Bonds range from year 2022 to year 2036.
- Interest rate on bonds and Treasury Bills ranges from 0.7% to 6.74%.

* The Bank has entered into repurchase agreements with the Central Bank of Jordan as stated in Note (15) against mortgaging treasury bonds with a nominal value of JD 70 million (JD 64.7 million as of December 31, 2021).

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

	Stage (1) Individual	Stage (2) Individual	Stage (3) Individual	Total
	JD	JD	JD	JD
<u>For the Three Months Ended March 31, 2022 (Reviewed)</u>				
Balance – beginning of the period (Audited)	1,993,689,642	-	3,000,001	1,996,689,643
New investments during the period	352,028,321	-	-	352,028,321
Matured investments during the period	(279,256,389)	-	-	(279,256,389)
Transferred to stage 3	(1,778,575)	-	1,778,575	-
Amortization of premium/ discount	296,185	-	(3,878)	292,307
Adjustments resulting from changes in exchange rates	3,766	-	-	3,766
Balance – End of the Period (Reviewed)	<u>2,064,982,950</u>	<u>-</u>	<u>4,774,698</u>	<u>2,069,757,648</u>
<u>For the Year Ended December 31, 2021 (Audited)</u>				
Balance – beginning of the year (Audited)	1,836,019,926	-	3,000,001	1,839,019,927
New investments during the year	438,523,685	-	-	438,523,685
Matured investments during the year	(281,207,968)	-	-	(281,207,968)
Amortization of premium/ discount	614,322	-	-	614,322
Adjustments resulting from changes in exchange rates	(260,323)	-	-	(260,323)
Balance – End of the Year	<u>1,993,689,642</u>	<u>-</u>	<u>3,000,001</u>	<u>1,996,689,643</u>

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

	Stage (1) Individual	Stage (2) Individual	Stage (3)	Total
	JD	JD	JD	JD
<u>For the Three Months Ended March 31, 2022 (Reviewed)</u>				
Balance – beginning of the period (Audited)	1,421,581	-	3,000,000	4,421,581
Expected credit loss for new investments during the period	597,350	-	-	597,350
Expected credit loss for matured investments during the period	(37,255)	-	-	(37,255)
Transferred to stage 3	(1,524)	-	1,524	-
The effect on the provision resulting from the adjustments	108,396	-	396,833	505,229
Adjustments resulting from changes in exchange rates	(12,109)	-	-	(12,109)
Balance – End of the Period (Reviewed)	<u>2,076,439</u>	<u>-</u>	<u>3,398,357</u>	<u>5,474,796</u>
<u>For the Year Ended December 31, 2021 (Audited)</u>				
Balance – beginning of the year (Audited)	2,177,632	-	3,000,000	5,177,632
Expected credit loss for new investments during the year	150,056	-	-	150,056
Expected credit loss for matured investments during the year	(60,967)	-	-	(60,967)
The effect on the provision resulting from the adjustments	(842,314)	-	-	(842,314)
Adjustments resulting from changes in exchange rates	(2,826)	-	-	(2,826)
Balance – End of the Year	<u>1,421,581</u>	<u>-</u>	<u>3,000,000</u>	<u>4,421,581</u>

13. Other Assets

The details of this item are as follows:

	March 31, 2022 (Reviewed)	December 31, 2021 (Audited)
	JD	JD
Accrued revenues and interest	30,165,857	31,053,695
Prepaid expenses	10,009,653	3,903,941
Assets seized by the Bank *	66,678,998	64,750,491
Revaluation gain / Hedge derivatives	3,193,051	766,208
Cheques under collection	10,804,891	11,362,918
Other	14,102,861	11,478,415
Total	134,955,311	123,315,668
Provision for expected credit loss	(328,576)	(255,576)
	134,626,735	123,060,092

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

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

	For the Three Months Period Ended March 31, 2022 (Reviewed)	For the Year Ended December 31, 2021 (Audited)
	JD	JD
Beginning balance period/ year	64,750,491	66,579,286
Additions during the period / year	3,548,214	15,295,999
Disposals during the period / year	(1,369,707)	(13,514,652)
Impairment loss during the period / year	(250,000)	(3,600,000)
Foreign currencies translation difference during the period / year	-	(10,142)
Balance – Ending of the Period / Year	66,678,998	64,750,491

14. Customers' Deposits

The details of this item are as follows:

