

Investor Relations Presentation
Housing Bank – March, 2022



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- **Jordan Economy - Overview**

HBTF at a Glance

Overview	<ul style="list-style-type: none"> Established in 1974 under a special law mainly to provide housing finance, then progressively began to offer a range of commercial banking services in mid 80s until it became a full fledged commercial bank in 1997. Largest bank in Jordan by Number of Branches, ATMs, JOD Saving Accounts, Debit Cards and Customer Base. Second Largest bank in Jordan by Total Assets, Deposits, Credit Facilities and Credit Cards. The Bank was awarded "Best Jordanian Bank" for the year 2021.
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Credit Rating	<table border="1"> <tr> <td></td> <td style="color: #C00000;">Moody's (Foreign Currency)</td> <td style="color: #C00000;">Moody's (Local Currency)</td> <td style="color: #C00000;">Capital Intelligence</td> </tr> <tr> <td style="color: #C00000;">LT</td> <td>B1</td> <td>B1</td> <td>B+</td> </tr> <tr> <td style="color: #C00000;">ST</td> <td>NP</td> <td>NP</td> <td>B</td> </tr> <tr> <td style="color: #C00000;">Outlook</td> <td>Stable</td> <td>Stable</td> <td>Stable</td> </tr> </table>		Moody's (Foreign Currency)	Moody's (Local Currency)	Capital Intelligence	LT	B1	B1	B+	ST	NP	NP	B	Outlook	Stable	Stable	Stable
	Moody's (Foreign Currency)	Moody's (Local Currency)	Capital Intelligence														
LT	B1	B1	B+														
ST	NP	NP	B														
Outlook	Stable	Stable	Stable														

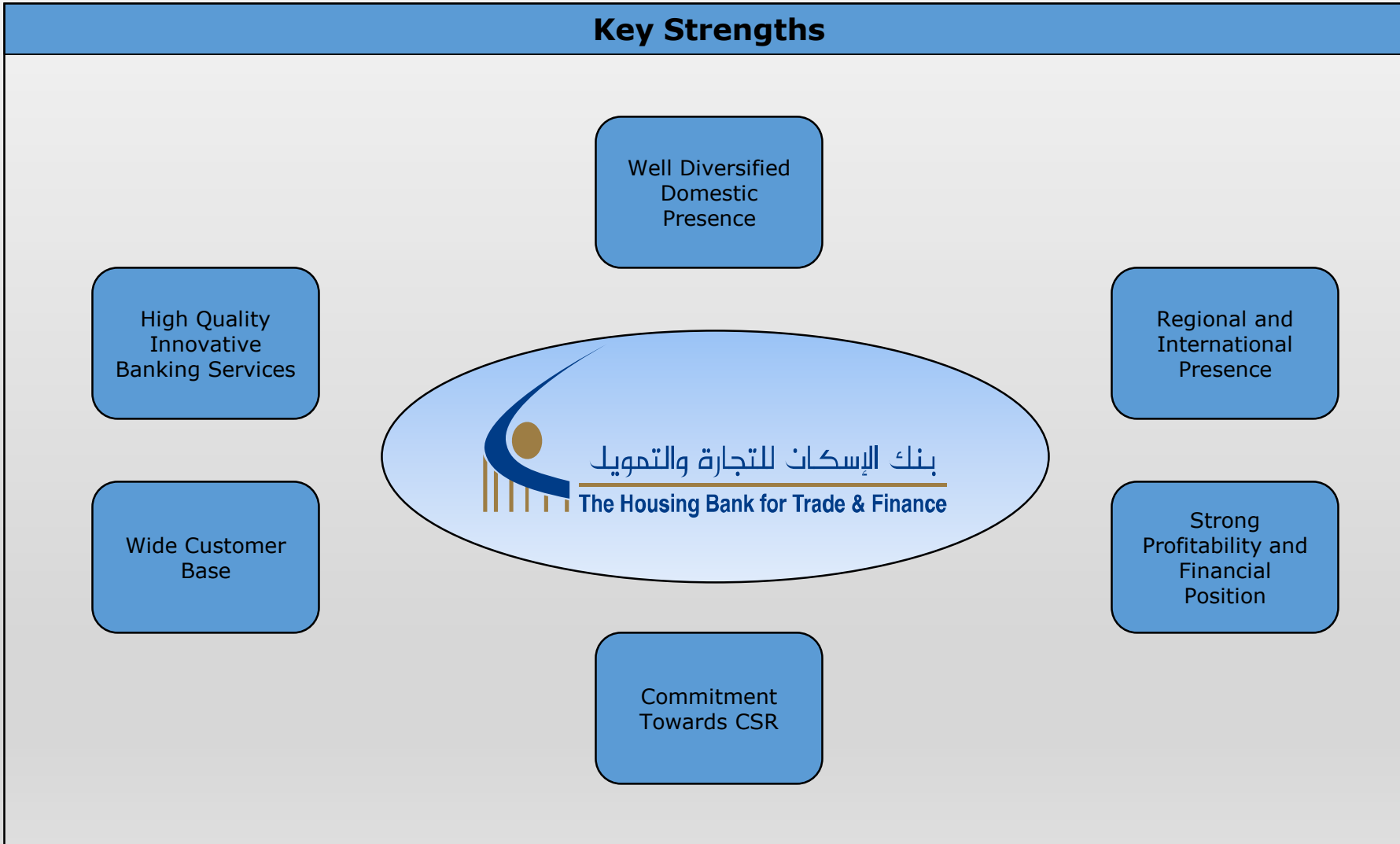
Presence	<ul style="list-style-type: none"> HBTF and its subsidiaries operate in 9 countries in the MENA region as well as in Europe.
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Stock Parameters (Mar 2022)	<ul style="list-style-type: none"> Listed on Amman Stock Exchange (ASE) Free Float ≈ 5.29% Market Cap. of USD 1.59 bn (4th in ASE, 2nd amongst Listed Banks). Share Price of USD 5.06 per share. Price to Book 1.02x Price to Earnings 9.64x
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Main Shareholders	
Qatar National Bank	38.57%
Kuwait Investment Authority	18.61%
Libyan Foreign Bank	17.24%
Social Security Corporation/Jordan	15.42%

Mar 2022 Financials (USD millions)			
	Mar 2022	Dec 2021	CAGR (2018-2021)
Total Deposits	8,414	8,544	-2.27%
Total Assets	11,656	11,629	-0.22%
Credit Facilities	6,702	6,394	-0.81%
Coverage Ratio	183.8%	167.8%	-
NPL Ratio (Net)	5.3%	6.1%	-
Net Interest Margin	3.6%	3.7%	-
	Mar 2022	Mar 2021	CAGR (2018-2021)
Operating Income	131.3	125.7	0.59%
Net Profit (After Tax)	42.4	35.8	5.21%

HBTF at a Glance (continued)



HBTF's Regional and International Footprint

Europe



United Kingdom: 1 Branch
(75% Stake in Jordan International Bank)

North Africa



Libya: Representative Office



Algeria: 7 Branches
(85% Stake in Housing Bank for Trade & Finance - Algeria)



Middle East

Jordan: 113 Branches



Palestine: 15 Branches



Bahrain: 1 Branch



UAE: Representative Office



Iraq: Representative Office



Syria: 29 Branches
(49.1% Stake in International Bank for Trade & Finance)



Financial Highlights

(as at 31 Mar 2022)



Growth vs. Dec 2021
(unless stated otherwise)

Profit

- USD 42.44 million Net Profit (After Tax) +18.63% (YoY)

• Net Interest Margin (NIM):	3.62%
• Cost to Income (Efficiency) Ratio:	44.11%
• Earnings per Share (EPS): (Attributable to Shareholders)	USD 0.53 (annualized)

