

CAIRO AMMAN BANK
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN – THE HASHEMITE KINGDOM OF JORDAN

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

CAIRO AMMAN BANK
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN – THE HASHEMITE KINGDOM OF JORDAN
CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
FOR THE THREE MONTHS ENDED MARCH 31, 2022
TOGETHER WITH THE REVIEW REPORT

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Report on the Review of the Condensed Consolidated Interim Financial Information

AM/009489

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

Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of Cairo Amman Bank (A Public Shareholding Limited Company) as of March 31, 2022 and the related condensed consolidated interim statements of profit or loss and comprehensive income for the three months ended March 31, 2021, condensed consolidated interim statement of changes in owners' equity and cash flows for the three-month period then ended, and a summary of significant accounting policies and other explanatory information. Management is responsible for the preparation and fair presentation of this condensed consolidated interim financial information in accordance with International Accounting Standard No. (34) relating to interim financial reporting as adopted by the Central Bank of Jordan. Our responsibility is to express a conclusion on these condensed consolidated interim financial information based on our review.

Scope of Review

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

Conclusion

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

Other Matters

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

Amman – The Hashemite Kingdom of Jordan
April 28, 2022

Deloitte & Touche (M.E.) – Jordan

Deloitte Touche
Deloitte & Touche (M.E.)
ديلويت أند توش (الشرق الأوسط)
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CAIRO AMMAN BANK
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN – THE HASHEMITE KINGDOM OF JORDAN
CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

	Note	March 31, 2022	December 31,
		(Reviewed not Audited)	2021 (Audited)
Assets		JD	JD
Cash and balances at Central Banks - net	5	376,051,058	413,494,719
Balances at banks and financial institutions - net	6	282,256,513	121,528,244
Deposits at banks and financial institutions - net	7	67,763,726	101,054,720
Financial assets at fair value through profit or loss	8	8,377,048	8,164,615
Financial assets at fair value through other comprehensive income - net	9	70,792,676	65,792,741
Financial assets at amortized cost - net	10	754,263,847	732,404,799
Financial assets pledged as collateral	11	77,468,000	74,203,000
Direct credit facilities - net	12	2,037,158,898	1,951,096,855
Property and equipment - net		43,327,743	43,770,756
Intangible assets - net		5,346,291	5,159,688
Right of use assets - net		24,377,842	24,154,362
Deferred tax assets	16	10,952,921	12,227,606
Other assets	13	63,032,479	60,756,128
Total Assets		3,821,169,042	3,613,808,233
Liabilities And Owners' Equity			
Liabilities:			
Banks' and financial institutions' deposits		272,087,891	202,284,537
Customers' deposits	14	2,444,414,698	2,437,899,526
Margin accounts		188,612,511	59,546,408
Borrowed funds	15	363,177,484	363,909,865
Subordinated Loans		18,540,350	18,540,350
Sundry provisions		12,289,916	12,313,994
Income tax provision	16	20,037,827	19,810,355
Lease contracts liabilities		23,697,821	23,325,341
Deferred tax liabilities		1,776,907	865,668
Other liabilities	17	68,733,382	77,913,234
Total Liabilities		3,413,368,787	3,216,409,278
Owners' Equity			
Shareholders' Equity			
Authorized and paid-up capital		190,000,000	190,000,000
Statutory reserve		86,711,919	86,711,919
General banking risk reserve		4,595,640	4,341,429
Cyclical fluctuations reserve		10,894,653	10,894,653
Fair value reserve - net	18	6,444,840	3,797,698
Foreign Currencies Translation Reserve		(3,188,744)	(3,188,744)
Retained earnings	19	94,238,851	94,481,206
Profits after tax for the period		7,690,269	-
Total Shareholders' Equity		397,387,428	387,038,161
Non-controlling interest		10,412,827	10,360,794
Total Owners' Equity		407,800,255	397,398,955
Total Liabilities and Owners' Equity		3,821,169,042	3,613,808,233

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

CAIRO AMMAN BANK
(A PUBLIC SHAREHOLDING LIMITED COMPANY)
AMMAN – THE HASHEMITE KINGDOM OF JORDAN
CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE THREE MONTHS ENDED MARCH 31, 2022
(REVIEWED NOT AUDITED)

	Note	For the Three Months	
		Ended March 31,	
		2022	2021
		JD	JD
Interest income	20	42,748,136	42,183,209
Interest expense	21	(14,710,162)	(13,876,582)
Net interest income		28,037,974	28,306,627
Net commission income		5,149,131	5,061,276
Net interest and commission income		33,187,105	33,367,903
Gain from foreign currencies		288,236	1,211,518
Gain from financial assets at fair value through profit or loss	22	506,309	16,209
Dividends from financial assets at fair value through other comprehensive income	9	2,190,486	2,489,791
Other income		1,977,206	1,837,183
Total revenue		38,149,342	38,922,604
Employees' expenses		10,940,763	10,742,963
Depreciation and amortization		1,788,881	2,004,545
Other expenses		9,144,353	8,491,162
Provision for expected credit loss	23	3,893,988	5,446,850
Provision for impairment against repossessed assets		100,000	150,000
Sundry provisions		265,557	225,333
Total expenses		26,133,542	27,060,853
Profit for the period before tax		12,015,800	11,861,751
Income tax expense	16	(4,273,498)	(4,437,939)
Profit for the period		7,742,302	7,423,812
Attributable to:			
Bank's shareholders		7,690,269	7,498,670
Non-controlling interest		52,033	(74,858)
Profit for the period		7,742,302	7,423,812
		JD/ Fils	JD/ Fils
Basic and diluted earnings per share (Bank's shareholders)	24	0/040	0/039

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CAIRO AMMAN BANK

(A PUBLIC SHAREHOLDING LIMITED COMPANY)

AMMAN – THE HASHEMITE KINGDOM OF JORDAN

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

FOR THE THREE MONTHS ENDED MARCH 31, 2022

(REVIEWED NOT AUDITED)

	For the Three Months	
	Ended March 31,	
	2022	2021
	JD	JD
Profit for the period	7,742,302	7,423,812
Other comprehensive income items:		
Items that will not be reclassified subsequently to the condensed consolidated interim statement of profit or loss:		
Net change in fair value reserve after tax	<u>2,658,998</u>	<u>(153,895)</u>
Total Comprehensive Income for the Period	<u>10,401,300</u>	<u>7,269,917</u>
Total Comprehensive Income for the period attributable to:		
Bank's shareholders	10,349,267	7,344,775
Non-controlling interests	<u>52,033</u>	<u>(74,858)</u>
Total Comprehensive Income for the Period	<u>10,401,300</u>	<u>7,269,917</u>

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

CAIRO AMMAN BANK

(A PUBLIC SHAREHOLDING LIMITED COMPANY)

AMMAN – THE HASHEMITE KINGDOM OF JORDAN

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN OWNERS' EQUITY

FOR THE THREE MONTHS ENDED MARCH 31, 2022

(REVIEWED NOT AUDITED)

