

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

CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
FOR THE SIX
MONTHS ENDED 30 JUNE 2022
TOGETHER WITH THE INDEPENDENT
AUDITOR'S REVIEW REPORT

SAFWA ISLAMIC BANK
(PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN-THE HASHEMITE KINGDOM OF JORDAN
30 JUNE 2022

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In the Name of Allah, the Beneficent, the Merciful

Review Report

AM/ 014589

To the Chairman and the Board of Directors of
Safwa Islamic Bank
(A Public Shareholding Limited Company)
Amman – The Hashemite Kingdom of Jordan

Introduction

We have reviewed the condensed consolidated interim statement of financial position of Safwa Islamic Bank (a Public Shareholding limited Company) as of 30 June 2022 and the related condensed consolidated interim statements of profit or loss and comprehensive income for the three months and six months periods ended on 30 June 2022, changes in shareholders' equity and cash flows for the six month then ended, and a summary of significant accounting policies and other explanatory information. Management is responsible for the preparation and fair presentation of this condensed consolidated interim financial information in accordance with the Financial Accounting Standards issued by Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) as adopted by the Central Bank of Jordan. Our responsibility is to express a conclusion on these condensed consolidated interim financial information based on our review.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information is not prepared, in all material respects, in accordance with the Financial accounting standards issued by accounting and auditing organisation for Islamic financial institutions (AAOIFI) as adopted by the Central Bank of Jordan.

Other Matters

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

Amman – The Hashemite Kingdom of Jordan
28 July 2022

Deloitte & Touche (M.E.) - Jordan

Deloitte & Touche (M.E.)

ديلويت أند توش (الشرق الأوسط)

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"Statement A"

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

Condensed Consolidated Interim Statement of Financial Position

	Note	30 June 2022 (Reviewed) JD	31 December 2021 (Audited) JD
Assets			
Cash and balances with the Central Bank	4	357,440,743	358,653,364
Balances at banks and the financial institutions	5	8,622,457	8,293,931
International wakala investments-net	6	87,298,126	86,124,648
Financial assets at fair value through profit or loss	7	492,210	1,565,294
Deferred sales receivables and other receivables-net	8	1,174,144,771	1,063,215,294
Financial assets at fair value through unrestricted investment accounts' holders equity-net	9	161,909,569	164,363,677
Financial assets at amortized cost -net		37,313,000	64,752,000
Investment in associate		345,954	343,708
Ijara Muntahia Bittamleek assets-net	10	572,789,397	533,805,256
Qard Hasan-net	Statement "E"	3,429,074	1,619,321
Property and equipment-net		21,863,353	22,333,251
Intangible assets - net		2,202,564	1,919,527
Right of use assets	28/A	10,573,753	9,367,268
Deferred tax assets	13/C	7,365,117	6,734,092
Other assets	11	15,651,887	13,044,688
Total Assets		2,461,441,975	2,336,135,319
Liabilities			
Banks and financial institutions accounts		23,721,733	16,530,718
Customers' current accounts	12	297,400,215	290,066,768
Cash margins		53,051,285	56,124,802
Income tax provision	13/A	5,350,174	8,332,402
Other provisions		440,000	440,000
Lease liabilities	28/B	10,265,029	9,342,554
Other liabilities	14	59,044,832	51,211,325
Total Liabilities		449,273,268	432,048,569
Unrestricted Investment Accounts Holders' Equity			
Unrestricted investment accounts	15	1,848,829,971	1,741,326,610
Fair value reserve	16	(933,691)	82,413
Total Unrestricted Investment Accounts Holders' Equity		1,847,896,280	1,741,409,023
Shareholders' Equity			
Paid up capital	17	100,000,000	100,000,000
Statutory reserve	17	29,766,889	29,766,889
Retained earnings	18	26,910,838	32,910,838
Profit for the period - Statement (B)		7,594,700	-
Total Shareholders' Equity		164,272,427	162,677,727
Total Liabilities, Unrestricted Investment Accounts Holders' and Shareholders' Equity		2,461,441,975	2,336,135,319
Wakala Investments accounts	Statement "F"	2,530,911	4,288,847

The accompanying notes constitute an integral part of this condensed consolidated interim financial information and should be read with it and with accompanying review report.

Statement "C"

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

	Paid up capital		Statutory reserve		Retained Earnings*		Profit for the period		Total	
	JD		JD		JD		JD		JD	
For the six month period ended 30 June 2022										
Balance as at the beginning of the year	100,000,000		29,766,889		32,910,838		-		162,677,727	
Distributed Dividends**	-		-		(6,000,000)		-		(6,000,000)	
Total comprehensive Income for the period	-		-		-		7,594,700		7,594,700	
Balance as of 30 June 2022	100,000,000		29,766,889		26,910,838		7,594,700		164,272,427	
For the six months period ended 30 June 2021										
Balance as at the beginning of the year	100,000,000		27,485,171		27,132,236		-		154,617,407	
Distributed Dividends	-		-		(6,000,000)		-		(6,000,000)	
Total comprehensive Income for the period	-		-		-		6,942,398		6,942,398	
Balance as of 30 June 2021	100,000,000		27,485,171		21,132,236		6,942,398		155,559,805	

- Retained earnings include JD 746,995 of 30 June 2022 (JD 669,296 as at 31 December 2021) which represents deferred tax assets -self financed and it is restricted from use based on the Central Bank of Jordan instructions.

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

** In its meeting held on April 24, 2022 , the General Assembly approved the recommendation of the Board of Directors to distribute cash dividends of (6) million dinars to shareholders for the year 2021 at a rate of 6% of the capital

The accompanying notes constitute an integral part of this condensed consolidated interim financial information and should be read with it and with accompanying review report.

Statement "D"

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

	Note	For the six month period ended 30 June	
		2022 (Reviewed)	2021 (Reviewed)
		JD	JD
Cash Flows from Operating Activities			
Profit for the period before tax - statement (B)		12,282,568	11,211,118
Adjustments for non monetary items:			
Depreciation and amortization		1,553,299	1,613,041
Depreciation of Ijara Muntahia Bittamleek assets(self & jointly financed)		19,200,664	21,840,280
Depreciation of right of use assets	28/A	814,827	718,165
Finance costs (discount on lease liabilities)	28/A	170,926	151,113
Unrealized losses (gains) for financial assets at fair value through statement of profit or loss	21	26,717	(36,051)
Expected credit losses provision - joint	6&8&9&14	5,334,593	5,458,905
Expected credit losses provision - self	8&14& Statement "E"	218,800	23,080
(Decrease) in other provisions - net		-	(184,597)
Net share of joint funds from (profits) of associate		(8,496)	(451)
Provision for seized assets / joint Funds	11	39,939	171,944
Losses from sale of seized assets against debts		23,118	47,042
Cash Flows from Operating Activities before Changes in working capital		39,656,955	41,013,589
Changes in operating working capital :			
(Increase) in deferred sales receivables and other receivables		(115,976,029)	(255,821,839)
(Increase) in Ijara Muntahia Bittamleek assets		(58,184,805)	(71,432,759)
(Increase) in the Qard Hasan		(1,833,158)	(97,973)
(Increase) in other assets		(2,808,256)	(4,473,258)
Increase in customers' current accounts		7,333,447	53,855,271
(Decrease) increase in cash margin accounts		(3,073,517)	7,955,496
Increase in other liabilities		7,411,599	14,886,656
Net cash (used in) operating activities before income tax paid		(127,473,764)	(214,114,817)
Income tax paid	13/A	(8,301,121)	(8,251,868)
Net cash (used in) operating activities		(135,774,885)	(222,366,685)
Cash Flows from Investing Activities			
Maturity (purchase) of financial assets at fair value through unrestricted investment		1,237,874	(6,184,244)
Net sale (purchase) of financial assets at fair value through statement of profit or loss		1,046,367	(5,968,132)
Maturity of financial assets at amortized cost		27,439,000	27,439,000
Cash dividends from an associate		6,250	6,250
(Purchase) of intangible assets		(667,061)	(164,206)
(Purchase) of property and equipment		(699,376)	(523,151)
Proceeds from sale of seized assets against debts		138,000	258,000
Net (increase) in International Wakala Investments		(1,225,718)	(29,686,782)
Net cash flows from (used in) investing activities		27,275,336	(14,823,265)
Cash Flows from Financing Activities			
Increase in unrestricted investment holders equity		107,503,361	173,373,239
Payments of finance Lease	28/B	(1,269,763)	(1,002,452)
(Dividends) to shareholders		(5,809,159)	(5,675,852)
Net cash flows from financing activities		100,424,439	166,694,935
Net (decrease) in cash and cash equivalents		(8,075,110)	(70,495,015)
Cash and cash equivalents at beginning of the year		350,416,577	336,278,754
Cash and cash equivalents at end of the period	26	342,341,467	265,783,739

The accompanying notes constitute an integral part of this condensed consolidated interim financial information and should be read with it and with accompanying review report.

Statement "E"

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

Statement Of Sources And Uses Of Al-Qard Al-Hasan Fund

	30 June	31 December
	2022 (Reviewed)	2021 (Audited)
	JD	JD
Balance as at the beginning of the period / year	1,279,581	981,882
Sources of the fund from :		
Shareholders' equity	(6,112,806)	(6,152,124)
Total sources of the fund's assets during the period / year	(6,112,806)	(6,152,124)
Uses of the fund on :		
Corporate	7,164,711	6,444,856
Employees	20,430	4,967
Total uses during the period / year	7,185,141	6,449,823
Total balance	2,351,916	1,279,581
Add: overdrawn accounts	1,300,824	540,001
Less : expected credit losses provision	(223,666)	(200,261)
Balance at the end of the period / year - Net	3,429,074	1,619,321

Statement "F"

Safwa Islamic Bank
(A Public Shareholding Limited Company)
Amman-The Hashemite Kingdom of Jordan
Condensed Consolidated Interim Statement of changes in Restricted Wakala Accounts

	Local Murabaha	Total
	JD	JD
<u>For the period ended 30 June 2022</u>		
Beginning balance of the period	4,288,847	4,288,847
Add: Deposits	2,012,189	2,012,189
Less: Withdrawals	(3,770,125)	(3,770,125)
Add: Investments' gains	1,211,782	1,211,782
Less: Bank's share as agent (wakeel)	(51,277)	(51,277)
Less: Muwaket's share	(1,160,505)	(1,160,505)
Investments at the end of period	2,530,911	2,530,911
Deferred revenue	79,561	79,561
Suspended revenue	-	-
Balance as at 30 June 2022	79,561	79,561
<u>For the year ended 31 December 2021</u>		
Beginning balance of the year	7,096,305	7,096,305
Add: Deposits	10,287,479	10,287,479
Less: Withdrawals	(13,094,937)	(13,094,937)
Add: Investments' gains	1,136,746	1,136,746
Less: Bank's share as agent (wakeel)	(150,018)	(150,018)
Less: Muwaket's share	(986,728)	(986,728)
Investments at the end of year	4,288,847	4,288,847
Deferred revenue	114,515	114,515
Suspended revenue	-	-
Balance as at 31 December 2021	114,515	114,515

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

(1) INCORPORATION AND ACTIVITIES

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

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

The authorized and paid-up capital of the bank is JD 100 million, consisting of 100 million shares, with a nominal value of one dinar per share .

Etihad Islamic Investment Company owns 62.37% of the bank's capital.

The condensed consolidated financial information for the six months ended 30 June 2022 has been approved by the Bank's Board of Directors at its meeting No. (5/2022) on 28 July 2022.

The Sharia Bureau met in its session No. (4/2022) on 27 July 2022, and issued its sharia report for the period ended 30 June 2022.

(2) BASIS OF PREPARATION

A-Basis of preparation of the Condensed Consolidated Interim Financial Information

The consolidated financial information of the Bank has been prepared according to the financial accounting standards issued by The Accounting and Auditing Organization for Islamic Financial Institutions as adopted by the Central Bank of Jordan.

