

Investor Relations Presentation
Housing Bank – September, 2022



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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: #A52A2A;">Moody's (Foreign Currency)</td> <td style="color: #A52A2A;">Moody's (Local Currency)</td> <td style="color: #A52A2A;">Capital Intelligence</td> </tr> <tr> <td style="color: #A52A2A;">LT</td> <td style="text-align: center;">B1</td> <td style="text-align: center;">B1</td> <td style="text-align: center;">B+</td> </tr> <tr> <td style="color: #A52A2A;">ST</td> <td style="text-align: center;">NP</td> <td style="text-align: center;">NP</td> <td style="text-align: center;">B</td> </tr> <tr> <td style="color: #A52A2A;">Outlook</td> <td style="text-align: center;">Stable</td> <td style="text-align: center;">Stable</td> <td style="text-align: center;">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														

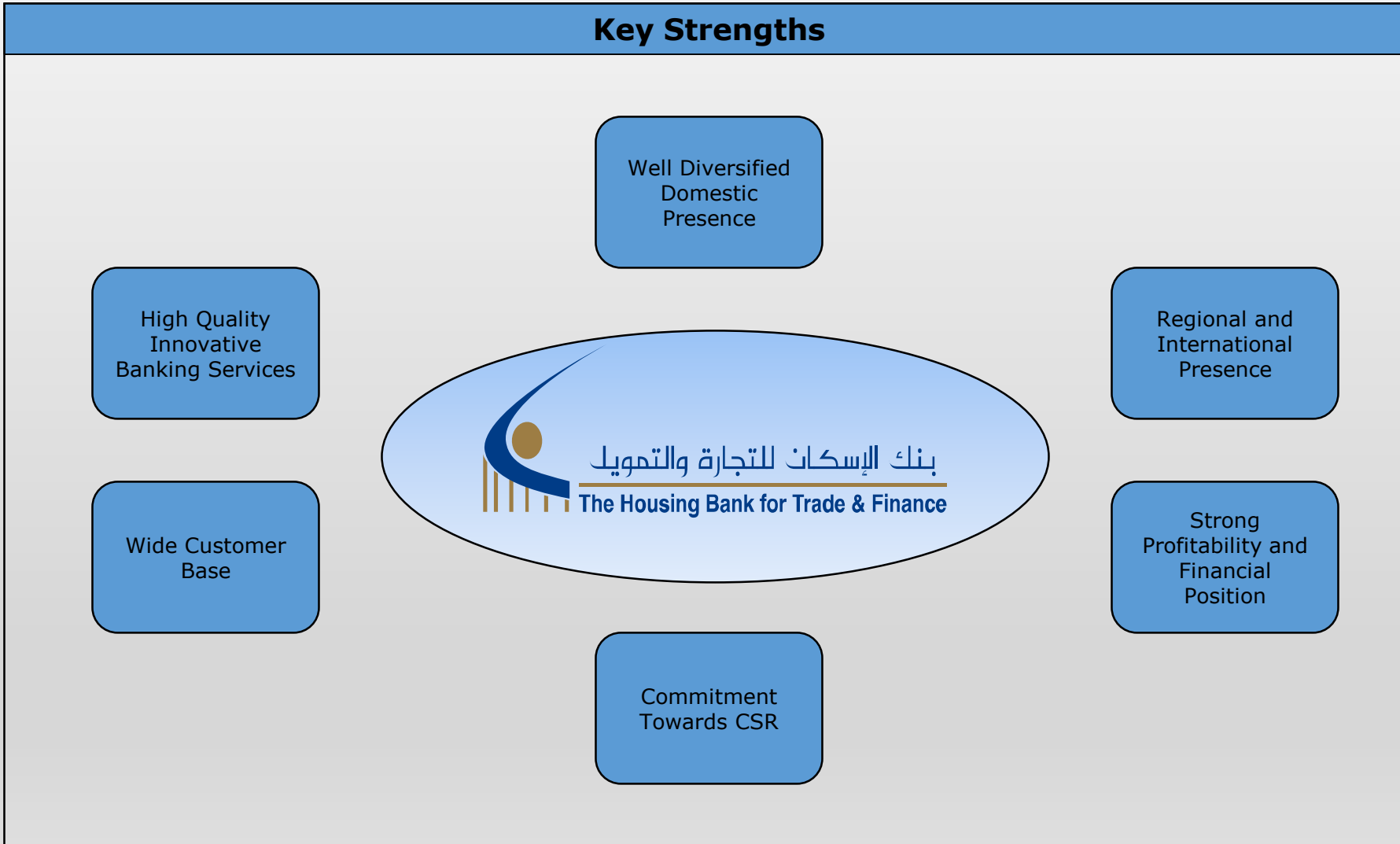
Presence	<ul style="list-style-type: none"> HBTF and its subsidiaries operate in 9 countries in the MENA region as well as in Europe.
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Stock Parameters (Sep 2022)	<ul style="list-style-type: none"> Listed on Amman Stock Exchange (ASE) Free Float \approx 5.29% Market Cap. of USD 1.62 bn (4th in ASE, 2nd amongst Listed Banks). Share Price of USD 5.13 per share. Price to Book 0.99x Price to Earnings 9.01x
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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%

Sep 2022 Financials (USD millions)			
	Sep 2022	Dec 2021	CAGR (2018-2021)
Total Deposits	8,522	8,544	-2.27%
Total Assets	11,600	11,629	-0.22%
Credit Facilities	6,773	6,394	-0.81%
Coverage Ratio	199.3%	167.8%	-
NPL Ratio (Net)	4.8%	6.1%	-
Net Interest Margin	3.7%	3.7%	-
	Sep 2022	Sep 2021	CAGR (2018-2021)
Operating Income	399.1	376.7	0.59%
Net Profit (After Tax)	137.5	112.6	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: 111 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 30 Sep 2022)



Growth vs. Dec 2021
(unless stated otherwise)

Profit

- USD 137.53 million Net Profit (After Tax) +22.14% (YoY)

• Net Interest Margin (NIM):	3.74%
• Cost to Income (Efficiency) Ratio:	43.30%
• Earnings per Share (EPS): (Attributable to Shareholders)	USD 0.57 (annualized)

Assets

- USD 11.60 billion Assets - 0.25%
- USD 6.77 billion Loans + 5.93%

• Return on Average Assets (RoA):	1.58%
• NPL Stage III Ratio (Net):	4.83%
• Coverage Ratio:	199.31%

