

Capital Bank of Jordan

Interim Condensed Consolidated Financial Statements

(Reviewed not audited)

30 June 2025

**REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
TO THE BOARD OF DIRECTORS OF
CAPITAL BANK OF JORDAN
AMMAN - JORDAN**

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Capital Bank of Jordan and its subsidiaries (the Group) as of 30 June 2025, comprising of the interim condensed consolidated statement of financial position as of 30 June 2025 and the related interim condensed consolidated statement of income, the interim condensed consolidated statement of comprehensive income for the three and six months period then ended and the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the six-months period then ended and explanatory notes. The Board of Directors is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard (34) - Interim Financial Reporting ("IAS 34"). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements (2410), "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of 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 interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with International Accounting Standard (34).

Amman – Jordan
31 July 2025

ERNST & YOUNG
Amman - Jordan

Capital Bank of Jordan
Interim Condensed Consolidated Statement of Financial Position
As at 30 June 2025

	Notes	30 June 2025	31 December 2024
		JD	JD
		(Reviewed not audited)	(Audited)
<u>Assets</u>			
Cash and balances at central banks	4	1,300,700,658	1,654,204,813
Balances at banks and financial institutions	5	355,156,646	221,567,195
Financial assets at fair value through other comprehensive income	6	87,530,343	77,917,575
Direct credit facilities at amortized cost, net	7	3,611,455,646	3,429,168,025
Financial assets at amortized cost	8	2,231,388,223	2,115,702,468
Pledged financial assets at amortized cost	9	225,241,859	226,054,164
Property and equipment, net		106,148,463	105,823,935
Intangible assets, net		63,796,613	67,610,165
Right-of-use leased assets		19,507,063	18,531,892
Deferred tax assets		52,730,302	51,876,710
Other assets	10	316,249,755	269,927,425
Total Assets		8,369,905,571	8,238,384,367
<u>Liabilities And Equity</u>			
Liabilities			
Banks and financial institutions' deposits		96,415,311	152,901,755
Customers' deposits	11	5,961,923,312	5,879,067,897
Margin accounts		743,195,100	651,071,794
Loans and borrowings	12	452,087,480	499,532,102
Income tax provision	14	12,250,645	23,767,686
Deferred tax liabilities		3,777,602	3,751,165
Sundry provisions	15	967,148	857,987
Expected credit losses provision against off-balance sheet items	28	11,892,986	10,182,949
Leased liabilities		19,342,001	18,879,870
Other liabilities	16	183,588,303	150,651,218
Subordinated loan	13	15,172,600	15,172,600
Total Liabilities		7,500,612,488	7,405,837,023
Equity			
Equity attributable to the Bank's shareholders			
Authorized, issued and paid in capital	1	263,037,122	263,037,122
Additional paid in capital	1	68,872,349	68,872,349
Perpetual bond	17	70,900,000	70,900,000
Statutory reserve	32	81,157,605	81,157,605
Foreign currency translation reserve		(4,397,422)	(4,397,422)
Fair value reserve	18	4,465,395	3,967,607
Retained earnings	19	199,767,001	241,048,908
Current period profits attributable to the bank's shareholders		61,329,919	-
Net equity attributable to the Bank's shareholders		745,131,969	724,586,169
Non-controlling interest		124,161,114	107,961,175
Total Equity		869,293,083	832,547,344
Total Liabilities and Equity		8,369,905,571	8,238,384,367

The attached notes from 1 to 34 form an integral part of these interim condensed consolidated financial statements

Capital Bank of Jordan
Interim Condensed Consolidated Income Statement
For the Three and Six Months Period Ended 30 June 2025 (Reviewed not audited)

	Notes	For the 3 months ended		For the 6 months ended	
		30 June 2025	30 June 2024	30 June 2025	30 June 2024
		JD (Reviewed not audited)	JD (Reviewed not audited)	JD (Reviewed not audited)	JD (Reviewed not audited)
Interest income	20	123,591,995	117,373,260	244,808,474	234,570,125
Less: Interest expense	21	61,101,626	65,368,208	122,826,797	129,911,868
Net interest income		62,490,369	52,005,052	121,981,677	104,658,257
Commission income		46,664,260	48,186,275	92,865,641	104,572,746
Less: Commission Expense		5,969,836	8,421,670	11,215,396	13,172,663
Net commission income		40,694,424	39,764,605	81,650,245	91,400,083
Gain from foreign currencies		4,339,681	2,674,881	11,111,019	5,069,030
Dividends income from financial assets at fair value through other comprehensive income	6	372,100	425,035	648,798	697,096
(Loss) gain from sale of financial assets at fair value through other comprehensive income - Debt instruments	6	(587)	(620)	2,466	26,560
Other income	22	874,017	1,460,390	2,771,429	4,346,759
Gross profit		108,770,004	96,329,343	218,165,634	206,197,785
Employees' expenses		17,561,096	13,946,820	31,762,175	27,504,556
Depreciation and amortization		9,666,845	8,004,485	18,854,416	14,874,441
Other expenses		16,328,502	23,666,895	30,038,627	36,510,186
(Loss) Gain on sale of seized assets		8,013	(51,036)	45,268	(321,517)
Expected credit losses on financial assets	(29-4)	12,392,208	21,452,991	26,982,365	37,317,952
Provision and impairment on seized assets	10	1,126,150	783,694	2,287,801	1,270,659
Sundry provisions	15	116,931	2,718,020	198,114	2,873,242
Total expenses		57,199,745	70,521,869	110,168,766	120,029,519
Net income before tax		51,570,259	25,807,474	107,996,868	86,168,266
Less: Income tax expense	14	7,414,640	4,833,855	13,809,922	15,999,648
Net income for the period		44,155,619	20,973,619	94,186,946	70,168,618
Attributable to:					
Bank's shareholders		28,504,785	10,982,387	61,329,919	44,785,805
Non - controlling interest		15,650,834	9,991,232	32,857,027	25,382,813
		44,155,619	20,973,619	94,186,946	70,168,618
		JD/Fils	JD/Fils	JD/Fils	JD/Fils
Basic and diluted earnings per share from profit for the period attributable to the bank's shareholders	23	0.108	0.042	0.233	0.170

The attached notes from 1 to 34 form an integral part of these interim condensed consolidated financial statements

Capital Bank of Jordan
Interim Condensed Consolidated Statement of Comprehensive Income
For the Three and Six Months Period Ended 30 June 2025 (Reviewed not audited)

	For the 3 months ended		For the 6 months ended	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
	JD (Reviewed not audited)	JD (Reviewed not audited)	JD (Reviewed not audited)	JD (Reviewed not audited)
Net income for the period	44,155,619	20,973,619	94,186,946	70,168,618
Add: Items that will be reclassified to income statement in subsequent periods after excluding the impact of tax:				
Change in the fair value of financial assets at fair value through other comprehensive income - debt instruments	25,963	(43,525)	79,553	15,292
Loss (Gain) on sale of debt instruments at fair value through other comprehensive income transferred to the income statement	587	620	(2,466)	(26,560)
Add: Other comprehensive income items that will not be reclassified to income statement in subsequent periods after excluding the impact of tax :				
Change in the fair value of financial assets at fair value through other comprehensive income - equity instruments	613,775	(271,894)	422,842	(466,488)
Total other comprehensive income for the period, net of tax	640,325	(314,799)	499,929	(477,756)
Total comprehensive income for the period	44,795,944	20,658,820	94,686,875	69,690,862
Attributable to:				
Bank's shareholders	29,110,699	10,673,877	61,807,787	44,301,794
Non-controlling interest	15,685,245	9,984,943	32,879,088	25,389,068
	44,795,944	20,658,820	94,686,875	69,690,862

The attached notes from 1 to 34 form an integral part of these interim condensed consolidated financial statements

Capital Bank of Jordan

Interim Condensed Consolidated Statement of Changes in Equity

For the Six Months Period Ended 30 June 2025 (Reviewed not audited)

	Authorized, issued and Paid in Capital	Additional paid in capital	Perputual bonds	Statutory reserves	Foreign currency translation reserve	Fair value reserve	Retained earnings*	Net Income for the period attributable to the Bank's shareholders	Equity attributable to the Bank's shareholders	Non-controlling interest	Total equity
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
30 June 2025 (Reviewed not audited)											
Balance at the beginning of the period	263,037,122	68,872,349	70,900,000	81,157,605	(4,397,422)	3,967,607	241,048,908	-	724,586,169	107,961,175	832,547,344
Net income for the period	-	-	-	-	-	-	-	61,329,919	61,329,919	32,857,027	94,186,946
Change in the fair value of financial assets (at fair value) through other comprehensive income - Equity instruments	-	-	-	-	-	400,781	-	-	400,781	22,061	422,842
Gain on sale of debt instruments at fair value through other comprehensive income transferred to the income statement (Note 6)	-	-	-	-	-	(2,466)	-	-	(2,466)	-	(2,466)
Change in fair value of financial assets at fair value through other comprehensive income - debt instruments	-	-	-	-	-	79,553	-	-	79,553	-	79,553
Total comprehensive income for the period	-	-	-	-	-	477,868	-	61,329,919	61,807,787	32,879,088	94,686,875
Realized loss from sale of financial assets at fair value through other comprehensive income - equity instruments (Note 6)	-	-	-	-	-	19,920	(19,920)	-	-	-	-
Interest related to Perputual Bonds, net of tax (Note 17)	-	-	-	-	-	-	(1,545,288)	-	(1,545,288)	-	(1,545,288)
Expenses related to a subsidiary capital increase, net of tax	-	-	-	-	-	-	(261,131)	-	(261,131)	(161,070)	(422,201)
Cash dividends (Note 33)	-	-	-	-	-	-	(39,455,568)	-	(39,455,568)	(16,518,079)	(55,973,647)
Balance at 30 June 2025	263,037,122	68,872,349	70,900,000	81,157,605	(4,397,422)	4,465,395	199,767,001	61,329,919	745,131,969	124,161,114	869,293,083
30 June 2024 (Reviewed not audited)											
Balance at the beginning of the period	263,037,122	68,872,349	70,900,000	69,714,499	(4,397,422)	4,388,724	185,054,830	-	657,570,102	70,928,966	728,499,068
Net income for the period	-	-	-	-	-	-	-	44,785,805	44,785,805	25,382,813	70,168,618
Change in the fair value of financial assets at fair value through other comprehensive income - Equity instruments	-	-	-	-	-	(472,743)	-	-	(472,743)	6,255	(466,488)
Gain on sale of debt instruments at fair value through other comprehensive income transferred to the income statement (Note 6)	-	-	-	-	-	(26,560)	-	-	(26,560)	-	(26,560)
Change in fair value of financial assets at fair value through other comprehensive income - debt instruments	-	-	-	-	-	15,292	-	-	15,292	-	15,292
Total comprehensive income for the period	-	-	-	-	-	(484,011)	-	44,785,805	44,301,794	25,389,068	69,690,862
Realized loss from sale of financial assets at fair value through other comprehensive income - equity instruments (Note 6)	-	-	-	-	-	165,909	(165,909)	-	-	(40)	(40)
Interest related to Perputual Bonds, net of tax (Note 17)	-	-	-	-	-	-	(1,629,466)	-	(1,629,466)	-	(1,629,466)
Expenses related to a subsidiary capital increase, net of tax	-	-	-	-	-	-	(217,658)	-	(217,658)	(134,281)	(351,939)
Cash dividends (Note 33)	-	-	-	-	-	-	(39,455,568)	-	(39,455,568)	(12,388,557)	(51,844,125)
Balance at 30 June 2024	263,037,122	68,872,349	70,900,000	69,714,499	(4,397,422)	4,070,622	143,586,229	44,785,805	660,569,204	83,795,156	744,364,360

* Retained earnings include JD 52,730,302 which represents deferred tax assets as at 30 June 2025 against JD 51,876,710 as at 31 December 2024, according to the Central Bank of Jordan's regulations and Jordan Securities Commission's regulations these balances are restricted.

* Retained earnings as at 30 June 2025 and 31 December 2024 includes an amount of JD 958,330 which is related to the measurements and classifications as a result of the early adoption of IFRS (9). This amount is restricted for distribution according to the Securities and Exchange Commission regulations until the amount becomes realized .

_ An amount equals to the negative balance of fair value reserve is restricted within retained earnings and cannot be utilized except with the approval of the Central Bank of Jordan and Jordan Securities Commission.

_ The Central Bank of Jordan issued Circular No. 10/1/1359 on 25 January 2018 which states the regulations related to IFRS 9 adoption which allowed the Banks to transfer the general banking risks reserve balance to the retained earnings to offset the effect of applying IFRS (9) on the opening balance of the retained earning as of 1 January 2018. The circular also stated that the unutilized balance from the general banking risks reserve cannot be distributed to shareholders and / or used for other purposes except with the approval of the Central Bank of Jordan. The unutilized balance amounted to JD 8,840,593.

