

BANK AL ETIHAD  
(PUBLIC SHAREHOLDING COMPANY)  
AMMAN – HASHEMITE KINGDOM OF JORDAN

CONSOLIDATED CONDENSED INTERIM FINANCIAL  
INFORMATION FOR THE PERIOD  
ENDED MARCH 31, 2022

BANK AL ETIHAD  
(PUBLIC SHAREHOLDING COMPANY)  
AMMAN - HASHEMITE KINGDOM OF JORDAN  
CONSOLIDATED CONDENSED INTERIM FINANCIAL  
INFORMATION TOGETHER WITH  
THE REVIEW REPORT FOR THE THREE MONTHS  
PERIOD ENDED MARCH 31, 2022

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## **Independent Auditor's Review Report**

AM/ 010932

To the Chairman and Board of Directors Members  
Bank Al Etihad  
(A Public Shareholding Company)  
Amman – Hashemite Kingdom of Jordan

### **Introduction**

We have reviewed the accompanying consolidated condensed interim statement of financial position of Bank Al Etihad (a Public Shareholding Company) (The "Bank") and its subsidiaries (The "Group") as of March 31, 2022 and the related consolidated condensed interim statements of profit and loss, and comprehensive income, changes in owners' equity and cash flows for the three-month period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for preparation and fair presentation of this consolidated condensed interim financial information in accordance with the international accounting standard (34) "Interim Financial Reporting" as adopted by Central Bank of Jordan. Our responsibility is to express a conclusion on these condensed consolidated interim financial statements 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 Entity". A review of consolidated condensed 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 consolidated condensed interim financial information is not prepared, in all material respects, in accordance with amended International Accounting Standard (34) "Interim Financial Reporting" as adopted by Central Bank of Jordan.

### **Other Matter**

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

Amman – Jordan  
April 27, 2022

  
Deloitte & Touche (M.E.) – Jordan

**BANK AL ETIHAD**  
**(A PUBLIC SHAREHOLDING LIMITED COMPANY)**  
**AMMAN - THE HASHEMITE KINGDOM OF JORDAN**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**

	Note	March 31, 2022 (Reviewed)	December 31, 2021 (Audited)
		JD	JD
<b>Assets:</b>			
Cash and balances at the Central Bank of Jordan	5	862,417,282	934,430,468
Balances at banks and financial institutions	6	533,459,728	541,476,707
Deposits at banks and financial institutions		7,859,008	8,770,685
Financial assets at fair value through profit or loss	7	19,593,778	18,296,366
Direct credit and financing facilities - net	8	3,427,650,196	3,351,124,328
Financial assets at fair value through other comprehensive income	9	46,397,920	44,159,121
Financial assets at amortized cost	10	1,174,163,445	1,099,096,231
Investments in associates		343,708	343,708
Property and equipment - net		66,216,340	66,425,046
Deferred tax assets		25,421,581	27,747,673
Right of use assets		27,881,679	27,555,989
Intangible assets - net		27,583,122	27,451,684
Other assets	11	127,414,159	115,643,211
<b>TOTAL ASSETS</b>		<b>6,346,401,946</b>	<b>6,262,521,217</b>
<b>LIABILITIES AND OWNERS' EQUITY:</b>			
<b>LIABILITIES:</b>			
Deposits at banks and financial institutions		271,947,272	316,782,838
Customers deposits	12	4,985,035,226	4,910,374,102
Cash margins		277,879,792	244,827,786
Borrowed funds	13/A	108,843,629	108,566,531
Subordinated loans	13/B	21,300,000	21,300,000
Sundry provisions		785,765	858,903
Lease contracts liabilities		27,067,185	27,366,812
Income tax provision	14	18,206,724	21,931,794
Deferred tax liability		46,787	161,769
Other liabilities	15	95,231,707	80,883,165
<b>TOTAL LIABILITIES</b>		<b>5,806,344,087</b>	<b>5,733,053,700</b>
<b>OWNERS' EQUITY:</b>			
<b>BANK'S SHAREHOLDERS' EQUITY:</b>			
Authorized and Paid-up capital	1	160,000,000	160,000,000
Share premium		80,213,173	80,213,173
Statutory reserve		68,169,340	68,169,340
Voluntary reserve		46,167,117	46,167,117
Fair value reserve - net		1,660,847	1,741,270
Retained earnings		71,893,896	71,721,054
Profit for the period		8,283,792	-
<b>TOTAL BANK'S SHAREHOLDERS' EQUITY</b>		<b>436,388,165</b>	<b>428,011,954</b>
Non-controlling interests		103,669,694	101,455,563
<b>TOTAL OWNERS' EQUITY</b>		<b>540,057,859</b>	<b>529,467,517</b>
<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>		<b>6,346,401,946</b>	<b>6,262,521,217</b>

THE ACCOMPANYING NOTES FROM (1) TO (27) CONSTITUTE AN INTEGRAL PART OF THESE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION AND SHOULD BE READ WITH THEM AND WITH THE ACCOMPANYING REVIEW REPORT.

Chairman of Board of Directors

Chief Executive Officer



**BANK AL ETIHAD**  
**(PUBLIC SHAREHOLDING COMPANY)**  
**AMMAN - HASHEMITE KINGDOM OF JORDAN**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2022**

		For the Three Months Ended March 31,	
	Note	2022 (Reviewed)	2021 (Reviewed)
		JD	JD
Interest income and returns		67,669,833	62,796,903
Interest and debit expense		(27,868,226)	(24,230,872)
Net Interest Income and returns		39,801,607	38,566,031
Net commission income		7,693,498	6,161,434
Net Interest and Commission Income and returns		47,495,105	44,727,465
Gain from foreign currency		2,955,367	800,182
(Loss) gain from financial assets at fair value through profit or loss	16	(766,031)	2,934,618
Gain from financial assets at amortized cost		3,359	7,967
Dividends from financial assets at fair value through other comprehensive income	9	474,170	378,073
Other income		462,291	1,431,827
<b>Gross Income</b>		<b>50,624,261</b>	<b>50,280,132</b>
<b>Expenses:</b>			
Employees expenses		13,854,777	11,591,862
Depreciation and amortization		3,858,289	3,727,282
Other expenses		9,182,864	8,348,581
Provision for expected credit loss	18	5,276,860	10,359,898
Provision (surplus) for impairment of seized assets	11	219,068	465,947
(Surplus) of sundry provisions		(67,139)	(167,537)
Amortization of assets right of use		1,034,573	915,458
Rent expense		123,328	98,314
Financing costs		258,066	256,303
<b>Total Expenses</b>		<b>33,740,686</b>	<b>35,596,108</b>
<b>Income for the Period Before Income Tax Expense</b>		<b>16,883,575</b>	<b>14,684,024</b>
Income tax expense	14	(6,384,020)	(4,980,751)
<b>Income for the Period</b>		<b>10,499,555</b>	<b>9,703,273</b>
<b>Attributed to:</b>			
Bank's Shareholders		8,283,792	7,724,759
Non-Controlling Interest		2,215,763	1,978,514
		<b>10,499,555</b>	<b>9,703,273</b>
 Basic and diluted earnings per share for the period attributable to the Bank's Shareholders	 17	 <b>0.052</b>	 <b>0.048</b>

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Chairman of the Board of Directors

Chief Executive Officer

BANK AL ETIHAD  
(PUBLIC SHAREHOLDING COMPANY)  
AMMAN - HASHEMITE KINGDOM OF JORDAN  
CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME  
FOR THE THREE MONTHS ENDED MARCH 31, 2022

	For the Three Months Ended March 31,	
	2022 (Reviewed)	2021 (Reviewed)
	JD	JD
Income for the Period	10,499,555	9,703,273
<u>Add other comprehensive income items after tax not subsequently transferable to condensed interim consolidated statement of Profit or loss:</u>		
Change in Fair value reserve- net	<u>(80,423)</u>	<u>(319,193)</u>
Total Comprehensive Income for the Period	<u>10,419,132</u>	<u>9,384,080</u>
<u>Total Comprehensive Income for the Period Attributed to:</u>		
Bank's shareholders	8,203,369	7,405,566
Non-controlling interest	<u>2,215,763</u>	<u>1,978,514</u>
	<u>10,419,132</u>	<u>9,384,080</u>

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**BANK AL ETIHAD**  
**(PUBLIC SHAREHOLDING COMPANY)**  
**AMMAN - HASHEMITE KINGDOM OF JORDAN**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN OWNERS' EQUITY**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2022**