Assets

- USD 11.66 billion Assets + 0.23%
- USD 6.70 billion Loans + 4.83%

• Return on Average Assets (RoA):	1.46%
• NPL Stage III Ratio (Net):	5.34%
• Coverage Ratio:	183.80%

Funding

- USD 8.41 billion Deposits - 1.53%

• Loans to Deposits Ratio:	69.78%
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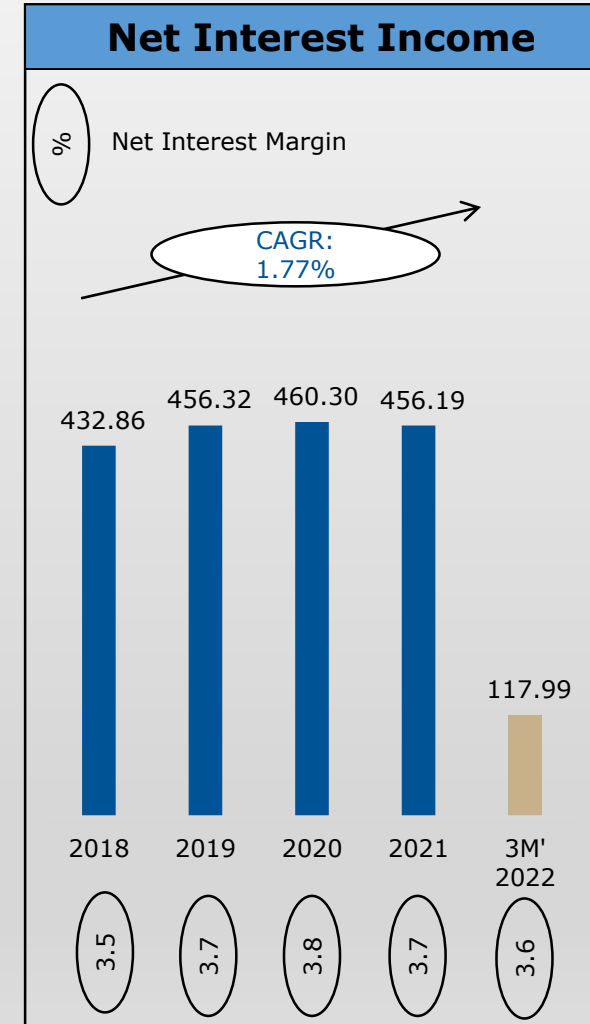
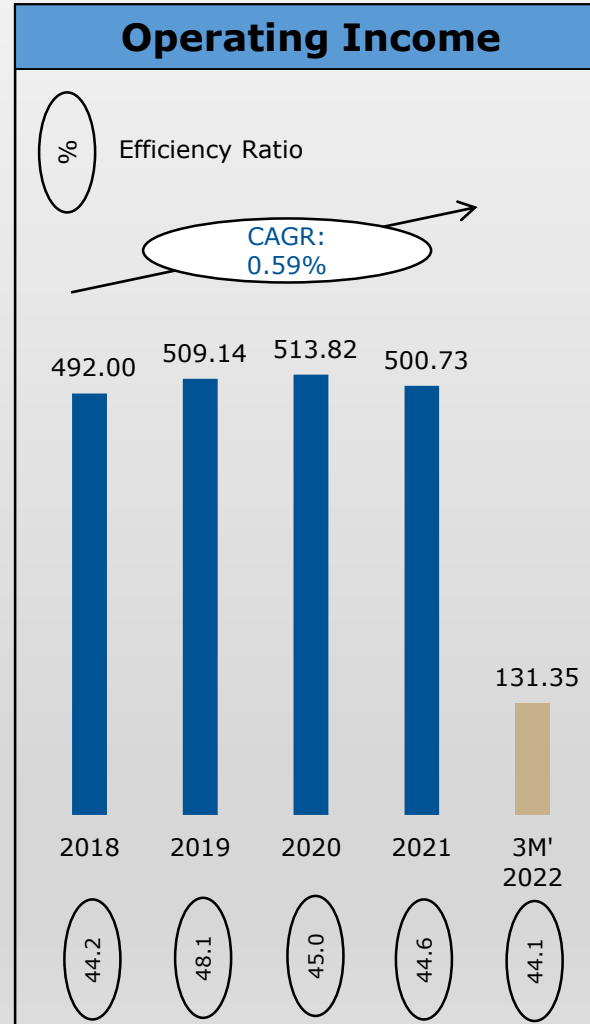
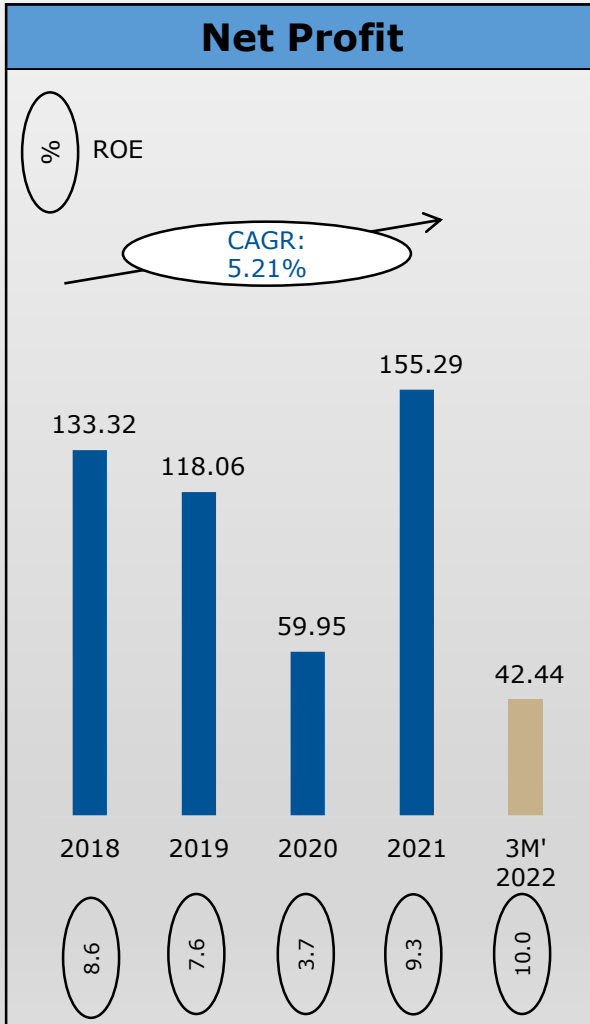
Equity