Capital Bank Of Jordan
Interim Condensed Consolidated Statement of Cash Flows
For the Period Ended 30 June 2025 (Reviewed not audited)

	Notes	30 June 2025	30 June 2024
<u>Operating Activities</u>		JD	JD
Profit before tax		107,996,868	86,168,266
<u>Adjustments for Non-Cash Items</u>			
Depreciation and amortization		18,854,416	14,874,441
Expected credit losses on financial assets		26,982,365	37,317,952
Loss (Gain) on sale of seized assets		45,268	(321,517)
Impairment on assets seized		2,287,801	1,270,659
Gain on sale of financial assets at fair value through other comprehensive income- Debt instruments		(2,466)	(26,560)
Sundry provisions		198,114	2,873,242
Net accrued interest paid (received)		(12,951,845)	3,794,015
Dividends income from financial assets at fair value through other comprehensive		(648,798)	(697,096)
Cash flows from operating activities before changes in assets and liabilities		142,761,723	145,253,402
Changes in assets and liabilities :			
Restricted balances at banks and financial institutions		(150,105)	(597,392)
Balances at central banks		(36,462,776)	(9,022,059)
Deposits with banks and financial institutions (matured within more than three months)		9,063,951	-
Direct credit facilities		(176,398,659)	(134,067,930)
Other assets		(114,040,267)	(79,454,706)
Customers' deposits		82,855,415	337,728,072
Margin accounts		92,123,306	253,396,388
Other liabilities		13,563,327	37,540,340
Paid sundry provisions	15	(88,953)	(3,255,820)
Net cash flow from operating activities before income tax		13,226,962	547,520,295
Income tax paid	14	(25,472,489)	(26,013,367)
Net cash flow (used in) from operating activities		(12,245,527)	521,506,928
<u>Investing Activities</u>			
Financial assets at fair value through other comprehensive income		(9,137,424)	681,126
Financial assets at amortized cost		(101,901,846)	(108,700,246)
Property and equipment		(2,801,998)	(2,405,268)
Dividends received from financial assets at fair value through other comprehensive		648,798	697,096
Intangible assets		(4,150,832)	(6,518,736)
Proceeds from sale of seized assets		4,801,802	5,601,297
Net cash flow used in investing activities		(112,541,500)	(110,644,731)
<u>Financing Activities</u>			
Loans and borrowings paid		(47,444,622)	(11,455,280)
Peprpetual bond		(2,481,500)	(2,481,500)
Lease liabilities payments		(3,741,944)	(2,687,308)
Cash dividends paid		(39,222,655)	(39,414,771)
Net cash flow used in financing activities		(92,890,721)	(56,038,859)
Net decrease in cash and cash equivalents		(217,677,748)	354,823,338
Cash and cash equivalent at the beginning of the period		1,391,998,445	1,056,048,004
Cash and cash equivalent at the end of the period	24	1,174,320,697	1,410,871,342

The attached notes from 1 to 34 form an integral part of these interim condensed consolidated financial statements

(1) General Information

Capital Bank is a public shareholding company incorporated in Jordan on 30 August 1995 in accordance with Companies law No.1 for the year 1989 under registration number 291. Its registered office is at Abdali Boulevard, Suliman Al Nabulsi Street, Amman Jordan.

Capital Bank, together with its subsidiaries (the Group) and through its thirty four branches across Jordan, provides retail, corporate banking, and investment banking services. Capital Bank is the ultimate parent of the Group.

The Bank increased its capital during prior years from JD 20 million to reach JD 200 million, through capitalizing reserves, retained earnings and private underwriting.

During 2022, The Bank entered into an agreement with the Saudi Investment Fund, a strategic partner, under which the Fund became one of the Bank's shareholders by investing JD 131,200,000. This investment was allocated as an increase in capital through the issuance of new shares valued at JD 63,037,122, priced at one JD per share. Consequently, the authorized, subscribed, and paid-in capital increased to JD 263,037,122, with the remaining JD 68,162,877 recorded as a share premium (additional paid in capital) resulting in a total recorded amount of 68,872,349.

Capital Bank of Jordan shares are listed at Amman Stock Exchange - Jordan.

The Bank also issued (Tier 1) perpetual bonds worth 70,900,000 dinars (\$100 million), which are listed on the Dubai Financial Market.

The Interim Condensed Consolidated Financial Statements were authorized for issue by the Board of Directors in their meeting No. 8/2025 held on 30 July 2025.

(2) Material Accounting Policies

(2-1) Basis Of Preparation of the interim condensed consolidated financial statements

The accompanying interim condensed consolidated financial statements of the bank and its subsidiaries (together the "Group") have been prepared in accordance with International Accounting Standard number (34) "Interim Financial Reporting".

The interim condensed consolidated financial statements have been presented in Jordanian Dinars .

The interim condensed consolidated financial statements have been prepared in accordance with the historical cost principle, except for financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income, and financial derivatives, which are measured at fair value as of the date of the interim condensed consolidated financial statements.

The interim condensed consolidated financial statements do not include all the information and disclosures required for annual financial statements prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and should be read in conjunction with the consolidated financial statements of the Group as of 31 December 2024. Additionally, the results of operations for the six-month period ended 30 June 2025, do not necessarily indicate the expected results for the year ending 31 December 2025.

The allocation of profits for the six-month period ended 30 June 2025, which is typically done at the end of the financial year, has not been made. The bank has fully transitioned to and implemented International Financial Reporting Standards (IFRS) starting from 1 January 2024, instead of the modified International Financial Reporting Standards according to the instructions of the Central Bank of Jordan. The differences between these two frameworks are not material to the interim condensed consolidated financial statements.

(2-2) Basis of consolidation of the financial statements

The interim condensed consolidated financial statements of Capital Bank of Jordan Group, presented in Jordanian Dinar, include the financial statements of Capital Bank of Jordan ("the Bank") and its major subsidiaries, which are as follows:

Company Name	Percentage of ownership (%)		Date of Acquisition	Principal Activity	Place of Incorporation	Paid-up Capital
	30-Jun-25	31-Dec-24				
Capital Investment and Brokerage Company Limited	100%	100%	16 May 2005	Brokerage services	Jordan	10,000,000 JOD
National Bank of Iraq (NBI) and its branch in Saudi Arabia and its subsidiary "National Company of Iraq for trading	61.85%	61.85%	1 January 2005	Banking services	Iraq	520 Billion Iraq Dinar
Capital Investments (DIFC) Ltd	100%	100%	22 December 2013	Financial consulting services	United Arab Emirates	250,000 USD
Capital leasing Company Limited	100%	100%	As a result of the acquisition of Société Générale Bank - Jordan (formerly) in 2022.	Financial leasing activities	Jordan	8,000,000 JOD

Control is achieved when the Bank is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Generally, there is a presumption that a majority of voting rights results in control. However, in individual circumstances, the Bank may still exercise control with a less than 50% shareholding, or may not be able to exercise control even with ownership over 50% of an entity's shares. When assessing whether it has power over an investee and therefore controls the variability of its returns, the Bank considers all relevant facts and circumstances, including:

- The purpose and design of the investee
- The relevant activities and how decisions about those activities are made and whether the Bank can direct those activities
- Contractual arrangements such as call rights, put rights and liquidation rights

Whether the Bank is exposed, or has rights, to variable returns from its involvement with the investee, and has the power to affect the variability of such returns.

Profit or loss and each component of OCI are attributed to the equity holders of the parent of the Bank and to the non-controlling interests (NCIs), even if this results in the NCIs having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Bank's accounting policies. All intra-group assets, liabilities, equity, income, expenses and cash flows relating to transactions between members of the Bank are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without loss of control, is accounted for as an equity transaction. If the Bank loses control over a subsidiary, it derecognizes the related assets (including goodwill), liabilities, NCI and other components of equity, while any resultant gain or loss is recognized in profit or loss. Any investment retained is recognized at fair value at the date of loss of control.

(2-3) Changes in Accounting Policies

The accounting policies used in the preparation of the interim condensed consolidated financial statements are consistent with those used in the preparation of the annual consolidated financial statements for the year ended 31 December 2024 except for the adoption of new amendments on the standards effective as of 1 January 2025 shown below:

Lack of exchangeability – Amendments to IAS 21

In August 2023, the IASB issued amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2025. Early adoption is permitted, but will need to be disclosed. When applying the amendments, an entity cannot restate comparative information.

The amendments have no material impact on the Group's interim condensed consolidated financial statements.

(3) Significant Accounting Estimates and Judgements, and Risk Management

The preparation of the interim condensed consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the amounts recognized for assets, liabilities, income and expenses. Actual results may differ from estimates.

In preparing these interim condensed consolidated financial statements, the significant judgments made by management in applying the Group's accounting policies and the main sources of estimation uncertainty were the same judgments and sources applied in the Group's audited consolidated financial statements as at and for the year ended 31 December 2024.

(4) Cash and Balances with Central Banks

	30 June 2025	31 December 2024
	JD	JD
	(Reviewed not audited)	(Audited)
Cash on hand	303,449,387	280,103,853
Balances at central banks:		
Current accounts	266,590,003	507,751,631
Time and notice deposit	204,747,990	363,100,000
Statutory cash reserve	525,913,278	503,249,329
Net Balances with Central Banks	1,300,700,658	1,654,204,813

- Statutory cash reserve held at the Central Bank of Jordan amounted to JD 187,254,001 as at 30 June 2025 against JD 201,052,828 as at 31 December 2024 which are not excluded for cash and cash equivalents in the interim condensed consolidated statements of cash flows purposes.

- The statutory reserves held at the Central Bank of Iraq amounting to JD 338,659,277 as at 30 June 2025 against 302,196,501 as at 31 December 2024 which is excluded from cash and cash equivalents for interim condensed consolidated statements of cash flows purposes.

- There are no due balances during the period exceeding three months as at 30 June 2025 and 31 December 2024.

Disclosure of the movement on the total cash and balances with central banks during the period/year:**30 June 2025 (Reviewed not audited)**

	Stage One	Stage Two	Stage Three	Total
	JD	JD	JD	JD
Balances at the beginning of the period	1,654,204,813	-	-	1,654,204,813
New balances during the period	289,135,302	-	-	289,135,302
Settled balances	(642,639,457)	-	-	(642,639,457)
Total balance at the end of the period	1,300,700,658	-	-	1,300,700,658

31 December 2024 (Audited)

Balances at the beginning of the period	1,318,639,618	-	-	1,318,639,618
New balances during the year	424,233,391	-	-	424,233,391
Settled balances	(88,668,196)	-	-	(88,668,196)
Total balance at the end of the year	1,654,204,813	-	-	1,654,204,813

(5) Balances at banks and financial institutions

	30 June 2025	31 December 2024
	JD	JD
	(Reviewed not audited)	(Audited)
Current Account	330,253,341	221,777,278
Short term deposits (less than 3 months)	25,050,890	-
Gross balance	355,304,231	221,777,278
Less: Expected credit losses	(147,585)	(210,083)
Net balance	355,156,646	221,567,195

- Non-interest bearing balances at banks and financial institutions amounted to JD 176,188,701 as at 30 June 2025 against JD 115,629,825 as at 31 December 2024.

- Restricted balances amounted to JD 6,980,632 as at 30 June 2025 against JD 6,830,527 as at 31 December 2024. They are excluded from cash and cash equivalents for the purposes of the consolidated statement of cash flows purposes.

- The Bank balances - customer accounts related to the brokerage amounted to JD 48,692,922 as at 30 June 2025 against JD 22,054,863 as at 31 December 2024. These balances are excluded from cash and cash equivalents for the consolidated statement of cash flows preparation purposes.

