

Investor Relations Presentation
Housing Bank – December, 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: #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 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: #C00000;">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: #C00000;">Outlook</td> <td style="text-align: center;">Positive</td> <td style="text-align: center;">Positive</td> <td style="text-align: center;">Positive</td> </tr> </table>		Moody's (Foreign Currency)	Moody's (Local Currency)	Capital Intelligence	LT	B1	B1	B+	ST	NP	NP	B	Outlook	Positive	Positive	Positive
	Moody's (Foreign Currency)	Moody's (Local Currency)	Capital Intelligence														
LT	B1	B1	B+														
ST	NP	NP	B														
Outlook	Positive	Positive	Positive														

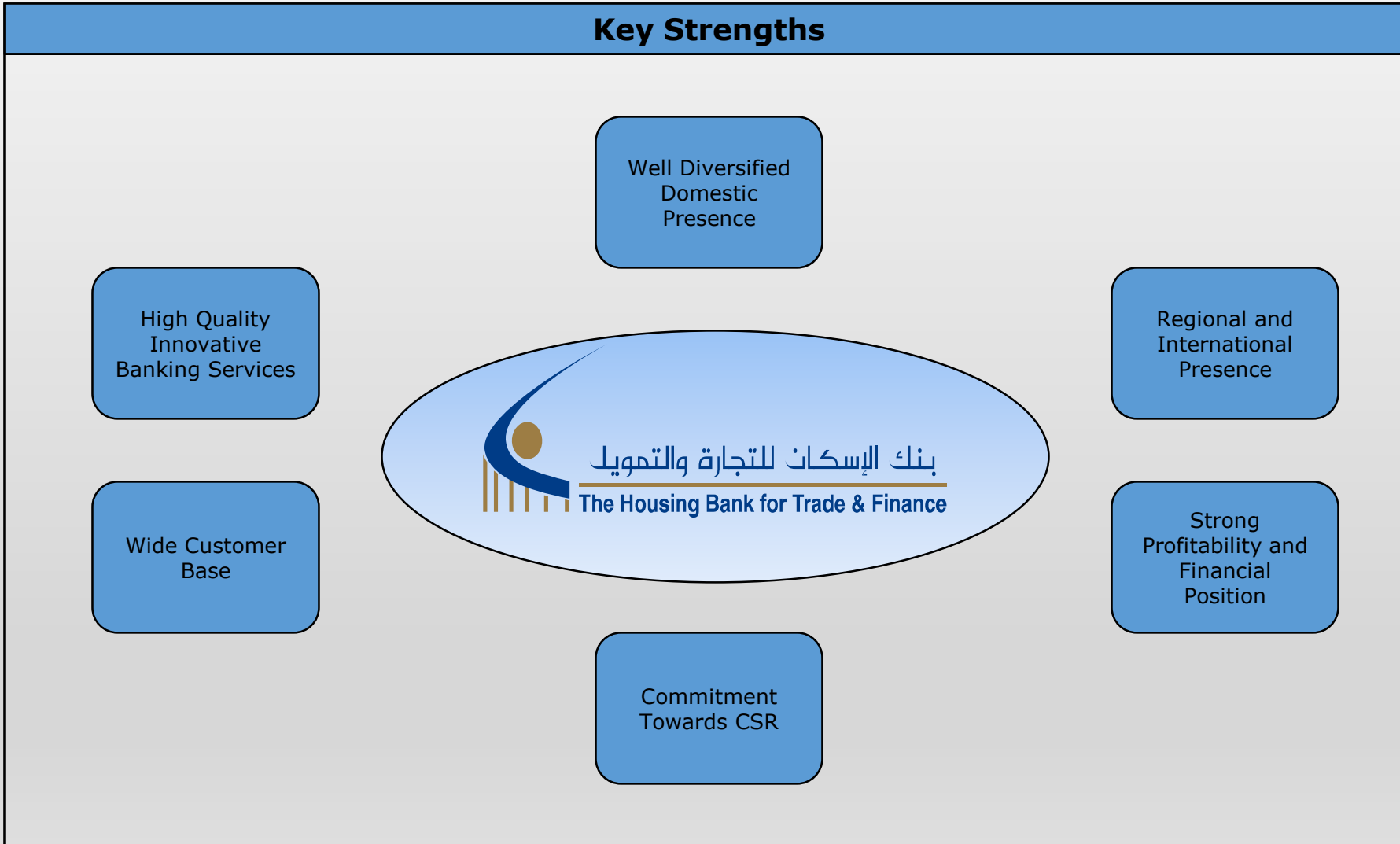
Presence	<ul style="list-style-type: none"> HBTF and its subsidiaries operate in 9 countries in the MENA region as well as in Europe.
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Stock Parameters (Dec 2022)	<ul style="list-style-type: none"> Listed on Amman Stock Exchange (ASE) Free Float \approx 5.29% Market Cap. of USD 1.62 bn (4th in ASE, 2nd amongst Listed Banks). Share Price of USD 5.15 per share. Price to Book 0.96x Price to Earnings 10.57x
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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%