The standards issued by the International Accounting Standards Board and The interpretations issued by the International Financial Reporting Interpretations Committee are applied in the absence of standards issued by The Accounting and Auditing Organization for Islamic Financial Institutions and will be replaced later by standards issued by the accounting and auditing organization for Islamic financial Institution once the new standards are issued.

The main differences between the Islamic accounting standards issued by the accounting and Auditing Organization for Islamic Financial Institution and the International Financial Reporting standards as they should be applied and what has been approved by central Bank of Jordan consist of the following:

First: Provisions for expected credit losses are made in accordance with FAS (30) issued by the organization for Islamic Financial Institutions and according to the instructions of the Central Bank of Jordan, whichever is stricter, the major differences are as follows:

- Sukuk issued or guaranteed by the Jordanian government are excluded so that credit exposures on the Jordanian government and guaranteed by it are addressed without credit losses.
- When calculating credit losses against credit exposures, the results are obtained according to FAS (30) issued by the Organization for Islamic Financial Institutions are compared with the instructions of the Central Bank of Jordan No. (47/2009) dated 10, December 2009 for each stage separately. The most stringent result is selected.
- Revenue and commissions are suspended on non-performing credit financing granted to clients in accordance with the Central Bank of Jordan instructions.

Second: Assets seized by the bank against debts are disclosed in the condensed consolidated interim statement of financial position under "Other Assets", and recorded using the acquisition value or fair value, whichever is less, and they are reevaluated individually at the date of the consolidated financial statements. In the Condensed Consolidated Interim Statement of Profit or Loss and Comprehensive Income however, the increase in value is not recorded as revenue. Subsequent increase in fair value is recorded in the Condensed Consolidated Interim Statement of Profit or Loss and Comprehensive Income to the extent that it does not exceed the value of the decrease that has been previously recorded. Also, a progressive provision is recorded for the assets seized against debts, according to the Central Bank of Jordan letter No. 10/3/13246 dated on 2 September 2021 as (5%) of the total book values of these properties starting from the year 2022 to achieve the required percentage of (50%) for these properties by the end of year 2030.

The condensed consolidated interim financial information is presented in Jordanian Dinar (JD), which is the functional currency of the Bank.

The separation between what belongs to the Shareholders' equity and what belongs to the unrestricted investment accounts holders is taken into consideration.

Unrestricted investment accounts mean joint investment accounts wherever they are mentioned.

The interim condensed consolidated financial information does not include all the information and explanations required for the annual consolidated financial statements prepared in accordance with the Accounting Standards for Islamic Financial institutions issued by the Accounting and Auditing Organization for Islamic financial institutions as approved by the central bank of Jordan , and it must be read with the annual Financial statements of the bank as of 31 December 2021 ,Moreover, the results of the six – months operations ending 30 June 2022 do not represent the inclusion of the expected results for year ending December 31, 2022. The appropriation has not been made to the profits for the six-month period ended 30 June 2022 which will be performed at the end of the fiscal year.

B- Significant Accounting Judgments , Key Sources of Uncertainty Estimation and Risks Management:

The preparation of the condensed consolidated interim financial information and application of the accounting policies are required from the bank's management to make judgments, estimates, and assumptions that affect the amounts of financial assets and financial liabilities disclose contingent liabilities. Moreover, these estimates and judgments affect revenue, expenses, provisions in general , and expected credit losses as well as the changes in fair value that appear in the condensed consolidated interim statement of profit or loss and within the shareholders' equity. Furthermore, the Bank's

management is required to make judgments to estimate the amount and timing of future cash flows. These estimates are necessarily based on multiple believes hypothesis 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 bank mangment belives that estimates used in the preparation of this condensed consolidated interim financial information are reasonable and consistent with those used in the preparation of the Bank's annual consolidated financial statements for the year ended 31 December 2021.

C-Basis of Consolidation of the condensed Consolidated Interim Financial Information

The condensed interim financial information comprises of the condensed consolidated interim financial information of the Bank and its subsidiary which are financed by the self funds of the Bank that has the control to govern the operational and financial policies of the Subsidiaries to obtain benefits from their activities. All inter-company balances, transactions, revenue, expenses and off -balance sheet items between the Bank and its subsidiary are eliminated.

The condensed consolidated interim financial information of the subsidiary is prepared for the same reporting period as the Bank, using same accounting policies applied the Bank.

The subsidiary of the Bank at 30 June 2022 is as follows:

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

The subsidiary operations results are consolidated in the condensed consolidated interim information of profit or loss and comprehensive income from the acquisition date which is the date the bank actually obtains control on the subsidiary. The subsidiary ceased operations result are consolidated in the condensed consolidated interim information of profit or loss and comprehensive income, and continue to be consolidated until the date that such control ceases.

Non-controlling interests represent the portion of owners' equity that is not owned by the Bank in its subsidiary.

3-Accounting policies

The accounting policies used in preparing the condensed consolidated interim financial information for the period ended on 30 June 2022 are consistent with those followed in preparing the consolidated financial information for the year ended 31 December 2021, except for the effect of the new Accounting Standards for Islamic institutions that became affective at the beginning of the year 2022, which are mentioned in Note (36).

(4) CASH AND BALANCES AT THE CENTRAL BANK

The details of this item are as follows:

	30 June 2022 (Reviewed)	31 December 2021 (Audited)
	JD	JD
Cash on hand	27,501,598	22,099,424
Balances at the Central Bank of Jordan:		
Current accounts	250,220,679	259,858,283
Statutory cash reserve	79,718,466	76,695,657
Total	357,440,743	358,653,364

- Except for the statutory cash reserve, there are no other restricted cash balances at the Central Bank of Jordan as at 30 June 2022 and 31 December 2021 .
- No provision for expected credit losses has been calculated on the balances with the Central Bank of Jordan , as they are exposures to the Jordanian government.

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

	Stage 1 (individual) For the period ended 30 June 2022	Stage 1 (individual) For the year ended 31 December 2021
	JD	JD
Balance at the beginning of the period / year	336,553,940	330,865,686
New balances during the period / year	-	430
Repaid balances	-	-
Changes resulting from modifications	(6,614,795)	5,687,824
Balance at the end of the period / year	329,939,145	336,553,940

(5) BALANCES AT BANKS AND FINANCIAL INSTITUTIONS

The details of this item are as follows:

	Local banks and financial institutions		Foreign banks and financial institutions		Total	
	30 June 2022(Reviewed)	31 December 2021(Audited)	30 June 2022(Reviewed)	31 December 2021(Audited)	30 June 2022(Reviewed)	31 December 2021(Audited)
	JD	JD	JD	JD	JD	JD
Current and on -Demand accounts	926,324	713,698	7,696,133	7,580,233	8,622,457	8,293,931
Total	926,324	713,698	7,696,133	7,580,233	8,622,457	8,293,931

- There are no balances at banks and financial institutions on which the bank receives returns as at 30 June 2022 and 31 December 2021.
- There are no balances with banks and financial institutions for which the bank charges returns as at 30 June 2022 and as on 31 December 2021.
- All balances at banks and banking institutions are classified as stage(1). There are also no transfers between the(first, second and third) stages or written -off balances during the six months ended in 30 June 2022. Moreover , there is no need to record a provision for expected credit losses for balances at banks and banking institutions.

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

	Stage 1 (individual) For the period ended 30 June 2022	Stage 1 (individual) For the year ended 31 December 2021
	JD	JD
Balance at the beginning of the period /year	8,293,931	9,669,834
New balances during the period / year	85,032	186,595
Repaid balances	-	(26)
Changes resulting from modifications	243,494	(1,562,472)
Balance at the end of the period/ year	8,622,457	8,293,931

(6) INTERNATIONAL WAKALA INVESTMENTS - NET

The details of this item are as follows :

	Jointly financed	
	30 June	31 December
	2022(Reviewed)	2021(Audited)
Matures:	JD	JD
Within a month	61,858,398	66,701,844
From a month to three months	20,194,756	17,209,456
From three to six months	5,855,800	2,771,936
Total International Wakala Investments	87,908,954	86,683,236
Less: Expected credit losses for international wakala investment	(610,828)	(558,588)
Net International Wakala Investments	87,298,126	86,124,648

The lowest and highest received Murabaha rates were 3.85% and 4.10% respectively-

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

Item	For the period ended 30 June 2022			
	Stage 1	Stage 2 (Individual)	Stage 3	Total
	(Individual)			
	JD	JD	JD	JD
Balance at the beginning of the period	86,683,236	-	-	86,683,236
New balances and deposits during the period	87,908,953	-	-	87,908,953
Repaid balances and deposits	(86,683,235)	-	-	(86,683,235)
Total balance at the end of the period	87,908,954	-	-	87,908,954

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

The movement on the Expected Credit Losses provisions for the international Wakala investments was as follows:

Item	For the period ended 30 June 2022			
	Stage 1	Stage 2 (Individual)	Stage 3	Total
	(Individual)			
	JD	JD	JD	JD
Balance at the beginning of the period	558,588	-	-	558,588
Impairment loss of new balances during the period	610,828	-	-	610,828
Recovered from impairment loss on repaid balance and deposits	(558,588)	-	-	(558,588)
Total balance at the end of theperiod	610,828	-	-	610,828

(7) FINACIAL ASSETS AT FAIR VALUE THROUGH THE STATEMENT OF PROFIT OF LOSS

The details of this item are as follows:

	Jointly financed		Self financed		Total	
	30 June	31 December	30 June	31 December	30 June	31 December
	2022(Reviewed)	2021(Audited)	2022(Reviewed)	2021(Audited)	2022(Reviewed)	2021(Audited)
	JD	JD	JD	JD	JD	JD
Quoted corporate shares	64,086	69,813	160,000	-	224,086	69,813
Quoted Islamic sukuk	268,124	1,495,481	-	-	268,124	1,495,481
Total	332,210	1,565,294	160,000	-	492,210	1,565,294

(8) DEFERRED SALES RECEIVABLES AND OTHER RECEIVABLES - NET

The details of this item are as follows:

	Jointly financed		Self financed		Total	
	30 June 2022(Reviewed)	31 December 2021(Audited)	30 June 2022(Reviewed)	31 December 2021(Audited)	30 June 2022(Reviewed)	31 December 2021(Audited)
	JD	JD	JD	JD	JD	JD
Individuals (retail)						
Murabaha to the purchase orderer	394,086,588	357,150,865	1,638,407	1,387,424	395,724,995	358,538,289
Ijara Muntahia Bittamleek - receivables	1,091,349	1,440,495	245	246	1,091,594	1,440,741
Other receivables	5,649,563	5,243,641	30,572	30,612	5,680,135	5,274,253
Real estate financing	21,857,003	23,922,928	-	-	21,857,003	23,922,928
Ijara Muntahia Bittamleek - receivables	450,092	431,709	-	-	450,092	431,709
Corporate						
Murabaha to the purchase orderer	449,098,001	430,360,904	-	-	449,098,001	430,360,904
Ijara Muntahia Bittamleek - receivables	2,161,470	2,161,551	-	-	2,161,470	2,161,551
Other receivables	-	-	582,202	779,145	582,202	779,145
Small and medium enterprises						
Murabaha to the purchase orderer	50,557,600	44,951,938	-	-	50,557,600	44,951,938
Ijara Muntahia Bittamleek - receivables	48,343	20,110	-	-	48,343	20,110
Other receivables	-	-	1,198,776	1,922,767	1,198,776	1,922,767
Government and the public sector	454,624,702	384,465,171	-	-	454,624,702	384,465,171
Total	1,379,624,711	1,250,149,312	3,450,202	4,120,194	1,383,074,913	1,254,269,506
Less: Deferred revenue	156,634,808	144,157,955	213,667	174,257	156,848,475	144,332,212
Suspended revenue	2,462,699	2,149,584	7,112	7,112	2,469,811	2,156,696
Expected credit losses	49,527,065	44,532,900	84,791	32,404	49,611,856	44,565,304
Net deferred sales receivable and other receivables	1,171,000,139	1,059,308,873	3,144,632	3,906,421	1,174,144,771	1,063,215,294

- The non-performing deferred sales receivables, other receivables, facilities and Ijara Muntahia bittamleek receivables amounted to JD 35,351,788 as at 30 June 2022, representing 2.55 % of deferred sales receivables, other receivables, facilities and Ijara Muntahia Bittamleek receivables (JD 30,246,226 as at 31 December 2021, representing 2.41% of deferred sales receivables, other receivables, facilities and Ijara Muntahia Bittamleek receivables).
- The non-performing deferred sales receivables, other receivables, facilities and Ijara Muntahia Bittamleek receivables after deducting the suspended revenue amounted to JD 32,881,977 as at 30 June 2022, representing 2.38% of deferred sales receivable, other receivables, facilities and Ijara Muntahia Bittamleek (JD 28,089,530 as at 31 December 2021, representing 2.24% of deferred sales receivable, other receivables, facilities and Ijara Muntahia bittamleek).
- The provision for impairment of the jointly financed facilities, which is calculated based on the Central Bank of Jordan's Instructions No.(47/2009) in the (under supervision) portfolio amounted to JD 332,644. Moreover, the provision calculated based on the "individual customer"(non-performing) amounted to JD 28,565,346 as at 30 June 2022 (JD 642,260 and JD 24,646,935 respectively as at 31 December 2021).
- The deferred sales receivables and other receivables and facilities granted to and guaranteed by the Government of the Hashemite Kingdom of Jordan amounted to JD 299,694,149 as at 30 June 2022 representing 21.67% of the balance of deferred sales receivables, other receivables and facilities (JD 235,350,835 as at 31 December 2021, representing 18.76% of the balance of deferred sales receivables, other receivables and facilities).