	Retail JD	Corporate JD	SME's JD	Governmental and Public JD	Total JD
March 31, 2022 (Reviewed)					
Current accounts and demand deposits	723,208,193	215,165,640	391,979,142	41,728,869	1,372,081,844
Saving deposits	2,053,835,961	896,928	18,391,318	550,508	2,073,674,715
Time and notice deposits	1,082,187,058	224,442,277	40,599,153	223,968,975	1,571,197,463
Certificates of deposit	188,715,003	22,248,058	850,434	-	211,813,495
Others	342,063	-	-	-	342,063
Total	4,048,288,278	462,752,903	451,820,047	266,248,352	5,229,109,580
December 31, 2021 (Audited)					
Current accounts and demand deposits	729,353,852	189,171,350	348,874,343	28,946,430	1,296,345,975
Saving deposits	2,056,002,278	982,252	19,545,032	558,149	2,077,087,711
Time and notice deposits	1,109,204,379	273,186,282	53,154,762	182,383,184	1,617,928,607
Certificates of deposit	201,350,102	19,195,118	872,818	-	221,418,038
Others	410,135	-	-	-	410,135
Total	4,096,320,746	482,535,002	422,446,955	211,887,763	5,213,190,466

- The deposits of the public sector and the Government of Jordan inside the Kingdom amounted to approximately JD 256.9 million representing 4.9% of total deposits as of March 31, 2022 (approximately JD 205.2 million, representing 3.94% of total deposits as of December 31, 2021).
- Non-interest bearing deposits are amounted to JD 1.47 billion, representing 28.2% of total deposits as of March 31, 2022 (around JD 1.39 billion, representing 26.7% of total deposits as of December 31, 2021).
- Restricted deposits (Restricted withdrawal) amounted to JD 147.2 million, representing 2.8 % of total deposits as of March 31, 2022 (JD 150.3 million, representing 2.9 % of total deposits as of December 31, 2021).
- Dormant accounts amounted to JD 303.3 million, representing 5.8% of total deposits as of March 31, 2022 (JD 296.7 million, representing 5.7% of total deposits as of December 31, 2021).

15. Borrowed funds:

This item consists of the following:

March 31, 2022 (Reviewed)	JD	Number of Total Payments	Number of Remaining Payments	Periodicity	Guarantee	Borrowing Interest Rate	Re-lending interest rate
Central Bank of Jordan loans:							
SME's Support programs.	16,205,580	109	89	Semi Annual	Financial Solvency	2.5% - 3%	5.59% - 7.5%
Main Economic Sectors Support Programs	51,939,509	Based on the Periodicity of instalments due			On demand promissory note	0.5% - 1%	3.25% - 3.75% as minimum
National program to face COVID-19 Pandemic	27,356,240	Based on the Periodicity of instalments due			On demand promissory note	0.00%	2%
Repurchase agreements	73,020,879	Based on each agreement			Government bonds	2%	-
Borrowing / local institutions	158,000,028	24	24	Monthly/Semi annual	Financial Solvency / Mortgage	3.5% to 6.5%	5.75% to 10.5%
Borrowing / foreign insinuations	104,117,708	24	24	Semi annual	Financial Solvency	0.84% to 1.2%	Based on interest rate at the bank
Total	<u>430,639,944</u>						

- The maturity dates of funds borrowed from the Central Bank of Jordan range from year 2022 to year 2039.
- The financial liabilities against repurchase agreements will due in 2022.
- Borrowed funds from local institutions includes an amount of JD 130 million that borrowed from Jordan Mortgage Refinance Co and The maturity dates of these borrowed funds range from year 2023 to year 2029.
- Borrowed funds with a fixed interest rate amounted to JD 338,840,764, and borrowed funds with a variable interest rate amounted to JD 91,799,180.
- The maturity dates of borrowed funds from foreign insinuations range from year 2022 to year 2028.
- Borrowed funds during the period ended in March 31, 2022, amounted to JD 113,655,797 and settled borrowed funds amounted to JD 48,013,948 during the same period, excluding repurchase agreement.
- The renewed loans amounted to JD Nil during the period ended in March 31, 2022.

<u>December 31, 2021 (Audited)</u>	<u>JD</u>	<u>Number of Total Payments</u>	<u>Number of Remaining Payments</u>	<u>Periodicity</u>	<u>Guarantee</u>	<u>Borrowing Interest Rate</u>	<u>Re-lending interest rate</u>
Central Bank of Jordan loans:							
SME's Support programs.	16,754,324	109	89	Semi Annual	Financial Solvency	1.95% - 3%	5.59% - 7.5%
Main Economic Sectors Support Programs	52,478,298	Based on the Periodicity of instalments due			On demand promissory note	0.5% to 1%	3.25% - 3.75% as a minimum
National program to face COVID-19 pandemic	27,734,055	Based on the Periodicity of instalments due			On demand promissory note	0.00%	2%
Repurchase agreements	70,288,632	Based on each agreement			Government bonds	2%	-
Borrowing / local institutions	148,000,018	22	22	Monthly/Semi annual	Financial Solvency / Mortgage	3.5% to 6.5%	5.75% to 10.5%
Borrowing / foreign insinuations	47,010,521	11	11	Semi annual	Financial Solvency	0.84% to 1.1%	Based on interest rate at the bank
Total	<u>362,265,848</u>						