Equity- Bank's Shareholders											
Note	Authorized and paid-up Capital	Share Premium	Statutory	Reserves		Fair Value Reserve - net	Retained Earnings	Profit for the Period	Total	Non-controlling Interests	Total Owners Equity
				JD	JD						
For the Three Months Ended March 31, 2022											
Balance - Beginning of the Period	160,000,000	80,213,173	68,169,340	46,167,117	JD	1,741,270	71,721,054	-	428,011,954	101,455,563	529,467,517
Gross comprehensive Income for the period	-	-	-	-	-	(80,423)	-	8,283,792	8,203,369	2,215,763	10,419,132
Acquisition Share in subsidiary	-	-	-	-	-	-	(229)	-	(229)	(1,632)	(1,861)
Realized gain from sale financial assets at fair value through other comprehensive Income	-	-	-	-	-	-	173,071	-	173,071	-	173,071
Balance - End of the Period	160,000,000	80,213,173	68,169,340	46,167,117	JD	1,660,847	71,893,896	8,283,792	436,388,165	103,669,694	540,057,859
For the Three Months Ended March 31, 2021											
Balance - Beginning of the Period	160,000,000	80,213,173	61,004,473	41,829,012	JD	(2,609,036)	67,518,099	-	407,955,721	98,447,621	506,403,342
Gross comprehensive Income for the period	-	-	-	-	-	(319,193)	-	7,724,759	7,405,566	1,978,514	9,384,080
Balance - End of the Period	160,000,000	80,213,173	61,004,473	41,829,012	JD	(2,928,229)	67,518,099	7,724,759	415,361,287	100,426,135	515,787,422

- A restricted balance from the retained earnings and income for the period which amounted to JD 25,068,881 as of March 31, 2022 (JD 27,326,810 as of December 31, 2021), represents deferred tax assets, and according to the Central Bank of Jordan, these amounts can not be used unless a prior approval is obtained.

- Retained earnings balance includes an amount of JD 1,968,774 which represents unrealized gain from revaluation of financial assets at fair value through profit and loss.

- It is forbidden to use the excess of the general banking risk reserve balance transferred to retained earnings in the amount of JD 108,397 of March 31, 2022 that belongs to Safwa Islamic Bank unless a prior approval is obtained from the Central Bank of Jordan

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BANK AL ETIHAD  
(PUBLIC SHAREHOLDING COMPANY)  
AMMAN - HASHEMITE KINGDOM OF JORDAN  
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS  
(REVIEWED NOT AUDITED)  
FOR THE THREE MONTHS ENDED MARCH 31, 2022

		For the Three Months Ended March 31,	
	Note	2022 (Reviewed)	2021 (Reviewed)
		JD	JD
<b>Cash flow from operating activities :</b>			
Income for the period before income tax		16,883,575	14,684,024
<b>Adjustments:</b>			
Depreciation and amortization		3,858,289	3,727,282
Expected credit loss	18	5,276,860	10,359,898
Amortization of Right of used assets		1,034,573	915,458
Interests on lease liabilities		258,066	256,303
(Gain) from the sale of financial assets at amortized cost		(3,359)	(7,967)
Provision for impairment of seized assets	11	219,068	465,947
Losses (gain) from financial assets at fair value through profit or loss	16	474,203	(950,635)
Losses on sale of property and equipment		6,410	16
(Gain) loss form revaluation of transformed loans		(262)	(2,938)
(Surplus) of sundry provision		(67,139)	(167,537)
Losses from sale of seized assets against debts	11	91,884	319,688
Effect of exchange rate fluctuations on cash and cash equivalents		(523,599)	21,504
Profit before changes in assets and liabilities		27,508,569	29,621,043
<b>CHANGES IN ASSETS AND LIABILITIES:</b>			
Restricted cash balances		(519,116)	(1,915)
Direct credit and financing facilities		(80,995,173)	(310,330,423)
Financial assets at fair value through profit or loss		(1,771,615)	(2,971,858)
Deposits at banks and financial institutions		912,086	1,449,068
Deposits at banks and financial institutions exceeding 3 months		(7,000,000)	(2,500,000)
Other assets		(12,081,638)	(5,875,248)
Customers' deposits		74,661,124	216,756,399
Cash margins		33,052,006	16,504,666
Other liabilities		13,742,347	20,331,912
<b>Net Cash Flow from (used in) Operating Activities Before Income</b>		<b>47,508,590</b>	<b>(37,016,356)</b>
Income tax paid	14	(7,966,143)	(13,202,937)
Paid sundry provisions		(6,000)	-
<b>Net Cash Flow From (used in) Operating Activities</b>		<b>39,536,447</b>	<b>(50,219,293)</b>
<b>Net cash flow from Investing activities:</b>			
Net (Purchase) sale of financial assets at fair value through other comprehensive income		(2,077,988)	(3,797,336)
Net (purchase) sale of financial assets at amortized cost		(170,521,830)	(64,958,275)
Maturity of financial assets at amortized cost		95,380,910	52,558,545
(Increase) of intangible assets		(1,798,065)	(1,204,869)
(Purchase) of property and equipment		(2,147,742)	(459,443)
Proceeds from sale of property and equipment		158,377	1
<b>Net Cash Flow (used in) Investing Activities</b>		<b>(81,006,338)</b>	<b>(17,861,377)</b>
<b>Cash Flow from Financing activities:</b>			
Increase in loans and borrowings		277,098	1,087,052
Paid from the lease liability		(1,917,956)	(1,602,815)
Dividends to shareholders		(21,835)	(154,388)
Net change in non-controlling interest as a result of the increase in the ownership of a subsidiary		(1,861)	-
<b>Net Cash Flow (used in) Financing Activities</b>		<b>(1,664,554)</b>	<b>(670,151)</b>
Net (Decrease) in Cash and Cash Equivalents		<b>(43,134,445)</b>	<b>(68,750,821)</b>
Effect of exchange rate changes on cash and cash equivalents		523,599	(21,504)
Cash and cash equivalents at the beginning of the year		1,205,726,235	854,690,830
<b>Cash and Cash Equivalents at the End of the Period</b>	19	<b>1,163,115,389</b>	<b>785,918,505</b>

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BANK AL ETIHAD  
(PUBLIC SHAREHOLDING COMPANY)  
NOTES TO THE CONSOLIDATED CONDENSED  
FINANCIAL INFORMATION

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**1. Establishment and Activities**

- Bank Al Etihad is a public shareholding company incorporated in Jordan during 1978, in accordance with the Companies Law No (12) of (1964) with a paid-up capital of JD 2,125,000 /share. Its main branch located in Amman, and it was transformed to a bank during the year of 1991.
- The Bank capital was increased gradually, the last increase was during the year 2017. The Bank general assembly decided in its extraordinary meeting held on January 29, 2017 to increase the Bank capital from 125 million shares at a par value of JD 1/ share to become 160 million shares by issuing 35 million shares of a par value of JD 1 / share in addition to a share premium of JD 0.250 / share. All necessary approvals were obtained, and capital increase shares were recorded on May 12, 2017.
- The Bank provides its financial and banking services through its main branch located in Amman and through its (57) branches and its subsidiaries in Jordan.
- The Bank shares are listed and traded on the Amman Stock Exchange.
- The consolidated condensed interim financial information were approved by Audit committee on April 25, 2022 authorized by the Board of Directors.

**2. Basis of Preparation**

- The accompanying consolidated condensed interim financial information for the ended three months March 31, 2022 in accordance to International Financial Reporting Standard (34) (intrem financial reports) as adopted by the Central Bank of Jordan.

The main differences between the IFRSs as they should be applied and what has been approved by the Central Bank of Jordan, is as follows:

- a. Provisions for expected credit losses are calculated in accordance with IFRS 9 the Central Bank of Jordan , and according to the instruction of the supervisory authorities in the countries in which the Bank operates, whichever is higher, the material differences is as follows:
  - Elimination of debt instrument issued or granted by the Jordanian government so that credit exposures is resolved on the Jordanian Government and by its guarantee without credit losses.
  - When calculating the credit losses against credit exposures, the calculation results according to IFRS 9 are compared with those according to the Central Bank of Jordan's Instructions No. (2009/47) dated December 10, 2009 for each stage separately and the most severe results are taken.
  - In some special cases the Central Bank of Jordan agrees on special arrangements related to the calculation of the expected credit losses' provision of direct credit facility customers.
  - Facilities related to government project extract (transfer of government dues) are excluded from the classification when calculating allocation.
- b. Interest and commissions on non performing credit facilities granted to clients is suspended, in accordance with the instructions of the Central Bank of Jordan.