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

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

Item	For the six month period 30 June 2022 (Reviewed)					
	Stage 1		Stage 2		Stage 3	Total
	Individual	Collective	Individual	Collective		
JD	JD	JD	JD	JD	JD	
Total balance at the beginning of the period	1,814,416	2,146,470	242,810	1,015,554	539,157	5,758,407
New facilities during the period	1,961,977	559,154	351,197	2,400	2,146	2,876,874
Settled facilities	(320,356)	(90,866)	(534)	(7,714)	(347)	(419,817)
Transfer to Stage 1	52,802	41,575	(52,802)	(41,575)	-	-
Transfer to Stage 2	(177,946)	(182,089)	177,946	182,089	-	-
Transfer to Stage 3	-	(72,963)	-	(35,586)	108,549	-
The total impact on the size of exposures as a result of changing the classification between stages	67,294	(20,095)	(41,827)	(36,467)	(1,033)	(32,128)
Changes resulting from modifications	(483,664)	(420,802)	(21,760)	(374,907)	(40)	(1,301,173)
Total balance at the end of the period	2,914,523	1,960,384	655,030	703,794	648,432	6,882,163

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

Item	For the six month period ended 30 June 2022 (Reviewed)					
	Corporate's	Small and medium enterprises	Individual (Retail)	Real estate loans	Government and the public sector	Total
	JD	JD	JD	JD	JD	JD
Balance at the beginning of the period	24,306	55,397	152,962	-	-	232,665
The lowest and highest received Murabaha rates were 3.85% and.	67,452	901	4,207	-	-	72,560
Recoverable from the loss on settled facilities	(4,422)	(70)	(614)	-	-	(5,106)
Transfer to Stage 1	13	-	2	-	-	15
Transfer to Stage 2	(13)	-	(8)	-	-	(21)
Transfer to Stage 3	-	-	6	-	-	6
Effect on the provision - as at the end of the period - as a result of the change in classification between the three stages during the period	1,056	11,950	810	-	-	13,816
Changes resulting from modifications	(4,798)	-	(680)	-	-	(5,478)
Total balance at the end of the period	83,594	68,178	156,685	-	-	308,457

Redistribution:

Provisions on an individual basis	83,594	66,663	150,672	-	-	300,929
Provisions at a collective basis	-	1,515	6,013	-	-	7,528

- The movement on credit financing (after deducting suspended and deferred revenue):
B- Jointly financed

Item	For the six month period ended 30 June 2022 (Reviewed)					
	Stage 1		Stage 2		Stage 3	Total
	Individual	Collective	Individual	Collective		
JD	JD	JD	JD	JD	JD	
Total balance at the beginning of the period						
New facilities during the period	666,727,092	302,213,964	69,779,932	37,610,805	27,509,980	1,103,841,773
Settled facilities	124,371,715	74,432,699	38,215,427	2,878,829	2,520,813	242,419,483
Transfer to Stage 1	(66,154,786)	(13,789,145)	(5,840,108)	(1,927,860)	(457,286)	(88,169,185)
Transfer to Stage 2	8,672,051	11,215,741	(8,672,051)	(11,206,348)	(9,393)	-
Transfer to Stage 3	(6,757,998)	(5,650,514)	6,757,998	6,258,822	(608,308)	-
Effect on the provision - as at the end of the period - as a result of the change in classification between the three stages	-	(1,019,471)	(544,305)	(1,670,448)	3,234,224	-
Changes resulting from modifications	(788,126)	(1,206,870)	(418,255)	(135,566)	(118,168)	(2,666,985)
Total balance at the end of the period	1,820,657	(21,579,284)	(14,584,318)	(771,196)	216,259	(34,897,882)
	727,890,605	344,617,120	84,694,320	31,037,038	32,288,121	1,220,527,204

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

Item	For the six month period ended 30 June 2022 (Reviewed)					
	Corporate's	Small and medium enterprises	Individual (Retail)	Real estate loans	Government and the public	Total
	JD	JD	JD	JD	JD	JD
Balance at the beginning of the period	29,450,057	1,574,594	9,478,100	4,030,149	-	44,532,900
Loss on new financing during the period	5,204,668	59,828	343,898	10,534	-	5,618,928
Recoverable from impairment loss on settled facilities	(2,111,158)	(63,426)	(383,344)	-	-	(2,557,928)
Transfer to Stage 1	54,749	220	704,256	637	-	759,862
Transfer to Stage 2	(404,206)	(4,524)	(419,850)	(467,992)	-	(1,296,572)
Transfer to Stage 3	349,457	4,304	(284,406)	467,355	-	536,710
Effect on the provision - as at the end of the period - as a result of the change in classification between the three stages during the period	(14,926)	41,053	582,506	97,658	-	706,291
Changes resulting from modifications	(626,725)	188,200	1,160,165	505,234	-	1,226,874
Total balance at the end of the period	31,901,916	1,800,249	11,181,325	4,643,575	-	49,527,065

Redistribution:

Provisions on an individual basis	31,901,916	1,133,154	7,713,117	4,643,329	-	45,391,516
Provisions at a collective basis	-	667,095	3,468,208	246	-	4,135,549

Suspended revenue :

The movement on suspended revenue is as follows:

	Self-financed							
	For the six month period ended 30 June 2022 (Reviewed)				For the year ended 31 December 2021 (Audited)			
	Individual (Retail)	Corporate	Small and medium enterprises	Total	Individual (Retail)	Corporate	Small and medium enterprises	Total
JD	JD	JD	JD	JD	JD	JD	JD	JD
Balance at the beginning of the period / year	-	7,112	-	7,112	-	7,112	-	7,112
Add: suspended revenue during the period / year	-	-	-	-	-	-	-	-
Less: suspended revenue transferred to revenue	-	-	-	-	-	-	-	-
Balance at the end of the period / year	-	7,112	-	7,112	-	7,112	-	7,112

	Jointly financed							
	For the six month period ended 30 June 2022 (Reviewed)				For the year ended 31 December 2021 (Audited)			
	Individual (Retail)	Corporate	Small and medium enterprises	Total	Individual (Retail)	Corporate	Small and medium enterprises	Total
JD	JD	JD	JD	JD	JD	JD	JD	JD
Balance at the beginning of the period / year	984,711	1,081,696	83,177	2,149,584	815,512	932,660	34,853	1,783,025
Add: suspended revenue during the period / year	319,069	118,808	24,921	462,798	461,987	222,544	51,489	736,020
Less: suspended revenue transferred to revenue	142,650	6,656	377	149,683	292,788	73,508	3,165	369,461
Balance at the end of the period / year	1,161,130	1,193,848	107,721	2,462,699	984,711	1,081,696	83,177	2,149,584

The following are credit exposures in accordance to financial accounting standard (30) Issued by the Accounting and Auditing Organization for Islamic Financial Institutions as at 30 June 2022.

A- Self-financed

	Stage 1				Stage 2				Stage 3				Total									
	ECL		Suspended revenue		Deferred revenue		Total		ECL		Suspended revenue		Deferred revenue		Total		ECL		Suspended revenue		Deferred revenue	
	JD		JD		JD		JD		JD		JD		JD		JD		JD		JD		JD	
Corporates	2,404,864	29,448	-	-	655,031	-	340,904	-	14,224	7,112	-	-	3,400,799	83,594	-	-	3,400,799	83,594	-	-	-	-
Small and medium enterprises	389,372	3	-	-	702,797	2	162,934	-	68,173	-	-	-	1,255,103	68,178	-	-	1,255,103	68,178	-	-	-	-
Retail (Individual)	1,784,678	8,085	-	-	996	41	151,706	-	148,559	-	-	-	1,937,380	156,685	-	-	1,937,380	156,685	-	-	-	213,667
Real estate financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Government and public sector	509,660	-	-	-	-	-	-	-	-	-	-	-	509,660	-	-	-	509,660	-	-	-	-	-
Total	5,088,574	37,536	-	-	1,358,824	39,965	655,544	-	230,956	7,112	-	-	7,102,942	308,457	-	-	7,102,942	308,457	-	-	-	213,667

- The financing amount in according to financial accounting standard (30) Issued by the Accounting and Auditing Organization for Islamic Financial Institutions instructions does not include the amount of JD (5,899,932), representing Jara Mumtahia Bitamleek.

B - Jointly financed

	Stage 1				Stage 2				Stage 3				Total										
	ECL		Suspended revenue		Deferred revenue		Total		ECL		Suspended revenue		Deferred revenue		Total		ECL		Suspended revenue		Deferred revenue		
	JD		JD		JD		JD		JD		JD		JD		JD		JD		JD		JD		
Corporates	351,255,772	2,860,036	-	-	19,441,208	-	78,780,857	-	11,083,796	-	-	4,757,741	21,222,842	17,958,084	1,176,864	383,224	451,259,471	31,901,916	1,176,864	-	-	24,582,173	
Small and medium enterprises	26,429,306	42,898	-	-	1,016,614	-	21,069,958	-	704,062	-	-	920,377	3,106,679	1,053,289	107,721	92,865	50,605,943	1,800,249	107,721	-	-	2,029,856	
Retail (Individual)	377,486,284	1,448,446	-	-	63,365,656	-	12,051,684	-	907,957	-	-	1,477,152	11,289,532	8,824,922	1,107,265	725,900	400,827,500	11,181,325	1,107,265	-	-	65,568,708	
Real estate financing	8,059,016	5,264	-	-	959,227	-	13,906,576	-	3,909,260	-	-	2,921,447	342,503	729,051	70,849	8,747	22,307,095	4,643,575	70,849	-	-	3,889,421	
Government and public sector	454,624,702	-	-	-	60,564,650	-	-	-	-	-	-	-	-	-	-	-	454,624,702	-	-	-	-	-	60,564,650
Total	1,217,855,080	4,356,644	-	-	145,347,355	-	125,808,075	-	16,605,075	-	-	10,076,717	35,961,556	28,565,346	2,462,699	1,210,736	1,379,624,711	49,527,065	2,462,699	-	-	-	156,634,808

- The financing amount in accordance with Financial accounting standard (30) Issued by the Accounting and Auditing Organization for Islamic Financial Institutions instructions does not include the amount of JD (566,889,465) representing Jara Mumtahia Bitamleek.

The following are credit exposures in accordance to financial accounting standard (30) issued by the Accounting and Auditing Organization for Islamic Financial Institutions as at 31 December 2021.

