ARAB BANK GROUP
AMMAN – THE HASHEMITE KINGDOM OF JORDAN

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024
TOGETHER WITH THE
INDEPENDENT AUDITOR'S REPORT

ARAB BANK GROUP
AMMAN - JORDAN
DECEMBER 31, 2024

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Independent Auditor's Report

AM/006631

To the Shareholders of
Arab Bank Group
(A Public Shareholding Limited Company)
Amman – The Hashemite Kingdom of Jordan

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Arab Bank (the "Bank") and its subsidiaries and external branches (the "Group"), which comprise the consolidated statement of financial position as at December 31, 2024, and the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in owners' equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Hashemite kingdom of Jordan, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the key audit matter
1. Allowance for Credit Losses on Credit Facilities	
As described in note 12 to the consolidated financial statements, the Group had net direct credit facilities of USD 34.4 Billion as of December 31, 2024, representing 48% of total assets. The determination of the Group's expected credit losses for credit facilities measured at amortized cost is a material and complex estimate requiring significant management judgement in the evaluation of credit quality and the estimation of inherent losses in the portfolio. The financial statement risk arises from several aspects requiring substantial judgement of management, such as the estimation of probabilities of default and loss given defaults for various stages, the determination of significant increase in credit risk (SICR) and credit-impairment status (default), the use of different modelling techniques. In calculating expected credit losses, the group considered credit quality indicators for each loan and portfolio, stratifies loans and advances by risk grade and estimates losses for each loan based upon their nature and risk profile. Post-model adjustments are applied to address risks that are not specifically considered by the ECL models. The basis and calculation of the post model adjustments require significant judgement including the consideration of the risk of management override. Auditing these complex judgements and assumptions involves especially challenging auditor judgement due to the nature and extent of audit evidence and effort required to address these matters and therefore this item is considered to be a key audit matter.	We established an audit approach, which includes both testing the design and assessing the operating effectiveness of certain relevant internal controls over the determination of expected credit losses and risk-based substantive audit procedures. Our procedures over internal controls focused on obtaining an understanding and testing the design and implementation over the process controls around the ECL methodology governance, completeness and accuracy of loan data used in the expected loss models, management review of outcomes, the assignment of borrowers' risk classification, consistency of application of accounting policies and the process for calculating allowances. The primary substantive procedures which we performed, with the support by our subject matter experts, to address this key audit matter included, but were not limited to, the following: • For a risk-based sample of individual loans, we performed a detailed credit review, assessed the appropriateness of information for evaluating the creditworthiness and staging classification of individual borrowers and challenged the assumptions underlying the expected credit loss allowance calculations, such as estimated future cash flows, collateral valuations and estimates of recovery. We assessed the consistency of the group's application of its impairment allowances and governance controls, including assessing key management and committee meetings that form part of the approval process for loan impairment allowances. • For loans not tested individually, with the assistance of our subject matter experts, we assessed the methodology used to determine the expected credit losses, tested the inputs by agreeing these to supporting documentation, and reperformed the mathematical accuracy of the expected credit loss model. We also challenged key assumptions, inspect the calculation methodology and traced a sample back to source data;

Key Audit Matters	How our audit addressed the key audit matter
	• We evaluated key assumptions such as thresholds used to determine SICR and forward-looking macroeconomic scenarios including the related weighting. • We evaluated post-model adjustments and management overlays in the context of key model and data limitations identified by the Group in order to assess these adjustments and challenged their rationale. • We have reviewed the methodology followed for incorporation of the forward-looking information into the impairment calculations by involving our specialist to challenge the multiple economic scenarios chosen including the related weighting applied and reconciled the macroeconomic indicators with the respective sources used; and • We assessed the disclosures in the consolidated financial statements relating to this matter against the requirements of IFRSs.
2. IT systems and controls over financial reporting We identified IT systems and controls over the Group's financial reporting as an area of focus due to the extensive volume and variety of transactions which are processed daily by the group and rely on the effective operation of automated and IT dependent manual controls. There is a risk that automated accounting procedures and related internal controls are not accurately designed and operating effectively. In particular, the incorporated relevant controls are essential to limit the potential for fraud and error as a result of change to an application or underlying data.	Our audit approach relies on automated controls and therefore the following procedures were designed to test access and control over IT systems: We obtained an understanding of the applications relevant to financial reporting and the infrastructure supporting these applications. We tested IT general controls relevant to automated controls and computer-generated information covering access security, program changes, data center and network operations. We examined computer generated information used in financial reports from relevant applications and key controls over their report logics. We performed testing on the key automated controls on significant IT systems relevant to business processes.

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Other Matters

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

Information Other than the Financial Statements and Auditor’s Report Thereon

Management is responsible for the other information. The other information comprises the other information in the annual report but does not include the consolidated financial statements and the independent auditors’ report thereon. The other information is expected to be made available to us after the date of this auditor’s report.

Our opinion on the consolidated financial statements does not cover the other information, and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, upon reading the Chairman's report, the governance report, and the financial performance report and we find significant errors in them, we are obliged to report such errors to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as issued by the IASB, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group’s financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exist. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We are also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exist, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group "the Bank and its subsidiaries" as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards procedures.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonable be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

The Group maintains proper accounting records which are in agreement with the consolidated financial statements. We recommend that the General Assembly of Shareholders to approve these consolidated financial statements.

The engagement partner on the audit resulting in this independent auditor's report is:

Ahmad Fathi Shtawi

Deloitte & Touche (M.E) - Jordan

Amman – Jordan

February 9, 2025

Deloitte & Touche (M.E.)
ديلويت آند توش (الشرق الأوسط)
010105

ARAB BANK GROUP

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	31 December 2024	31 December 2023
ASSETS		**USD '000**	**USD '000**
Cash and balances with central banks - net	7	13 086 725	13 250 460
Balances with banks and financial institutions - net	8	3 748 388	4 204 480
Deposits with banks and financial institutions - net	9	258 832	273 807
Financial assets at fair value through profit or loss	10	74 222	55 012
Financial derivatives - positive fair value	42	207 788	217 629
Direct credit facilities at amortized cost - net	12	34 383 335	33 158 248
Financial assets at fair value through other comprehensive income - net	11	1 082 092	759 038
Other financial assets at amortized cost -net	13	11 992 602	10 376 401
Investments in associates	14	4 188 026	3 848 257
Fixed assets - net	15	538 503	523 638
Other assets - net	16	1 399 078	1 363 343
Deferred tax assets	17	270 930	243 658
Total Assets		**71 230 521**	**68 273 971**
LIABILITIES AND SHAREHOLDERS' EQUITY			
Banks' and financial institutions' deposits	18	3 718 723	3 295 702
Customers' deposits	19	49 775 767	47 811 253
Cash margin	20	2 389 512	2 813 487
Financial derivatives - negative fair value	42	156 123	197 538
Borrowed funds	21	484 823	509 809
Provision for income tax	22	416 942	337 202
Other provisions	23	242 704	244 694
Other liabilities	24	1 886 861	1 691 322
Deferred tax liabilities	25	24 167	16 113
Total Liabilities		**59 095 622**	**56 917 120**
Equity			
Share capital	26	926 615	926 615
Share premium	26	1 225 747	1 225 747
Statutory reserve	27	926 615	926 615
Voluntary reserve	28	977 315	977 315
General reserve	29	1 211 927	1 211 927
General banking risks reserve	30	153 030	153 030
Reserves with associates		1 540 896	1 540 896
Foreign currency translation reserve	31	(451 377)	(323 174)
Investments revaluation reserve	32	(367 242)	(333 110)
Retained earnings	34	4 618 009	3 846 009
Total Equity Attributable to the Shareholders of the Bank		**10 761 535**	**10 151 870**
Perpetual tier 1 capital bonds	33	711 064	629 870
Non-controlling interests	34	662 300	575 111
Total Shareholders' Equity		**12 134 899**	**11 356 851**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**71 230 521**	**68 273 971**

Chairman of the Board of Directors **General Manager**

The accompanying notes from (1) to (59) are an integral part of these consolidated financial statements and should be read with them.

ARAB BANK GROUP

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Notes	For the year ended 31 December 2024 USD '000	2023 USD '000
REVENUES			
Interest income	35	4 013 607	3 659 678
Less: interest expense	36	1 868 321	1 622 468
Net interest income		**2 145 286**	**2 037 210**
Net commission income	37	453 068	425 113
Net interest and commissions income		**2 598 354**	**2 462 323**
Foreign exchange differences		132 399	120 628
Gain from financial assets at fair value through profit or loss	38	6 098	4 613
Dividends on financial assets at fair value through other comprehensive income	11	7 877	8 657
Group's share of profits from associates	14	591 142	509 969
Other revenue - net	39	59 137	44 080
TOTAL INCOME		**3 395 007**	**3 150 270**
EXPENSES			
Employees' expenses	40	786 204	717 674
Other operating expenses	41	511 212	482 316
Depreciation and amortization	16,15	117 551	95 784
Provision for impairment - Expected Credit Loss	6	490 730	592 282
Other provisions	23	43 800	45 073
TOTAL EXPENSES		**1 949 497**	**1 933 129**
PROFIT FOR THE YEAR BEFORE INCOME TAX		**1 445 510**	**1 217 141**
Less: Income tax expense	22	438 420	387 505
PROFIT FOR THE YEAR		**1 007 090**	**829 636**
Attributable to :			
Bank's shareholders		969 126	800 695
Non-controlling interests	34	37 964	28 941
Total		**1 007 090**	**829 636**
Earnings per share attributable to the Bank's Shareholders			
- Basic and Diluted (US Dollars)	56	1.47	1.23

The accompanying notes from (1) to (59) are an integral part of these consolidated financial statements and should be read with them.

ARAB BANK GROUP

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	For the year ended December 31	
	2024	**2023**
	USD '000	**USD '000**
Profit for the year	**1 007 090**	**829 636**
Add: Other comprehensive income items - after tax		
Items that will be subsequently transferred to the consolidated statement of profit or loss		
Exchange differences arising from the translation of foreign operations	(130 851)	81 750
Revaluation gain on bonds at fair value through other comprehensive income	387	5 480
Items that will not be subsequently transferred to the consolidated statement of profit or loss		
(Loss) gain from revaluation on equity instruments at fair value through other comprehensive income	(35 172)	25 928
(Loss) gain from sale of financial assets at fair value through other comprehensive income	(4 473)	1 776
Total Other Comprehensive Income Items - after tax	**(170 109)**	**114 934**
TOTAL COMPREHNSIVE INCOME FOR THE YEAR	**836 981**	**944 570**
Attributable to :		
- Bank's shareholders	802 476	909 763
- Non-controlling interests	34 505	34 807
Total	**836 981**	**944 570**

The accompanying notes from (1) to (59) are an integral part of these consolidated financial statements and should be read with them.

ARAB BANK GROUP

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Notes	Share Capital	Share Premium	Statutory Reserve	Voluntary Reserve	General Reserve	General Banking Risks Reserve	Reserves with Associates	Foreign Currency Translation Reserve	Investments Revaluation Reserve	Retained Earnings	Total Equity Attributable to the Shareholders of the Bank	Perpetual tier 1 capital bonds	Non-Controlling Interests	Total Share holders' Equity
For the year ended 31 December 2024		**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**
Balance at the Beginning of the year (as presented)		**926 615**	**1 225 747**	**926 615**	**977 315**	**1 211 927**	**153 030**	**1 540 896**	**(323 174)**	**(333 110)**	**3 846 009**	**10 151 870**	**629 870**	**575 111**	**11 356 851**
Previous years adjustments relating to associates		-	-	-	-	-	-	-	-	-	75 612	75 612	-	-	75,612
Restated Balance at the Beginning of the year		**926 615**	**1 225 747**	**926 615**	**977 315**	**1 211 927**	**153 030**	**1 540 896**	**(323 174)**	**(333 110)**	**3 921 621**	**10 227 482**	**629 870**	**575 111**	**11 432 463**
Profit for the year		-	-	-	-	-	-	-	-	-	969 126	969 126	-	37 964	1 007 090
Other comprehensive income for the year		-	-	-	-	-	-	-	(128 203)	(38 447)	-	(166 650)	-	(3 459)	(170 109)
Total Comprehensive Income for the Year		**-**	**-**	**-**	**-**	**-**	-	**-**	**(128 203)**	**(38 447)**	**969 126**	**802 476**	**-**	**34 505**	**836 981**
Transferred from Investments revaluation reserve to retained earnings		-	-	-	-	-	-	-	-	4 315	(4 315)	-	-	-	-
Investments revaluation reserve transferred to non-controlling interests		-	-	-	-	-	-	-	-	-	-	-	-	158	158
Dividends distribution	34	-	-	-	-	-	-	-	-	-	(277 402)	(277 402)	-	-	(277 402)
New Investment at subsidiaries - Net		-	-	-	-	-	-	-	-	-	-	-	-	69 127	69 127
Issuance and dividends of perpetual tier 1 capital bonds	33	-	-	-	-	-	-	-	-	-	-	-	103 939	-	103 939
Contribution from shareholders, non-controlling interests and subsidiaries in issued perpetual tier 1 capital bonds	33	-	-	-	-	-	-	-	-	-	-	-	(22 745)	(13 268)	(36 013)
Interest paid on perpetual tier 1 capital bonds - net of tax *		-	-	-	-	-	-	-	-	-	(26 839)	(26 839)	-	(12 193)	(39 032)
Adjustments during the year	34	-	-	-	-	-	-	-	-	-	35 818	35 818	-	8 860	44 678
Balance at the End of the Year		**926 615**	**1 225 747**	**926 615**	**977 315**	**1 211 927**	**153 030**	**1 540 896**	**(451 377)**	**(367 242)**	**4 618 009**	**10 761 535**	**711 064**	**662 300**	**12 134 899**
For the year ended 31 December 2023															
Balance at the Beginning of the year		**926 615**	**1 225 747**	**926 615**	**977 315**	**1 211 927**	**153 030**	**1 540 896**	**(400 986)**	**(362 590)**	**3 289 293**	**9 487 862**	**360 527**	**554 067**	**10 402 456**
Profit for the year		-	-	-	-	-	-	-	-	-	800 695	**800 695**	-	28 941	**829 636**
Other comprehensive income for the year		-	-	-	-	-	-	-	77 812	31 256	-	109 068	-	5 866	114 934
Total Comprehensive Income for the Year		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**77 812**	**31 256**	**800 695**	**909 763**	-	**34 807**	**944 570**
Transferred from Investments revaluation reserve to retained earnings		-	-	-	-		-	-	-	(1 776)	1 776	**-**	**-**	-	**-**
Dividends distribution	34	-	-	-	-	-	-	-	-	-	(231 640)	(231 640)	-	(1 763)	(233 403)
New Investment at subsidiaries - Net	6	-	-	-	-	-	-	-	-	-	-	-	-	2 190	2 190
Issuance of perpetual tier 1 capital bonds	33	-	-	-	-	-	-	-	-	-	-	-	269 343	-	269 343
Interest paid on perpetual tier 1 capital bonds - net of tax		-	-	-	-	-	-	-	-	-	(13 634)	(13 634)	-	(14 190)	(27 824)
Adjustments during the year		-	-	-	-	-	-	-	-	-	(481)	(481)	-	-	(481)
Balance at the End of the Year		**926 615**	**1 225 747**	**926 615**	**977 315**	**1 211 927**	**153 030**	**1 540 896**	**(323 174)**	**(333 110)**	**3 846 009**	**10 151 870**	**629 870**	**575 111**	**11 356 851**

- Retained earnings include restricted deferred tax assets in the amount of USD 257.1 million as of 31 December 2024 (USD 229.7 million as of 31 December 2023). Restricted retained earnings that cannot be distributed or otherwise utilized except only under certain circumstances, as a result of adopting of certain International Accounting Standards, amounted to USD 2.8 million as of 31 December 2024.

- The Bank cannot use a restricted amount of USD 367.2 million which represents the negative investments revaluation reserve in accordance with the instructions of the Jordan Securities Commission and Central Bank of Jordan.

- The Central Bank of Jordan issued a new regulations No. 13/2018 dated 6 June 2018, in which it requested the transfer of the general banking risk reserve balance (calculated in accordance with the Central Bank of Jordan's regulations) to the retained earnings to offset the effect of IFRS 9 on the opening balance of the retained earnings account as of 1 January 2018. The regulations also instructs that the extra balance of the general banking risk reserve amounting to (USD 37.6 million) should be restricted and may not be distributed as dividends to the shareholders or used for any other purposes without prior approval from the Central Bank of Jordan.

* The total interest on perpetual tier 1 capital bonds is USD 46.9 million, paid net of tax in the amount of USD 7.9 million, for the year 2024.

The accompanying notes from (1) to (59) are an integral part of these consolidated financial statements and should be read with them.

ARAB BANK GROUP

CONSOLIDATED STATEMENT OF CASH FLOWS

	Notes	For the year ended December 31 2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		**USD '000**	**USD '000**
Profit for the year before income tax		**1 445 510**	**1 217 141**
Adjustments for:			
Depreciation and amortization	16,15	117 551	95 784
Depreciation of right of use assets	16	28 261	26 352
Expected credit losses on financial assets	6	490 730	592 282
Net accrued interest		205	104 350
Gain from sale of fixed assets		(217)	(337)
(Gain) from revaluation of financial assets at fair value through profit or loss	38	(2 649)	(3 481)
Dividends from financial assets at fair value through other comprehensive income	11	(7 877)	(8 657)
Group's share of profits from associates	14	(591 142)	(509 969)
Other provisions	23	43 800	45 073
Total		**1 524 172**	**1 558 538**
(Increase) decrease in assets:			
Balances and Deposits with banks and financial institutions (maturing after 3 months)		15 065	336 850
Direct credit facilities at amortized cost		(1 660 242)	(1 914 382)
Financial assets at fair value through profit or loss		(16 561)	20 722
Other assets and financial derivatives		22 783	(209 079)
Increase (decrease) in liabilities:			
Bank and financial institutions deposits (maturing after 3 months)		93 872	(13 191)
Customers' deposits		1 964 514	2 523 882
Cash margin		(423 975)	351 987
Other liabilities and financial derivatives		190 115	14 614
Net Cash flows from Operating Activities before Income Tax		**1 709 743**	**2 669 941**
Income tax paid	22	(372 382)	(300 460)
Net Cash Flows from Operating Activities		**1 337 361**	**2 369 481**
CASH FLOWS FROM INVESTING ACTIVITIES			
(Purchase) of financial assets at fair value through other comprehensive income		(362 204)	(13 558)
(Purchase) of other financial assets at amortized cost - net		(1 607 397)	(389 060)
(Increase) of investments in associates	14	(1 533)	(7 111)
Net cash flows paid to non-controlling interest to increase the Group's investment in subsidiaries		-	(5 892)
Dividends received from associates	14	309 127	256 208
Dividends from financial assets at fair value through other comprehensive income	11	7 877	8 657
(Purchase) of fixed assets - net	15	(94 413)	(66 750)
Proceeds from selling fixed assets		5 550	3 242
(Purchase) of intangible assets	16	(20 947)	(154 459)
Net Cash Flows (used in) Investing Activities		**(1 763 940)**	**(368 723)**
CASH FLOWS FROM FINANCING ACTIVITIES			
(Settlements) of borrowed funds		(24 986)	(12 559)
Increase in perpetual tier 1 capital bonds	33	67 926	269 343
Interest paid on perpetual tier 1 capital bonds		(39 032)	(27 824)
Dividends paid to shareholders	34	(277 628)	(231 588)
Dividends paid to non-controlling interests		-	(1 763)
Net Cash Flows (used in) Financing Activities		**(273 720)**	**(4 391)**
Net (decrease) increase in Cash and Cash Equivalents		(700 299)	1 996 367
Exchange differences - change in foreign exchange rates		(130 851)	81 750
Cash and cash equivalent at the beginning of the year		14 512 791	12 434 674
Cash and Cash Equivalent at the End of the Year	58	**13 681 641**	**14 512 791**
Operational cash flows from interest			
Interest Received		**3 985 319**	**3 645 161**
Interest Paid		**1 839 828**	**1 503 601**

The accompanying notes from (1) to (59) are an integral part of these consolidated financial statements and should be read with them.

1. General

Arab Bank was established in 1930, and is registered as a Jordanian Public Shareholding Limited Company. The Head Office of the Bank is domiciled in Amman – Hashemite Kingdom of Jordan and the Bank operates worldwide through its 68 branches in Jordan and 121 branches abroad. Also, the Bank operates through its subsidiaries and Arab Bank (Switzerland).

Arab Bank PLC shares are traded on Amman Stock Exchange. The shareholders of Arab Bank PLC are the same shareholders of Arab Bank Switzerland (every 18 shares of Arab Bank PLC equal/ traded for 1 share of Arab Bank Switzerland.

The accompanying consolidated financial statements were approved by the Board of Directors in its meeting number (1) on 30 January 2025 and are subject to the approval of the General Assembly and the Central Bank of Jordan.

2-1 Basis of Preparation

The accompanying consolidated financial statements are prepared in accordance with the IFRS Accounting Standards as issued by the International Accounting Standards Board.

The consolidated financial statements were prepared following the historical cost basis except for financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income and financial derivatives measured at fair value at the date of the consolidated financial statements.

The consolidated financial statements are presented in US dollars (USD). For each entity and branch in the Group, the Group determines its functional currency, and items included in the financial statements of each entity are measured using that functional currency.

The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those applied in the year ended December 31, 2023, except for the impact of adopting the new and revised IFRS Accounting Standards, which became effective for the financial period started on or after the 1st of January 2024 as mentioned in Note (3-1).

2-2 Basis of Consolidation

The accompanying consolidated financial statements of Arab Bank Group, presented in US dollars, comprise the financial statements of Arab Bank PLC and the following key subsidiaries:

Company Name	Percentage of ownership (%) 2024	Percentage of ownership (%) 2023	Date of Acquisition	Principal Activity	Place of Incorporation	Paid-up Capital
Europe Arab Bank PLC	100.00	100.00	2006	Banking	United Kingdom	€ 570m
Arab Bank Australia Limited	100.00	100.00	1994	Banking	Australia	AUD 119.3m
Islamic International Arab Bank PLC	100.00	100.00	1997	Banking	Jordan	JD 100m
Arab National Leasing Company L.L.C.	100.00	100.00	1996	Financial Leasing	Jordan	JD 50m
Al-Arabi Investment Group L.L.C.	100.00	100.00	1996	Brokerage and Financial Services	Jordan	JD 14m
Arab Sudanese Bank Limited	100.00	100.00	2008	Banking	Sudan	SDG 117.5m
Arab Tunisian Bank	64.24	64.24	1982	Banking	Tunisia	TND 128m
Oman Arab Bank S.A.O.	49.00	49.00	1984	Banking	Oman	OMR 166.9m
Arab Bank Syria	51.29	51.29	2005	Banking	Syria	SYP 5.05b
Arab Bank Iraq	63.77	-	2024	Banking	Iraq	IQD 250b
Al Nisr Al Arabi Insurance Company PLC	68.00	68.00	2006	Insurance	Jordan	JD 10m

Arab Bank Switzerland (Limited) which is an integral part of Arab Bank Group is also consolidated in the Group's financial statements.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. revenue and expenses of a subsidiary acquired or disposed of during the year are included in the statement of profit or loss from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intra-group assets and liabilities, equity, revenue, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Control is achieved when the Group 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. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee).
- Exposure, or rights, to variable returns from its involvement with the investee.
- The ability to use its power over the investee to affect its returns.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

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

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

A change in the ownership interest of a subsidiary without a loss of control is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:
- Derecognizes the assets (including goodwill) and liabilities of the subsidiary.
- Derecognizes the carrying amount of any non- controlling interests.
- Derecognizes the cumulative translation differences, recorded in equity.
- Recognizes the fair value of the consideration received.
- Recognizes the fair value of any investment retained.
- Recognizes the gain or loss resulted from loss of control.
- Reclassifies the parent's share of components previously recognized in OCI to profit or loss.

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

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

2-3 Going Concern basis

The Group applies the going concern basis in the preparation of consolidated financial statements based on reasonable assumptions and expectations.

3. Adoption of new and revised Standards

a. New and amended IFRS Standards that are effective for the current year

The following new and revised IFRSs, which became effective for annual periods beginning on or after January 1, 2024, have been adopted in these consolidated financial statements. The application of these revised IFRSs has not had any material impact on the amounts reported for the current and prior years but may affect the accounting for future transactions or arrangements.

- Amendments to IFRS 16 Leases – Lease Liability in as Sale and Leaseback
- Amendments to IAS 1 Presentation of Financial Statements relating to classification of liabilities as current or non-current.
- Amendments to IAS 1 Presentation of Financial Statements - Non-current Liabilities with Covenants
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures - Supplier Finance Arrangements
- IFRS S1 - General Requirements for Disclosure of Sustainability – related financial information*
- IFRS S2 - Climate Related Disclosures*

* Provided that the regulatory authorities in the countries in which the Group operates approve its application, noting that no instructions have been issued regarding it until the date of the consolidated financial statements.

b. New IFRS Accounting Standards in issue but not yet effective

The Group has not applied the new and revised IFRS Accounting Standards that have been issued but are not yet effective, management is in the process of assessing the impact of the new requirements.

New and revised IFRS Accounting Standards	Effective for annual periods beginning on or after
Amendments to the Sustainability Accounting Standards Board "SASB" standards to enhance their international applicability	January 1, 2025
Amendments to IAS 21 - Lack of Exchangeability	January 1, 2025
Amendments to IFRS 9 and IFRS 7 - Amendments to the Classification and Measurement of Financial Instruments	January 1, 2026
Annual Improvements to IFRS Accounting Standards — Volume 11	January 1, 2026
IFRS - 18 Presentation and Disclosures in Financial Statements	January 1, 2027
IFRS - 19 Subsidiaries without Public Accountability	January 1, 2027

* The management anticipates adopting these new standards, interpretations, and amendments in the Group's consolidated financial statements during the initial application period. Furthermore, they expect that adopting these new standards, interpretations, and amendments will not have any significant impact on the Group's consolidated financial statements during the initial application period.

4. material accounting policy information

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquire.

If the business combination is achieved in stages, any previously held equity interest is re measured at its acquisition date fair value and any resulting gain or loss is recognized in profit or loss.

Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 *Financial Instruments*, is measured at fair value with changes in fair value recognized in the consolidated statement of comprehensive income.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquire are assigned to those units.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

Recognition of Interest Income

The effective interest rate (EIR) method

In accordance with IFRS 9, interest income is recognized using the effective interest rate method for all financial instruments at amortized cost and financial instruments at fair value through the statement of profit or loss or through other comprehensive income. The effective interest rate is the rate that discounts estimated future cash receipts over the expected life of the financial instrument, or, shorter period, to the net carrying amount of the financial asset.

The EIR (and therefore, the amortized cost of the asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Group recognizes interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loan. Hence, it recognizes the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle (including prepayments, penalty interest and charges).

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk. The adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the consolidated statement of financial position with an increase or reduction in interest income. The adjustment is subsequently amortized through interest and similar income in the consolidated statement of comprehensive income.

Interest and similar income and expense

For all financial instruments measured at amortized cost, financial instruments designated at FVOCI and FVTPL, interest income or expense is recorded using the EIR. The calculation takes into account all of the contractual terms of the financial instrument (for example, prepayment options) and includes any fees or incremental costs that are directly attributable to the instrument and are an integral part of the EIR, but not future credit losses.

When the recorded value of a financial asset or a group of similar financial assets has been reduced by an impairment loss, interest income continues to be recognized using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

The Group also may hold investments in assets of countries with negative interest rates. The Group discloses interest paid on these assets as interest expense.

Fee and commission income

Fee income can be divided into the following two categories:

A. Fee income earned from services that are provided over a certain period of time

Fees earned for the provision of services over a period of time are accrued over that period. These fees include commission income and private wealth and asset management fees, custody and other management fees.

B. Fee income forming an integral part of the corresponding financial instrument

Fees that the Group considers to be an integral part of the corresponding financial instruments include: Loan origination fees, loan commitment fees for loans that are likely to be drawn down and other credit related fees.