- c. Assets seized by the Bank are shown in the consolidated statement of financial position, among other assets, at their current value when seized by the Bank or at their fair value, whichever is lower. Furthermore, they are reassessed on the date of the consolidated financial statements separately, and any decrease in value is recorded as loss in the consolidated statement of profit or loss and statement of consolidated comprehensive income while any increase in value is not recorded as revenue. In addition, any subsequent increase is taken to the statement of profit or loss to the extent of not exceeding the previously recorded value. A gradual provision has been taken according to the Central Bank of Jordan's Circular No. 10/3/13246 dated September 2, 2021. According to which the required provisions for the expropriated real estate in violation of the provisions of article (48) of Banking law no.28 for the year 2000 as of the year 2022, 5% annually of the total book values of those real estate, so that the required percentage of 50% of those real estate is reached, by the end of 2030.
- The reporting currency of the consolidated condensed interim financial statements is the Jordanian Dinar, which is the functional currency of the Bank.
- The consolidated condensed interim financial information does not include all the information and clarifications required for the annual financial statements and should be read with the Bank's annual consolidated financial statements for the year ended December 31, 2021, and the results of the three months ended March 31, 2022 do not necessarily represent an indication of the expected results of the fiscal year ending December 31, 2022, and don't contain the appropriation of the profit for the three months period ended at March 31, 2022 which will be performed at the end of the fiscal year.

Significant Accounting Judgments and key Sources of Uncertainty Estimates, and Risk Management:

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

We believe that our estimates in the preparation of summary consolidated condensed interim financial information are reasonable and similar to those adopted in the preparation of consolidated financial statements for the year 2021.

**3. Significant Accounting Policies**

The accounting policies used in the preparation of the condensed consolidated interim financial information for the period ended on March 31, 2022 are consistent with those used in the preparation of the annual consolidated financial statements for the year ended December 31, 2021. However, the following revised IFRS standards, which became effective for financial periods beginning on or after January 1, 2021, were followed in preparing the Group's condensed consolidated interim financial information, which did not materially affect the amounts and disclosures contained in the condensed consolidated interim financial information for the previous period and years, noting that it may have an impact on the accounting treatment of future transactions and arrangements.



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

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

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

### **Amendments to IFRS 3 – Reference to the Conceptual Framework**

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

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

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

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

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

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

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

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

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

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

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

### **IFRS Financial Enhancements 2018-2020**

#### **IFRS 1 First-time Adoption of International Financial Reporting Standards**

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

#### **IFRS 9 Financial Instruments**

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

#### **IAS 41 Agriculture**

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

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



4. Basis of Preparation the consolidated condensed interim financial information

- The consolidated condensed interim financial information include the financial information of the Bank and its subsidiaries under its control, Meanwhile, control exists when the Bank has control over the investee company, or it is exposed to variable returns or holds rights for its participation in the investee company, and the Bank is able to use its control over the investee company to affect those returns.
- The Bank reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control listed above.
- When the Bank has less than the majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally, In this regard, the Bank considers all relevant facts and circumstances in assessing whether or not the Bank's voting rights in an investee are sufficient to give it power, including:
  - The size of the Bank's holding of voting rights relative to the size and dispersion of holdings of the other vote holders,
  - Potential voting rights held by the Bank, other vote holders or other parties,
  - Rights arising from other contractual arrangements.
  - Any additional facts and circumstances that indicate that the Bank has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Control is achieved when the Bank:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee;
- has the ability to use its power to affect the investee's returns,

The Bank reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control listed above.

When the Bank has less than the majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally, In this regard, the Bank considers all relevant facts and circumstances in assessing whether or not the Bank's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Bank has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

When it loses control of a subsidiary, the Bank performs the following:

- Derecognizes the assets (including goodwill) and liabilities of the subsidiary.
- Derecognizes the book value of any non-controlling interests,
- Derecognizes transfer differences accumulated in Owners' Equity.
- Derecognizes the fair value to the next controlling party.
- Derecognizes the fair value of any investment retained.
- Derecognizes any gain or loss in the income statement.
- Reclassifies owners' equity already booked in other comprehensive income to the profit or loss statement as appropriate.

The subsidiaries' financial information are prepared under the same accounting policies adopted by the Bank, If the subsidiaries apply different accounting policies than those used by the Bank, the necessary modifications shall be made to the subsidiaries' financial information to make them comply with the accounting policies used by the Bank.

The non-controlling interests represent the portion not owned by the Bank relating to ownership of the subsidiaries.

- All balances, transactions, income, and expenses between the Bank and its subsidiaries are eliminated,
- The subsidiaries financial information are prepared under the same accounting policies adopted by the Bank, if the subsidiaries apply different accounting policies than those used by the Bank, the necessary modifications shall be made to the subsidiaries' financial information to make them comply with the accounting policies used by the Bank.
- The results of the subsidiaries' operations are consolidated in the consolidated statement of profit or loss effective from their acquisition date, which is the date on which control over subsidiaries is effectively transferred to the Bank, Furthermore, the results of the disposed of subsidiaries are consolidated in the consolidated statement of profit or loss up to the date of their disposal, which is the date on which the Bank loses control over the subsidiaries.
- The non-controlling interests represent the portion not owned by the Bank in the subsidiaries, Non-controlling interests are shown in the subsidiaries' net assets as a separate line item within the Bank's statement of shareholders' equity.

The Bank owns the following subsidiaries as of March 31, 2022:

Company's Name	Paid-up Capital	Investment amount	Ownership of the Bank	Nature of Operation	Date of Acquisition	Location
	JD	JD	%			
Al-EtiHAD for Financial Brokerage Company L.L.C	5,000,000	5,000,000	100	Financial Brokerage	2006	Jordan
Al-EtiHAD for Financial Leasing Company L.L.C	10,000,000	10,000,000	100	Finance Leasing	2015	Jordan
Al-EtiHAD Islamic Investment Company L.L.C *	113,039,028	65,562,636	58	Acquisition of bonds and shares in companies and borrowing the necessary funds from banks	2016	Jordan
Al-EtiHAD for Financial Thecnology Company L.L.C	100,000	100,000	100	Manufacturing, programming, preparing, developing and supplying programs	2019	Jordan

\* The subsidiary, Al-EtiHAD Islamic Investment Company LLC, which is owned by Bank Al-EtiHAD with a total percentage of 58% and a controlling interest equivalent to 62.4% over Safwa Islamic bank and their accounts have been consolidated in the condensed interim financial information for the group.

- Bank Al- EtiHAD directly owns shares in Safwa Bank amounting to around 1.36% of the total shares of Safwa Islamic Bank.



## 5. Cash and Balances at Central Bank of Jordan

Details of this item are as follows:

	March 31, 2022 (Reviewed)	December 31, 2021 (Audited)
	JD	JD
Cash at treasury	113,104,579	125,176,533
Balances at the Central Bank of Jordan:		
Current accounts and demand deposits	304,975,518	265,155,626
Term and notice deposits	205,000,000	315,000,000
Statutory cash reserve	239,337,185	229,098,309
Total Balances at Central Bank of Jordan	749,312,703	809,253,935
Total	862,417,282	934,430,468

- There are no transfers between the first, second, and third stages or non-performing balances during the three months ended March 31, 2022 and December 31, 2021
- Except for the statutory cash reserve, there are no restricted balances as of March 31, 2022 and December 31, 2021.
- No amounts matured during period exceeding three months as of March 31, 2022 and December 31, 2021.

#### 6. Balances at Banks and Financial Institutions

The details of this item is as follows:

Description	Local Banks and Financial Institutions		Foreign Banks and Financial Institutions		Total	
	March 31,	December 31,	March 31,	December 31,	March 31,	December 31,
	2022 (Reviewed)	2021 (Audited)	2022 (Reviewed)	2021 (Audited)	2022 (Reviewed)	2021 (Audited)
	JD	JD	JD	JD	JD	JD
Current and demand accounts	315,999	443,162	194,640,659	239,619,091	194,956,658	240,062,253
Deposits maturing within 3 months or less	34,180,000	10,000,000	304,986,051	291,974,566	339,166,051	301,974,566
Total	34,495,999	10,443,162	499,626,710	531,593,657	534,122,709	542,036,819
Less: Impairment provision	-	-	(662,981)	(560,112)	(662,981)	(560,112)
Net balance at banks and financial institutions	34,495,999	10,443,162	498,963,729	531,033,545	533,459,728	541,476,707

- Non-interest bearing balances at banks and financial institutions amounted to JD 36,163,055 as of March 31, 2022 (JD 55,348,360 as of December 31, 2021).

- Restricted balances amounted to JD 8,067,330 as of March 31, 2022 and (JD 7,548,214 as of December 31, 2021).