A- Self-financed

	Stage 1						Stage 2						Stage 3						Total											
	ECL		Suspended revenue		Deferred revenue		Total		ECL		Suspended revenue		Deferred revenue		Total		ECL		Suspended revenue		Deferred revenue		Total		ECL		Suspended revenue		Deferred revenue	
	JD		JD		JD		JD		JD		JD		JD		JD		JD		JD		JD		JD		JD		JD		JD	
Corporates	1,304,756	10,104	-	-	242,810	41	-	340,842	14,161	7,112	-	1,888,408	24,306	-	1,912,714	14,161	7,112	-	1,929,876	24,306	7,112	-	1,954,188	24,306	7,112	-	1,978,504	24,306	7,112	-
Small and medium enterprises	908,055	5	-	-	1,015,092	4	-	1,923,147	55,388	-	-	1,978,535	55,397	-	2,033,933	55,388	-	-	2,089,321	55,397	-	-	2,144,718	55,397	-	-	2,200,115	55,397	-	-
Retail (Individual)	1,412,672	5,872	-	174,257	462	13	-	1,593,263	147,077	-	-	1,740,340	152,962	-	1,893,302	147,077	-	-	2,040,379	152,962	-	-	2,193,341	152,962	-	-	2,346,303	152,962	-	-
Real estate financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Government and public sector	509,660	-	-	-	-	-	-	509,660	-	-	-	509,660	-	-	509,660	-	-	-	509,660	-	-	-	509,660	-	-	-	509,660	-	-	-
Total	4,135,143	15,981	-	174,257	1,258,364	58	-	5,462,699	216,626	7,112	-	6,686,437	232,665	7,112	7,112	232,665	7,112	-	7,112	232,665	7,112	-	7,112	232,665	7,112	-	7,112	232,665	7,112	-

-.The financing amount in according to financial accounting standard (30) issued by the Accounting and Auditing Organization for Islamic Financial Institutions does not include the amount of JD (5,457,190)), representing Ijara Muntahia Bitamleek.

B- Jointly financed

	Stage 1						Stage 2						Stage 3						Total											
	ECL		Suspended revenue		Deferred revenue		Total		ECL		Suspended revenue		Deferred revenue		Total		ECL		Suspended revenue		Deferred revenue		Total		ECL		Suspended revenue		Deferred revenue	
	JD		JD		JD		JD		JD		JD		JD		JD		JD		JD		JD		JD		JD		JD		JD	
Corporates	352,068,357	3,750,027	-	16,811,613	62,266,523	9,089,288	-	2,846,802	16,610,742	1,081,696	450,439	432,522,455	29,450,057	1,081,696	450,439	434,054,590	16,610,742	1,081,696	450,439	1,081,696	450,439	1,081,696	450,439	20,108,854	1,081,696	450,439	1,081,696	450,439	20,108,854	
Small and medium enterprises	21,031,716	27,731	-	880,093	21,364,938	649,299	-	889,679	897,564	83,177	101,877	44,972,048	1,574,594	83,177	101,877	45,530,601	897,564	83,177	101,877	83,177	101,877	83,177	1,871,649	83,177	101,877	83,177	1,871,649			
Retail (Individual)	334,740,676	1,174,893	-	58,034,042	19,207,257	1,295,105	-	2,531,144	7,008,102	940,593	676,703	363,835,001	9,478,100	940,593	676,703	364,451,297	7,008,102	940,593	676,703	940,593	676,703	940,593	61,241,889	940,593	676,703	940,593	61,241,889			
Real estate financing	10,088,171	3,691	-	1,256,757	14,014,751	3,885,931	-	3,195,107	130,527	44,118	13,169	24,354,637	4,030,149	44,118	13,169	24,432,924	130,527	44,118	13,169	44,118	13,169	44,118	4,465,033	44,118	13,169	44,118	4,465,033			
Government and public sector	384,465,171	-	-	56,470,530	-	-	-	-	-	-	-	384,465,171	-	-	-	384,465,171	-	-	-	-	-	-	56,470,530	-	-	-	56,470,530			
Total	1,102,394,091	4,956,342	-	133,453,035	116,853,469	14,929,623	-	9,462,732	24,646,935	2,149,584	1,242,188	1,250,149,312	44,532,900	2,149,584	1,242,188	1,252,399,090	24,646,935	2,149,584	1,242,188	2,149,584	1,242,188	2,149,584	144,157,955	2,149,584	1,242,188	2,149,584	144,157,955			

The financing amount in accordance with financial accounting standard (30) issued by the Accounting and Auditing Organization for Islamic Financial Institutions does not include the amount of JD (528,346,066) representing Ijara Muntahia Bitamleek.

(9) FINANCIAL ASSETS AT FAIR VALUE THROUGH UNRESTRICTED INVESTMENT ACCOUNTS HOLDERS' EQUITY - NET

The details of this item are as follows:

	Jointly financed	
	30 June	31 December
	2022(Reviewed)	2021(Audited)
	JD	JD
Quoted Financial Assets :		
Corporate Shares	796,060	478,651
Islamic Sukuk	36,389,885	71,457,019
Total quoted Financial Assets	37,185,945	71,935,670
Unquoted Financial Assets		
Corporate Shares	3,810,554	2,564,807
Islamic Sukuk	121,346,000	90,096,000
Total unquoted financial assets	125,156,554	92,660,807
Total Financial Assets At Fair Value through Unrestricted Investment Accounts Holders' Equity	162,342,499	164,596,477
Less : Expected Credit Losses provision of financial assets	(432,930)	(232,800)
Net Financial Assets At Fair Value through Unrestricted Investment Accounts Holders' Equity-Net	161,909,569	164,363,677

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

The movement of the total financial assets at fair value through unrestricted investment accounts holders' equity for the period ended 30 June 2022 :

Item	Stage1	Stage2 (Individual)	Stage3	Total
	(Individual)			
	JD	JD	JD	JD
Balance at the beginning of the period	164,596,477	-	-	164,596,477
-The lowest and highest received Murabaha rates were 3.85% and 4.10% respectively.	33,066,890	-	-	33,066,890
Matured and sold investments	(41,764,160)	-	-	(41,764,160)
Change in Fair value	-	-	-	-
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Effect on the provision as a result of the change in classification between the stages	-	-	-	-
Changes resulting from modifications	6,443,292	-	-	6,443,292
Total balance at the end of period	162,342,499	-	-	162,342,499

Movement on the Expected Credit Losses provision for the financial assets at fair value through unrestricted investment accounts holders' equity for the period ended 30 June 2022:

Item	Stage1	Stage2 (Individual)	Stage3	Total
	(Individual)			
	JD	JD	JD	JD
Balance at the beginning of the period	232,800	-	-	232,800
Impairment loss on new investments during the period	3,281	-	-	3,281
Recovered from loss of Matured and sold investments	(22,353)	-	-	(22,353)
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Effect on the provision - as at the end of the period - as a result of the change in classification between the three stages during the period	-	-	-	-
Changes resulting from modifications	219,202	-	-	219,202
Total balance at the end of period	432,930	-	-	432,930

(10) IJARA MUNTALIAH BITTAMLEEK ASSETS - NET

30 June 2022 (Reviewed)

	Jointly financed			Self financed			Total		
	Cost	Accumulated Depreciation	Net Value	Cost	Accumulated Depreciation	Net Value	Cost	Accumulated Depreciation	Net Value
	JD	JD	JD	JD	JD	JD	JD	JD	JD
Ijara Muntaliah Bittamleek assets-Real Estate	622,490,985	(96,973,587)	525,517,398	7,445,485	(1,545,553)	5,899,932	629,936,470	(98,519,140)	531,417,330
Ijara Muntaliah Bittamleek assets-Machines	55,021,497	(15,631,009)	39,390,488	-	-	-	55,021,497	(15,631,009)	39,390,488
Ijara Muntaliah Bittamleek assets-Vehicles	2,043,507	(61,928)	1,981,579	-	-	-	2,043,507	(61,928)	1,981,579
Total	679,555,989	(112,666,524)	566,889,465	7,445,485	(1,545,553)	5,899,932	687,001,474	(114,212,077)	572,789,397

31 December 2021 (Audited)

	Jointly financed			Self financed			Total		
	Cost	Accumulated Depreciation	Net Value	Cost	Accumulated Depreciation	Net Value	Cost	Accumulated Depreciation	Net Value
	JD	JD	JD	JD	JD	JD	JD	JD	JD
Ijara Muntaliah Bittamleek assets-Real Estate	580,679,266	(91,816,833)	488,862,433	6,879,147	(1,421,957)	5,457,190	587,558,413	(93,238,790)	494,319,623
Ijara Muntaliah Bittamleek assets-Machines	51,976,724	(12,579,226)	39,397,498	-	-	-	51,976,724	(12,579,226)	39,397,498
Ijara Muntaliah Bittamleek assets-Vehicles	117,976	(29,841)	88,135	-	-	-	117,976	(29,841)	88,135
Total	632,773,966	(104,425,900)	528,348,066	6,879,147	(1,421,957)	5,457,190	639,653,113	(105,847,857)	533,805,256

- The accrued Ijara installments amounted to JD 3,751,499 as at 30 June 2022 (JD 4,054,111 as at 31 December 2021). Moreover, the accrued Ijara installments were presented under deferred sales receivables and other receivables-net (Note 8).
- The non-performing Ijara Muntaliah Bittamleek amounted to JD 4,403,029 as at 30 June 2022, representing 0.77% of the balance of Ijara Muntaliah Bittamleek assets (JD 3,583,586 as at 31 December 2021, representing 0.67% of the balance of Ijara Muntaliah Bittamleek assets).

(11) OTHER ASSETS

The details of this item are as follows:

	30 June 2022 (Reviewed)	31 December 2021 (Audited)
	JD	JD
Checks under collection	348,836	145,876
Seized assets by the bank against debts-Net*	8,155,159	7,941,658
Prepaid expenses	1,550,041	1,120,008
Deposit Insurance Corporation fee / Prepaid	2,006,772	-
Accrued revenue	1,538,062	1,580,066
Stationery and printing inventory	237,879	228,399
Remittances clearing	41,541	-
Withholding income tax	15,042	31,180
Petty cash and advances	163,935	134,170
Other accounts receivable	728,070	648,306
Others	866,550	1,215,025
Total	15,651,887	13,044,688

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

	For the six month period ended 30 June 2022 (Reviewed)			For the year ended 31 December 2021 (Audited)
	Seized real estates -self financed	Seized real estates- jointly financed	Total	Total
	JD	JD	JD	JD
Balance at the beginning of the period / year	409,833	8,620,321	9,030,154	6,945,645
Additions	-	395,546	395,546	2,468,822
Disposals	-	(142,106)	(142,106)	(384,313)
Total	409,833	8,873,761	9,283,594	9,030,154
Provision of seized assets(CBJ Instructions) /impairment of real estate	(343,441)	(784,994)	(1,128,435)	(1,088,496)
Balance at the end of the period / year	66,392	8,088,767	8,155,159	7,941,658

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

The recorded provision for seized assets against debts that violate Article (48) of the Banks Law No.(28) for the year 2000 and its amendments. Moreover, the provision for seized real estates /self-financed amounted to JD 248,753 as at 30 June 2022 (JD 225,754 as 31 December 2021).