- USD 1.65 billion Equity - 3.67%

• Return on Average Equity (RoAE):	10.08%
• Capital Adequacy Ratio:	16.50%

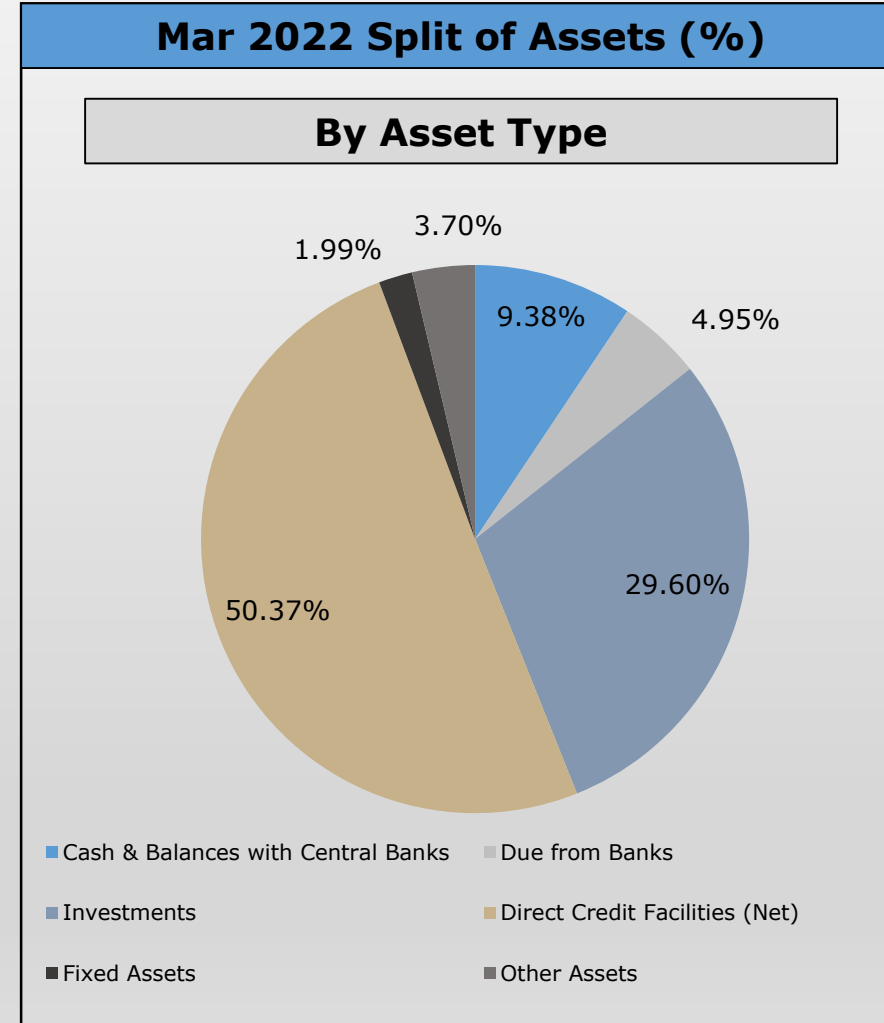
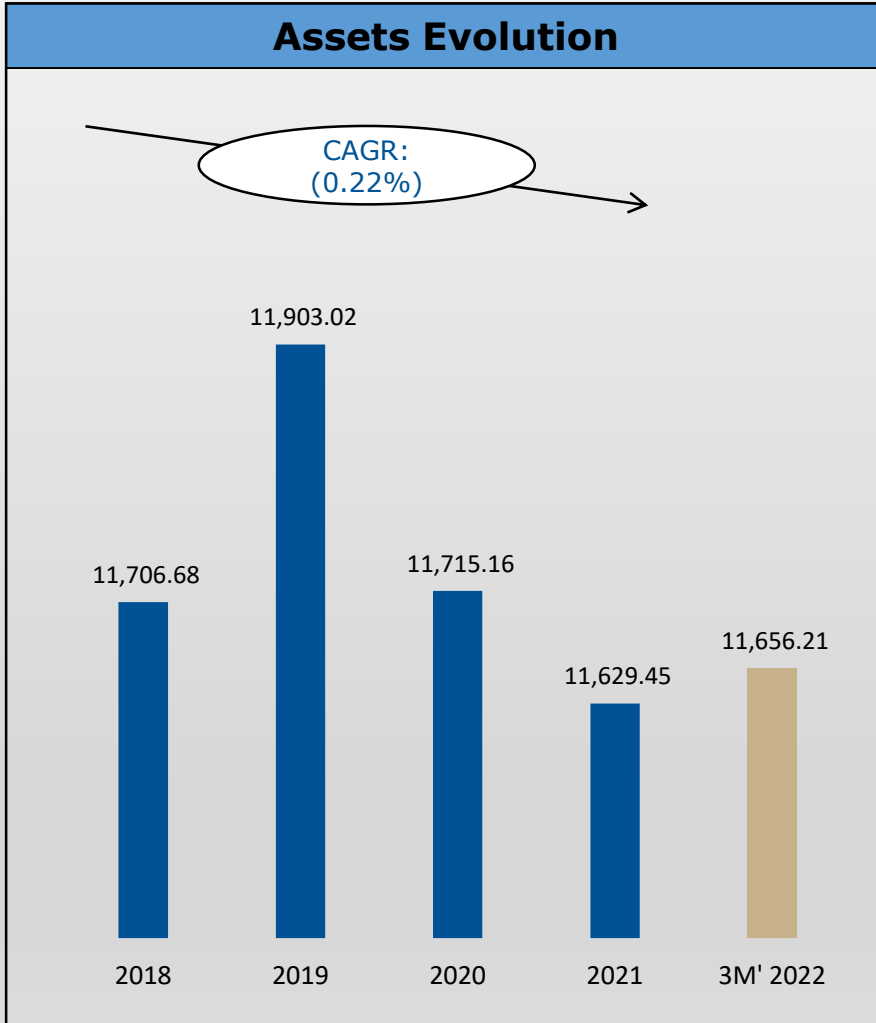
Income Statement Breakdown

(USD million as at 31 Mar 2022)



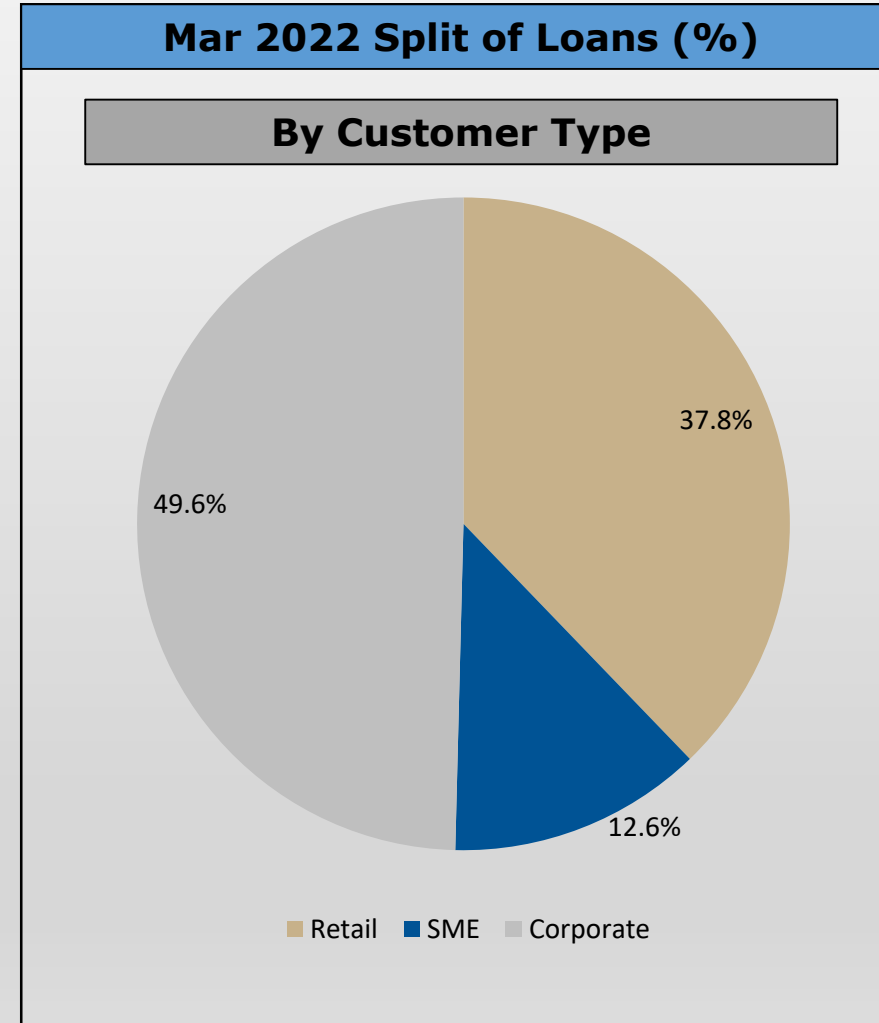
Assets Analysis

(USD million as at 31 Mar 2022)