	Authorized and Paid-up Capital	Statutory Reserve	General Banking Risk Reserve *	Cyclical Fluctuations Reserve	Fair Value Reserve - Net	Foreign Currencies Translation Reserve	Retained Earnings	Profits for the period	Total Owners' Equity - Bank's Shareholders	Non-controlling Interests	Total Owners' Equity
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
For the Period Ended March 31, 2022											
Balance as of January 1, 2022	190,000,000	86,711,919	4,341,429	10,894,653	3,797,698	(3,188,744)	94,481,206.00	-	387,038,161	10,360,794	397,398,955
Total comprehensive income for the period	-	-	-	-	2,658,998	-	-	7,690,269	10,349,267	52,033	10,401,300
Transferred to the general banking risk reserve	-	-	254,211	-	-	-	254,211.00-	-	-	-	-
Gain from sale of financial assets at fair value through other comprehensive income	-	-	-	-	(11,856)	-	11,856.00	-	-	-	-
Balance as of March 31, 2022	190,000,000	86,711,919	4,595,640	10,894,653	6,444,840	(3,188,744)	94,238,851	7,690,269	397,387,428	10,412,827	407,800,255
For the Period Ended March 31, 2021											
Balance as of January 1, 2021	190,000,000	82,047,879	3,897,183	10,894,653	(5,988,630)	(3,188,744)	88,960,274.00	-	366,622,615	8,666,334	375,288,949
Total comprehensive income for the period	-	-	-	-	(153,895)	-	-	7,498,670	7,344,775	(74,858)	7,269,917
Transferred to the general banking risk reserve	-	-	444,246	-	-	-	444,246.00-	-	-	-	-
Gain from sale of financial assets at fair value through other comprehensive income	-	-	-	-	-	-	33,181.00	-	33,181	-	33,181
Balance as of March 31, 2021	190,000,000	82,047,879	4,341,429	10,894,653	(6,142,525)	(3,188,744)	88,549,209	7,498,670	374,000,571	8,591,476	382,592,047

* The general banking risk reserve and the credit balance of the fair value reserve are restricted from use without a prior approval from the Central Bank of Jordan.

- As of March 31, 2022 the restricted retained earnings balances resulting from the early implementation of IFRS 9 amounted to JD13,051,148.

- The amount of JD 10,952,921 is included within retained earnings as of March 31, 2022 (JD 12,227,606 as of December 31, 2021) represents deferred tax assets amounts that are restricted from use based on the instructions of the Central Bank of Jordan.

- The Bank cannot use a restricted amount of JD (1,155,916) which represents the remaining balance of the general banking risk reserve included in retained earnings in accordance with the instructions of the Central Bank of Jordan.

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CAIRO AMMAN BANK
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AMMAN – THE HASHEMITE KINGDOM OF JORDAN
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS
FOR THE THREE AND NINE MONTHS ENDED MARCH 31, 2022
(REVIEWED NOT AUDITED)

	Note	For the three Months Ended March 31,	
		2022	2021
Cash Flows from Operating Activities		JD	JD
Profit before tax for the period		12,015,800	11,861,751
Adjustments for:			
Depreciation and amortization		1,788,881	2,004,545
Provision for expected credit losses	23	3,893,988	5,446,850
Sundry provisions		265,557	225,333
Unrealized (gain) loss from financial assets at fair value through profit or loss	22	(121,098)	292,436
Gain from sale of repossessed assets		-	(7,167)
Provision for impairment against repossessed assets		100,000	150,000
Loss from the sale of property and equipment		41,776	1,577
Effect of exchange rate changes on cash and cash equivalents		(234,169)	(1,154,975)
Cash flow from (used in) operating activities before changes in working capital		17,750,735	18,820,350
Decrease in deposits at banks and financial institutions		33,328,064	30,620,241
(Increase) in financial assets at fair value through profit or loss		(91,335)	(400,050)
(Increase) in direct credit facilities		(91,405,261)	(111,908,691)
(Increase) in other assets		(2,599,831)	(4,700,040)
Increase (decrease) in banks and financial institution deposits (maturing after more than three months)		18,641,028	(21,445,050)
Increase in customers deposits		6,515,172	1,544,316
(Decrease) Increase in margin accounts		129,066,103	3,507,150
(Decrease) Increase in other liabilities		(7,676,203)	11,431,972
Net cash flows from (used in) operating activities before income tax and sundry provisions		103,528,472	(72,529,802)
Sundry provisions settled		(289,635)	(94,685)
Income tax paid	16	(4,207,807)	(6,369,418)
Net cash flows from (used in) operating activities		99,031,030	(78,993,905)
Cash Flows from Investing Activities			
(Purchase) of financial assets at fair value through other comprehensive income		-	(201,975)
Sale of financial assets at fair value through other comprehensive income		7,501	544,135
(Purchase) of other financial assets at amortized cost		(68,553,269)	(94,436,987)
Maturity and sale of other financial assets at amortized cost		43,808,004	71,534,319
(Purchase) of property and equipment		(1,001,210)	(920,945)
Sale of property and equipment		24,524	(1,578)
(Purchase) of intangible assets		(597,561)	(626,038)
Net cash flows (used in) investing activities		(26,312,011)	(24,109,069)
Cash Flows from Financing Activities			
Increase in borrowed funds		52,997,657	72,467,099
Borrowed funds settled		(53,730,038)	(75,438,069)
Net cash flows (used in) from financing activities		(732,381)	(2,970,970)
Effect of exchange rate changes on cash and cash equivalents		234,169	1,154,975
Net increase (decrease) in cash and cash equivalents		72,220,807	(104,918,969)
Cash and cash equivalents, beginning of the period		419,435,514	324,193,573
Cash and cash equivalents, end of the period	25	491,656,321	219,274,604

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CAIRO AMMAN BANK
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AMMAN – THE HASHEMITE KINGDOM OF JORDAN
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
MARCH 31, 2021

1. Incorporation and Activities

- Cairo Amman Bank was established as a public shareholding company, registered and incorporated in Jordan in 1960, in accordance with the Jordanian Companies Laws and Regulations No. (12) for the year 1964.
- The Bank provides its banking and financial services through its head office located in Amman and its 98 branches located in Jordan, 21 branches in Palestine, one in Bahrain and through its subsidiaries.
- The Bank's shares are listed on the Amman Stock Exchange.
- The condensed consolidated interim financial information were approved by the board of directors on April 27, 2022

2. Basis of Preparation

- The accompanying condensed consolidated interim financial information have been prepared in accordance with the International Accounting Standard No. (34) "Interim Financial Reporting" as adopted by the Central Bank of Jordan.

The main differences between IFRS that should be applied and What have been adopted by the Central Bank of Jordan is:

- Provisions for expected credit losses are calculated in accordance with the Central Bank of Jordan (CBJ) instructions No. (13/2018) and with International Financial Reporting Standard No. (9) Implementation" dated June 6, 2018 and in accordance with the regulatory authorities' instructions in the countries that the Bank operates whichever is more strict, the main significant differences are as follows:
 - Exclusion of the Debt instruments issued or guaranteed by the Jordanian Government, so that credit exposures issued or guaranteed by the Jordanian Government are treated with no credit losses.
 - When calculating the expected credit losses against credit exposures, the results of the calculation are compared according to the International Financial Reporting Standard No. (9) with the instructions of the Central Bank of Jordan No. (47/2009) as of December 10, 2009 for each stage separately, and the most severe results are taken.
 - The provision for expected credit loss is adjusted to take into account the special arrangements with the Central Bank (if any).
- B- Interests, returns and commissions shall be suspended on non-performing credit facilities and Funds granted to clients in accordance with the instructions of the Central Bank of Jordan.