The following is the movement on the provision for expropriated real estate (Central Bank of Jordan instructions / real estate depreciation):

	For the six month period ended 30 June 2022 (Reviewed)			For the year ended 31 December 2021 (Audited)
	Seized real estates -self financed	Seized real estates- jointly financed	Total	Total
	JD	JD	JD	JD
Provision balance at the beginning of the period / year	(343,441)	(745,055)	(1,088,496)	(445,132)
Additions to the provision for depreciation in real estate	-	(21,371)	(21,371)	(662,240)
Additions to the provision for violating real estate (instructions of the Central Bank of Jordan)	-	(23,000)	(23,000)	(12,197)
Disposal from the provision for impairment of real estate	-	4,432	4,432	30,240
Exclusions from the violating real estate allowance (instructions of the Central Bank of Jordan)	-	-	-	833
Balance at the end of the period / year	(343,441)	(784,994)	(1,128,435)	(1,088,496)

(12) CUSTOMERS' CURRENT ACCOUNTS

The details of this item are as follows:

	30 June 2022 (Reviewed)				
	Retail	Corporate	Small and medium companies	Governmental and Public sector	Total
	JD	JD	JD	JD	JD
Current accounts	190,987,255	28,363,045	72,332,713	5,717,202	297,400,215
Total	190,987,255	28,363,045	72,332,713	5,717,202	297,400,215

	31 December 2021 (Audited)				
	Retail	Corporate	Small and medium companies	Governmental and Public sector	Total
	JD	JD	JD	JD	JD
Current accounts	175,393,369	31,782,908	80,641,325	2,249,166	290,066,768
Total	175,393,369	31,782,908	80,641,325	2,249,166	290,066,768

- Government and public sector deposits inside the Kingdom as at 30 June 2022 amounted to JD 5,717,202 representing 1.92% of the total customers' current accounts (As at 31 December 2021 amounted to JD 2,249,166 representing 0.78% of the total customers' current accounts).

-Restricted accounts as at 30 June 2022 amounted to JD 1,116,119 representing 0.38% of the total customers' current accounts (As at 31 December 2021 amounted to JD 1,465,904 representing 0.51% of the total customers' current accounts).

- Dormant accounts as at 30 June 2022 amounted to JD 11,326,380 (As at 31 December 2021 amounted to JD 9,820,599).

(13) INCOME TAX

A- Income tax provision

The movement on the income tax provision is as follows :

	For the six month period ended 30 June	For the year ended 31 December
	2022 (Reviewed)	2021(Audited)
	JD	JD
Beginning balance for the period/year	8,332,402	8,298,808
Accrued income tax	5,318,893	10,177,077
Less: Income tax paid	(8,301,121)	(10,143,483)
Ending balance for the period/year	5,350,174	8,332,402

B- The income tax expense presented in the Condensed Consolidated Interim Statement of Profit or Loss and Comprehensive Income consists of the following:

	For the six month period ended 30 June	
	2022 (Reviewed)	2021 (Reviewed)
	JD	JD
Income tax due	(5,318,893)	(4,852,547)
Add : Relesed deferred tax assets	-	(125,780)
Less : Deferred tax assets / self financed	77,699	78,195
Less : Deferred tax assets / jointly financed	553,326	631,412
Total	(4,687,868)	(4,268,720)

-A rate of 35% was used to calculate the income tax provision in accordance with the law amending the Income and Sales Tax Law No. (38) for the year 2018 in addition to 3% as national contributions.

Tax status:

The Bank :

- Final clearance was obtained from the Income and Sales Tax Department until the end of 2018.
- The annual tax returns for the years 2019 and 2020 were submitted within the period and are currently under review by the Income and Sales Tax Department .
- The annual tax returns for the year 2021 was submitted within the statutory period and not yet been reviewed by the Income and Sales Tax Department to the date of preparing the condensed consolidated Interim financial information.

The Subsidiary :

Misk Financial Brokerage Company :

- A tax clearance was obtained for the year 2014. The tax returns for the years 2015,2016,2017,2018, and 2020 were accepted within the sampling system issued by the Income and Sales Tax Department .
- The tax returns for the years 2019 and 2021 had been submitted and still pending review by the Income and Sales Tax Department-
- Regarding the tax returns for the years 2011, 2012 and 2013, a court decision was issued to write off the amounts and accept the tax returns as they are. The court's decision has not been implemented by the Income and Sales Tax Department to date.

In the opinion of the bank's management, the provisions taken in the interim condensed consolidated financial information are sufficient for the purposes of tax liabilities.

C- Deferred tax assets

The details of this item are as follows:

	For the six month period ended 30 June				For the year ended 31 December	
	2022 (Reviewed)				2021 (Audited)	
	Balance for the period	Released Amounts	Additional Amounts	Ending Balance for the period	Deferred tax	Deferred tax
	JD	JD	JD	JD	JD	JD
Deferred tax assets - self financed						
Provision of lawsuits against the bank	340,000	-	-	340,000	129,200	129,200
Provision for impairment of assets seized by the bank against debts - (CBJ regulations)	343,441	-	-	343,441	130,508	130,508
Provision for credit losses for the first and second stages - self	283,830	-	204,470	488,300	185,554	107,855
Difference in the application of Standard 32 - Leases	636,762	-	-	636,762	241,970	241,970
Provision for contingent liabilities	100,000	-	-	100,000	38,000	38,000
Unpaid Employee bourses	57,272	-	-	57,272	21,763	21,763
Total Deferred tax assets - self financed	1,761,305	-	204,470	1,965,775	746,995	669,296
Deferred tax assets - jointly financed						
Provision for impairment of assets sized by the bank against debts - jointly financed	643,364	-	39,939	683,303	259,655	244,478
Provision for expected credit losses for the first and second stages - jointly financed	15,316,625	-	1,416,182	16,732,807	6,358,467	5,820,318
Total Deferred tax assets - jointly financed	15,959,989	-	1,456,121	17,416,110	6,618,122	6,064,796
Total	17,721,294	-	1,660,591	19,381,885	7,365,117	6,734,092

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

	For the six month period ended 30 June	For the year ended 31 December
	2022 (Reviewed)	2021 (Audited)
	JD	JD
Balance at the beginning of the period/year	669,296	807,460
Additions during the period/year	77,699	158,616
Amortized during the period/year	-	(296,780)
Balance at the End of the period/year	746,995	669,296

The movement on jointly-financed deferred tax assets is as follows:

	For the six month period ended 30 June 2022 (Reviewed)	For the year ended 31 December 2021 (Audited)
	JD	JD
Balance at the beginning of the period/year	6,064,796	4,506,415
Additions during the period/year	553,326	1,558,381
Balance at the End of the period/year	6,618,122	6,064,796

(14) OTHER LIABILITIES

The details of this item are as follows:

	30 June 2022 (Reviewed)	31 December 2021 (Audited)
	JD	JD
Accrued expenses	1,222,208	410,517
Certified cheques	8,137,125	5,925,643
Expected credit losses on off - balance sheet items-self financed(Note 32)**	484,545	341,537
Expected credit losses on off balance sheet items - Jointly financed(Note 32)***	929,983	841,925
Shareholders' and customers' deposits	8,609,795	10,702,612
Customers' share of profits from unrestricted investment	19,535,697	17,867,612
* Temporary with holdings	15,769,679	12,591,008
Visa Claims	2,460,425	2,099,032
Others	1,895,375	431,439
Total	59,044,832	51,211,325

* It includes intermediate accounts for an amount of JD 12,952,431 as of 30 June 2022 (JD 10,993,035 as of 31 December 2021), which is the value of credits and deferred policies, and the value will be paid when due.

• **Expected credit losses**

** Expected credit loss of indirect facilities

A- Self financed

- Movement on indirect facilities for the six month period ended 30 June 2022:

Item	Stage 1		Stage 2		Stage 3	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD		
Total balance at the beginning of the period	90,741,077	-	9,059,946	-	125,309	99,926,332
New exposures during the period	56,321,272	-	3,110,368	-	-	59,431,640
Accrued exposures	(25,027,383)	-	(6,722,343)	-	-	(31,749,726)
Transfer to Stage 1	357,467	-	(357,467)	-	-	-
Transfer to Stage 2	(566,316)	-	576,316	-	(10,000)	-
Transfer to Stage 3	(10,000)	-	-	-	10,000	-
Total impact on the size of exposures as a result of changing the classification between stages	(13,259)	-	(357,963)	-	-	(371,222)
Changes resulting from modifications	30,426,998	-	(116,155)	-	-	30,310,843
Bad facilities	-	-	-	-	-	-
Adjustments due to change in exchange rates	-	-	-	-	-	-
Total balance at the end of the period	152,229,856	-	5,192,702	-	125,309	157,547,867

- Movement on the provision for expected credit losses indirect facilities /self financed for the six month period ended 30 June 2022:

Item	Stage 1		Stage 2		Stage 3	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD		
Balance at the beginning of the period	276,031	-	65,506	-	-	341,537
Impairment loss on new exposures during the period	127,150	-	21,630	-	-	148,780
Impairment loss of matured / derecognized exposures	(45,240)	-	(35,742)	-	-	(80,982)
Transfer to Stage 1	2,320	-	(2,320)	-	-	-
Transfer to Stage 2	(3,672)	-	3,672	-	-	-
Transfer to Stage 3	(163)	-	-	-	163	-
Effect on the provision - as at the end of the period - as a result of changing the classification between the three stages during the period	(732)	-	(1,589)	-	(163)	(2,484)
Changes resulting from modifications	76,189	-	1,505	-	-	77,694
Bad facilities	-	-	-	-	-	-
Adjustments due to change in exchange rates	-	-	-	-	-	-
Total balance at the end of the period	431,883	-	52,662	-	-	484,545

*** Expected credit loss of indirect facilities

B- jointly financed

- Movement on indirect facilities for the six month period ended 30 June 2022 :

Item	Stage 1		Stage 2		Stage 3	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD		
Total balance at the beginning of the period	115,142,593	-	4,163,458	-	-	119,306,051
New exposures during the period	25,778,161	-	961,153	-	-	26,739,314
Accrued exposures	(26,797,324)	-	(1,245,483)	-	-	(28,042,807)
Transfer to Stage 1	321,881	-	(321,881)	-	-	-
Transfer to Stage 2	(1,545,020)	-	1,545,020	-	-	-
Transfer to Stage 3	-	-	-	-	-	-
The total impact on the size of exposures as a result of changing the classification between stages	59,979	-	95,298	-	-	155,277
Changes resulting from modifications	27,779,231	-	(469,553)	-	-	27,309,678
Bad facilities	-	-	-	-	-	-
Adjustments due to change in exchange rates	-	-	-	-	-	-
Total balance at the end of the period	140,739,501	-	4,728,012	-	-	145,467,513

- Movement on the provision for expected credit losses (indirect facilities /self financed) for the six month period ended 30 June 2022:

Item	Stage 1		Stage 2		Stage 3	Total
	Individual	Collective	Individual	Collective		
	JD	JD	JD	JD		
Balance at the beginning of the period	774,674	-	67,251	-	-	841,925
Impairment loss on new exposures during the period	108,468	-	17,074	-	-	125,542
Impairment loss of matured / derecognized exposures	(154,823)	-	(17,987)	-	-	(172,810)
Transfer to Stage 1	4,109	-	(4,109)	-	-	-
Transfer to Stage 2	(13,076)	-	13,076	-	-	-
Transfer to Stage 3	-	-	-	-	-	-
Effect on the provision - as at the end of the period - as a result of changing the classification between the three stages during the period	(2,535)	-	3,314	-	-	779
Changes resulting from modifications	142,107	-	(7,560)	-	-	134,547
Bad facilities	-	-	-	-	-	-
Adjustments due to change in exchange rates	-	-	-	-	-	-
Total balance at the end of the period	858,924	-	71,059	-	-	929,983

(15) UNRESTRICTED INVESTMENT ACCOUNTS

The details of this item are as follows:

30 June 2022 (Reviewed)						
	Retail	Corporate	Small and medium enterprises	Governmental and Public sector	Banks and Financial Institutions	Total
	JD	JD	JD	JD	JD	JD
Saving accounts	164,122,158	34,117,108	33,104,441	4,706,690	31,038,478	267,088,875
Term accounts/ Investing deposits	896,615,920	178,161,597	91,266,892	186,356,681	5,508,015	1,357,909,105
Investing certificates of deposit	124,472,155	5,302,543	11,342,148	17,675,142	38,203,071	196,995,059
Total	1,185,210,233	217,581,248	135,713,481	208,738,513	74,749,564	1,821,993,039
Depositors' share of investments revenue	17,549,410	3,136,254	1,830,934	3,375,213	945,121	26,836,932
Total unrestricted investment accounts	1,202,759,643	220,717,502	137,544,415	212,113,726	75,694,685	1,848,829,971