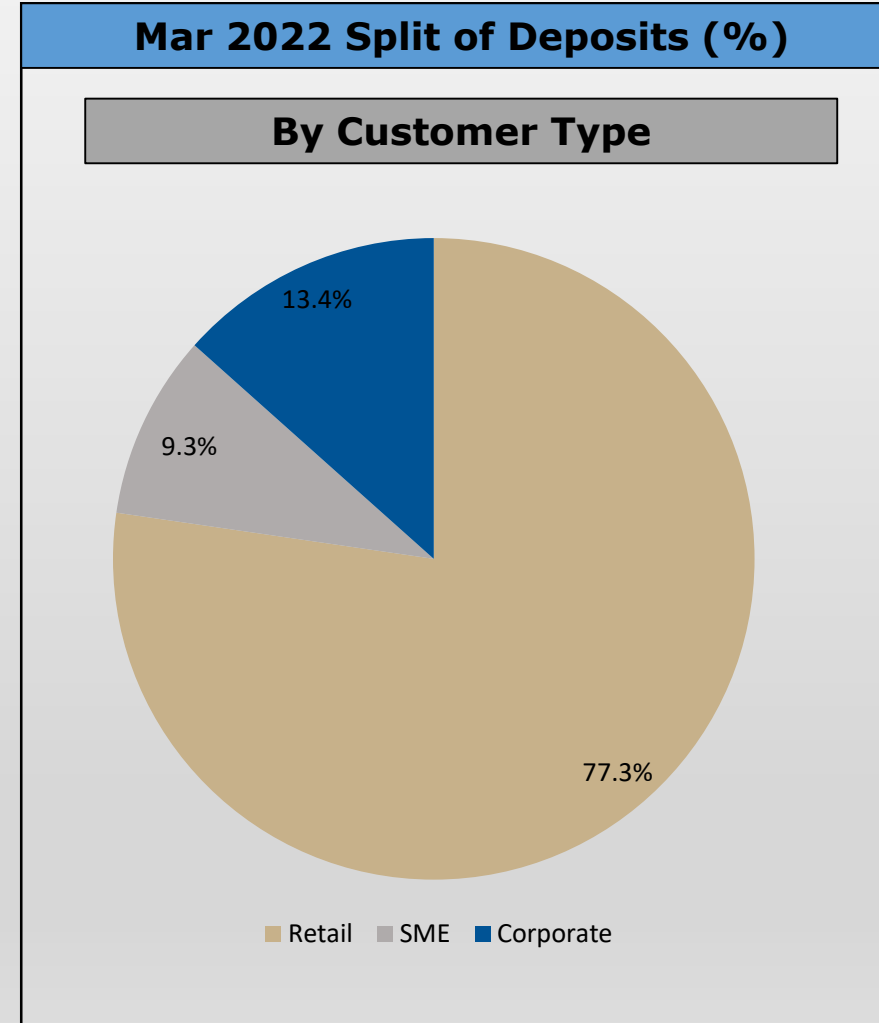
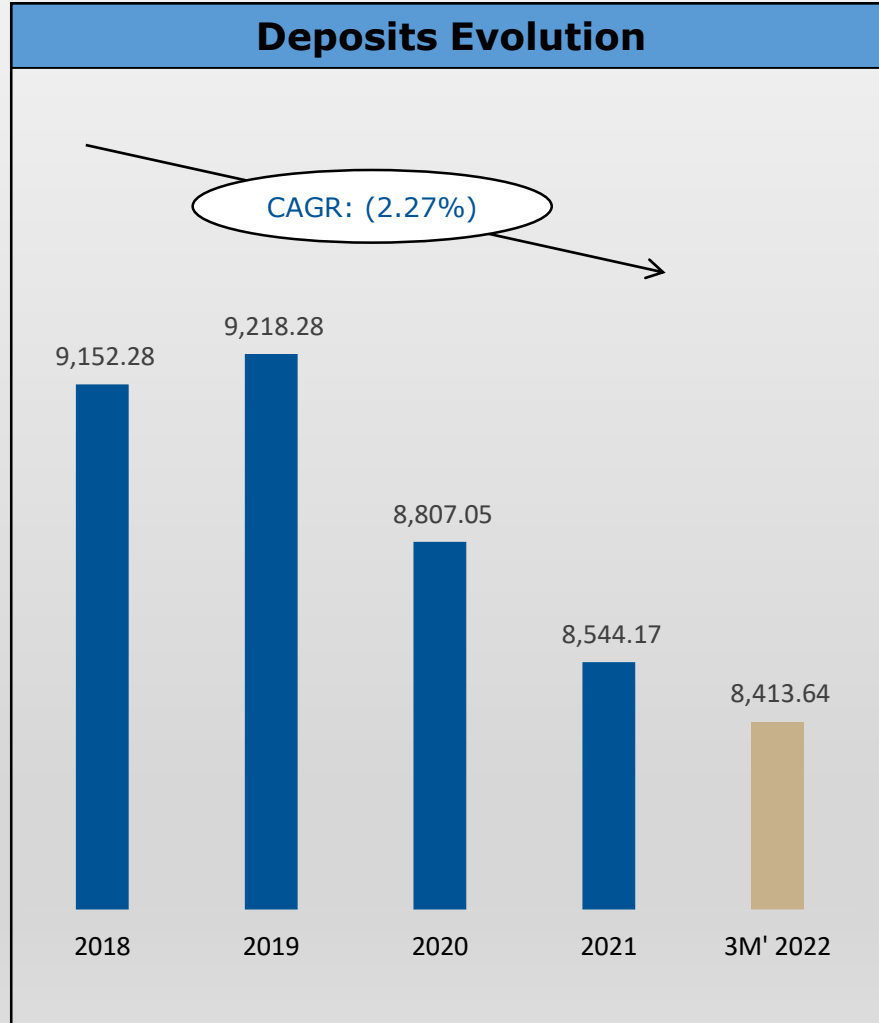
Loans Analysis

(USD million as at 31 Mar 2022)