## 7. Financial assets at Fair Value through Profit or Loss

Details of the following item are as follows:

	March 31, 2022 (Reviewed)	December 31, 2021 (Audited)
	JD	JD
Government bonds listed in financial markets	284,928	143,948
Corporate bonds listed in financial markets	1,545,431	1,512,207
Corporate shares listed in financial markets	4,236,109	3,275,739
Investment funds	13,527,310	13,364,472
<b>Total</b>	<b>19,593,778</b>	<b>18,296,366</b>

## 8. Direct Credit and Financing Facilities - Net

The details of this item are as follows:

	March 31, 2022 (Reviewed)	December 31, 2021 (Audited)
	JD	JD
<b>Individuals (retail):</b>		
Overdraft accounts	2,691,443	1,794,970
Loans and promissory notes *	850,187,658	821,425,508
Credit cards	24,108,103	17,807,394
<b>Real estate loans</b>	<b>925,396,559</b>	<b>897,926,656</b>
<b>Corporates:</b>		
<b>Large:</b>		
Overdraft accounts	70,690,953	66,202,150
Loans and promissory notes *	1,031,293,241	1,046,668,567
<b>Small and Medium:</b>		
Overdraft accounts	24,880,144	24,662,480
Loans and promissory notes *	212,050,506	201,854,139
<b>Government and public sector</b>	<b>449,946,391</b>	<b>431,243,828</b>
<b>Total</b>	<b>3,591,244,998</b>	<b>3,509,585,692</b>
<b>Less: Interest and returns in suspense</b>	<b>17,629,141</b>	<b>16,920,366</b>
<b>Less: Expected credit losses</b>	<b>145,965,661</b>	<b>141,540,998</b>
<b>Net Direct Credit Facilities and Financing</b>	<b>3,427,650,196</b>	<b>3,351,124,328</b>

\* Net after deducting interest and commission received in advance of JD 5,297,529 as of March 31, 2022 (JD 5,395,416 as of December 31, 2021).

- Direct Credit and financing facilities included in stage (3) amounted to JD 139,693,311 which is equivalent to 3.89% of total direct credit and financing facilities as of March 31, 2022 (JD 130,919,534 which is equivalent to 3.73% of total direct credit and financing facilities as of December 31, 2021).

- Direct Credit and financing facilities included in stage (3) after deducting interest in suspense amounted to JD 122,064,170 which is equivalent to 3.42% of total direct credit facilities balance after deducting interest and commission in suspense as of March 31, 2022 (JD 113,999,168 which is equivalent to 3.26% of total credit facilities balance after deducting interest and commission in suspense as of December 31, 2021).

- Direct credit facilities granted to and guaranteed by the Government of the Hashemite Kingdom of Jordan amounted to JD 340,032,998 which is equivalent to 9.47% of total direct credit facilities as of March 31, 2022 (JD 323,740,585 which is equivalent to 9.22% as of December 31, 2021).

- The facilities according to the Islamic law related to Safwa Islamic Bank amounted to JD 1,678,401,155 which is equivalent to 46.74% of total direct credit facilities as of March 31, 2022 (JD 1,635,040,078 which is equivalent to 46.59% as of December 31, 2021).

Disclosure on the movement of gross credit facilities and financing:

	(1) Stage		Stage (2)		Stage (3)		Total	
	Individual		Collective		Individual		Collective	
	JD		JD		JD		JD	JD
<b>For the Three Months Period March 31, 2022</b>								
Total Balance at beginning of the period	2,236,721,529		671,650,120		405,064,033		65,230,476	130,919,534
New facilities during the period	203,461,172		71,904,444		33,130,843		2,170,885	1,611,183
Paid facilities	(142,383,385)		(12,135,285)		(26,619,018)		(1,708,761)	(5,104,274)
Transferred to stage (1)	19,622,888		7,323,586		(19,555,048)		(7,163,528)	(227,898)
Transferred to stage (2)	(119,172,708)		(25,589,628)		121,128,199		26,057,405	(2,423,268)
Transferred to stage (3)	(1,667,893)		(551,658)		(11,297,218)		(1,724,218)	15,240,987
The total impact on the volume of exposure as a result of changing the classification between stages	(1,315,254)		(773,161)		(3,314,830)		(482,521)	(5,891,262)
Changes resulted from adjustments	(14,850,744)		(24,459,042)		3,535,997		(685,990)	(36,670,568)
Written off debts or transferred to off statement of financial position item *	-		-		-		-	(106,668)
<b>Total Balance as at the End of the Period</b>	<b>2,180,415,605</b>		<b>687,369,376</b>		<b>502,072,958</b>		<b>81,693,748</b>	<b>139,693,311</b>
								<b>3,591,244,998</b>

**For the Year Ended December 31, 2021**

Total Balance at beginning of the year	2,023,885,152		572,632,425		342,616,631		30,726,382	118,245,398	3,088,105,988
New facilities during the year	750,278,160		236,184,831		76,916,417		11,684,408	5,589,877	1,080,653,693
Exposures paid during the year	(302,786,525)		(43,112,125)		(53,793,088)		(2,796,948)	(14,706,179)	(417,194,865)
Transferred to stage (1) during the year	59,840,822		786,149		(56,175,283)		(786,102)	(3,665,586)	-
Transferred to stage (2) during the year	(136,611,567)		(32,188,318)		140,087,906		32,796,228	(4,084,249)	-
Transferred to stage (3) during the year	(6,554,449)		(4,952,724)		(25,374,658)		(1,692,361)	38,574,192	-
The total impact on the volume of exposure as a result of changing the classification between stages	(17,996,645)		(266,360)		(12,736,601)		(2,953,445)	584,624	(33,368,427)
Changes resulted from adjustments	(133,333,419)		(57,433,758)		(6,477,291)		(1,747,686)	(1,219,260)	(200,211,414)
Written off debts or transferred to off statement of financial position item *	-		-		-		-	(8,399,283)	(8,399,283)
<b>Total Balance at the End of the Year</b>	<b>2,236,721,529</b>		<b>671,650,120</b>		<b>405,064,033</b>		<b>65,230,476</b>	<b>130,919,534</b>	<b>3,509,585,692</b>

\* During the three months period ended March 31, 2022 no amounts was transferred to off- statement of financial position items (JD 7,679,135 as of December 31, 2021) and an amount of JD 106,668 of direct credit and financing facilities was written off according to the Board of Directors decisions in this regards (JD 720,148 as of December 31, 2021).

### Expected credit loss

Following is the movement on the expected credit losses during the period/ year :

#### For the Three Months Period Ended March 31, 2022

	Individuals		Real Estate Loans		Corporates		SMEs		Government and Public Sector		Total
	JD		JD		JD		JD		JD		JD
Balance at January 1, 2022	29,479,940		12,703,958		85,512,145		13,844,955		-		141,540,998
Impairment loss on new facilities during the period	1,752,140		471,393		6,182,382		1,111,951		-		9,517,866
Recovered from the impairment loss on the paid facilities	(1,023,670)		(804,760)		(6,612,643)		(508,945)		-		(8,950,018)
Transferred to stage (1)	286,361		(72,441)		(1,169,602)		(93,677)		-		(1,049,359)
Transferred to stage (2)	(173,540)		(391,984)		1,622,198		(1,041,121)		-		15,553
Transferred to stage (3)	(112,821)		464,425		(452,596)		1,134,798		-		1,033,806
The total effect on Impairment loss due to classification change between stages	2,216,386		395,514		(137,307)		574,795		-		3,049,388
Changes resulted from adjustments	604,247		(61,552)		212,359		97,015		-		852,069
Written-off credit facilities or transferred	(41,856)		-		-		(2,786)		-		(44,642)
Balance as at the end of the period	32,987,187		12,704,553		85,156,936		15,116,985		-		145,965,661

#### Redistribution:

Provisions on Individual level	29,512,966	12,704,307	85,156,936	14,448,375	-	141,822,584
Provisions on Collective level	3,474,221	246	-	668,610	-	4,143,077
	32,987,187	12,704,553	85,156,936	15,116,985	-	145,965,661

**For the Year Ended December 31, 2021**

Balance at the beginning of the year

Impairment on new Credit facilities during the year

Recovered from Impairment on paid credit facilities

Transferred to stage (1)

Transferred to stage (2)

Transferred to stage (3)

The total effect on impairment loss due to classification change between stages

Change resulted from adjustments

Written-off credit facilities or transferred

Balance at the End of the Year

**Redistribution:**

Provision on an Individual basis

Provision on a collective basis

The value of the provisions that were no longer needed as a result of debt settlements and transferred to other debts amounted to JD 8,950,018 as of March 31, 2022

(JD 17,867,845 as of December 31, 2021).