Funding

- USD 8.52 billion Deposits - 0.26%

• Loans to Deposits Ratio:	69.87%
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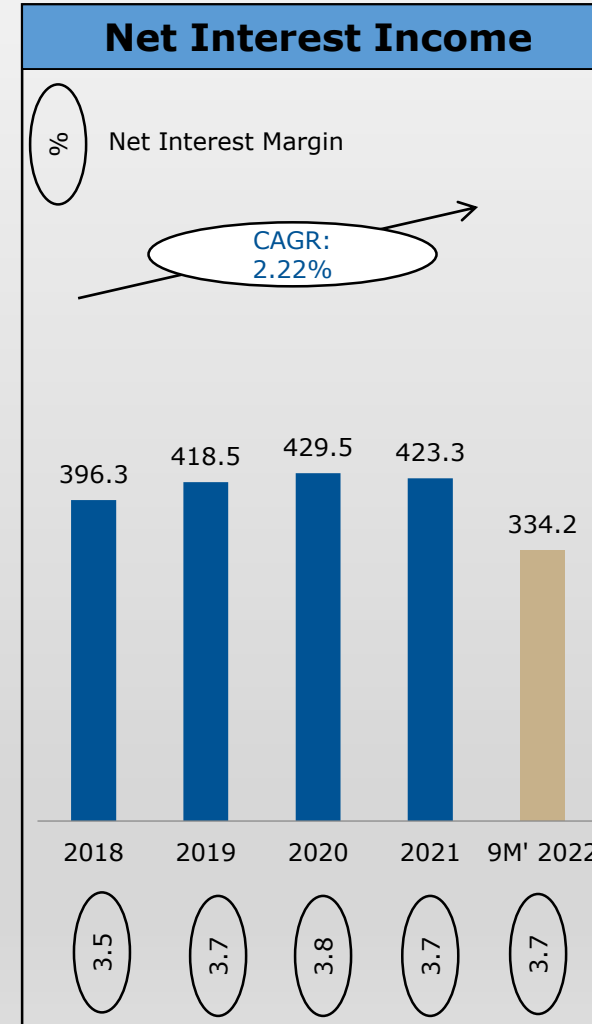
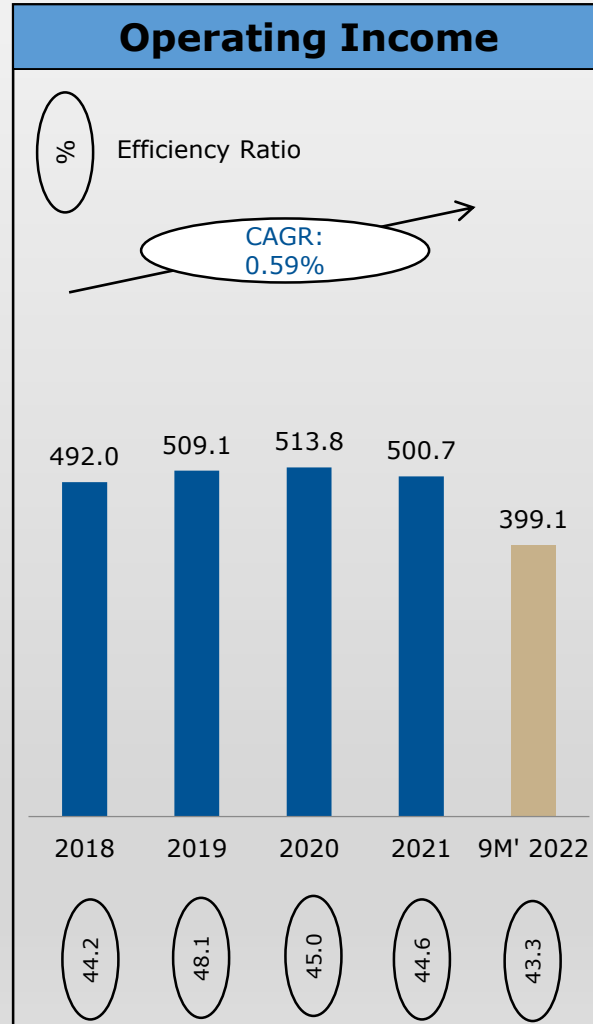
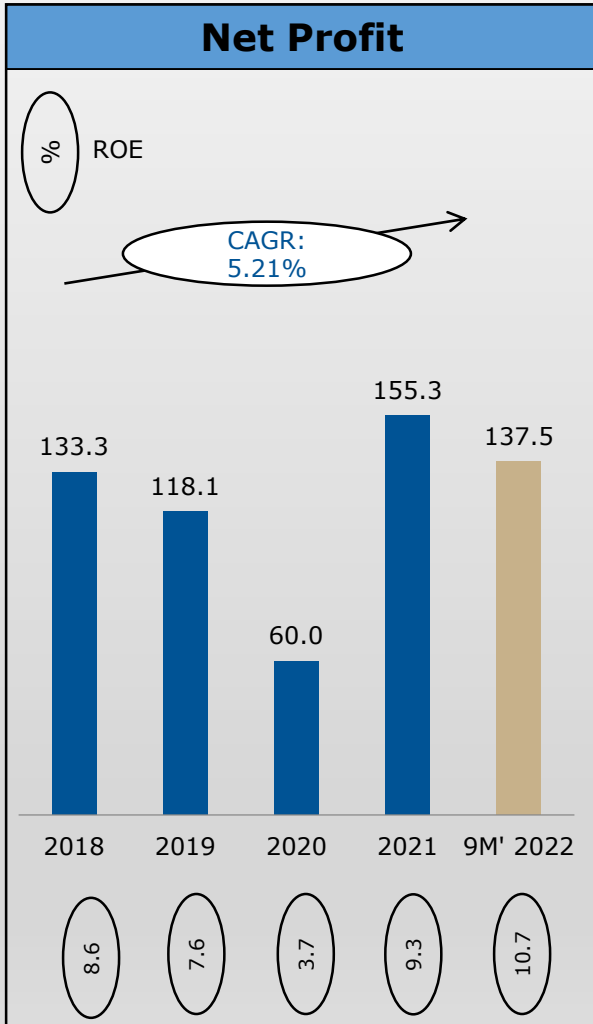
Equity