- c- Assets seized by the Bank are shown in the consolidated statement of financial position among other assets at their current value when seized by the Bank or at fair value, whichever is lower, and are individually reassessed on the date of the consolidated financial statements. Any impairment loss is recorded in the consolidated statement of profit or loss while any increase in the value is not recorded as revenue. Subsequent increase is taken to the consolidated statement of profit or loss to the extent of not exceeding the previously recorded impairment. In addition, based on the instructions of the Central Bank of Jordan a gradual provision is recorded against real estate that has become owned by the bank, and in violations of article (48) of the banks law, at a rate of (5%) of the total book values until the required percentage of 50% is reached by the end of 2030.
- The interim condensed consolidated interim financial information has been prepared in accordance with the historical cost principle, with the exception of financial assets and financial liabilities that appear at fair value at the date of the condensed consolidated interim financial information.
- The reporting currency of the condensed consolidated interim financial information is the Jordanian Dinar, which is the functional currency of the Bank.
- The condensed consolidated interim financial information does not include all notes and information presented in the annual financial statements and should be read with the bank's annual report for the year ended December 31, 2021. The results of the three months ended March 31, 2021 do not indicate the expected results for the fiscal year ending December 31, 2022, Also, Allocations of profits have not been made as of March 31, 2022 as conducted at the end of the fiscal year.

Judgments, estimates and risk management

The preparation of the condensed interim financial information requires management to make judgments, estimates and assumptions that affects the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same

as those that applied to the Company's annual financial statements for the year ended December 31, 2021, except as mentioned in Note 3.

The consolidated financial information include the financial information of the Bank and its subsidiaries under its control. Moreover, control is achieved when the Bank has the power to govern the financial and operating policies of its subsidiaries in order to obtain benefits from their activities. Transactions, balances, income and expenses between the Bank and its subsidiaries are eliminated.

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

Company's Name	Paid-up Capital JD	Ownership Percentage %	Nature of Operation	Country of Operation	Ownership Date
Al-Watanieh for Financial Services Company	5,500,000	100	Investment Brokerage and Portfolio Management	Jordan	1992
Al-Watanieh Securities Company	1,600,000	100	Investment Brokerage	Palestine	1995
Tamallak For Financial Leasing Company	5,000,000	100	Finance Leasing	Jordan	2013
Safa Bank	53,175,000	74.6	Islamic Banking	Palestine	2016

- The most important financial information for the subsidiaries as of March 31, 2022 is as follows:

	Al-Watanieh for Financial Services Company (Awraq Investment)		Al-Watanieh Securities Company	
	March 31, 2022	December 31, 2021	March 31, 2022	December 31, 2021
	JD	JD	JD	JD
	Total Assets	18,705,577	20,905,042	2,338,734
Total Liabilities	8,018,651	10,375,598	1,218,127	1,344,450
Net Assets	10,686,926	10,529,444	1,120,607	1,131,455

	For the Three Months Ended March 31,		For the Three Months Ended March 31,	
	2022	2021	2022	2021
	JD	JD	JD	JD
	Total Revenues	391,904	561,736	39,684
Total Expenses	186,488	179,239	50,532	58,898

	Tamallak For Financial Leasing Company		Safa Bank	
	March 31, 2022	December 31, 2021	March 31, 2022	December 31, 2021
	JD	JD	JD	JD
	Total Assets	43,551,455	44,163,409	277,526,352
Total Liabilities	37,371,711	37,796,159	236,467,637	235,599,196
Net Assets	6,179,744	6,367,250	41,058,715	40,853,543

	For the Three Months Ended March 31,		For the Three Months Ended March 31,	
	2022	2021	2022	2021
	JD	JD	JD	JD
	Total Revenues	469,658	472,179	2,186,755
Total Expenses	730,083	152,766	1,927,372	1,808,148

3. Significant accounting policies:

The accounting policies used in preparing the condensed consolidated interim financial information for the period ending on March 31, 2022 are identical with the accounting policies that were followed in preparing the consolidated financial information for the year ended December 31, 2021. However, it has adopted a set of the following amendments and interpretations that are effective for the first time in 2021, which has no impact on the Bank's condensed consolidated interim financial information:

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

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

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

Amendments to IFRS 3 – Reference to the Conceptual Framework

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

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

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

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

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

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

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

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

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

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

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

IFRS Financial Enhancements 2018-2020

IFRS 1 First-time Adoption of International Financial Reporting Standards

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

IFRS 9 Financial Instruments

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

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

IAS 41 Agriculture

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

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

Standards issued but not effective

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

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

New and revised IFRSs

Effective date

The directors of the Company anticipate that the application of these amendments may have an impact on the Group's consolidated financial statements in future periods should such transactions arise.

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

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

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

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

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

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

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

Amendments to IAS 8 - Definition of Accounting Estimates

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

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

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

January 1, 2023, with earlier application permitted

New and revised IFRSs

Effective date

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

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

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

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

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

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

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

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

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

A deferred tax asset (to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised) and a deferred tax liability for all deductible and taxable temporary differences associated with:

Right-of-use assets and lease liabilities

Decommissioning, restoration and similar liabilities and the corresponding amounts recognised as part of the cost of the related asset.

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

New and revised IFRSs**Effective date**

The cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at that date.

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

4. Significant Accounting Judgments and key Sources of Uncertainty Estimates

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

We believe that the estimates used in the preparation of these condensed interim financial information are consistent with those used in the annual consolidated financial information for the year ended December 31, 2021 except for the changes in note (3).

5. Cash and Balances at Central Banks - Net

This item consists of the following:

	March 31, 2022 (Reviewed not audited)	December 31, 2021 (Audited)
	JD	JD
Cash on hand	161,248,972	165,436,466
Balances at Central Banks:		
Current and demand accounts	40,778,789	50,227,537
Time and notice deposits	50,135,000	79,135,000
Statutory cash reserve	123,987,944	118,710,023
Total balances at Central Banks	214,901,733	248,072,560
Provision for expected credit loss (cash and balances at central banks)	(99,647)	(14,307)
Balances at Central Banks - Net	214,802,086	248,058,253
Total	376,051,058	413,494,719

- Restricted balances amounted to JD 10,635,000 as of March 31, 2022 (JD 10,635,000 as of December 31, 2021).

In addition to the statutory cash reserve stated above.

- There are no balances that maturing in more than three months as of March 31, 2022 and December 31, 2021.

- All balances at the Central Bank of Jordan are classified within stage (1) in accordance with the requirements of IFRS (9) and there are no transfers between stages (1), (2) and (3) or any written off balances during the period ended March 31, 2022.

6. Balances at Banks and Financial Institutions - Net

This item consists of the following:

	March 31, 2022 (Reviewed not audited)	December 31, 2021 (Audited)
	JD	JD
<u>Local Banks and Financial Institutions:</u>		
Current and demand accounts	2,096,759	2,870,179
Deposits maturing within 3 months or less	151,265,194	48,539,000
Total	153,361,953	51,409,179
<u>Foreign Banks and Financial Institutions:</u>		
Current and demand accounts	85,139,454	59,180,520
Deposits maturing within 3 months or less	43,814,522	10,984,776
Total	128,953,976	70,165,296
	282,315,929	121,574,475
<u>Less:</u> Provision for expected credit loss (balances at banks and financial institution)	(59,416)	(46,231)
Total	282,256,513	121,528,244

- Non-interest bearing balances at banks and financial institutions amounted to JD 87,236,213 as of March 31, 2022 (JD 77,385,789 as of December 31, 2021).

- All balances at banks and financial institutions - JD are classified within stage (1) in accordance with the requirements of IFRS (9) and there are no transfers between stages (1), (2) and (3) or any written off balances during the period ended March 31, 2021.