- The maturity dates of funds borrowed from the Central Bank of Jordan range from year 2022 to year 2039.
- The financial liabilities against repurchase agreements will due in 2022.
- Borrowed funds from local institutions includes an amount of JD 120 million that borrowed from Jordan Mortgage Refinance Co and The maturity dates of these borrowed funds range from year 2022 to year 2024.
- Borrowed funds with a fixed interest rate amounted to JD 309,047,616, and borrowed funds with a variable interest rate amounted to JD 53,218,214.
- The maturity dates of borrowed funds from foreign insinuations range from year 2022 to year 2027.
- Borrowed funds during 2021 amounted to JD 120,015,382 and settled borrowed funds amounted to JD 87,901,383 during 2021, excluding repurchase agreement.
- The renewed loans amounted to JD 5,000,000 during 2021.

16. Income Tax**a. Income tax provision**

The movement on the income tax provision is as follows:

	March 31, 2022 (Reviewed)	December 31, 2021 (Audited)
	JD	JD
Balance – beginning of the period / year	55,815,858	48,515,568
Income tax paid	(19,765,704)	(61,423,324)
Accrued income tax	13,674,338	68,244,851
Accrued income tax of distribution profits from a subsidiary	-	1,008,939
Currency translation	(19,035)	(530,176)
Balance – Ending of the Period / Year	49,705,457	55,815,858

- Income tax rate for Banks in Jordan is 35% and a 3% for the national contribution account. In addition, the income tax rates in the countries in which the Bank has investments range from 0% to 31%.
- The Bank has reached a final settlement with the Income and Sales Tax Department in Jordan up to the year 2020.
- Taxes due on Palestine branches were cleared up to 2020, and declared taxes have been paid up to the year 2021.
- The income tax for the International Bank for Trade and Finance /Syria was paid up to the year 2021.
- The income tax for the Housing Bank for Trade and Finance /Algeria was paid up to the year 2021.
- The income tax for Jordan International Bank/ London was paid up to the year 2021.
- The income tax for the International Financial Centre Company was paid up to the year 2021. Moreover, a final settlement has been reached for all years except for the year 2018.
- The income tax for the Specialized Leasing Company was paid up to the year 2021, and a final settlement has been reached up to the year 2019.

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

	For the Three Months Ended March 31,	
	2022 (Reviewed)	2021 (Reviewed)
	JD	JD
Provision for income tax for the period	13,674,338	18,768,245
Deferred tax assets for the period	(19,408,803)	(16,125,972)
Amortization of deferred tax assets	16,074,400	11,200,033
Total	10,339,935	13,842,306

17. Other Liabilities

The details for this item are as follows:

	March 31, 2022 (Reviewed)	December 31, 2021 (Audited)
	JD	JD
Accrued interest	11,953,563	9,755,660
Interests and commissions received in advance	3,636,354	3,690,731
Accrued expenses	15,988,632	20,964,710
Certified cheques	30,004,254	26,489,133
Transfers in process	37,325,962	33,638,348
Payment in process	6,986,038	7,461,245
Prizes	450,000	547,109
Amounts payable to correspondent banks	1,283,090	1,281,254
General management trusts	5,138,213	5,092,032
Dividends payable to shareholders	67,460,022	4,476,573
Accounts payable	3,024,974	5,182,854
Unrealized loss / hedge derivatives	671,223	610,353
Other payable accounts	55,920,180	64,501,938
Provision for indirect facilities' expected credit loss	38,582,194	35,631,520
Others	3,911,280	3,881,218
Total	282,335,979	223,204,678

Below is the movement on indirect facilities during the period / year:

	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
For the Three Months Period March 31, 2022 (Reviewed)						
Balance at the beginning of the period (Audited)	879,962,296	65,193,881	70,044,694	6,345,472	19,401,318	1,040,947,661
New exposures during the period	258,796,149	10,876,516	12,543,928	38,674	-	282,255,267
Matured exposures during the period	(194,607,449)	(2,845,984)	(8,703,833)	(96,063)	(617,265)	(206,870,594)
Transferred (from) to stage (1)	21,183,470	216,739	(21,183,470)	(216,739)	-	-
Transferred (from) to stage (2)	(3,965,918)	(170,206)	4,101,918	173,206	(139,000)	-
Transferred (from) to stage (3)	(30,000)	-	(826,388)	(70,475)	926,863	-
Changes resulting from adjustment	4,887,230	(205,412)	(1,264,603)	(16,773)	(99,367)	3,301,075
Adjustments resulting from changes in exchange rate	(1,609,920)	(936,834)	(396,067)	(119,410)	(1,308)	(3,063,539)
Balance at the Ending of the Period (Reviewed)	964,615,858	72,128,700	54,316,179	6,037,892	19,471,241	1,116,569,870