- USD 1.70 billion Equity - 0.66%

• Return on Average Equity (RoAE):	10.72%
• Capital Adequacy Ratio:	18.31%

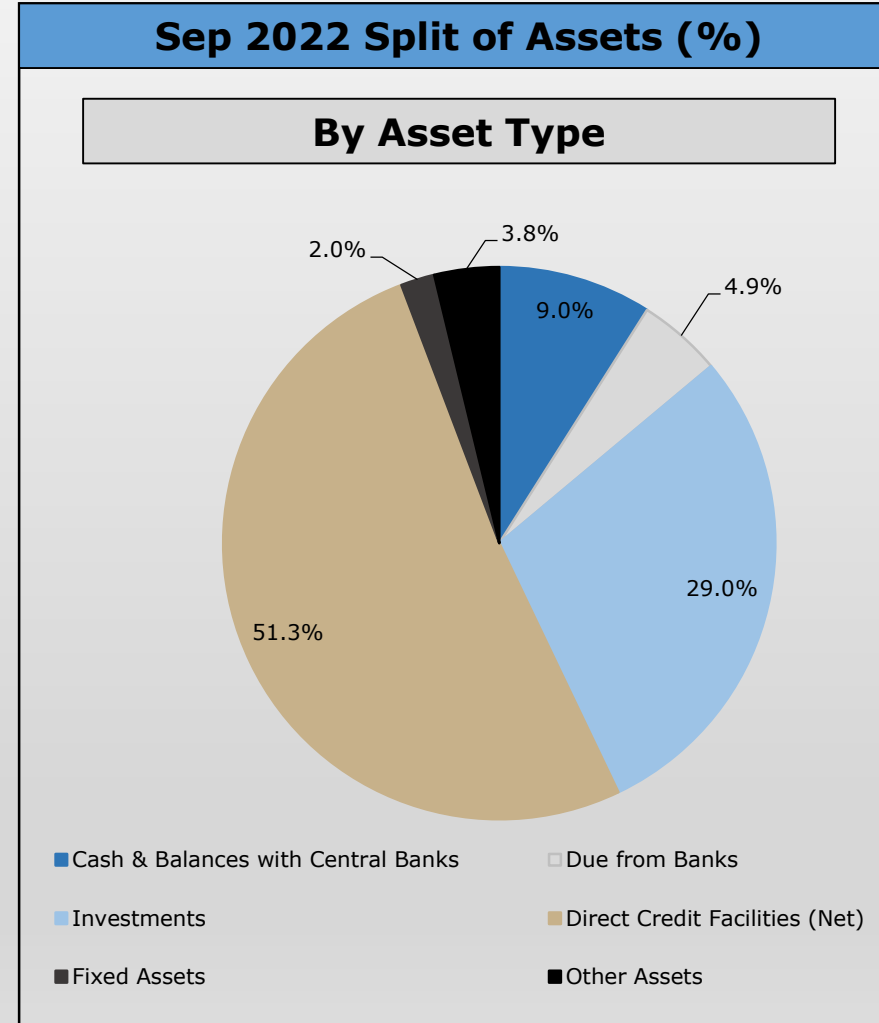
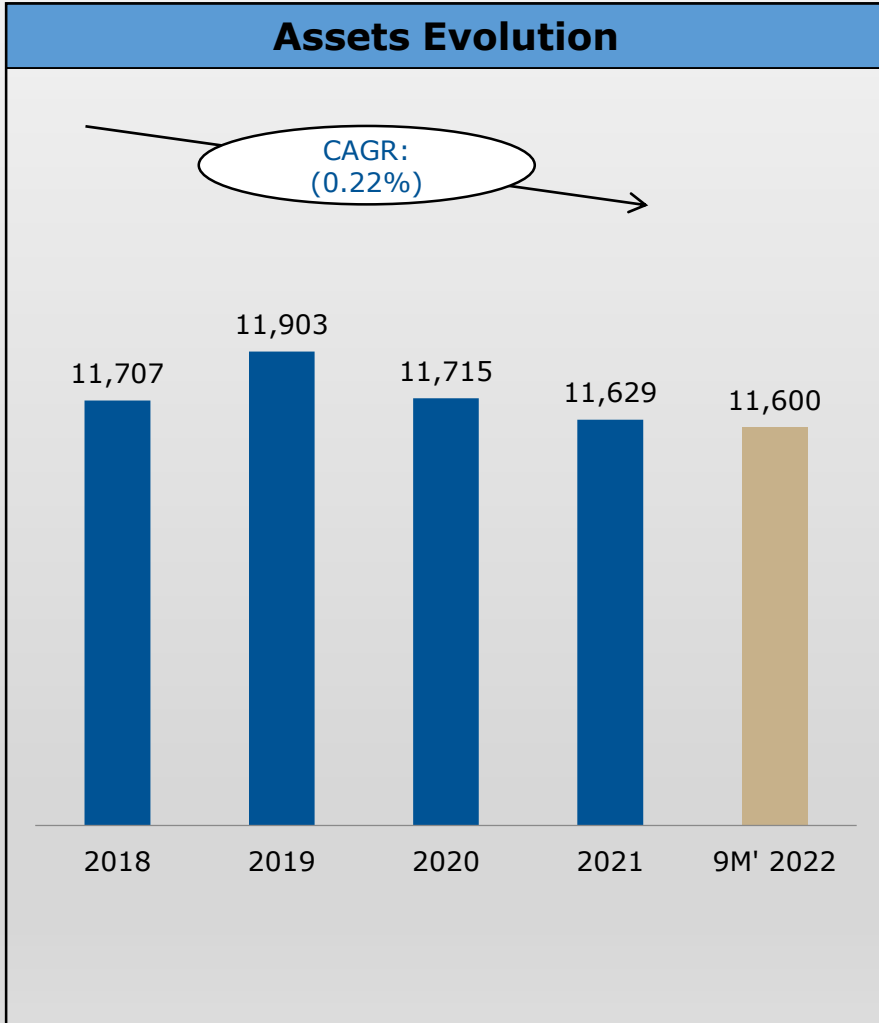
Income Statement Breakdown

(USD million as at 30 Sep 2022)



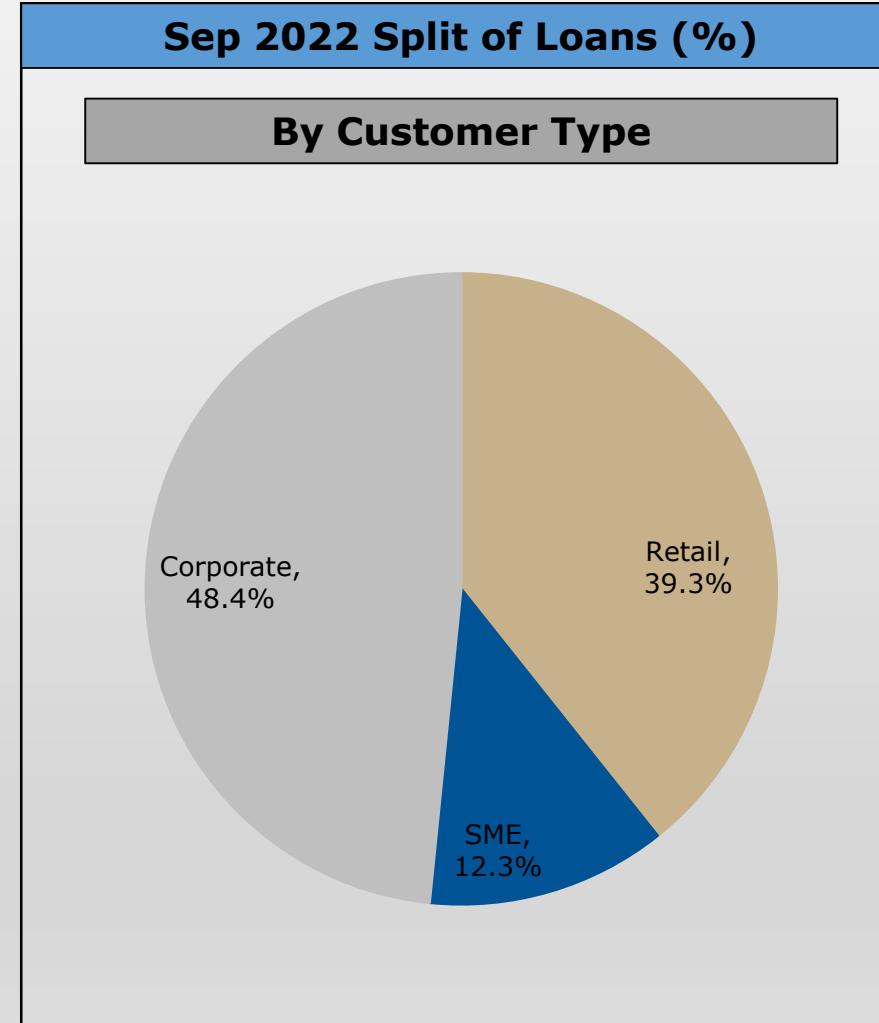
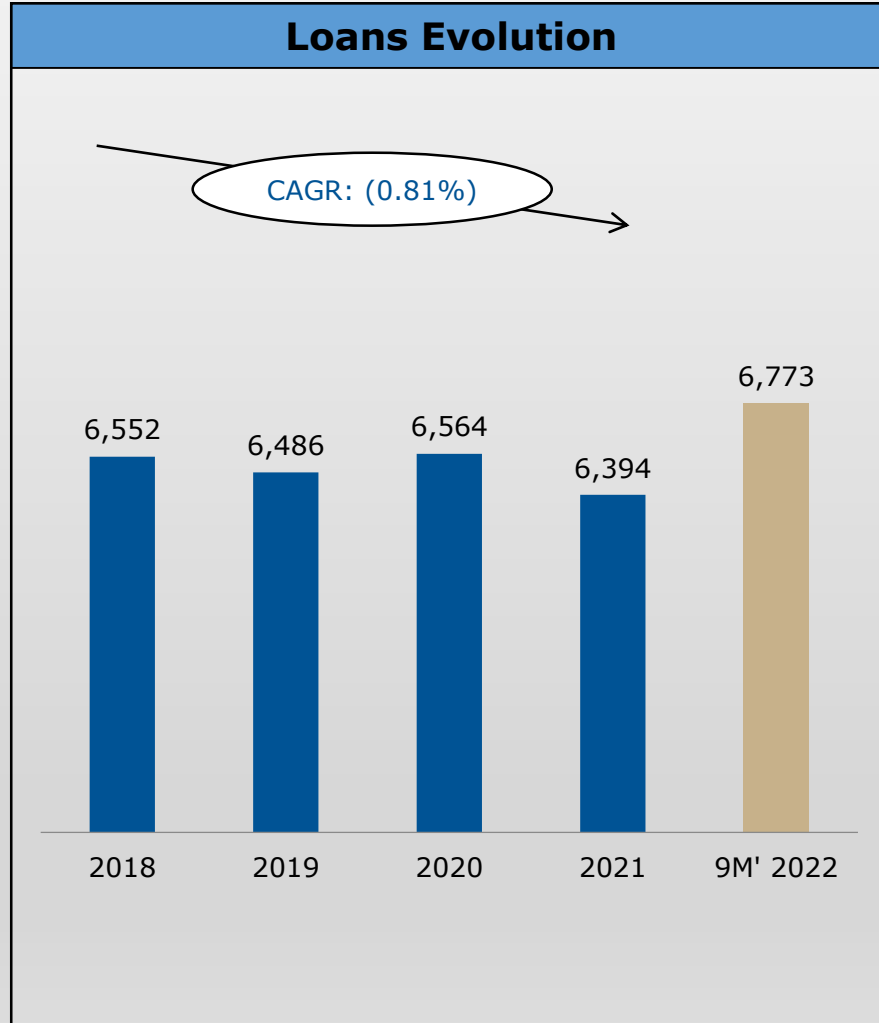
Assets Analysis