Movements of balances with banks and financial institutions during the period/year is as follows:

30 June 2025 (Reviewed not audited)	Stage One	Stage Two	Stage Three	Total
	JD	JD	JD	JD
Balance at the beginning of the period	221,507,956	198,979	70,343	221,777,278
New balances during the period	214,755,111	155,954	-	214,911,065
Settled balances	(81,384,112)	-	-	(81,384,112)
Total balance at the end of the period	354,878,955	354,933	70,343	355,304,231

31 December 2024 (Audited)

Balance at the beginning of the year	165,316,545	-	68,949	165,385,494
New balances during the year	132,941,942	21,673	-	132,963,615
Settled balances	(76,559,762)	(12,069)	-	(76,571,831)
Transferred to stage two	(189,375)	189,375		-
Transferred to stage three	(1,394)	-	1,394	-
Total balance at the end of the year	221,507,956	198,979	70,343	221,777,278

Movements of provision for expected credit losses during the period/year is as follows:-

30 June 2025 (Reviewed not audited)	Stage One	Stage Two	Stage Three	Total
	JD	JD	JD	JD
Balance at the beginning of the period	139,704	36	70,343	210,083
Recovered from Impairment loss on settled balances	(62,498)	-	-	(62,498)
Total balance at the end of the period	77,206	36	70,343	147,585

31 December 2024 (Audited)

Balance at the beginning of the year	-	-	68,949	68,949
Impairment loss on new balances during the period year	139,704	36	1,394	141,134
Total balance at the end of the year	139,704	36	70,343	210,083

(6) Financial Assets at Fair Value through Other Comprehensive Income

	30 June 2025	31 December 2024
	JD	JD
<u>Quoted financial assets :</u>	(Reviewed not audited)	(Audited)
Corporate bonds and debt securities	1,906,176	2,577,532
Other government bonds	7,542,974	833,643
Quoted shares	7,166,221	5,511,566
Total quoted financial assets	16,615,371	8,922,741
<u>Unquoted financial assets :</u>		
Treasury bonds	3,661,294	3,607,723
Unquoted shares	51,365,769	49,802,262
Investment funds	15,911,872	15,586,368
Total unquoted financial assets	70,938,935	68,996,353
Less: Expected credit loss	(23,963)	(1,519)
Total Financial Assets at Fair Value through Other Comprehensive Income	87,530,343	77,917,575
Analysis of bonds and bills (net):		
Fixed Rate	13,086,481	7,017,379
Total	13,086,481	7,017,379

- The unquoted shares include an amount of JD 20,963,078, representing 19.78% of the capital of Professional Real Estate Investment Company, which amounted to JD 106,000,000. This investment is made in partnership with several Jordanian banks and has been approved by the Central Bank of Jordan , under the supervision of the Association of Banks. The establishment of the Professional Real Estate Investment Company is intended to manage the banks' seized assets in Jordan. The Group reviewed the requirements of IAS 28 " Investments in associates and joint ventures" and accordingly the investment was classified as financial asset at fair value through other comprehensive income as the Group has no significant influence on the on the Company in accordance with International Accounting Standard 28.

- The Bank received dividends of JD 648,798 as of 30 June 2025 against amount of JD 697,096 as of 30 June 2024.

- Realized gain from the sale of financial assets at fair value through other comprehensive Income (debt Instruments) amounted to JD 2,466 for the period ended 30 June 2025 against realized gain of JD 26,560 for the period ended 30 June 2024 which have been recognized through the consolidated income statement.

- Realized loss resulted from sales of financial assets at fair value through other comprehensive Income (equity Instruments) amounted to JD 19,920 as at 30 June 2025 and a realized loss of JD 165,909 as at 30 June 2024 which has been transferred to the retained earnings in the interim condensed consolidated statement of changes in Equity.

Movements of debt instruments at fair value through other comprehensive income during the period/year is as follows :-

30 June 2025 (Reviewed not audited)	Stage one	Stage Two	Stage Three	Total
	JD	JD	JD	JD
Balance at the beginning of the period	7,018,898	-	-	7,018,898
New investments during the period	7,152,979	-	-	7,152,979
Settled investments	(1,061,433)	-	-	(1,061,433)
Total balance at the end of the period	13,110,444	-	-	13,110,444

31 December 2024 (Audited)

Balance at the beginning of the year	10,801,981	-	-	10,801,981
New investments during the year	150,329	-	-	150,329
Settled investments	(8,495)	-	-	(8,495)
Sold during the year	(3,924,917)	-	-	(3,924,917)
Total balance at the end of the year	7,018,898	-	-	7,018,898

Movements of provision for expected credit losses on debt instruments at fair value through comprehensive income during the period/year is as follows :

30 June 2025 (Reviewed not audited)	Stage one	Stage Two	Stage Three	Total
	JD	JD	JD	JD
Balance at the beginning of the period	1,519	-	-	1,519
Impairment losses during the period	22,552	-	-	22,552
Recoveries from impairment losses on investments	(108)	-	-	(108)
Total balance at the end of the period	23,963	-	-	23,963

31 December 2024 (Audited)

Balance at the beginning of the year	-	-	-	-
Impairment losses on investments during the year	1,519	-	-	1,519
Total balance at the end of the year	1,519	-	-	1,519

(7) Direct Credit Facilities - At amortized cost, net

	30 June 2025	31 December 2024
	JD	JD
	(Reviewed not audited)	(Audited)
Retail customers		
Overdrafts	23,871,873	23,382,561
Loans and bills *	1,153,042,300	1,081,940,937
Credit cards	49,639,437	57,497,918
Real estate lending	248,774,763	254,266,898
Corporate lending		
Overdrafts	163,991,688	146,371,988
Loans and bills *	1,463,535,046	1,437,174,185
Small and medium enterprises “SMEs” facilities		
Overdrafts	73,455,707	74,056,456
Loans and bills *	258,343,694	272,891,798
Government and public sector lending	497,414,399	408,087,507
Total	3,932,068,907	3,755,670,248
Less: Suspended interest	54,624,095	61,296,038
Less: Impairment and expected credit loss	265,989,166	265,206,185
Net direct credit facilities	3,611,455,646	3,429,168,025

- * Net of interest and commissions received in advance amounted to JD 181,926,986 as at 30 June 2025 against JD 162,590,208 as at 31 December 2024.
- Non-performing credit facilities amounted to JD 331,496,095 as at 30 June 2025 which represents 8.43% of total direct credit facilities against JD 333,878,257 as at 31 December 2024 which represents 8.89% as at 31 December 2024.
- Non-performing credit facilities, net of suspended interest, amounted to JD 283,561,354 which represent 7.31% from total credit facilities after interest in suspense as at 30 June 2025 against JD 279,089,487 which represent 7.55% from total direct credit facilities after interest in suspense as of 31 December 2024.
- The credit facilities granted or guaranteed by the government as at 30 June 2025 amount JD 325,254,154 against JD 239,100,894 as at 31 December 2024.

Direct credit facilities at amortized cost - collectively

The cumulative movement of direct credit facilities at amortized cost during the period/year is as follows :

30 June 2025 (Reviewed not audited)	Stage One	Stage Two	Stage Three	Total
	JD	JD	JD	JD
New Facilities at the beginning of the period	2,987,750,779	406,554,360	361,365,109	3,755,670,248
New Facilities during the period / Additions*	1,048,198,452	93,070,372	26,890,220	1,168,159,044
Settled Facilities	(858,790,668)	(49,562,769)	(45,120,174)	(953,473,611)
Transferred to stage one	65,748,964	(56,141,295)	(9,607,669)	-
Transferred to stage two	(60,761,870)	68,390,977	(7,629,107)	-
Transferred to stage three	(7,058,684)	(36,825,806)	43,884,490	-
Written off Facilities	-	-	(38,286,774)	(38,286,774)
Total balance at the end of the period	3,175,086,973	425,485,839	331,496,095	3,932,068,907
31 December 2024 (Audited)				
Facilities at the beginning of the year	3,048,603,328	366,202,423	300,467,867	3,715,273,618
New Facilities during the year / Additions*	1,148,046,579	127,287,990	60,346,262	1,335,680,831
Settled Facilities	(1,107,743,460)	(113,278,299)	(64,078,010)	(1,285,099,769)
Transferred to stage one	34,976,104	(32,461,283)	(2,514,821)	-
Transferred to stage two	(104,806,982)	110,324,003	(5,517,021)	-
Transferred to stage three	(31,324,790)	(51,520,474)	82,845,264	-
Written off Facilities	-	-	(10,184,432)	(10,184,432)
Total balance at the end of the year	2,987,750,779	406,554,360	361,365,109	3,755,670,248

* New balances/additions during the period from stage three includes interest in suspense added during the period/year.

The cumulative movement of the provision for expected credit losses on direct credit facilities at amortized cost during the period/year is as follows:

30 June 2025 (Reviewed not audited)	Stage One	Stage Two	Stage Three	Total
	JD	JD	JD	JD
Balance at the beginning of the period	13,464,370	45,756,852	205,984,963	265,206,185
Impairment loss on new facilities / additions during the period	6,485,366	17,656,404	30,893,577	55,035,347
Recoveries from impairment losses on settled facilities	(6,805,683)	(4,304,422)	(19,183,679)	(30,293,784)
Transferred to stage one	8,246,598	(3,663,108)	(4,583,490)	-
Transferred to stage two	(2,686,675)	4,488,268	(1,801,593)	-
Transferred to stage three	(870,582)	(10,239,741)	11,110,323	-
Written off balances	-	-	(23,851,793)	(23,851,793)
Utilized to off-set purchased loans	(106,789)	-	-	(106,789)
Total balance at the end of the period	17,726,605	49,694,253	198,568,308	265,989,166
31 December 2024 (Audited)				
Balance at the beginning of the year	35,689,882	46,798,200	151,231,284	233,719,366
Impairment loss on new facilities / additions during the year	19,703,689	34,671,060	52,401,768	106,776,517
Recoveries from impairment losses on settled facilities	(23,695,341)	(8,633,298)	(31,245,490)	(63,574,129)
Transferred to stage one	787,882	(515,181)	(272,701)	-
Transferred to stage two	(2,931,019)	3,519,640	(588,621)	-
Transferred to stage three	(10,820,329)	(30,083,569)	40,903,898	-
Written off balances	-	-	(5,079,586)	(5,079,586)
Utilized to off-set purchased loans	(5,270,394)	-	(1,365,589)	(6,635,983)
Total balance at the end of the year	13,464,370	45,756,852	205,984,963	265,206,185

The movement of the provision for expected credit losses on direct credit facilities collectively during the period/year per sector:

30 June 2025 (Reviewed not audited)	Public and Government					Total
	Retail	Real estate	Corporate	SMEs	Sector	
	JD	JD	JD	JD	JD	
Balance at the beginning of the period	72,101,304	13,537,204	139,131,553	40,436,124	-	265,206,185
Impairment loss on new direct credit facilities during the period	16,097,288	2,882,035	29,593,733	6,462,291	-	55,035,347
Recoveries from impairment losses on settled facilities	(8,448,723)	(3,479,418)	(15,942,108)	(2,423,535)	-	(30,293,784)
Transferred (from) to stage one	(391,719)	69,511	1,463,461	3,548,088	-	4,689,341
Transferred (from) to stage two	(2,485,554)	(114,657)	(6,573,597)	(240,773)	-	(9,414,581)
Transferred (from) to stage three	2,877,274	45,146	5,110,135	(3,307,315)	-	4,725,240
Written off facilities	(4,715,410)	(256,139)	(13,618,986)	(5,261,258)	-	(23,851,793)
Utilized to off-set purchased loans	(106,789)	-	-	-	-	(106,789)
Total balance at the end of the period	74,927,671	12,683,682	139,164,191	39,213,622	-	265,989,166

31 December 2024 (Audited)

Balance at the beginning of the year	46,513,820	12,303,636	131,470,013	43,431,897	-	233,719,366
Impairment loss on new direct credit facilities during the year	39,797,808	5,880,087	50,798,662	10,299,960	-	106,776,517
Recoveries from impairment losses	(14,209,176)	(4,612,676)	(34,894,138)	(9,858,139)	-	(63,574,129)
Transferred (from) to stage one	(9,116,893)	(654,021)	(2,692,156)	(500,396)	-	(12,963,466)
Transferred (from) to stage two	(8,012,649)	(621,909)	(16,410,789)	(2,033,763)	-	(27,079,110)
Transferred (from) to stage three	17,129,542	1,275,930	19,102,945	2,534,159	-	40,042,576
Utilized to off-set purchased loans	-	-	(3,198,389)	(3,437,594)	-	(6,635,983)
Written off facilities	(1,148)	(33,843)	(5,044,595)	-	-	(5,079,586)
Total balance at the end of the year	72,101,304	13,537,204	139,131,553	40,436,124	-	265,206,185

Interest in suspense

The movement of interest in suspense during the period/year is as follow:

	Retail	Real estate	Corporate	SMEs	Total
	JD	JD	JD	JD	JD
30 June 2025 (Reviewed not audited)					
Balance at the beginning of the period	8,850,866	3,548,197	39,041,043	9,855,932	61,296,038
Suspended interest during the period	2,104,447	425,613	5,759,336	3,596,600	11,885,996
Interest transferred to income	(25,339)	(433,649)	(2,822,888)	(841,082)	(4,122,958)
Written off interest in suspense	(3,259,702)	(311,516)	(8,389,616)	(2,474,147)	(14,434,981)
Total balance at the end of the period	7,670,272	3,228,645	33,587,875	10,137,303	54,624,095
31 December 2024 (Audited)					
Balance at the beginning of the year	5,762,312	3,450,791	30,779,245	10,548,023	50,540,371
Suspended interest during the year	3,825,924	875,232	14,946,302	2,556,236	22,203,694
Interest transferred to income	(731,991)	(748,021)	(1,614,842)	(3,248,327)	(6,343,181)
Written off interest in suspense	(5,379)	(29,805)	(5,069,662)	-	(5,104,846)
Total balance at the end of the year	8,850,866	3,548,197	39,041,043	9,855,932	61,296,038