31 December 2021 (Audited)						
	Retail	Corporate	Small and medium enterprises	Governmental and Public sector	Banks and Financial Institutions	Total
	JD	JD	JD	JD	JD	JD
Saving accounts	153,230,289	37,799,497	21,999,806	2,219,758	28,071,380	243,320,730
Term accounts/ Investing deposits	845,988,575	142,699,456	105,834,239	163,084,662	7,894,984	1,265,501,916
Certificates of investing deposit	114,130,375	5,080,952	10,693,672	18,388,208	38,552,077	186,845,284
Total	1,113,349,239	185,579,905	138,527,717	183,692,628	74,518,441	1,695,667,930
Depositors' share of investments revenue	30,363,437	4,735,740	3,699,343	5,537,513	1,322,647	45,658,680
Total unrestricted investment accounts	1,143,712,676	190,315,645	142,227,060	189,230,141	75,841,088	1,741,326,610

- Unrestricted investment accounts share of profit is calculated as follows:
- 20% to 34% of the minimum balance of saving accounts in Jordanian Dinar.
- 14% to 33% of the minimum balance of saving accounts in foreign currencies.
- 53% to 95% of the average term accounts in Jordanian Dinar.
- 18% to 51% of the average term accounts in foreign currencies.
- 90% of the average balances of investing certificates of deposit in Jordanian Dinar.
- 80% to 85% of average balances of investing certificates of deposit in foreign currencies.
- The percentage of the profit on the Jordanian Dinar for the period ended 30 June 2022 is (3.27%) (for the same period last year was 3.25%).
- The percentage of the profit on USD for the period ended 30 June 2022 is (1.17%) (for the same period last year was (1.13%)).
- Unrestricted investment accounts for the Government and Public sector amounted to JD 212,113,726 as at 30 June 2022 which represents 11.47 % of total unrestricted investment accounts (As at 31 December 2021 amounted to JD 189,230,141 which represents 10.87 % of total unrestricted investment accounts).
- Restricted accounts amounted to JD 435,750 as at 30 June 2022 which represents 0.02 % of the total unrestricted investment (As at 31 December 2021 amounted to JD 437,006 which represent 0.03 % of total unrestricted investment).
- Dormant accounts as at 30 June 2022 amounted to JD 22,670,406 (As at 31 December 2021 amounted to JD 18,797,250).

(16) FAIR VALUE RESERVE

The movement of fair value reserve was as follows :

Financial assets at fair value through unrestricted investment accounts reserves - jointly financed	For the six month period ended 30 June	For the year ended 31 December
	2022 (Reviewed)	2021 (Audited)
	JD	JD
Beginning balance of the period / year	82,413	151,894
Unrealized losses	(961,034)	(38,076)
Unrealized (losses) on shares	(55,070)	(31,405)
Ending balance of the period / year	<u>(933,691)</u>	<u>82,413</u>

(17) PAID UP CAPITAL & STATUTORY RESERVE

PAID UP CAPITAL

The authorized and paid-in capital amounted to JD 100,000,000, consisting of 100,000,000 shares, at a par value of JD 1 per share as at 30 June 2022 and 31 December 2021.

STATUTORY RESERVES

The Bank has not deducted the legal reserves in accordance with the companies Law, where these condensed consolidated financial information is interim and the deduction takes place by the end of the year.

(18) RETAINED EARNINGS

	30 June	31 December
	2022 (Reviewed)	2021 (Audited)
	JD	JD
Beginning balance of the period/year	32,910,838	27,132,236
Transferred statutory reserve	-	(2,281,718)
Dividends*	(6,000,000)	(6,000,000)
Profit for the year	-	14,060,320
Ending balance of the period/year	<u>26,910,838</u>	<u>32,910,838</u>

- The retained earnings balance as at 30 June 2022 includes an amount of JD 746,995 (31 December 2021 JD 669,296) which represent deferred tax assets-self financed and it is restricted from use in accordance with the Central Bank of Jordan regulations.

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

* The General Assembly, in its meeting held on 24 April 2022, approved the recommendation of the Board of Directors to distribute cash dividends of (6) million dinars to shareholders for the year 2021 at a rate of 6% of the capital.

(19) DEFERRED SALES REVENUE

The details of this item are as follows:

	For the six month period ended 30 June			
	2022 (Reviewed)		2021 (Reviewed)	
	Jointly financed	Jointly financed	Jointly financed	Jointly financed
	JD	JD	JD	JD
Individuals(Retail)				
Murabaha to the purchase orderer	12,305,483	45,968	10,152,262	48,598
Real estate facilities	996,806	-	945,298	-
Corporate				
International Murabaha	9,358	-	4,479	-
Murabaha to the purchase orderer	11,249,142	-	10,306,573	-
Small and medium enterprises				
Murabaha to the purchase orderer	1,385,240	-	940,078	-
Government and the public sector	7,070,050	-	5,230,474	-
Total	33,016,079	45,968	27,579,164	48,598

(20) GAINS FROM FINANCIAL ASSETS AT FAIR VALUE THROUGH UNRESTRICTED INVESTMENT ACCOUNTS HOLDERS EQUITY

The details of this item are as follows:

	Jointly financed	
	For the six month period period ended 30 June	
	2022 (Reviewed)	2021 (Reviewed)
	JD	JD
Shares dividends	37,888	19,941
Gain on sale of financial assets	7,751	181,647
Islamic Sukuk profits	1,697,879	926,962
Total	1,743,518	1,128,550

(21) (LOSSES) GAINS FROM FINANCIAL ASSETS AT FAIR VALUE THROUGH STATEMENT OF PROFIT OR LOSS

The details of this item are as follows:

	Jointly financed							
	For the six month period ended 30 June							
	30 June 2022(Reviewed)				30 June 2021(Reviewed)			
	Realized (losses)	Unrealized (losses)	Dividends	Total	Realized gains (losses)	Unrealized gains	Dividends	Total
JD	JD	JD	JD	JD	JD	JD	JD	
Corporate Shares	(3,191)	(26,130)	541	(28,780)	19,888	-	407	20,295
Sukuk	(2,375)	(587)	-	(2,962)	(53,048)	36,051	-	(16,997)
Total	(5,566)	(26,717)	541	(31,742)	(33,160)	36,051	407	3,298
Less:								
Shares contract commission	704	-	-	704	2,169	-	-	2,169
Total	(6,270)	(26,717)	541	(32,446)	(35,329)	36,051	407	1,129

(22) SHARE OF UNRESTRICTED INVESTMENT ACCOUNTS HOLDERS

The details of this item are as follows:

	Jointly financed	
	For the six month period ended 30 June	
	2022 (Reviewed)	2021 (Reviewed)
	JD	JD
Customers		
Saving accounts	976,962	648,578
Term accounts	21,996,963	17,549,793
Certificates of deposit	2,917,885	2,220,831
Total Customers Revenue	25,891,810	20,419,202
Banks		
Banks and financial Institutions accounts	945,122	407,789
Total Banks revenue	945,122	407,789
Total	26,836,932	20,826,991

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

The details of this item are as follows:

	Jointly financed	
	For the six month period ended 30 June	
	2022 (Reviewed)	2021 (Reviewed)
	JD	JD
Bank's share as Mudarib*	19,790,837	15,944,907
Bank's share as Rab Mal	1,881,814	3,950,820
Total	21,672,651	19,895,727

-The lowest and highest received Murabaha rates were 3.85% and 4.10% respectively.

* The Bank's share of the joint investment accounts' revenues as a speculator amounted to JD 19,994,117 for the period ended on 30 June 2022, and JD 203,280 were donated with the approval of the Shariah Supervisory Board for the benefit of joint investment account holders (JD 17,436,842 for the period ended on 30 June 2021, and JD 1,491,935 were donated).

(24) BANK'S SELF - FINANCED REVENUE

The details of this item are as follows:

Note	Self financed	
	For the six month period ended 30 June	
	2022 (Reviewed)	2021 (Reviewed)
	JD	JD
Ijara Muntahia Bittamleek revenue	296,998	289,009
Deferred sales revenue	45,968	48,598
Gain from financial assets at fair value through statement of profit or loss self - financed	1,321	2,150
Total	344,287	339,757

(25) EARNINGS PER SHARE FOR THE PERIOD

The details of this item are as follows:

	For the six month period ended 30 June	
	2022 (Reviewed)	2021 (Reviewed)
	JD	JD
Profit for the period	7,594,700	6,942,398
	share	share
Weighted average number of shares	100,000,000	100,000,000
	JD/Fils	JD/Fils
Basic and diluted earnings per share for the period	0/076	0/069

(26) CASH AND CASH EQUIVALENTS

The details of this item are as follows:

	For the six month period ended 30 June	
	2022 (Reviewed)	2021 (Reviewed)
	JD	JD
Cash balances with CBJ maturing within three months	357,440,743	287,477,459
Add: cash at banks and banking institutions maturing within three months	8,622,457	8,391,344
Less: banks and financial banking accounts maturing within three months	(23,721,733)	(30,085,064)
Total	342,341,467	265,783,739

(28) Right of use assets / lease liabilities long -term

The details of this item are as follows:

A- Right of use assets

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

	For the six month period ended 30 June 2022 (Reviewed)	For the year ended 31 December 2021 (Audited)
	JD	JD
Balance at the beginning of the period/year	9,367,268	8,969,372
Add : Additions during the period/year	2,216,226	1,989,830
Less : Disposals during the period/year	(194,914)	(146,726)
Less : Depreciation for the period/year	(814,827)	(1,445,208)
Balance at the end of period/year	10,573,753	9,367,268

The amounts recorded in the condensed consolidated interim statement of profit or loss and comprehensive income :

	For the six month period ended 30 June 2022 (Reviewed)	For the period ended 30 June 2021 (Reviewed)
	JD	JD
Depreciation of the right of use assets for the period	(814,827)	(718,165)
Finance costs (discounting of rental obligations) during the period	(170,926)	(151,113)

B- lease liabilities

	For the six month period ended 30 June 2022 (Reviewed)	For the year ended 31 December 2021 (Audited)
	JD	JD
Balance at the beginning of the period/year	9,342,554	8,898,628
Add : Additions during the period/year	2,216,226	1,989,830
Less : Disposals during the period/year	(194,914)	(146,726)
Finance costs (discounting of rental obligations) during the period/year	170,926	299,732
Less : Paid during the period/year	(1,269,763)	(1,698,910)
Balance at the end of period/year	10,265,029	9,342,554

(29) SEGMENT INFORMATION

A. Information on the Bank's Activities

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

Retail Accounts:

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

Corporate Accounts:

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

Treasury:

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

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

	Retail	Corporate	Treasury	Other	For the six month period ended 30 June	
					2022(Reviewed)	2021(Reviewed)
					Total	Total
	JD	JD	JD	JD	JD	JD
Net revenue (joint and self financed)	12,966,347	10,999,898	6,767,649	1,239,420	31,973,314	29,225,450
Expected credit losses (joint and self financed)	(1,706,948)	(3,594,075)	(252,370)	-	(5,553,393)	(5,481,985)
Results of segment operations	11,259,399	7,405,823	6,515,279	1,239,420	26,419,921	23,743,465
Distributed expenses	(1,812,588)	(598,003)	(349,237)	-	(2,759,828)	(2,149,626)
Undistributed expenses	-	-	-	(11,377,525)	(11,377,525)	(10,382,721)
Profit for the period before tax	9,446,811	6,807,820	6,166,042	(10,138,105)	12,282,568	11,211,118
Income tax expense	-	-	-	(4,687,868)	(4,687,868)	(4,268,720)
Profit for the period	9,446,811	6,807,820	6,166,042	(14,825,973)	7,594,700	6,942,398

	Retail	Corporate	Treasury	Other	30 June 2022	31 December 2021
					(Reviewed)	(Audited)
					JD	JD
Segment assets	738,395,364	858,642,296	442,133,257	-	2,039,170,917	1,911,882,196
Undistributed assets	-	-	-	422,271,058	422,271,058	424,253,123
Total assets	738,395,364	858,642,296	442,133,257	422,271,058	2,461,441,975	2,336,135,319
Segment liabilities and total equity of unrestricted investment accounts holders	1,705,827,553	421,978,549	100,377,756	-	2,228,183,858	2,103,470,211
Undistributed liabilities	-	-	-	68,985,690	68,985,690	69,987,381
Total liabilities and Total equity of unrestricted investment accounts holders	1,705,827,553	421,978,549	100,377,756	68,985,690	2,297,169,548	2,173,457,592

	For the six month period ended 30 June	
	2022 (Reviewed)	2021 (Reviewed)
	JD	JD
Capital expenditures	1,366,437	687,357
Depreciation and amortization	1,553,299	1,613,041

Geographical Distribution Information

The following disclosure represents the geographical distribution. The Bank conducts its operations mainly inside the Kingdom.