Financial Instruments – Initial Recognition

Date of recognition

Financial assets and liabilities, with the exception of loans and advances to customers and balances due to customers, are initially recognized on the trade date, i.e., the date that the Group becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place. Loans and advances to customers are recognized when funds are transferred to the customers' accounts. The Group recognizes balances due to customers when funds are transferred to the Group.

Initial measurement of financial instruments

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value, except in the case of financial assets and financial liabilities recorded at FVTPL, transaction costs are added to, or subtracted from, this amount. Receivables are measured at the transaction price. When the fair value of financial instruments at initial recognition differs from the transaction price, the Group accounts for the Day 1 profit or loss, as described below.

Day 1 profit or loss

When the transaction price of the instrument differs from the fair value at origination and the fair value is based on a valuation technique using only inputs observable in market transactions, the Group recognizes the difference between the transaction price and fair value in net income. In those cases where fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is deferred and is only recognized in the consolidated statement of profit or loss when the inputs become observable, or when the instrument is derecognized.

Measurement categories of financial assets and liabilities

The Group classifies its financial assets (Debt Instruments) based on the business model for managing the assets and the asset's contractual terms, measured at either:

- Amortized cost
- Fair value through other comprehensive income "FVOCI"
- Fair value through profit or loss "FVTPL"

The Group classifies and measures its derivative and trading portfolio at FVTPL. The Group may designate financial instruments at FVTPL, if so doing eliminates or significantly reduces measurement or recognition inconsistencies.

Financial liabilities, other than loan commitments and financial guarantees, are measured at amortized cost or at FVTPL when they are held for trading and derivative instruments or the fair value designation is applied.

Financial Assets and Liabilities

The Group only measures due from banks, loans and advances to customers and other financial investments at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

The details of these conditions are outlined below.

Business model assessment

The Group determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Group's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel.
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed.
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).
- The expected frequency, value and timing of sales are also important aspects of the Group's assessment.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realized in a way that is different from the Group's original expectations, the Group does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

The Sole Payments of Principal and Interest "SPPI" test

As a second step of its classification process the Group assesses the contractual terms of financial to identify whether they meet the SPPI test.

‘Principal’ for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortization of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Group applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

Derivatives recorded at fair value through profit or loss

A derivative is a financial instrument or other contract with all three of the following characteristics:

- Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided that, in the case of a non-financial variable, it is not specific to a party to the contract (i.e., the 'underlying').

- It requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts expected to have a similar response to changes in market factors.

- It is settled at a future date.

The Group enters into derivative transactions with various counterparties. These include interest rate swaps, futures and cross-currency swaps. Derivatives are recorded at fair value and carried as assets when their fair value is positive and as liabilities when their fair value is negative. Changes in the fair value of derivatives are included in net trading income unless hedge accounting is applied.

Debt instruments at FVOCI

The Group measures of debt instruments at FVOCI when both of the following conditions are met:

- The instrument is held within a business model, the objective of which is achieved by both collecting contractual cash flows and selling financial assets.
- The contractual terms of the financial asset meet the SPPI test.

FVOCI debt instruments are subsequently measured at fair value with gains and losses arising due to changes in fair value recognized in OCI. Interest income and foreign exchange gains and losses are recognized in profit or loss in the same manner as for financial assets measured at amortized cost. Where the Group holds more than one investment in the same security, they are deemed to be disposed of on a first–in first–out basis. On derecognition, cumulative gains or losses previously recognized in OCI are reclassified from OCI to the consolidated statement of profit or loss.

Equity instruments at FVOCI

Upon initial recognition, the Group occasionally elects to classify irrevocably some of its equity investments as equity instruments at FVOCI when they meet the definition of definition of Equity under IAS 32 Financial Instruments: Presentation and are not held for trading. Such classification is determined on an instrument-by-instrument basis.

Gains and losses on these equity instruments are never recycled to the consolidated statement of income. Dividends are recognized in profit or loss as other operating income when the right of the payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI. Equity instruments at FVOCI are not subject to an impairment assessment.

Financial assets and financial liabilities at fair value through profit or loss

Financial assets and financial liabilities at FVTPL are recorded in the consolidated statement of financial position at fair value. Changes in fair value are recorded in profit and loss with the exception of movements in fair value of liabilities designated at FVTPL due to changes in the Group's own credit risk. Such changes in fair value are recorded in the Own credit reserve through OCI and do not get recycled to the profit or loss. Interest earned or incurred on instruments designated at FVTPL is accrued in interest income or interest expense, respectively, using the EIR, taking into account any discount/ premium and qualifying transaction costs being an integral part of instrument. Interest earnt on assets mandatorily required to be measured at FVTPL is recorded using contractual interest rate. Dividend income from equity instruments measured at FVTPL is recorded in profit or loss as other operating income when the right to the payment has been established.

Financial guarantees, letters of credit and undrawn loan commitments

The Group issues financial guarantees, letters of credit and loan commitments.

Financial guarantees are initially recognized in the consolidated financial statements (within other liabilities) at fair value, being the premium received. Subsequent to initial recognition, the Group's liability under each guarantee is measured at the higher of the amount initially recognized less cumulative amortization recognized in the consolidated statement of profit or loss and an ECL provision.

The premium received is recognized in the consolidated statement of profit or loss net of fees and commission income on a straight line basis over the life of the guarantee.

Undrawn loan commitments and letters of credits are commitments under which, over the duration of the commitment, the Group is required to provide a loan with pre-specified terms to the customer. Similar to financial guarantee contracts, these contracts are in the scope of the ECL requirements.

The nominal contractual value of financial guarantees, letters of credit and undrawn loan commitments, where the loan agreed to be provided is on market terms, are not recorded on in the consolidated statement of financial position.

The Group occasionally issues loan commitments at below market interest rates drawdown. Such commitments are subsequently measured at the higher of the amount of the ECL and the amount initially recognized less, when appropriate, the cumulative amount of income recognized.

<u>Derecognition of financial assets and liabilities</u>

Derecognition due to substantial modification of terms and conditions

The Group derecognizes a financial asset, such as a loan to the customer when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognized as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognized loans are classified as Stage 1 for ECL measurement purposes.

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Group records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

Derecognition other than those for substantial modification

A. Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized when the rights to receive cash flows from the financial asset have expired. The Group also derecognizes the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

The Group has transferred the financial asset if, and only if, either:

- The Group has transferred its contractual rights to receive cash flows from the financial asset

Or

- It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass–through' arrangement

Pass-through arrangements are transactions whereby the Group retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:

- The Group has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates

- The Group cannot sell or pledge the original asset other than as security to the eventual recipients

- The Group has to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Group is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either:

- The Group has transferred substantially all the risks and rewards of the asset

Or

- The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

The Group considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Group has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognized only to the extent of the Group's continuing involvement, in which case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Group could be required to pay.

If continuing involvement takes the form of a written or purchased option (or both) on the transferred asset, the continuing involvement is measured at the value the Group would be required to pay upon repurchase. In the case of a written put option on an asset that is measured at fair value, the extent of the entity's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

B. Financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognized in profit or loss.

Impairment of financial assets

Overview of the ECL principles

The Group records the allowance for expected credit loss for all loans and other debt financial assets not held at FVTPL, together with loan commitments and financial guarantee contracts, in this section all referred to as 'financial instruments'. Equity instruments are not subject to impairment under IFRS 9.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss.

The 12 months ECL is the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both LTECLs and 12 months ECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments.

The Group has established a policy to perform an assessment, on a frequent basis, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Group classifies its financial assets into Stage 1, Stage 2 and Stage 3, as described below:

Stage 1: When financial assets are initially recognized, the Group recognizes an allowance based on 12mECLs. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2.

Stage 2: When a financial asset has shown a significant increase in credit risk since origination, the Group records an allowance for the LTECLs. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3.

Stage 3: Financial assets considered credit-impaired. The Group records an allowance for the LTECLs.

For financial assets for which the Group has no reasonable expectations of recovering either the entire outstanding amount, or a proportion thereof, the gross carrying amount of the financial asset is reduced. This is considered a (partial) derecognition of the financial asset.

<u>The Group's internal credit rating system:</u>

The main measure of Credit Risk is at the counterparty level where the exposure is measured in line with the Group's credit standards applicable by the Group and detailed in the policies and procedures. Therefore, Arab Bank implemented an Internal Rating methodology to assess the customers financially and non-financially. In parallel, Arab Bank is using Moody's Risk Analyst (MRA), it is a financial analysis and ratings platform that aggregates quantitative and qualitative information on individual obligors to obtain an assessment that can be used to determine a credit rating for each obligor and the related probability of default (PD). The MRA model has been validated by a third party to ensure the accuracy of the system's outputs in alignment with the historical data study of the Group's clients. It is worth mentioning that Moody's rating system complements the Group's internal credit rating system and provides a mechanism that complies with Basel regulations.

The risk rating of clients, whether using the Group's rating system or Moody's Risk Analyst system, is reviewed annually during the annual review of client facilities on an individual basis.

The calculation of ECL

The Group calculates ECLs based on a three probability-weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

During the year 2021 management resolved to use three scenarios using probability weight for each scenario based on the management best estimate for their likelihood. Below are the weights for each scenario for the years 2024 and 2023 for Corporate Banking segment:

Scenario	Assigned weighted average 31 December 2024	Assigned weighted average 31 December 2023
Baseline	45%	45%
Upside	20%	20%
Downside	35%	35%

The scenarios for the years 2024 and 2023 for Consumer Banking segment are as follows:

Scenario	Assigned weighted average 31 December 2024	Assigned weighted average 31 December 2023
Baseline	40%	40%
Upside	30%	30%
Downside	30%	30%

The mechanism of the ECL calculations are outlined below and the key elements are, as follows:

PD The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period.

EAD The Exposure at Default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

LGD The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realization of any collateral. It is usually expressed as a percentage of the EAD.

When estimating ECL, the Group considers three scenarios. Each of these is associated with different PDs, EADs and LGDs. When relevant, the assessment of multiple scenarios also incorporates how defaulted loans are expected to be recovered, including the probability that the loans will cure and the value of collateral or the amount that might be received for selling the asset.

With the exception of credit cards and other revolving facilities, the maximum period for which the credit losses are determined is the contractual life of a financial instrument unless the Group has the legal right to call it earlier.

Impairment losses and releases are accounted for and disclosed separately from modification losses or gains that are accounted for as an adjustment of the financial asset's gross carrying value.

The mechanism of the ECL method are summarized below:

Stage 1: The 12mECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Group calculates the 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR. This calculation is made for each of the three scenarios, as explained above.

Stage 2: When a financial asset has shown a significant increase in credit risk since origination, the Group records an allowance for the LTECLs. The mechanics are similar to those explained above, including the use of multiple scenarios, but PDs and LGDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR.

Stage 3: For financial assets which are considered credit-impaired, the Group recognizes the lifetime expected credit losses for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100% and with higher LGD than the first two stages.

Loan commitments and letter of credit

When estimating LTECLs for undrawn loan commitments, the Group estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down, based on a probability-weighting of the three scenarios. The expected cash shortfalls are discounted at an approximation to the expected EIR on the loan.

Financial guarantee contracts

The Group's liability under each guarantee is measured at the higher of the amount initially recognized less cumulative amortization recognized in the consolidated statement of income, and the ECL provision. For this purpose, the Group estimates ECLs based on the present value of the expected payments to reimburse the holder for a credit loss that it incurs. The shortfalls are discounted by the risk-adjusted interest rate relevant to the exposure.

The calculation is made using a probability-weighting of the three scenarios. The ECLs related to financial guarantee contracts are recognized within other liabilities.

Debt instruments measured at fair value through OCI

The ECLs for debt instruments measured at FVOCI do not reduce the carrying amount of these financial assets in the consolidated statement of financial position, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortized cost is recognized in OCI as an accumulated impairment amount, with a corresponding charge to profit or loss. The accumulated loss recognized in OCI is recycled to the profit and loss upon derecognition of the assets.

Credit cards and other revolving facilities

The Group's product offering includes a variety of corporate and retail overdraft and credit cards facilities, in which the Group has the right to cancel and/or reduce the facilities with one day's notice. The Group does not limit its exposure to credit losses to the contractual notice period, but, instead calculates ECL over a period that reflects the Group's expectations of the customer behavior, its likelihood of default and the Group's future risk mitigation procedures, which could include reducing or cancelling the facilities.

The ongoing assessment of whether a significant increase in credit risk has occurred for revolving facilities is similar to other lending products. This is based on shifts in the customer's internal credit grade.

The interest rate used to discount the ECLs for credit cards is based on the effective interest rate.

The calculation of ECLs, including the estimation of the expected period of exposure and discount rate is made, on an individual basis for corporate and on a collective basis for retail products. The collective assessments are made separately for portfolios of facilities with similar credit risk characteristics.

Forward looking information

In its ECL models, the Group relies on a broad range of forward looking information as economic inputs, such as:

- GDP growth
- Unemployment rates
- Central Bank base rates

The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of the consolidated financial statements. To reflect this, qualitative adjustments or overlays are occasionally made as temporary adjustments when such differences are significantly material.

Collateral valuation

To mitigate its credit risks on financial assets, the Group seeks to use collateral, where possible. The collateral comes in various forms, such as cash, securities, letters of credit/guarantees, real estate, receivables, inventories, other non-financial assets and credit enhancements such as netting agreements. Collateral, unless repossessed, is not recorded on the Group's consolidated statement of financial position. However, the fair value of collateral affects the calculation of ECLs. It is generally assessed, at a minimum, at inception and re-assessed periodically. However, some collateral, for example, cash or securities relating to margining requirements, is valued daily.

To the extent possible, the Group uses active market data for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued using models. Non-financial collateral, such as real estate, is valued based on data provided by third parties such as mortgage brokers, or based on housing price indices.

Collateral repossessed

The Group's policy is to determine whether a repossessed asset can be best used for its internal operations or should be sold. Assets determined to be useful for the internal operations are transferred to their relevant asset category at the lower of their repossessed value or the carrying value of the original secured asset. Assets for which selling is determined to be a better option are transferred to assets held for sale at their fair value (if financial assets) and fair value less cost to sell for non-financial assets at the repossession date in, line with the Group's policy. In its normal course of business, the Group does not physically repossess properties or other assets in its retail portfolio, but engages external agents to recover funds, generally at auction, to settle outstanding debt. Any surplus funds are returned to the customers/obligors. As a result of this practice, the residential properties under legal repossession processes are not recorded on the balance sheet.

Write-offs

Financial assets are written off either partially or in their entirety only when the Group has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to credit loss expense.

Modified loans

The Group sometimes makes concessions or modifications to the original terms of loans as a response to the borrower's financial difficulties, (rather than taking possession or to otherwise enforce collection of collateral.) The Group considers a loan forborne when such concessions or modifications are provided as a result of the borrower's present or expected financial difficulties and the Group would not have agreed to them if the borrower had been financially healthy. (Indicators of financial difficulties include defaults on covenants, or significant concerns raised by the Credit Risk Department). Forbearance may involve extending the payment arrangements and the agreement of new loan conditions. (Once the terms have been renegotiated, any impairment is measured using the original EIR as calculated before the modification of terms). It is the Group's policy to monitor forborne loans to help ensure that future payments continue to be likely to occur. Derecognition decisions and classification between Stage 2 and Stage 3 are determined on a case-by-case basis. If these procedures identify a loss in relation to a loan, it is disclosed and managed as an impaired Stage 3 forborne asset until it is collected or written off.

Leases

The Group as a lessee

The Group should be evaluating whether the leasing contract included while starting the contract. The right of use assets and leasing obligations should be recognized by the Group regarding all leasing obligations, except for short-term leasing contracts (12 months or less) and the leasing contracts with low value, in regards to these contracts the Group should recognized these leases as operating expense using the straight-line method over the life of the lease. The initial direct costs incurred in the discussion and arrangement of the operating contract are added to the carrying amount of the leased assets and recognized in accordance with the straight-line method over the lease term.

Leases are classified as finance leases when the terms of the lease provide for substantially all the risks and rewards of ownership of the lessee. All other leases are classified as operating leases.

Leasing payments included in the rental obligation measurement include:

- Fixed leasing payments (essentially included on fixed payments), minus lease incentives receivable;
- Variable rental payments based on an indicator or rate, initially measured using the index or rate at the start date of the contract;
- The amount expected to be paid by the lessor under the remaining value guarantees;
- The price of buying options, if the lessor is reasonably sure of practicing the options; and
- Pay termination fines, if the leasing contract was reflected the terminating the lease.

Lease obligations are subsequently measured by increasing the book value to reflect interest on rental obligations (using the effective interest method) and by reducing the book value to reflect rental payments.

Lease obligations are premeasured (and a similar adjustment to the relevant right of use assets) whenever:

- The period of lease has been changed or there has been an event or change in circumstances that lead to a change in the evaluation of the practice of purchase, in which case the lease obligations are re-assessed by the way adjusted rental payments are deducted using the adjusted discount rate.

- Rental payments change due to changes in index, rate or change in expected payments under the guaranteed remaining value, in which case the rental obligation is remeasured by deducting adjusted rental payments using a non-variable discount rate (unless rental payments change due to change in the floating interest rate, in which case the adjusted discount rate is used).

- The lease contract is adjusted and the lease adjustment is not accounted for as a separate lease, in which case the lease obligation is remeasured based on the duration of the adjusted lease by deducting adjusted rental payments using the adjusted rate discount rate at the actual rate on the date of the amendment.

The assets of the right of use are consumed over the duration of the lease or the productive life of the asset (which is shorter). If the lease transfers ownership of the underlying asset or the cost of the right of use, which reflects that the Group expects to exercise the purchase option, the value of the relevant right of use is consumed over the productive life of the asset.

The Group applies IAS No. (36) To determine whether the value of the right of use has depreciated and calculates any impairment losses as described in the "Property and Equipment" policy.

Variable rents that do not rely on an indicator or rate are not included in the measurement of rental obligations and right-of-use assets. Related payments are listed as an expense in the period in which the event or condition that leads to these payments occurs and is included in the "Other Expenses" line in the profit or loss consolidated statement.

Foreign currency translation

Transactions and balances

Transactions in foreign currencies are initially recorded in the functional currency at the spot rate of exchange ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated into the functional currency at the spot rate of exchange at the reporting date. All foreign exchange differences arising on non–trading activities are taken to other operating income/expense in the consolidated statement of profit or loss.

Group companies

On consolidation, the assets and liabilities in foreign operations are translated into dollars at the spot rate of exchange prevailing at the reporting date and their income statements are translated at average exchange rates during the year. The exchange differences arising on translation for consolidation are recognized in OCI.

Translation of financial statements of foreign entities / branches operating under hyperinflationary economy

The Group closely monitors the economic and financial conditions in Lebanon, and exclusively uses the exchange rate issued by the Central Bank of Lebanon in translating the results of AB Lebanon branch when consolidated within the financial statements of the Arab Bank plc.

Noting that most of the AB Lebanon assets are in foreign currencies and are almost equal to the total liabilities in foreign currencies. Therefore, using any other exchange rate will not have a material impact on the net assets of Arab Bank plc.

The results and financial position of an entity whose functional currency is the currency of a hyperinflationary economy shall be translated into a different presentation currency using the following procedures:

(a) all amounts (i.e., assets, liabilities, equity items, income and expenses, including comparatives) shall be translated at the closing rate at the date of the most recent statement of financial position, except that

(b) when amounts are translated into the currency of a non-hyperinflationary economy, comparative amounts shall be those that were presented as current year amounts in the relevant prior year financial statements (i.e., not adjusted for subsequent changes in the price level or subsequent changes in exchange rates).

Exchange differences arising on the translation of results and financial position of each of the Group’s consolidated entities are included in Exchange differences on translation of foreign operations in other comprehensive income and taken to a separate component of equity which is the Foreign currency translation reserve.

Fixed assets

Fixed assets are stated at historical cost, net of accumulated depreciation and any accumulated impairment in value. Such cost includes expenditures that are directly attributable to the acquisition of the asset. When parts of an item of fixed assets have different useful lives, they are accounted for as separate items of fixed assets.

Depreciation is charged so as to allocate the cost of assets using the straight-line method, using the useful lives of the respective assets

Land and assets under construction are not depreciated.

Assets under construction is carried at cost, less any accumulated impairment losses and is depreciated when the assets are ready for intended use using the same depreciation rate of the related category with fixed assets.

Fixed assets are derecognized when disposed of or when no future benefits are expected from their use or disposal.

The gain or loss arising on the disposal of an item (the difference between the net realizable value and the carrying amount of the asset) is recognized in the consolidated statement of income in the year that the assets were disposed.

Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used.

These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

Intangible Assets

<u>Goodwill</u>

Goodwill is recorded at cost, and represents the excess amount paid to acquire or purchase the investment in an associate or a subsidiary on the date of the transaction over the fair value of the net assets of the associate or subsidiary at the acquisition date. Goodwill resulting from the investment in a subsidiary is recorded as a separate item as part of intangible assets, while goodwill resulting from the investment in an associated company constitutes part of the investment in that company.

Goodwill is distributed over the cash generating units for the purpose of testing the impairment in its value.

The value of goodwill is tested for impairment on the date of the consolidated financial statements. Goodwill value is reduced when there is evidence that its value has declined or the recoverable value of the cash generating units is less than book value. The decline in the values is recoded in the consolidated statement of profit or loss as impairment loss.

<u>Other Intangible Assets</u>

Other intangible assets acquired through mergers are stated at fair value at the date of acquisition, while other intangible assets (not acquired through mergers) are recorded at cost.

Intangible assets are classified as indefinite or with definite useful life. Intangible assets with finite lives are amortized over the useful economic life, and amortization is recorded in the consolidated statement of profit or loss, using the straight-line method during a period not exceeding 5 years from the date of the purchase transaction. Meanwhile, intangible assets with indefinite useful lives are assessed for impairment at each reporting date, and impairment losses are recorded in the consolidated statement of profit or loss.

Internally generated intangible assets are not capitalized and are expensed in the consolidated statement of profit or loss.

Any indications of impairment in the value of intangible assets as of the consolidated financial statements date are reviewed. Furthermore, the estimated useful lives of the impaired intangible assets are reassessed, and any adjustment is made in the subsequent period.

Repurchase and Resale Agreements

Assets sold with a simultaneous commitment to repurchase them at a future date continue to be recognized in the consolidated financial statements as a result of the Group's continuous control over these assets and as the related risk and benefits are transferred to the Group upon occurrence. They also continue to be measured in accordance with the adopted accounting policies. Amounts received against these contracts are recorded within liabilities under borrowed funds. The difference between the sale price and the repurchase price is recognized as an interest expense amortized over the contract period using the effective interest rate method.

Purchased assets with corresponding commitment to sell at a specific future date are not recognized in the consolidated financial statements because the Group has no control over such assets and the related risks and benefits are not transferred to the Group upon occurrence. Payments related to these contracts are recoded under deposits with banks and other financial institutions or loans and advances in accordance with the nature of each case. The difference between the purchase price and resale price is recoded as interest revenue amortized over the life of the contract using the effective interest rate method.

Capital

Cost of issuing or purchasing the Group's shares are recorded in retained earnings net of any tax effect related to these costs. If the issuing or purchase process has not been completed, these costs are recorded as expenses in the consolidated statement of profit or loss.

Perpetual bonds

The aforementioned bonds are subordinated, unsecured and are classified as equity items in accordance with International Accounting Standard 32: Financial instruments - presentation. Interest payments related to these bonds may be canceled (wholly or partially) based on the Group's discretion. Interest is noncumulative. Whereas, any cancellation will not be considered as a late payment. Interest payments are treated as a reduction of equity and are shown among other changes in equity. These bonds do not have a maturity date and can be called (wholly or partially) at the nominal value based on the Group's discretion on the call date and on each interest payment date thereafter.

Issuance costs are deducted as expenses, and these bonds are shown at the value on the day of issuance with no amendments recognized until called (wholly or partially) where the value is reduced by the amounts paid

Investments in Associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries.

The Group's investments in its associates are accounted for using the equity method.

Under the equity method, the investment in an associate initially recognised at cost, the carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associates since the acquisition date. Goodwill relating to the associates is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment.

The consolidated statement of profit or loss reflects the Group's share of the results of operations of the associates. Any change in other comprehensive income of those investees is presented as part of the Group's other comprehensive income (OCI). In addition, when there has been a change recognised directly in the equity of the associates, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associates are eliminated to the extent of the interest in the associates.

The aggregate of the Group's share of profit or loss of an associate is shown on the face of the consolidated statement of profit or loss within operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate.

The financial statements of the associates are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

Income Taxes

Income tax expenses represent current and deferred taxes for the year.

Income tax expense is measured on the basis of taxable income. Taxable income differs from income reported in the consolidated financial statements, as the latter includes non-taxable revenue, tax expenses not deductible in the current year but deductible in subsequent years, accumulated losses approved by tax authorities and items not accepted for tax purposes or subject to tax.

Taxes are calculated on the basis of the enacted tax rates according to the prevailing laws, regulations and instructions of countries where the Group operates.

Taxes expected to be incurred or recovered as a result of temporary timing differences between the value of the assets and liabilities in the consolidated financial statements and their respective tax bases. Deferred taxes are calculated on the basis of the liability method, and according to the rates expected to be enacted when it is anticipated that the liability will be settled or when tax assets are recognized.

Deferred tax assets are reviewed on the date of the consolidated financial statements, and reduced if it is expected that no benefit will arise from the deferred tax, partially or totally.

Fair value

The Group measures financial instruments at fair value at each financial statements date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either, in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Derivative Financial Instruments

The Group enters into a variety of derivative financial instruments some of which are held for trading while others are held to manage its exposure to interest rate risk; credit risk; and foreign exchange rate risk. Held derivatives include foreign exchange forward contracts, interest rate swaps, cross currency interest rate swaps, and credit default swaps.

Derivatives are initially recognized at fair value at the date a derivative contract is entered into and are subsequently re-measured to their fair value at each balance sheet date. The resulting gain/loss is recognized in the consolidated statement of profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship. The Group designates certain derivatives as either hedges of the fair value of recognized assets, liabilities, or firm commitments (fair value hedges), hedges of highly probable forecast transactions, hedges of foreign currency risk of firm commitments (cash flow hedges), or hedges of net investments in foreign operations (net investment hedges).

A derivative with a positive fair value is recognized as a financial asset whereas a derivative with a negative fair value is recognized as a financial liability. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months, and it is not expected to be realized or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Embedded derivatives

Derivatives embedded in financial liabilities or other non-financial asset host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts, and the host contracts are not measured at fair value through profit or loss.

An embedded derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the hybrid instrument to which the embedded derivative relates is more than 12 months and is not expected to be realized or settled within 12 months. Other embedded derivatives are presented as current assets or current liabilities.

Financial Guarantee Contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by a group entity are initially measured at their fair values and, if not designated as at fair value through the consolidated statement of profit or loss and not arising from a transfer of a financial asset, are subsequently measured at the higher of:

- The amount of the loss allowance determined in accordance with IFRS 9; and
- The amount initially recognized less, where appropriate, the cumulative amount of income recognized in accordance with the Group’s revenue recognition policies, whichever is more.

Financial guarantee contracts not designated at fair value through profit or loss are presented as provisions in the consolidated statement of financial position, and the re-measurement is presented in other revenue.

The Group has not designated any financial guarantee contracts as at fair value through profit or loss.

Commitments to Provide a Loan at a Below-Market Interest Rate
Commitments to provide a loan at a below-market interest rate are initially measured at their fair values and, if not designated as at fair value through the statement of profit or loss, are subsequently measured at the higher of:

- The amount of the loss allowance determined in accordance with IFRS 9; and

- The amount initially recognized less, where appropriate, the cumulative amount of income recognized in accordance with the Group's revenue recognition policies, which is higher.

Commitments to provide a loan below market rate not designated at fair value through profit or loss are presented as provisions in the consolidated statement of financial position and the re-measurement is presented in other revenue.

The Group has not designated any commitments to provide a loan below market rate designated at fair value through the statement of profit or loss.

Hedge Accounting
The Group designates certain derivatives as hedging instruments in respect of foreign currency risk and interest rate risk in fair value hedges, cash flow hedges, or hedges of net investments in foreign operations, as appropriate. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges. The Group does not apply fair value hedge accounting of portfolio hedges of interest rate risk. In addition, the Group does not use the exemption to continue using IAS 39 hedge accounting rules, i.e. the Group applies IFRS 9 hedge accounting rules in full.