(USD million as at 30 Sep 2022)



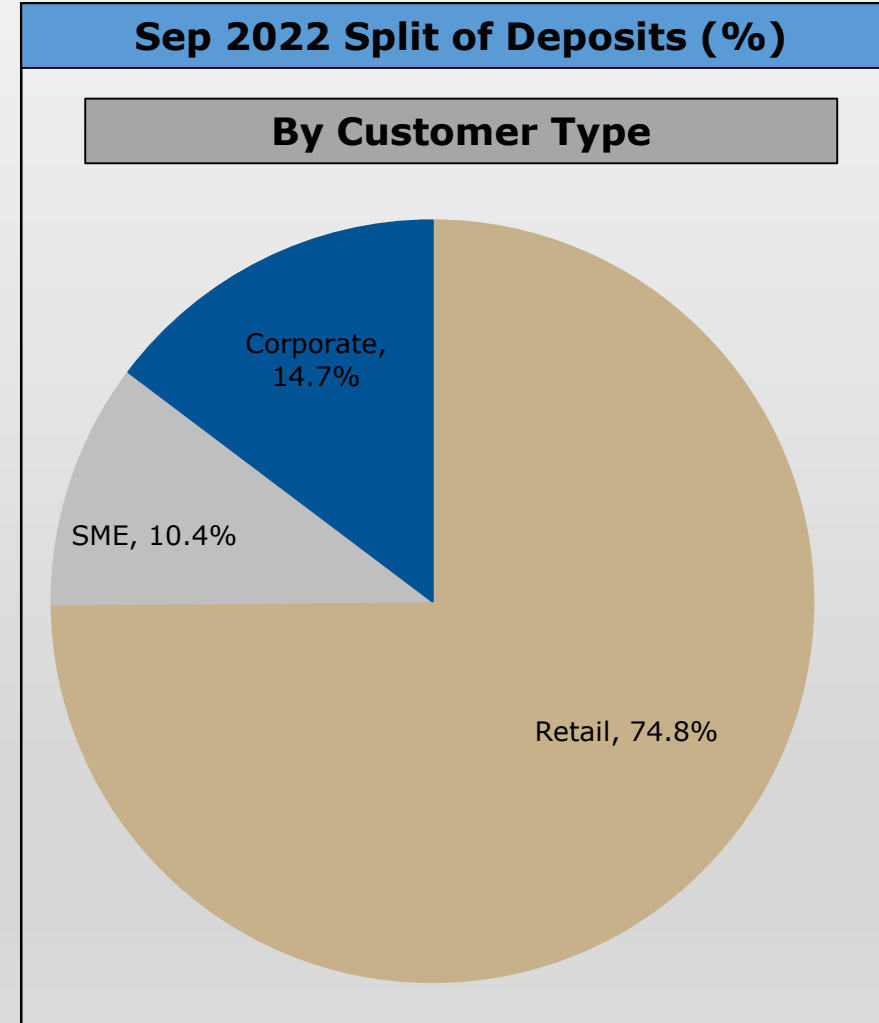
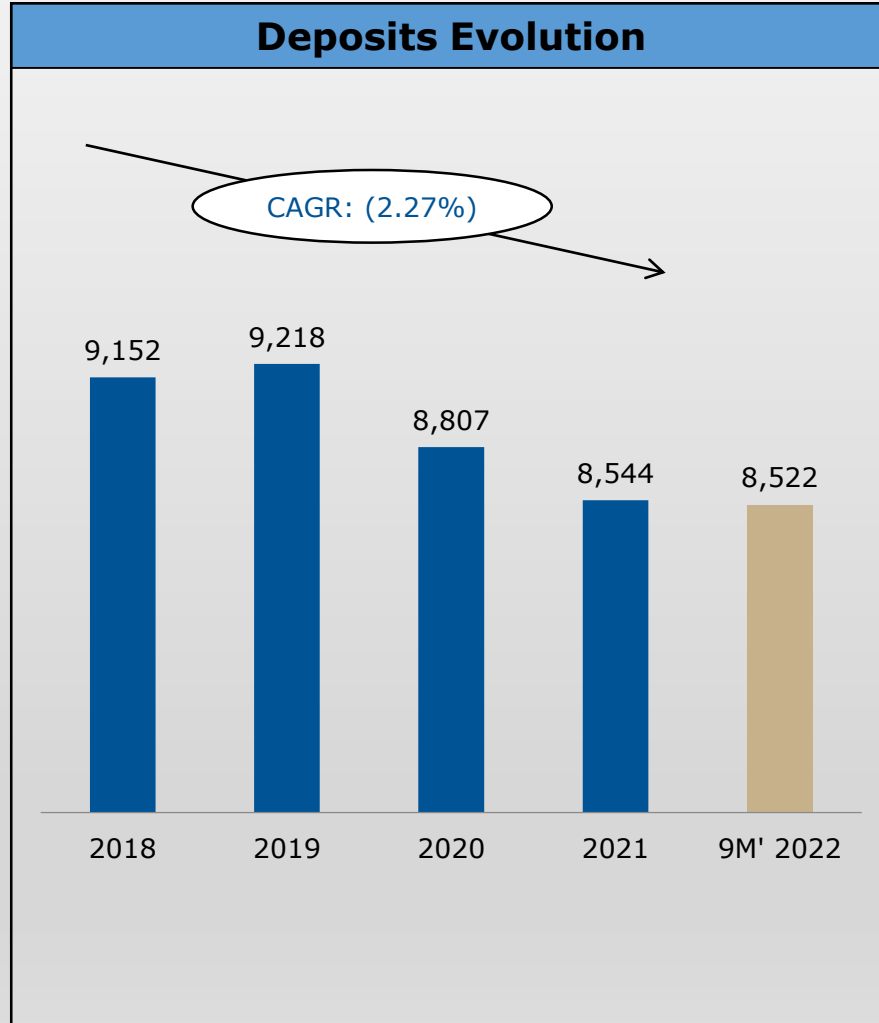
Loans Analysis