The distribution of the Bank's revenue, assets and capital expenditures, according to geographical area is as follows:

	30 June 2022 (Reviewed)			31 December 2021 (Audited)		
	Inside Jordan	Outside Jordan	Total	Inside Jordan	Outside Jordan	Total
	JD	JD	JD	JD	JD	JD
Total assets	2,330,001,942	131,440,033	2,461,441,975	2,169,640,925	166,494,394	2,336,135,319

	30 June 2022 (Reviewed)			31 December 2021 (Audited)		
	Inside Jordan	Outside Jordan	Total	Inside Jordan	Outside Jordan	Total
	JD	JD	JD	JD	JD	JD
Total revenue	31,045,835	927,479	31,973,314	27,946,401	1,279,049	29,225,450
Capital expenditures	1,366,437	-	1,366,437	687,357	-	687,357

(30) CAPITAL MANAGEMENT

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

Capital management aims to invest the Bank's fund in various risk-weighted investments (low and high risk) to ensure that the Bank obtains a better rate of return and to maintain a capital adequacy of 12% as required by the Central Bank of Jordan.

The capital adequacy ratio is calculated as at 30 June 2022 according to the instructions of the regulatory capital No. (72/2018) issued by the Central Bank of Jordan in accordance with the revised standard No. (15) issued by the Islamic Financial Services Council (IFSB) in support of the provisions of Article (99/B) from the Banking Law. The following is the capital adequacy ratio in thousands of dinars:

	June 30	31 December
	2022 (Reviewed)	2021 (Audited)
	JD"000	JD"000
Basic capital items	157,508	151,339
Authorised and (Paid) in capital	100,000	100,000
Retained earnings	26,911	32,911
Statutory reserve	29,767	29,767
Proposed dividends	-	(6,000)
The bank's share of the fair value reserve in full if the funds are mixed	(420)	35
Profit for the period after tax and after proposed dividends	7,595	-
Intangible assets	(2,203)	(1,920)
Deferred tax assets	(747)	(669)
The bank's share of the deferred tax assets (jointly financed)	(2,974)	(2,614)
The bank's share in the capital of banks and financial institutions that is less than 10%	(421)	(171)
Additional capital	-	-
Supporting capital	1,996	2,133
Self financed general banking risks reserve and the bank's share from the General banking risks reserve (joint) (not to exceed 1.25% of the weighted of financial assets weighted by credit risks)	1,996	2,152
Investment in financial institutions and takaful companies that is less than 10%	-	(19)
Investments in non-consolidated subsidiaries' capital accounts with bank accounts	-	-
Total regulatory capital	159,504	153,472
Total risk weighted assets	935,814	846,971
Capital adequacy ratio (%)	17.04%	18.12%
Basic capital ratio (%)	16.83%	17.87%
First slide ratio Tier 1 (%)	16.83%	17.87%
Second slide ratio Tier 2 (%)	0.21%	0.25%
Leverage ratio	13.51%	14.04%

(31) Liquidity Coverage Ratio

- The liquidity coverage ratio in total amounted to 312.6% as at 30 June 2022 with an average rate of 396.8% during the period (324.3% as at 31 December 2021 and an average rate of 427.0% during the year).
- The liquidity coverage ratio in Jordanian Dinars reached 311.2% as at 30 June 2022 with an average rate of 328.7% during the period (269.9% as at 31 December 2021 and an average rate of 252.9% during the year).

(32) CONTINGENT LIABILITIES AND COMMITMENTS (OFF BALANCE SHEET)

A- Contingent credit and commitments/self financed*

	30 June 2022 (Reviewed)	31 December 2021 (Audited)
	JD	JD
Letters of credit	73,280,307	51,060,277
Acceptances	42,343,042	9,862,493
Letters of guarantee:		
Payment	9,739,068	9,091,293
Performance	15,235,332	12,988,791
Others	16,950,118	16,923,478
Total	157,547,867	99,926,332

B. Contingent credit and commitments/jointly financed

Unutilized credit limits / direct	145,467,513	119,306,051
Total	145,467,513	119,306,051

*Indirect unutilized credit limits / self financed amounted to JD 17,389,364 as at 30 June 2022 .

The expected credit losses recorded against contingent credit commitments/self financed amounted under the implementation instructions of FAS (30) issued by Organization for Islamic Financial Institutions to JD 484,545 as at 30 June 2022 (JD 341,537 as at 31 December 2021) and recorded in the other liabilities (note 14).

The expected credit losses recorded against contingent credit commitments/jointly financed amounted under the implementation instructions of FAS (30) issued by Organization for Islamic Financial Institutions to JD 929,983 as at 30 June 2022 (JD 841,925 as at 31 December 2021) and recorded in other liabilities (note 14).

(33) LAWSUITS AGAINST THE BANK

The Bank is a defendant in a number of lawsuits, which amounted to JD 724,575 as at 30 June 2022 (JD 720,885 as at 31 December 2021) and that is within the Bank's normal activity. In the opinion of the Bank's Management and its legal advisor, the related provision is adequate should any liabilities arise therefrom.

(34) FAIR VALUE HIERARCHY

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

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

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

Financial Assets/Financial Liabilities	Fair value as at		Fair value hierarchy	Valuation techniques and key inputs	Significant unobservable	Relationship of unobservable inputs to fair value
	30 June 2022 (Reviewed)	31 December 2021 (Audited)				
	JD	JD				
Financial assets at fair value through statement of profit or loss	492,210	1,565,294	Level 1	Quoted rates in financial markets	Not applicable	Not applicable
Financial assets at fair value through unrestricted investment accounts' holders (before deducting provision)						
Quoted shares	796,060	478,651	Level 1	Quoted rates in financial markets	Not applicable	Not applicable
Quoted sukuk	36,389,885	71,224,219	Level 1	Quoted rates in financial markets	Not applicable	Not applicable
Unquoted shares	3,810,554	2,564,807	Level 3	The latest financial prices available	Not applicable	Not applicable
Unquoted sukuk	121,346,000	90,096,000	Level 2	A similar financial instrument	Not applicable	Not applicable
Total Financial assets at fair value through unrestricted investments accounts (before provision)	162,342,499	164,363,677				
Total	162,834,709	165,928,971				

There were no transfers between level 1 and 2 during the period ended 30 June 2022 and the year 2021.

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

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

	30 June 2022 (Reviewed)		31 December 2021 (Audited)		Fair value hierarchy
	Book value	Fair value	Book value	Fair value	
	JD	JD	JD	JD	
Financial assets not calculated at fair value					
Cash and bank balances	366,063,200	366,063,200	366,947,295	366,947,295	Level 2
Qard hasan - Net	3,429,074	3,429,074	1,619,321	1,619,321	Level 2
Deferred sales receivables and other receivables - Net	1,174,144,771	1,330,993,246	1,063,215,294	1,207,547,506	Level 2
Financial assets at amortized cost	37,313,000	38,028,042	64,752,000	65,774,037	Level 2
Ijara muntahia Bittamleek assets - Net	572,789,397	572,789,397	533,805,256	533,805,256	Level 2
Total financial assets not calculated at fair value	2,153,739,442	2,311,302,959	2,030,339,166	2,175,693,415	
Financial liabilities not calculated at fair value					
Customers' current accounts and unrestricted investment accounts	2,146,230,186	2,165,591,236	2,031,393,378	2,049,090,448	Level 2
Cash margin accounts	53,051,285	53,225,932	56,124,802	56,295,344	Level 2
Total financial liabilities not calculated at fair value	2,199,281,471	2,218,817,168	2,087,518,180	2,105,385,792	

(35) CREDIT RISK

1- Concentration of credit exposures according to geographical distribution

First: Total distribution of exposures by geographical region-self financed (after impairment provision) :

Item	30 June 2022						31 December 2021					
	Within the Kingdom		Other Middle Eastern countries		Europe	Asia*	Africa	America	Other countries	Total	Total	
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	
Cash and balances with central banks	329,939,145	-	-	-	-	-	-	-	-	329,939,145	336,553,940	
Balances at banks and financial institutions	926,324	1,670,087	3,733,848	369,096	-	1,904,972	-	18,130	8,622,457	8,293,931		
Deposits with banks and financial institutions	-	-	-	-	-	-	-	-	-	-	-	
Direct credit facilities -net	6,573,706	-	-	-	-	-	-	-	6,573,706	5,525,742		
Sukuk:												
Within financial assets at fair value through statement of profit or loss	-	-	-	-	-	-	-	-	-	-	-	
Within financial assets at fair value through unrestricted investment accounts holders' equity -net	-	-	-	-	-	-	-	-	-	-	-	
Within financial assets at amortized cost -net	-	-	-	-	-	-	-	-	-	-	-	
Other assets	949,019	-	-	-	-	-	-	-	949,019	780,808		
Total / current period	338,388,194	1,670,087	3,733,848	369,096	-	1,904,972	-	18,130	346,084,327	351,154,421		
Letters of guarantee	41,728,263	-	-	-	-	-	-	-	41,728,263	38,796,148		
Letters of credit	35,585,845	37,497,160	-	-	-	-	-	-	73,083,005	50,960,247		
Acceptances	30,661,445	11,590,609	-	-	-	-	-	-	42,252,054	9,828,400		
Grand Total	446,363,747	50,757,856	3,733,848	369,096	-	1,904,972	-	18,130	503,147,649	450,739,216		

*Except for Middle Eastern countries

Second: Distributions according to classification according to the Islamic Accounting standard No (30) - Self :

Item	30 Jun 2022					
	Stage 1 Individual	Stage 1 Collective	Stage 2 Individual	Stage 2 Collective	Stage 3	Total
	JD	JD	JD	JD	JD	JD
Within the Kingdom	437,409,767	1,952,296	5,755,147	703,751	542,786	446,363,747
Other Middle Eastern countries	50,757,856	-	-	-	-	50,757,856
Europe	3,733,848	-	-	-	-	3,733,848
Asia	369,096	-	-	-	-	369,096
Africa	-	-	-	-	-	-
America	1,904,972	-	-	-	-	1,904,972
Other countries	18,130	-	-	-	-	18,130
Total	494,193,669	1,952,296	5,755,147	703,751	542,786	503,147,649

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

Item	30 June 2022						31 December 2021									
	Within the Kingdom		Other Middle Eastern countries		Europe		Asia*		Africa		America		Other countries		Total	
	JD		JD		JD		JD		JD		JD		JD		JD	
Cash and balances with central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balances at banks and financial institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposits with banks and financial institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
International wakala investments-net	-	-	58,968,995	-	28,329,131	-	-	-	-	-	-	-	-	-	87,298,126	86,124,648
Direct credit facilities -net	1,171,000,139	-	-	-	-	-	-	-	-	-	-	-	-	-	1,171,000,139	1,059,308,873
Sukuk:																
Within financial assets at fair value through statement of profit or loss	-	-	268,124	-	-	-	-	-	-	-	-	-	-	-	268,124	1,495,481
Within financial assets at fair value through unrestricted investment accounts holders' equity -net	121,346,000	-	35,956,955	-	-	-	-	-	-	-	-	-	-	-	157,302,955	161,320,219
Within financial assets at amortized cost-net	37,313,000	-	-	-	-	-	-	-	-	-	-	-	-	-	37,313,000	64,752,000
Other assets	1,510,816	-	-	-	-	-	-	-	-	-	-	-	-	-	1,510,816	1,552,641
Total period/ year	1,331,169,955	95,194,074	28,329,131	28,329,131	74,365,890	29,417,345	3,722,775	1,475,707,485	95,194,074	28,329,131	87,298,126	1,171,000,139	1,059,308,873	1,454,693,160	1,374,553,862	
Unutilized credit limits	144,537,530	-	-	-	-	-	-	-	-	-	-	-	-	-	144,537,530	118,464,126
Grand Total	1,475,707,485	95,194,074	28,329,131	28,329,131	74,365,890	29,417,345	3,722,775	1,475,707,485	95,194,074	28,329,131	87,298,126	1,171,000,139	1,059,308,873	1,599,230,690	1,493,017,988	