- There are no restricted balances as of March 31, 2022 and December 31, 2021.

7. Deposits at Banks and Financial Institutions - Net

The details for this item are as follows:

	March 31, 2022	December 31, 2021
	(Reviewed not audited)	(Audited)
	JD	JD
Deposit maturing within a period of:		
More than 3 to 6 months	7,832,565	33,069,913
More than 6 to 9 months	15,826,300	7,832,565
More than 9 to 12 months	-	17,368,277
More than 12 months	44,283,826	43,000,000
Total	67,942,691	101,270,755
<u>Less:</u> provision for expected credit losses (deposits at banks)	(178,965)	(216,035)
Total	67,763,726	101,054,720

- There are no restricted deposits as of March 31, 2022 and December 31, 2021.

- All deposits at banks and financial institutions - (JD) are classified within stage (1) in accordance with the requirements of IFRS (9) and there are no transfers between stages (1),(2) and (3) or any written off balances during the period ended March 31, 2022.

- Balances with banks are assessed to have low credit risk of default since these banks are highly regulated by the Central Bank of Jordan and the central banks of the respective countries. Accordingly, the Bank's management estimates the provision of loss on balances with banks at the end of the reporting period at an amount equal to 12 month expected credit loss. Taking into account the historical default experience and the current credit ratings of the banks.

8. Financial Assets at Fair Value through Profit or Loss

This item consists of the following:

	March 31, 2022	December 31, 2021
	(Reviewed not audited)	(Audited)
	JD	JD
Corporate shares	8,377,048	8,164,615
	8,377,048	8,164,615

9. Financial Assets at Fair Value through Other Comprehensive Income - Net

This item consists of the following:

	March 31, 2022	December 31, 2021
	(Reviewed not audited)	(Audited)
	JD	JD
Quoted shares	63,294,719	58,284,132
Unquoted shares *	7,302,961	7,303,740
Quoted bonds	198,599	209,205
	70,796,279	65,797,077
Less: provision for expected credit losses (Bonds)	(3,603)	(4,336)
Total	70,792,676	65,792,741

- Cash dividends on investments amounted to JD 2,190,486 for three months ended March 31, 2022 (JD 2,603,330 for the year ended December 31, 2021).

* Fair value calculation for unquoted investments is based on the most recent financial data available.

10. Financial Assets at Amortized Cost - Net

This item consists of the following:

	March 31, 2022	December 31, 2021
	(Reviewed not audited)	(Audited)
	JD	JD
Quoted Investments		
Governmental treasury bills	5,000,961	6,069,503
Foreign government treasury bonds	19,350,796	14,007,499
Corporate bonds	22,035,297	22,037,086
Total quoted investments	46,387,054	42,114,088
Unquoted Investments		
Governmental treasury bills	49,424,587	40,257,102
Government treasury bonds	594,012,481	585,972,667
Corporate bonds	65,000,000	65,000,000
Total unquoted investments	708,437,068	691,229,769
Total	754,824,122	733,343,857
Less: Provision for expected credit loss (Financial Assets at Amortized Cost)	(560,275)	(939,058)
	754,263,847	732,404,799
Analysis of bonds and treasury bills:		
Fixed rate		
Variable rate	754,824,122	733,343,857
Total	754,824,122	733,343,857

11. Financial Assets Pledged as Collateral

This item consists of the following:

	March 31, 2022 (Reviewed not Audited)		December 31, 2021 (Audited)	
	Pledged as Collateral	Related Financial Liabilities	Pledged as Collateral	Financial Liabilities
	JD	JD	JD	JD
Governmental treasury bills	77,468,000	79,888,901	74,203,000	77,018,278

These bonds were collateralized against the funds borrowed from the Central Bank of Jordan for SMEs and industrial financing loans.

12. Direct Credit Facilities - Net

This item consists of the following:

	March 31, 2022 (Reviewed not audited)	December 31, 2021 (Audited)
	JD	JD
Consumer lending (Retail)		
Overdrafts	11,115,776	11,352,113
Loans and bills *	746,360,487	742,776,330
Credit cards	15,780,309	15,918,091
Others	7,039,766	7,334,987
Residential mortgages	292,093,375	292,037,120
Corporate lending		
Overdrafts	96,788,612	76,804,352
Loans and bills *	542,127,869	519,538,033
Small and medium enterprises lending "SMES"		
Overdrafts	23,301,920	21,329,174
Loans and bills *	192,555,816	190,553,826
Lending to public and governmental sectors	221,818,487	179,626,656
Total	2,148,982,417	2,057,270,682
<u>Less:</u> Suspended interest	(11,047,807)	(10,625,131)
<u>Less:</u> Provision for expected credit loss	(100,775,712)	(95,548,696)
Net Direct Credit Facilities	2,037,158,898	1,951,096,855

* Net of interest and commissions received in advance amounting to JD 3,463,283 as of March 31, 2022 (JD 3,654,883 as of December 31, 2021).

- Non-performing credit facilities, in accordance with the instructions of the Central Bank of Jordan, amounted to JD 115,031,368 as of March 31, 2022 (JD 107,568,549 as of December 31, 2021), representing 5.35% (December 31, 2021: 5.23%) of gross direct credit facilities granted.

- Non-performing credit facilities, in accordance with the instruction of the Central Bank of Jordan amounted to JD 104,079,536 as of March 31, 2022 (JD 97,015,679 as of December 31, 2021) representing 4.87% (December 31, 2021: 4.74%) of gross direct credit facilities granted after excluding the suspended interest.

- Credit facilities granted to the Jordanian Government and of which it gurrantees amounted to JD 23,477,160 as of March 31, 2022 (JD 25,783,194 as of December 31, 2021), representing 1.09% (December 31, 2021: 1.25%) of gross direct credit facilities granted.

- Credit facilities granted to the public sector in Palestine amounted to JD 82,481,042 as of March 31, 2022 (JD 79,649,701 as of December 31, 2021) representing 3.84% (December 31, 2021: 3.87%) of gross direct credit facilities granted.

The movement on the provision for expected credit loss is as follows:

	Residential	Corporate		Government and		
Consumer	Loans	Large	SMEs	Public Sector	Total	
<u>For the Period Ended March 31, 2022 (Reviewed not Audited)</u>						
	JD	JD	JD	JD	JD	
Balance - as of January 1, 2022	47,268,915	10,999,407	22,404,725	12,299,861	2,575,788	95,548,696
Credit loss on newly granted facilities during the period	597,492	393,967	1,543,873	470,203	51,231	3,056,766
Reversed from credit losses on settled facilities	(2,787,870)	(2,120,852)	(3,465,120)	(2,158,557)	(671,404)	(11,203,803)
Transferred to stage (1)	251,193	942,851	(298,171)	32,808	-	928,681
Transferred to stage (2)	1,950,927	(530,290)	371,416	153,365	-	1,945,418
Transferred to stage (3)	(2,202,122)	(412,563)	(73,245)	(186,173)	-	(2,874,103)
Effect on the provision at the end of the period - resulting from the reclassification between the three stages during the period	978,055	(85,560)	307,759	1,768,612	-	2,968,866
Changes resulting from adjustments	8,104,487	878,543	710,414	827,949	-	10,521,393
Written off facilities	(6,216)	-	-	-	-	(6,216)
Valuation differences	(109,986)	-	-	-	-	(109,986)
Balance - end of the period	54,044,875	10,065,503	21,501,651	13,208,068	1,955,615	100,775,712