Direct credit facilities portfolio is distributed as per the following geographical and industrial sectors classification:

	Inside Jordan	Outside Jordan	30 June 2025	31 December 2024
	JD	JD	JD	JD
	(Reviewed not audited)	(Reviewed not audited)	(Reviewed not audited)	(Audited)
Financial	61,938,114	-	61,938,114	57,662,764
Industrial	441,355,448	24,913,951	466,269,399	476,915,485
Commercial	392,029,255	286,011,349	678,040,604	584,262,805
Real estate and Construction	432,401,247	63,115,004	495,516,251	532,598,391
Tourism and hotels	58,278,545	-	58,278,545	59,638,662
Agriculture	25,207,164	30,464,747	55,671,911	62,455,796
Shares	89,072,707	3,722,926	92,795,633	100,258,955
Service and public utilities	186,373,801	53,747,988	240,121,789	261,104,555
Transportation services (including air transportation)	14,689,716	-	14,689,716	18,702,710
Government and public sector	497,414,399	-	497,414,399	408,087,507
Retail	466,506,920	744,177,137	1,210,684,057	1,136,315,405
Other	60,648,489	-	60,648,489	57,667,213
Total	2,725,915,805	1,206,153,102	3,932,068,907	3,755,670,248

(8) Financial Assets At Amortized Cost

	30 June 2025	31 December 2024
	JD	JD
	(Reviewed not audited)	(Audited)
Treasury Bills	113,210,084	272,605,174
Governmental treasury bonds	1,461,441,494	1,205,289,242
Guaranteed governmental bonds	69,731,318	83,441,597
Corporate Bonds and bills	48,179,700	58,179,700
Other governmental bonds and bills	541,095,970	498,476,857
Total financial assets at amortized cost	2,233,658,566	2,117,992,570
Less: Expected credit losses	(2,270,343)	(2,290,102)
Net Financial assets at amortized cost	2,231,388,223	2,115,702,468
Analysis of bonds and bills:		
Fixed Rate	2,223,613,059	2,107,927,304
Floating rate	7,775,164	7,775,164
Total	2,231,388,223	2,115,702,468

- There were no realized gains or losses from sale of financial assets at amortized cost as at 30 June 2025 and 30 June 2024.

Movement of Financial Assets at Amortized Cost during the period/year is as follows :-

30 June 2025 (Reviewed not audited)	Stage One	Stage Two	Stage Three	Total
	JD	JD	JD	JD
Balance at the beginning of the period	2,111,332,570	-	6,660,000	2,117,992,570
New investments during the period	391,341,767	-	-	391,341,767
Settled investments	(275,675,771)	-	-	(275,675,771)
Balances at the end of period	2,226,998,566	-	6,660,000	2,233,658,566

31 December 2024 (Audited)

Balance at the beginning of the year	1,886,478,315	-	6,660,000	1,893,138,315
New investments during the year	877,220,974	-	-	877,220,974
Settled investments	(652,366,719)	-	-	(652,366,719)
Balance at the end of the year	2,111,332,570	-	6,660,000	2,117,992,570

Movement of provision on Financial Assets at Amortized Cost during the period/year is as follows:-

30 June 2025 (Reviewed not audited)	Stage One	Stage Two	Stage Three	Total
	JD	JD	JD	JD
Balance at the beginning of the period	217,982	-	2,072,120	2,290,102
Impairment losses on new investments during the period	7,486	-	-	7,486
Recoveries from impairment on matured investments	(27,245)	-	-	(27,245)
Balance at the end of the period	198,223	-	2,072,120	2,270,343

31 December 2024 (Audited)

Balance at the beginning of the year	47,637	-	2,072,120	2,119,757
Impairment losses on new investments during the year	206,171	-	-	206,171
Recoveries from impairment on matured investments	(35,826)	-	-	(35,826)
Balance at the end of the year	217,982	-	2,072,120	2,290,102

(9) Pledged financial assets at amortized cost

	30 June 2025 (Reviewed not audited)		31 December 2024 (Audited)	
	JD		JD	
	Pledged financial assets	Associated financial liabilities (Note 11)	Pledged financial assets	Associated financial liabilities (Note 11)
Financial assets at amortized cost (Jordanian Government Bonds)	225,241,859	166,900,000	226,054,164	166,880,000
Total	225,241,859	166,900,000	226,054,164	166,880,000

- These bonds were pledged as at 30 June 2025 against the deposits belonging to the Social Security Corporation.

The movement on the pledged financial assets during the period/year is as follows:

30 June 2025 (Reviewed not audited)	Stage One	Stage Two	Stage Three	Total
	JD	JD	JD	JD
Balance at the beginning of the period	226,054,164	-	-	226,054,164
Settled investments	(812,305)	-	-	(812,305)
Total balance at the end of the period	225,241,859	-	-	225,241,859

31 December 2024 (Audited)				
Balance at the beginning of the year	227,607,943	-	-	227,607,943
New investments during the year	47,357	-	-	47,357
Settled investments during the year	(1,601,136)	-	-	(1,601,136)
Total balance at the end of the year	226,054,164	-	-	226,054,164

(10) Other Assets

	30 June 2025	31 December 2024
	JD (Reviewed not audited)	JD (Audited)
Accrued interests and revenues	76,440,800	72,463,293
Prepaid expenses	21,024,919	10,796,896
Assets seized by the bank against due debts* - net	132,054,325	116,533,167
Purchased banks' acceptances- at amortized cost	24,233,497	26,659,730
Claims of other receivables – net	554,282	1,096,696
Assets/unrealized derivatives gains	577,428	-
Refundable deposits	18,245,438	14,252,710
Others	43,119,066	28,124,933
Total	316,249,755	269,927,425

* According to the regulations of the Central Bank of Jordan, the bank is required to dispose seized assets in a maximum period of two years from the acquisition date. The Central Bank may approve of an extension up to two executive years at most. According to the Central Bank circular No. 10/3/16234 , no more provision should be calculated for assets held for more than four years and restricted the use of previously booked provisions only upon the disposal of the seized assets.

The instructions of the Central Bank of Iraq, according to the Iraqi Banking Law, require the disposal of seized assets by the bank within a maximum period of two years from the date of transfer. The Central Bank of Iraq may approve an extension for the bank to retain the properties for up to two additional periods, each of two years. These instructions are in accordance with the regulations issued on November 26, 2020, which amend the provisions for calculating impairment allowances on seized assets in which full provision of 100% is calculated within 6 years.

The following is summary of the movement of assets seized by the bank during the period/year:

	30 June 2025		31 December 2024	
	JD		JD	
	(Reviewed not audited)		(Audited)	
	Seized Properties	Other Seized Assets	Seized Properties	Other Seized Assets
Balance at the beginning of the period / year	110,828,014	5,705,153	101,728,852	5,457,593
Additions during the period / year	22,656,029	-	22,630,465	247,560
Disposals during the period / year	(4,847,070)	-	(9,809,324)	-
Impairment losses during the period / year	(1,543,823)	-	(3,371,959)	-
Provision on seized assets during the period / year	(743,978)	-	(350,020)	-
Balance at the end of the period / year	126,349,172	5,705,153	110,828,014	5,705,153

(11) Customers' Deposits

The details for this item are as follow:

30 June 2025 (Reviewed not audited)	Retail	Corporate	SMEs	Government and public Sector	Total
	JD	JD	JD	JD	JD
Current accounts and demand deposits	385,655,087	1,072,146,449	195,283,584	337,045,286	1,990,130,406
Saving accounts	449,890,754	16,968,597	414,678	-	467,274,029
Time and notice deposits	1,852,796,166	788,727,435	137,053,951	720,790,521	3,499,368,073
Certificates of deposits	5,150,804	-	-	-	5,150,804
Total	2,693,492,811	1,877,842,481	332,752,213	1,057,835,807	5,961,923,312

31 December 2024 (Audited)

Current accounts and demand deposits	346,066,926	1,265,190,317	189,697,207	260,437,121	2,061,391,571
Saving accounts	386,594,193	11,160,985	396,687	-	398,151,865
Time and notice deposits	1,848,147,268	672,673,921	229,730,126	662,124,585	3,412,675,900
Certificates of deposits	6,848,561	-	-	-	6,848,561
Total	2,587,656,948	1,949,025,223	419,824,020	922,561,706	5,879,067,897

- The deposits of government and general public sector inside Jordan amounted to JD 830,906,778 representing 13.94% of the total deposits as at 30 June 2025 against JD 782,322,932 representing 13.31% as at 31 December 2024.
- Deposits from the Iraqi government and public sector amounted to JD 226,929,029 representing 3.81% of total deposits as at 30 June 2025, against JD 140,238,774 representing 2.39% of total deposits as at 31 December 2024.
- The value of non-interest-bearing deposits amounted to JD 2,198,713,110 , or 36.88% of the total deposits as at 30 June 2025, compared to the amount of JD 2,165,789,347 , or 36.84% of the total deposits as at 31 December 2024.
- Reserved deposits (restricted withdrawals) as at 30 June 2025 amounted to JD 738,555 compared to JD 243,967 as at 31 December 2024.
- Dormant deposits amounted to JD 45,481,049 as at 30 June 2025 against JD 33,918,807 as at 31 December 2024.
- Time and notice deposits include an amount of JD 166,900,000 as at 30 June 2025 representing financial liabilities against JD 166,880,000 as at 31 December 2024 pledged financial assets that belong to the Social Security Corporation deposits (note 9).

(12) Loans and Borrowings

The details are as follows :

30 June 2025 (Reviewed not audited)	Amount	Number of Installments		Frequency of Instalments	Collaterals	Interest rate	Re-financed Interest rate
		Total	Outstanding				
	JD	JD	JD		JD	%	
Amounts borrowed from central banks *	188,752,508	20,813	10,245	Monthly, quarterly, semi annual, and upon maturity	-	0.00% - 6.64%	0.00% - 5.1%
Amounts borrowed from local banks and financial institutions	105,980,967	76	76	Monthly, semi annual, and upon maturity	-	4.9% - 9.5%	4.0% - 16%
Amounts borrowed from foreign banks and financial institutions	157,354,005	178	79	Semi annual	-	1.453% - 8.4%	2.75% - 16%
Total	452,087,480				-		
31 December 2024 (Audited)							
Amounts borrowed from central banks	210,727,724	23,050	12,528	Monthly, quarterly, semi annual, and upon maturity	-	0.00% - 6.97%	0.00% - 4.75%
Amounts borrowed from local banks and financial institutions	107,765,199	66	66	One payment on maturity	-	4.9% - 8.25%	4.00% - 11.74%
Amounts borrowed from foreign banks and financial institutions	181,039,179	131	105	Semi annual, and upon maturity	-	1.453% - 9.5%	3.75% - 16%
Total	499,532,102				-		

• Borrowed money from Central Banks includes JD 188,752,508 that represents amounts borrowed to refinance the customers' loans in the medium term financing programs that have been re-borrowed. These loans mature during the years 2025 - 2039.

• The amounts borrowed from local institutions are all borrowed from the Jordan Mortgage Refinance Company with a total amount of JD 65 Million. The loans mature during the period 2025 - 2028.

• Loans bearing fixed - interest rates amounted to JD 449,079,861 and loans bearing floating - interest rates amounted to JD 3,007,619 as at 30 June 2025 against JD 479,023,511 and JD 20,508,591 respectively as at 31 December 2024.

• Based on the most recent covenant assesment Bank is complying with all contingent rules and conditions with our financial institution leaders.

(13) Subordinated Loans

30 June 2025 - (Reviewed not audited)	Amount	Frequency of instalments	Collaterals	Interest Rate
Subordinated Loan	15,172,600	One payment upon maturity (15 March 2026)	-	%7.00.
	15,172,600		-	
31 December 2024 - (Audited)				
Subordinated Loan	15,172,600	One payment upon maturity (15 March 2026)	-	%7.00.
	15,172,600		-	

- On March 15, 2020, the Bank completed the issuance of \$40 million loan bonds, which fall within the second tranche according to the requirements of the Basel Standard.

- During the first quarter of 2022, a number of bonds were purchased by the Bank after obtaining the approval of the regulatory authorities, so that the number of traded bonds was reduced to 214 bonds with a nominal value of \$100,000.

(14) Income Tax

The movement on income tax provision during the period/year is as follows:

	30 June 2025	31 December 2024
	JD	JD
	(Reviewed not audited)	(Audited)
Balance at the beginning of the period/year	23,767,686	21,321,909
Income tax paid	(25,472,489)	(24,693,467)
Income tax charge for the period / year	14,767,877	28,684,152
Income tax charge on previous years	130,539	-
Income tax paid on perpetual bonds	(942,968)	(1,544,908)
Balance at the end of the period/year	12,250,645	23,767,686

Income tax expense presented in interim condensed consolidated income statement is as follows:

	30 June 2025	30 June 2024
	JD	JD
	(Reviewed not audited)	(Reviewed not audited)
Current income tax charge for the period	14,767,877	17,915,091
Previous years income tax charges	130,539	194,261
Deferred tax assets for the period	(1,088,494)	(2,109,704)
	13,809,922	15,999,648

Legal income tax rates on the bank's revenues in Jordan, brokerage companies and Capital leasing Company is 38%, 28% and 28% respectively

Legal income tax on the bank's profit in Iraq is 15%.