* Except for middle eastern countries

4. Distribution of exposures according to the classification stages according to the Islamic Accounting Standard No. 30 - joint:

Item	30 June 2022											
	Stage 1 Individual		Stage 1 Collective		Stage 2 Individual		Stage 2 Collective		Stage 3		Total	
	JD		JD		JD		JD		JD		JD	
Within the Kingdom	1,025,077,254	-	343,124,221	-	74,365,890	-	29,417,345	-	3,722,775	-	-	-
Other Middle Eastern countries	95,194,074	-	-	-	-	-	-	-	-	-	-	-
Europe	28,329,131	-	-	-	-	-	-	-	-	-	-	-
Asia	-	-	-	-	-	-	-	-	-	-	-	-
Africa	-	-	-	-	-	-	-	-	-	-	-	-
America	-	-	-	-	-	-	-	-	-	-	-	-
Other countries	-	-	-	-	-	-	-	-	-	-	-	-
Total	1,148,600,459	343,124,221	74,365,890	29,417,345	3,722,775	1,475,707,485	95,194,074	28,329,131	1,475,707,485	95,194,074	28,329,131	1,599,230,690

2- Distribution of exposures by economic sector:

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

Item	30 June 2022										31 December 2021		
											Government and public sector		
	Financial	Industry	Trade	Real estates	Agriculture	Shares	Retail	Other	Total	Total	JD	JD	
Cash and balances with central banks	329,939,145	-	-	-	-	-	-	-	-	-	-	329,939,145	336,553,940
Balances at banks and financial institutions	8,622,457	-	-	-	-	-	-	-	-	-	-	8,622,457	8,293,931
Deposits with banks and financial institutions	-	-	-	-	-	-	-	-	-	-	-	-	-
Direct credit facilities -net	-	107,090	2,993,251	-	-	875,562	577,514	509,660	1,510,629	-	-	6,573,706	5,525,742
Sukuk:													
Included in financial assets at fair value through statement of profit or loss	-	-	-	-	-	-	-	-	-	-	-	-	-
Within financial assets at fair value through unrestricted investment accounts holders' equity -net	-	-	-	-	-	-	-	-	-	-	-	-	-
Within financial assets at amortized cost - net	-	-	-	-	-	-	-	-	-	-	-	-	-
Other assets	949,019	-	-	-	-	-	-	-	-	-	-	949,019	780,808
Total period / year	339,510,621	107,090	2,993,251	-	-	875,562	577,514	509,660	1,510,629	-	-	346,084,327	351,154,421
Financial letters of guarantee	311,040	2,846,556	8,643,459	4,222,184	510,042	2,593,411	1,248,469	-	21,353,102	-	-	41,726,263	38,796,148
Letters of credit	37,497,160	7,703,953	24,256,780	249	-	2,498,527	929,064	-	197,272	-	-	73,083,005	50,960,247
Acceptances	12,144,733	830,478	26,891,019	-	2,385,824	-	-	-	-	-	-	42,252,054	9,828,400
Grand Total	389,463,554	11,488,077	62,784,509	4,222,433	2,895,866	5,967,500	2,755,047	509,660	23,061,003	-	-	503,147,649	450,739,216

2. Distribution of divisions according to classification according to the classification of the Islamic Accounting Standard No. (30):

Item	30 June 2022					
	Stage 1		Stage 2		Stage 3	
	Individual	Collective	Individual	Collective	Individual	Collective
Financial	389,344,210	-	119,344	-	-	-
Industry	8,841,021	23,229	2,575,175	42,180	6,472	11,488,077
Trade	60,168,280	202,238	1,661,819	395,580	356,592	62,784,509
Real estates	4,215,283	-	7,150	-	-	4,222,433
Agriculture	2,393,193	-	502,673	-	-	2,895,866
Share's	5,027,129	875,562	-	-	64,809	5,967,500
Retail	2,155,083	574,565	22,450	-	2,949	2,755,047
Government and public sector	509,660	-	-	-	-	509,660
Other	21,539,810	276,702	866,536	265,991	111,964	23,061,003
Total	494,193,669	1,952,296	5,755,147	703,751	542,786	503,147,649

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

Item	30 June 2022										31 December 2021	
											Government	
	Financial	Industry	trade	real estates	Agriculture	Shares	Retail	and public	Other	Total	Total	
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	
Cash and balances with central banks	-	-	-	-	-	-	-	-	-	-	-	
Balances at banks and financial institutions	-	-	-	-	-	-	-	-	-	-	-	
Deposits with banks and financial institutions	-	-	-	-	-	-	-	-	-	-	-	
International wakala investments-net	87,298,126	-	-	-	-	-	-	-	-	-	87,298,126	
Direct credit facilities-net	5,076,512	151,586,389	174,191,969	13,703,250	1,028,362	215,674,089	139,263,785	394,060,051	76,415,732	1,171,000,139	1,059,308,873	
Sukuk:												
Within financial assets at fair value through statement of profit or loss	268,124	-	-	-	-	-	-	-	-	268,124	1,495,481	
Within financial assets at fair value through unrestricted investment accounts holders' equity-net	35,956,955	-	-	-	-	-	-	121,346,000	-	157,302,955	161,320,219	
Within financial assets at amortized cost-net	-	-	-	-	-	-	-	37,313,000	-	37,313,000	64,752,000	
Other assets	1,510,816	-	-	-	-	-	-	-	-	1,510,816	1,552,641	
Total period / year	130,110,533	151,586,389	174,191,969	13,703,250	1,028,362	215,674,089	139,263,785	552,719,051	76,415,732	1,454,693,160	1,374,553,862	
Unutilized credit limits	844,322	53,261,147	52,797,448	33,321	489,981	5,983,749	19,594,250	-	11,533,312	144,537,530	118,464,126	
Grand Total	130,954,855	204,847,536	226,989,417	13,736,571	1,518,343	221,657,838	158,858,035	552,719,051	87,949,044	1,599,230,690	1,493,017,988	

4. Distribution of exposures according to the classification stages according to the Islamic Accounting Standard No. (30) - joint

Item	30 June 2022									
	Stage 1		Stage 2		Stage 2		Stage 3		Total	
	Individual	Collective	Individual	Collective	Individual	Collective	Individual	Collective	Individual	Collective
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
Financial	130,942,698	-	-	12,157	-	-	-	-	130,954,855	-
Industry	176,474,954	4,152,561	22,941,851	1,724,287	(446,117)	-	-	-	204,847,536	-
Trade	170,978,551	13,160,314	30,188,152	9,750,552	2,911,848	-	-	-	226,989,417	-
Real estates	2,045,951	5,081,896	6,769,617	305,251	(466,144)	-	-	-	13,736,571	-
Agriculture	458,825	872,523	31,155	111,129	44,711	-	-	-	1,518,343	-
Shares	29,738,096	181,883,054	5,746,035	3,536,413	754,240	-	-	-	221,657,838	-
Retail	19,499,038	131,935,225	95,213	6,898,620	429,939	-	-	-	158,858,035	-
Government and public sector	552,719,051	-	-	-	-	-	-	-	552,719,051	-
Other	65,743,295	6,038,648	8,593,867	7,078,936	494,298	-	-	-	87,949,044	-
Total	1,148,600,459	343,124,221	74,365,890	29,417,345	3,722,775	1,599,230,690	1,599,230,690	1,599,230,690	1,599,230,690	1,599,230,690

The lowest and highest received Murabaha rates, -were 3.85% and 4.10% respectively

2. Expected credit losses for exposures that have been reclassified:

30 June 2022

Item	The exposures that have been reclassified			Expected credit loss on exposures that have been reclassified						
	Total exposures that have been reclassified from Stage 2	Total exposures that have been reclassified from Stage 3	Total exposures that have been reclassified	Stage 2 - Individual	Stage 2 - Collective	Stage 3 - Individual	Stage 3 - Collective	Stage 3 - Individual	Stage 3 - Collective	Total
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
A. Self financed										
Direct credit facilities	230,072	108,549	338,621	(13)	(8)	-	6	-	(15)	
Letters of guarantee	218,849	-	218,849	1,352	-	163	-	-	1,515	
Letters of credit	-	-	-	-	-	-	-	-	-	
Acceptances	-	-	-	-	-	-	-	-	-	
Grand Total	448,921	108,549	557,470	1,339	(8)	163	6	163	1,500	

30 June 2022

Item	The exposures that have been reclassified			Expected credit loss on exposures that have been reclassified						
	Total exposures that have been reclassified from Stage 2	Total exposures that have been reclassified from Stage 3	Total exposures that have been reclassified	Stage 2 - Individual	Stage 2 - Collective	Stage 3 - Individual	Stage 3 - Collective	Stage 3 - Individual	Stage 3 - Collective	Total
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
B. Jointly financed										
Direct credit facilities	(9,076,332)	2,616,523	(6,459,809)	(872,213)	(424,359)	816,812	(280,102)	816,812	(759,862)	
Other Liabilities	1,223,139	-	1,223,139	8,967	-	-	-	-	8,967	
Grand Total	(7,853,193)	2,616,523	(5,236,670)	(863,246)	(424,359)	816,812	(280,102)	816,812	(750,895)	

(36) ANALYSIS OF THE IMPACT OF THE STANDARDS RECENTLY ISSUED BY THE ACCOUNTING AND AUDITING ORGANIZATION (AAOIFI)

Islamic Accounting standard issued and effect as of the first of January 2022 :

Financial Accounting Standard No. 37 “Financial Reporting for Endowment Establishments”

This standard sets out the comprehensive accounting and financial reporting requirements for endowment institutions and similar institutions, including requirements for public presentation and disclosure and special presentation requirements such as yield requirements and basic accounting treatments related to some aspects of endowment institutions.

The principles contained in this standard are consistent with the principles and provisions of Sharia, and this helps to reach a better understanding of the information contained in the general-purpose financial statements and enhances the confidence of stakeholders in endowment institutions.

This standard will be applied as of 1 January 2022, with early application permitted. The newly established endowment institution must apply this standard since its establishment

Financial Accounting Standard No. 38 “(Promise), (Option), (Hedging)”

This standard describes the accounting and reporting principles and requirements for (promise), (option), and (hedging) arrangements for Islamic financial institutions. Many products such as Murabaha and Ijara offered by institutions incorporate the implementation of a promise or option in one way or another. An additional promise or option that aligns with this Standard is a promise or option associated with a Shariah-compliant arrangement concerning its structure that does not generate any asset or liability unless it turns into an impairment contract or liability. On the other hand, a Waad product is a stand-alone arrangement that is compatible with Sharia and is used either as a regular product or, in some cases, for hedging purposes . It can take the form of a single transaction or a series or a group, of financial transactions and it can become a future transaction or a series of transactions in line with the principles and rules of Sharia. Such transactions result in an asset or a liability to the counterparties according to the conditions set out in the standard.

The effective date for this is 1 January 2022.

(37) - IMPACT OF THE CORONAVIRUS (“Covid-19”)

There have been no material changes as a result of Covid-19 in the Bank’s financial position and financial performance as at 30 June 2022, and there are no material changes in its main accounting judgments and estimates from those applied in the annual financial statements as at 31 December 2021.