	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD	JD	JD
For the year ended December 31, 2021 (Audited)						
Balance at the beginning of the year	692,194,446	64,259,589	39,957,175	4,312,028	19,027,488	819,750,726
New exposures during the year	418,041,181	14,820,855	15,698,120	285,654	104,950	448,950,760
Matured exposures during the year	(276,660,576)	(9,338,816)	(8,122,512)	(1,002,365)	(346,623)	(295,470,892)
Transferred (from) to stage (1)	5,248,637	(2,769,693)	(5,248,637)	2,851,493	(81,800)	-
Transferred (from) to stage (2)	(28,311,680)	(185,425)	28,333,668	239,125	(75,688)	-
Transferred (from) to stage (3)	(1,108,737)	(60,000)	(407,291)	(3,500)	1,579,528	-
Changes resulting from adjustment	71,402,102	(136,891)	(162,472)	1,287,829	(788,138)	71,602,430
Adjustments resulting from changes in exchange rate	(843,077)	(1,395,738)	(3,357)	(1,624,792)	(18,399)	(3,885,363)
Balance at the Ending of the Year	879,962,296	65,193,881	70,044,694	6,345,472	19,401,318	1,040,947,661

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

	Stage (1)		Stage (2)		Stage (3)	Total
	Individual	Collective	Individual	Collective	JD	JD
	JD	JD	JD	JD		
<u>For the Three Months Period March 31, 2022 (Reviewed)</u>						
Balance at the beginning of the period (Audited)	8,072,411	292,651	9,743,753	225,130	17,297,575	35,631,520
Impairment loss on the new facilities	2,952,999	65,798	1,942,146	4,651	-	4,965,594
Reversed from impairment loss on the matured facilities	(1,716,401)	(29,615)	(342,612)	(10,133)	(413,823)	(2,512,584)
Transferred (from) to stage (1)	193,212	58,120	(193,212)	(58,120)	-	-
Transferred (from) to stage (2)	(26,857)	(1,819)	109,646	1,819	(82,789)	-
Transferred (from) to stage (3)	(171)	-	(26,630)	(517)	27,318	-
Effect on provision as end of the period resulting from reclassification between the three stages during the period	(63,580)	(54,938)	(56,612)	17,757	518,332	360,959
Changes resulting from adjustment	(1,128,359)	6,371	1,242,750	100,314	(36,942)	184,134
Adjustments resulting from changes in exchange rate	(5,726)	(465)	(13,021)	(27,113)	(1,104)	(47,429)
Balance at the Ending of the Period (Reviewed)	8,277,528	336,103	12,406,208	253,788	17,308,567	38,582,194
<u>For the Year Ended December 31, 2021 (Audited)</u>						
Balance at the beginning of the year	11,290,253	353,830	8,328,900	303,588	15,603,577	35,880,148
Impairment loss on the new facilities	4,092,789	117,347	810,066	21,698	58,606	5,100,506
Reversed from impairment loss on the matured facilities	(5,691,496)	(91,354)	(1,436,592)	(36,544)	(167,049)	(7,423,035)
Transferred (from) to stage (1)	319,943	153,009	(319,943)	(123,381)	(29,628)	-
Transferred (from) to stage (2)	(1,138,775)	(5,025)	1,152,442	20,347	(28,989)	-
Transferred (from) to stage (3)	(27,318)	(1,160)	(36,173)	-	64,651	-
Effect on provision as of the end of year resulting from reclassification between the three stages during the year	(301,360)	(137,148)	136,044	15,671	605,001	318,208
Changes resulting from adjustment	(423,362)	(96,522)	1,109,085	23,751	1,192,560	1,805,512
Adjustments resulting from changes in exchange rate	(48,263)	(326)	(76)	-	(1,154)	(49,819)
Balance at the Ending of the Year	8,072,411	292,651	9,743,753	225,130	17,297,575	35,631,520

18. Expected Credit Losses Expense

The details of this item is as follows:

	For the Three Months Ended March 31,	
	2022 (Reviewed)	2021 (Reviewed)
	JD	JD
Balances and deposits at banks and financial institutions	(27,123)	(690)
Financial assets at fair value through other comprehensive income	(49,922)	146,886
Financial assets at amortized cost	1,065,324	(1,333,287)
Direct credit facilities	7,559,349	13,143,694
Commitments and contingent liabilities	2,998,103	667,857
Other Assets	73,000	7,540
	11,618,731	12,632,000