(USD million as at 30 Sep 2022)



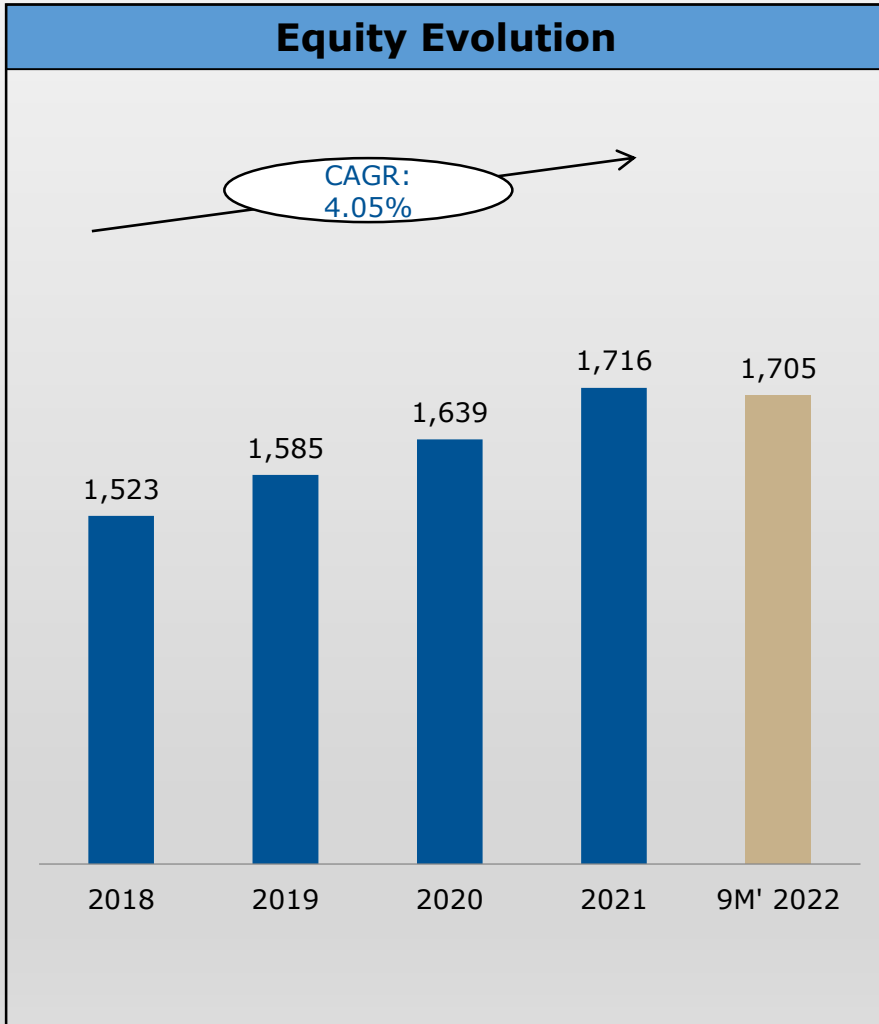
Funding Analysis

(USD million as at 30 Sep 2022)

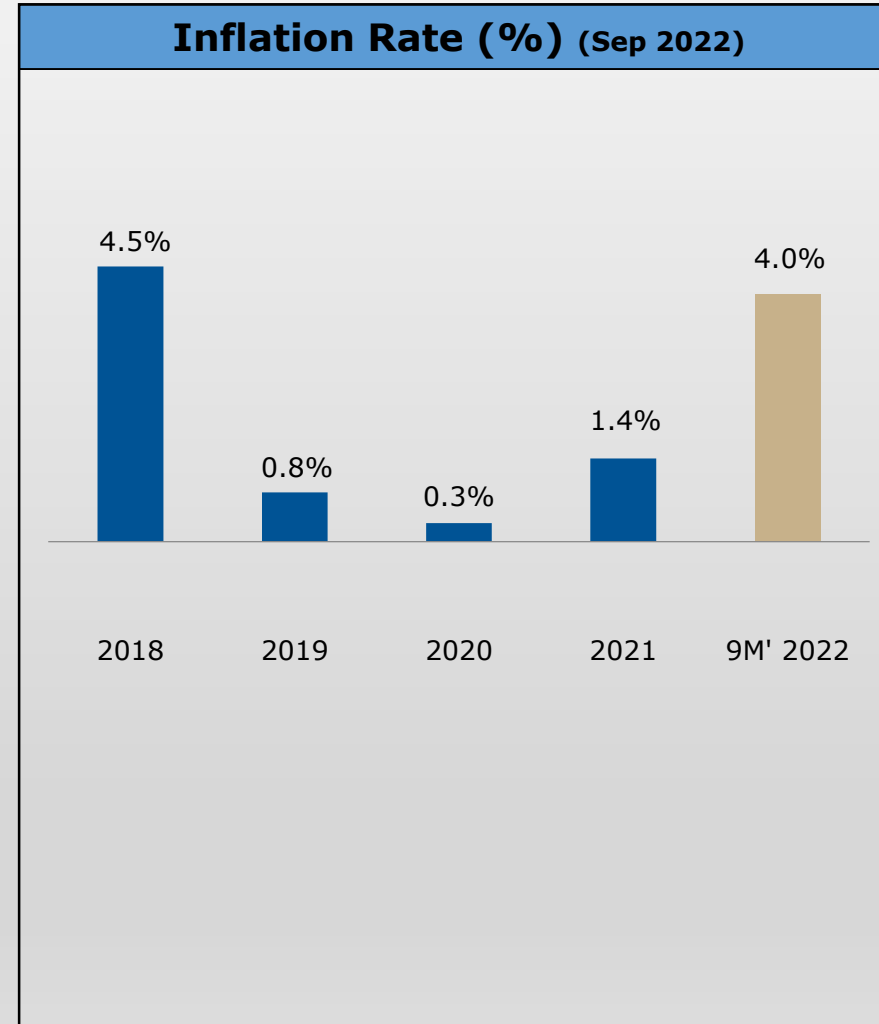
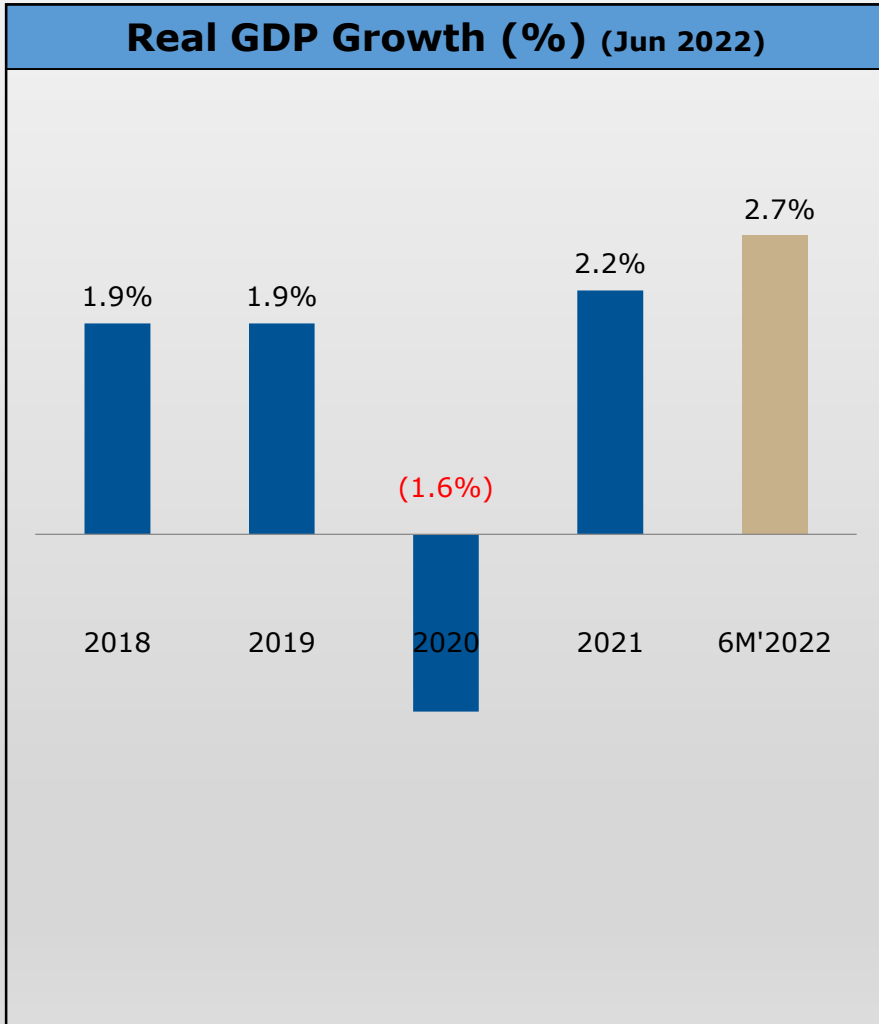