	Residential	Corporate		Government and		
Consumer	Loans	Large	SMEs	Public Sector	Total	
<u>For the Year Ended December 31, 2021 (Audited)</u>						
	JD	JD	JD	JD	JD	
Balance as of January 1, 2021	40,334,148	9,136,154	18,537,650	13,186,398	684,183	81,878,533
Credit loss on new facilities during the year	4,399,728	2,239,975	3,890,962	1,459,085	453,756	12,443,506
Reversed from credit losses on settled facilities	(3,823,275)	(1,116,180)	(3,292,064)	(3,134,627)	(232,160)	(11,598,306)
Transferred to stage 1	3,117,789	482,557	2,967,480	890,287	(318,696)	7,139,417
Transferred to stage 2	1,159,348	344,727	(2,359,700)	678,735	318,696	141,806
Transferred to stage 3	(4,277,137)	(827,284)	(607,780)	(1,569,022)	-	(7,281,223)
Effect on the provision at the end of the year - resulting from the reclassification between the three stages during the year	3,323,033	896,285	(1,679,000)	(245,063)	1,670,009	3,965,264
Changes resulting from adjustments	5,389,367	167,044	5,809,307	1,162,253	-	12,527,971
Written off facilities	(2,417,091)	(323,871)	(962,382)	(128,185)	-	(3,831,529)
Valuation differences	63,005	-	100,252	-	-	163,257
Balance at the End of the Year	47,268,915	10,999,407	22,404,725	12,299,861	2,575,788	95,548,696

Suspended Interest

	Consumer	Residential Loans	Corporate		Government and Public Sector	Total
	JD	JD	Large JD	SMEs JD	JD	JD
<u>For the Period Ended March 31, 2022 (Reviewed not Audited)</u>						
Balance at the beginning of the year	2,545,940	781,322	4,971,325	2,326,544	-	10,625,131
Suspended interest on new exposures during the year	141,084	127,061	205,329	66,883	-	540,357
Suspended interest on settled exposures transferred to revenue during the year	(65,339)	(44,669)	(31,830)	24,157	-	(117,681)
Transferred to stage 1	48	1,196	(1)	792	-	2,035
Transferred to stage 2	42,455	7,114	7	(950)	-	48,626
Transferred to stage 3	(42,503)	(8,310)	(6)	158	-	(50,661)
Effect on suspended revenue at the end of the year - resulting from the reclassification between the three stages during the year	-	-	-	-	-	-
Suspended interest on written off exposures	-	-	-	-	-	-
Balance at the End of the period	<u>2,621,685</u>	<u>863,714</u>	<u>5,144,824</u>	<u>2,417,584</u>	<u>-</u>	<u>11,047,807</u>

	Consumer	Residential Loans	Corporate		Government and Public Sector	Total
	JD	JD	Large JD	SMEs JD	JD	JD
<u>For the Year Ended December 31, 2021 (Audited)</u>						
Balance at the beginning of the year	2,331,972	621,534	7,949,234	2,179,538	-	13,082,278
Suspended interest on new exposures during the year	530,510	279,978	843,555	261,138	-	1,915,181
Suspended interest on settled exposures transferred to revenue during the year	(279,455)	(102,619)	(145,478)	(110,468)	-	(638,020)
Transferred to stage 1	44,039	12,992	4,763	27,681	-	89,475
Transferred to stage 2	32,111	2,180	33,757	(2,859)	-	65,189
Transferred to stage 3	(76,150)	(15,172)	(38,520)	(24,822)	-	(154,664)
Effect on suspended revenue at the end of the year - resulting from the reclassification between the three stages during the year	-	-	-	-	-	-
Suspended interest on written off exposures	(37,087)	(17,571)	(3,675,986)	(3,664)	-	(3,734,308)
Balance at the End of the Year	<u>2,545,940</u>	<u>781,322</u>	<u>4,971,325</u>	<u>2,326,544</u>	<u>-</u>	<u>10,625,131</u>

13. Other Assets

This item consists of the following:

	March 31, 2022	December 31, 2021
	(Reviewed not audited)	(Audited)
	JD	JD
Accrued income	16,341,731	17,148,232
Prepaid expenses	12,836,798	8,411,098
Repossessed Assets – net *	15,823,462	14,401,475
Accounts receivable – net	7,727,267	4,443,816
Clearing checks	3,695,908	10,920,101
Settlement guarantee fund	39,000	39,000
Refundable deposits	612,690	609,971
Deposits at Visa International	1,595,271	3,062,901
Others	4,360,352	1,719,534
Total	63,032,479	60,756,128

* As per the Central Bank of Jordan instructions the repossessed assets should be sold within two years of repossession, and can be extended under exceptional circumstances by the Central Bank of Jordan for a maximum of four years.

The movement on repossessed assets is as follows:

	March 31, 2022	December 31, 2021
	(Reviewed not audited)	(Audited)
	JD	JD
Balance - beginning of the Period / Year	16,628,415	12,556,317
Additions	1,828,743	5,349,503
Disposals	(306,756)	(1,277,405)
Total	18,150,402	16,628,415
Impairment of repossessed assets	(541,265)	(541,265)
Impairment of repossessed assets as per the Central Bank of Jordan instructions	(1,785,675)	(1,685,675)
Balance - end of the Period / Year	15,823,462	14,401,475

As follows, the summary of the movement of impairment on repossessed assets:

Balance - beginning of the year	2,226,940	1,712,181
Additions	100,000	514,759
Balance - end of the Period / Year	2,326,940	2,226,940

14. Customers Deposits

This item details are as follows:

	March 31, 2022	December 31, 2021
	(Reviewed not audited)	(Audited)
	JD	JD
Current and demand accounts	686,055,492	717,326,324
Saving deposits	621,389,642	624,755,712
Time and notice deposits	1,136,969,564	1,095,817,490
Total	2,444,414,698	2,437,899,526

- The Government of Jordan and the public sector deposits inside the Kingdom amounted to JD 286,715,617 equivalent to 11.73% of total deposits as of March 31, 2022 (JD 341,267,864, equivalent to 14% of total deposits as of December 31, 2021).

- Non-interest bearing deposits amounted to JD 576,620,092 as of March 31, 2022 (JD599,643,817 as of December 31, 2021) representing 23.59% (December 31, 2021:24.60%) of total deposits.