19. Fair Value Reserve – Net

The details of this item is as follows:

	For the Three Months Ended March 31, 2022 (Reviewed)	For the Year Ended December 31, 2021 (Audited)
	JD	JD
Balance – beginning of the period/ year	3,542,409	9,654,188
Unrealized (losses) - debt instrument	(8,948,910)	(8,899,814)
Unrealized (losses) – equity instrument	-	(450,679)
Deferred tax assets	1,673,900	1,111,266
Deferred tax liabilities	1,437,675	2,127,448
Net change in valuation reserve of financial assets at fair value through comprehensive income after tax	(5,837,335)	(6,111,779)
Balance at the End of the Period/Year	(2,294,926)	3,542,409

20. Retained Earnings

The movement on retained earnings is as follows:

	For the Three Months Ended March 31, 2022 (Reviewed)	For the Year Ended December 31, 2021 (Audited)
	JD	JD
Balance – beginning of the period / year	367,183,950	313,925,834
Income for the year	-	105,621,201
Dividends distribution *	(63,000,000)	(37,800,000)
Transferred from (to) reserves **	382,494	(14,563,085)
Balance – End of the Period / Year	304,566,444	367,183,950

* The Shareholders General Assembly, at its ordinary meeting held on March 24th, 2022, resolved to distribute cash dividends to shareholders at a rate of 20% of the subscribed and paid-up capital, equivalent to JD 63 million.

** The amounts transferred from reserves for the period ended March 31st 2022 represents adjustments on subsidiaries financial statements that were recorded after the issuance of the group consolidated financial statements for the year 2021.

- The Bank cannot use a restricted amount of JD 6,275,955 from retained earnings which represents the financial assets revaluation differences in accordance with the instructions of the Central Bank of Jordan and the Jordan Securities Commission.
- Retained earnings includes an amount of JD 609,506 which represents the effect of early implementation of the International Financial Reporting Standard No (9). This amount may not be used except for the amounts actually realized from sale.
- The Bank cannot use a restricted amount of JD 126,896,634 from retained earnings which represents deferred tax assets which are restricted against capitalization or distribution only to the extent if actually recognized in accordance with the instructions of the Central Bank of Jordan and the Jordan Securities Commission.
- Retained earnings includes a restricted amount of JD 2,392,936 which represents the gain from the valuation of foreign currencies at the International Bank for Trade and Finance /Syria for the current period and the prior years.

21. Interest Income

The details of this item are as follows:

	For the Three Months Ended March 31,	
	2022 (Reviewed)	2021 (Reviewed)
	JD	JD
Direct Credit Facilities:		
Individual retail customer:		
Overdraft	72,992	53,778
Loans and discounted bills	17,583,611	16,473,611
Credit cards	529,381	514,913
Real estate loans	16,371,635	15,978,449
Large corporates		
Overdraft	3,002,771	4,605,393
Loans and discounted bills	16,382,752	14,894,323
SME's		
Overdraft	1,070,384	1,779,257
Loans and discounted bills	4,927,095	3,545,072
Government and Public Sector	5,340,797	7,732,981
Balances at central banks	1,076,594	1,341,247
Balances and deposits at banks and financial institutions	641,517	576,741
Financial assets at amortized cost	24,102,021	23,759,859
Financial assets at fair value through other comprehensive income	2,948,889	2,731,831
	94,050,439	93,987,455

22. Interest Expense

The details of this item are as follows:

	For the Three Months Ended March 31,	
	2022 (Reviewed)	2021 (Reviewed)
	JD	JD
Banks and financial institutions deposits	1,661,135	1,686,690
Customers deposits :		
Current accounts and demand deposits	155,432	120,995
Saving deposits	896,613	1,200,426
Time and notice deposits	8,028,529	9,232,462
Certificates of deposits	1,396,889	2,081,084
Cash margins	450,424	456,266
Borrowed funds	2,523,286	2,316,187
Deposits insurance fees	1,711,863	1,692,586
Lease liability	409,858	401,744
	17,234,029	19,188,440

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

The details of this item are as follows:

	Realized		Unrealized		Dividends	
	Gain	(Loss)	Gain	(Loss)	Received	Total
	JD	JD	JD	JD	JD	JD
For the Three Months Period Ended March 31, 2022 (Reviewed)						
Corporate shares	-	-	140,910	-	21,872	162,782
Direct credit facilities	-	-	-	(1,675,785)	-	(1,675,785)
Total	-	-	140,910	(1,675,785)	21,872	(1,513,003)

For the Three Months Period**Ended****March 31, 2021 (Reviewed)**

Corporate shares	216	-	38,043	-	-	38,259
Direct credit facilities	-	-	-	(429,363)	-	(429,363)
Total	216	-	38,043	(429,363)	-	(391,104)