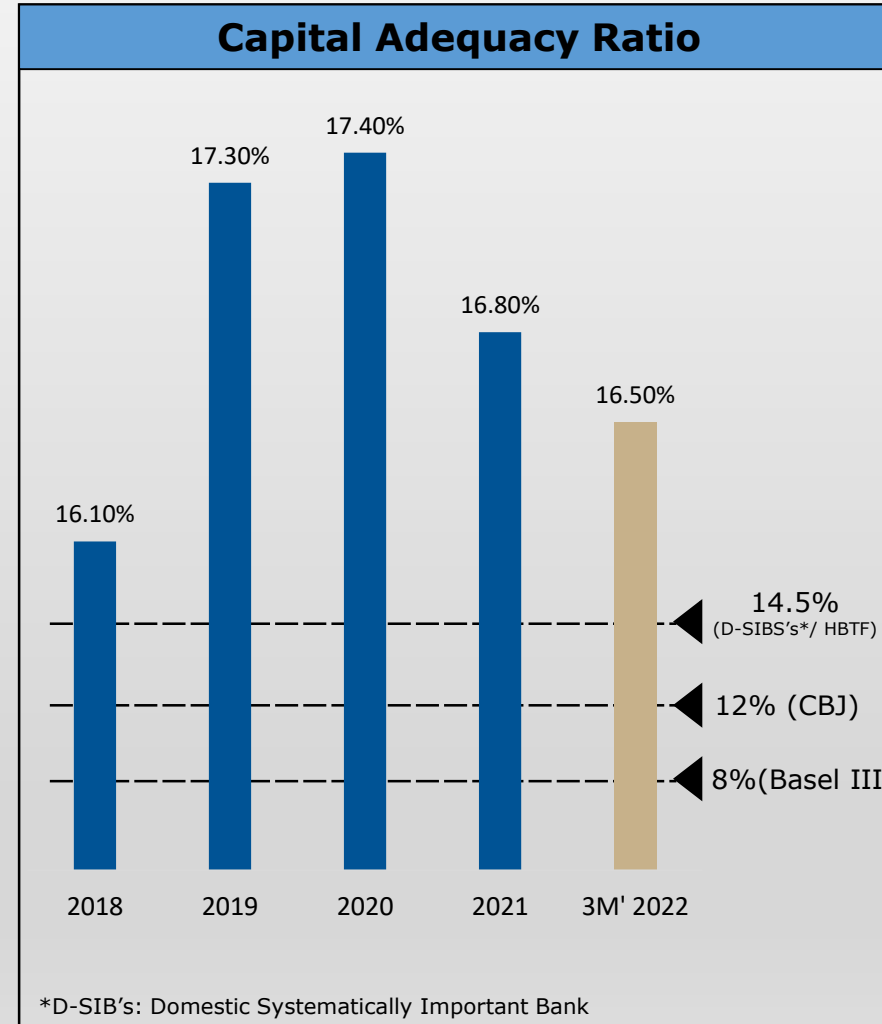
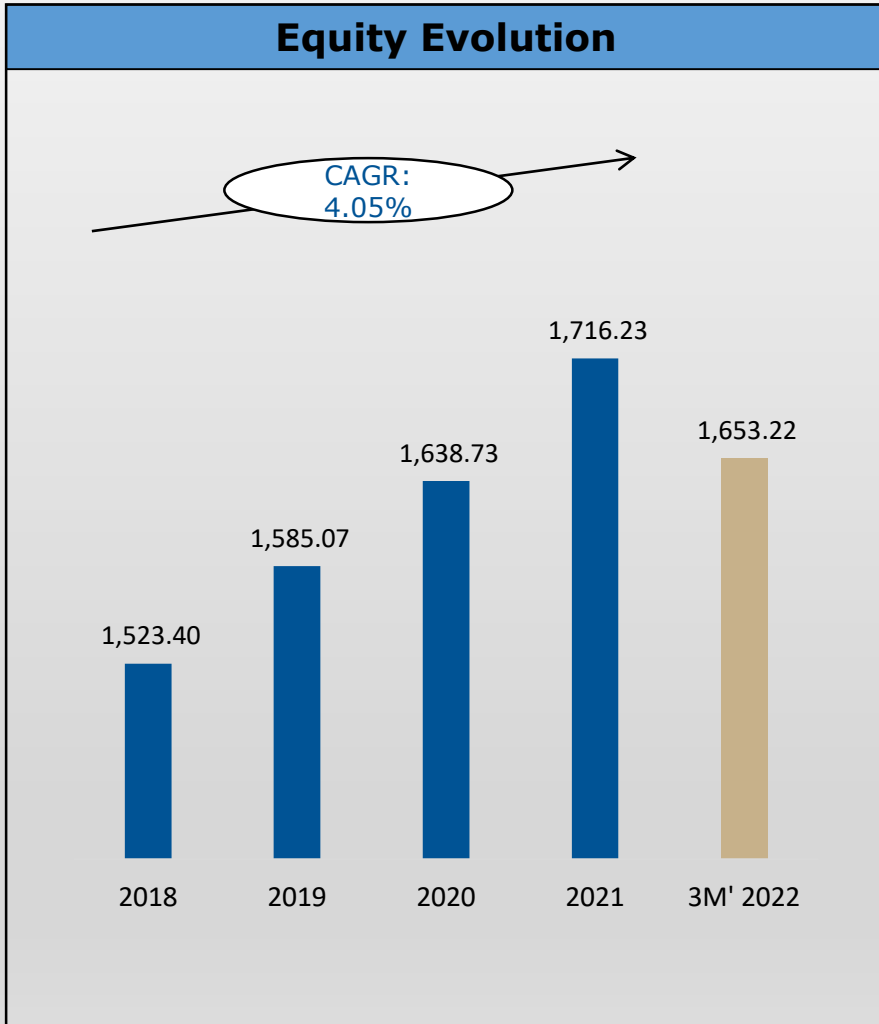
Funding Analysis

(USD million as at 31 Mar 2022)

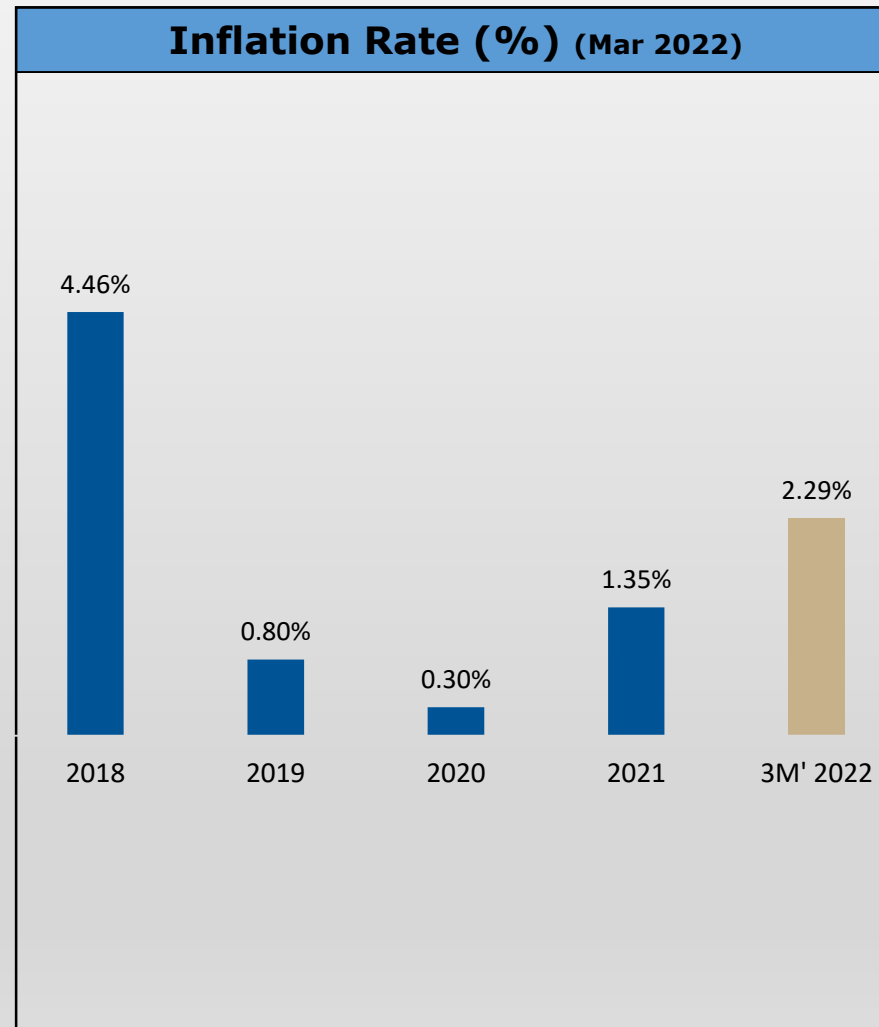
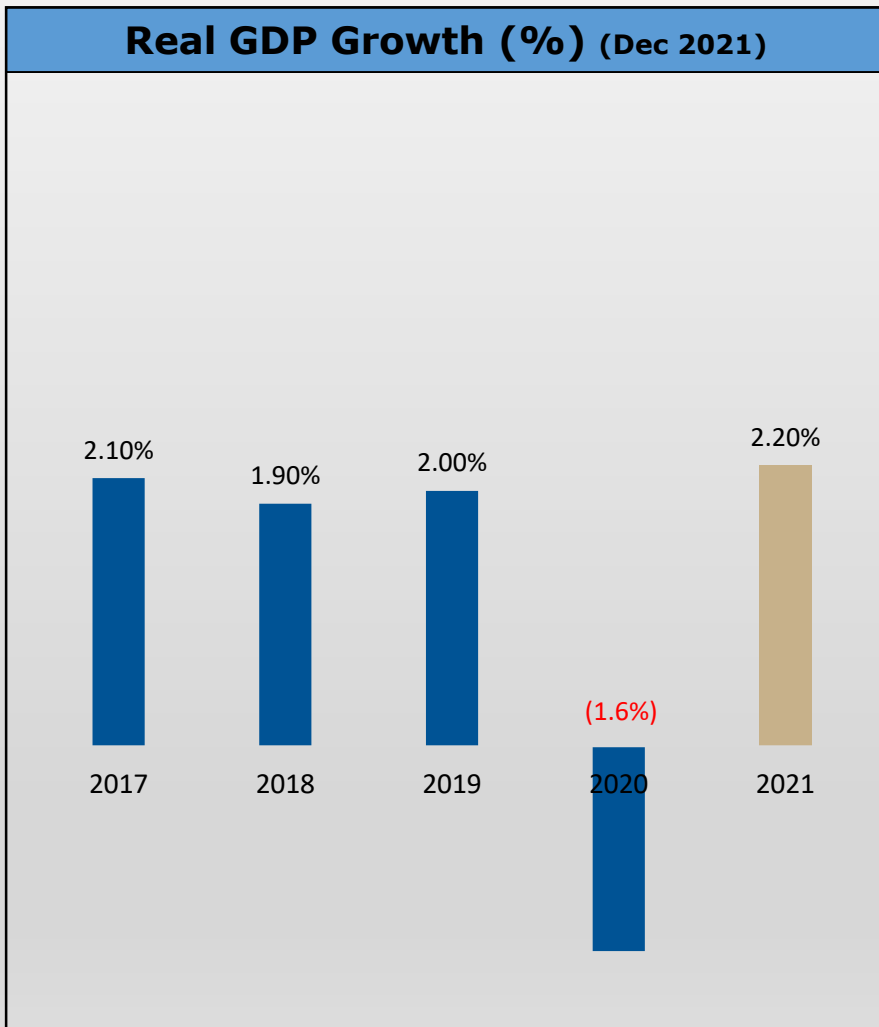