15. Borrowed Funds

This item details are as follows:

	Amount	No. of Installments		Payment Basis	Maturity Date	Collaterals	Interest Rate
		Total	Outstanding				
March 31, 2022 (Reviewed not Audited)							
JD							
Amounts borrowed from Overseas Private Investments Corporation (OPIC)	15,598,000	1	1	At maturity	2034	None	4.845%-4.895%
Amounts borrowed from French Development Agency	1,240,750	20	7	Semi-annually	2025	None	3.358%
Amounts borrowed from Central Bank of Jordan*	5,225,000	20	11	Semi-annually	2028	None	2.700%
Amounts borrowed from Central Bank of Jordan**	85,338,542	467	467	At maturity per loan	2022-2035	Treasury Bonds	0.5% - 1.75%
Amounts borrowed from Central Bank of Jordan**	31,401,796	410	410	At maturity per loan	2024 - 2022	None	0.000%
Amounts borrowed from Central Bank of Jordan*	887,920	14	5	Semi-annually	2024	None	2.500%
Amounts borrowed from European Bank for Reconstruction and Development	14,180,000	3	2	Semi-annually	2022	None	2.020%
Amounts borrowed from European Bank for Reconstruction and Development	6,077,143	7	3	Semi-annually	2023	None	5.500%
Amounts borrowed from Central Bank of Jordan*	3,280,000	20	15	Semi-annually	2030	None	2.8%
Amounts borrowed from Central Bank of Jordan	3,941,315	34	34	Semi-annually	2039	None	3.000%
Jordan Mortgage Refinance Company ***	10,000,000	1	1	At maturity	2024	None	5.000%
Jordan Mortgage Refinance Company ***	30,000,000	1	1	At maturity	2024	None	5.750%
Jordan Mortgage Refinance Company ***	10,000,000	1	1	At maturity	2025	None	5.350%
Jordan Mortgage Refinance Company ***	10,000,000	1	1	At maturity	2026	None	4.750%
Jordan Mortgage Refinance Company ***	4,000,000	1	1	At maturity	2028	None	4.650%
Amounts borrowed from Central Bank of Jordan	6,250,000	1	1	At maturity	2022	Treasury Bonds	2.250%
Amounts borrowed from Central Bank of Jordan	34,188,034	1	1	At maturity	2022	Treasury Bonds	2.000%
Amounts borrowed from Central Bank of Jordan	14,450,867	1	1	At maturity	2022	Treasury Bonds	2.000%
Amounts borrowed from Central Bank of Jordan	8,333,333	1	1	At maturity	2022	Treasury Bonds	2.000%
Amounts borrowed from Central Bank of Jordan	16,666,667	1	1	At maturity	2022	Treasury Bonds	2.000%
Amounts borrowed from European Bank for Reconstruction and Development (EBRD)	1,012,857	7	2	Semi- annually	2023	None	2.200%
Amounts borrowed from French Development Agency	9,811,048	20	19	Semi- annually	2031	None	1.273%
Palestine Monetary Authority	3,972,490	1	1	-	None	None	0.500%
Ethihad Bank	5,250,000	8	7	Quarterly	2024	None	3.750%
Housing Bank for Trade and Finance	30,936,333		Overdraft	-	2022	None	3.500%
Arab Jordan Investment Bank	61,165		Overdraft	-	2022	None	5.750%
Amounts borrowed from Financial Markets International (FMI)	1,074,224	1	1	-	None	None	-
Total	363,177,484						
December 31, 2021 (Audited)							
Amounts borrowed from overseas investment company (OPIC)	15,598,000	1	1	At maturity	2034	None	4.895%-4.845%
Amounts borrowed from French Development Agency	1,240,750	20	7	Semi- annually	2025	None	3.358%
Amounts borrowed from Central Bank of Jordan*	5,700,000	20	12	Semi- annually	2028	None	2.700%
Amounts borrowed from Central Bank of Jordan**	85,560,776	437	437	At maturity / per Loan	2022-2035	Treasury Bonds	1.75% - 0.5%
Amounts borrowed from Central Bank of Jordan**	32,539,540	391	391	At maturity / per Loan	2022 - 2024	None	0.000%
Amounts borrowed from Central Bank of Jordan*	888,000	14	5	Semi- annually	2024	None	2.500%
Amounts borrowed from European Bank for Reconstruction and Development (EBRD)	14,180,000	3	2	Semi- annually	2022	None	2.020%
Amounts borrowed from European Bank for Reconstruction and Development (EBRD)	6,077,143	7	3	Semi- annually	2023	None	5.500%
Amounts borrowed from Central Bank of Jordan*	3,485,000	20	16	Semi- annually	2030	None	2.8%
Amounts borrowed from Central Bank of Jordan	3,941,315	34	34	Semi- annually	2039	None	3.000%
Jordan Mortgage Refinance Company ***	10,000,000	1	1	At maturity	2024	None	5.000%
Jordan Mortgage Refinance Company ***	30,000,000	1	1	At maturity	2024	None	5.750%
Jordan Mortgage Refinance Company ***	10,000,000	1	1	At maturity	2022	None	5.350%
Jordan Mortgage Refinance Company ***	10,000,000	1	1	At maturity	2026	None	4.750%
Jordan Mortgage Refinance Company ***	4,000,000	1	1	At maturity	2028	None	4.650%
Amounts borrowed from Central Bank of Jordan	12,658,228	1	1	At maturity	2022	Treasury Bonds	2.000%
Amounts borrowed from Central Bank of Jordan	6,250,000	1	1	At maturity	2022	Treasury Bonds	2.000%
Amounts borrowed from Central Bank of Jordan	34,188,034	1	1	At maturity	2022	Treasury Bonds	2.000%
Amounts borrowed from Central Bank of Jordan	14,662,757	1	1	At maturity	2022	Treasury Bonds	2.000%
Amounts borrowed from Central Bank of Jordan	9,259,259	1	1	At maturity	2022	Treasury Bonds	2.000%
Amounts borrowed from European Bank for Reconstruction and Development (EBRD)	1,519,286	7	3	Semi- annually	2023	None	2.200%
Amounts borrowed from French Development Agency	9,948,638	20	19	Semi- annually	2031	None	1.273%
Palestine Monetary Authority	4,263,488	1	1	-	None	None	0.500%
Ethihad Bank	6,000,000	8	8	Quarterly	2024	None	3.750%
Housing Bank for Trade and Finance	30,815,178		Overdraft	-	2022	None	3.500%
Arab Jordan Investment Bank	60,249		Overdraft	-	2022	None	5.750%
Amounts borrowed from International Financial Markets (FMI)	1,074,224	1	1	-	None	None	-
Total	363,909,865						

16. Income Tax

a. Income Tax Provision

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

	March 31, 2022	December 31, 2021
	(Reviewed not audited)	(Audited)
	JD	JD
Balance - beginning of the period / year	19,810,355	16,002,794
Income tax settlements	(4,207,807)	(15,571,667)
Income tax expense	4,435,279	19,379,228
Balance - end of the period / year	20,037,827	19,810,355

b. Income tax appearing in the statement of profit or loss represents the following:

	For the Three Months Ended March 31,	
	2022	2021
	(Reviewed not Audited)	(Reviewed not Audited)
	JD	JD
Income tax for the period	4,435,279	4,479,560
Deferred tax assets	(161,781)	(41,621)
Accrued income tax on the current period's profit	4,273,498	4,437,939

- The income tax rate on banks in Jordan is 38%, and the income tax rate in countries where the Bank has Companies and branches, where tax rate ranges between 0% and 31%, banks in Palestine are subject to an income tax rate of 15% and VAT of 16%.
 - The Bank has reached a final settlement with the Income and Sales Tax Department up to the end of the year 2018 for the Bank's branches in Jordan. and the returns of the years 2019, 2020 and 2021 were not reviewed by the income and sales tax department till the date of preparations of the condensed consolidated interim financial information.
 - A final settlement was reached for the Bank's branches in Palestine up to the end of the year 2017, returns for the years 2018 and 2019 and 2020 and 2021 were not reviewed by the income and sales tax department till the date of preparations of the condensed consolidated interim financial information.
 - A final settlement has been reached with the Income and Sales Tax Department up to the end of the year 2014 for Al-Watanieh Financial Services Company. In addition, the Sales and Income Tax Department reviewed the Company's records for the years 2015, 2016, 2017 and 2018, and estimated the accrued tax amount for these years at JD 1,361,990 for the amounts paid. The decision was appealed whereas the income and sales tax department has accepted the self assessment tax return for the years 2018 and 2019.
- The returns of the years 2020 and 2021 were not reviewed by the income and sales tax department till the date of preparations of the condensed consolidated interim financial information.
- A final settlement was reached for Al-Watanieh Securities Company - Palestine up to the year 2020.
 - Tamallak for Financial Leasing Company has reached a final settlement with the Income and sales tax Department until the year 2018. Furthermore, the Income Tax Department did not review the 2019 and 2020 records, up to the date of these condensed consolidated interim financial information.
 - In the opinion of the Bank's management and the tax consultant, income tax provisions as of March 31, 2022 are sufficient to meet any future tax obligations.