	Individuals		Real Estate Loans		Corporates		SMEs		Government and Public Sector		Total
	JD		JD		JD		JD		JD		JD
	25,401,230		14,336,802		67,069,526		12,675,056		-		119,482,614
	4,294,530		2,592,837		13,173,332		2,691,006		-		22,751,705
	(3,544,806)		(2,813,721)		(9,924,727)		(1,584,591)		-		(17,867,845)
	1,838,768		816,969		(108,871)		(78,919)		-		2,467,947
	570,129		(568,155)		(5,067,934)		(13,859)		-		(5,079,819)
	(2,408,897)		(248,814)		5,176,805		92,778		-		2,611,872
	4,790,917		84,891		7,449,335		1,021,510		-		13,346,653
	652,814		(1,133,266)		10,339,158		(445,341)		-		9,413,365
	(2,114,745)		(363,585)		(2,594,479)		(512,685)		-		(5,585,494)
	29,479,940		12,703,958		85,512,145		13,844,955		-		141,540,998
	27,004,054		12,703,784		85,512,145		13,167,915		-		138,387,898
	2,475,886		174		-		677,040		-		3,153,100
	29,479,940		12,703,958		85,512,145		13,844,955		-		141,540,998



### Suspended Interests

The movement of the suspended interests is as follows:

#### For the Three Months Period Ended March 31, 2022

	<u>Companies</u>				<u>Banks and financial institutions</u>	<u>Total</u>
	<u>Individuals</u>	<u>Real estate loans</u>	<u>Corporates</u>	<u>SMEs</u>		
	JD	JD	JD	JD	JD	JD
Balance beginning of the period	4,102,597	2,471,153	7,707,710	2,638,906	-	16,920,366
Add: Interest and returns suspended during period	572,169	159,499	367,472	187,431	-	1,286,571
Less: Interests and returns transferred to revenue	(135,770)	(11,071)	(354,616)	(14,313)	-	(515,770)
Written off suspended interests	(41,710)	(11,332)	-	(8,984)	-	(62,026)
Balance End of the Period	4,497,286	2,608,249	7,720,566	2,803,040	-	17,629,141

#### For the Year Ended December 31, 2021

Balance beginning of the Year	4,120,410	2,935,998	7,655,932	2,282,901	-	16,995,241
Add: Interest and returns suspended during year	1,935,720	427,845	1,342,528	752,560	-	4,458,653
Less: Interests and returns transferred to revenue	(672,700)	(455,395)	(508,584)	(83,060)	-	(1,719,739)
Written off suspended interests	(1,280,833)	(437,295)	(782,166)	(313,495)	-	(2,813,789)
Balance End of the Year	4,102,597	2,471,153	7,707,710	2,638,906	-	16,920,366

#### 9. Financial Assets at Fair Value through other Comprehensive Income

The details of this item are as follows:

	March 31, 2022 (Reviewed)	December 31, 2021 (Audited)
	JD	JD
Quoted shares in active markets	24,175,436	23,863,120
Unquoted shares in active markets	11,937,947	12,115,197
Investment funds	10,284,537	8,180,804
Total	46,397,920	44,159,121

- Transferred gain as a result of selling financial assets at fair value through the statements of other comprehensive Income amounted to JD 173,071 as of March 31, 2022 (there are no balances for the three months ended March 31, 2021).
- Cash dividends on the above financial assets amounted to JD 474,170 for the three months ended March 31, 2022 (JD 378,073 for the three months ended March 31, 2021).

#### 10. Financial Assets at Amortized Cost

The details of this Item are as follows:

	March 31, 2022 (Reviewed)	December 31, 2021 (Audited)
	JD	JD
<u>Quoted Financial Assets:</u>		
Foreign treasury bonds	52,384,131	31,996,765
Companies' bonds and debentures	119,047,010	129,212,530
<u>Unquoted Financial Assets:</u>		
Governmental treasury bonds	95,285,562	40,577,646
Governmental guaranteed bonds and bills	875,970,446	865,755,929
Companies' bonds and debentures	32,452,000	32,452,000
	1,175,139,149	1,099,994,870
<u>Less: Provision for expected credit loss related to financial assets within stage (1)</u>	725,704	648,639
Provision for expected credit loss related to financial assets within stage (2)	-	-
Provision for expected credit loss related to financial assets within stage (3)	250,000	250,000
	1,174,163,445	1,099,096,231
<u>Bonds and Bills Analysis (before provision):</u>		
With Fixed rate	1,175,139,149	1,099,192,171
With Floating rate	-	802,699
	1,175,139,149	1,099,994,870
<u>Bond Analysis according to IFRS 9 (before provision):</u>		
Stage (1)	1,174,889,149	1,099,744,870
Stage (2)	-	-
Stage (3)	250,000	250,000
	1,175,139,149	1,099,994,870

- \* During the three months ending on March 31, 2022 financial assets at amortized cost were sold with face value of JD 567,200 (JD 141,800 during the same period of the previous year) and the transaction resulted in a profit of JD 3,359 for the period ended on March 31, 2022 (JD 7,967 for the period ended on March 31, 2021).

## 11. Other Assets

The details of this item are as follows:

	March 31, 2022 (Reviewed)	December 31, 2021 (Audited)
	JD	JD
Interests and revenue under collection	12,578,916	14,733,131
Prepaid expenses	11,246,797	4,896,046
Assets seized by bank in repayment of debt *	53,253,030	51,302,874
Clearing checks	762,012	37,765
Transfers and checks under collection	420,605	179,570
Paid guaranteed insurance	2,673,424	2,982,731
Discounted commercial papers	33,202,855	28,236,148
Convertible loan	177,250	176,988
Other	13,099,270	13,097,958
Total	<u>127,414,159</u>	<u>115,643,211</u>

\* Central Bank of Jordan instructions requires to dispose of shares and real estates that are seized by the bank in repayment of debts during two years from the date of acquisition. However, in some special cases the Central Bank has the authority to extend the period to two consecutive years at maximum.

Below is a summary on the movement of foreclosed assets against debts:

	March 31, 2022 (Reviewed)	December 31, 2021 (Audited)
	JD	JD
Balance Beginning of Period / Year	51,302,874	49,408,223
Additions	3,046,654	9,800,110
Disposals **	(877,430)	(6,226,827)
(Provision) in impairment provision	<u>(219,068)</u>	<u>(1,678,632)</u>
Balance End of Period / Year	<u>53,253,030</u>	<u>51,302,874</u>

Below is a summary on the movement on the provision of the foreclosed assets:

Balance Beginning of Period / Year	5,175,496	3,496,864
Provision during the period / year	<u>219,068</u>	<u>1,678,632</u>
Balance End of Period / Year	<u>5,394,564</u>	<u>5,175,496</u>

\*\* During the first quarter of the year 2022 assets seized by the bank were sold of JD 969,314 which resulted in a gain amounted to JD 91,884 for the three months ended March 31, 2022.

## 12. Customers Deposits

The details for this item are as follows:

	Companies					Total	
	Retail		Corporates		SMEs		
	JD		JD		JD		
<b>For the Three Months Ended March 31, 2022</b>							
Current and demand accounts	464,179,475		354,695,514		275,919,265	1,120,561,247	
Saving deposits	843,485,312		32,856,766		38,042,734	918,659,746	
Time and notice deposits	1,555,757,355		614,455,608		176,628,440	2,604,175,181	
Certificate of deposits	302,554,451		6,148,000		13,936,601	341,639,052	
	3,165,976,593		1,008,155,888		504,527,040	4,985,035,226	
<b>For the Year Ended December 31, 2021</b>							
Current and demand accounts	442,030,552		357,945,726		307,652,101	1,124,832,531	
Saving deposits	845,840,833		39,406,551		28,043,366	915,530,141	
Time and notice deposits	1,480,697,923		609,689,896		151,319,249	2,511,995,367	
Certificate of deposits	319,227,063		6,098,000		13,691,000	358,016,063	
	3,087,796,371		1,013,140,173		500,705,716	4,910,374,102	

- The Jordanian government and public sector's deposits inside the kingdom reached JD 306,375,705 which is equivalent to 6.15% of total deposits as of March 31, 2022 (JD 308,731,842 which is equivalent to 6.29% as of December 31, 2021).
- Deposits with no interest bearing reached JD 1,069,833,318 which equivalent to 21.46% of the total deposits as of March 31, 2022 (JD 1,093,277,884 which equivalent to 22.26% as of December 31, 2021).
- Restricted deposits reached JD 3,624,736 which equivalent to 0.07% of the total deposits as of March 31, 2022 (JD 3,951,130 which equivalent to 0.08% of the total deposits as of December 31, 2021).
- Dormant deposits reached JD 50,484,812 which equivalent to 1.01% of the total deposits as of March 31, 2022 (JD 41,491,499 which equivalent to 0.84% of the total deposits as of December 31, 2021).
- Customer deposits include JD 1,736,219,729 representing the customers shared investments of Safwa Islamic Bank as of March 31, 2022 (JD 1,665,485,522 as of December 31, 2021).