Capital Analysis

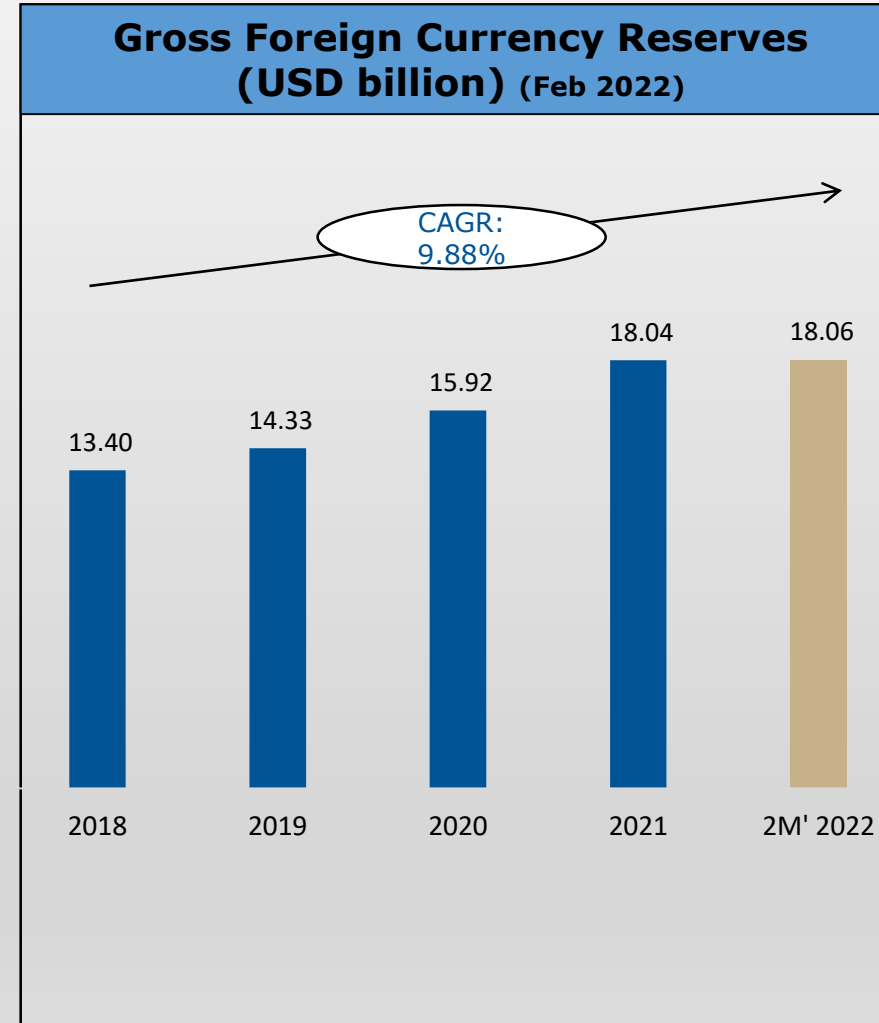
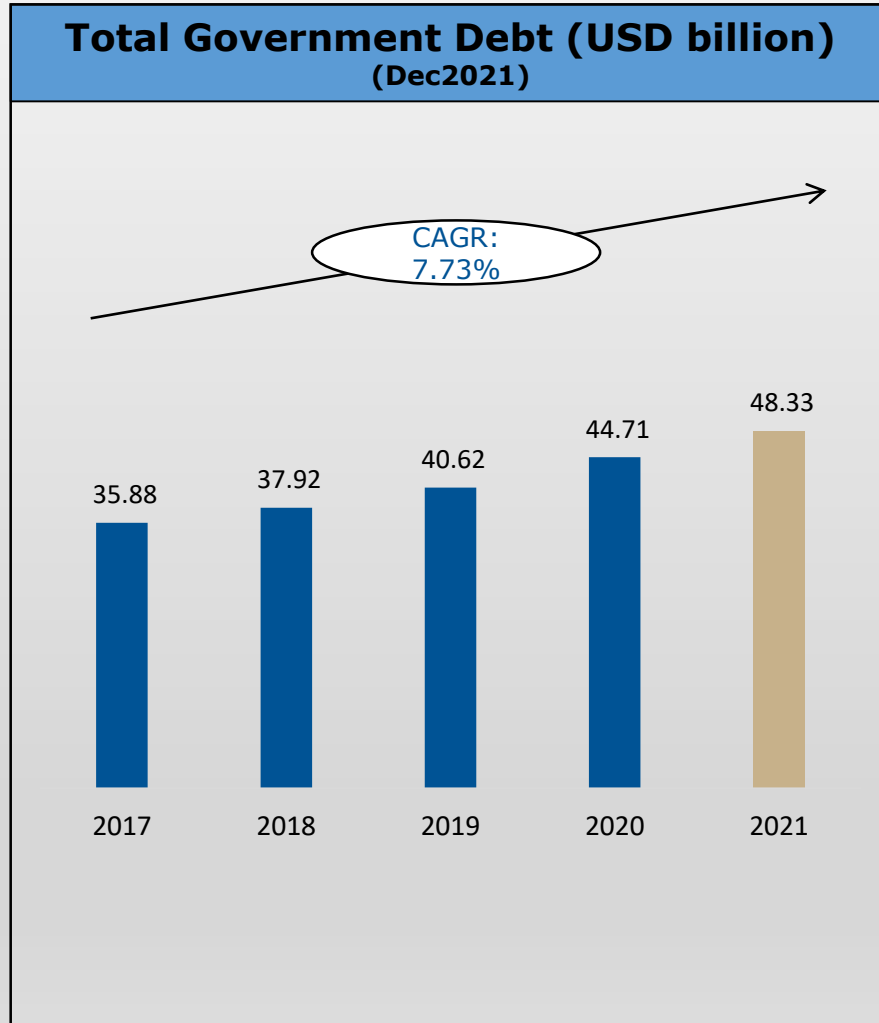
(USD million as at 31 Mar 2022)