c. The movement on deferred tax assets is as follows:

	March 31, 2022	December 31, 2021
	(Reviewed not audited)	(Audited)
	JD	JD
Balance - beginning of the period / year	12,227,606	13,316,167
Additions during the period / year	161,781	835,415
Disposal during the period / year	(1,436,466)	(1,923,976)
Balance - End of the Period / Year	10,952,921	12,227,606

- Deferred tax is calculated using the tax rates that are expected to be applied when the deferred tax assets will be realized or the deferred tax liabilities will be settled.

17. Other Liabilities

This item consists of the following:

	March 31, 2022	December 31, 2021
	(Reviewed not audited)	(Audited)
	JD	JD
Accrued interest	10,720,373	10,688,461
Accrued income	375,197	406,018
Accounts payable	6,880,884	9,039,589
Accrued expenses	10,031,049	9,968,439
Temporary deposits	23,961,842	30,022,864
Checks and withdrawals	10,409,561	9,862,144
Others	4,012,060	4,452,134
	66,390,966	74,439,649
Provision for expected credit losses (other liabilities)	2,342,416	3,473,585
	68,733,382	77,913,234

18. Fair Value Reserve - Net

The details of this item are as follows:

	March 31, 2022	December 31, 2021
	(Reviewed not audited)	(Audited)
	JD	JD
Balance - beginning of the period / year	3,797,698	(5,988,630)
Unrealized gains	5,006,703	11,744,228
Loss (gain) from sale financial assets at fair value through other comprehensive income transferred to retained earnings	(11,856)	(109,861)
Deferred tax assets	(1,436,466)	(1,758,961)
Deferred tax liabilities	(911,239)	(89,078)
Balance - end of the period / year	6,444,840	3,797,698

19. Retained Earnings

This item consists of the following:

	March 31, 2022	December 31, 2021
	(Reviewed not audited)	(Audited)
	JD	JD
Balance - beginning of the period / year	94,481,206	88,960,274
Profit for the year	-	32,799,711
Transferred to legal reserve	-	(4,664,040)
Transferred from general banking risks reserve	(254,211)	(444,246)
Dividends to shareholders	-	(22,800,000)
Net change in non-controlling interest	-	519,646
Transferred as a result of the sale of financial assets at fair value through other comprehensive income	11,856	109,861
Balance - end of the period / year	94,238,851	94,481,206

- Retained earnings balance as of March 31, 2022 includes unrealized gains amounting to JD 13,051,148 resulting from the early implementation of IFRS 9. This amount is not available for distribution in accordance with the Securities Commission instructions, except for the amounts realized through sales transactions.

- Retained earnings include deferred tax assets amounting to JD 10,952,921 as of March 31, 2022 against (JD 12,227,606 as of December 31, 2021) which is not available for distribution in accordance with the Central Bank of Jordan instructions.

- The Bank cannot use a restricted amount of JD 1,155,916 which represents the remaining balance of the general banking risk reserve included in retained earnings in accordance with the instructions of the Central Bank of Jordan.

20. Interest Income

The details of this item are as follows:

	For the Three Months Ended March 31,	
	2022	2021
	(Reviewed not Audited)	(Reviewed not Audited)
	JD	JD
Direct Credit Facilities:		
Overdrafts	4,486,018	4,776,066
Loans and bills	27,286,119	26,363,266
Credit cards	704,680	703,473
Balances at Central Banks	23,864	14,134
Balances and deposits at banks and financial institutions	727,340	357,246
Financial assets at amortized cost	9,396,769	9,867,862
Other	123,346	101,162
	42,748,136	42,183,209

21. Interest Expense

The details of this item are as follows:

	For the Three Months Ended March 31,	
	2022	2021
	(Reviewed not Audited)	(Reviewed not Audited)
	JD	JD
Banks and financial institutions' deposits	1,350,971	1,048,702
Customers' deposits:		
Current and demand accounts	439,223	654,802
Saving deposits	702,960	650,753
Time and notice deposits	8,758,895	8,553,676
Certificates of deposit		-
Cash margins	72,280	139,669
Loans and borrowings	2,427,570	2,129,427
Deposit guarantee fees	958,263	699,553
Total	14,710,162	13,876,582

22. Gains from Financial Assets at Fair Value through Profit or Loss

This item consists of the following:

	Realized Gains	Unrealized Gains (Losses)	Stock Dividends	Total
	JD	JD	JD	JD
<u>For the Three Months Ended March 31, 2022 (Reviewed not Audited)</u>				
Corporate shares	418	121,098	384,793	506,309
Total	418	121,098	384,793	506,309

For the Three Months Ended March 31, 2021 (Reviewed not Audited)

Corporate shares	134,289	(292,436)	174,356	16,209
Total	134,289	(292,436)	174,356	16,209

23. Provision for expected credit losses

This item consists of the following:

	For the Three Months Ended March 31,	
	2022	2021
	(Reviewed not Audited)	(Reviewed not Audited)
	JD	JD
Balances at central banks	85,340	(1,186)
Balances at banks and financial institutions	13,185	(39,661)
Deposits at banks and financial institutions	(37,070)	(43,210)
Financial assets at amortized cost	(378,783)	(462,832)
Financial assets at fair value through other comprehensive income	(733)	-
Direct credit facilities	5,343,218	5,391,592
Indirect credit facilities	(1,131,169)	602,147
Total	3,893,988	5,446,850

24. Earnings per share for the Period - (Bank's Shareholders)

This item consists of the following:

	For the Three Months Ended March 31,	
	2022	2021
	(Reviewed not Audited)	(Reviewed not Audited)
	JD	JD
Profit for the period attributable to Bank's shareholders (JD)	7,690,269	7,498,670
Weighted average number of shares (share)	190,000,000	190,000,000
	(JD / Fils)	(JD / Fils)
Basic and diluted earnings per share for the period - (Bank's Shareholders)	0/040	0/039

- The weighted average number of shares was calculated on the basic and diluted profit attributable to the shareholders of the Bank based on the authorized number of shares for the three months ended March 31, 2022 and 2021.

25. Cash and Cash Equivalents

This item consists of the following:

	For the Three Months Ended March 31,	
	2022	2021
	(Reviewed not Audited)	(Reviewed not Audited)
	JD	JD
Cash and balances at the Central Bank of Jordan maturing within three months	376,150,705	288,546,999
<u>Add:</u> Balances at banks and financial institutions maturing within three months	282,315,929	115,245,825
<u>Less:</u> Banks and financial institutions' deposits maturing within three months	156,175,313	173,883,220
Restricted balances	10,635,000	10,635,000
Total	491,656,321	219,274,604

26. Balances and Transactions with Related Parties

The condensed consolidated interim financial information includes the financial information of the Bank the following subsidiaries:

Company Name	Ownership	Paid in Capital	
		March 31, 2022	December 31, 2021
	%	JD	JD
Al-Watanieh Financial Services Company Limited Liability	100	5,500,000	5,500,000
Al-Watanieh Securities Company private shareholding	100	1,600,000	1,600,000
Tamallak for Financial Leasing Company	100	5,000,000	5,000,000
Safa Bank	74.6	53,175,000	53,175,000

The Bank executed transactions with subsidiaries, major shareholders, directors and senior management in the ordinary course of business at commercial interest and commission rates. All the credit facilities to related parties are performing facilities with no associated provision amounts.