At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk, which is when the hedging relationships meet all of the following hedge effectiveness requirements:

- There is an economic relationship between the hedged item and the hedging instrument;
- The effect of credit risk does not dominate the value changes that result from that economic relationship; and
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges, and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of the hedged item.

The Group rebalances a hedging relationship in order to comply with the hedge ratio requirements when necessary. In such cases discontinuation may apply to only part of the hedging relationship. For example, the hedge ratio might be adjusted in such a way that some of the volume of the hedged item is no longer part of a hedging relationship, hence hedge accounting is discontinued only for the volume of the hedged item that is no longer part of the hedging relationship. If a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective for that designated hedging relationship remains the same, the Group adjusts the hedge ratio of the hedging relationship (i.e. rebalances the hedge) so that it meets the qualifying criteria again.

In some hedge relationships, the Group designates only the intrinsic value of options. In this case, the fair value change of the time value component of the option contract is deferred in OCI, over the term of the hedge, to the extent that it relates to the hedged item and is reclassified from equity to profit or loss when the hedged item does not result in the recognition of a non-financial item. The Group's risk management policy does not include hedges of items that result in the recognition of non-financial items, because the Group's risk exposures relate to financial items only. The hedged items designated by the Group are time-period related hedged items, which means that the amount of the original time value of the option that relates to the hedged item is amortized from equity to profit or loss on a rational basis (e.g. straight-line) over the term of the hedging relationship.

In some hedge relationships, the Group excludes from the designation the forward element of forward contracts or the currency basis spread of cross currency hedging instruments. In this case, a similar treatment is applied to the one applied for the time value of options. The treatment for the forward element of a forward contract and the currency basis element is optional, and the option is applied on a hedge- by- hedge basis, unlike the treatment for the time value of the options which is mandatory. For hedge relationships with forwards, or foreign currency derivatives such as cross currency interest rate swaps, where the forward element or the currency basis spread is excluded from the designation, the Group generally recognizes the excluded element in OCI. The fair values of the derivative instruments used for hedging purposes and movements in the hedging reserve are determined in equity.

Fair Value Hedges

The fair value change on qualifying hedging instruments is recognized in the consolidated statement of profit or loss except when the hedging instrument hedges an equity instrument designated at fair value through other comprehensive income in which case it is recognized in OCI. The Group has not designated fair value hedge relationships where the hedging instrument hedges an equity instrument designated at fair value through other comprehensive income.

The carrying amount of a hedged item not already measured at fair value is adjusted for the fair value change attributable to the hedged risk with a corresponding entry in profit or loss. For debt instruments measured at fair value through other comprehensive income, the carrying amount is not adjusted as it is already at fair value, but the part of the fair value gain or loss on the hedged item associated with the hedged risk is recognized in profit or loss instead of OCI. When the hedged item is an equity instrument designated at fair value through other comprehensive income, the hedging gain/loss remains in other comprehensive income to match that of the hedging instrument.

Where hedging gains/losses are recognized in the consolidated statement of profit or loss, they are recognized in the same line as the hedged item.

The Group discontinues hedge accounting only when the hedging relationship (or a part thereof) ceases to meet the qualifying criteria (after rebalancing, if applicable). This includes instances when the hedging instrument expires or is sold, terminated or exercised. The discontinuation is accounted for prospectively. The fair value adjustment to the carrying amount of hedged items for which the EIR method is used (i.e. debt instruments measured at amortized cost or at fair value through other comprehensive income) arising from the hedged risk is amortized to profit or loss commencing no later than the date when hedge accounting is discontinued.

Cash Flow Hedges

The effective portion of changes in the fair value of derivatives and other qualifying hedging instruments that are designated and qualify as cash flow hedges is recognized in the cash flow hedging reserve, a separate component of other comprehensive income, limited to the cumulative change in fair value of the hedged item from inception of the hedge less any amounts recycled to consolidated statement of profit or loss.

Amounts previously recognized in other comprehensive income and accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognized hedged item. If the Group no longer expects the transaction to occur, that amount is immediately reclassified to consolidated statement of profit or loss.

The Group discontinues hedge accounting only when the hedging relationship (or a part thereof) ceases to meet the qualifying criteria (after rebalancing, if applicable). This includes instances when the hedging instrument expires or is sold, terminated or exercised, or where the occurrence of the designated hedged forecast transaction is no longer considered to be highly probable. The discontinuation is accounted for prospectively. Any gain/loss recognized in other comprehensive income and accumulated in equity at that time remains in equity and is recognized when the forecast transaction is ultimately recognized in profit or loss. When a forecast transaction is no longer expected to occur, the gain/loss accumulated in equity is reclassified and recognized immediately in consolidated statement of profit or loss.

Hedges of Net Investments in Foreign Operations

Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges. Any gain/loss on the hedging instrument relating to the effective portion of the hedge is recognized in other comprehensive income and accumulated in the foreign currency translation reserve.

Gains and losses on the hedging instrument relating to the effective portion of the hedge accumulated in the foreign currency translation reserve are reclassified to the statement of profit or loss in the same way as exchange differences relating to the foreign operation as described above.

Foreclosed assets
Such assets are those that have been the subject of foreclosure by the Group, and are initially recognized among "other assets" at the foreclosure value or fair value whichever is less.

At the date of the consolidated financial statements, foreclosed assets are revalued individually (fair value less selling cost); any decline in fair value is recognized in the consolidated statement of profit and loss. Any subsequent increase in value is recognized only to the extent that it does not exceed the previously recognized impairment losses.

Provisions
Provisions are recognized when the Group has an obligation as of the date of the consolidated financial statements as a result of past events, the obligation is likely to be settled, and a reliable estimate can be made of the amount of the obligation.

Provision for employees' end-of-service indemnities is estimated in accordance with the prevailing rules and regulations in the countries in which the Group operates. The expense for the year is recognized in the consolidated statement of profit and loss. Indemnities paid to employees are reduced from the provision upon their resignation or end of service.

Earning per Share
The Group calculates basic and diluted EPS data for its ordinary shares. Basic EPS is calculated by dividing the yearly profit or loss that is attributable to ordinary shareholders of the Group by the weighted-average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss that is attributable to ordinary shareholders and the weighted-average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

Segments Information
Segment business represents a group of assets and operations shared to produce products or risk attributable services different from which related to other segments.

Geographic sector linked to present the products or the services in a specific economic environment attributable for risk and other income different from which related to other sectors work in other economic environment.

Assets under Management
These represent the accounts managed by the Group on behalf of its customers, but do not represent part of the Group's assets. The fees and commissions on managing these accounts are taken to the consolidated statement of profit or loss. Moreover, a provision is taken for the decline in the value of capital-guaranteed portfolios managed on behalf of its customers.

Offsetting

Financial assets and financial liabilities are offset, and the net amount is presented in the consolidated statement of financial position only when there is a legal right to offset the recognized amounts, and the Group intends to either settle them on a net basis or to realize the assets and settle the liabilities simultaneously.

Cash and cash equivalents

Cash and cash equivalents comprise cash and balances with central banks and balances with banks and financial institutions maturing within three months, less restricted funds and balances owing to banks and financial institutions maturing within three months.

5. Significant Accounting Judgements, Estimates and Assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In the process of applying the Group's accounting policies, management has made various judgements. Those which management has assessed to have the most significant effect on the amounts recognized in the consolidated financial statements have been discussed in the individual notes of the related financial statement line items.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are also described in the individual notes of the related financial statement line items below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared.

Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Management believes that the assumptions adopted in the consolidated financial statements are reasonable. The details are as follows:

- Impairment loss for foreclosed assets is booked after a recent valuation of the acquired properties has been conducted by approved surveyors. The impairment loss is reviewed periodically.

- The fiscal year is charged with its portion of income tax expense in accordance with the regulations, laws, and accounting standards. Moreover, deferred tax assets and liabilities and the income tax provision are recorded.

- The Management periodically reassesses the economic useful life of tangible and Intangible assets for the purpose of calculating annual depreciation and amortization based on the general condition of these assets and assessing their expected useful life in the future. The impairment loss is recorded in the consolidated statement of profit or loss.

- A provision is set for lawsuits raised against the Group. This provision is based to an adequate legal study prepared by the Group’s legal advisor. Moreover, the study highlights potential risks that the Group may encounter in the future. Such legal assessments are reviewed periodically.

Evaluation of business model
The classification and measurement of financial assets depends on the results of the principal and interest payments test results and business model testing. The Group defines a business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgment that reflects all relevant evidence including how the asset's performance is evaluated and measured, the risks that affect the performance of the assets and how they are managed and how asset managers are compensated. The Group monitors financial assets measured at amortized cost or fair value through other comprehensive income that are derecognized prior to maturity to understand why they have been derecognized and whether the reasons are consistent with the objective of the business being retained. Monitoring is part of the Group's ongoing assessment of whether the business model under which the remaining financial assets are held is appropriate and, if not, whether there has been a change in the business model and therefore a future change to the classification of those assets is introduced.

Fair value hierarchy:

The level in the fair value hierarchy is determined and disclosed into which the fair value measurements are categorized in their entirety, segregating fair value measurements in accordance with the levels defined in IFRS. The difference between Level 2 and Level 3 fair value measurements represents whether inputs are observable and whether the unobservable inputs are significant, which may require judgment and a careful analysis of the inputs used to measure fair value, including consideration of factors specific to the asset or liability.

Basis of consolidating Group's entities :

According to the criteria established by the International Financial Reporting Standards, the Group assesses the requirements of the standards on an annual basis to ensure that the consolidation of its subsidiaries is still appropriate and inline with these requirements .

The consolidation of Arab Bank Switzerland (limited) which is an integral part of Arab Bank Group was assessed in accordance with the requirements of IFRS. Taking into consideration the de facto structure and the exposure to the variable returns that the Group has, which reflects the full ownership and benefits to the shareholders, Arab Bank Switzerland (Limited) financials statements were consolidated in the Group's consolidated financial statements.

Provisions for impairment - ECL

In determining impairment of financial assets, judgement is required in the estimation of the amount and timing of future cash flows as well as an assessment of whether the credit risk on the financial asset has increased significantly since initial recognition and incorporation of forward-looking information in the measurement of ECL.

Inputs, assumptions and techniques used for ECL calculation – IFRS 9 Methodology

Key concepts in IFRS 9 that have the most significant impact and require a high level of judgment, as considered by the Group while determining the impact assessment, are:

In accordance with IFRS 9, a significant increase in credit risk can be assessed at the group / portfolio level if the common risk characteristics are shared. Any instruments that are collectively assessed must have common credit risk characteristics. The Group has followed the following criteria for determining the ECL calculation on a collective versus individual basis as follows:

- Retail Portfolio: on Collective Basis based on the product level (Loans, Housing Loans, Car Loans, and Credit Cards).

- Corporate Portfolio: individual basis at customer/ facility level.

- Financial Institutions: Individual Basis at Bank/ facility level.

- Debt instruments measured at amortized cost: Individual level at Instrument level.

- **Assessment of Significant Increase in Credit Risk (SICR)**

To assess whether the credit risk on a financial asset has increased significantly since origination, the Group compares the risk of default occurring over the expected life of the financial asset at the reporting date to the corresponding risk of default at origination, using key risk indicators that are used in the Group's existing risk management processes.

Our assessment of significant increases in credit risk will be performed periodically for each individual exposure based on three factors.

If any of the following factors indicates that a significant increase in credit risk has occurred, the instrument will be moved from Stage 1 to Stage 2:

1. We have established thresholds for significant increases in credit risk based on movement in the customer's internal credit grade and the related PDs relative to initial recognition.
2. Restructuring and/or Rescheduling on the customers' accounts/ facilities during the assessment period is considered as indicator for SICR.

Movements between Stage 2 and Stage 3 are based on whether financial assets are credit-impaired as at the reporting date. The determination of credit-impairment under IFRS 9, is mentioned in the "Definition of default" below.

- **Macroeconomic Factors, Forward Looking Information (FLI) and Multiple Scenarios**

The measurement of expected credit losses for each stage and the assessment of significant increases in credit risk must consider information about past events and current conditions as well as reasonable and supportable forecasts of future events and economic conditions. The estimation and application of forward-looking information will require significant judgment in cooperation with international expert in this area.

Probability of Default (PD), Loss Given Default (LGD) and Exposure At Default (EAD) inputs used to estimate Stage 1 and Stage 2 credit loss allowances are modelled based on the macroeconomic variables (or changes in macroeconomic variables) that are most closely correlated with credit losses in the relevant portfolio.

Each macroeconomic scenario used in our expected credit loss calculation will have forecasts of the relevant macroeconomic variables.

The estimation of expected credit losses in Stage 1 and Stage 2 will be a discounted probability-weighted estimate that considers a minimum of three future macroeconomic scenarios.

The base case scenario will be based on macroeconomic forecasts (e.g.: GDP, inflation, interest rate). Upside and downside scenarios will be set relative to our base case scenario based on reasonably possible alternative macroeconomic conditions.

Scenarios will be probability-weighted according to the best estimate of their relative likelihood based on historical frequency and current trends and conditions. Probability weights will be updated on a quarterly basis. All scenarios considered will be applied to all portfolios subject to expected credit losses with the same probabilities.

- **Definition of default**

The definition of default used in the measurement of expected credit losses and the assessment to determine movement between stages will be consistent with the definition of default used for internal credit risk management purposes. IFRS 9 does not define default, but contains a rebuttable presumption that default has occurred when an exposure is greater than 90 days past due.

Notwithstanding the above, the classification of credit facilities is governed by the Central Bank of Jordan regulations unless local regulations in other countries are stricter, or the Group has to adopt the same by law.

The Group has set out the definition of default where a default is considered to have occurred when either or both of the two following events have taken place:

- The obligor is considered unlikely to pay its credit obligations in full
- The obligor is past due for 90 days or more on any material credit obligation.

- **Expected Life**

When measuring ECL, the Group must consider the maximum contractual period over which the Group is exposed to credit risk. All contractual terms should be considered when determining the expected life, including prepayment options and extension and rollover options. For certain revolving credit facilities that do not have a fixed maturity, the expected life is estimated based on the period over which the Group is exposed to credit risk and where the credit losses would not be mitigated by management actions.

<u>Compliance of the IFRS 9 implementation</u>

To ensure proper compliance of the IFRS9 implementation, a steering committee was formed consisting of the Chief Risk Officer, Chief Financial Officer, Chief Credit Officer, Head of IT and Head of Project Management with the responsibilities to provide decisions/ feedback on the work plan regarding implementation and adoption of IFRS 9 to ensure all relevant policies and procedures are updated in line with the new requirements and systems are modified / updated for the new requirements, in addition to present the ECL results to the CEO and related Committees of the Board of Directors.

6- Expected Credit Loss

The below table shows the Expected Credit Loss on financial instruments for the year recorded in the consolidated statement of profit or loss:

		2024			
	Notes	Stage 1	Stage 2	Stage 3	**Total**
		USD '000	**USD '000**	**USD '000**	**USD '000**
Balances with central banks	7	1 316	68 600	-	**69 916**
Balances with banks and financial institutions	8	18	-	-	**18**
Deposits with banks and financial institutions	9	(42)	-	-	**(42)**
Direct credit facilities at amortized cost	12	124 773	221 090	89 292	**435 155**
Financial Assets at Fair Value through Other Comprehensive Income	11	(108)	-	-	**(108)**
Other Financial Assets at Amortized Cost	13	(9 064)	260	-	**(8 804)**
Indirect Credit facilities	24	(9 121)	1 906	1 810	**(5 405)**
Total		**107 772**	**291 856**	**91 102**	**490 730**

		2023			
	Notes	Stage 1	Stage 2	Stage 3	**Total**
		USD '000	**USD '000**	**USD '000**	**USD '000**
Balances with central banks	7	95	92 554	-	**92 649**
Balances with banks and financial institutions	8	115	-	-	**115**
Deposits with banks and financial institutions	9	(469)	-	-	**(469)**
Direct credit facilities at amortized cost	12	114 708	224 601	143 423	**482 732**
Financial Assets at Fair Value through Other Comprehensive Income	11	61	-	-	**61**
Other Financial Assets at Amortized Cost	13	9 789	5 345	-	**15 134**
Indirect Credit facilities	24	8 816	(7 092)	336	**2 060**
Total		**133 115**	**315 408**	**143 759**	**592 282**

7. Cash and Balances with Central Banks

The details of this item are as follows:

	31 December 2024	31 December 2023
	USD '000	USD '000
Cash in vaults	1 116 169	810 683
Balances with central banks:		
Current accounts	3 714 242	3 923 958
Time and notice	7 107 634	7 088 062
Statutory cash reserve	1 514 008	1 554 990
Certificates of deposit	103 071	223 203
Total Balances with Central Banks	**12 438 955**	**12 790 213**
Total Cash and Balances with Central Banks	**13 555 124**	**13 600 896**
Less: Net Expected Credit Loss	(468 399)	(350 436)
Net Cash and Balances with Central Banks	**13 086 725**	**13 250 460**

- Except for the statutory cash reserve, there are no restricted balances at Central Banks.

- There were no balances and certificates of deposit maturing after three months as of 31 December 2024 and 31 December 2023.

The classification of gross balances with Central Banks according to the Group's internal credit rating is as follows:

	31 December 2024				31 December 2023
	Stage 1	Stage 2	Stage 3	**Total**	**Total**
	USD '000	USD '000	USD '000	USD '000	USD '000
Low risk / performing (1-2)	11 570 399	-	-	**11 570 399**	**12 014 059**
Acceptable risk / performing (3-7)	-	868 556	-	**868 556**	**776 154**
Total	**11 570 399**	**868 556**	-	**12 438 955**	**12 790 213**

- Probability of default at low risk 0.0% - 0.22%
- Probability of default at acceptable risk 0.22% - 50%

The movement on total balances with central banks is as follows:

	31 December 2024				31 December 2023
	Stage 1	Stage 2	Stage 3	**Total**	**Total**
	USD '000	USD '000	USD '000	USD '000	USD '000
Balance at the beginning of the year	**12 014 059**	**776 154**	-	**12 790 213**	**11 012 484**
New balances	471 346	-	-	**471 346**	**2 023 742**
Repaid balances	(688 246)	(2 462)	-	**(690 708)**	**(284 069)**
Transfers to stage 2	(94 982)	94 982	-	**-**	**-**
Translation Adjustments	(131 778)	(118)	-	**(131 896)**	**38 056**
Balance at the end of the year	**11 570 399**	**868 556**	**-**	**12 438 955**	**12 790 213**

The movement of Expected Credit Loss on balances with central banks is as follows:

	31 December 2024				31 December 2023
	Stage 1	Stage 2	Stage 3	**Total**	**Total**
	USD '000	USD '000	USD '000	USD '000	USD '000
Balance at the beginning of the year	**1 845**	**348 591**	-	**350 436**	**232 784**
New Expected Credit Loss during the year	2 316	78 400	-	**80 716**	**92 949**
Recoveries	(1 000)	(9 800)	-	**(10 800)**	**(300)**
Adjustments during the year	-	47 760	-	**47 760**	**25 000**
Translation Adjustments	(24)	311	-	**287**	**3**
Balance at the end of the year	**3 137**	**465 262**	-	**468 399**	**350 436**

8. Balances with Banks and Financial Institutions

The details of this item are as follows:

Local banks and financial institutions

	31 December	
	2024	**2023**
	USD '000	**USD '000**
Current accounts	2 590	2 375
Time deposits maturing within 3 months	282 148	213 443
Total	**284 738**	**215 818**

Foreign Banks and financial institutions

	31 December	
	2024	**2023**
	USD '000	**USD '000**
Current accounts	1 387 677	2 079 488
Time deposits maturing within 3 months	2 068 378	1 912 117
Certificates of deposit maturing within 3 months	10 401	-
Total	**3 466 456**	**3 991 605**
Total Balances with Banks and Financial Institutions	**3 751 194**	**4 207 423**
Less: expected credit loss provision	(2 806)	(2 943)
Net balances with Banks and Financial Institutions Local and foreign	**3 748 388**	**4 204 480**

- There are no non interest bearing balances as of 31 December 2024 and 2023.
- There are no restricted balances as of 31 December 2024 and 2023.

The classification of gross balances with banks and financial institutions according to the Group's internal credit rating is as follows:

	31 December 2024				31 December 2023
Internal credit rating:	Stage 1	Stage 2	Stage 3	**Total**	**Total**
	USD '000	**USD '000**	**USD '000**	**USD '000**	**USD '000**
Low risk / performing (1-2)	3 602 977	-	-	**3 602 977**	**3 843 051**
Acceptable risk / performing (3-7)	148 217	-	-	**148 217**	**364 372**
Total	**3 751 194**	-	-	**3 751 194**	**4 207 423**

- Probability of default at low risk 0.0% - 0.22%
- Probability of default at acceptable risk 0.22% - 5.8%

The movement on gross balances with banks and financial institutions is as follows:

	31 December 2024				31 December 2023
	Stage 1	Stage 2	Stage 3	**Total**	**Total**
	USD '000	**USD '000**	**USD '000**	**USD '000**	**USD '000**
Balance at the beginning of the year	**4 207 423**	-	-	**4 207 423**	**4 010 774**
New balances	165 779	-	-	**165 779**	**459 191**
Settled balances	(509 379)	-	-	**(509 379)**	**(444 367)**
Translation Adjustments	(112 629)	-	-	**(112 629)**	**181 825**
Balance at the end of the year	**3 751 194**	-	-	**3 751 194**	**4 207 423**

The movement of Expected Credit Loss on balances with banks and financial institutions is as

	31 December 2024				31 December 2023
	Stage 1	Stage 2	Stage 3	**Total**	**Total**
	USD '000	**USD '000**	**USD '000**	**USD '000**	**USD '000**
Balance at the beginning of the year	**2 943**	-	-	**2 943**	**2 630**
New Expected Credit Loss during the year	894	-	-	**894**	**817**
Recoveries	(876)	-	-	**(876)**	**(702)**
Adjustments during the year	(21)	-	-	**(21)**	**-**
Translation Adjustments	(134)	-	-	**(134)**	**198**
Balance at the end of the year	**2 806**	-	-	**2 806**	**2 943**

9. Deposits with Banks and Financial Institutions

The details of this item are as follows:

Local banks and financial institutions	31 December 2024	31 December 2023
	USD '000	USD '000
Time deposits maturing after 3 months and before 6 months	36 163	-
Time deposits maturing after 9 months and before one year	45 811	-
Time deposits maturing after one year	-	55 673
Total	**81 974**	**55 673**

Foreign banks and financial institutions	31 December 2024	31 December 2023
	USD '000	USD '000
Time deposits maturing after 3 months and before 6 months	117 905	140 232
Time deposits maturing after 6 months and before 9 months	22 251	-
Time deposits maturing after 9 months and before one year	37 503	3 816
Certificates of deposit maturing after 3 months and before 6 months	-	74 977
Total	**177 659**	**219 025**
Total Deposits with Banks and Financial Institutions	**259 633**	**274 698**
Less: expected credit loss provision	(801)	(891)
Net Deposits with banks and financial institutions Local and Foreign	**258 832**	**273 807**

- There are no restricted deposits as of 31 December 2024 and 2023.

The classification of gross deposits with banks and financial institutions according to the Group's internal credit rating is as follows:

	31 December 2024				31 December 2023
	Stage 1	Stage 2	Stage 3	**Total**	**Total**
	USD '000	USD '000	USD '000	USD '000	USD '000
Low risk / performing (1-2)	249 522	-	-	**249 522**	**274 698**
Acceptable risk / performing (3-7)	10 111	-	-	**10 111**	**-**
Total	**259 633**	-	-	**259 633**	**274 698**

- Probability of default at low risk 0.0% - 0.22%
- Probability of default at acceptable risk 0.22% - 5.8%

The movement on gross deposits with banks and financial institutions is as follows:

	31 December 2024				31 December 2023
	Stage 1	Stage 2	Stage 3	**Total**	**Total**
	USD '000	USD '000	USD '000	USD '000	USD '000
Balance at the beginning of the year	**274 698**	-	-	**274 698**	**611 548**
New balances	68 473	-	-	**68 473**	**80 779**
Settled balances	(73 690)	-	-	**(73 690)**	**(471 098)**
Translation Adjustments	(9 848)	-	-	**(9 848)**	**53 469**
Balance at the end of the year	**259 633**	-	-	**259 633**	**274 698**

The movement of Expected Credit Loss on deposits with banks and financial institutions is as follows:

	31 December 2024				31 December 2023
	Stage 1	Stage 2	Stage 3	**Total**	**Total**
	USD '000	USD '000	USD '000	USD '000	USD '000
Balance at the beginning of the year	**891**	-	-	**891**	**1 242**
New Expected Credit Loss during the year	32	-	-	**32**	**56**
Recoveries	(74)	-	-	**(74)**	**(525)**
Translation Adjustments	(48)	-	-	**(48)**	**118**
Balance at the end of the year	**801**	-	-	**801**	**891**

10. Financial Assets at Fair Value through Profit or Loss

The details of this item are as follows:

	31 December 2024	31 December 2023
	USD '000	USD '000
Treasury bills and Government bonds	33 551	13 414
Corporate bonds	8 125	10 443
Corporate shares	7 198	9 557
Mutual funds	25 348	21 598
Total	**74 222**	**55 012**

	31 December 2024		
	Financial assets designated as Fair value	Financial Assets that must be measured at Fair Value	Total
	USD '000	USD '000	USD '000
Treasury bills and Government bonds	33 551	-	33 551
Corporate bonds	8 125	-	8 125
Corporate shares	-	7 198	7 198
Mutual funds	-	25 348	25 348
Total	**41 676**	**32 546**	**74 222**

	31 December 2023		
	Financial assets designated as Fair value	Financial Assets that must be measured at Fair Value	Total
	USD '000	USD '000	USD '000
Treasury bills and Government bonds	13 414	-	13 414
Corporate bonds	10 443	-	10 443
Corporate shares	-	9 557	9 557
Mutual funds	-	21 598	21 598
Total	**23 857**	**31 155**	**55 012**

11. Financial Assets at Fair Value through Other Comprehensive Income

The details of this item are as follows:

	31 December 2024	31 December 2023
	USD '000	USD '000
Quoted shares	165 724	154 510
Un-quoted shares	222 747	194 589
Governmental bonds and bonds guaranteed by the government	507 350	302 481
Corporate bonds	186 706	108 002
Total Financial Assets at Fair Value through Other Comprehensive Income	**1 082 527**	**759 582**
Less: Expected credit loss provision on Bonds	(435)	(544)
Net Financial Assets at Fair Value through Other Comprehensive Income	**1 082 092**	**759 038**

* Cash dividends from investments above amounted to USD 7.9 million for the year ended 31 December 2024 (USD 8.7 million for the year ended 31 December 2023).