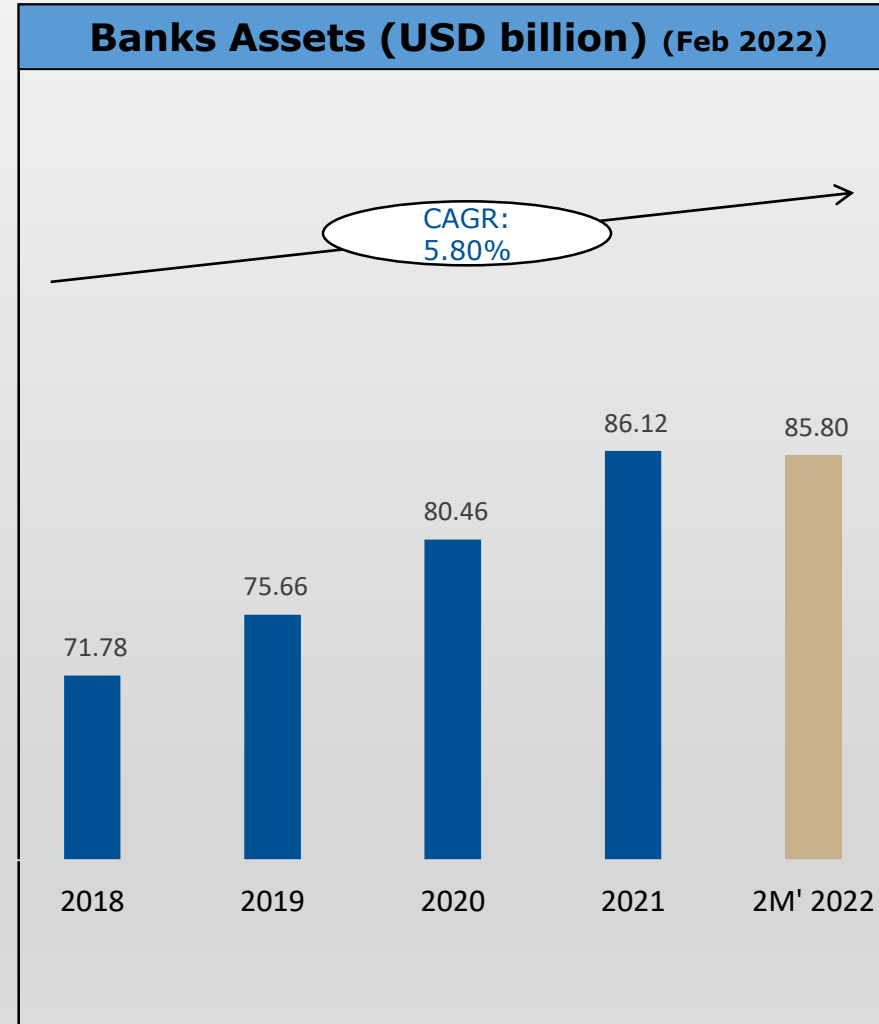
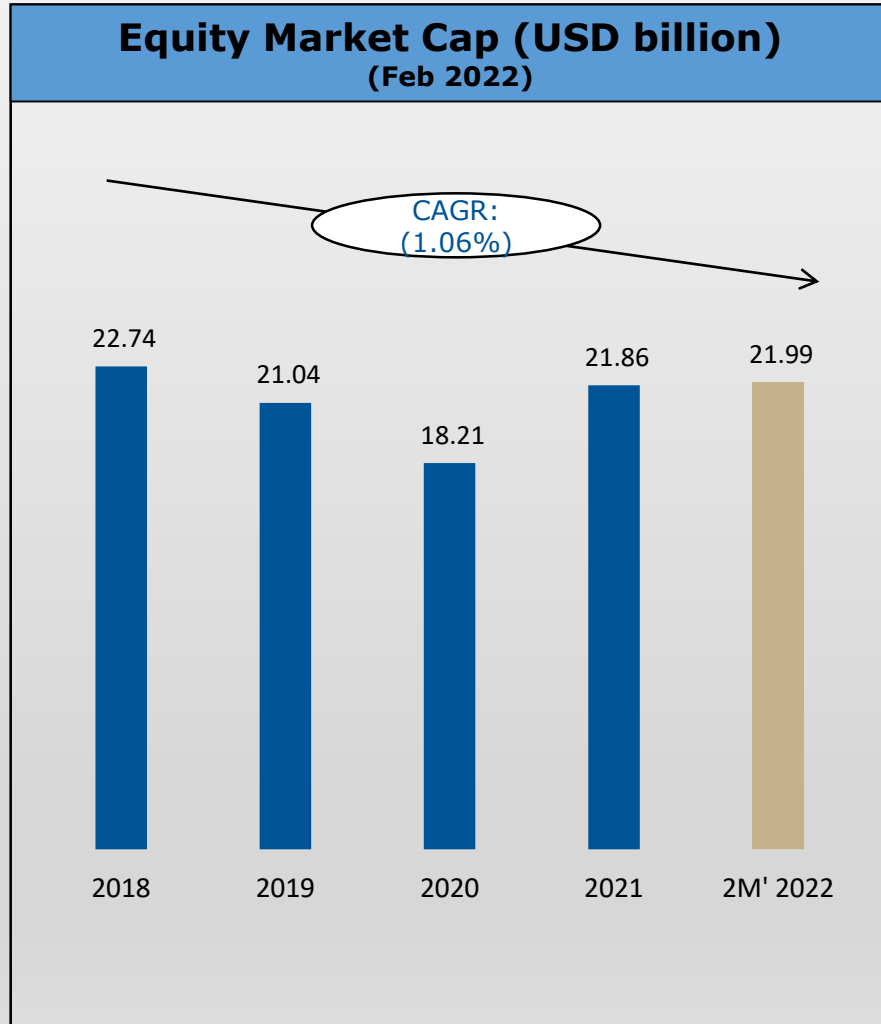
Jordan Economy - Overview



Jordan Economy – Overview (continued)



Jordan Economy – Overview (continued)





Other Information

Amounts in million USD

Consolidated

	2018	2019	2020	2021	3M' 2022
Gross Credit Portfolio	6,552	6,486	6,564	6,394	6,702
Net Credit Portfolio	6,002	5,866	5,793	5,567	5,871
FCY Credit Portfolio	1,621	1,688	1,682	1,655	1,740
JOD Credit Portfolio	4,381	4,177	4,111	3,912	4,131
Stage 3 loans - Gross (with interest in suspense)	428	547	620	548	518
Stage 3 loans - Net	290	398	459	381	348
Stage 3 Ratio - Gross	6.5%	8.4%	9.4%	8.6%	7.7%
Stage 3 Ratio - Net	4.5%	6.3%	7.2%	6.1%	5.3%
Total Loan Provisions	412	471	608	640	639
Loan Coverage Ratio *	142.2%	118.4%	132.6%	167.8%	183.8%
Cost Income Ratio **	44.2%	48.1%	45.0%	44.6%	44.1%
Non Interest Expenses to Avg Assets	1.9%	2.1%	2.0%	1.7%	2.0%
Net Interest Margin	3.5%	3.7%	3.8%	3.7%	3.6%
Fee Income/Total Revenue	16.1%	14.5%	13.0%	15.5%	17.5%
Total Assets	11,707	11,903	11,715	11,629	11,656
Total Deposits	9,152	9,218	8,807	8,544	8,414
FCY Deposits	3,452	3,677	3,513	3,530	3,380
JOD Deposits	5,700	5,541	5,294	5,015	5,033
Loans/Assets	51.3%	49.3%	49.5%	47.9%	50.4%
Loans/Deposits	65.6%	63.6%	65.8%	65.2%	69.8%
FCY Loans/Deposits ratio	47.0%	45.9%	47.9%	46.9%	51.5%
JOD Loans/Deposits ratio	76.9%	75.4%	77.7%	78.0%	82.1%