Capital Analysis

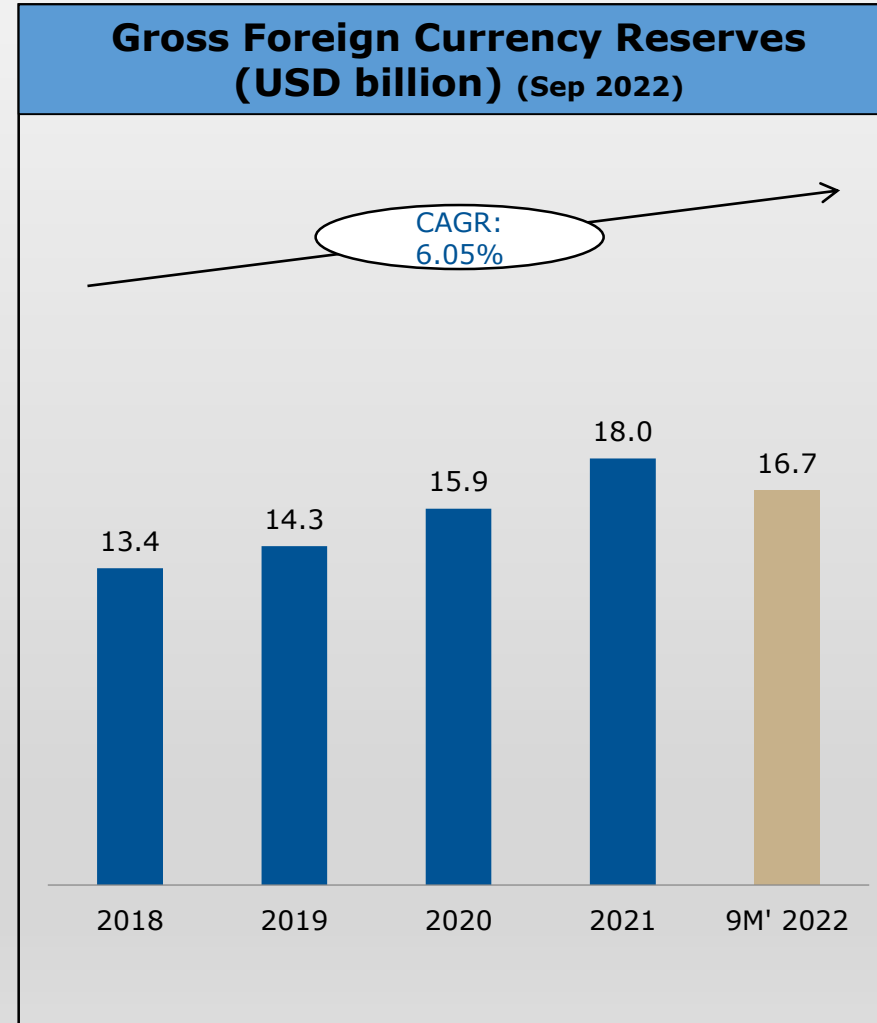
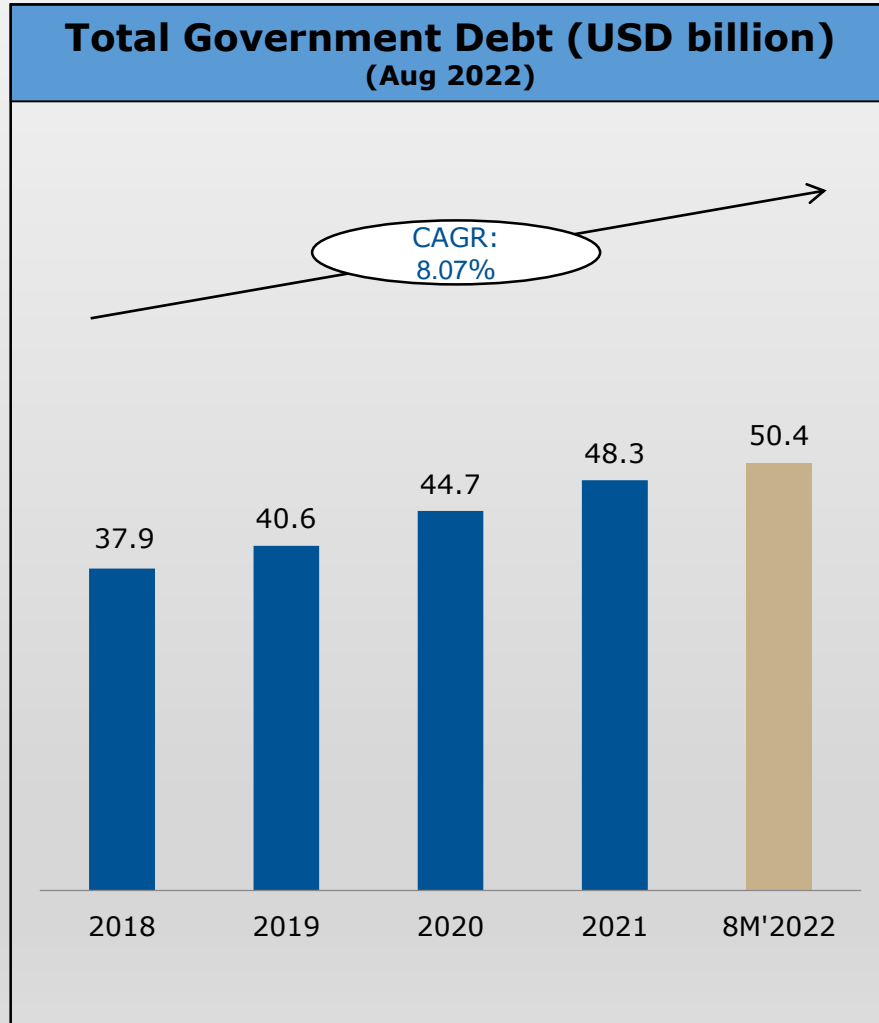
(USD million as at 30 Sep 2022)