Legal income tax on the bank's profit in Saudi is 20%.

A final settlement has been made with the Income and Sales Tax Department regarding the income tax of Capital Bank of Jordan - Jordan Branches until the end of year 2020.

A final settlement has been made with the Income Tax Department regarding the income tax of Capital Invest and Financial Brokerage Company until the end of year 2020.

A final settlement has been made with the Income Tax Department of the National Bank of Iraq until the end of year 2022.

A final settlement has been made with the Income and Sales Tax Department regarding Capital leasing Company income tax until the end of year 2022.

In the opinion of management and tax advisors, the income tax provision is sufficient to meet the tax liabilities as at 30 June 2025

(15) Sundry Provisions

The details are as follows:

	Balance at the beginning of the period/year	Provided during the period/year	Utilized during the period/year	Transferred to income	Balance at the end of the period/year
30 June 2025 (Reviewed not audited)	JD	JD	JD	JD	JD
Provision for lawsuits raised against the bank	246,500	-	(25,954)	(1,046)	219,500
Other provisions*	611,487	199,160	(62,999)	-	747,648
Total	857,987	199,160	(88,953)	(1,046)	967,148
31 December 2024 (Audited)					
Provision for lawsuits raised against the bank	179,528	4,992,972	(4,900,000)	(26,000)	246,500
Other provisions*	1,015,817	8,759,911	(9,164,241)	-	611,487
Total	1,195,345	13,752,883	(14,064,241)	(26,000)	857,987

* The bank has fully booked a provision against the differences resulting from the currency auctions as requested by the Central Bank of Iraq from the National Bank of Iraq during the year 2018, by which the National Bank of Iraq claimed these amounts from its customers according to the Central Bank of Iraq, in addition to the recourse of the judiciary to collect these amounts. A total amount of JD 2,847 was collected as at 30 June 2025 compared to JD 62,532 as at 30 June 2024.

(16) Other Liabilities

The details for this item are as follows:

	30-June-25	31-December-24
	JD	JD
	(Reviewed not audited)	(Audited)
Accrued interest	46,600,862	55,575,200
Accrued expenses	18,325,022	20,935,682
Certified cheques	8,224,008	6,793,005
Cheques payable	3,713,123	3,827,901
Board of directors' remuneration	32,500	65,000
Brokerage payables*	48,692,922	22,054,863
Liabilities / unrealized derivatives gain	-	62,084
Guarantees	744,174	912,605
Capital leasing Company contracts commitment	9,675,243	6,401,260
Others liabilities	47,580,449	34,023,618
Total	183,588,303	150,651,218

* This item represents the brokerage clients' receivables at Capital Investment and Brokerage Company (a subsidiary) against their cash balances, which are deposited in a special account.

(17) Perputual Bonds

On 24, February 2022, the Bank issued tier 1 non convertible and secured bonds at 7% interest rate, total value of issuance was 100 \$ million , where the nominal value of each bond was 1000 dollars, for a total number of 100,000 bonds . These bonds were listed on the Nasdaq Dubai Stock Exchange. These bonds fall within AT1, as per Basel requirements.

Interest expense (net of tax) on these bonds is recorded directly to the retained earnings as they are considered AT1 bonds. Interest expense on these bonds amounted to JD 1,545,288 for the period ended 30 June 2025 compared to JD 1,629,466 for the period ended 30 June 2024.

The bonds constitute direct, unconditional and unsecured obligation of the Bank and are classified in accordance with IAS 32: Financial instruments - classification. These bonds do not have a fixed or final maturity date and are redeemable by the Bank at its sole discretions.

(18) Fair value reserve

	Financial assets at fair value through other comprehensive income
	JD
30 June 2025 (Reviewed not audited)	
The movement for this account for the period ended 30 June 2025 is as follows:	
Balance at the beginning of the period	3,967,607
Unrealized gain on debt instruments	106,464
Realized gain from the sale of debt instruments at fair value through other comprehensive income transferred to income statement (note 6)	(2,466)
Unrealized gain on equity instruments	635,209
Realized loss from the sale of equity instruments at fair value through other comprehensive income transferred to retained earnings (note 6)	19,920
Deferred tax assets	(234,902)
Deferred tax liabilities	(26,437)
Balance at the end of the period	4,465,395
31 December 2024 (Audited)	
The movement for this account for the year ended 31 December 2024 is as follows:	
Balance at the beginning of the year	4,388,724
Unrealized gain on debt instruments	142,083
Realized gain from the sale of debt instruments at fair value through other comprehensive income transferred to income statement	(30,285)
Unrealized loss from equity instruments	(805,449)
Loss from the sale of equity instruments at fair value through other comprehensive income transferred to retained earnings	255,153
Deferred tax assets	93,784
Deferred tax liabilities	(76,403)
Balance at the end of the year	3,967,607

(19) Retained Earnings

	30 June 2025
	JD
	(Reviewed not audited)
Balance at the beginning of the period	241,048,908
Realized loss from selling equity instruments at fair value through other comprehensive income transferred to retained earnings (note 6)	(19,920)
Perputual Bonds interest, net of tax and related expenses (note 17)	(1,545,288)
Expenses related to a subsidiary's capital increase	(261,131)
Cash dividends (note 33)	(39,455,568)
Balance at the end of the period	199,767,001

	31 December 2024
	JD
	(Audited)
Balance at the beginning of the year	185,054,830
Profit for the year	107,946,902
Realized loss from selling equity instruments at fair value through other comprehensive income transferred to retained earnings	(255,153)
Perputual Bonds interest, net of tax and related expenses	(3,206,386)
Capital Increase	(231,315)
Transferred to reserves	(8,804,402)
Cash dividends (note 33)	(39,455,568)
Balance at the end of the year	241,048,908

- Retained earnings include JD 52,730,302 which represents deferred tax assets as at 30 June 2025 against JD 51,876,710 as at 31 December 2024, according to the Central Bank of Jordan's and Jordan Securities Commission's regulations these balances are restricted.
- Retained earnings as at 30 June 2025 and 31 December 2024 includes an amount of JD 958,330 which is related to the measurements and classifications as a result of the early adoption of IFRS (9). This amount is not available for distribution according to the Securities and Exchange Commission regulations until the amount becomes realized .
- An amount equals to the negative balance of fair value reserve is restricted within retained earnings and cannot be utilized except with the approval of the Central Bank of Jordan and Jordan Securities Commission.
- The Central Bank of Jordan issued Circular No. 10/1/1359 on 25 January 2018 which states the regulations related to IFRS 9 adoption which allowed the Banks to transfer the general banking risks reserve balance to the retained earnings to offset the effect of applying IFRS (9) on the opening balance of the retained earning as of 1 January 2018. The circular also stated that the unutilized balance from the general banking risks reserve cannot be distributed to shareholders and / or used for other purposes except with the approval of the Central Bank of Jordan. The unutilized balance amounted to JD 8,840,593.

(20) Interest Income

The details for this item are as follows:

	30 June 2025	30 June 2024
	JD	JD
	(Reviewed not audited)	(Reviewed not audited)
Direct Credit Facilities:-		
Retail		
Overdrafts	632,568	1,147,945
Loans and bills	52,942,872	46,555,290
Credit cards	3,320,917	3,183,882
Real estate mortgages	9,254,455	10,884,058
Corporate		
Overdrafts	6,706,172	10,670,410
Loans and bills	56,051,262	53,613,791
Small and medium enterprises (SMEs)		
Overdrafts	1,550,493	2,031,337
Loans and bills	9,198,743	10,611,086
Government and public sectors	16,104,037	13,326,419
Balances at Central Banks	5,488,842	6,781,003
Balances at banks and financial institutions	4,904,954	2,329,640
Pledged financial assets at amortized cost	6,495,792	6,447,071
Financial assets at amortized cost	71,941,971	66,724,900
Financial assets at fair value through other comprehensive income - debt instruments	215,396	263,293
Total	244,808,474	234,570,125

(21) Interest Expense

The details for this item are as follows:

	30 June 2025	30 June 2024
	JD	JD
	(Reviewed not audited)	(Reviewed not audited)
Banks and financial institutions deposits	1,007,809	3,582,911
Customers' deposits :		
Current accounts and demand deposits	6,931,933	6,711,178
Saving accounts	2,097,184	2,171,635
Time and notice deposits	95,569,762	99,428,994
Certificates of deposits	205,247	343,934
Interest on leased assets' obligation	563,072	503,390
Margin accounts	6,391,520	6,108,623
Loans and borrowings	7,810,271	9,196,254
Deposits guarantee fees	2,249,999	1,864,949
Total	122,826,797	129,911,868

(22) Other Income

The details are as follow:

	<u>30 June 2025</u>	<u>30 June 2024</u>
	JD	JD
	(Reviewed not audited)	(Reviewed not audited)
Recoveries from written - off debts	499,016	526,777
Commissions from subsidiaries (Brokerage Company)	2,045,440	2,036,047
Others	226,973	1,783,935
Total	<u>2,771,429</u>	<u>4,346,759</u>

(23) Basic and diluted earnings per share from profit attributable to the Bank's shareholders

	<u>For the 3 months ended 30 June</u>		<u>For the 6 months ended 30 June</u>	
The details are as follow:	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	(Reviewed not audited)	(Reviewed not audited)	(Reviewed not audited)	(Reviewed not audited)
Profit for the period attributable to Bank's shareholders (JD)	28,504,785	10,982,387	61,329,919	44,785,805
Weighted average number of shares during the period (shares)	263,037,122	263,037,122	263,037,122	263,037,122
	<u>JD / Fils</u>	<u>JD / Fils</u>	<u>JD / Fils</u>	<u>JD / Fils</u>
Basic and diluted earnings per share from profit attributable to the bank's shareholders	<u>0.108</u>	<u>0.042</u>	<u>0.233</u>	<u>0.170</u>

- The basic earning per share is equivalent to the diluted earning per share, since the bank did not issue any convertible financial instruments.

(24) Cash and Cash Equivalents

The details are as follow:

	<u>For the 6 months ended 30 June</u>	
	<u>2025</u>	<u>2024</u>
	JD	JD
	(Reviewed not audited)	(Reviewed not audited)
Cash and balances with central banks maturing within 3 months	962,041,381	1,212,759,678
Add: Balances at banks and financial institutions maturing within 3 months, net (Note 5)	355,304,231	324,922,182
Less: Banks and financial institutions' deposits maturing within 3 months	(87,351,361)	(90,888,006)
Brokerage payables	(48,692,922)	(20,325,538)
Less: Restricted cash balances	(6,980,632)	(15,596,974)
Total	<u>1,174,320,697</u>	<u>1,410,871,342</u>

(25) Related Parties Transactions

The interim condensed consolidated financial statements include that Bank's financial statements and the following subsidiaries:

<u>Company</u>	<u>Percentage of ownership</u>		<u>Investment cost</u>	
	<u>30 June 2025</u>	<u>31 December 2024</u>	<u>30 June 2025</u>	<u>31 December 2024</u>
Capital Investment and Brokerage Company Limited	100%	100%	10,000,000	10,000,000
National Bank of Iraq	61.85%	61.85%	86,739,856	86,739,856
Capital Investments (DIFC) Ltd	100%	100%	177,250	177,250
Capital leasing Company Limited	100%	100%	8,037,481	8,009,481

- The following related parties balances and transactions during the period/year:

Related parties consist of major shareholders, directors, senior management and subsidiaries. Prices and conditions related to the related parties transactions are approved by the Group management.

	Related party				Total	
	BOD members	Executive management	Subsidiaries*	Major Shareholders	30 June 2025	31 December 2024
	JD	JD	JD	JD	JD	JD
					(Reviewed not audited)	(Audited)
Statement of financial position items:						
Bank deposits with related parties	-	-	37,443,643	-	37,443,643	37,443,643
Bank balances and deposits	389,685,889	2,408,842	2,932,827	111,584	395,139,142	326,139,488
Margin accounts	2,216,826	67,717	104,662,574	2,200	106,949,317	111,510,008
Direct credit facilities	46,215,984	3,499,841	47,466	5,883,978	55,647,269	60,113,781
Off-balance sheet items:						
Indirect credit facilities	2,601,101	11,000	115,620,412	2,000	118,234,513	73,203,935
Expected Credit losses for stage one	166,090	2,604	-	11,815	180,509	196,000
					For the 6 months ended 30 June	
					2025	2024
					JD	JD
					(Reviewed not audited)	(Reviewed not audited)
Income statement items						
Interest and commission income	2,151,812	92,579	1,293,758	404,287	3,942,436	3,877,517
Interest and commission expense	(10,357,555)	(55,304)	(20,935)	(637)	(10,434,431)	(11,799,989)

*Transactions with related parties are eliminated when preparing the interim condensed consolidated financial statements.