24. Earnings Per Share Attributable to the Shareholders of the Bank / Basic - Diluted

The details of this item are as follows:

	For the Three Months Ended March 31,	
	2022 (Reviewed)	2021 (Reviewed)
	JD	JD
Profit for the period attributable to shareholders'	29,331,239	24,280,377
Weighted average number of shares	315,000,000	315,000,000
Basic and diluted earnings per share attributable to shareholders of the Bank	0.093	0.077

25. Cash and Cash Equivalents

This item consists of the following:

	As of March 31,	
	2022 (Reviewed)	2021 (Reviewed)
	JD	JD
Cash and balances with central banks maturing within 3 months	775,192,055	778,665,423
<u>Add:</u> Balances with banks and financial institutions maturing within 3 months	364,173,752	371,744,356
<u>(Less):</u> Banks and financial institutions deposits maturing within 3 months	(600,141,538)	(604,531,484)
	539,224,269	545,878,295

26. Capital Adequacy

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

	March 31, 2022 (Reviewed) JD	December 31, 2021 (Audited) JD
Common Equity Tier 1 Capital		
Paid-in capital	315,000,000	315,000,000
Retained earnings	295,196,838	294,806,752
Other comprehensive income items	(135,141,561)	(124,665,671)
Net fair value reserve	(2,294,926)	3,542,409
Foreign currency translation reserve	(132,846,635)	(128,208,080)
Share premium	328,147,537	328,147,537
Statutory reserve	257,601,697	257,979,383
Other reserve	11,454,951	11,459,758
Non-controlling interest	14,989,330	17,339,180
Condensed gains after tax and expected distribution Value	9,643,739	-
Total capital for ordinary shares	1,096,892,531	1,100,066,939
Regulatory amendments (Propositions of the capital)	(153,964,698)	(149,174,146)
Goodwill and intangible assets	(19,954,617)	(19,931,202)
Deferred tax assets	(126,896,634)	(122,196,386)
Investments in the capital of non-consolidated subsidiaries with the Bank	(40,681)	(40,681)
Mutual investments in banks' capital, financial companies, and insurance companies Within the CET1	(7,072,766)	(7,005,877)
Net ordinary shareholder's equity	942,927,833	950,892,793
Net Additional Capital	2,645,176	3,059,855
Net additional capital Tier 1	945,573,009	953,952,648
Tier 2 Capital		
General banking risk reserve		
Expected credit losses provision for the first stage – does not exceed 1.25% of the assets weighted credit risks	46,861,908	44,009,884
Non-controlling interest	3,526,901	4,079,807
Total Capital	50,388,809	48,089,691
Regulatory amendments (Propositions of the capital)	-	-
Investments in the capital of non-consolidated subsidiaries with the bank	-	-
Net additional capital Tier 2	50,388,809	48,089,691
Regulatory capital	995,961,818	1,002,042,339
Total Risk weighted assets	6,035,836,043	5,972,550,043
Capital Adequacy ordinary shareholders (CETI) Ratio %	15.62%	15.92%
Capital Adequacy Tier 1 Ratio %	15.67%	15.97%
Capital Adequacy Ratio %	16.50%	16.78%

27. Related Party Transactions

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

	Related Party				Total	
	Major Shareholders	Subsidiaries	Board of Directors and their related	Executive Management and their related	March 31,	December 31,
					2022	2021 (Audited)
					(Reviewed)	
	JD	JD	JD	JD	JD	JD
Financial position items						
Total deposits with related parties	61,017,301	63,875,663	-	-	124,892,964	101,666,136
Total deposits from related parties	500,014,871	77,050,353	2,176,421	4,821,691	584,063,336	622,107,515
Loans and advances granted to related parties	27,651,203	2,877,971	201,925	4,917,765	35,648,864	27,061,866
Loans and advances granted from related parties	-	3,154,481	-	-	3,154,481	3,207,422
Items off-statement of Financial position						
Letters of guarantees and credits	17,786,561	1,483,595	-	-	19,270,156	19,626,589
Forward foreign currency contracts	47,476,168	-	-	-	47,476,168	49,150,826
Interest swap contracts	95,715,000	-	-	-	95,715,000	95,715,000

- c. Summary of related party transactions during the period:

	Related Party				Total	
	Major Shareholders	Subsidiaries	Board of Directors and their related	Executive Management and their related	For the Three Months Ended March 31,	
					2022	2021
					(Reviewed)	(Reviewed)
	JD	JD	JD	JD	JD	JD
Statement of Profit or Loss items						
Interest and commissions income	203,896	70,200	3,688	44,152	321,936	117,374
Interest and commissions expense	1,247,271	398,798	2,937	13,170	1,662,176	1,245,459

- Interest income rates ranges from 0% to 8%.
- Interest expense rates ranges from 0% to 7%.