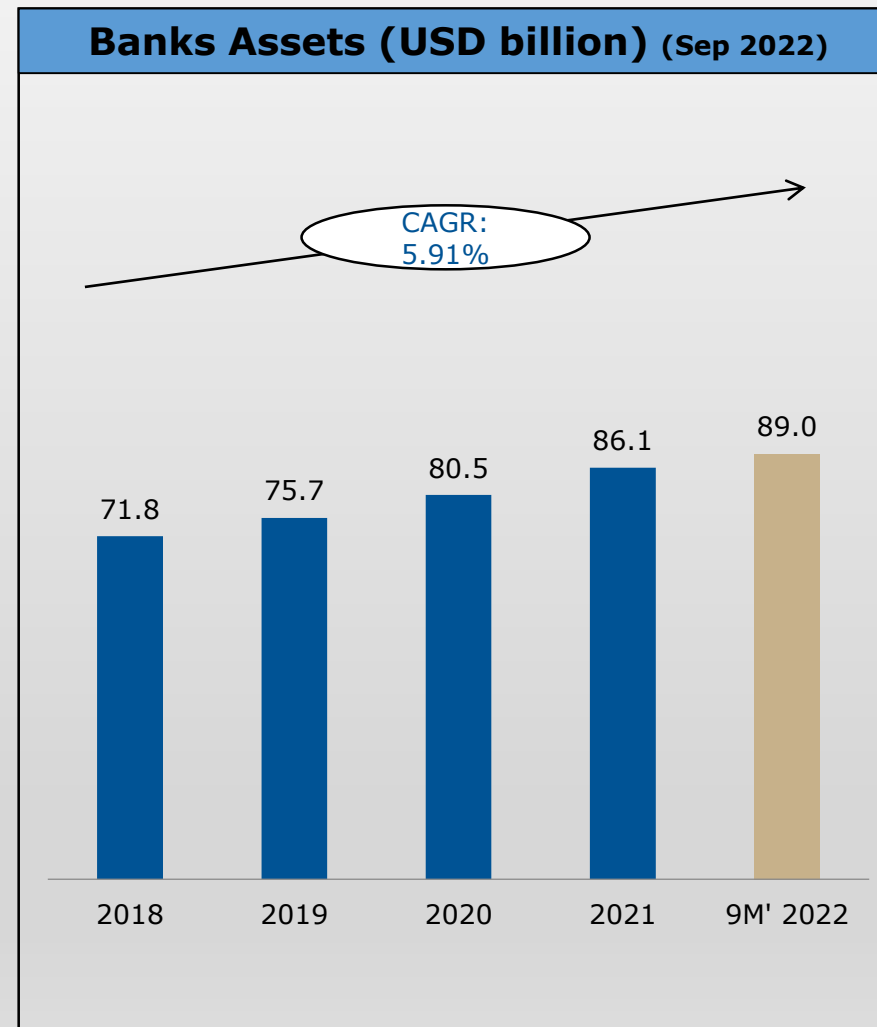
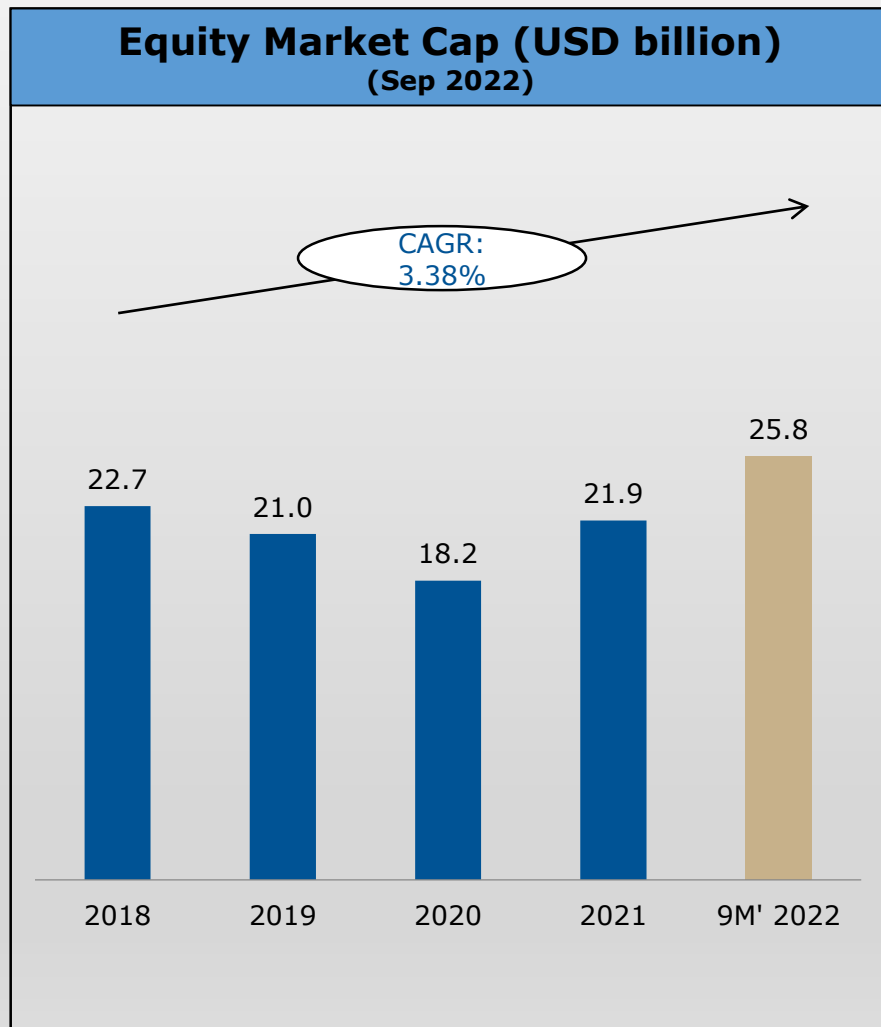
Jordan Economy - Overview



Jordan Economy – Overview (continued)



Jordan Economy – Overview (continued)