- Interest rates on credit facilities in Jordanian Dinar range between 2.00%- 17.00%
- Interest rates on credit facilities in foreign currency range between 7.00%-17.00%
- Interest rates on deposits in Jordanian Dinar range between 0.00% - 6.65%.
- Interest rates on deposits in foreign currency range between 0.00% - 5.25%.
- The deposits' interest rates include the current accounts, saving accounts and time deposits and at notice.

Compensation of the key management personnel benefits for the Group as follows:

	For the 6 months ended 30 June	
	2025	2024
	JD	JD
	(Reviewed not audited)	(Reviewed not audited)
Benefits (Salaries, wages, and bonuses) of executive management for the Group	2,588,853	2,489,163
Total	2,588,853	2,489,163

(26) Capital Management

The Bank maintains an appropriate paid in capital in order to meet its operational risk, and it regularly monitors its capital adequacy in accordance with BASEL to comply with the Central Bank of Jordan's regulations.

According to Central Bank of Jordan regulations (52/2010), the minimum paid in capital of Jordanian banks should be JD 100 million before the end of 2011 and the capital for the foreign banks in Jordan should not be less than half of the capital for the Jordanian banks in accordance to article (12) and article (8) from the Law and Banks number (28) for the year 2000 and its adjustments. In addition, the regulation requires a minimum shareholders' equity ratio of 4% in accordance to the central bank's instruction no. (67/2016).

Through its operational years; the Bank maintained a capital adequacy ratio in excess of 12%, being the minimum capital adequacy rate required by the Central Bank of Jordan (8% as per Basel). Furthermore, the Bank regularly reviews and complies with the concentration ratios using regulatory capital as an indicator; noting that the instructions impose a ratio of no less than 14%. In addition, the Bank was classified with the bank of "systemic importance locally" during 2022 in which it requires an additional reserve of (0.5%) to be added gradually over a period of 4 years. The Bank takes into account all ratios related to credit concentrations, which use regulatory capital as an indicator of those concentrations. The Bank manages and restructures its capital in light of the changes in the business environment. There has been no change on the Bank's capital structure during this year and the previous year.

Description of Regulatory Capital

According to CBJ regulations regarding Basel III, regulatory capital comprises of:

1- Tier 1 capital, which aims to the Continuity of the Bank and consist of:

- Common Equity Tier 1 (CET1) which includes the following: (paid in capital, retained earnings, statutory and voluntary reserves, cumulative change in fair value, foreign currency translation adjustment, minority interest (recognizable under CET1)), it also includes the following deductions (year/period losses, goodwill and intangible assets, deferred tax assets, treasury stocks, shortage in required provisions, shortages in tier 2 capital, restricted balances, gross insignificant investments (<10%) and significant investments (>10%) in other banks, financial institutions, insurance companies and unconsolidated subsidiaries.

- Additional Tier 1 (AT1), Additional Tier 1 capital consists of the sum of the following elements: (convertible bonds, preferred stocks, financial instruments issued by the bank and holds the characteristics of additional capital, minority interest (recognizable under AT1), it also includes the following deductions (gross insignificant investments (<10%) and significant investments (>10%) in other banks, financial institutions, insurance companies, and unconsolidated subsidiaries.

2- Tier 2 capital, which is the supplementary capital, consists of the following elements; subordinated debt, general banking risk reserve, minority interest eligible to be recognized within (T2), and deducts the following; insignificant investments (<10%) and significant investments (>10%) in other banks, financial institution, insurance companies and unconsolidated subsidiaries.

Central Bank of Jordan emphasized on the importance of complying with Basel III regulation in building up addition capital as a percentage of risk weighted assets, which restricts cash dividends, through the following buffers:

- 1- Conservation Buffer
- 2- Countercyclical Buffer
- 3- D-SIBs

- Capital Adequacy

Capital adequacy ratio is calculated based on the simplified approach (standardized approach) in accordance with the regulations of the Central Bank of Jordan, which in turn are based on the verdicts of the Basel committee. Below are the comparative figures of the capital adequacy ratio:

	30 June 2025	31 December 2024
	JD (Reviewed not audited)	JD (Audited)
Primary capital-		
Authorised, issued and paid-in capital	263,037,122	263,037,122
Additional paid in capital	68,872,349	68,872,349
Retained earning	198,808,670	240,090,578
Statutory reserves	81,157,605	81,157,605
Income for the period	61,329,919	-
Changes due to Foreign Currency translations	-4,397,422	-4,397,422
Total cumulative change in fair value	4,465,398	3,967,607
Dividends Distributed	-	-39,455,568
Non-controlling interest	102,240,793	71,496,939
Less-		
Intangible Assets	63,796,613	67,610,165
Deferred Tax Assets	48,952,700	48,125,545
Investments in other financial companies capital (except for banks, financial institutions, and insurance companies)	-	27,484
Total Primary capital	662,765,121	569,006,016
Additional capital -		
Perpetual bonds	70,900,000	70,900,000
Total Additional capital	70,900,000	70,900,000
Supplementary capital (Tier 2)		
Stage 1 expected credit losses	21,550,716	20,525,087
Subordinated loans	-	3,034,520
Non-Controlling interest	4,439,390	3,475,065
Total Supplementary Capital	25,990,106	27,034,672
Net Supplementary Capital Tier 2	25,990,106	27,034,672
Total Regulatory Capital	759,655,227	666,940,688
Total Risk weighted assets	4,715,555,269	4,297,912,480
Capital adequacy (%)	16.11%	15.52%
Primary Capital (%)	15.56%	14.89%

Liquidity Coverage Ratio (LCR)

The average liquidity coverage ratio as of 30 June 2025 245.3%. The liquidity coverage ratio as at 31 December 2024 230.58%

Net Stable Funding Ratio (NSFR)

The Net Stable Funding Ratio as of 30 June 2025 133.61%. the Net Stable Funding Ratio as of 31 December 2024 141.43%.

(27) Segment Information**Information about the bank's Activities:**

For management purposes the Bank is organized into four major segments that are measured according to the reports used by the main decision maker at the Bank:

Retail banking: Includes handling individual customers' deposits, credit facilities, credit card, and other services.

Corporate banking: Includes monitoring deposits, credit facilities, and other banking facilities provided to corporate customers.

Corporate finance: Principally arranging structured financing, and providing services relating to privatizations, IPOs, and mergers and acquisitions.

Treasury: Principally providing money market, trading and treasury services, as well as the management of the Bank's funding operations.

These segments are the basis on which the Bank reports its segment information:

						Total
	Retail Banking	Corporate Banking	Corporate Finance	Treasury	Other	30 June 2025
	JD	JD	JD	JD	JD	JD
						(Reviewed not audited)
Total revenues	93,614,372	153,982,730	-	101,512,048	3,098,677	352,207,827
(Provision) Recoveries on expected credit losses	(7,051,189)	(19,109,833)	-	59,813	(881,156)	(26,982,365)
Segment results	40,024,095	59,534,145	-	88,800,974	2,824,055	191,183,269
Unallocated expenses						(83,186,401)
Profit before tax						107,996,868
Income tax						(13,809,922)
Net income for the period						94,186,946
Other information						
Segmental assets	1,452,749,384	2,210,987,378	-	4,200,017,730	506,151,079	8,369,905,571
Segmental liabilities	2,777,510,421	3,988,213,679	-	563,675,391	171,212,997	7,500,612,488
Capital expenditure						6,952,830
Depreciation and amortization						18,854,416
						Total
	Retail Banking	Corporate Banking	Corporate Finance	Treasury	Other	30 June 2024
	JD	JD	JD	JD	JD	JD
						(Reviewed not audited)
Total revenues	67,709,206	101,421,960	633,745	154,688,104	27,754,812	352,207,827
(Provision) Recoveries on expected credit losses	(15,347,951)	(20,277,820)	-	489	(1,692,670)	(37,317,952)
Segment results	4,138,539	615,778	633,745	137,933,019	25,558,752	168,879,833
Unallocated expenses						(82,711,567)
Profit before tax						86,168,266
Income tax						(15,999,648)
Net income for the period						70,168,618
Other information						
Segmental assets	1,292,098,805	2,067,137,555	104,954,586	3,707,774,118	1,066,419,303	8,238,384,367
Segmental liabilities	2,604,000,539	4,057,216,577	-	564,231,495	180,388,412	7,405,837,023
						30 June 2024
						JD
						(Reviewed not audited)
Capital expenditure						8,924,004
Depreciation and amortization						14,874,441

(28) Contingent Liabilities and Commitments (Off-balance sheet)

	30 June 2025	31 December 2024
	JD	JD
	(Reviewed not audited)	(Audited)
Contingent Liabilities and Commitments		
Letters of credit	544,034,788	469,231,714
Enhanced incoming Letters of credit	32,919,929	33,975,734
Acceptances	257,175,470	162,638,081
Letters of guarantee:-		
- Payments	138,046,815	105,397,705
- Performance	264,731,099	219,438,341
- Others	108,680,766	126,542,703
Foreign currency forwards*	95,223,699	142,266,180
Interest forwards*	-	-
Unutilized direct credit limits	463,020,470	595,525,961
Total	1,903,833,036	1,855,016,419
Less: expected credit loss	(11,892,986)	(10,182,949)
Total	1,891,940,050	1,844,833,470

* Foreign currency and interest forwards are not included in the expected credit loss calculation since it's held with foreign banks of high credit rating measured using fair value.

* The Banking Control Department at the Central Bank of Iraq imposed a fine on the National Bank of Iraq in the amount of (JD 16.2 million) regarding the mechanism of calculating the exchange rate for foreign remittances and as a result of the NBI collecting commissions considered by the CBI in excess of the official exchange rate, and the fine was calculated on the basis of a multiplier of the exchange rate difference. After discussions with the Central Bank of Iraq, and upon reconsideration of the basis for calculating the penalty, the CBI reversed the amount of JD 15 million.

The cumulative movement on off-balance sheet items collectively subject to IFRS (9):

30 June 2025 (Reviewed not Audited)	Stage one	Stage two	Stage three	Total
	JD	JD	JD	JD
Balance at the beginning of the period	1,676,292,218	21,558,432	14,899,589	1,712,750,239
New balances during the period	663,227,478	4,414,829	16,243	667,658,550
Settled balances	(564,361,501)	(5,863,310)	(1,574,641)	(571,799,452)
Transferred to stage one	9,897,478	(9,775,883)	(121,595)	-
Transferred to stage two	(3,421,242)	8,189,367	(4,768,125)	-
Transferred to stage three	(10,186)	(458,796)	468,982	-
Total balance	1,781,624,245	18,064,639	8,920,453	1,808,609,337
31 December 2024 (Audited)				
Balance at the beginning of the year	1,440,620,068	17,776,618	8,078,901	1,466,475,587
New balances during the year	921,955,712	6,262,023	146,699	928,364,434
Settled balances	(675,022,609)	(5,333,204)	(1,733,969)	(682,089,782)
Transferred to stage one	2,260,403	(2,260,403)	-	-
Transferred to stage two	(9,507,547)	9,507,547	-	-
Transferred to stage three	(4,013,809)	(4,394,149)	8,407,958	-
Total balance	1,676,292,218	21,558,432	14,899,589	1,712,750,239

The cumulative movement on the provision for expected credit losses:

30 June 2025 (Reviewed not Audited)	Stage one	Stage two	Stage three	Total
	JD	JD	JD	JD
Balance at the beginning of the period	6,752,467	627,944	2,802,538	10,182,949
Impairment loss on new facilities during the period	3,588,098	205,942	1,139,971	4,934,011
Impairment loss recoveries	(2,695,162)	(416,502)	(112,310)	(3,223,974)
Transferred to stage one	92,589	(76,457)	(16,132)	-
Transferred to stage two	(58,082)	1,966,246	(1,908,164)	-
Transferred to stage three	(163)	(31,724)	31,887	-
Total balance	7,679,747	2,275,449	1,937,790	11,892,986

31 December 2024 (Audited)

Balance at the beginning of the year	6,128,309	1,581,296	2,052,161	9,761,766
Impairment loss on new facilities during the year	3,996,871	390,453	76,019	4,463,343
Impairment loss recoveries	(3,156,002)	(137,477)	(748,681)	(4,042,160)
Transferred to stage one	16,646	(16,646)	-	-
Transferred to stage two	(107,059)	107,059	-	-
Transferred to stage three	(126,298)	(1,296,741)	1,423,039	-
Total balance	6,752,467	627,944	2,802,538	10,182,949

(29) Credit risks

1- Credit risk measurement

The estimation of credit exposure for risk management purposes requires the use of models, as the exposure varies with changes in market conditions, expected cash flows and the passage of time. The assessment of credit risk of a portfolio of assets entails further estimations as to the likelihood of defaults occurring, of the associated loss ratios and of default correlations between counterparties. The Bank measures credit risk using Probability of Default (PD), Exposure at Default (EAD) and Loss Given Default (LGD).