NPLs - Gross (Only for Jordan)

Retail	5.9%	7.5%	8.1%	6.8%	6.6%
Corporate	6.2%	8.7%	10.8%	11.2%	8.6%

NPLs - Net (Only for Jordan)

Retail	4.1%	5.5%	5.8%	4.3%	4.1%
Corporate	4.2%	6.6%	8.5%	8.3%	6.0%

* Loan Coverage Ratio = Loan Provisions/Net NPLs

** Cost Income Ratio = non-interest expense/(net interest revenue + non-interest revenue)

Net Direct Credit Portfolio by Sector

Amounts in million USD

Consolidated

	2018		2019		2020		2021		3M' 2022	
	amount	pct	amount	pct	amount	pct	amount	pct	amount	pct
Financial	207.3	3.5%	180.7	3.1%	238.0	4.1%	217.8	3.9%	317.6	5.4%
Industrial	646.4	10.8%	742.4	12.7%	709.6	12.2%	610.8	11.0%	582.4	9.9%
Trade	778.6	13.0%	651.7	11.1%	642.0	11.1%	629.7	11.3%	668.0	11.4%
Real Estate- Housing Loans	1,132.7	18.9%	1,109.0	18.9%	1,105.4	19.1%	1,112.4	20.0%	1,101.6	18.8%
Real Estate- Commercial Developers	440.1	7.3%	462.0	7.9%	507.8	8.8%	563.0	10.1%	566.3	9.6%
Agriculture	22.1	0.4%	21.6	0.4%	27.2	0.5%	24.2	0.4%	53.7	0.9%
Shares	9.8	0.2%	4.7	0.1%	5.4	0.1%	6.5	0.1%	12.8	0.2%
Consumer	1,022.2	17.0%	1,090.4	18.6%	1,146.5	19.8%	1,223.0	22.0%	1,272.6	21.7%
Public and Governmental	1,258.3	21.0%	1,031.0	17.6%	815.0	14.1%	568.9	10.2%	619.5	10.6%
Others	484.3	8.1%	572.2	9.8%	596.3	10.3%	610.5	11.0%	676.4	11.5%
Total (Net Credit Portfolio)	6,001.9	100.0%	5,865.8	100%	5,793.3	100%	5,566.9	100%	5,871.0	100%

Income Statement

Consolidated USD mio

	2018	2019	2020	2021	3M' 2022
Net Interest Income	396.3	418.5	429.5	423.3	108.3
Net commission	36.5	37.8	30.8	32.8	9.6
Net Interest and Commission Income	432.9	456.3	460.3	456.2	118.0
Foreign exchange income	15.8	14.7	13.3	11.3	3.0
Revenue from financial assets at fair value through OCI	0.2	0.3	0.3	0.2	0.3
Revenue from financial assets at fair value through P/L	(0.6)	0.0	3.3	(2.0)	(2.1)
Bank's share of associates' profits	-	-	-	-	-
Other income	43.7	37.7	36.7	35.0	12.2
Gross Income	492.0	509.1	513.8	500.7	131.3
Total Expenses	217.4	244.9	231.4	200.1	57.9
Provisions	88.4	77.8	172.9	70.6	16.4
Net Income before tax	186.2	186.4	109.5	230.0	57.0
Income tax expense	52.9	68.4	49.6	74.8	14.6
Net Income for the Year	133.3	118.1	60.0	155.3	42.4

OTHER INCOME

USD

	2018	2019	2020	2021	3M' 2022	%
Fees on salary's accounts	4,469,412	4,797,075	4,689,606	4,722,134	1,144,863	9.4%
Credit cards income	9,777,625	10,330,619	6,403,197	4,737,082	1,848,130	15.1%
Safety Deposit Box rental income	877,460	829,014	815,178	880,893	158,003	1.3%
Commissions on returned checks	1,243,054	1,093,412	645,089	634,560	178,691	1.5%
Account management fees	7,418,834	8,308,403	14,915,025	9,140,358	2,183,104	17.8%
Net income from recovered loans	3,982,130	36,513	1,039,071	1,140,343	1,013,499	8.3%
Charges on dormant and low-balance accounts	-	-	-	-	-	-
Revenues on broker services	550,276	342,738	317,759	1,282,583	139,089	1.1%
Banking services' fees	2,896,953	1,576,920	1,455,186	1,984,289	1,021,023	8.3%
Revenues on transfers	8,536,891	7,242,937	4,791,312	4,673,121	1,175,241	9.6%
Hedge derivatives (Gain / loss)	-	-	- 2,252,437	2,500,370	2,363,590	19.3%
Others	3,984,419	3,189,157	3,857,670	3,318,917	1,013,283	8.3%
Total	43,737,054	37,746,787	36,676,656	35,014,649	12,238,516	100.0%

Market Share in Jordan

	2018	2019	2020	2021	3M' 2022
JOD current accounts	7.9%	7.9%	7.7%	7.0%	7.6%
JOD savings accounts	36.5%	34.4%	32.5%	30.1%	29.8%
JOD fixed deposits	11.7%	10.5%	8.3%	6.6%	6.5%
Total client JOD deposits	15.0%	13.7%	12.2%	10.6%	10.6%
FCY client deposits	13.3%	13.5%	13.1%	11.9%	12.0%
Total deposits (all currencies)	14.5%	13.7%	12.4%	10.9%	10.8%
JOD direct credit facilities	14.1%	13.2%	12.6%	11.4%	11.9%
FCY direct credit facilities	10.4%	11.8%	12.9%	11.9%	14.0%
Total credit facilities (all currencies)	13.7%	13.0%	12.6%	11.5%	12.1%
Import LCs	22.2%	25.5%	20.5%	29.9%	25.8%
LGs	11.5%	11.0%	10.5%	9.9%	9.8%
Acceptances	10.9%	4.7%	9.9%	18.3%	15.0%
Total assets	14.3%	13.9%	13.2%	12.2%	12.3%

Jordan Economy

	2017	2018	2019	2020	2021
Nominal GDP (USD billion)	41.5	43.0	44.6	43.8	45.3
Nominal GDP growth	3.8%	3.7%	3.7%	(1.8%)	3.5%
Real GDP growth	2.1%	1.9%	2.0%	(1.6%)	2.2%

	2018	2019	2020	2021	3M' 2022
Inflation Rate	4.5%	0.8%	0.3%	1.4%	2.3%

	2017	2018	2019	2020	2021
Net Domestic Government Debt (USD billion) (Including debt held by SSIF)	19.1	20.9	23.2	24.8	26.5
External Government Debt (USD billion) (Including debt held by SSIF)	16.7	17.0	17.4	19.9	21.9
Total Government Debt (USD billion)	35.9	37.9	40.6	44.7	48.3
Total Government Debt to GDP	86.5%	88.2%	91.1%	102.2%	106.7%
Govt Budget Deficit- Including Grants (USD billion)	(1.1)	(1.0)	(1.5)	(3.1)	(2.4)
Budget Deficit to GDP	(2.5%)	(2.4%)	(3.3%)	(7.0%)	(5.4%)

	2018	2019	2020	2021	2M' 2022
Banks assets (USD billion)	71.8	75.7	80.5	86.1	85.8
Deposits with banks (USD billion)	47.7	49.8	51.9	55.7	55.8
Private Sector Credit (USD billion)	34.8	36.3	38.3	40.3	40.9
Equity Market Cap (USD billion)	22.7	21.0	18.2	21.9	22.0
Gross Foreign Reserves (USD billion) (Including Gold & SDRs)	13.4	14.3	15.9	18.0	18.1