- d. The Bank's executive management remuneration were as follows:

	For the Three Months Ended March 31,	
	2022	2021
	(Reviewed)	(Reviewed)
	JD	JD
Salaries, bonuses, and other benefits	1,579,505	969,431
Salaries, bonuses, and other benefits/ Subsidiaries	930,946	813,299

28. Segment Analysis

Information on the Bank Activities:

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

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

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

							Total	
							For the Three Months Period Ended March 31,	
	Retail	Corporate	Corporate Finance	Treasury	Others	Elimination	2022 (Reviewed)	2021 (Reviewed)
	JD	JD	JD	JD	JD	JD	JD	JD
Gross Income	46,909,073	39,616,183	794,221	36,557,745	591,631	(14,110,872)	110,357,981	108,299,442
Allowance for expected credit loss for the period	638,243	(12,205,573)	936,878	(988,279)	-	-	(11,618,731)	(12,632,000)
Segment results	19,299,350	8,827,412	1,284,891	13,801,204	591,631	-	43,804,488	41,525,950
Unallocated expenses							(3,372,390)	(2,316,957)
Income before Tax							40,432,098	39,208,993
Income Tax							(10,339,935)	(13,842,306)
Profit for the Period							30,092,163	25,366,687
							March 31, 2022 (Reviewed)	December 31, 2021 (Audited)
Segment Assets	4,546,513,898	2,511,037,099	79,198,610	3,602,364,433	1,476,857,475	-	12,215,971,515	12,136,386,854
Elimination of assets between segments	(2,761,978,493)	(13,582,837)	-	(529,791,165)	(773,264,415)	-	(4,078,616,910)	(4,013,300,974)
Unallocated assets on segments							126,896,634	122,196,386
Total Assets							8,264,251,239	8,245,282,266
Segment Liabilities	4,523,968,098	2,660,029,575	77,940,032	3,515,476,359	374,320,687	-	11,151,734,751	11,034,925,319
Elimination of liabilities between segments	-	(1,341,047,786)	(42,194,811)	(2,681,791,475)	-	-	(4,065,034,072)	(4,013,300,974)
Unallocated liabilities							5,416,071	6,853,746
Total Liabilities							7,092,116,750	7,028,478,091
							For the Three Months Ended March 31,	
							2022 (Reviewed)	2021 (Reviewed)
Capital expenditures							2,845,048	2,912,008
Depreciation and amortization							6,060,907	6,137,075

- Distributed according to economic sector is as follows:

	Government									
	Financial	Industrial	Trading	Real Estate	Agriculture	Shares	Individuals	and Public	Other	Total
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Cash at central banks	-	-	-	-	-	-	-	645,731,009	-	645,731,009
Balances at banks and financial institutions	363,874,821	-	-	-	-	-	-	-	-	363,874,821
Deposits at banks and financial institutions	45,587,474	-	-	-	-	-	-	-	-	45,587,474
Credit facilities at amortized cost	225,154,318	316,692,753	473,598,284	1,182,498,106	38,104,584	9,106,298	902,269,621	439,251,572	479,586,711	4,066,262,247
Credit facilities at fair value through profit or loss	-	96,255,906	-	-	-	-	-	-	-	96,255,906
Bonds and bills:										
Within Financial assets at fair value through other comprehensive income	61,519,832	-	-	-	-	-	-	287,538,360	2,090,176	351,148,368
Within Financial assets at amortized cost	163,684,138	-	-	-	-	-	-	1,893,108,780	7,489,934	2,064,282,852
Total for the Period	859,820,583	412,948,659	473,598,284	1,182,498,106	38,104,584	9,106,298	902,269,621	3,265,629,721	489,166,821	7,633,142,677
Letter of guarantees	-	-	385,406,351	-	-	-	-	-	-	385,406,351
Letter of credit	-	-	583,906,166	-	-	-	-	-	-	583,906,166
Other liabilities	-	-	108,675,159	-	-	-	-	-	-	108,675,159
Total	859,820,583	412,948,659	1,551,585,960	1,182,498,106	38,104,584	9,106,298	902,269,621	3,265,629,721	489,166,821	8,711,130,353
Prior Year Total	833,197,930	433,033,636	1,382,847,425	1,187,906,936	17,164,296	4,599,075	867,099,145	3,397,722,153	448,121,062	8,571,691,658

- Total Exposure Distribution According to Geographic Region:

	Inside Jordan	Other Middle East Countries	Europe	Asia	Africa	America	Other Countries	Total
	JD	JD	JD	JD	JD	JD	JD	JD
Cash and balances at central banks	262,500,856	138,279,622	-	-	244,950,531	-	-	645,731,009
Balances at banks and financial institutions	74,547,852	70,572,883	81,773,683	748,165	22,240,225	113,992,013	-	363,874,821
Deposits at banks and financial institutions	4,999,671	38,609,916	1,977,887	-	-	-	-	45,587,474
Credit facilities at amortized cost	3,287,201,799	393,217,639	210,708,345	-	175,134,464	-	-	4,066,262,247
Credit Facilities at fair value through profit or loss	96,255,906	-	-	-	-	-	-	96,255,906
Bonds and Bills:								
Within Financial assets at fair value through other comprehensive income	206,547,609	27,522,433	49,417,071	9,092,418	11,167,709	47,401,128	-	351,148,368
Within Financial assets at amortized cost	2,029,356,902	24,376,199	1,259,137	1,774,697	-	3,615,158	3,900,759	2,064,282,852
Total for the Period	5,961,410,595	692,578,692	345,136,123	11,615,280	453,492,929	165,008,299	3,900,759	7,633,142,677
Letter of guarantee	219,290,299	147,843,067	5,465,719	180,339	12,626,927	-	-	385,406,351
Letter of credit	516,373,687	58,346,053	5,855,984	2,445,694	-	884,748	-	583,906,166
Other liabilities	69,566,003	28,161	39,045,507	-	35,488	-	-	108,675,159
Total	6,766,640,584	898,795,973	395,503,333	14,241,313	466,155,344	165,893,047	3,900,759	8,711,130,353
Previous Year Total	6,559,845,574	798,603,835	438,595,131	26,469,160	556,963,902	187,311,547	3,902,509	8,571,691,658

29. Commitments and Contingent Liabilities:

This item consists of the following:

	March 31, 2022 (Reviewed)	December 31, 2021 (Audited)
	JD	JD
Letters of credit	639,815,490	622,808,264
Acceptances	147,204,150	130,515,192
Guarantees:		
- Payment	106,701,422	107,431,378
- Performance bonds	117,297,068	118,465,594
- Other	208,314,826	208,977,211
Forward foreign currency contracts	291,462,863	288,753,278
Currency swap contracts	14,180,000	14,180,000
Un-utilized direct credit facilities ceilings	502,650,974	525,281,052
Total	2,027,626,793	2,016,411,969

30. Lawsuits Raised Against the Bank and Lawsuits Raised by the Bank Against Others

Lawsuits raised against the Bank amounted to approximately JD 31.3 million as of March 31, 2022 (approximately JD 34,3 million as of December 31, 2021). In the opinion of the Bank's management and legal advisor, no liabilities will arise therefrom that exceed the booked provision of JD 7.2 as of March 31, 2022 (JD 7.2 as of December 31, 2021).

Other than the above-mentioned lawsuits, during the year 2019, the inspectors of the Central Bank of Algeria visited the management of the Housing Bank for Trade and Finance Algeria (a subsidiary company) and cited reports of violations attributed to the Bank related to violating some banking procedures in the Republic of Algeria. In this connection, an appealable preliminary decision by the Court of First Instance in Algeria was issued. The said decision imposed a fine of DZD 6.3 billion (Equivalent to JD 31.3 million as of March 31, 2022) on the Housing Bank for Trade and Finance / Algeria (a subsidiary company) for one of the violations. The subsidiary company appealed on the preliminary decision, and The decision of the Algiers Judicial Council was issued on May 25, 2021, which acquitted the subsidiary of all charges against it in the civil and criminal lawsuit. And, In the opinion of both the management and the legal advisor, the Bank has a strong legal position in the cassation phase.

On the other hand, the lawsuits raised by the Bank against others amounted to approximately JD 595.8 million as of March 31, 2022 (approximately JD 574.4 million as of December 31, 2021).

31. Fair Value Hierarchy

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

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

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

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

	Level (1)	Level (2)	Level (3)	Total
	JD	JD	JD	JD
<u>March 31, 2022 (Reviewed)</u>				
Financial assets:				
Financial assets at fair value through other comprehensive income	351,148,368	-	26,347,895	377,496,263
Direct credit facilities at fair value through profit or loss	4,321,131	-	450,584	4,771,715
Financial assets at fair value through profit or loss	96,255,906	-	-	96,255,906
Total	451,725,405	-	26,798,479	478,523,884
<u>December 31, 2021 (Audited)</u>				
Financial assets:				
Financial assets at fair value through other comprehensive income	349,850,483	-	26,347,895	376,198,378
Financial assets at fair value through profit or loss	4,180,221	-	450,584	4,630,805
Direct credit facilities at fair value through profit or loss	96,646,207	-	-	96,646,207
Total	450,676,911	-	26,798,479	477,475,390