2- Probability of default (PD):

PD estimates are estimates at a certain date (point in time, PIT), which are calculated based on statistical rating models, and assessed using rating tools tailored to the various categories of counterparties and exposures. The Bank uses statistical models based on internally compiled data comprising both quantitative and qualitative factors as well as available macroeconomic indicators, while taking into consideration historical and forward looking information to derive the PD for counterparties. If a counterparty or exposure migrates between rating classes, then this will lead to a change in the estimate of the associated PD. PDs are estimated considering the contractual maturities of exposures and estimated prepayment rates.

3- Loss given default (LGD)/Collaterals:

LGD is the amount of likely loss if there is a default. After taking into account the recovery rate, the time to recover and the cost of recovery from collaterals against the granted loan, and using available historical data, the Bank estimates the following haircuts for its main collaterals:

Collateral Type	LGD%
Cash Margin, Government Guaranteed, Qualified Banking Guarantees, Other external qualified guarantors,	0%
Shares and financial bonds	25%
Real Estate	30%
Cars	52%
Machines	61%

4- Exposure at default (EAD):

EAD represents the expected exposure in the event of a default. The Bank derives the EAD from the current exposure to the counterparty and potential changes to the current amount allowed under the contract including amortization. The EAD of a financial asset is its gross carrying amount. It is not necessarily the outstanding balance, but also takes into consideration any expected future utilization. The treatment of the EAD differs, depending on the type of exposure as explained above and in accordance to the use of the default probability.

As outlined above, and in accordance with the use of a 12-month probability of default for financial assets where credit risk has not significantly increased, the bank measures the expected credit loss based on the default risk over the maximum contractual period during which it is exposed to credit risk.

5- Significant increase in credit risk

To assess whether a significant increase in credit risk has occurred for an exposure, the Bank compares:

- The remaining lifetime probability of default (PD) as at the reporting date; with
- The remaining lifetime PD for this point in time that was estimated at the time of initial recognition of the exposure.

For the above assessment, the Bank considers reasonable and supportable information that is relevant and available without undue cost or effort, including both quantitative and qualitative information and analysis based on the Bank's historical experience and credit assessment; and including forward-looking information.

6- Credit Risk Rating

The availability of an internal credit rating system for clients is a fundamental component in the process of measuring and assessing credit risk. The outputs of the credit rating system, which are represented by risk grades, form the basis for calculating expected credit losses. This system relies on analyzing a range of financial, non-financial, and economic information within specialized rating models tailored to the nature of the exposure and the type of borrower. It enables the prediction of default risk and the application of previous credit judgments regarding the migration of exposures from one credit rating to another.

7- Generating the term structure of PDs

Credit risk grades are a primary input into the determination of the term structure of PDs for exposures. The Bank collects performance and default information about its credit risk exposures analyzed by type of product and borrower as well as by credit risk grading. Information acquired from external credit reference agencies is also used.

The Bank uses statistical models to analyze the data collected and generate estimates of the remaining lifetime PD of exposures and how these are expected to change as a result of the passage of time.

This analysis includes the identification and calibration of relationships between changes in default rates and changes in key macro-economic factors as well as in-depth analysis of the impact of certain other factors (e.g. forbearance experience) on the risk of default. For most exposures, key macro-economic indicators include: GDP, inflation rates and interest rates. Based on advice from the Bank Market Risk Committee and consideration of a variety of external actual and forecast information, the Bank formulates a 'base case' view of the future direction of relevant economic variables as well as a representative range of other possible forecast scenarios (see discussion below on incorporation of forward-looking information). The Bank then uses these forecasts to adjust its estimates of PDs.

8-Definition of default

The Group defines a financial corporate, retail and investment instrument as in default, which is fully aligned with the definition of credit-impaired, when it meets one or more of the following criteria:

- Quantitative criteria

The borrower is more than 90 days past due on its contractual payments.

- Qualitative criteria:

According to the Basel definition, default is considered to have occurred with regard to particular obligors when either one of the following events have taken place:

- The Bank considers that the obligor is unlikely to pay its credit obligation to the Group in full without recourse by the Bank to actions like realizing security (if held).
- The Bank puts the credit obligation on a non-accrued status.
- The Bank makes a charge-off or account-specific provision resulting from a perceived decline in credit quality subsequent to the Bank taking on the exposure.
- The Bank sells the credit obligation at a material credit-related economic loss.
- The Bank consents to a distressed restructuring of the credit obligation where this is likely to result in a diminished financial obligation caused by the material forgiveness or postponement of principal, interest and other fees.
- The Bank has filed for the obligor's bankruptcy or similar order in respect of the obligor's credit obligation to the Banking Group.
- The obligor is past due more than 90 days on any material credit obligation to the Banking Group.

The criteria above have been applied to all financial instruments held by the Group and are consistent with the definition of default used for internal credit risk management purposes. The default definition has been applied consistently to model the Probability of Default (PD), Exposure at Default (EAD), and Loss Given Default (LGD) throughout the Group's expected loss calculations.

An instrument is considered to no longer be in default (i.e. to have cured) when it no longer meets any of the default criteria for a consecutive period of twelve months. This period of twelve months has been determined based on an analysis which considers the likelihood of a financial instrument returning to default status after cure using different cure definitions.

1) Stage 1: 12-months ECL

For exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months is recognized.

2) Stage 2: Lifetime ECL – not credit impaired

For credit exposures where there has been a significant increase in credit risk since initial recognition but that are not credit impaired, a lifetime ECL is recognized.

3) Stage 3: Lifetime ECL – credit impaired

Financial assets are assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. This uses the same criteria as under IAS 39, the Bank's methodology for specific provisions remains unchanged. For financial assets that have become credit impaired, a lifetime ECL is recognized and interest revenue is calculated by applying the effective interest rate to the amortized cost (net of provision) rather than the gross carrying amount.

9- Importance of staging criteria

- Staging is based on the assessment of relative movement in the credit quality of the loans from the time of initial recording.
- Loans in stage 3 are those loans for which the bank has objective evidence of impairment. Accordingly, specific provision is recorded for such exposures.
- Stage transfer is triggered by assessing the relative change in credit risk (measured using lifetime risk of default) and not by the absolute credit risk at the reporting date.
- More than 30 days past due on loan installments.

Bank management's main definition and criteria for significant increase in credit risk (stage 2) includes the following parameters:

For exposures (credit facilities) to corporate customers

- More than 30 days past due on loan installments
- Downgrade by 7 notches of the risk rating scale of 20 points.
- Customer is classified as (7,8,9).
- Customer is classified under watchlist, restructured, rescheduled.

For exposures (credit facilities) to retail customers

- More than 30 days past due on loan installments.
- Customer is classified under watchlist, restructured, rescheduled.
- Customer credit risk grade F associated with arrears for more than 20 days and less than 60 days

*** For exposures (Deposits balances) with banks and financial institutions**

- Current risk rate is 6 or 7

For exposures to (Financial assets) at amortized cost and at fair value through the statement of comprehensive income

- current risk rate ranges from CCC to C

The Bank's definition and criteria for the significant increase in credit risk (stage 3) include the following criteria:

For exposures (credit facilities) to corporate customers

- 90 days or more past due on loan installments.
- Customer is classified as (10).
- The customer is facing liquidity difficulties.
- Customer is classified under non-performing.

For exposures (credit facilities) to retail customers

- 90 days or more past due on loan installments
- Customer is classified as (F) with 60 days or more past due on loan installments.
- The exposure is classified as non-performing loan.

*** For exposures (Deposits balances) with banks and financial institutions**

- Current risk rate is 8

For exposures to (Financial assets) at amortized cost and at fair value through the statement of comprehensive income

- Current risk rate ranges from D

10- Incorporation of forward-looking information

The Bank incorporates forward-looking information into both its assessment of whether the credit risk of an instrument has increased significantly since its initial recognition and its measurement of ECL. In line with the "Forward Looking" approach and the impact of the business and economic cycle on customer defaults, an analysis was conducted of the expected credit factors and relevant economic indicators, the Bank formulates a 'base case' view of the future direction of relevant economic variables as well as a representative range of other possible forecast scenarios (upside and downside).

The Bank has identified and documented key drivers of credit risk and credit losses for each portfolio of financial instruments and, using an analysis of historical data, has estimated relationships between macro-economic variables (i.e.: GDP, inflation rates and interest rates) and credit risk and credit losses.

Predicted relationships between the key indicators and default and loss rates on various portfolios of financial assets have been developed based on analyzing historical data over the past 5 years.

11- IFRS 9 Governance

This section describes the roles and responsibilities of the Committees and groups, specific to the IFRS 9 process at the Bank.

- BOARD OF DIRECTORS ("BOARD" or "BoD")

The Board will be responsible for:

Approval of the document for implementing the standard, along with the assigned tasks and responsibilities.

Approval of policies, assumptions, and models used for applying the standard.

Approval of any amendments that may affect the business model, group strategy, measurement and evaluation methodologies for the credit process, credit rating systems, pricing mechanisms, and guarantees for credit products or assets falling under the standard.

Ensuring that the bank manages credit risks within appropriate best practices, including effective control systems within the credit process, ensuring a clear determination of required hedges/provisions based on the bank's applied business model.

- RISK MANAGEMENT COMMITTEE ("RMC")

The Risk Management Committee will be responsible for:

- Reviewing and recommending the IFRS 9 framework to the BoD.
- Reviewing the implementation of IFRS 9 and ensuring the appropriate steps for compliance.
- Overlooking and recommending the periodic internal reporting.
- Recommending adjustments to the business models, framework, methodology and policies and procedures .

- AUDIT COMMITTEE

• Reviewing all the amendments on the credit transactions related to the implementation of the standard to ensure its compliance with it.

• Ensure the implementation of all the required requirements included in the standard.

• Ensure the adequacy of the expected credit losses booked by the Bank and its compliance with the Bank's portfolio.

- INTERNAL AUDIT DEPARTMENT ("IAD")

Internal Audit Department will be responsible for independently:

- Ensure the Bank's overall compliance with the Standard
- Reviewing the methodology and assumptions to ensure compliance
- Ensure appropriate levels of expected credit losses relative to the Bank's profile.

- IFRS 9 COMMITTEE

Ensure the correct implementation of the standard within the bank and its continuous monitoring.

Align the Central Bank of Jordan's instructions (8/2024) with IFRS 9 requirements

Review and approve classification methodologies and the calculation of expected credit losses (ECL).

Review and approve the classification of accounts within the stages.

- RISK MANAGEMENT DEPARTMENT ("RMD")

will be responsible for:

Prepare and update the framework document for the implementation of the standard.

Prepare the templates and methodologies used for stage classification and calculation of expected losses in accordance with the standard

Prepare and issue internal and regulatory reports.

- FINANCE DEPARTMENT ("FD")

will be responsible for:

- Developing business models, policies, and procedures for classification and measurement of financial instruments in line with the standard.
- Classifying and measuring the financial assets
- Reflecting the IFRS 9 impact on the Bank's financials.

- CREDIT AND BUSINESS CONTROL DEPARTMENT

Classifying and reviewing stages for each account

Updating customer data to correspond with stage classification and calculating expected credit losses.