The movement of total financial assets at other comprehensive income - Bonds are as follows:

	31 December 2024				31 December 2023
	Stage 1	Stage 2	Stage 3	**Total**	**Total**
	USD '000	**USD '000**	**USD '000**	**USD '000**	**USD '000**
Balance at the beginning of the year	**410 483**	**-**	**-**	**410 483**	**401 298**
New investments	348 660	-	-	**348 660**	52 532
Matured investments	(58 831)	-	-	**(58 831)**	(55 663)
Change in fair value	179	-	-	**179**	6 990
Translation Adjustments	(6 435)	-	-	**(6 435)**	5 326
Balance at the end of the year	**694 056**			**694 056**	**410 483**

The movement of Expected credit loss provision recorded on Financial Assets at other comprehensive income - Bonds are as follows:

	31 December 2024				31 December 2023
	Stage 1	Stage 2	Stage 3	**Total**	**Total**
	USD '000	**USD '000**	**USD '000**	**USD '000**	**USD '000**
Balance at the beginning of the year	**544**	**-**	**-**	**544**	**536**
New Expected Credit Loss during the year	61	-	-	**61**	107
Recoveries	(169)	-	-	**(169)**	(46)
Translation Adjustments	(1)	-	-	**(1)**	(53)
Balance at the end of the year	**435**	**-**	**-**	**435**	**544**

	31 December 2024		
	Financial assets designated as Fair value	**Financial Assets that must be measured at Fair Value**	**Total**
	USD '000	**USD '000**	**USD '000**
Quoted shares	-	165 724	**165 724**
Un-quoted shares	-	222 747	**222 747**
Governmental bonds and bonds guaranteed by the government through OCI	507 350	-	**507 350**
Corporate bonds through OCI	186 706	-	**186 706**
Less: Net Expected Credit Loss	(435)	-	**(435)**
Total	**693 621**	**388 471**	**1 082 092**

	31 December 2023		
	Financial assets designated as Fair value	**Financial Assets that must be measured at Fair Value**	**Total**
	USD '000	**USD '000**	**USD '000**
Quoted shares	-	154 510	**154 510**
Un-quoted shares	-	194 589	**194 589**
Governmental bonds and bonds guaranteed by the government through OCI	302 481	-	**302 481**
Corporate bonds through OCI	108 002	-	**108 002**
Less: Net Expected Credit Loss	(544)	-	**(544)**
Total	**409 939**	**349 099**	**759 038**

12. Direct Credit Facilities at Amortized Cost

The details of this item are as follows:

	31 December 2024					
		Corporates				
	Consumer Banking	Small and Medium	Large	Banks and Financial Institutions	Government and Public Sector	Total
	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000
Discounted bills *	32 541	74 669	605 276	392 584	32 136	1 137 206
Overdrafts *	161 030	1 401 622	2 978 965	4 763	285 493	4 831 873
Loans and advances *	5 596 435	2 421 837	15 078 912	67 409	3 223 844	26 388 437
Real-estate loans	4 765 331	509 462	325 468	-	-	5 600 261
Credit cards	333 984	-	-	-	-	333 984
Total	**10 889 321**	**4 407 590**	**18 988 621**	**464 756**	**3 541 473**	**38 291 761**
Less: Interest and commission in suspense	133 469	147 192	543 870	262	-	824 793
Provision for impairment - Expected Credit Loss	372 504	511 208	2 177 860	3 466	18 595	3 083 633
Total	**505 973**	**658 400**	**2 721 730**	**3 728**	**18 595**	**3 908 426**
Net Direct Credit Facilities at Amortized Cost	**10 383 348**	**3 749 190**	**16 266 891**	**461 028**	**3 522 878**	**34 383 335**

* Net of interest and commission received in advance, which amounted to USD 218.4 million as of 31 December 2024.

- Rescheduled loans amounted to USD 960 million during the year ended 31 December 2024 .

- Restructured loans (transferred from non performing to watch list loans) amounted to USD 3.8 million during the year ended 31 December 2024.

- Direct credit facilities granted to and guaranteed by the government of Jordan amounted to USD 260.9 million, or 0.68% of total direct credit facilities as of 31 December 2024.

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- Non-performing direct credit facilities amounted to USD 2787.3 million, or 7.3% of total direct credit facilities as of 31 December 2024 .

- Non-performing direct credit facilities net of interest and commission in suspense as of 31 December 2024 amounted to USD 2006 million or 5.4% of direct credit facilities, after deducting interest and commission in suspense.

	31 December 2023					
		Corporates				
	Consumer Banking	Small and Medium	Large	Banks and Financial Institutions	Government and Public Sector	Total
	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000
Discounted bills *	46 272	69 985	597 759	244 847	28 686	987 549
Overdrafts *	99 127	1 326 921	2 932 846	4 794	211 721	4 575 409
Loans and advances *	5 451 028	2 252 877	15 187 618	11 978	2 967 341	25 870 842
Real-estate loans	4 615 790	453 933	276 955	-	-	5 346 678
Credit cards	299 219	-	-	-	-	299 219
Total	**10 511 436**	**4 103 716**	**18 995 178**	**261 619**	**3 207 748**	**37 079 697**
Less: Interest and commission in suspense	120 716	149 872	645 656	50	-	916 294
Provision for impairment - Expected Credit Loss	274 161	416 169	2 288 380	3 399	23 046	3 005 155
Total	**394 877**	**566 041**	**2 934 036**	**3 449**	**23 046**	**3 921 449**
Net Direct Credit Facilities at Amortized Cost	**10 116 559**	**3 537 675**	**16 061 142**	**258 170**	**3 184 702**	**33 158 248**

* Net of interest and commission received in advance, which amounted to USD 183.8 million as of 31 December 2023.

- Rescheduled loans during the year ended 31 December 2023 amounted to USD 479.9 million.

- Restructured loans (transferred from non performing to watch list loans) during the year ended 31 December 2023 amounted to USD 5.6 million.

- Direct credit facilities granted to and guaranteed by the government of Jordan as of 31 December 2023 amounted to USD 156.7 million, or 0.42% of total direct credit facilities.

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- Non-performing direct credit facilities as of 31 December 2023 amounted to USD 3037.3 million, or 8.2% of total direct credit facilities.

- Non-performing direct credit facilities net of interest and commission in suspense as of 31 December 2023 amounted to USD 2152.2 million or 6% of direct credit facilities, after deducting interest and commission in suspense.

The details of movement on the provision for impairment - Expected Credit Loss as of 31 December 2024 are as follows:

	31 December 2024					
		Corporates				
	Consumer Banking	Small and Medium	Large	Banks and Financial Institutions	Government and Public Sector	Total
	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000
Balance at the beginning of the year	**274 161**	**416 169**	**2 288 380**	**3 399**	**23 046**	**3 005 155**
Expected Credit Loss during the year	135 561	134 809	382 853	1 038	10 050	664 311
Recoveries	(46 372)	(24 022)	(188 137)	(927)	(14 830)	(274 288)
Transferred to Stage 1	(22 108)	(3 052)	(3 886)	-	1	(29 045)
Transferred to Stage 2	19 488	(12 555)	(77 916)	-	(1)	(70 984)
Transferred to Stage 3	2 620	15 607	81 802	-	-	100 029
Impact on year end Expected Credit Loss caused by transfers between stages during the year	12 252	8 385	24 495	-	-	45 132
Used from provision (debts written off or transferred to items outside the consolidated statement of financial position) *	(4 927)	(11 859)	(284 145)	-	-	(300 931)
Adjustments during the year	7 776	(1 406)	(277)	(5)	553	6 641
Translation Adjustments	(5 947)	(10 868)	(45 309)	(39)	(224)	(62 387)
Balance at the End of the Year	**372 504**	**511 208**	**2 177 860**	**3 466**	**18 595**	**3 083 633**

	31 December 2023					
		Corporates				
	Consumer Banking	Small and Medium	Large	Banks and Financial Institutions	Government and Public Sector	Total
	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000
Balance at the beginning of the year	**292 007**	**421 493**	**2 078 270**	**4 751**	**16 007**	**2 812 528**
Expected Credit Loss during the year	40 534	100 435	478 726	866	17 908	**638 469**
Recoveries	(38 757)	(21 750)	(111 178)	(1 704)	(10 720)	**(184 109)**
Transferred to Stage 1	10 371	(1 652)	23 019	-	(44)	**31 694**
Transferred to Stage 2	(2 183)	(9 268)	(263 596)	-	44	**(275 003)**
Transferred to Stage 3	(8 188)	10 920	240 577	-	-	**243 309**
Impact on year end Expected Credit Loss caused by transfers between stages during the year	7 518	11 054	9 800	-	-	**28 372**
Used from provision (debts written off or transferred to items outside the consolidated statement of financial position) *	(30 588)	(75 727)	(235 062)	-	-	**(341 377)**
Adjustments during the year	6 712	(19 551)	81 242	(602)	(223)	**67 578**
Translation Adjustments	(3 265)	215	(13 418)	88	74	**(16 306)**
Balance at the End of the Year	**274 161**	**416 169**	**2 288 380**	**3 399**	**23 046**	**3 005 155**

- There are no provisions no longer required as a result of settlement or repayment, transferred to non-performing direct credit facilities as of 31 December 2024 and 2023.
- Impairment is assessed based on individual customer accounts.
- Non-performing direct credit facilities transferred to off consolidated statement of financial position amounted to USD 494.4 million during the year 2024 (USD 440 million during the year 2023) noting that these non-performing direct credit facilities are fully covered by set provisions and suspended interest.

The following tables outline the impact of multiple scenarios on the Expected Credit Loss (excluding Consumer banking):

	31 December 2024							
			Corporates					
	Due from Banks	Financial Assets Bonds	Large Corporates	Small and Medium Corporates	Banks and Financial Institutions	Government and Public Sector	Items off statement of financial position	**Total**
	USD '000	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**
Upside (20%)	444 940	35 807	2 006 051	480 167	3 331	11 834	103 342	**3 085 472**
Baseline case (45%)	457 897	41 756	2 084 937	494 275	3 388	14 491	105 931	**3 202 675**
Downside (35%)	505 613	67 747	2 395 509	550 717	3 644	27 735	115 282	**3 666 247**

	31 December 2023							
			Corporates					
	Due from Banks	Financial Assets Bonds	Large Corporates	Small and Medium Corporates	Banks and Financial Institutions	Government and Public Sector	Items off statement of financial position	**Total**
	USD '000	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**
Upside (20%)	334 471	42 823	2 218 293	448 866	3 333	18 053	109 176	**3 175 015**
Baseline case (45%)	343 930	50 025	2 232 428	452 418	3 359	20 512	112 575	**3 215 247**
Downside (35%)	378 878	81 491	2 286 082	465 165	3 488	29 157	125 518	**3 369 779**

The following tables outline the impact of multiple scenarios on the Expected Credit Loss (Consumer banking):

	31 December	
	2024	2023
	USD '000	**USD '000**
Upside (30%)	347 792	271 432
Baseline case (45%)	362 344	273 214
Downside (30%)	410 762	278 152

The above table shows both the contribution to the total Expected Credit Loss for each probability-weighted scenario, in addition to the total additional impact on the Expected Credit Loss for applying multiple economic scenarios compared to the Expected Credit Loss that would have resulted from applying a 100% weighting to the base case scenario.

The movement on interest and commissions in suspense are as follows:

	31 December 2024						
		Corporates					
	Consumer Banking	Small and Medium	Large	Banks and Financial Institutions	Government and Public Sector	Total	The total includes interest and commission in suspense movement on real - estates loans as follows:
	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000
Balance at the beginning of the year	**120 716**	**149 872**	**645 656**	**50**	-	**916 294**	**33 959**
Interest and commission suspended during the year	30 191	25 982	121 980	212	-	178 365	9 301
Interest and commission in suspense settled (written off or transferred to off consolidated statement of financial position)	(8 442)	(23 267)	(206 719)	-	-	(238 428)	(1 341)
Recoveries	(8 212)	(4 596)	(7 062)	-	-	(19 870)	(3 681)
Adjustments during the year	-	-	-	-	-	-	-
Translation adjustments	(784)	(799)	(9 985)	-	-	(11 568)	(84)
Balance at the End of the Year	**133 469**	**147 192**	**543 870**	**262**	**-**	**824 793**	**38 154**

	31 December 2023						
		Corporates					
	Consumer Banking	Small and Medium	Large	Banks and Financial Institutions	Government and Public Sector	Total	The total includes interest and commission in suspense movement on real - estates
	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000
Balance at the beginning of the year	**112 987**	**141 609**	**646 506**	**49**	-	**901 151**	**27 261**
Interest and commission suspended during the year	28 415	30 311	145 410	-	-	**204 136**	13 301
Interest and commission in suspense settled (written off or transferred to off consolidated statement of financial position)	(13 241)	(17 825)	(145 231)	-	-	**(176 297)**	(375)
Recoveries	(7 417)	(3 291)	(8 121)	-	-	**(18 829)**	(5 877)
Adjustments during the year	(13)	(210)	223	-	-	**-**	-
Translation adjustments	(15)	(722)	6 869	1	-	**6 133**	(351)
Balance at the End of the Year	**120 716**	**149 872**	**645 656**	**50**	**-**	**916 294**	**33 959**

Classification of direct credit facilities at amortized cost based on the geographical and economic sectors as follows:

					Expected Credit Loss
	Inside Jordan	Outside Jordan	31 December 2024	31 December 2023	31 December 2024
Economic Sector	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**
Consumer Banking	3 825 382	6 557 966	**10 383 348**	10 116 559	372 504
Industry and mining	1 525 234	3 519 196	**5 044 430**	4 732 437	742 123
Constructions	386 977	1 431 063	**1 818 040**	1 982 529	534 021
Real Estates	210 304	1 047 710	**1 258 014**	1 375 367	35 418
Trade	1 463 582	3 129 860	**4 593 442**	4 425 760	597 488
Agriculture	238 196	149 937	**388 133**	432 562	62 128
Tourism and Hotels	246 323	659 345	**905 668**	789 024	94 392
Transportations	72 519	503 477	**575 996**	395 149	41 808
Shares	1 461	31 480	**32 941**	34 968	15
General Services	811 275	4 588 142	**5 399 417**	5 431 021	581 675
Banks and Financial Institutions	159 164	301 864	**461 028**	258 170	3 466
Government and Public Sector	306 092	3 216 786	**3 522 878**	3 184 702	18 595
Net Direct Credit Facilities at amortized Cost	**9 246 509**	**25 136 826**	**34 383 335**	**33 158 248**	**3 083 633**

The following is the distribution of credit exposures for direct credit facilities at amortized cost according to the Group's Internal Rating:

	31 December 2024							**31 December 2023**
	Stage 1		**Stage 2**		**Stage 3**	**Total**		**Total**
	Individual	Collective	Individual	Collective	Individual	**Individual**	**Collective**	
	USD '000	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**
Low risk / performing	5 159 408	1 379 592	-	-	-	**5 159 408**	**1 379 592**	**6 412 483**
Acceptable risk / performing	15 964 939	8 477 982	3 938 726	583 770	-	**19 903 665**	**9 061 752**	**27 629 951**
Non-performing:								
- Substandard	-	-	-	-	211 665	**211 665**	-	**171 502**
- Doubtful	-	-	-	-	334 357	**334 357**	-	**517 101**
- Loss	-	-	-	-	2 241 322	**2 241 322**	-	**2 348 660**
Total	**21 124 347**	**9 857 574**	**3 938 726**	**583 770**	**2 787 344**	**27 850 417**	**10 441 344**	**37 079 697**

The movement on total direct credit facilities at amortized cost :

	31 December 2024							**31 December 2023**
	Stage 1		Stage 2		Stage 3	**Total**		**Total**
	Individual	Collective	Individual	Collective	Individual	Individual	Collective	
	USD '000	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**
Balance at the beginning of the year	**20 163 622**	**9 893 411**	**3 773 712**	**211 689**	**3 037 263**	**26 974 597**	**10 105 100**	**35 440 277**
Additions to facilities	6 889 412	1 824 871	710 137	78 567	229 465	7 829 014	1 903 438	10 527 906
Repaid balances	(5 208 563)	(1 361 478)	(783 778)	(56 395)	(196 822)	(6 189 163)	(1 417 873)	(8 621 128)
Transfers to stage 1	274 136	61 855	(274 135)	(57 521)	(4 335)	(4 334)	4 334	-
Transfers to stage 2	(773 729)	(412 770)	794 361	426 551	(34 413)	(13 781)	13 781	-
Transfers to stage 3	(25 984)	(31 139)	(268 905)	(16 652)	342 680	47 791	(47 791)	-
Written off balances or transferred to off consolidated statement of financial position	-	-	-	-	(539 359)	(539 359)	-	(517 674)
Translation adjustments	(194 547)	(117 176)	(12 666)	(2 469)	(47 135)	(254 348)	(119 645)	250 316
Total	**21 124 347**	**9 857 574**	**3 938 726**	**583 770**	**2 787 344**	**27 850 417**	**10 441 344**	**37 079 697**

The movement of Expected Credit Loss on direct credit facilities at amortized cost by stage is as follows:

	31 December 2024							**31 December 2023**
	Stage 1		Stage 2		Stage 3	**Total**		**Total**
	Individual	Collective	Individual	Collective	Individual	Individual	Collective	
	USD '000	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**
Balance at the beginning of the year	**228 939**	**47 206**	**714 187**	**18 707**	**1 996 116**	**2 939 242**	**65 913**	**2 812 528**
Expected Credit Loss during the year	124 887	35 379	266 301	51 715	186 029	577 217	87 094	638 469
Recoveries	(30 594)	(4 899)	(88 150)	(16 475)	(134 170)	(252 914)	(21 374)	(184 109)
Transfers to stage 1	4 641	1 842	(4 641)	(1 603)	(239)	(239)	239	-
Transfers to stage 2	(11 272)	(23 396)	11 340	23 920	(592)	(524)	524	-
Transfers to stage 3	(306)	(554)	(97 171)	(2 829)	100 860	3 383	(3 383)	-
Impact on year end Expected Credit Loss caused by transfers between stages as of year	-	-	5 250	2 449	37 433	42 683	2 449	28 372
Written off balances or transferred to off consolidated statement of financial position	-	-	-	-	(300 931)	(300 931)	-	(341 377)
Adjustments during the year	(2 644)	519	4 481	1 139	3 146	4 983	1 658	67 578
Translation adjustments	(1 746)	(1 432)	(21 611)	(317)	(37 281)	(60 638)	(1 749)	(16 306)
Total	**311 905**	**54 665**	**789 986**	**76 706**	**1 850 371**	**2 952 262**	**131 371**	**3 005 155**

Direct Credit Facilities at Amortized Cost - Consumer Banking

The following is the distribution of credit exposures for direct credit facilities at amortized cost - consumer banking according to the Group's Internal Rating:

	31 December 2024				31 December 2023
	Stage 1	Stage 2	Stage 3	**Total**	**Total**
	USD '000	**USD '000**	**USD '000**	**USD '000**	**USD '000**
Low risk / performing	1 379 592	-	-	**1 379 592**	**1 316 974**
Acceptable risk / performing	8 477 982	583 770	-	**9 061 752**	**8 788 126**
Non-performing:					
- Substandard	-	-	41 916	**41 916**	**44 142**
- Doubtful	-	-	35 980	**35 980**	**52 747**
- Loss	-	-	370 081	**370 081**	**309 447**
Total	**9 857 574**	**583 770**	**447 977**	**10 889 321**	**10 511 436**

-Probability of default at low risk 0.04% -3.5%
-Probability of default at acceptable risk 3.5% - 57%
-Probability of default at High risk 100%

The movement on total direct credit facilities at amortized cost - consumer banking is as follows:

	31 December 2024				31 December 2023
	Stage 1	Stage 2	Stage 3	**Total**	**Total**
	USD '000	**USD '000**	**USD '000**	**USD '000**	**USD '000**
Balance at the beginning of the year	**9 893 411**	**211 689**	**406 336**	**10 511 436**	**10 019 607**
Additions to facilities	1,824,871	78 567	57 850	1 961 288	2 001 941
Settled balances	(1 361 478)	(56 395)	(28 348)	(1 446 221)	(1 491 956)
Transfers to stage 1	61,855	(57 521)	(4 334)	-	-
Transfers to stage 2	(412 770)	426 551	(13 781)	-	-
Transfers to stage 3	(31 139)	(16 652)	47 791	-	-
Written off balances or transferred to off consolidated statement of financial position	-	-	(13 369)	(13 369)	(43 829)
Translation Adjustments	(117 176)	(2 469)	(4 168)	(123 813)	25 673
Total	**9 857 574**	**583 770**	**447 977**	**10 889 321**	**10 511 436**

The movement of Expected Credit Loss on direct credit facilities at amortized cost - consumer banking is as follows:

	31 December 2024				31 December 2023
	Stage 1	Stage 2	Stage 3	**Total**	**Total**
	USD '000	**USD '000**	**USD '000**	**USD '000**	**USD '000**
Balance at the beginning of the year	**47 206**	**18 707**	**208 248**	**274 161**	**292 007**
Expected Credit Loss during the year	35 379	51 715	48 467	135 561	40 534
Recoveries	(4 899)	(16 475)	(24 998)	(46 372)	(38 757)
Transfers to stage 1	1 842	(1 603)	(239)	-	-
Transfers to stage 2	(23 396)	23 920	(524)	-	-
Transfers to stage 3	(554)	(2 829)	3 383	-	-
Impact on year end Expected Credit Loss caused by transfers between stages as of year ended	-	2 449	9 803	12 252	7 518
Written off balances or transferred to off consolidated statement of financial position	-	-	(4 927)	(4 927)	(30 588)
Adjustments during the year	519	1 139	6 118	7 776	6 712
Translation Adjustments	(1 432)	(317)	(4 198)	(5 947)	(3 265)
Total	**54 665**	**76 706**	**241 133**	**372 504**	**274 161**

Direct Credit Facilities at Amortized Cost - Small & Medium Enterprises

The following is the distribution of credit exposures for direct credit facilities at amortized cost - SMEs according to the Group's Internal Rating:

	31 December 2024				31 December 2023
	Stage 1	Stage 2	Stage 3	**Total**	**Total**
	USD '000	**USD '000**	**USD '000**	**USD '000**	**USD '000**
Low risk / performing	1 553 357	-	-	**1 553 357**	**1 442 976**
Acceptable risk / performing	1 724 452	593 695	-	**2 318 147**	**2 134 976**
Non-performing :					
- Substandard	-	-	33 510	**33 510**	**29 889**
- Doubtful	-	-	84 177	**84 177**	**74 188**
- Loss	-	-	418 399	**418 399**	**421 687**
Total	**3 277 809**	**593 695**	**536 086**	**4 407 590**	**4 103 716**

-Probability of default at low risk 0.02% - 15.5%
-Probability of default at acceptable risk 15.5% - 24%
-Probability of default at High risk 100%

The movement on total direct credit facilities at amortized cost - Small & Medium Enterprises is as follows:

	31 December 2024				31 December 2023
	Stage 1	Stage 2	Stage 3	**Total**	**Total**
	USD '000	**USD '000**	**USD '000**	**USD '000**	**USD '000**
Balance at the beginning of the year	**3 071 799**	**506 153**	**525 764**	**4 103 716**	**4 111 197**
Additions to facilities	861 783	89 121	30 564	**981 468**	**720 056**
Settled balances	(409 610)	(76 615)	(48 262)	**(534 487)**	**(742 507)**
Transfers to stage 1	22 180	(22 179)	(1)	**-**	**-**
Transfers to stage 2	(165 329)	175 308	(9 979)	**-**	**-**
Transfers to stage 3	(16 289)	(71 550)	87 839	**-**	**-**
Written off balances or transferred to off consolidated statement of financial position	-	-	(35 126)	**(35 126)**	**(93 552)**
Translation Adjustments	(86 725)	(6 543)	(14 713)	**(107 981)**	**108 522**
Total	**3 277 809**	**593 695**	**536 086**	**4 407 590**	**4 103 716**

The movement of Expected Credit Loss on direct credit facilities at amortized cost - Small & Medium Enterprises is as follows:

	31 December 2024				31 December 2023
	Stage 1	Stage 2	Stage 3	**Total**	**Total**
	USD '000	**USD '000**	**USD '000**	**USD '000**	**USD '000**
Balance at the beginning of the year	**17 652**	**85 974**	**312 543**	**416 169**	**421 493**
Expected Credit Loss during the year	8 190	52 716	73 903	**134 809**	**100 435**
Recoveries	(2 229)	(4 923)	(16 870)	**(24 022)**	**(21 750)**
Transfers to stage 1	253	(253)	-	**-**	**-**
Transfers to stage 2	(3 155)	3 164	(9)	**-**	**-**
Transfers to stage 3	(150)	(15 466)	15 616	**-**	**-**
Impact on year end Expected Credit Loss caused by transfers between stages as of year ended	-	1 773	6 612	**8 385**	**11 054**
Written off balances or transferred to off consolidated statement of financial position	-	-	(11 859)	**(11 859)**	**(75 727)**
Adjustments during the year	(430)	(93)	(883)	**(1 406)**	**(19 551)**
Translation Adjustments	(553)	(1 907)	(8 408)	**(10 868)**	**215**
Total	**19 578**	**120 985**	**370 645**	**511 208**	**416 169**

Direct Credit Facilities at Amortized Cost - Large Corporates

The following is the distribution of credit exposures for direct credit facilities at amortized cost - Large Corporate according to the Group's Internal Rating:

	31 December 2024				31 December 2023
	Stage 1	Stage 2	Stage 3	**Total**	**Total**
	USD '000	**USD '000**	**USD '000**	**USD '000**	**USD '000**
Low risk / performing	1 589 438	-	-	**1 589 438**	**2 030 025**
Acceptable risk / performing	12 480 841	3 118 330	-	**15 599 171**	**14 863 349**
Non-performing :				-	
- Substandard	-	-	136 239	**136 239**	**97 471**
- Doubtful	-	-	214 200	**214 200**	**390 166**
- Loss	-	-	1 449 573	**1 449 573**	**1 614 167**
Total	**14 070 279**	**3 118 330**	**1 800 012**	**18 988 621**	**18 995 178**

-Probability of default at low risk 0.02% -15.5%
-Probability of default at acceptable risk 15.5% - 24%
-Probability of default at High risk 100%

The movement on total direct credit facilities at amortized cost - Large Corporates is as follows:

	31 December 2024				31 December 2023
	Stage 1	Stage 2	Stage 3	**Total**	**Total**
	USD '000	**USD '000**	**USD '000**	**USD '000**	**USD '000**
Balance at the beginning of the year	**13 865 504**	**3 027 870**	**2 101 804**	**18 995 178**	**17 924 459**
Additions to facilities	4 337 261	608 957	141 051	5 087 269	6 574 694
Settled balances	(3 672 032)	(681 026)	(120 145)	(4 473 203)	(5 222 039)
Transfers to stage 1	250 173	(250 173)	-	-	-
Transfers to stage 2	(604 274)	614 927	(10 653)	-	-
Transfers to stage 3	(9 695)	(197 355)	207 050	-	-
Written off balances or transferred to off consolidated statement of financial position	-	-	(490 864)	(490 864)	(380 293)
Translation Adjustments	(96 658)	(4 870)	(28 231)	(129 759)	98 357
Total	**14 070 279**	**3 118 330**	**1 800 012**	**18 988 621**	**18 995 178**

The movement of Expected Credit Loss on direct credit facilities at amortized cost - Large Corporates is as follows:

	31 December 2024				31 December 2023
	Stage 1	Stage 2	Stage 3	**Total**	**Total**
	USD '000	**USD '000**	**USD '000**	**USD '000**	**USD '000**
Balance at the beginning of the year	**202 450**	**614 783**	**1 471 147**	**2 288 380**	**2 078 270**
Expected Credit Loss during the year	114 572	204 622	63 659	382 853	478 726
Recoveries	(25 134)	(70 830)	(92 173)	(188 137)	(111 178)
Transfers to stage 1	4 379	(4 379)	-	-	-
Transfers to stage 2	(8 109)	8 168	(59)	-	-
Transfers to stage 3	(156)	(81 705)	81 861	-	-
Impact on year end Expected Credit Loss caused by transfers between stages for the year ended	-	3 477	21 018	24 495	9 800
Written off balances or transferred to off consolidated statement of financial position	-	-	(284 145)	(284 145)	(235 062)
Adjustments during the year	(2 634)	3 607	(1 250)	(277)	81 242
Translation Adjustments	(1 035)	(19 667)	(24 607)	(45 309)	(13 418)
Total	**284 333**	**658 076**	**1 235 451**	**2 177 860**	**2 288 380**

Direct Credit Facilities at Amortized Cost - Banks & Financial Institutions

The following is the distribution of credit exposures for direct credit facilities at amortized cost - Banks and Financial Institutions according to the Group's Internal Rating:

	31 December 2024				31 December 2023
	Stage 1	Stage 2	Stage 3	**Total**	**Total**
	USD '000	**USD '000**	**USD '000**	**USD '000**	**USD '000**
Low risk / performing	215 800	-	-	**215 800**	**85 340**
Acceptable risk / performing	235 737	10 237	-	**245 974**	**173 267**
Non-performing:					
- Loss	-	-	2 982	**2 982**	**3 012**
Total	**451 537**	**10 237**	**2 982**	**464 756**	**261 619**

-Probability of default at low risk 0.02% - 15.5%
-Probability of default at acceptable risk 15.5% - 24%
-Probability of default at High risk 100%

The movement on total direct credit facilities at amortized cost - Banks & Financial Institutions is as follows:

	31 December 2024				31 December 2023
	Stage 1	Stage 2	Stage 3	**Total**	**Total**
	USD '000	**USD '000**	**USD '000**	**USD '000**	**USD '000**
Balance at the beginning of the year	**258 607**	-	**3 012**	**261 619**	**353 788**
Additions to facilities	379 200	10 237	-	389 437	220 151
Settled balances	(180 449)	-	-	(180 449)	(321 092)
Translation Adjustments	(5 821)	-	(30)	(5 851)	8 772
Total	**451 537**	**10 237**	**2 982**	**464 756**	**261 619**

The movement of Expected Credit Loss on direct credit facilities at amortized cost - Banks & Financial Institutions is as follows:

	31 December 2024				31 December 2023
	Stage 1	Stage 2	Stage 3	**Total**	**Total**
	USD '000	**USD '000**	**USD '000**	**USD '000**	**USD '000**
Balance at the beginning of the year	**437**	-	**2 962**	**3 399**	**4 751**
Expected Credit Loss during the year	1 028	10	-	1 038	866
Recoveries	(926)	-	(1)	(927)	(1 704)
Adjustments during the year	(5)	-	-	(5)	(602)
Translation Adjustments	(9)	-	(30)	(39)	88
Total	**525**	**10**	**2 931**	**3 466**	**3 399**

Direct Credit Facilities at Amortized Cost - Government & Public Sector

The following is the distribution of credit exposures for direct credit facilities at amortized - Government and Public Sector cost according to the Group's Internal Rating:

	31 December 2024				31 December 2023
	Stage 1	Stage 2	Stage 3	**Total**	**Total**
	USD '000	**USD '000**	**USD '000**	**USD '000**	**USD '000**
Low risk / performing	1 800 813	-	-	**1 800 813**	**1 537 168**
Acceptable risk / performing	1 523 909	216 464	-	**1 740 373**	**1 670 233**
Non-performing :					
- Loss	-	-	287	**287**	**347**
Total	**3 324 722**	**216 464**	**287**	**3 541 473**	**3 207 748**

-Probability of default at low risk 0.02% - 5%
-Probability of default at acceptable risk 5% - 24%
-Probability of default at High risk 100%

The movement on total direct credit facilities at amortized cost - Government & Public Sector is as follows:

	31 December 2024				31 December 2023
	Stage 1	Stage 2	Stage 3	**Total**	**Total**
	USD '000	**USD '000**	**USD '000**	**USD '000**	**USD '000**
Balance at the beginning of the year	**2 967 712**	**239 689**	**347**	**3 207 748**	**3 031 226**
Additions to facilities	1 311 168	1 822	-	1 312 990	1 011 064
Settled balances	(946 472)	(26 137)	(67)	(972 676)	(843 534)
Transfers to stage 1	1 783	(1 783)	-	-	-
Transfers to stage 2	(4 126)	4 126	-	-	-
Transfers to stage 3	-	-	-	-	-
Translation Adjustments	(5 343)	(1 253)	7	(6 589)	8 992
Total	**3 324 722**	**216 464**	**287**	**3 541 473**	**3 207 748**

The movement of Expected Credit Loss on direct credit facilities at amortized cost - Government & Public Sector is as follows:

	31 December 2024				31 December 2023
	Stage 1	Stage 2	Stage 3	**Total**	**Total**
	USD '000	**USD '000**	**USD '000**	**USD '000**	**USD '000**
Balance at the beginning of the year	**8 400**	**13 430**	**1 216**	**23 046**	**16 007**
Expected Credit Loss during the year	1 097	8 953	-	10 050	17 908
Recoveries	(2 305)	(12 397)	(128)	(14 830)	(10 720)
Transfers to stage 1	9	(9)	-	-	-
Transfers to stage 2	(8)	8	-	-	-
Transfers to stage 3	-	-	-	-	-
Adjustments during the year	425	967	(839)	553	(223)
Translation Adjustments	(149)	(37)	(38)	(224)	74
Total	**7 469**	**10 915**	**211**	**18 595**	**23 046**

Direct Credit Facilities at Amortized Cost - Real Estate

The following is the distribution of credit exposures for direct credit facilities at amortized cost - Real Estate according to the Group's Internal Rating:

	31 December 2024				31 December 2023
	Stage 1	Stage 2	Stage 3	**Total**	**Total**
	USD '000	**USD '000**	**USD '000**	**USD '000**	**USD '000**
Low risk / performing	752 772	-	-	**752 772**	**723 736**
Acceptable risk / performing	4 342 026	345 469	-	**4 687 495**	**4 478 405**
Non-performing:					
- Substandard	-	-	19 266	**19 266**	**21 515**
- Doubtful	-	-	19 891	**19 891**	**24 451**
- Loss	-	-	120 837	**120 837**	**98 571**
Total	**5 094 798**	**345 469**	**159 994**	**5 600 261**	**5 346 678**

-Probability of default at low risk 0.04% - 3.5%
-Probability of default at acceptable risk 3.5% - 57%
-Probability of default at High risk 100%

The movement on total direct credit facilities at amortized cost - Real Estate is as follows:

	31 December 2024				31 December 2023
	Stage 1	Stage 2	Stage 3	**Total**	**Total**
	USD '000	**USD '000**	**USD '000**	**USD '000**	**USD '000**
Balance at the beginning of the year	**4 999 861**	**202 280**	**144 537**	**5 346 678**	**5 033 637**
Additions to facilities	676 197	16 866	8 554	701 617	817 113
Settled balances	(361 723)	(9 345)	(15 742)	(386 810)	(531 080)
Transfers to stage 1	38 398	(36 427)	(1 971)	-	-
Transfers to stage 2	(187 523)	195 161	(7 638)	-	-
Transfers to stage 3	(11 429)	(22 254)	33 683	-	-
Written off balances or transferred to off statement of financial position	-	-	(1 568)	(1 568)	(375)
Adjustments during the year	-	-	(27)	(27)	-
Translation Adjustments	(58 983)	(812)	166	(59 629)	27 383
Total	**5 094 798**	**345 469**	**159 994**	**5 600 261**	**5 346 678**

The movement of Expected Credit Loss on direct credit facilities at amortized cost - Real Estate is as follows:

	31 December 2024				31 December 2023
	Stage 1	Stage 2	Stage 3	**Total**	**Total**
	USD '000	**USD '000**	**USD '000**	**USD '000**	**USD '000**
Balance at the beginning of the year	**16 687**	**12 600**	**48 156**	**77 443**	**70 514**
Expected Credit Loss during the year	1 036	749	14 585	16 370	14 668
Recoveries	(5 123)	(984)	(10 481)	(16 588)	(8 527)
Transfers to stage 1	592	(576)	(16)	-	-
Transfers to stage 2	(2 512)	2 521	(9)	-	-
Transfers to stage 3	(323)	(3 306)	3 629	-	-
Impact on year end Expected Credit Loss caused by transfers between stages for	-	(141)	392	251	552
Written off balances or transferred to off statement of financial position	-	-	(227)	(227)	-
Adjustments during the year	(131)	82	(315)	(364)	1 301
Translation Adjustments	(66)	(12)	(232)	(310)	(1 065)
Total	**10 160**	**10 933**	**55 482**	**76 575**	**77 443**

13. Other financial assets at amortized cost

The details of this item are as follows:

	31 December	
	2024	2023
	USD '000	USD '000
Treasury bills	2 548 466	2 158 762
Government bonds and bonds guaranteed by the government	6 830 877	6 805 097
Corporate bonds	2 662 487	1 471 596
Less: Expected credit loss provision	(49 228)	(59 054)
Net Other financial assets at amortized cost	**11 992 602**	**10 376 401**

Analysis of bonds based on interest nature:

	31 December	
	2024	2023
	USD '000	USD '000
Floating interest rate	383 170	334 461
Fixed interest rate	11 658 660	10 100 994
Less: Expected credit loss provision	(49 228)	(59 054)
Net Other financial assets at amortized cost	**11 992 602**	**10 376 401**

Analysis of financial assets based on market quotation:

	31 December	
Financial assets quoted in the market:	2024	2023
	USD '000	USD '000
Treasury bills	2 224 044	1 834 339
Government bonds and bonds guaranteed by the government	2 050 588	2 147 564
Corporate bonds	2 568 001	1 374 886
Total	**6 842 633**	**5 356 789**

	31 December	
Financial assets unquoted in the market:	2024	2023
	USD '000	USD '000
Treasury bills	324 422	324 423
Government bonds and bonds guaranteed by the government	4 780 289	4 657 533
Corporate bonds	94 486	96 710
Total	**5 199 197**	**5 078 666**
Less: Expected credit loss provision	(49 228)	(59 054)
Net Other financial assets at amortized cost	**11 992 602**	**10 376 401**

The following is the distribution of credit exposures for other financial assets at amortized cost according to the Group's Internal Rating:

	31 December 2024				31 December 2023
	Stage 1	Stage 2	Stage 3	**Total**	**Total**
	USD '000	**USD '000**	**USD '000**	**USD '000**	**USD '000**
Low risk / performing	11 479 197	-	-	**11 479 197**	**10 190 041**
Acceptable risk / performing	524 258	38 375	-	**562 633**	**245 414**
Total	**12 003 455**	**38 375**	-	**12 041 830**	**10 435 455**

-Probability of default at low risk 0.0% - 1.25%
-Probability of default at acceptable risk 1.25% - 100%
-Probability of default at High risk 100%

The movement on total other financial assets at amortized cost is as follows:

	31 December 2024				31 December 2023
	Stage 1	Stage 2	Stage 3	**Total**	**Total**
	USD '000	**USD '000**	**USD '000**	**USD '000**	**USD '000**
Balance at the beginning of the year	**10 407 736**	**27 719**	-	**10 435 455**	**10 046 521**
New investments (Additions)	9 013 178	-	-	**9 013 178**	**8 622 480**
Matured investments	(7 121 401)	(9 125)	-	**(7 130 526)**	**(8 169 429)**
Transfers to stage 1	-	-	-	**-**	**-**
Transfers to stage 2	(19 947)	19 947	-	**-**	**-**
Transfers to stage 3	-	-	**-**	**-**	**-**
Translation Adjustments	(276 111)	(166)	-	**(276 277)**	**(64 117)**
Total	**12 003 455**	**38 375**	-	**12 041 830**	**10 435 455**

The movement of Expected Credit Loss on other financial assets at amortized cost is as follows:

	31 December 2024				31 December 2023
	Stage 1	Stage 2	Stage 3	**Total**	**Total**
	USD '000	**USD '000**	**USD '000**	**USD '000**	**USD '000**
Balance at the beginning of the year	**34 146**	**24 908**	-	**59 054**	**44 046**
Expected Credit Loss during the year	6 048	368	-	**6 416**	**19 763**
Recoveries from matured investments	(15 112)	(108)	-	**(15 220)**	**(4 629)**
Transfers to stage 1	-	-	-	**-**	**-**
Transfers to stage 2	(343)	343	-	**-**	**-**
Transfers to stage 3	-	-	-	**-**	**-**
Adjustments during the year	(409)	(120)	-	**(529)**	**265**
Translation Adjustments	(457)	(36)	-	**(493)**	**(391)**
Total	**23 873**	**25 355**	-	**49 228**	**59 054**

- During the year ended 31 December 2024 certain financial assets at amortized cost amounted to USD 10.1 million were sold (USD 2 million during the year ended 31 December 2023).

14. Investments in Associates

The details of this item are as follows:

31 December 2024	Ownership and Voting Rights	Investment Carrying Value	Place of Incorporation	Market Value	Published Financial Statements Date	Principal Activity	Date of Acquisition
	%	USD '000		USD '000			
Arab National Bank	40.00	4 109 937	Saudi Arabia	4 650 667	2024	Banking	1979
Arabia Group Holding Limited (Abu Dhabi)*	47.27	46 538	UAE	Unquoted	2023	Insurance	2022
Commercial buildings	35.39	2 044	Lebanon	Unquoted	2023	Real Estate Operating Lease	1966
Other Associates at Arab Bank Switzerland	Various	17 382	Various			Various	
Other Associates (Mostly owned by Arab Tunisian Bank)**	Various	12 125	Various			Various	
Total		**4 188 026**					

31 December 2023	Ownership and Voting Rights	Investment Carrying Value	Place of Incorporation	Market Value	Published Financial Statements Date	Principal Activity	Date of Acquisition
	%	USD '000		USD '000			
Arab National Bank	40.00	3 776 000	Saudi Arabia	4 048 000	2023	Banking	1979
Arabia Insurance Company*	42.51	39 115	Lebanon	Unquoted	2022	Insurance	1972
Commercial buildings	35.39	2 906	Lebanon	Unquoted	2022	Real Estate Operating Lease	1966
Other Associates at Arab Bank Switzerland	Various	18 051	Various			Various	
Other Associates (Mostly owned by Arab Tunisian Bank)**	Various	12 185	Various			Various	
Total		**3 848 257**					

* During the year 2024 the shares of Arab Bank have been transferred from Arabia Insurance Company in Lebanon (Acquired since 1972) to Arabia Group Holding Limited in Abu Dhabi without any additional cost. This change has resulted in no adjustment on the value of Arab Bank investment, noting that Arabia Group Holding Limited in Abu Dhabi has been incorporated since 2022.

** It represents mostly the investments in Arab Tunisian Lease in the amount of USD 8.7 million, Arabia Sicaf in the amount of USD 1.8 million and Arab Tunisian Invest in the amount of USD 0.9 million as of 31 December 2024.
(As of 31 December 2023 these investments amounted to USD 9 million in Arab Tunisian Lease, USD 1.7 million in Arabia Sicaf and USD 0.7 million in Arab Tunisian Invest)

The details of movement on investments in associates are as follows:

	2024	2023
	USD '000	USD '000
Balance at the beginning of the year	**3 848 257**	**3 558 864**
Purchase of investments in associates	1 533	7 111
Group's share of profits for the year	591 142	509 969
Dividends received	(309 127)	(256 208)
Translation Adjustment	(1 530)	(9 694)
Group's share of other changes in equity	57 751	38 215
Balance at the end of the year	**4 188 026**	**3 848 257**
Group's share of taxes	**132 730**	**113 468**

The Group's share from the profit and loss of the associates are as follows:

	31 December 2024	31 December 2023
	USD '000	USD '000
Arab National Bank	586 604	505 773
Arabia Group Holding Limited (Abu Dhabi)*	2 903	2 930
Other	1 635	1 266
Total	**591 142**	**509 969**

The Group's share of associates are as follows:

	31 December 2024			31 December 2023		
	Arab National Bank	Others	Total	Arab National Bank	Others	Total
	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000
Total Assets	25 633 486	262 357	25 895 843	23 539 553	377 930	23 917 483
Total Liabilities	21 523 549	184 268	21 707 817	19 763 553	305 673	20 069 226
Total Revenue	998 273	102 230	1 100 503	915 359	62 780	978 139
Total Expenses	411 669	97 692	509 361	409 586	58 584	468 170
Net Profit	586 604	4 538	591 142	505 773	4 196	509 969

15. Fixed Assets

The details of this item are as follows:

Historical Cost:	Land	Buildings	Furniture, Fixtures and Equipment	Computers and Communication Equipment	Motor Vehicles	Other	Total
	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000
Balance as of 1 January 2023	**117 151**	**401 779**	**303 509**	**345 581**	**16 205**	**115 423**	**1 299 648**
Additions	61	5 103	8 928	29 286	305	23 067	**66 750**
Disposals	-	(6 819)	(2 228)	(1 965)	(1 108)	(4 262)	**(16 382)**
Adjustments during the year	-	(70)	16 919	(6 588)	137	(10 398)	**-**
Translation Adjustments	120	(2 531)	(4 101)	(4 378)	(80)	(3 135)	**(14 105)**
Balance as of 31 December 2023	**117 332**	**397 462**	**323 027**	**361 936**	**15 459**	**120 695**	**1 335 911**
Additions	7 644	3 121	15 080	49 649	504	18 415	**94 413**
Disposals	(34)	(5 040)	(3 764)	(7 808)	(468)	(12 482)	**(29 596)**
Translation Adjustments	(161)	(4 926)	(1 249)	(4 715)	(205)	(1 668)	**(12 924)**
Balance at 31 December 2024	**124 781**	**390 617**	**333 094**	**399 062**	**15 290**	**124 960**	**1 387 804**
Accumulated Depreciation :							
Balance as of 1 January 2023	-	**190 119**	**239 036**	**241 952**	**13 462**	**84 686**	**769 255**
Depreciation charge for the year	-	10 545	17 301	33 850	1 136	6 985	**69 817**
Disposals	-	(6 722)	(2 171)	(2 054)	(1 052)	(1 478)	**(13 477)**
Adjustments during the year	-	(29)	10 070	(10 143)	-	4	**(98)**
Translation adjustments	-	(2 177)	(3 613)	(4 006)	(95)	(3 333)	**(13 224)**
Balance as of 31 December 2023	**-**	**191 736**	**260 623**	**259 599**	**13 451**	**86 864**	**812 273**
Depreciation charge for the year	-	10 323	16 500	36 013	875	6 213	**69 924**
Disposals	-	(86)	(3 631)	(7 732)	(429)	(12 385)	**(24 263)**
Translation adjustments	-	(2 439)	(894)	(3 100)	(161)	(2 039)	**(8 633)**
Balance at 31 December 2024	**-**	**199 534**	**272 598**	**284 780**	**13 736**	**78 653**	**849 301**
Net Book Value as of 31 December 2024	**124 781**	**191 083**	**60 496**	**114 282**	**1 554**	**46 307**	**538 503**
Net Book Value as of 31 December 2023	**117 332**	**205 726**	**62 404**	**102 337**	**2 008**	**33 831**	**523 638**

* The cost of fully depreciated fixed assets amounted to USD 597.4 million as of 31 December 2024 (USD 571.7 million as of 31 December 2023).

16. Other Assets

The details of this item are as follows:

	31 December 2024	31 December 2023
	USD '000	USD '000
Accrued interest receivable	435 466	407 178
Prepaid expenses	103 824	68 708
Foreclosed assets *	296 962	178 868
Intangible assets **	164 895	201 643
Right of use assets ****	99 042	108 483
Other miscellaneous assets	298 889	398 463
Total	**1 399 078**	**1 363 343**

* The Central Bank of Jordan instructions require the disposal of these assets during a maximum period of two years from the date of foreclosure, and allows the extension of this period for an additional two years upon obtaining the approval of the Central Bank of Jordan.

*** The details of movement on foreclosed assets are as follows:**

	2024			
	Land	Buildings	Other	Total
	USD '000	USD '000	USD '000	USD '000
Balance at the beginning of the year	**84 896**	**93 701**	**271**	**178 868**
Additions	102 796	32 568	-	**135 364**
Disposals	(2 257)	(6 670)	-	**(8 927)**
Provision for impairment and impairment losses	(1 203)	(1 671)	-	**(2 874)**
Translation adjustments	(1 329)	(4 140)	-	**(5 469)**
Balance at the end of the year	**182 903**	**113 788**	**271**	**296 962**

	2023			
	Land	Buildings	Other	Total
	USD '000	USD '000	USD '000	USD '000
Balance at the beginning of the year	**85 271**	**91 783**	**271**	**177 325**
Additions	12 461	14 186	-	**26 647**
Disposals	(10 444)	(12 640)	-	**(23 084)**
Provision for impairment and impairment losses	(1 531)	113	-	**(1 418)**
Translation adjustments	(861)	259	-	**(602)**
Balance at the End of the Year	**84 896**	**93 701**	**271**	**178 868**

**** The details of movement on intangible assets are as follows:**

	31 December 2024			31 December 2023
	Software	Others ***	Total	Total
	USD '000	USD '000	USD '000	USD '000
Balance at the beginning of the year	25 514	176 129	**201 643**	**73 404**
Additions	20 947		20 947	154 459
Disposals	-	-	-	-
Amortization charge for the year	(16 136)	(31 491)	(47 627)	(25 967)
Adjustment during the year and translation adjustments	(915)	(9 153)	(10 068)	(253)
Balance at the End of the Year	**29 410**	**135 485**	**164 895**	**201 643**

*** This item includes the amount of USD 98.3 million in intangible assets resulting from Arab Bank Group acquisition of a subsidiary; whereby the Group has completed during first nine months of the year 2023 all the legal procedures required to acquire a 90% stake in Gonet & Cie SA.

****** The details of movement of right of use assets are as follows :**

	2024	2023
	USD '000	USD '000
Balance at the beginning of the year	**108 483**	**87 697**
Additions	18 820	47 138
Depreciation during the year	(28 261)	(26 352)
Balance at the End of the Year	**99 042**	**108 483**

17. Deferred Tax Assets

The details of this item are as follows :

Items attributable to deferred tax assets are as follows:

	2024					
	Balance at the Beginning of the Year	**Amounts Added**	**Amounts Released**	**Adjustments During the Year and Translation Adjustments**	**Balance at the End of the Year**	**Deferred Tax**
	USD '000	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**
Expected Credit Losses	601 284	383 149	(360 537)	(703)	**623 193**	**181 014**
End-of-Service indemnity	60 852	22 975	(25 935)	-	**57 892**	**17 071**
Interest in suspense net of tax	69 312	14 967	(27 628)	112	**56 763**	**13 007**
Revaluation of financial assets at fair value through other comprehensive income	55 846	6 340	(2 524)	(1,080)	**58 582**	**13 812**
Other	149 673	82 305	(18 454)	(15 035)	**198 489**	**46 026**
Total	**936 967**	**509 736**	**(435 078)**	**(16 706)**	**994 919**	**270 930**

	2023					
	Balance at the Beginning of the Year	**Amounts Added**	**Amounts Released**	**Adjustments During the Year and Translation Adjustments**	**Balance at the End of the Year**	**Deferred Tax**
	USD '000	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**
Expected Credit Losses	733 824	306 341	(439 370)	489	**601 284**	**162 266**
End-of-Service indemnity	62 109	15 112	(16 369)	-	**60 852**	**18 028**
Interest in suspense net of tax	126 383	34 605	(91 676)	-	**69 312**	**15 287**
Revaluation of financial assets at fair value through other comprehensive income	53 580	5 253	(3 756)	769	**55 846**	**13 925**
Other	118 413	89 717	(63 676)	5 219	**149 673**	**34 152**
Total	**1 094 309**	**451 028**	**(614 847)**	**6 477**	**936 967**	**243 658**

*Deferred tax results from temporary timing differences of the provisions not deducted for tax purposes in the current year or previous years. This is calculated according to the regulations of the countries where the Group operates.

The details of movements on deferred tax assets are as follows:

	2024	**2023**
	USD '000	**USD '000**
Balance at the beginning of the year	**243 658**	**279 945**
Additions during the year	164 280	135 517
Amortized during the year	(133 974)	(173 334)
Adjustments during the year and translation adjustments	(3 034)	1 530
Balance at the end of the year	**270 930**	**243 658**

18. Banks and Financial Institutions Deposits

The details of this item are as follows:

	31 December 2024			31 December 2023		
	Inside Jordan	Outside Jordan	Total	Inside Jordan	Outside Jordan	Total
	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000
Current and demand	-	569 741	569 741	-	776 566	776 566
Time deposits	11 155	3 137 827	3 148 982	6 774	2 512 362	2 519 136
Total	**11 155**	**3 707 568**	**3 718 723**	**6 774**	**3 288 928**	**3 295 702**

19. Customers' Deposits

The details of this item are as follows:

	31 December 2024				
	Consumer Banking	Corporates		Government and Public Sector	Total
		Small and Medium	Large		
	USD '000	USD '000	USD '000	USD '000	USD '000
Current and demand	10 670 044	2 851 129	3 903 317	1 367 888	18 792 378
Savings	5 533 607	43 787	20 722	40 044	5 638 160
Time and notice	13 354 185	1 475 762	5 685 063	4 336 782	24 851 792
Certificates of deposit	237 090	15 232	163 853	77 262	493 437
Total	**29 794 926**	**4 385 910**	**9 772 955**	**5 821 976**	**49 775 767**

	31 December 2023				
	Consumer Banking	Corporates		Government and Public Sector	Total
		Small and Medium	Large		
	USD '000	USD '000	USD '000	USD '000	USD '000
Current and demand	10 850 004	2 595 076	3 506 857	990 898	17 942 835
Savings	5 307 173	47 324	20 092	33 009	5 407 598
Time and notice	11 938 124	1 652 770	6 299 618	4 066 167	23 956 679
Certificates of deposit	312 484	20 528	122 741	48 388	504 141
Total	**28 407 785**	**4 315 698**	**9 949 308**	**5 138 462**	**47 811 253**

- Government of Jordan and Jordanian public sector deposits amounted to USD 1291.4 million, or 2.6 % of total customer deposits as of 31 December 2024 (USD 1018.2 million, or 2.1 % of total customer deposits as of 31 December 2023).

- Non-interest bearing deposits amounted to USD 15434.4 million, or 31 % of total customer deposits as of 31 December 2024 (USD 15260.9 million, or 31.9 % of total customer deposits as of 31 December 2023).

- Blocked deposits amounted to USD 450.6 million, or 0.9% of total customer deposits as of 31 December 2024 (USD 428.6 million, or 0.9% of total customer deposit as of 31 December 2023).

- Dormant deposits amounted to USD 514.7 million, or 1% of total customer deposits as of 31 December 2024 (USD 524.5 million or 1.1% of total customer deposits as of 31 December 2023).

20. Cash Margin

The details of this item are as follows:

	31 December 2024	31 December 2023
	USD '000	USD '000
Against direct credit facilities at amortized cost	1 655 176	2 166 024
Against indirect credit facilities	715 346	640 967
Against margin trading	1 918	1 983
Other cash margins	17 072	4 513
Total	**2 389 512**	**2 813 487**

21. Borrowed Funds

The details of this item are as follows:

	31 December 2024	31 December 2023
	USD '000	USD '000
From Central Banks *	261 992	217 469
From banks and financial institutions **	222 831	292 340
Total	**484 823**	**509 809**

Analysis of borrowed funds according to interest nature is as follows:

	31 December 2024	31 December 2023
	USD '000	USD '000
Floating interest rate	168 647	213 491
Fixed interest rate	316 176	296 318
Total	**484 823**	**509 809**

* During 2013, Arab Bank signed a loan agreement with the Central Bank of Jordan amounting to USD 5.6 million, for the duration of 15 years of which 5 years are grace period with an interest rate of (2.5%) for the year 2013 and a floating interest rate of (1.8%+LIBOR 6 months) for the years after 2013. The agreement aims to support SMEs and Extra Small Companies. The loan is settled semi-annually, with installments in March and September of each year. The Balance of the loan as of 31 December 2024 amounted to USD 1.7 million (USD 2.3 million as of 31 December 2023).

* During 2016, Arab Bank signed a loan agreement with the Central Bank of Jordan amounting to USD 5.1 million, for the duration of 15 years of which 5 years are grace period with a floating interest rate of (1.85%+LIBOR 6 months). The agreement aims to support SMEs and Extra Small Companies. The loan is settled semi-annually, with installments in March and September of each year. The Balance of the loan as of 31 December 2024 amounted to USD 2.8 million (USD 3.2 million as of 31 December 2023).

* During 2014, Arab Bank signed a loan agreement with the Central Bank of Jordan amounting to USD 3.9 million, for the duration of 10 years of which 3 years are grace period and with a fixed interest rate of 2.5%. The agreement aims to support SMEs and Extra Small Companies. The last installment of the loan was paid on 15 September 2024. The Balance of the loan as of 31 December 2023 amounted to USD 355 thousand.

* During 2017, Arab Bank signed a loan agreement with the Central Bank of Jordan amounting to USD 10.9 million, for the duration of 22 years of which 5 years are grace period with an interest rate of 3% (CBJ has the right to amend the interest rate every two years up to 3.5%). The agreement aims to support SMEs and Extra Small Companies. The loan is settled semi-annually, with installments in May and November of each year. The Balance of the loan as of 31 December 2024 amounted to USD 10.9 million (USD 10.9 million as of 31 December 2023).

* During 2021, Arab Bank granted loans against diminishing advances in response to the Central Bank of Jordan program to support SMEs to face COVID-19 with 0% fixed interest rate, These loans are repaid on long term extended to 42 months, with a grace period up to 12 months. The amount of the granted loans as of 31 December 2024 amounted to USD 7.5 million (USD 16.2 million as of 31 December 2023).