### 13. Borrowed Funds and Subordinated Loans

#### 13.a. Borrowed Funds

The details of this item are as follows:

	Amount JD	Number of total payments		Payments frequency	Collaterals	Loan interest rate price
		Total no. of payments	Remaining payments			
<b>March 31, 2022</b>						
Central Bank of Jordan borrowing *	29,657,909	9,443	6,029	Monthly	Bank Promissory	1.00% - 1.75%
Central Bank of Jordan borrowing *	689,000	45	37	Quarterly	Bank Promissory	1.00%
Central Bank of Jordan borrowing *	3,462,054	36	25	semi-annual	Bank Promissory	0.50% - 1.00%
Central Bank of Jordan borrowing *	865,770	22	7	Annual	Bank Promissory	0.50% - 1.00%
Central Bank of Jordan borrowing *	41,182,025	23,845	17,696	Monthly	Bank Promissory	-
International Bank for Reconstruction and Development **	3,300,000	20	11	Semi-annual starting from September 15, 2018	Bank Promissory	1.99%
Arab Fund for Economic and Social Development ***	1,110,000	15	6	semi-annual	Bank Promissory	2.50%
Arab Fund for Economic and Social Development ***	1,589,016	34	34	semi-annual	Bank Promissory	3.00%
Arab Fund for Economic and Social Development ***	1,576,749	34	34	semi-annual	Bank Promissory	3.00%
Arab Fund for Economic and Social Development ***	1,200,000	34	34	semi-annual	Bank Promissory	3.00%
Jordan Mortgage Refinance Company (related to subsidiary)	10,000,000	1	1	one instalment	Bank Promissory	4.40%
Jordan Mortgage Refinance Company (related to subsidiary)	2,000,000	1	1	one instalment	-	4.60%
Jordan Mortgage Refinance Company (related to subsidiary)	2,000,000	1	1	one instalment	-	4.70%
Jordan Mortgage Refinance Company (related to subsidiary)	2,000,000	1	1	one instalment	-	4.70%
Jordan Mortgage Refinance Company (related to subsidiary)	2,500,000	1	1	one instalment	-	4.60%
Local Banks (related to a subsidiary)	4,850,000	72	72	Quarterly	-	3.75%
Local Banks (related to a subsidiary)	662,506	48	30	Monthly	-	5.90%
<b>Total</b>	<b>108,843,629</b>					
<b>December 31, 2021</b>						
Central Bank of Jordan borrowing *	30,485,626	9,348	6,088	Monthly	Bank Promissory	1.75% - 0.50%
Central Bank of Jordan borrowing *	1,283,180	70	42	Quarterly	Bank Promissory	1.00%
Central Bank of Jordan borrowing *	3,538,044	37	28	semi-annual	Bank Promissory	0.50% - 1.00%
Central Bank of Jordan borrowing *	781,433	22	7	Annual	Bank Promissory	0.50% - 1.00%
Central Bank of Jordan borrowing *	41,227,479	22,552	18,109	Monthly	Bank Promissory	-
International Bank for Reconstruction and Development **	3,600,000	20	12	Semi-annual starting from September 15, 2018	Bank Promissory	1.99%
Arab Fund for Economic and Social Development ***	1,110,000	15	6	semi-annual	Bank Promissory	2.50%
Arab Fund for Economic and Social Development ***	1,589,016	34	34	semi-annual	Bank Promissory	3.00%
Arab Fund for Economic and Social Development ***	1,576,749	34	34	semi-annual	Bank Promissory	3.00%
Arab Fund for Economic and Social Development ***	1,200,000	34	34	semi-annual	Bank Promissory	3.00%
Jordan Mortgage Refinance Company (Subsidiaries)	10,000,000	1	1	one instalment	Bank Promissory	4.40%
Jordan Mortgage Refinance Company (Subsidiaries)	2,000,000	1	1	one instalment	-	4.60%
Jordan Mortgage Refinance Company (Subsidiaries)	2,000,000	1	1	one instalment	-	4.70%
Jordan Mortgage Refinance Company (related to subsidiary)	2,000,000	1	1	one instalment	-	4.70%
Jordan Mortgage Refinance Company (related to subsidiary)	2,500,000	1	1	one instalment	-	4.60%
Local Banks (related to a subsidiary)	2,880,000	48	48	Quarterly	-	3.75%
Local Banks (related to a subsidiary)	795,004	48	36	Monthly	-	5.90%
<b>Total</b>	<b>108,566,631</b>					

\* Funds have been borrowed from the Central Bank of Jordan to corporates and SMEs sectors at an interest rate ranging from 0% - 8.75%.

\*\* Funds have been borrowed from the International Bank for Reconstruction and Development to corporates and SMEs sectors at an interest rate ranging from 6% -9%.

\*\*\* Funds have been borrowed from the Arab Fund for Economic and Social Development to corporates and SMEs sectors at an interest rate ranging from 5.5% -9%.

#### 13/b. Subordinated Loans

The details of this item are as follows:

	Amount JD	Number of total payments		Payments frequency	Collaterals	Loan interest rate price
		Total no. of payments	Remaining payments			
<b>March 31, 2022</b>						
The European Bank for Reconstruction and Development	21,300,000	1	1	One instalment dated April 8, 2027	-	6.50%
<b>December 31, 2021</b>						
The European Bank for Reconstruction and Development	21,300,000	1	1	One instalment dated April 8, 2027	-	6.50%

#### 14. Income Tax Provision

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

	For the Three Months Ended March 31, 2022 (Reviewed)	For the Year Ended December 31, 2021 (Audited)
	JD	JD
Balance beginning of the period / year	21,931,794	24,618,987
Income tax paid	(7,966,143)	(30,374,240)
Income tax for the period / year	4,113,999	27,665,660
Provision for prior years income tax	127,074	21,387
Balance End of the Period / Year	18,206,724	21,931,794

The income tax in the consolidated condensed interim statements of profit or loss represents the follow:

	For the Three Months Ended March 31, 2022 (Reviewed)	2021 (Reviewed)
	JD	JD
Accrued income tax for the profits of the period	4,113,999	4,410,115
Prior years income tax	127,074	21,211
Amortization of deferred tax assets for the period	2,257,929	549,425
Deferred tax liability for the year	(114,982)	-
	6,384,020	4,980,751

- The legal income tax rate for the Bank was 35% in addition to the national contribution 3%, the legal income tax rate for the Etihad Leasing Company and the Etihad Financial Brokerage Company was 24% in addition to the national contribution 4% and the income tax rate for the Etihad Information Technology Company was 20% in addition to the national contribution 1%.
- The Bank submitted the tax return until the year 2020 and a final settlement was reached with Income Tax Department on the results of the bank until end of the year 2018, and Income and Sales Department did not review the records for the years of 2019 and 2020.
- A final settlement with the income tax department for Safwa Islamic Bank has been reached up to the year 2018. The tax return for the year 2019 and 2020 was submitted, and the income and sales tax department did not review the accounting records until the date of preparing the interim consolidated financial statements.
- A final settlement for Al Etihad for Financial Brokerage Company has been reached, with the income tax department up to the year 2020.
- A final settlement with the Income Tax Department for Al Etihad for Financial Leasing Company has been reached up to the year 2019. The tax return for the year 2020 was submitted, and the income and sales tax department did not review the accounting records until the date of preparing the interim consolidated financial statements.
- The percentage of deferred tax was 38% and 13% and in the Bank's management opinion these deferred taxes will be realized in the future.