(29-1) Distribution of credit exposures based on economic sectors is as follows:

a) Total distribution of exposures according to financial instruments subject to impairment losses

30 June 2025 (Reviewed not audited)	Financial	Industrial	Commercial	Real estate	Agriculture	Shares	Retail	Governmental and Public Sector	Other	Total
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
<u>Balance sheet items</u>										
Balances at Central Banks	-	-	-	-	-	-	-	997,251,271	-	997,251,271
Balances at banks and financial institutions	355,142,302	-	-	-	-	-	-	-	522,607	355,664,909
Direct credit facilities at amortized cost	59,997,540	427,889,355	563,582,024	467,962,831	38,073,748	92,070,565	1,170,185,841	504,199,642	318,476,965	3,642,438,511
Bonds and treasury bills :										
Financial assets at fair value through OCI	2,815,255	587,918	-	686,017	-	-	-	11,283,003	627,681	15,999,874
Financial assets at Amortized cost	569,775,401	11,615,860	-	2,023,189	-	-	-	1,669,534,412	4,587,879	2,257,536,741
Pledge financial assets (debt instruments)	-	-	-	-	-	-	-	229,806,795	-	229,806,795
Other assets	209,930,207	-	-	-	-	-	-	-	1,046,072	210,976,279
Total Balance sheet	1,197,660,705	440,093,133	563,582,024	470,672,037	38,073,748	92,070,565	1,170,185,841	3,412,075,123	325,261,204	7,709,674,380
<u>Off - balance sheet items</u>										
Letter of guarantee	76,699,587	105,883,543	44,242,431	141,541,611	1,838,351	1,428,599	15,184,180	6,239,773	112,595,478	505,653,553
Letter of credit	77,124,142	53,347,026	168,613,828	48,915,551	2,422,711	-	36,719,763	-	186,037,799	573,180,820
Other Liabilities	100,136,577	189,252,175	160,434,364	19,772,247	18,997,913	839,680	114,488,167	49,263,801	64,697,055	717,881,979
Total Off-Balance sheet	253,960,306	348,482,744	373,290,623	210,229,409	23,258,975	2,268,279	166,392,110	55,503,574	363,330,332	1,796,716,352
Total as at 30 June 2025 (reviewed not audited)	1,451,621,011	788,575,877	936,872,647	680,901,446	61,332,723	94,338,844	1,336,577,951	3,467,578,697	688,591,536	9,506,390,732
Total as at 31 December 2024 (audited)	1,062,774,684	692,297,044	990,554,035	716,473,861	51,859,554	119,226,670	1,353,558,284	3,638,255,921	551,397,146	9,176,397,199

b) Total distribution of exposures according to financial instruments subject to impairment losses

30 June 2025 (Reviewed not audited)	Stage One	Stage Two	Stage Three	Total
	JD	JD	JD	JD
Financial	1,184,275,009	12,967,869	417,827	1,197,660,705
Industrial	286,317,089	138,185,918	15,590,126	440,093,133
Commercial	474,995,203	62,387,134	26,199,687	563,582,024
Real estate	402,266,870	44,049,188	24,355,979	470,672,037
Agriculture	13,702,051	9,961,729	14,409,968	38,073,748
Shares	74,576,935	15,005,002	2,488,628	92,070,565
Retail	1,103,710,838	49,031,840	17,443,163	1,170,185,841
Governmental and Public Sector	3,412,075,123	-	-	3,412,075,123
Other	275,648,044	44,984,430	4,628,730	325,261,204
Total balance	7,227,567,162	376,573,110	105,534,108	7,709,674,380
Total as at 31 December 2024 (audited)	6,990,239,629	359,000,270	124,590,010	7,473,829,909

(29-2) Credit distribution based on geographic distribution is as follows:

a) Total distribution of exposures according to geographic region

30 June 2025 (Reviewed not audited)	Inside Jordan	Other Middle Eastern countries	Europe	Asia	Africa	America	Other Countries	Total
	JD	JD	JD	JD	JD	JD	JD	JD
Balances at Central Banks	414,713,911	582,537,360	-	-	-	-	-	997,251,271
Balances at banks and financial institutions	44,739,522	75,843,031	86,168,970	12,000,516	63,837	136,849,033	-	355,664,909
Direct Credit Facilities at Amortized Cost	2,494,969,010	1,147,469,501	-	-	-	-	-	3,642,438,511
Bonds and treasury bills within:								
Financial assets at fair value through other comprehensive income	6,851,364	639,206	819,511	-	494,781	7,195,012	-	15,999,874
Financial assets at amortized cost	1,711,240,591	546,296,150	-	-	-	-	-	2,257,536,741
Pledged financial assets - debt instruments	229,806,795	-	-	-	-	-	-	229,806,795
Other assets	193,101,926	17,874,353	-	-	-	-	-	210,976,279
Total	5,095,423,119	2,370,659,601	86,988,481	12,000,516	558,618	144,044,045	-	7,709,674,380
Contingent Liabilities and Commitments:								
Letter of guarantee	256,800,851	233,679,642	14,332,040	292,591	332,054	216,375	-	505,653,553
Letter of Credit	67,773,438	469,887,720	35,371,439	-	148,223	-	-	573,180,820
Other Liabilities	590,394,855	127,487,124	-	-	-	-	-	717,881,979
Total Contingent Liabilities and Commitments	914,969,144	831,054,486	49,703,479	292,591	480,277	216,375	-	1,796,716,352
Total Balance	6,010,392,263	3,201,714,087	136,691,960	12,293,107	1,038,895	144,260,420	-	9,506,390,732
Total as at 31 December 2024 (audited)	5,813,266,563	3,105,820,645	204,334,404	7,637,074	1,332,590	44,005,923	-	9,176,397,199

b) Distribution of exposures according to geographic region on stages according to IFRS 9

	Stage One	Stage Two	Stage Three	Total
	JD	JD	JD	JD
Inside Jordan	4,663,945,708	352,128,084	79,349,327	5,095,423,119
Other Middle Eastern countries	2,320,029,794	24,445,026	26,184,781	2,370,659,601
Europe	86,988,481	-	-	86,988,481
Asia	12,000,516	-	-	12,000,516
Africa	558,618	-	-	558,618
America	144,044,045	-	-	144,044,045
Total balance	7,227,567,162	376,573,110	105,534,108	7,709,674,380
Total as at 31 December 2024 (audited)	6,990,239,629	359,000,270	124,590,010	7,473,829,909

(29-3) Total credit exposures that have been reclassified

The disclosures below are prepared in two phases: the first phase is for total credit exposures and the second phase is for the expected credit losses:

a) Total credit exposures that have been reclassified

	Stage Two		Stage Three		Net reclassified exposures	Percentage of reclassified exposures
	Net Exposures	Net reclassified exposures	Net Exposures	Net reclassified exposures		
	JD	JD	JD	JD		
30 June 2025 (Reviewed not audited)						
Balances at banks and financial institutions	354,897	-	-	-	-	0%
Direct Credit Facilities at amortized cost	375,791,586	63,902,709	132,927,787	32,774,167	96,676,876	19%
Bonds and treasury bills within:						
Within financial assets at amortized cost	-	-	4,587,880	-	-	0%
Total balance	376,146,483	63,902,709	137,515,667	32,774,167	96,676,876	19%
Contingent Liabilities and Commitments	15,789,190	6,223,121	6,982,663	437,095	6,660,216	29%
Total contingent Liabilities and Commitments	15,789,190	6,223,121	6,982,663	437,095	6,660,216	29%
31 December 2024 (Audited)						
Balances and deposits at banks and financial institutions	198,943	189,375	-	1,394	190,769	96%
Direct Credit Facilities at amortized cost	360,797,508	106,804,363	155,380,146	41,941,366	148,745,729	29%
Bonds and treasury bills within:						
Within financial assets at amortized cost	-	-	4,587,880	-	-	0%
Total balance	360,996,451	106,993,738	159,968,026	41,942,760	148,936,498	29%
Letter of guarantee	12,856,898	7,141,899	12,187,312	7,090,973	14,232,872	57%
Letter of credit	1,613,732	6,039	(108,953)	(108,953)	(102,914)	-7%
Unutilized direct credit limits	6,208,858	2,252,550	18,692	2,899	2,255,449	36%
Total balance	20,679,488	9,400,488	12,097,051	6,984,919	16,385,407	50%

b) Expected Credit Loss for the reclassified exposures

	Exposures that have been classified			Expected Credit Loss for the reclassified exposures		
	Exposures that were reclassified from stage two	Exposures that were reclassified from stage three	Total reclassified exposures	Stage Two	Stage Three	Total
30 June 2025 (Reviewed not audited)						
Assets	JD	JD	JD	JD	JD	JD
Direct Credit Facilities at amortized cost	63,902,709	32,774,167	96,676,876	(4,488,268)	(11,110,323)	(15,598,591)
Total balance	63,902,709	32,774,167	96,676,876	(4,488,268)	(11,110,323)	(15,598,591)
Contingent Liabilities and Commitments	6,223,121	437,095	6,660,216	(1,966,246)	(31,887)	(1,998,133)
Total contingent Liabilities and Commitments	6,223,121	437,095	6,660,216	(1,966,246)	(31,887)	(1,998,133)
31 December 2024 (Audited)						
Assets						
Balances and Deposits at banks and financial institutions	189,375	1,394	190,769	-	-	-
Direct Credit Facilities at amortized cost	106,804,363	41,941,366	148,745,729	(3,519,640)	(40,903,898)	(44,423,538)
Total balance	106,993,738	41,942,760	148,936,498	(3,519,640)	(40,903,898)	(44,423,538)
Contingent Liabilities and Commitments	9,400,488	6,984,919	16,385,407	107,059	1,423,039	1,530,098
Total contingent Liabilities and Commitments	9,400,488	6,984,919	16,385,407	107,059	1,423,039	1,530,098

(29-4) Expected credit losses [net (expense) recovered]:

30 June 2025 (Reviewed Not Audited)	Stage one	Stage two	Stage three	Total
	JD	JD	JD	JD
Balances at banks and financial institutions (Note 5)	(62,498)	-	-	(62,498)
Direct credit facilities (note 7)	4,369,024	3,937,401	16,435,138	24,741,563
Financial assets at amortized cost	(19,759)	-	-	(19,759)
Debt instruments at fair value through other comprehensive income	22,444	-	-	22,444
Bank acceptances and purchased receivables claims	37,095	(286,805)	840,288	590,578
Contingent Liabilities and Commitments	927,280	1,647,505	(864,748)	1,710,037
Total balance	5,273,586	5,298,101	16,410,678	26,982,365

30 June 2024 (Reviewed Not Audited)	Stage one	Stage two	Stage three	Total
	JD	JD	JD	JD
Balances at banks and financial institutions	-	-	1,394	1,394
Direct credit facilities	(223,459)	4,108,690	31,740,541	35,625,772
Financial assets at amortized cost	(4,395)	-	-	(4,395)
Debt instruments at fair value through other comprehensive income	2,511	-	-	2,511
Other Financial assets measured at amortized cost	(35,785)	-	-	(35,785)
Contingent Liabilities and Commitments	1,797,873	264,230	(333,648)	1,728,455
Total balance	1,536,745	4,372,920	31,408,287	37,317,952

(30) Fair Value of Financial Instruments

Financial instruments include cash balances, deposits at banks and the Central Banks, direct credit facilities, other financial assets, customers' deposits, banks deposits and other financial liabilities. There are no material differences between the fair value of financial instruments and their book value.

The Bank uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

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

Level 2: Other techniques by which all inputs significantly effect the recorded fair value may be observed, either directly or indirectly from market information.

Level 3: Other techniques using inputs significantly effecting the recorded fair values; which are not based on observable market data.

The following table shows the breakdown of the financial instruments at fair value and according to the above hierarchy:

30 June 2025 (Reviewed not audited)	Level 1	Level 2 and 3	Total
	JD	JD	JD
Financial assets-			
Financial assets at fair value through other comprehensive income	16,591,408	70,938,935	87,530,343
Derivative instruments (Note 10)	-	577,428	577,428
31 December 2024 (Audited)			
Financial assets-			
Financial assets at fair value through other comprehensive income	8,921,222	68,996,353	77,917,575
Financial liabilities-			
Derivative instruments (Note 16)	-	62,084	62,084

(31) Lawsuits against the Bank

- The lawsuits raised against the Bank, as part of the ordinary course of business, amounted to JD 50,487,625 as at 30 June 2025 against JD 96,127,772 as at 31 December 2024. According to the Bank's management and legal counselor, the Bank will not be liable in any of these cases, except for lawsuits noting a provision of JD 219,500 was taken against them.
- The lawsuits raised against the National Bank of Iraq, as part of the ordinary course of business, amounted to JD 39,895,363 as at 30 June 2025 and JD 7,946,876 as at 31 December 2024. According to the National Bank of Iraq's management and legal counselor, NBI will not be liable in any of these cases.
- The lawsuits raised against Capital Investment and Brokerage Company Ltd/Jordan, as part of the ordinary course of business as at 30 June 2025 amounted to JD 11,000 and JD 41,000 as at 31 December 2024, and at the discretion of the management and the legal advisor of the Capital Investment and Brokerage Company, the company does not have any obligations in return for these cases.
- There are no lawsuits raised against Capital Leasing Company as at 30 June 2025 and 31 December 2024.

(32) Legal Reserves

The bank has not booked Statutory Reserve during the period since the enclosed statements are interim condensed consolidated financial statements.

(33) Distributed Dividends

The General Assembly approved in its meeting held on 17 May 2025 the distribution of cash dividends equivalent to 15% of the Bank's authorized and paid in capital equivalent to JD 39,455,568.

The General Assembly approved in its meeting held on 27 March 2024 the distribution of cash dividends equivalent to 15% of the Bank's authorized and paid in capital equivalent to JD 39,455,568.

The General Assembly of the National Bank of Iraq approved in its meeting held on 27 March 2025 the distribution of cash dividends equivalent to 20% of the Bank's authorized and paid in capital equivalent to JD 43,297,710. and the non controlling interest share equivalent to JD 16,518,079.

(34) Comparative figures

Some of the comparative figures in the consolidated financial statements for the year/period have been reclassified to be consistent with the six months period ended 30 June 2025 presentation, with no effect on profit and equity for the period/year.