* Until 31 December 2024, Arab Bank granted loans against medium term advances from the Central Bank of Jordan with fixed interest rate equal to the discount rate disclosed on the grant day after deducting 0.5% for advances outside Amman and 1% for advances inside Amman , The advances are repaid in accordance with customers monthly installments, these advances amounted USD 236.7 million as of 31 December 2024 (USD 184.4 million as of 31 December 2023).

* During 2024, Arab Bank signed a loan agreement with the Central Bank of Jordan amounting to USD 2.5 million, for the duration of 9.5 years of which 2 years are grace period with a fixed interest rate of 2.5%. The agreement aims to support SMEs and Extra Small Companies. The loan is repaid semi-annually, with installments in March and September of each year, the first installment is due on 15 March 2026. The Balance of the loan as of 31 December 2024 amounted to USD 2.5 million.

** During 2018, Arab Bank signed loans agreements with European Investment Bank amounting to USD 331.3 million, for the duration of 7 years, in the same year Arab Bank withdrew the first installment in the amount of USD 100 million for the duration of 7 years with a floating interest rate of (6.87125% Spread + CAS + SOFR) the interest is settled in 2 installments during the year, the loan is settled semi-annually in March and September of each year, the first installment started on 15 September 2020 and the last one will be on 15 September 2025. The Balance of the loan as of 31 December 2024 amounted to USD 18.2 million (USD 36.4 million as of 31 December 2023)

** During 2019, Arab Bank withdrew the second installment in the amount of USD 69.8 million for the duration of 7 years with a floating interest rate of (6.98225% Spread + CAS + SOFR) the interest is repaid in 2 installments during the year, the loan is repaid semi-annually in March and September of each year, the first installment was on 15 September 2022 and the last one will be on 16 March 2026. the Balance of the loan as of 31 December 2024 amounted to USD 21 million (USD 35 million as of 31 December 2023)

** During 2020, Arab Bank withdrew the third installment in the amount of USD 161.8 million for the duration of 7 years with a floating interest rate of (7.18325% Spread + CAS + SOFR) the interest is settled in 2 installments during the year, the loan is settled semi-annually in March and September of each year, the first installment was due on 15 September 2023 and the last one will be on 15 March 2027. the Balance of the loan as of 31 December 2024 amounted to USD 80.9 million (USD 113.2 million as of 31 December 2023)

* Arab Bank refinanced USD 265.9 million as of 31 December 2024 against USD 227.3 million as of 31 December 2023 with interest rate ranging between 2% to 12%.

** During 2024 Arab National Leasing Co. signed loan agreement with Jordanian Mortgage Refinance Company for a duration of one year with a rate of 8.25% , the balance of the loan as of 31 December 2024 amounted to USD 7.1 million due in March 2025.

** During 2024, Oman Arab Bank signed a loan agreement with the Arab Fund for Economic and Social Development Fund (BADER Fund) amounting to USD 50 million, for the duration of 6 years of which 2 years are grace period with a floating interest rate of (0.25%+US Treasury Bills 10 years). The loan is settled semi-annually, with installments in July and January of each year starting from the year 2026. The Balance of the loan as of 31 December 2024 amounted to USD 25 million.

** Arab Tunisian Bank borrowed amounts from banks and financial institutions, as well issued syndicated term loans, the balance amounted to USD 70.8 million as of 31 December 2024 (USD 100.8 million as of 31 December 2023) whereas the lowest interest rate is (0.7%) and the highest is (9.9%) and the last maturity date is on 19 May 2032, as per the following details:

	31 December 2024	31 December 2023
	USD '000	USD '000
Loans maturing within one year	24 924	38 126
Loans maturing after 1 year and less than 3 years	27 727	19 892
Loans maturing after 3 years	18 099	42 737
Total	**70 750**	**100 755**

22. Provision for Income Tax

The details of this item are as follows:

	31 December 2024	31 December 2023
	USD '000	USD '000
Balance at the beginning of the year	**337 202**	**293 029**
Accrued income tax*	452 122	344 633
Income tax paid	(372 382)	(300 460)
Balance at the end of the year	**416 942**	**337 202**

* The above provision appears after accounting for the impact of the interest on Tier 1 capital bonds paid from retained earnings.

Income tax expense charged to the consolidated statement of profit or loss consists of the following:

	31 December 2024	31 December 2023
	USD '000	USD '000
Accrued income tax for the year	452 122	344 633
Tax on interest paid on perpetual tier 1 capital bonds paid from retained earning	7 948	-
Deferred tax assets for the year	(163 806)	(135 123)
Amortization of deferred tax assets	133 398	172 728
Deferred tax liabilities for the year	17 427	5 675
Amortization of deferred tax liabilities	(8 669)	(408)
Total	**438 420**	**387 505**

- The Banking income tax rate in Jordan is 38% (35% income tax + 3% national contribution tax).While the income tax rate in the countries where the Group has investments and branches ranges from zero to 38% as of 31 December 2024 and 2023. Arab Bank Group effective tax rate was 30.3% as of 31 December 2024 and 31.8% as of 31 December 2023.

-The subsidiaries and branches of Arab Bank Group have reached recent tax settlements ranging between year 2023 such as Arab Bank United Arab Emirates and Arab Bank Palestine, and year 2022 such as Arab National Leasing Company.

23. Other Provisions

The details of this item are as follows:

2024	Balance at the Beginning of the Year	Additions during the Year	Utilized or transferred during the Year	Released to Income	Adjustments during the Year and Translation Adjustments	Balance at the End of the Year
	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000
End-of-service indemnity	124 865	29 506	(34 535)	-	(4 480)	115 356
Legal cases	9 802	7 776	(160)	(566)	(718)	16 134
Other	110 027	12 267	(2 260)	(5 183)	(3 637)	111 214
Total	**244 694**	**49 549**	**(36 955)**	**(5 749)**	**(8 835)**	**242 704**

2023	Balance at the Beginning of the Year	Addition during the Year	Utilized or transferred during the Year	Released to Income	Adjustments during the Year and Translation Adjustments	Balance at the End of the Year
	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000
End-of-service indemnity	123 659	31 789	(23 513)	-	(7 070)	124 865
Legal cases	7 983	3 201	(246)	(1 254)	118	9 802
Other	100 781	11 426	(19)	(89)	(2 072)	110 027
Total	**232 423**	**46 416**	**(23 778)**	**(1 343)**	**(9 024)**	**244 694**

24. Other Liabilities

The details of this item are as follows:

	31 December 2024	31 December 2023
	USD '000	USD '000
Accrued interest payable	447 132	418 639
Notes payable	234 276	159 882
Interest and commission received in advance	94 414	68 370
Accrued expenses	255 942	232 408
Dividends payable to shareholders	17 281	17 507
Provision for impairment - Expected Credit Loss of the indirect credit facilities*	108 686	116 425
Lease liabilities	98 719	106 488
Other miscellaneous liabilities	630 411	571 603
Total	**1 886 861**	**1 691 322**

Indirect Credit Facilities

The following is the distribution of credit exposures for indirect credit facilities at amortized cost according to the Group's Internal Rating

	31 December 2024				31 December 2023
	Stage 1	Stage 2	Stage 3	**Total**	**Total**
	USD '000	USD '000	USD '000	USD '000	USD '000
Low risk / performing	1 043 176	-	-	**1 043 176**	**1 125 924**
Acceptable risk / performing	17 438 618	985 292	-	**18 423 910**	**16 794 589**
Non-performing	-	-	94 883	**94 883**	**94 451**
Total	**18 481 794**	**985 292**	**94 883**	**19 561 969**	**18 014 964**

-Probability of default at low risk 0.02% -15.5%
-Probability of default at acceptable risk 15.5% - 24%
-Probability of default at High risk 100%

The movement on total indirect credit facilities is as follows:

	31 December 2024				31 December 2023
	Stage 1	Stage 2	Stage 3	**Total**	**Total**
	USD '000	USD '000	USD '000	USD '000	USD '000
Balance at beginning of the year	**17 268 577**	**651 936**	**94 451**	**18 014 964**	**17 499 024**
New balances (Additions)	9 888 662	294 409	4 983	10 188 054	**6 077 272**
Matured balances	(8 263 941)	(190 463)	(10 304)	(8 464 708)	**(5 726 657)**
Transfers to stage 1	57 152	(57 148)	(4)	-	**-**
Transfers to stage 2	(303 893)	304 049	(156)	-	**-**
Transfers to stage 3	(431)	(6 093)	6 524	-	**-**
Translation Adjustments	(164 332)	(11 398)	(611)	(176 341)	**165 325**
Total	**18 481 794**	**985 292**	**94 883**	**19 561 969**	**18 014 964**

The movement of Expected Credit Loss on indirect credit facilities is as follows:

	31 December 2024				31 December 2023
	Stage 1	Stage 2	Stage 3	**Total**	**Total**
	USD '000	USD '000	USD '000	USD '000	USD '000
Balance at beginning of the year	**45 886**	**15 997**	**54 542**	**116 425**	**176 384**
Expected Credit Loss during the year	3 221	1 959	4 891	10 071	**24 093**
Recoveries (excluding write offs)	(12 342)	(1 859)	(3 081)	(17 282)	**(21 646)**
Transfers to stage 1	502	(502)	-	-	**-**
Transfers to stage 2	(1 961)	1 961	-	-	**-**
Transfers to stage 3		(67)	67	-	**-**
Impact on year end Expected Credit Loss caused by transfers between stages as of	**-**	1 806	**-**	1 806	**(387)**
Adjustments during the year	(449)	(83)	165	(367)	**(61 839)**
Translation Adjustments	(1 285)	(482)	(200)	(1 967)	**(180)**
Total	**33 572**	**18 730**	**56 384**	**108 686**	**116 425**

25. Deferred Tax Liabilities

Items attributable to deferred tax liabilities are as follows:

	2024					
	Balance at the Beginning of the Year	**Amounts Added**	**Amounts Released**	**Adjustments during the Year and Translation Adjustments**	**Balance at the End of the Year**	**Deferred Tax**
	USD '000	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**
Other	80 374	74 316	(1 014)	(3 661)	150 015	24 167
Total	**80 374**	**74 316**	**(1 014)**	**(3 661)**	**150 015**	**24 167**

	2023					
	Balance at the Beginning of the Year	**Amounts Added**	**Amounts Released**	**Adjustments during the Year and Translation Adjustments**	**Balance at the End of the Year**	**Deferred Tax**
	USD '000	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**
Other	39 862	34 412	(2 500)	8 600	80 374	16 113
Total	**39 862**	**34 412**	**(2 500)**	**8 600**	**80 374**	**16 113**

The details of movements on deferred tax liabilities are as follows:

	2024	**2023**
	USD '000	**USD '000**
Balance at the beginning of the year	16 113	9 253
Additions during the year	17 480	5 689
Amortized during the year	(8 700)	(463)
Adjustments during the year and translation adjustments	(726)	1 634
Balance at the end of the year	**24 167**	**16 113**

26. Share Capital & Premium

a. Share Capital amounted to USD 926.6 million as of 31 December 2024 and 2023 with an authorized capital of 640.8 million shares (at a par value of USD1.41 per share).

b. Share premium amounted to USD 1225.7 million as of 31 December 2024 and 2023.

27. Statutory Reserve

Statutory reserve amounted to USD 926.6 million as of 31 December 2024 and 2023, according to the regulations of the Central Bank of Jordan and Companies Law it can not be distributed to the shareholders of the banks.

28. Voluntary Reserve

The voluntary reserve amounted to USD 977.3 million as of 31 December 2024 and 2023. This reserve is used for purposes determined by the Board of Directors, and the General Assembly has the right to distribute it in whole or part thereof to shareholders as dividends.

29. General Reserve

The general reserve amounted to USD 1211.9 million as of 31 December 2024 and 2023. This reserve is used for purposes determined by the Board of Directors, and the General Assembly has the right to distribute it in whole or part thereof to shareholders as dividends.

30. General Banking Risks Reserve

The general banking risk reserve amounted to USD 153 million as of 31 December 2024 and 2023.

31. Foreign Currency Translation Reserve

The details of this item are as follows:

	31 December	
	2024	2023
	USD '000	USD '000
Balance at the beginning of the year	(323 174)	(400 986)
Changes during the year	(128 203)	77 812
Balance at the end of the year	**(451 377)**	**(323 174)**

32. Investments Revaluation Reserve

The details of this item are as follows:

	31 December	
	2024	2023
	USD '000	USD '000
Balance at the Beginning of the year	(333 110)	(362 590)
Change in fair value during the year	(38 447)	31 256
Net realized losses (gains) transferred to retained earnings	4 315	(1 776)
Balance at the End of the Year	**(367 242)**	**(333 110)**

33. Perpetual Tier 1 Capital Bonds

A. Oman Arab Bank has issued series of unsecured perpetual Tier 1 bonds, illustrated as b

- On 4 June 2021, the Bank issued a series of bonds of USD 250 million. The bonds carry a fixed coupon rate of 7.625% per annum payable semi-annually and treated as deduction from equity. Interest is non-cumulative and payable at Bank's discretion.

- On 16 October 2023, the Bank issued another series of bonds in the amount of OMR 50 million equivalent to USD 129.9 million. The bonds carry a fixed coupon rate of 7% per annum payable semi-annually and treated as deduction from equity. Interest is non-cumulative and payable at Bank's discretion.

- On 9 October 2024, the Bank distributed dividends to the shareholders by issuing Mandatory Convertible Bonds to shares amounted to USD 26 million at fixed rate of 6% per annum paid semi-annually. The share of Arab Bank plc amounted to USD 13 million is not disclosed in this item as a result of the elimination of balances and transactions between the Group companies, while the share of the non-controlling interest amounted to USD 13.27 million is disclosed, treated as deduction from equity, non-cumulative and payable at Bank's discretion.

- On 11 December 2024, Izz Islamic Bank (a subsidiary of the bank) issued additional Modaraba Sukuk non-guaranteed secondary and perpetual from the first level amounted to OMR 30 million (equivalent to USD 78 million) at an average profit of 6.5% per annum paid semi-annually, treated as deduction from equity, non-cumulative and payable at Bank's discretion. The investment of Islamic International Arab Bank amounted to USD 10 million is not disclosed in this item as a result of the elimination of balances and transactions between the Group companies.

All these bonds constitute direct, unconditional, subordinated and unsecured obligations of the Bank and are classified as equity in accordance with IAS 32: Financial Instruments – Classification. The Tier 1 bonds do not have a fixed or final maturity date and are redeemable by the Bank at its sole discretion. Bond in the second paragraph has First Call date on 4 January 2026 and bond in the third paragraph has First Call date on 16 October 2028. These bonds may be recalled on any interest payment date thereafter subject to the prior consent of the regulatory authority.

B. Arab Bank plc has issued series of unsecured perpetual Tier 1 bonds, illustrated as below:

- On 10 October 2023, Arab Bank plc - Jordan branches issued perpetual Tier 1 bonds in the amount of USD 250 million. These bonds carry a fixed coupon rate of 8% per annum payable semi-annually and treated as deduction from equity. Interest is non-cumulative and payable at Bank's discretion. These bonds have been listed in London Stock Exchange - International securities market and perpetual bonds market

- These bonds are classified as equity within the additional Tier 1 of the regulatory capital in accordance with IAS 32: Financial Instruments – Classification. The Tier 1 bonds do not have a fixed or final maturity date and are redeemable by the Bank at its sole discretion and according to issuance terms but subject to the prior consent of the regulatory authority. 10 April 2029 will be the first repricing date.

34. Retained Earnings and Non-controlling interests

The movement of retained earnings are as follows:

	31 December	
	2024	2023
	USD '000	USD '000
Balance at the Beginning of the year (as presented)	3 846 009	3 289 293
Previous years adjustments relating to associates	75 612	-
Restated Balance at the Beginning of the year	**3 921 621**	**3 289 293**
Profit for the year Attributable to Shareholders of the Bank	969 126	800 695
Investments revaluation reserve transferred to retained earnings	(4 315)	1 776
Dividends paid *	(277 402)	(231 640)
Interest paid on perpetual tier 1 capital bonds - net	(26 839)	(13 634)
Adjustments during the year	35 818	(481)
Balance at the end of the year	**4 618 009**	**3 846 009**

*The Board of Directors of Arab Bank PLC decided to recommend to the General Assembly of Shareholders the distribution of cash dividends for the year 2024 at a rate of 40% of the nominal value of the shares, amounting to a total of 361.4 million US Dollars, subject to the approval of the General Assembly of Shareholders. (The General Assembly of Shareholders of Arab Bank PLC, in its meeting held on 28 March 2024, approved the Board of Directors' recommendation to distribute cash dividends to shareholders for the year 2023 at a rate of 30% of the nominal value of the shares, equivalent to 271.1 million US Dollars).

The details of non-controlling interests are as follows:

	31 December 2024			31 December 2023		
	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000
	Non-controlling interests %	Share of non-controlling interests of net assets	Share of non-controlling interests of net profits (loss)	Non-controlling interests %	Share of non-controlling interests of net assets	Share of non-controlling interests of net profits (loss)
Arab Tunisian Bank	35.76	49 891	595	35.76	52 537	521
Arab Bank Syria	48.71	25 570	(349)	48.71	25 867	54
Al Nisr Al Arabi Insurance Company plc	32.00	20 666	2 139	32.00	9 390	1 138
Oman Arab Bank	51.00	495 310	40 323	51.00	480 379	27 228
Arab Bank Iraq	36.23	64 382	(4 744)	-	-	-
Other at Arab Bank Switzerland		6 481	-		6 938	-
Total		**662 300**	**37 964**		**575 111**	**28 941**

The following are the additional financial information of significant subsidiaries that contain non-controlling interests.

	2024					2023			
	Arab Tunisian Bank	Arab Bank Syria	Oman Arab Bank	Al Nisr Al Arabi Insurance Company plc	Arab Bank Iraq	Arab Tunisian Bank	Arab Bank Syria	Oman Arab Bank	Al Nisr Al Arabi Insurance Company plc
	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000
Total Assets	2 614 017	113 437	11 091 375	195 621	209 767	2 480 246	103 223	10 390 994	195 841
Total Liabilities	2 452 513	60 792	10 120 179	131 040	32 113	2 310 521	49 966	9 449 074	166 497
Net Assets	**161 504**	**52 645**	**971 196**	**64 581**	**177 654**	**169 725**	**53 257**	**941 920**	**29 344**
Total Income	120 629	3 977	329 442	19 135		106 599	3 884	312 989	13 000
Total Expenses	118 964	4 693	250 378	12 450	13 096	105 142	3 773	259 600	9 444
Net Profit (Loss)	**1 665**	**(716)**	**79 064**	**6 685**	**(13 096)**	**1 457**	**111**	**53 389**	**3 556**

35. Interest Income

The details of this item are as follows:

	2024	2023
	USD '000	USD '000
Direct credit facilities at amortized cost *	2 587 390	2 419 669
Central banks	521 808	465 674
Banks and financial institutions	229 873	226 917
Financial assets at fair value through profit or loss	25 969	15 706
Financial assets at fair value through other comprehensive income	20 434	17 612
Other financial assets at amortized cost	628 133	514 100
Total	**4 013 607**	**3 659 678**

* The details of interest income earned on direct credit facilities at amortized cost are as follows:

	2024					
		Corporates				
	Consumer Banking	Small and Medium	Large	Banks and Financial Institutions	Government and Public Sector	Total
	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000
Discounted bills	1 598	6 486	44 465	16 140	6 179	74 868
Overdrafts	11 763	108 171	251 991		14 666	386 591
Loans and advances	409 831	135 822	1 035 753	4 048	156 244	1 741 698
Real estate loans	278 817	42 864	33 980	-	-	355 661
Credit cards	28 572	-	-	-	-	28 572
Total	**730 581**	**293 343**	**1 366 189**	**20 188**	**177 089**	**2 587 390**

	2023					
		Corporates				
	Consumer Banking	Small and Medium	Large	Banks and Financial Institutions	Government and Public Sector	Total
	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000
Discounted bills	2 034	6 803	42 736	11 405	1 918	64 896
Overdrafts	10 334	95 394	237 784	52	20 551	364 115
Loans and advances	414 922	140 609	983 909	3 545	113 065	1 656 050
Real estate loans	246 786	32 524	29 946	-	-	309 256
Credit cards	25 352	-	-	-	-	25 352
Total	**699 428**	**275 330**	**1 294 375**	**15 002**	**135 534**	**2 419 669**

36. Interest Expense

The details of this item are as follows:

	2024	2023
	USD '000	USD '000
Customers' deposits *	1 531 867	1 318 501
Banks' and financial institutions' deposits	186 307	180 536
Cash margins	98 021	68 502
Borrowed funds	25 505	29 884
Deposit insurance fees	26 621	25 045
Total	**1 868 321**	**1 622 468**

* The details of interest expense paid on customer deposits are as follows:

	2024				
		Corporates			
	Consumer Banking	Small and Medium	Large	Government and Public Sector	Total
	USD '000	USD '000	USD '000	USD '000	USD '000
Current and demand	41 432	3 529	45 193	48 562	**138 716**
Savings	71 450	783	196	255	**72 684**
Time and notice	619 902	74 764	291 206	275 069	**1 260 941**
Certificates of deposit	42 876	829	13 855	1 966	**59 526**
Total	**775 660**	**79 905**	**350 450**	**325 852**	**1 531 867**

	2023				
		Corporates			
	Consumer Banking	Small and Medium	Large	Government and Public Sector	Total
	USD '000	USD '000	USD '000	USD '000	USD '000
Current and demand	40 636	2 475	42 461	38 351	**123 923**
Savings	61 894	1 125	104	174	**63 297**
Time and notice	506 957	72 713	261 327	232 131	**1 073 128**
Certificates of deposit	41 402	1 258	9 379	6 114	**58 153**
Total	**650 889**	**77 571**	**313 271**	**276 770**	**1 318 501**

37. Net Commission Income

The details of this item are as follows:

	2024	2023
	USD '000	USD '000
Commission income:		
- Direct credit facilities at amortized cost	116 480	119 291
- Indirect credit facilities	127 922	119 973
- Assets under management	65 062	50 245
- Other	274 548	248 513
Less: commission expense	(130 944)	(112 909)
Net Commission Income	**453 068**	**425 113**

38. Gains from Financial Assets at Fair Value Through Profit or Loss

The details of this item are as follows:

	2024			
	Realized Gains	Unrealized Gains	Dividends	Total
	USD '000	USD '000	USD '000	USD '000
Treasury bills and bonds	3 449	338	-	**3 787**
Companies shares	-	2 257	-	**2 257**
Mutual funds	-	54	-	**54**
Total	**3 449**	**2 649**	**-**	**6 098**

	2023			
	Realized Gains	Unrealized Gains	Dividends	Total
	USD '000	USD '000	USD '000	USD '000
Treasury bills and bonds	1 132	2 514	-	**3 646**
Companies shares	-	922	-	**922**
Mutual funds	-	45	-	**45**
Total	**1 132**	**3 481**	**-**	**4 613**

39. Other Revenue

The details of this item are as follows:

	2024	2023
	USD '000	USD '000
Revenue from customer services	15 682	14 810
Safe box rent and others	3 265	2 856
(Losses) from derivatives	(509)	(56)
Miscellaneous revenue	40 699	26 470
Total	**59 137**	**44 080**

40. Employees' Expenses

The details of this item are as follows:

	2024	2023
	USD '000	USD '000
Salaries and other benefits	566 033	514 571
Social security	53 601	50 082
Savings fund	8 913	8 394
Indemnity compensation	4 782	4 712
Medical	18 822	18 219
Training	4 971	4 606
Allowances	108 808	100 326
Other	20 274	16 764
Total	**786 204**	**717 674**

41. Other Expenses

The details of this item are as follows:

	2024	2023
	USD '000	USD '000
Utilities and rent	108 232	107 691
Office	121 082	111 379
Services	80 138	76 404
Fees	25 571	23 727
Information technology	100 811	86 407
Other administrative expenses	75 378	76 708
Total	**511 212**	**482 316**

42. Financial Derivatives

The details of this item is as follows:

	31 December 2024						
				Notional amounts by maturity			
	Positive Fair Value	Negative Fair Value	Total Notional Amount	Within 3 Months	From 3 months to 1 Years	From 1 Year to 3 Years	More than 3 Years
	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000
Forward contracts	3 094	3 040	400 121	166 393	199 022	34 706	-
Interest rate swaps	36 890	31 215	2 403 772	43 338	295 246	743 226	1 321 962
Foreign currency forward contracts	81 248	49 802	12 841 123	9 457 591	3 191 712	191 820	-
Derivatives held for trading	**121 232**	**84 057**	**15 645 016**	**9 667 322**	**3 685 980**	**969 752**	**1 321 962**
Interest rate swaps	70 032	47 246	2 451 709	12 323	336 923	1 249 033	853 430
Foreign currency forward contracts	-	-	181 198	-	181 198	-	-
Derivatives held for fair value hedge	**70 032**	**47 246**	**2 632 907**	**12 323**	**518 121**	**1 249 033**	**853 430**
Interest rate swaps	16 182	24 627	1 124 592	-	-	70,813	1,053,779
Foreign currency forward contracts	342	193	47 452	11 355	36 097	-	-
Derivatives held for cash flow hedge	**16 524**	**24 820**	**1 172 044**	**11 355**	**36 097**	**70 813**	1,053,779
Total	**207 788**	**156 123**	**19 449 967**	**9 691 000**	**4 240 198**	**2 289 598**	**3 229 171**

	31 December 2023						
				Notional amounts by maturity			
	Positive Fair Value	Negative Fair Value	Total Notional Amount	Within 3 Months	From 3 months to 1 Years	From 1 Year to 3 Years	More than 3 Years
	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000
Forward contracts	6 088	5 324	431 103	280 981	93 127	18 207	38 788
Interest rate swaps	31 690	29 685	2 157 108	49 797	210 796	52 368	1 844 147
Foreign currency forward contracts	92 877	108 033	15 569 864	11 664 748	3 671 850	233 266	-
Derivatives held for trading	**130 655**	**143 042**	**18 158 075**	**11 995 526**	**3 975 773**	**303 841**	**1 882 935**
Interest rate swaps	86 523	53 905	1 786 514	29 118	226 752	888 768	641 876
Foreign currency forward contracts	-	-	163 018	15 057	147 961	-	-
Derivatives held for fair value hedge	**86 523**	**53 905**	**1 949 532**	**44 175**	**374 713**	**888 768**	**641 876**
Interest rate swaps	-	-	4 154	4 154	-	**-**	-
Foreign currency forward contracts	451	591	55 407	15 854	32,050	**7 503**	-
Derivatives held for cash flow hedge	**451**	**591**	**59 561**	**20 008**	**32 050**	**7 503**	-
Total	**217 629**	**197 538**	**20 167 168**	**12 059 709**	**4 382 536**	**1 200 112**	**2 524 811**

The notional amount represents the value of the transactions at year-end and does not refer to market or credit risks.

43. Concentration of Assets, Revenues and Capital Expenditures According to the Geographical Distribution

The Group undertakes its banking activities through its branches in Jordan and abroad. The following are the details of the distribution of assets, revenues and capital expenditures inside and outside Jordan:

	Inside Jordan		Outside Jordan		Total	
	2024	2023	2024	2023	2024	2023
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Revenues	904 777	810 130	2 490 230	2 340 140	**3 395 007**	**3 150 270**
Assets	20 657 660	19 833 386	50 572 861	48 440 585	**71 230 521**	**68 273 971**
Capital Expenditures	36 075	30 107	79 285	47 242	**115 360**	**77 349**

44. Business Segments

The Group has an integrated group of products and services dedicated to serve the Group's customers and constantly developed in response to the ongoing changes in the banking business environment, and related state-of-the-art tools.

The Groups management monitors the operating results of the business segments separately for making decisions about performance assessment; segmented performance is calculated based on operating profit or loss.

The following is a summary of these Groups' activities stating their business nature and future plans:

1. Corporate and Institutional Banking

Arab Bank's Corporate and Institutional Banking (CIB) division manages the Group's corporate and institutional client base. It offers a comprehensive suite of lending and financial solutions accessible through an extensive branch network and electronic channels. CIB also offers a comprehensive range of advanced corporate digital banking solutions in line with the latest developments in the banking industry. This broad and efficient offering positions Arab Bank as the preferred banking partner for local, regional and international companies and institutions.