### 15. Other Liabilities

The details of this item are as follows:

	March 31, 2022 (Reviewed)	December 31, 2021 (Audited)
	JD	JD
Accrued interest expenses	30,422,555	28,652,911
Revenue received in advance	1,950,280	1,524,079
Accounts payable	621,865	553,459
Accrued expenses	9,277,462	11,159,682
Incoming transfers	104,570	78,733
Postdated cheques	18,691,909	11,268,610
Provision for expected credit losses for the off-balance sheet items*	6,243,215	5,615,184
Dividends payable	539,014	560,849
Other liabilities	27,380,837	21,469,658
Total	95,231,707	80,883,165

\* The movement on the provision for expected credit losses for the indirect credit facilities during the period / year is as follows:

	March 31, 2022 (Reviewed)	December 31, 2021 (Audited)
	JD	JD
Balance - beginning of the period	5,615,184	4,892,618
Provision during the period from the revenue	628,031	722,566
Balance at the End of the Period	6,243,215	5,615,184



16. (Loss) Gain from Financial Assets at fair value through Profit or Loss

Details of this item are as follows:

For The Three Months Ended March 31, 2022

	Realized (Losses) Gain	Unrealized (Losses) Gain	Dividends	Total
	JD	JD	JD	JD
Bonds and treasury bills	14,459	(32,976)	-	(18,517)
Corporate shares	(346,946)	(351,662)	25,459	(673,149)
Financial derivatives	13,421	-	-	13,421
Investment funds	(624)	(89,565)	2,403	(87,786)
	<u>(319,690)</u>	<u>(474,203)</u>	<u>27,862</u>	<u>(766,031)</u>

For The Three Months Ended March 31, 2021

	Realized (Losses) Gain	Unrealized (Losses) Gain	Dividends	Total
	JD	JD	JD	JD
Bonds and treasury bills	49,133	6,451	-	55,584
Corporate shares	1,907,994	126,743	54,823	2,089,560
Financial derivatives	(27,967)	-	-	(27,967)
Investment funds	-	817,441	-	817,441
	<u>1,929,160</u>	<u>950,635</u>	<u>54,823</u>	<u>2,934,618</u>

#### 17. Basic and Diluted Earnings per Share for the Period

Details of this item are as follows:

	For the Three Months Ended March 31,	
	2022 (Reviewed)	2021 (Reviewed)
	JD	JD
Income for the period	8,283,792	7,724,729
Weighted average number of shares (share)	160,000,000	160,000,000
	JD / Fils	JD / Fils
Earnings per share for the period (Basic and Diluted)	0.052	0.048

#### 18. Provision for Expected Credit Loss

Details of this item are as follows:

	For the Three Months Ended March 31,	
	2022 (Reviewed)	2021 (Reviewed)
	JD	JD
Balances at banks and financial institutions	102,869	275,155
Banks deposit and financial institutions	(410)	(611)
Financial assets at amortized cost	77,065	134,565
Direct credit and financing facilities	4,469,305	10,690,405
Contingent liabilities	628,031	(739,616)
	<u>5,276,860</u>	<u>10,359,898</u>

#### 19. Cash and Cash Equivalent

Details of this item are as follows:

	For the Three Months Ended March 31,	
	2022 (Reviewed)	2021 (Reviewed)
	JD	JD
Balances at central banks due within three months	862,417,282	599,354,678
Add: Balances at banks and financial institutions due within three months	534,122,709	472,560,935
Less: Deposits at banks and financial institutions due within three months	(225,357,272)	(278,449,426)
Restricted balances	(8,067,330)	(7,547,682)
Borrowed funds	-	-
	<u>1,163,115,389</u>	<u>785,918,505</u>

**20. Transactions and Balances with Related Parties.**

Related parties, as defined in International Accounting Standard 24: (Related Party Disclosures), include associate companies, major shareholders, directors and other key management personnel of the Company, and entities controlled, jointly controlled or significantly influenced by such parties.

The Bank entered into transactions with major shareholders, Board of Directors and executive management within the normal banking practice and according to the normal commercial interests and commissions rates.

All of the credit facilities granted to related parties are considered to be performing facilities, and no impairment provisions have been taken except for the below:

**a. The following is a summary of the transactions with related parties during the period/year:**

	Board of Directors Members		Top Executive Management and management shareholder		Subsidiaries		Others (executive management members and their relatives)		Total	
	JD		JD		JD		JD		March 31, 2022 (Reviewed)	December 31, 2021 (Audited)
<b>On- Consolidated Condensed Interim Statement of Financial Position Items:</b>										
Direct credit facilities	994,558		3,580,833		1,157,736		66,113,625		71,846,752	75,104,514
Deposits	85,003,074		4,441,225		28,484,865		16,998,817		134,927,981	133,603,635
Deposits at banks and financial institutions	-		-		255,617		-		255,617	348,802
<b>Off- Consolidated Condensed Interim Statement of Financial Position Items:</b>										
Letter of credits	-		-		34,163		3,599,660		3,633,823	3,188,733
Acceptances	-		-		-		-		-	-
Letter of guarantee	100,000		-		802,000		9,385,665		10,287,665	10,507,756

For the Three Months Ended March 31,

2022 (Reviewed)	2021 (Reviewed)
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**Consolidated Condensed Interim Statement of Profit or Loss Items:**

Credit interests, returns and commissions	9,554	27,692	9,740	1,209,196	1,256,182	1,259,800
Debit interests, returns and commissions	448,155	15,626	113,264	41,688	618,733	348,966

b. The Salaries, bonuses and transportation allowances of Executive management for the Banks and transportation and allowances for board of directors members amounted to JD 1,606,533 for three months ended March 31, 2022 (JD 1,169,995 for three months ended March 31, 2021).



## 21. Information on the Bank's Business

### 1. Bank Activities Information:

For management purposes the Bank is organized into the following major business segments based on the reports sent to the chief operating decision maker:

- Individual accounts: This item includes following up on individual customer's deposits, granting them credit facilities, credit cards and other services.
- Small and Medium Enterprises: This item includes following up on the client's deposits and credit facilities and in which these clients are classified based on the volume of the granted deposits and facilities according to the Bank's instructions and policies and in compliance with the regulatory bodies' instruction.
- Corporate Accounts: This item includes following up on the client's deposits and credit facilities and in which these clients are classified based on the volume of the granted deposits and facilities according to the Bank's instructions and policies and in compliance with the regulatory bodies' instruction.
- Treasury: This item includes providing treasury and trading services, managing the Bank's funds and long term investments at amortized costs which is maintained to collect the contractual cash flows.
- Investment and foreign exchange management: This sector includes the local and foreign investments held at fair value as well as foreign currency trading services
- Others: This sector includes all the accounts not listed within the sectors mentioned above such as share holders' rights, investments in associates, property and equipment, general management and supporting management.

The following table represents information on the Bank's sectors according to activities:

	Total					
	For the Three Months Ended March 31,					
	Individuals	Corporates	Treasury	Other	2022 (Reviewed)	2021 (Reviewed)
	JD	JD	JD	JD	JD	JD
Total Revenue	29,573,667	29,642,168	17,899,202	1,753,481	78,868,518	74,807,667
Expected credit loss	(4,005,673)	(2,093,048)	821,861	-	(5,276,860)	(10,359,898)
Results of the Business Sector Operation	11,065,533	16,495,499	16,039,956	1,746,413	45,347,401	39,920,234
Net unallocated (expenses)					(28,463,826)	(25,236,210)
Income before tax					16,883,575	14,684,024
Income tax					(6,384,020)	(4,980,751)
Profit for the period					10,499,555	9,703,273

### Other Information

Capital expenses	3,945,807	1,664,312
Depreciation and Amortization	3,858,289	3,727,282

	Total					
	March 31,		December 31,			
	2022 (Reviewed)		2021 (Audited)			
	JD	JD	JD	JD	JD	JD
Segment Assets	1,793,342,682	1,479,122,268	2,381,313,921	-	5,653,778,871	5,626,669,215
Undistributed assets on Sectors	-	-	-	692,623,075	692,623,075	635,852,002
Total Assets	1,793,342,682	1,479,122,268	2,381,313,921	692,623,075	6,346,401,946	6,262,521,217
Segment Liabilities	3,513,371,886	1,733,137,488	412,101,387	-	5,658,610,761	5,590,249,204
Undistributed liabilities on Sectors	-	-	-	147,733,326	147,733,326	142,804,496
Total Liabilities	3,513,371,886	1,733,137,488	412,101,387	147,733,326	5,806,344,087	5,733,053,700

## 22. Capital Adequacy

In addition to subscribed capital, the capital includes the statutory reserve, voluntary reserve, share premium, retained earnings, fair value reserve, general banking risk reserve, other reserves and treasury stocks.

The bank is committed to apply the requirements set forth by regulators concerning capital adequacy as follows:

1. Central Bank of Jordan Instructions that capital adequacy ratio does not go below 12.5%
2. Comply with the minimum limit set for the paid capital for Jordanian Banks such that it is not less than JD 100 million.
3. The Bank's investments in stocks and shares which should not exceed 50% of the subscribed capital.
4. The ratio of credit limits (credit concentration) to regulatory capital.
5. Banks and Companies laws related to the deduction of the legal reserve at a rate of 10% of the Bank's profit before tax.