Related parties as defined in International Accounting Standard 24: Related Party Disclosures, include associate companies, major shareholders, directors and other key management personnel of the Company, and entities controlled, jointly controlled or significantly influenced by such parties. The balances and movements resulting from transactions with related parties are as follows:

	Related Parties			Total	
	Board of Directors	Executive	Other *	March 31, 2022	December 31,
	and Relatives	Management		(Reviewed not Audited)	2021 (Audited)
	JD	JD	JD	JD	JD
<u>Statement of Financial Position Items:</u>					
Direct credit facilities	20,443,279	2,613,020	19,665,489	42,721,788	42,612,401
Deposits at the Bank	35,039,103	2,679,686	21,415,465	59,134,254	118,203,631
Cash Margins	661,035	24,076	-	685,111	949,346
<u>Off Statement of Financial Position Items:</u>					
Indirect credit facilities	877,000	3,489,919	300	4,367,219	2,197,851
For the Three Months Ended					
March 31,					
				2022	2021
				(Reviewed not Audited)	(Reviewed not Audited)
				JD	JD
<u>Statement of Profit or Loss Items:</u>					
Interest and commission income	314,429	58,696	369,031	742,156	889,648
Interest and commission expense	493,916	19,810	137,401	651,127	114,428

* Other parties include the rest of the bank employees and relatives up to the third degree.

- Credit interest rates on credit facilities in Jordanian Dinar range between 3.75% to 13.54%

- Credit interest rates on credit facilities in foreign currency range between 4% to 4.75%

- Debit interest rates on deposits in Jordanian Dinar range between zero and 4.25%

- Debit interest rates on deposits in foreign currency range between zero and 2.1%.

Salaries, wages and bonuses of executive management amounted to JD 1,018,230 as of March 31, 2022 (JD 1,006,488 as of March 31, 2021).

27. Segment Analysis

a. Information on the Bank's Activities:

The Bank is regulated for management purposes where measurements are made according to reports used by the general manager and key decision makers at the Bank, through the following major sectors:

- Retail banking : includes individual customers' deposits, and providing consumer type loans, credit cards facilities and fund transfer facilities.
- Corporate banking: includes handling loans and other credit facilities and deposit and current accounts for corporate and institutional customers.
- Treasury: includes providing money market, trading and treasury services, as well as the management of the Bank's funding operations.

The Bank's segment information is as follows:

					Total	
					For the Three Months Ended March 31,	
					2022	2021
	Retail Banking	Corporate Banking	Treasury	Other	(Reviewed not Audited)	(Reviewed not Audited)
	JD	JD	JD	JD	JD	
Gross income	23,954,232	15,096,666	13,162,102	646,504	52,859,504	52,799,186
Expected credit losses	5,958,258	(1,746,209)	(318,061)	-	3,893,988	5,446,850
provision for Impairment on repossessed assets	-	-	-	100,000.00	100,000	150,000
Sundry provisions	-	-	-	265,557.00	265,557	225,333
Segment results					33,889,797	33,100,421
Unallocated expenses					21,873,997	21,238,670
Profit before tax					12,015,800	11,861,751
Income tax					(4,273,498)	(4,437,939)
Profit for the Period					7,742,302	7,423,812
Other information						
Capital expenditures					1,598,771	1,546,983
Depreciation and amortization					1,788,881	2,004,545
					March 31, 2022	December 31, 2021
					(Reviewed not audited)	(Audited)
					JD	JD
Total segment assets	1,004,793,936	1,032,364,961	1,647,925,789	136,084,356	3,821,169,042	3,613,808,233
Total segment liabilities	1,073,259,357	1,272,092,186	943,258,298	124,758,946	3,413,368,787	3,216,409,278

b. Geographical Information:

This disclosure represents the geographical distribution of the Bank's activities. The Bank operates mainly in Jordan, which represents local activities, and in Palestine.

	Inside Jordan		Outside Jordan		Total	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	JD	JD	JD	JD	JD	JD
Total revenue	40,096,816	41,160,245	12,782,688	11,638,941	52,859,504	52,799,186
Capital expenditures	1,162,648	1,007,502	436,123	539,481	1,598,771	1,546,983

	Inside Jordan		Outside Jordan		Total	
	March 31, 2022	December 31, 2021	March 31, 2022	December 31, 2021	March 31, 2022	December 31, 2021
	JD	JD	JD	JD	JD	JD
Total assets	2,906,796,672	2,741,752,016	914,372,370	872,056,217	3,821,169,042	3,613,808,233

28. Contingent Liabilities and Commitments

This item consists of the following:

	March 31, 2022 (Reviewed not Audited)	December 31, 2021 (Audited)
	JD	JD
Letters of credit:		
Received	46,857,908	70,742,768
Acceptances	24,036,068	24,036,068
Letters of guarantee:		
- Payments	28,941,016	27,079,626
- Performance	19,403,371	19,156,735
- Other	17,041,031	16,688,210
Utilized direct credit facility limits	237,137,658	246,203,611
Total	373,417,052	403,907,018

29. Lawsuits raised against the bank

In the normal course of business, the Bank appears as a defendant in a number of lawsuits amounting to JD 18,519,240 as of March 31, 2022 (JD 20,060,128 as of December 31, 2021). In the opinion of the Bank's management and legal counsel, the Bank maintains adequate provisions against the lawsuits.

Provisions against the lawsuits amounted to JD 1,876,281 and JD 1,876,281 as of March 31, 2022 and December 31, 2021, respectively.

On January 1, 2019 multiple civil lawsuits have been filed at US courts against multiple banks and financial institutions claiming financial compensation using the US antiterrorism law for damages allegedly resulting from attacks by groups listed under the US sanctions list in 2001. These lawsuits have been filed at courts hours before their filing deadline, and have been filed by an attorney office which has filed several similar complaints against other banking institutions on behalf of the same plaintiffs claiming the damages. Cairo Amman Bank is one of the banks the aforementioned lawsuit has been filed against. The lawsuit is still in the initial preliminary phase.

In the opinion of management and legal counsel, no provisions should be recorded for the lawsuits filed at US courts against the Bank as of March 31, 2022 as the Bank has consulted with legal consultants specialized in US courts and concluded that the legal status of the lawsuits is in favor of the Bank and that there are no legal or judicial grounds for the lawsuits. Also, there were no updates during the three months ended March 31, 2021.

30. Statutory Reserve

The Bank did not deduct the statutory reserves during the period due to the fact that these information are condensed consolidated financial information.

31. Subsequent Events

Later to the date of the financial statements, the general assembly of the Bank has approved the distribution of cash dividends amounting to JD 17,100,000 million (equivalent to 9% of the value of the Bank's authorized and paid up capital) in addition to the distribution of 16,078,984 shares of the shares owned by Cairo Amman Bank in Safa Bank – Palestine on a pro-rata basis to the shareholders of the Bank depending on their percentage of ownership in the Bank's capital.