CIB is uniquely positioned to provide high quality products and services to meet clients' business requirements. The banking solutions offered are enriched by Arab Bank's global network, understanding of local markets and in-depth expertise. Through its client-focused approach, CIB strengthens its franchise in key markets by building on and solidifying existing client relationships while strategically acquiring new clients.

The CIB division caters to clients' needs over the different stages of their business cycle and across different markets, ensuring consistent service levels across its network. CIB is dedicated to offering an exceptional banking experience by providing a comprehensive range of tailored financial solutions, incorporating products and services from across Arab Bank's diverse business lines.

Digital transformation is pivotal in streamlining CIB operations and enhancing client experiences through electronic channels. The integration of data analytics supports informed decision-making, sustains competitiveness and ensures alignment with the evolving corporate and digital banking landscapes.

The success of CIB is underpinned by the quality and expertise of its staff. The division is proactive in monitoring the ever-changing business environment, constantly investing in the development and expansion of its teams' capabilities to meet the dynamic needs and banking requirements of its clients.

2. Treasury Group

Arab Bank's Treasury manages the bank's liquidity and market risks, and provides expert advice and dealing services to Arab Bank's customers around the globe. Through its state-of-the art systems, Arab Bank's Treasury remains fully up to date with, and prepared to adapt to, the latest market developments and regulatory standards, and is well positioned to meet a wide range of both bank and customer needs.

Arab Bank’s Treasury has a broad mandate, including the following responsibilities:

- To manage and optimise the liquidity of the Group within approved limits so that the business is always adequately funded
- To manage the market risk of the Group within approved limits
- To earn revenues from the effective management of liquidity and market risk
- To execute bond, foreign exchange, and money market transactions with market professionals
- To support the distribution of foreign exchange, derivatives, and other treasury products to customers
- To advise internal stakeholders on the consumption and management of liquidity and market risk

It is important for Treasury to balance the need to maintain high liquidity with low credit and low market risk. This approach is consistent with the Group’s objective of being fully liquid at all times and under all circumstances, wherever the Group operates.

Treasury’s role in managing the Group’s liquidity and market risk is to ensure that the Group generates surplus liquidity, but also to invest this liquidity prudently using the following instruments:

- Short-term placements with central banks
- Short-term deposits with high quality banks
- A multi-currency portfolio of highly liquid bonds, treasury bills, and certificates of deposit

Arab Bank believes in the importance of protecting not only its own income, but also the income and interests of its clients, from market volatility. Therefore, the Treasury department offers a full range of treasury products and services to clients throughout the Group’s network, whether they are exporters, importers, or savers. These risk management and hedging tools include a broad range of products and derivatives for clients who require protection from interest rate and foreign exchange risks.

3. Consumer Banking

The retail banking sector provides a range of programmes specifically designed to meet the needs of different customer segments. These programmes extend from the "Arabi Junior" programme for children to the exclusive "Elite" programme, which serves our distinguished clients and is now available in our main markets. The group aims to continue developing its programmes to suit different customer segments while providing an appropriate relationship management model, as these programmes represent the core of our services in line with the increasing needs and expectations of customers.

This sector also aims to directly communicate with targeted customer segments to provide them with suitable and continuous immediate services through a network of branches and electronic channels such as online banking, mobile banking, direct call centres, ATMs, and SMS via mobile phones.

Information about the Group's Business Segments

	31 December 2024					
			Consumer Banking			
	Corporate and institutional Banking	**Treasury**	**Elite**	**Retail Banking**	**Other**	**Total**
	USD '000	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**
Total income	1 254 734	1 345 229	(279 039)	445 494	628 589	3 395 007
Net inter-segment interest income	(116 072)	(735 808)	698 359	153 521	-	-
Less : Expected Credit Loss expense on financial assets	328 309	60 980	87	101 354	-	490 730
Other provisions	23 588	4 461	3 424	12 327	-	43 800
Direct administrative expenses	135 935	30 800	41 984	334 855	9 844	553 418
Result of operations of segments	**650 830**	**513 180**	**373 825**	**150 479**	**618 745**	**2 307 059**
Less: Indirect expenses on segments	376 163	123 564	157 490	204 332		**861 549**
Profit for the year before income tax	**274 667**	**389 616**	**216 335**	**(53 853)**	**618 745**	**1 445 510**
Less: Income tax expense	83 305	118 170	65 614	(16 333)	187 664	438 420
Profit for the Year	**191 362**	**271 446**	**150 721**	**(37 520)**	**431 081**	**1 007 090**
Depreciation and amortization	35 308	39 885	3 316	39 042	-	117 551
Other information						
Segment assets	24 863 126	26 926 188	2 909 371	8 815 405	3 528 405	67 042 495
Inter-segment assets	-	-	14 727 966	2 597 883	5 986 214	-
Investment in associates	-	-	-	-	4 188 026	4 188 026
TOTAL ASSETS	**24 863 126**	**26 926 188**	**17 637 337**	**11 413 288**	**13 702 645**	**71 230 521**
Segment liabilities	22 045 598	6 431 653	17 637 337	11 413 288	1 567 746	59 095 622
Shareholders' equity	-	-	-	-	12 134 899	12 134 899
Inter-segment liabilities	2 817 528	20 494 535	-	-	-	-
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**24 863 126**	**26 926 188**	**17 637 337**	**11 413 288**	**13 702 645**	**71 230 521**

Information about the Group's Business Segments

	31 December 2023					
			Consumer Banking			
	Corporate and institutional Banking	Treasury	Elite	Retail Banking	Other	Total
	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000
Total income	1 199 855	1 157 545	(217 257)	470 773	539 354	3 150 270
Net inter-segment interest income	(101 465)	(591 774)	590 162	103 077	-	-
Expected Credit Loss expense on financial assets	470 847	107 024	(193)	14 604	-	592 282
Other provisions	20 634	5 375	4 220	14 844	-	45 073
Direct administrative expenses	138 393	25 627	36 439	294 613	8 483	503 555
Result of operations of segments	**468 516**	**427 745**	**332 439**	**249 789**	**530 871**	**2 009 360**
Less: Indirect expenses on segments	348 299	113 858	114 585	213 689	1 788	792 219
Profit for the year before income tax	**120 217**	**313 887**	**217 854**	**36 100**	**529 083**	**1 217 141**
Less: Income tax expense	38 273	99 934	69 359	11 493	168 446	387 505
Profit for the Year	**81 944**	**213 953**	**148 495**	**24 607**	**360 637**	**829 636**
Depreciation and amortization	36 173	8 268	6 211	45 132	-	95 784
Other information						
Segment assets	22 813 392	26 021 969	4 170 575	9 169 813	2 249 965	64 425 714
Inter-segment assets	-	-	14 067 142	2 103 523	6 605 730	-
Investment in associates	-	-	-	-	3 848 257	3 848 257
TOTAL ASSETS	**22 813 392**	**26 021 969**	**18 237 717**	**11 273 336**	**12 703 952**	**68 273 971**
Segment liabilities	21 068 791	4 990 175	18 237 717	11 273 336	1 347 101	56 917 120
Shareholders' equity	-	-	-	-	11 356 851	11 356 851
Inter-segment liabilities	1 744 601	21 031 794	-	-	-	-
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**22 813 392**	**26 021 969**	**18 237 717**	**11 273 336**	**12 703 952**	**68 273 971**

45. Banking Risk Management

Arab Bank Group addresses the challenges of banking risks comprehensively through an Enterprise-Wide Risk Management Framework. This framework is built in line with leading practices, and is supported by a risk governance structure consisting of risk-related Board Committees, Executive Management Committees, and three independent levels of control.

As part of the risk governance structure of the Group, and as the second level of control, Group Risk Management is responsible for ensuring that the Group has a robust system for the identification and management of risk. Its mandate is to:

- Reviewing the Group's risk management framework before it is approved by the board of directors.
- Implementing the risk management strategy and developing policies and procedures to manage all types of risks.
- Developing methodologies to identify, measure, monitor, and control each type of risk.
- Reporting to the board of directors through the Risk Management Committee and providing a copy to senior executive management, including information comparing the actual risk system of all the Group's activities with the Risk Profile and Risk Appetite document, and following up on the treatment of negative deviations.
- Enhancing and raising risk awareness based on best practices and leading standards specific to the banking sector.

a. Credit Risk Management

The group adopts a proactive and dynamic approach and applies a conservative strategy in managing this type of risk as a fundamental element to achieve its strategic goal of continuous improvement and maintaining the quality of assets and the composition of the credit portfolio. The group also relies on established credit standards characterised by conservatism and prudence, policies, procedures, methodologies, and general frameworks for risk management that take into account all developments in the banking and legislative environment, in addition to clear organisational structures and automated systems, as well as diligent follow-up and effective oversight. This enables the group to deal with potential risks and the challenges of a changing environment with a high level of confidence and determination. Credit management decisions are based on the group's business strategy and acceptable risk levels. It also focuses on diversification, which is the cornerstone for mitigating and diversifying risks at the individual customer level as well as at the sectoral and geographical levels.

b. Geographic Concentration Risk

The Group reduces the geographic concentration risk through distributing its operations over various sectors and various geographic locations inside and outside the Kingdom. Note (46-F) shows the details of the geographical distribution of assets.

c. Liquidity Risk

Liquidity is defined as the group's ability to finance the increase in its assets and meet its obligations as they become due without incurring unacceptable losses. The Group has established a robust and solid infrastructure of policies, procedures, and human resources to ensure that the group's obligations are met when due under all circumstances and without additional costs.

The Group uses multiple methods to measure and analyse the liquidity of its financial position, which helps the group plan and manage its financial resources, as well as identify mismatches in assets and liabilities that could expose the group to liquidity risks. Note (53) illustrates the maturity dates of assets and liabilities and Note (49) shows the distribution of liabilities (undiscounted) based on the remaining period to contractual maturity.

d. Market Risk

Market risk is defined as the potential for loss from changes in the value of the Group's portfolios due to movements in interest rates, foreign exchange rates, and equity or commodity prices. The three main activities that expose the Group to market risk are: Money Markets, Foreign Exchange and Capital Markets, across the Trading and Banking books. Note (47) shows the details of market risk sensitivity analysis.

1. Interest Rate Risk

Interest rate risk in the Group is well managed and continuously supervised. A large proportion of the interest rate exposure is concentrated in the banking book due to limited trading IRR activity. Exposures of more than one year are particularly limited. Interest rate risk is managed in accordance with the policies and limits established by the ALCO.

Derivatives held for risk management purposes and hedge accounting:

The Group holds derivatives for risk management purposes, some of which are designated as hedging relationships and management is in the process of assessing the impact. Note (48) shows the details of the interest rate risk sensitivity of the Group.

2. Capital Market Exposures

Investments in capital markets instruments are exposed to market risk arising from changes in interest rates and credit spreads. Arab Bank Group's exposure to this kind of risk is limited due to its strong control over credit and interest rate risk. The equities investment portfolio represents a very small percent of the Group's overall investments.

3. Foreign Exchange Risk

Foreign exchange activity arises from mismatches in assets and liabilities that are denominated in currencies other than the functional currency of the respective entity. Foreign exchange activity arises principally from customers' transactions. Strict foreign exchange risk limits are set to define exposure and sensitivity tolerance for trading in foreign exchange. The Group hedges itself appropriately against potential currency fluctuations in order to minimize foreign exchange exposure. Note (50) shows the net positions of foreign currencies.

e. Operational Risk

Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people, and systems, or from external events. This definition includes legal risk but excludes strategic and reputational risk. Such risk is managed through a comprehensive framework, as part of the overall strengthening and continuous improvement of the controls within the Group.

46. Credit Risk

A. Gross exposure to credit risk (net of Expected Credit Loss provisions and interest in suspense and pric
and other risk mitigations):

	31 December	
	2024	**2023**
	USD '000	**USD '000**
Credit risk exposures relating to items on the consolidated statement of financial position:		
Balances with central banks	11 970 556	12 439 777
Balances with banks and financial institutions	3 748 388	4 204 480
Deposits with banks and financial institutions	258 832	273 807
Financial assets at fair value through profit or loss	41 676	23 857
Financial assets at fair value through other comprehensive income	693 621	409 939
Direct credit facilities at amortized cost	**34 383 335**	**33 158 248**
Consumer Banking	10 383 348	10 116 559
Small and Medium Corporate	3 749 190	3 537 675
Large Corporate	16 266 891	16 061 142
Banks and financial institutions	461 028	258 170
Government and public sector	3 522 878	3 184 702
Other financial assets at amortized cost	11 992 602	10 376 401
financial derivatives - positive fair value	207 788	217 629
Other assets	539 290	475 886
Total Credit Exposure related to items on the consolidated statement of financial position:	**63 836 088**	**61 580 024**
Credit risk exposures relating to items off the consolidated statement of financial position:		
Total of indirect facilities	**19 453 283**	**17 898 539**
Grand Total for Credit Expos	**83 289 371**	**79 478 563**

The table above shows the maximum limit of the bank credit risk as of 31 December 2024 and 2023 excluding collaterals and risks mitigations.

46. Credit Risk

B. Fair value of collaterals obtained against total credit exposures :

	31 December 2024									
		Fair Value of Collaterals								
	Total Credit Risk Exposure	Cash	Banks accepted letters of guarantees	Real estate properties	Listed securities	Vehicles and equipment	Other	**Total**	**Net Exposure**	**Expected Credit Loss**
	USD '000	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**
Credit exposures relating to items on consolidated statement of financial position:										
Balances with central banks	12 438 955	-	-	-	-	-	-	-	12 438 955	468 399
Balances with banks and financial institutions	3 751 194	-	-	-	-	-	-	-	3 751 194	2 806
Deposits with banks and financial institutions	259 633	-	-	-	-	-	-	-	259 633	801
Financial assets at fair value through profit or loss	41 676	-	-	-	-	-	-	-	41 676	-
Financial assets at fair value through other comprehensive income	694 056	-	-	-	-	-	-	-	694 056	435
Direct credit facilities at amortized cost	**38 291 761**	**1 338 242**	**269 679**	**6 466 113**	**1 095 464**	**496 274**	**7 940 206**	**17 605 978**	**20 685 783**	**3 083 633**
Consumer Banking	10 889 321	378 659	2 781	1 803 689	173 175	223 897	1 065 729	3 647 930	7 241 391	372 504
Small and Medium Corporates	4 407 590	246 597	33 400	1 056 968	132 260	16 733	1 087 477	2 573 435	1 834 155	511 208
Large Corporates	18 988 621	441 818	189 343	3 593 763	790 029	255 644	4 578 285	9 848 882	9 139 739	2 177 860
Banks and Financial Institutions	464 756	-	168	-	-	-	1 613	1 781	462 975	3 466
Government and Public Sector	3 541 473	271 168	43 987	11 693	-	-	1 207 102	1 533 950	2 007 523	18 595
Other financial assets at amortized cost	12 041 830	-	-	-	-	-	-	-	12 041 830	49 228
Financial derivatives - positive fair value	207 788	-	-	-	-	-	-	-	207 788	-
Other assets	539 290	-	-	-	-	-	-	-	539 290	-
Total	**68 266 183**	**1 338 242**	**269 679**	**6 466 113**	**1 095 464**	**496 274**	**7 940 206**	**17 605 978**	**50 660 205**	**3 605 302**
Credit exposures relating to items off consolidated statement of financial position:										
Other	19 561 969	1 046 079	47 635	260 685	81 730	27 184	3 563 967	5 027 280	14 534 689	108 686
Total	**19 561 969**	**1 046 079**	**47 635**	**260 685**	**81 730**	**27 184**	**3 563 967**	**5 027 280**	**14 534 689**	**108 686**
Grand Total	**87 828 152**	**2 384 321**	**317 314**	**6 726 798**	**1 177 194**	**523 458**	**11 504 173**	**22 633 258**	**65 194 894**	**3 713 988**
Grand Total as of 31 December 2023	**83 930 305**	**3 218 193**	**450 493**	**7 072 780**	**1 277 362**	**541 660**	**10 784 616**	**23 345 104**	**60 585 201**	**3 535 448**

C. Fair value of collaterals obtained against Stage 3 Credit Exposures :

	31 December 2024									
		Fair Value of Collaterals								
	Total Credit Risk Exposure	Cash	Banks accepted letters of guarantees	Real estate properties	Listed securities	Vehicles and equipment	Other	**Total**	**Net Exposure**	**Expected Credit Loss**
	USD '000	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**
Credit exposures relating to items on statement of financial position:										
Cash and balances with central banks	-	-	-	-	-	-	-	-	-	-
Balances with banks and financial institutions	-	-	-	-	-	-	-	-	-	-
Deposits with banks and financial institutions	-	-	-	-	-	-	-	-	-	-
Financial assets at fair value through profit or loss	-	-	-	-	-	-	-	-	-	-
Financial assets at fair value through other comprehensive income	-	-	-	-	-	-	-	-	-	-
Direct credit facilities at amortized cost	**2 787 344**	**24 588**	**31 253**	**356 788**	**9 032**	**35 815**	**390 325**	**847 801**	**1 939 543**	**1 850 371**
Consumer Banking	447 977	9 876	380	52 487	1,474.00	5 421	19 829	89 467	358 510	241 133
Small and Medium Corporates	536 086	4 619	1 363	133 769	951	1 229	51 174	193 105	342 981	370 645
Large Corporates	1 800 012	10 093	29 510	170 532	6 607	29 165	319 322	565 229	1 234 783	1 235 451
Banks and Financial Institutions	2 982	-	-	-	-	-	-	-	2 982	2 931
Government and Public Sector	287	-	-	-	-	-	-	-	287	211
Other financial assets at amortized cost	-	-	-	-	-	-	-	-	-	-
Financial derivatives - positive fair value	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-	-
Total	**2 787 344**	**24 588**	**31 253**	**356 788**	**9 032**	**35 815**	**390 325**	**847 801**	**1 939 543**	**1 850 371**
Credit exposures relating to items off consolidated statement of financial position:										
Total	**94 883**	**2 903**	**-**	**2 902**		**1 528**	**15 192**	**22 525**	**72 358**	**56 384**
Grand Total	**2 882 227**	**27 491**	**31 253**	**359 690**	**9 032**	**37 343**	**405 517**	**870 326**	**2 011 901**	**1 906 755**
Grand Total as of 31 December 2023	**3 131 714**	**39 203**	**38 158**	**353 412**	**19 940**	**25 581**	**626 299**	**1 102 593**	**2 029 121**	**2 050 658**

D. The disclosures below were prepared on two stages: the first for the total exposures of credit facilities and the second for the size of the expected credit loss.

	31 December 2024					
	Stage 2		Stage 3			
	Total Credit Risk Exposure	Reclassified Credit Risk Exposure	Total Credit Risk Exposure	Reclassified Credit Risk Exposure	**Total Reclassified Credit Risk Exposure**	**Percentage of Reclassified Credit Risk Exposure (%)**
	USD '000	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**
Credit exposures relating to items on consolidated statement of financial position:						
Balances with central banks	868 556	94 982	-	-	94 982	10.9%
Balances with banks and financial institutions	-	-	-	-	-	-
Deposits with banks and financial institutions	-	-	-	-	-	-
Direct credit facilities at amortized cost	4 522 496	603 699	2 787 344	303 932	907 631	12.4%
Other financial assets at amortized cost	38 375	19 947	-	-	19 947	52.0%
Total	**5 429 427**	**718 628**	**2 787 344**	**303 932**	**1 022 560**	**12.4%**
Credit exposures relating to items off consolidated statement of financial position:						
Total	**985 292**	**240 808**	**94 883**	**6 364**	**247 172**	**22.9%**
Grand Total	**6 414 719**	**959 436**	**2 882 227**	**310 296**	**1 269 732**	**13.7%**
Grand Total as of 31 December 2023	**5 441 210**	**(243 322)**	**3 131 714**	**414 228**	**170 906**	**2.0%**

	31 December 2024					
	Stage 2		Stage 3			
	Total Expected Credit Loss	Reclassified Expected Credit Loss	Total Expected Credit Loss	Reclassified Expected Credit Loss	**Total Reclassified Expected Credit Loss**	**Percentage of Reclassified Expected Credit Loss (%)**
	USD '000	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**
Credit exposures relating to items on consolidated statement of financial position:						
Balances with central banks	465 262	-	-	-	-	-
Balances with banks and financial institutions	-	-	-	-	-	-
Deposits with banks and financial institutions	-	-	-	-	-	-
Direct credit facilities at amortized cost	866 692	(70 984)	1 850 371	100 029	29 045	1.1%
Other financial assets at amortized cost	25 355	343	-	-	343	1.4%
Total	**1 357 309**	**(70 641)**	**1 850 371**	**100 029**	**29 388**	**0.9%**
Credit exposures relating to items off the consolidated statement of financial position:						
Total	**18 730**	**1 392**	**56 384**	**67**	**1 459**	**0.02**
Grand Total	**1 376 039**	**(69 249)**	**1 906 755**	**100 096**	**30 847**	**0.9%**
Grand Total as of 31 December 2023	**1 122 390**	**(274 728)**	**2 050 658**	**243 339**	**(31 389)**	**-1.0%**

- Expected Credit Losses for Reclassified Credit Exposures:

	31 December 2024						
	Reclassified Credit Exposures			Expected Credit Losses for Reclassified Credit Exposures:			
	Reclassified Credit Exposures from Stage 2	Reclassified Credit Exposures from Stage 3	Total Reclassified Credit Exposures	Stage 2 (Individual)	Stage 2 (Collective)	Stage 3	Total
	USD '000	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**
Credit exposures relating to items on consolidated statement of financial position:							
Balances with central banks	94 982	-	94 982	-	-	-	-
Balances with banks and financial institutions	-	-	-	-	-	-	-
Deposits with banks and financial institutions	-	-	-	-	-	-	-
Financial assets at fair value through other comprehensive income	-	-	-	-	-	-	-
Direct credit facilities at amortized cost	603 699	303 932	907 631	(85 222)	21 937	137 462	**74 177**
Other financial assets at amortized cost	19 947	-	19 947	343	-	-	343
Total	**718 628**	**303 932**	**1 022 560**	**(84 879)**	**21 937**	**137 462**	**74 520**
Credit exposures relating to items off consolidated statement of financial position:							
Total	**240 808**	**6 364**	**247 172**	**3 198**	**-**	**67**	**3 265**
Grand Total	**959 436**	**310 296**	**1 269 732**	**(81 681)**	**21 937**	**137 529**	**77 785**
Grand Total as of 31 December 2023	**(243 322)**	**414 228**	**170 906**	**(276 221)**	**(33)**	**272 850**	**(3 404)**

E. Classification of debt securities facilities based on risk degree:

The table below analyzes the credit exposure of the debt securities using the credit rating as per the global credit rating agencies:

	31 December 2024			
	Financial Assets at Fair Value through P&L	**Financial assets at fair value through other comprehensive income**	**Other financial assets at amortized cost**	**Total**
Credit rating	**USD '000**	**USD '000**	**USD '000**	**USD '000**
Private sector:				
AAA to A-	-	39 387	1 981 613	**2 021 000**
BBB+ to B-	4 363	79 428	465 552	**549 343**
Below B-	3 762	-	-	**3 762**
Unrated	-	67 456	205 103	**272 559**
Governments and public sector	33 551	507 350	9 340 334	**9 881 235**
Total	**41 676**	**693 621**	**11 992 602**	**12 727 899**

	31 December 2023			
	Financial Assets at Fair Value through P&L	**Financial assets at fair value through other comprehensive income**	**Other Financial Assets at Amortized Cost**	**Total**
Credit rating	**USD '000**	**USD '000**	**USD '000**	**USD '000**
Private sector:				
AAA to A-	-	41 604	1 002 336	**1 043 940**
BBB+ to B-	4 872	65 865	314 150	**384 887**
Below B-	5 571	-	-	**5 571**
Unrated	-	-	145 146	**145 146**
Governments and public sector	13 414	302 470	8 914 769	**9 230 653**
Total	**23 857**	**409 939**	**10 376 401**	**10 810 197**

F. The following is the distribution of credit exposures for direct credit facilities at amortized cost according to the Group's Internal Rating"

	31 December 2024					
Internal Credit Rating system	**Total Exposure**	**Expected Credit Loss**	**Probability of Default %**		**Exposure at Default**	**Average of Loss Given Default**
			From	**To**		
	USD '000	**USD '000**			**USD '000**	
1-6	24 079 987	787 956	-	15.5	24 078 138	0 - 67
7	983 086	313 935	24	24	946 058	0 - 58.73
8	211 665	69 249	100	100	204 154	-
9	334 357	146 918	100	100	241 410	-
10	2 241 322	1 634 204	100	100	1 560 469	-
Unrated	10 441 344	131 371	0.04	57	10 436 739	54.63
Total	**38 291 761**	**3 083 633**	-	-	**37 466 968**	-

	31 December 2023					
Internal Credit Rating system	**Total Exposure**	**Expected Credit Loss**	**Probability of Default %**		**Exposure at Default**	**Average of Loss Given Default**
			From	**To**		
	USD '000	**USD '000**			**USD '000**	
1-6	23 250 705	686 382	-	19	23 246 394	0 -44.30
7	726 823	256 738	24	24	699 919	30.59- 39
8	171 502	81 337	100	100	152 081	-
9	517 101	238 550	100	100	388 158	-
10	2 348 660	1 676 229	100	100	1 611 945	-
Unrated	10 064 906	65 919	0.8	57	10 064 906	54.63
Total	**37 079 697**	**3 005 155**	-	-	**36 163 403**	-

G. Credit exposure for assets categorized by geographical distribution:

	31 December 2024						
	Jordan	**Other Arab Countries**	**Asia ***	**Europe**	**America**	**Rest of the World**	**Total**
	USD '000	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**
Balances with central banks	6 078 609	4 773 929	1 425	1 103 710	-	12 883	11 970 556
Balances and deposits with banks and financial institutions	366 712	1 075 552	398 448	1 417 582	682 303	66 623	4 007 220
Financial assets at fair value through profit or loss	-	33 551	-	3 905	-	4 220	41 676
Financial assets at fair value through other comprehensive income	20 095	533 283	-	140 243	-	-	693 621
Direct credit facilities at amortized cost	**9 246 509**	**21 201 995**	**734 243**	**2 243 361**	**12 502**	**944 725**	**34 383 335**
Consumer Banking	3 825 382	5 845 371	4 887	329 863	264	377 581	10 383 348
Small and Medium Corporates	952 573	1 725 413	80 183	699 522	9 133	282 366	3 749 190
Large Corporates	4 003 298	10 199 067	649 173	1 127 470	3 105	284 778	16 266 891
Banks and Financial Institutions	159 164	215 358	-	86 506	-	-	461 028
Government and public Sector	306 092	3 216 786	-	-	-	-	3 522 878
Other financial assets at amortized cost	4 381 219	4 946 588	303 427	1 517 298	451 939	392 131	11 992 602
financial derivatives - positive fair value	1 688	80 265	795	122 323	133	2 584	207 788
Other assets	103 012	345 314	6 162	79 857	64	4 881	539 290
Total	**20 197 844**	**32 990 477**	**1 444 500**	**6 628 279**	**1 146 941**	**1 428 047**	**63 836 088**
Total - as of 31 December 2023	**18 942 700**	**32 187 809**	**1 169 478**	**6 933 587**	**1 097 838**	**1 248 612**	**61 580 024**

* Excluding Arab Countries

H. Credit exposure categorized by geographical distribution and staging according to IFRS 9:

	31 December 2024					
	Stage 1		Stage 2		Stage 3	Total
	(Individual)	(Collective)	(Individual)	(Collective)		
	USD '000	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**
Jordan	15 741 476	3 725 489	618 598	79 962	32 319	20 197 844
Other Arab Countries	24 200 832	5 392 280	2 880 859	397 968	118 538	32 990 477
Asia*	1 439 614	4 886	-	-	-	1 444 500
Europe	6 278 355	321 901	20 054	7 967	2	6 628 279
America	1 146 677	264	-	-	-	1 146 941
Rest of the World	1 037 094	356 513	11 499	18 145	4 796	1 428 047
Total	**49 844 048**	**9 801 333**	**3 531 010**	**504 042**	**155 655**	**63 836 088**
Total as of 31 December 2023	**47 922 764**	**9 845 215**	**3 467 001**	**188 976**	**156 068**	**61 580 024**

* Excluding Arab Countries.