Other Information		Consolidated				
Amounts in million USD		2018	2019	2020	2021	9M' 2022
Gross Credit Portfolio		6,552	6,486	6,564	6,394	6,773
Net Credit Portfolio		6,002	5,866	5,793	5,567	5,955
	FCY Credit Portfolio	1,621	1,688	1,682	1,655	1,806
	JOD Credit Portfolio	4,381	4,177	4,111	3,912	4,149
Stage 3 loans - Gross (with interest in suspense)		428	547	620	548	476
Stage 3 loans - Net		290	398	459	381	318
Stage 3 Ratio - Gross		6.5%	8.4%	9.4%	8.6%	7.0%
Stage 3 Ratio - Net		4.5%	6.3%	7.2%	6.1%	4.8%
Total Loan Provisions		412	471	608	640	634
Loan Coverage Ratio *		142.2%	118.4%	132.6%	167.8%	199.3%
Cost Income Ratio **		44.2%	48.1%	45.0%	44.6%	43.3%
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%	3.7%
Fee Income/Total Revenue		16.1%	14.5%	13.0%	15.5%	16.3%
Total Assets		11,707	11,903	11,715	11,629	11,600
Total Deposits		9,152	9,218	8,807	8,544	8,522
	FCY Deposits	3,452	3,677	3,513	3,530	3,492
	JOD Deposits	5,700	5,541	5,294	5,015	5,030
Loans/Assets		51.3%	49.3%	49.5%	47.9%	51.3%
Loans/Deposits		65.6%	63.6%	65.8%	65.2%	69.9%
	FCY Loans/Deposits ratio	47.0%	45.9%	47.9%	46.9%	51.7%
	JOD Loans/Deposits ratio	76.9%	75.4%	77.7%	78.0%	82.5%
NPLs - Gross (Only for Jordan)						
Retail		5.9%	7.5%	8.1%	6.8%	6.2%
Corporate		6.2%	8.7%	10.8%	11.2%	7.9%
NPLs - Net (Only for Jordan)						
Retail		4.1%	5.5%	5.8%	4.3%	3.7%
Corporate		4.2%	6.6%	8.5%	8.3%	5.7%

* 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		9M' 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%	256.6	4.3%
Industrial	646.4	10.8%	742.4	12.7%	709.6	12.2%	610.8	11.0%	633.2	10.6%
Trade	778.6	13.0%	651.7	11.1%	642.0	11.1%	629.7	11.3%	653.4	11.0%
Real Estate- Housing Loans	1,132.7	18.9%	1,109.0	18.9%	1,105.4	19.1%	1,112.4	20.0%	1,139.9	19.1%
Real Estate- Commercial Developers	440.1	7.3%	462.0	7.9%	507.8	8.8%	563.0	10.1%	547.3	9.2%
Agriculture	22.1	0.4%	21.6	0.4%	27.2	0.5%	24.2	0.4%	66.2	1.1%
Shares	9.8	0.2%	4.7	0.1%	5.4	0.1%	6.5	0.1%	5.8	0.1%
Consumer	1,022.2	17.0%	1,090.4	18.6%	1,146.5	19.8%	1,223.0	22.0%	1,338.2	22.5%
Public and Governmental	1,258.3	21.0%	1,031.0	17.6%	815.0	14.1%	568.9	10.2%	707.7	11.9%
Others	484.3	8.1%	572.2	9.8%	596.3	10.3%	610.5	11.0%	606.8	10.2%
Total (Net Credit Portfolio)	6,001.9	100.0%	5,865.8	100%	5,793.3	100%	5,566.9	100%	5,954.9	100%

Income Statement

Consolidated USD mio

	2018	2019	2020	2021	9M' 2022
Net Interest Income	396.3	418.5	429.5	423.3	334.2
Net commission	36.5	37.8	30.8	32.8	27.0
Net Interest and Commission Income	432.9	456.3	460.3	456.2	361.2
Foreign exchange income	15.8	14.7	13.3	11.3	9.1
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)	(3.4)
Bank's share of associates' profits	-	-	-	-	-
Other income	43.7	37.7	36.7	35.0	31.9
Gross Income	492.0	509.1	513.8	500.7	399.1
Total Expenses	217.4	244.9	231.4	200.1	172.0
Provisions	88.4	77.8	172.9	70.6	31.3
Net Income before tax	186.2	186.4	109.5	230.0	195.8
Income tax expense	52.9	68.4	49.6	74.8	58.2
Net Income for the Year	133.3	118.1	60.0	155.3	137.5

OTHER INCOME
USD

	2018	2019	2020	2021	9M' 2022	%
Fees on salary's accounts	4,469,412	4,797,075	4,689,606	4,722,134	3,491,544	10.9%
Credit cards income	9,777,625	10,330,619	6,403,197	4,737,082	6,487,159	20.3%
Safety Deposit Box rental income	877,460	829,014	815,178	880,893	641,984	2.0%
Commissions on returned checks	1,243,054	1,093,412	645,089	634,560	492,543	1.5%
Account management fees	7,418,834	8,308,403	14,915,025	9,140,358	6,184,161	19.4%
Net income from recovered loans	3,982,130	36,513	1,039,071	1,140,343	1,582,519	5.0%
Charges on dormant and low-balance accounts	-	-	-	-	-	-
Revenues on broker services	550,276	342,738	317,759	1,282,583	603,860	1.9%
Banking services' fees	2,896,953	1,576,920	1,455,186	1,984,289	2,080,677	6.5%
Revenues on transfers	8,536,891	7,242,937	4,791,312	4,673,121	3,826,986	12.0%
Hedge derivatives (Gain / loss)	-	-	- 2,252,437	2,500,370	3,964,784	12.4%
Others	3,984,419	3,189,157	3,857,670	3,318,917	2,567,140	8.0%
Total	43,737,054	37,746,787	36,676,656	35,014,649	31,923,358	100.0%

Market Share in Jordan

	2018	2019	2020	2021	9M' 2022
JOD current accounts	7.9%	7.9%	7.7%	7.0%	7.4%
JOD savings accounts	36.5%	34.4%	32.5%	30.1%	28.6%
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%	10.1%
FCY client deposits	13.3%	13.5%	13.1%	11.9%	12.1%
Total deposits (all currencies)	14.5%	13.7%	12.4%	10.9%	10.6%
JOD direct credit facilities	14.1%	13.2%	12.6%	11.4%	11.4%
FCY direct credit facilities	10.4%	11.8%	12.9%	11.9%	12.9%
Total credit facilities (all currencies)	13.7%	13.0%	12.6%	11.5%	11.6%
Import LCs	22.2%	25.5%	20.5%	29.9%	24.6%
LGs	11.5%	11.0%	10.5%	9.9%	10.1%
Acceptances	10.9%	4.7%	9.9%	18.3%	12.6%
Total assets	14.3%	13.9%	13.2%	12.2%	12.0%

Jordan Economy

	2018	2019	2020	2021	6M'2022
Nominal GDP (USD billion)	43.4	45.1	44.2	45.8	22.5
Nominal GDP growth	4.2%	3.7%	(1.8%)	3.5%	4.9%
Real GDP growth	1.9%	1.9%	(1.6%)	2.2%	2.7%

	2018	2019	2020	2021	9M' 2022
Inflation Rate	4.5%	0.8%	0.3%	1.4%	4.0%

	2018	2019	2020	2021	8M'2022
Net Domestic Government Debt (USD billion) (Including debt held by SSIF)	20.9	23.2	24.8	26.5	27.8
External Government Debt (USD billion) (Including debt held by SSIF)	17.0	17.4	19.9	21.9	22.6
Total Government Debt (USD billion)	37.9	40.6	44.7	48.3	50.4
Total Government Debt to GDP	87.3%	90.1%	101.0%	105.4%	N.A
Govt Budget Deficit- Including Grants (USD billion)	(1.0)	(1.5)	(3.1)	(2.4)	(1.8)
Budget Deficit to GDP	(2.4%)	(3.3%)	(7.0%)	(5.3%)	N.A

	2018	2019	2020	2021	9M' 2022
Banks assets (USD billion)	71.8	75.7	80.5	86.1	89.0
Deposits with banks (USD billion)	47.7	49.8	51.9	55.7	59.0
Private Sector Credit (USD billion)	34.8	36.3	38.3	40.3	43.2
Equity Market Cap (USD billion)	22.7	21.0	18.2	21.9	25.8
Gross Foreign Reserves (USD billion) (Including Gold & SDRs)	13.4	14.3	15.9	18.0	16.7