	March 31, 2022 (Reviewed)	December 31, 2021 (Audited)
	JD	JD
<b>Common Equity Shareholders Rights</b>		
Paid-up capital	160,000,000	160,000,000
Retained earnings after deduction of the expected distributions	55,893,896	55,721,054
The cumulative change in fair value	1,660,847	1,741,270
Share premium	80,213,173	80,213,173
Statutory reserve	68,169,340	68,169,340
Voluntary reserve	46,167,117	46,167,117
Recognizable non controlling shareholders	48,054,153	44,971,234
Interim profit after tax and deduction of the expected distributions	4,283,792	-
<b>Total Common Equity Tier 1 before regulatory adjustments</b>	<b>464,442,318</b>	<b>456,983,188</b>
<b>Regulatory Adjustments (Propositions of the Capital)</b>		
Goodwill and intangible assets	(27,583,122)	(27,451,684)
Deferred tax assets resulting from Investments within Tier 1 (10%)	(25,421,581)	(27,747,673)
<b>Total Tier 1 capital</b>	<b>411,437,615</b>	<b>401,783,831</b>
<b>Additional capital</b>		
Recognizable minority rights	8,480,145	7,936,100
<b>Net Primary Capital (Tier 1)</b>	<b>419,917,759</b>	<b>409,719,931</b>
<b>Tier 2 capital</b>		
General Banking risk reserve	-	-
Provision for debts tools listed in Tier 1	14,367,855	16,856,320
Recognizable non-controlling shareholders	11,306,859	10,581,467
Financial tools Issued by the Bank that bear supporting capital	21,300,000	21,300,000
<b>Total Supporting Capital</b>	<b>46,974,714</b>	<b>48,737,787</b>
<b>Total Regulatory Capital</b>	<b>466,892,473</b>	<b>458,457,718</b>
<b>Total Risk Weighted Assets</b>	<b>3,378,815,936</b>	<b>3,163,350,502</b>
<b>Capital Adequacy Ratio (CET 1)</b>	<b>13.82%</b>	<b>14.49%</b>
<b>Primary Capital Ratio</b>	<b>12.18%</b>	<b>12.70%</b>
<b>Supporting Capital Ratio</b>	<b>1.39%</b>	<b>1.54%</b>

	March 31, 2022 (Reviewed)	December 31, 2021 (Audited)
	JD	JD
Financial leverage rate		
Tier 1 Capital	419,917,759	409,719,931
Total assets in and out of the financial positions after removing deductible items from Tier 1	7,040,195,460	6,779,248,072
Financial leverage rate	5.96%	6.04%

Capital adequacy was calculated on March 31, 2022 and December 31, 2021 based on the Basel committee III.

### 23. Contingent Liabilities and Commitments

The details of this item is as follows:

	March 31, 2022 (Reviewed)	December 31, 2021 (Audited)
	JD	JD
Letters of credit	386,993,673	280,614,319
Acceptances	132,133,745	58,667,598
<b>Letters of guarantee:</b>		
- Payments	56,654,954	57,290,790
- Performance	84,415,218	78,362,876
- Other	69,617,401	70,962,651
Futures contracts	52,977,887	52,977,887
Unused Limits of Direct Credit Facilities and Financing	<u>670,226,033</u>	<u>568,536,622</u>
<b>Total</b>	<u><u>1,453,018,911</u></u>	<u><u>1,167,412,743</u></u>

### 24. Lawsuits against the Bank

The value of the cases against the Group were amounted to JD 1,882,540 as of March 31, 2022

(JD 1,902,950 as of December 31, 2021), Provisions booked against them was amounted to JD

447,361 as of March 31, 2022 and JD 677,424 as of December 31, 2021. The Bank management

and it legal counsel believe that the provisions booked for these cases are adequate.



## 25. Fair Value Hierarchy

### a. The fair value of financial assets and financial liabilities of the Bank specified at fair value on an ongoing basis:

The fair value is the price that is received to sell an asset or payment to transfer a liability in an orderly transaction between market participants at the measurement date regardless of whether that price is directly observable or estimated using another valuation technique.

When estimating the fair value of an asset or a liability, the Bank takes into account the characteristics of the asset or liability if market participants took those characteristics into account when pricing the asset or liability at the measurement date.

Some financial assets and liabilities of the Bank are evaluated at fair value at the end of each fiscal period. The following table shows the information about how to determine the fair value of these financial assets and liabilities (evaluation methods and inputs used).

Financial Assets	Fair Value		The Level of Fair Value	Evaluation Method and Inputs used	Important Intangible Inputs	Relation between the Fair Value and the Important Intangible Inputs
	March 31, 2022 (Reviewed)	December 31, 2021 (Audited)				
	JD	JD				
Financial Assets at Fair Value						
Financial Assets at Fair Value Through Profit or Loss						
Government bonds listed on financial markets	284,928	143,948	Level 1	Quoted prices in financial markets	N/A	N/A
Corporate bonds listed on financial markets	1,545,431	1,512,207	Level 1	Quoted prices in financial markets	N/A	N/A
Corporate shares	4,236,109	3,275,739	Level 1	Quoted prices in financial markets	N/A	N/A
Investment Fund	13,527,310	13,364,472	Level 2	The treasury manager evaluation of fair value	N/A	N/A
Total	19,593,778	18,296,366				
Financial Assets at Fair Value Through Other Comprehensive Income:						
Quoted Shares in active markets	24,175,436	23,863,120	Level 1	Quoted prices in financial markets	N/A	N/A
Investment fund	10,284,537	8,180,804	Level 2	The treasury manager evaluation of fair value	N/A	N/A
Unquoted Shares in active markets	11,937,947	12,115,197	Level 3	Based on the latest available financial information	N/A	N/A
Total	46,397,920	44,159,121				
Total Financial Assets at Fair Value	65,991,698	62,455,487				

There were no transfers between level 1 and level 2 during the Three months ended March 31, 2022 and the year 2021.

b. The fair value of the financial assets and financial liabilities of the Bank (non-specific fair value on an ongoing basis):

Except for what is set out in the table below, we believe that the carrying amount of financial assets and liabilities shown in the consolidated condensed Interim financial Information of the Bank approximates their fair value.

	March 31, 2022 (Reviewed)		December 31, 2021(Audited)		The level of
	Fair value		Fair value		
	Book value	JD	Book value	JD	
<b>Financial Assets of Non-specified Fair Value</b>					
Term deposits, and certificate of deposits at Central Bank	205,000,000	205,003,391	315,000,000	315,034,521	Level 2
Current accounts, and balances at Banks and Financial Institutions	541,318,736	541,474,291	550,247,392	550,340,958	Level 2
Direct credit facilities at amortized costs	3,427,650,196	3,430,715,795	3,351,124,328	3,354,401,231	Level 2
Other financial assets at amortized costs	1,174,163,445	1,183,315,569	1,099,096,231	1,110,233,119	Level 1 and 2
<b>Total Financial Assets of Non-specified Fair Value</b>	<b>5,348,132,377</b>	<b>5,360,509,046</b>	<b>5,315,467,951</b>	<b>5,330,009,829</b>	
<b>Financial Liabilities of Non-specified Fair Value</b>					
Banks' and Financial Institutions' deposits	271,947,272	272,519,447	316,782,838	317,366,600	Level 2
Customers' deposits	4,985,035,226	5,014,279,870	4,910,374,102	4,937,737,864	Level 2
Cash margin	277,879,792	278,070,730	244,827,786	245,002,277	Level 2
Borrowed funds	108,843,629	109,036,492	108,566,531	108,906,660	Level 2
Supplementary loans	21,300,000	21,611,513	21,300,000	21,576,900	-
<b>Total Financial Liabilities of Non-specified Fair Value</b>	<b>5,665,005,919</b>	<b>5,695,518,052</b>	<b>5,601,851,257</b>	<b>5,630,590,301</b>	

The fair value of the financial assets and liabilities for level 2 were determined in accordance with agreed pricing models, which reflect the credit risk of the parties dealt with.

**26. The Impact of Corona Virus**

There have been no material changes as a result of COVID-19 in the company's financial position and financial performance as of March 31, 2022, and there are no material changes in its main accounting judgements and estimates from those applied in the annual financial statements as of December 31, 2021.

**27. Subsequent Event**

In its meeting held on April 17, 2022, the Bank General Assembly of Shareholders approved the Board of Directors recommendations to distribute 10% of capital as a cash dividends.