I. Credit exposure categorized by economic sector

	31 December 2024												
		Corporates											
	Consumer Banking	Industry and Mining	Constructions	Real Estate	Trade	Agriculture	Tourism and Hotels	Transportation	Shares	General Services	Banks and Financial Institutions	Government and Public Sector	Total
	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000
Balances with Central Banks	-	-	-	-	-	-	-	-	-	-	-	11 970 556	11 970 556
Balances and deposits with banks and financial institutions	-	-	-	-	-	-	-	-	-	-	4 007 220	-	4 007 220
Financial assets at fair value through profit or loss	-	8 125	-	-	-	-	-	-	-	-	-	33 551	41 676
Financial assets at fair value through other comprehensive inco	-	-	-	3 737	-	-	-	995	-	77 382	104 157	507 350	693 621
Direct credit facilities at amortized cost	10 383 348	5 044 430	1 818 040	1 258 014	4 593 442	388 133	905 668	575 996	32 941	5 399 417	461 028	3 522 878	34 383 335
Other financial assets at amortized cost	-	115 327	-	7 001	-	-	-	-	-	476 065	2 053 875	9 340 334	11 992 602
Financial derivatives - positive fair value	-	109	-	-	2 331	76	-	128	-	19 088	185 974	82	207 788
Other assets	28 882	61 553	18 846	11 890	31 186	2 538	15 243	10 165	-	148 566	39 122	171 299	539 290
Total	**10 412 230**	**5 229 544**	**1 836 886**	**1 280 642**	**4 626 959**	**390 747**	**920 911**	**587 284**	**32 941**	**6 120 518**	**6 851 376**	**25 546 050**	**63 836 088**
Total as of 31 December 2023	**10 142 790**	**4 918 085**	**2 009 783**	**1 398 693**	**4 462 714**	**433 628**	**797 365**	**405 249**	**37 049**	**5 880 332**	**6 103 653**	**24 990 683**	**61 580 024**

J. Credit exposure categorized by economic sector and staging according to IFRS 9:

	31 December 2024					
	Stage 1		Stage 2			
	(Individual)	(Collective)	(Individual)	(Collective)	Stage 3	Total
	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000
Consumer Banking	28 882	9 801 333	-	504 042	77 973	10 412 230
Industry and Mining	4 654 119	-	569 847	-	5 578	5 229 544
Constructions	1 309 917	-	491 647	-	35 322	1 836 886
Real Estate	1 092 399	-	182 269	-	5 974	1 280 642
Trade	3 900 026	-	724 699	-	2 234	4 626 959
Agriculture	300 887	-	85 012	-	4 848	390 747
Tourism and Hotels	664 170	-	254 024	-	2 717	920 911
Transportation	507 905	-	76 766	-	2 613	587 284
Shares	32 941	-	-	-	-	32 941
General Service	5 587 331	-	514 868	-	18 319	6 120 518
Banks and Financial Institutions	6 841 360	-	10 015	-	1	6 851 376
Government and Public Sector	24 924 111	-	621 863	-	76	25 546 050
Total	**49 844 048**	**9 801 333**	**3 531 010**	**504 042**	**155 655**	**63 836 088**
Total as of 31 December 2023	**47 922 764**	**9 845 215**	**3 467 001**	**188 976**	**156 068**	**61 580 024**

47. Market Risk

Market Risk Sensitivity

As follows:

	31 December 2024			31 December 2023		
	Statement of Income	Shareholders' Equity	Total	Statement of Income	Shareholders' Equity	Total
	USD '000	USD '000	USD '000	USD '000	USD '000	USD '000
Interest rate sensitivity	74 763	-	74 763	69 469	-	69 469
Foreign exchange rate sensitivity	3 072	82 851	85 923	7 852	85 352	93 204
Equity instruments price sensitivity	1 627	19 424	21 051	1 558	17 455	19 013
Total	**79 462**	**102 275**	**181 737**	**78 879**	**102 807**	**181 686**

48. Interest Rate Risk

A. Below is the Group Exposure to interest rate volatility as of 31 December 2024 (classification is based on interest rate repricing or maturity date, whichever is closer).

	Up to 1 month	More than 1 month and till 3 months	More than 3 months and till 6 months	More than 6 months and till 1 year	More than 1 year and till 3 years	More than 3 years	Not tied to interest rate risk	Total
ASSETS	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**
Cash at vaults	-	-	-	-	-	-	1 116 169	1 116 169
Mandatory cash reserve	-	-	-	-	-	-	1 514 008	1 514 008
Balances with central banks	7 394 853	-	-	-	-	-	3 061 695	10 456 548
Balances and deposits with banks and financial institutions	3 053 798	729 613	155 746	68 063	-	-	-	4 007 220
Financial assets at fair value through profit or loss	4 888	9 902	3 966	5 901	-	17 019	32 546	74 222
Direct credit facilities at amortized cost	7 996 092	6 544 395	4 303 981	2 884 076	4 208 243	8 446 548	-	34 383 335
Financial assets at fair value through other comprehensive	46 414	70 644	28 447	92 838	137 896	317 382	388 471	1 082 092
Other financial assets at amortized cost	794 650	1 223 131	1 102 058	1 768 222	3 309 788	3 794 753	-	11 992 602
Investments in associates	-	-	-	-	-	-	4 188 026	4 188 026
Fixed assets	-	-	-	-	-	-	538 503	538 503
Other assets and financial derivatives - positive fair value	303 342	161 126	107 525	48 268	88 321	80 028	818 256	1 606 866
Deferred tax assets	-	-	-	-	-	-	270 930	270 930
TOTAL ASSETS	**19 594 037**	**8 738 811**	**5 701 723**	**4 867 368**	**7 744 248**	**12 655 730**	**11 928 604**	**71 230 521**
LIABILITIES								
Banks and financial institutions' deposits	2 542 332	490 933	21 745	2,000	91,972	-	569 741	3 718 723
Customer deposits	13 750 089	5 980 838	3 651 009	7 726 388	2 313 188	919 807	15 434 448	49 775 767
Cash margin	624 046	529 533	197 012	391 632	151 781	57 214	438 294	2 389 512
Borrowed funds	200 639	151 453	32 127	17 822	42 067	40 715	-	484 823
Provision for income tax	-	-	-	-	-	-	416 942	416 942
Other provisions	-	-	-	-	-	-	242 704	242 704
Other liabilities and financial derivatives - negative fair valu	261 093	69 836	127 673	32 377	109 343	63 352	1 379 310	2 042 984
Deferred tax liabilities	-	-	-	-	-	-	24 167	24 167
Total liabilities	**17 378 199**	**7 222 593**	**4 029 566**	**8 170 219**	**2 708 351**	**1 081 088**	**18 505 606**	**59 095 622**
Gap	**2 215 838**	**1 516 218**	**1 672 157**	**(3 302 851)**	**5 035 897**	**11 574 642**	**(6 577 002)**	**12 134 899**

B. Below is the Group Exposure to interest rate volatility as of 31 December 2023 (classification is based on interest rate repricing or maturity date, whichever is closer).

	Up to 1 month	More than 1 month and till 3 months	More than 3 months and till 6 months	More than 6 months and till 1 year	More than 1 year and till 3 years	More than 3 years	Not tied to interest rate risk	Total
ASSETS	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**	**USD '000**
Cash at vaults	-	-	-	-	-	-	810 683	810 683
Mandatory cash reserve	-	-	-	-	-	-	1 554 990	1 554 990
Balances with central banks	7 710 975	-	-	-	-	-	3 173 812	10 884 787
Balances and deposits with banks and financial institut	3 290 731	913 749	215 159	11 038	47 610	-	-	4 478 287
Financial assets at fair value through profit or loss	11 291	12 475	-	91	-	-	31 155	55 012
Direct credit facilities at amortized cost	8 371 232	8 838 756	4 567 938	3 221 797	2 900 425	5 258 100	-	33 158 248
Financial assets at fair value through OCI	-	31 325	1 569	35 382	125 524	216 139	349 099	759 038
Other financial assets at amortized cost	1 214 726	1 547 006	1 200 870	1 217 576	3 208 617	1 987 606	-	10 376 401
Investments in associates	-	-	-	-	-	-	3 848 257	3 848 257
Fixed assets	-	-	-	-	-	-	523 638	523 638
Other assets and financial derivatives - positive fair val	469 980	165 702	95 714	20 760	69 436	49 864	709 516	1 580 972
Deferred tax assets	-	-	-	-	-	-	243 658	243 658
TOTAL ASSETS	**21 068 935**	**11 509 013**	**6 081 250**	**4 506 644**	**6 351 612**	**7 511 709**	**11 244 808**	**68 273 971**
LIABILITIES								
Banks and financial institutions' deposits	1 088 680	1 430 283	173	-	-	-	776 566	3 295 702
Customer deposits	13 834 725	5 474 742	3 460 375	6 874 397	2 479 894	426 225	15 260 895	47 811 253
Cash margin	1 345 907	446 263	191 063	376 056	126 947	73 999	253 252	2 813 487
Borrowed funds	357 915	25 667	40 219	22 944	23 437	39 627	-	509 809
Provision for income tax	-	-	-	-	-	-	337 202	337 202
Other provisions	-	-	-	-	-	-	244 694	244 694
Other liabilities and financial derivatives - negative fair	178 755	282 207	98 312	54 779	28 078	34 965	1 211 764	1 888 860
Deferred tax liabilities	-	-	-	-	-	-	16 113	16 113
Total liabilities	**16 805 982**	**7 659 162**	**3 790 142**	**7 328 176**	**2 658 356**	**574 816**	**18 100 486**	**56 917 120**
Gap	**4 262 953**	**3 849 851**	**2 291 108**	**(2 821 532)**	**3 693 256**	**6 936 893**	**(6 855 678)**	**11 356 851**

49. Liquidity Risk

A. The below is the distribution of the liabilities (undiscounted) according to the residual maturity as of 31 December 2024:

Liabilities	Within 1 month USD '000	After 1 months and till 3 months USD '000	After 3 months and till 6 months USD '000	After 6 months and till one year USD '000	After one year and till 3 years USD '000	After 3 years USD '000	Not tied to a specific maturity USD '000	Total USD '000
Banks and financial institutions' deposits	2 614 784	417 816	21 745	2,000	91,972	-	570 639	3 718 956
Customer deposits	11 347 223	5 387 649	3 474 759	7 090 344	1 875 305	729 072	20 322 525	50 226 877
Cash margin	526 415	636 469	199 160	395 521	336 849	57 214	247 303	2 398 931
Borrowed funds	8 256	34 769	18 467	32 225	240 131	170 321	-	504 169
Provision for income tax	-	-	-	-	-	-	416 942	416 942
Other Provisions	-	-	-	-	-	-	242 704	242 704
Financial derivatives - negative fair value	28 912	28 390	12 631	8 264	33 863	44 063	-	156 123
Other liabilities	238 281	204 675	112 282	25 228	75 546	16 788	1 214 061	1 886 861
Deferred tax liabilities	-	-	-	-	-	-	24 167	24 167
Total Liabilities	**14 763 871**	**6 709 768**	**3 839 044**	**7 553 582**	**2 653 666**	**1 017 458**	**23 038 341**	**59 575 730**
Total Assets according to expected maturities	**15 191 503**	**5 167 326**	**4 395 442**	**4 532 502**	**9 933 466**	**18 336 072**	**13 676 990**	**71 233 301**

B. The below is the distribution of the liabilities (undiscounted) according to the residual maturity as of 31 December 2023

Liabilities	Within 1 month USD '000	After 1 months and till 3 months USD '000	After 3 months and till 6 months USD '000	After 6 months and till one year USD '000	After one year and till 3 years USD '000	After 3 years USD '000	Not tied to a specific maturity USD '000	Total USD '000
Banks and financial institutions' deposits	1 088 688	1 430 395	193	-	-	-	776 706	3 295 982
Customer deposits	12 245 701	5 021 204	3 341 405	6 390 245	2 427 826	912 639	17 942 835	48 281 855
Cash margin	1 135 397	446 667	191 308	377 400	127 105	79 742	464 129	2 821 748
Borrowed funds	357 915	25 667	40 219	22 944	23 437	45 208	-	515 390
Provision for income tax	-	-	-	-	-	-	337 202	337 202
Other Provisions	-	-	-	-	-	-	244 694	244 694
Financial derivatives - negative fair value	59 779	52 974	28 855	4 302	23 532	28 096	-	197 538
Other liabilities	132 227	154 130	117 895	82 796	75 380	34 632	1 094 262	1 691 322
Deferred tax liabilities	-	-	-	-	-	-	16 113	16 113
Total Liabilities	**15 019 707**	**7 131 037**	**3 719 875**	**6 877 687**	**2 677 280**	**1 100 317**	**20 875 941**	**57 401 844**
Total Assets according to expected maturities	**15 215 104**	**6 374 200**	**4 370 364**	**4 092 784**	**8 771 517**	**15 591 003**	**13 858 999**	**68 273 971**

50. Net Foreign Currency Positions

The details of this item are as follows:

	31 December 2024		31 December 2023	
	Base currency in thousands	**Equivalent in USD 000**	**Base currency in thousands**	**Equivalent in USD 000**
USD	1 661	1 661	(178 664)	(178 664)
GBP	(2 317)	(2 949)	12 424	15 812
EUR	23 746	26 205	(105 744)	(116 695)
JPY	425 508	3 016	404 769	2 869
CHF	(1 959)	(2 328)	(22 280)	(26 471)
Other currencies *	-	62 543	-	72 883
		88 148		**(230 266)**

* Various foreign currencies translated to US Dollars.

- Details of the Group's total assets and Liabilities as per the main currencies as of 31 December 2023 are as follows :

	USD	**GBP**	**EUR**	**JPY**	**CHF**
	USD '000	USD '000	USD '000	USD '000	USD '000
Total Assets	16 426 690	704 328	1 512 639	121 929	58 716
Total liabilities	16 581 443	742 760	1 632 978	47 319	64 270
Total owner's equity	1 659 315	103	689	-	58
Net Foreign currency forward contract	1 815 729	35 586	147 233	(71 594)	3 284
Net Open Position	**1 661**	**(2 949)**	**26 205**	**3 016**	**(2 328)**
Net Open Position as of 31 December 2023	**(178 664)**	**15 812**	**(116 695)**	**2 869**	**(26 471)**

51. Fair Value Hierarchy

Financial instruments include financial assets and financial liabilities.

The Bank uses the following methods and alternatives of valuating and presenting the fair value of financial instruments:

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

a. Fair value of financial assets and financial liabilities measured at fair value on recurring basis.

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

Financial assets / Financial liabilities	Fair Value as at 31 December 2024	2023	Fair Value Hierarchy	Valuation techniques and key inputs	Significantunobservable inputs	Relationship of unobservable inputs to fair value
Financial assets at fair value	**USD '000**	**USD '000**				
Financial assets at fair value through profit or loss						
Government Bonds and bills	33 551	13 414	Level 1	Quoted	Not Applicable	Not Applicable
Corporate bonds	8 125	10 443	Level 1	Quoted	Not Applicable	Not Applicable
Shares and mutual funds	32 546	31 155	Level 1 & 2	Quoted	Not Applicable	Not Applicable
Total Financial Assets at fair value through Profit or Loss	**74 222**	**55 012**				
Financial derivatives - positive fair value	207 788	217 629	Level 2	Through Comparison of similar financial instruments	Not Applicable	Not Applicable
Financial assets at fair value through other comprehensive income:						
Quoted shares	165 724	154 510	Level 1	Quoted Shares	Not Applicable	Not Applicable
Unquoted shares	222 747	194 589	Level 2 & 3	Through using the index sector in the market	Not Applicable	Not Applicable
Governmental bonds and corporate bonds through OCI	693 621	409 939	Level 1 & 2	Quoted	Not Applicable	Not Applicable
Total Financial Assets at fair value through other comprehensive income	**1 082 092**	**759 038**				
Total Financial Assets at Fair Value	**1 364 102**	**1 031 679**				
Financial Liabilities at Fair Value						
Financial derivatives - negative fair value	156 123	197 538	Level 2	Through Comparison of similar financial instruments	Not Applicable	Not Applicable
Total Financial Liabilities at Fair Value	**156 123**	**197 538**				

There were no transfers between Level 1 and 2 during 2024 & 2023.

	Fair Value as at 31 December 2024	2023
	USD '000	**USD '000**
Balance at the beginning of the year	194 589	197 111
(Selling) purchase of shares - net	(28 158)	2 522
	222 747	**194 589**

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

Except as detailed in the following table, we believe that the carrying amounts of financial assets and financial liabilities recognized in the Group consolidated financial statements approximate their fair values:

	31 December 2024		31 December 2023		
	Book value	**Fair value**	**Book value**	**Fair value**	**Fair value Hierarchy**
	USD '000	**USD '000**	**USD '000**	**USD '000**	
Financial assets not calculated at fair value					
Mandatory reserve , time and notice and certificates of deposits at Central Banks	8 256 314	8 270 199	8 515 819	8 525 937	Level 2 & 3
Balances and Deposits with banks and Financial institutions	4 007 220	4 013 501	4 478 287	4 487 885	Level 2 & 3
Direct credit facilities at amortized cost	34 383 335	34 604 080	33 158 248	33 389 563	Level 2 & 3
Other Financial assets at amortized cost	11 992 602	12 142 262	10 376 401	10 492 219	Level 1 & 2
Total financial assets not calculated at fair value	**58 639 471**	**59 030 042**	**56 528 755**	**56 895 604**	
Financial liabilities not calculated at fair value					
Banks' and financial institutions' deposits	3 718 723	3 738 269	3 295 702	3 310 942	Level 2 & 3
Customer deposits	49 775 767	50 125 589	47 811 253	48 150 490	Level 2 & 3
Cash margin	2 389 512	2 407 934	2 813 487	2 827 902	Level 2 & 3
Borrowed funds	484 823	490 566	509 809	517 890	Level 2 & 3
Total financial liabilities not calculated at fair value	**56 368 825**	**56 762 358**	**54 430 251**	**54 807 224**	

The fair values of the financial assets and financial liabilities included in level 2 and 3 categories above have been determined in accordance with the generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being that discount rate.

52. Analysis of Assets and Liabilities Maturities

The below is an analysis for assets and liabilities maturities according to the expected period to be recovered or settled as at 31 December 2024:

	Up to one year	More than one year	**Total**
	USD '000	**USD '000**	**USD '000**
Assets			
Cash at vaults	1 116 169	-	1 116 169
Mandatory cash reserve	1 514 008	-	1 514 008
Balances with central banks	10 456 548	-	10 456 548
Balances and deposits with banks and financial institutions	4 007 220	-	4 007 220
Financial assets at fair value through profit or loss	74 222	-	74 222
Direct credit facilities at amortized cost	14 914 165	19 469 170	34 383 335
Financial assets at fair value through other comprehensive income	497 132	584 960	1 082 092
Other financial assets at amortized cost	3 861 165	8 131 437	11 992 602
Investment in subsidiaries and associates	-	4 188 026	4 188 026
Fixed assets	69 924	468 579	538 503
Other assets and financial derivatives - positive fair value	1 420 943	185 923	1 606 866
Deferred tax assets	270 930	-	270 930
Total assets	**38 202 426**	**33 028 095**	**71 230 521**
Liabilities			
Banks' and financial institutions' deposits	3 626 751	91,972.00	3 718 723
Customer deposits	47 170 265	2 605 502	49 775 767
Cash margin	2 180 524	208 988	2 389 512
Borrowed funds	74 371	410 452	484 823
Provision for income tax	416 942	-	416 942
Other Provisions	242 704	-	242 704
Other liabilities and financial derivatives - negative fair value	1 872 724	170 260	2 042 984
Deferred tax liabilities	24 167	-	24 167
Total liabilities	**55 608 448**	**3 487 174**	**59 095 622**
Net	**(17 406 022)**	**29 540 921**	**12 134 899**

The below is an analysis for assets and liabilities maturities according to the expected period to be recovered or settled as at 31 December 2023:

	UP to one year	More than one year	**Total**
	USD '000	**USD '000**	**USD '000**
Assets			
Cash at vaults	810 683	-	810 683
Mandatory cash reserve	1 554 990	-	1 554 990
Balances with central banks	10 884 787	-	10 884 787
Balances and deposits with banks and financial institutions	4 422 614	55 673	4 478 287
Financial assets at fair value through profit or loss	55 012	-	55 012
Direct credit facilities at amortized cost	14 700 209	18 458 039	33 158 248
Financial assets at fair value through other comprehensive income	417 374	341 664	759 038
Other financial assets at amortized cost	5 061 060	5 315 341	10 376 401
Investment in subsidiaries and associates	-	3 848 257	3 848 257
Fixed assets	69 817	453 821	523 638
Other assets and financial derivatives - positive fair value	1 391 551	189 421	1 580 972
Deferred tax assets	243 658	-	243 658
Total assets	**39 611 755**	**28 662 216**	**68 273 971**
Liabilities			
Banks' and financial institutions' deposits	3 295 702	-	3 295 702
Customer deposits	44 601 661	3 209 592	47 811 253
Cash margin	2 612 256	201 231	2 813 487
Borrowed funds	74 794	435 015	509 809
Other Provisions	337 202	-	337 202
Provision for Income Tax	244 694	-	244 694
Other liabilities and financial derivatives - negative fair value	1 704 275	184 585	1 888 860
Deferred tax liabilities	16 113	-	16 113
Total liabilities	**52 886 697**	**4 030 423**	**56 917 120**
Net	**(13 274 942)**	**24 631 793**	**11 356 851**

53. Contractual Maturity of the Contingent Accounts

The table below details the maturity of expected liabilities and commitments on the basis of contractual maturity:

	31 December 2024			
	Within 1 year	More than 1 year and up to 5 years	More than 5 years	Total
	USD '000	USD '000	USD '000	USD '000
Letters of credit	2 961 204	183 050	9 649	**3 153 903**
Acceptances	658 388	5 140	-	**663 528**
Letters of guarantee:				
- Payment guarantees	872 920	195 051	157 265	**1 225 236**
- Performance guarantees	2 809 384	1 525 547	293 451	**4 628 382**
- Other guarantees	2 295 851	1 004 395	62 152	**3 362 398**
Unutilized credit facilities	6 078 497	427 665	22 360	**6 528 522**
Total	**15 676 244**	**3 340 848**	**544 877**	**19 561 969**
Constructions projects contracts	7 230	-	-	**7 230**
Procurement contracts	12 773	3 677	810	**17 260**
Total	**20 003**	**3 677**	**810**	**24 490**

	31 December 2023			
	Within 1 year	More than 1 year and up to 5 years	More than 5 years	Total
	USD '000	USD '000	USD '000	USD '000
Letters of credit	2 963 850	287 453	6,065	**3 257 368**
Acceptances	517 394	46 989	-	**564 383**
Letters of guarantee:				
- Payment guarantees	815 225	174 058	246 501	**1 235 784**
- Performance guarantees	2 620 130	1 440 740	333 608	**4 394 478**
- Other guarantees	1 780 039	611 228	241 064	**2 632 331**
Unutilized credit facilities	5 665 933	189 719	74 968	**5 930 620**
Total	**14 362 571**	**2 750 187**	**902 206**	**18 014 964**
Constructions projects contracts	7 593	-	-	**7 593**
Procurement contracts	14 092	5 983	1 000	**21 075**
Total	**21 685**	**5 983**	**1 000**	**28 668**

54. Capital Management

The Group manages its capital to safeguard its ability to continue its operating activities while maximizing the return to shareholders. The composition of the regulatory capital, as defined by Basel III standards is as follows:

	31 December	
	2024	2023
	USD '000	USD '000
Common Equity Tier 1	10 665 927	10 121 289
Regulatory Adjustments (Deductions from Common Equity Tier 1)	(3 641 396)	(3 366 915)
Additional Tier 1	542 990	498 642
Regulatory Adjustments (Deductions from Additional Tier 1)	-	(6 234)
Supplementary Capital	663 851	590 782
Regulatory Capital	**8 231 372**	**7 837 564**
Risk-weighted assets (RWA)	**47 974 210**	**44 684 580**
Common Equity Tier 1 Ratio	**%14.64**	**%15.12**
Tier 1 Capital Ratio	**%15.77**	**%16.22**
Capital Adequacy Ratio	**%17.16**	**%17.54**

- The Board of Directors performs an overall review of the capital structure of the Group on a quarterly basis. As part of this review, the Board takes into consideration matters such as cost and risks of capital as integral factors in managing capital through setting dividend policies and capitalization of reserves.

The liquidity coverage ratio is 255% as of 31 December 2024 and 235% as of 31 December 2023 (According to Central Bank of Jordan instructions no. 5/2020 the minimum liquidity coverage ratio is 100%)

55. Transactions with Related Parties

The details of this item are as follows:

	31 December 2024			
	Deposits owed from related parties	Direct credit facilities at amortized cost	Deposits owed to related parties	LCs, LGs, Unutilized credit facilities and acceptances
	USD '000	USD '000	USD '000	USD '000
Associated companies	203 168	-	14 944	96 351
Major Shareholders and Members of the Board of Directors	-	207 716	754 570	168 398
Total	**203 168**	**207 716**	**769 514**	**264 749**

	31 December 2023			
	Deposits owed from related parties	Direct credit facilities at amortized cost	Deposits owed to related parties	LCs, LGs, Unutilized credit facilities and acceptances
	USD '000	USD '000	USD '000	USD '000
Associated companies	115 015	-	8 859	90 015
Major Shareholders and Members of the Board of Directors	-	199 068	603 203	80 869
Total	**115 015**	**199 068**	**612 062**	**170 884**

- All facilities granted to related parties are performing loans in accordance with the credit rating of the Group. No provisions for the year have been recorded in relation to impairment in value.

The details of transactions with related parties are as follows:

	2024	
	Interest Income	Interest Expense
	USD '000	USD '000
Associated companies	9 938	8 403

	2023	
	Interest Income	Interest Expense
	USD '000	USD '000
Associated companies	5 476	1 511

- Direct credit facilitates granted to key management personnel amounted to USD 1 million and indirect credit facilities amounted to USD 5.6 thousand as of 31 December 2024 (USD 1.2 million direct credit facilities and USD 5.6 thousand indirect credit facilities as of 31 December 2023).

- Deposits of key management personnel amounted to USD 6.3 million as of 31 December 2024 (USD 5.2 million as of 31 December 2023)

- Interest on credit facilities granted to major shareholders and members of the Board of Directors is recorded at arm's length.

- The salaries and other fringe benefits of the Group's key management personnel, inside and outside Jordan, amounted to USD 82.2 million for the year ended on 31 December 2024 (USD 81.1 million for the year ended on 31 December 2023).

56. Earnings Per Share

The details of this item are as follows:

	31 December	
	2024	2023
	USD '000	USD '000
Profit for the year attributable to Shareholders of the Bank	969 126	800 695
Less: Groups' share of interest on perpetual bonds	(26 839)	(13 634)
Net profit for the period attributable to the Bank's shareholders	**942 287**	**787 061**
	Thousand Shares	
Average number of shares	640 800	640 800
	USD / Share	
Earnings Per Share (Basic and diluted)	1.47	1.23

There are no instruments that could potentially dilute basic earnings per share in the future.

57. Assets under management

Assets under management as of 31 December 2024 amounted to USD 14520.9 million (USD 13,715.9 million as of 31 December 2023). These assets are not included in the Group's consolidated financial statements.

58. Cash and Cash Equivalent

The details of this item are as follows:

	31 December	
	2024	2023
	USD '000	USD '000
Cash and balances with central banks maturing within 3 months	13 555 124	13 600 896
Add: balances with banks and financial institutions maturing within 3 months	3 751 194	4 207 423
Less: banks and financial institutions deposits maturing within 3 months	3 624 677	3 295 528
Total	**13 681 641**	**14 512 791**

59. LEGAL CASES

There are lawsuits filed against the Group totaling USD 355.7 million as of 31 December 2024 (USD 343.4 million as of 31 December 2023). In the opinion of the management and the lawyers representing the Group in the litigation at issue, the provisions taken in connection with the lawsuits are adequate.