Dec 2022 Financials (USD millions)			
	Dec 2022	Dec 2021	CAGR (2018-2022)
Total Deposits	8,728	8,544	-1.18%
Total Assets	11,930	11,629	0.47%
Credit Facilities	6,835	6,394	1.06%
Coverage Ratio	180.5%	167.8%	-
NPL Ratio (Net)	5.1%	6.1%	-
Net Interest Margin	3.8%	3.7%	-
	Dec 2022	Dec 2021	CAGR (2018-2022)
Operating Income	533.1	500.7	2.03%
Net Profit (After Tax)	186.7	155.3	8.79%

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: 109 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 Dec 2022)





Growth vs. Dec 2021
(unless stated otherwise)

Profit

- USD 186.7 million Net Profit (After Tax)  +20.24% (YoY)

• Net Interest Margin (NIM):	3.79%
• Cost to Income (Efficiency) Ratio:	43.68%
• Earnings per Share (EPS): (Attributable to Shareholders)	USD 0.49

Assets

- USD 11.93 billion Assets  + 2.59%
- USD 6.84 billion Loans  + 6.90%


• Return on Average Assets (RoA):	1.59%
• NPL Stage III Ratio (Net):	5.09%
• Coverage Ratio:	180.52%

Funding

- USD 8.73 billion Deposits  + 2.15%

• Loans to Deposits Ratio:	69.02%
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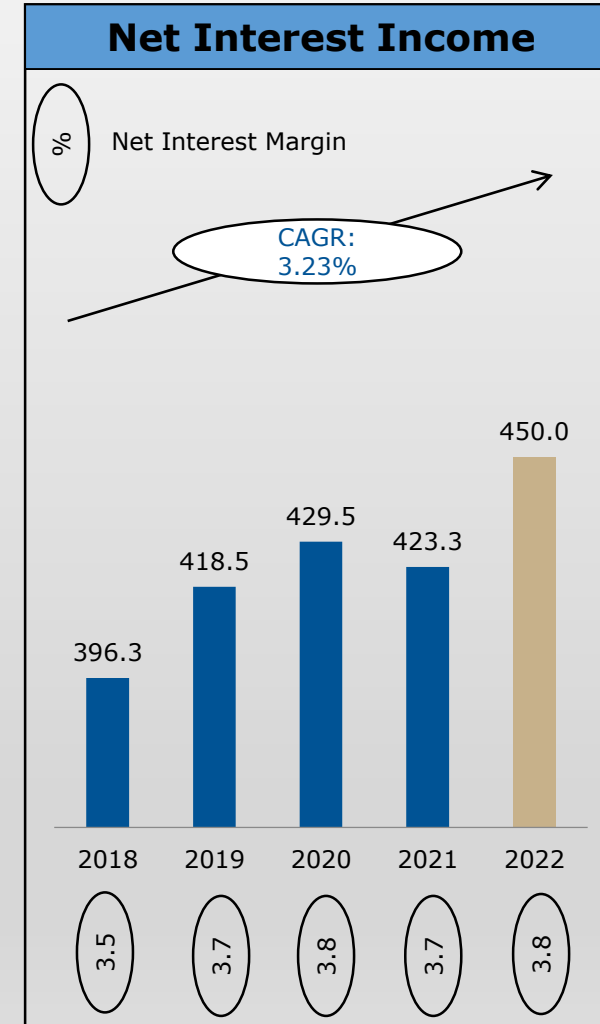
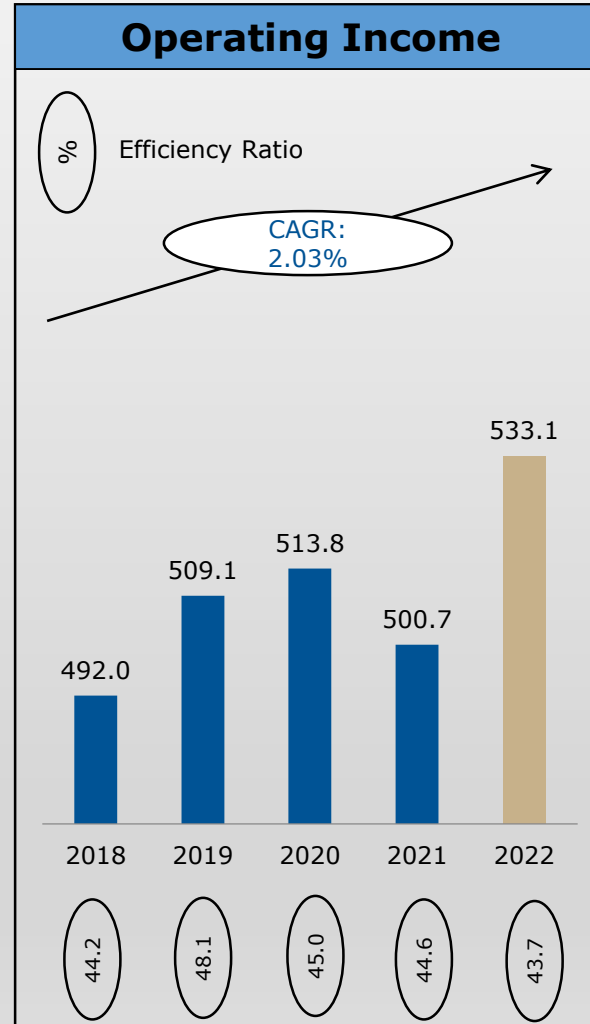
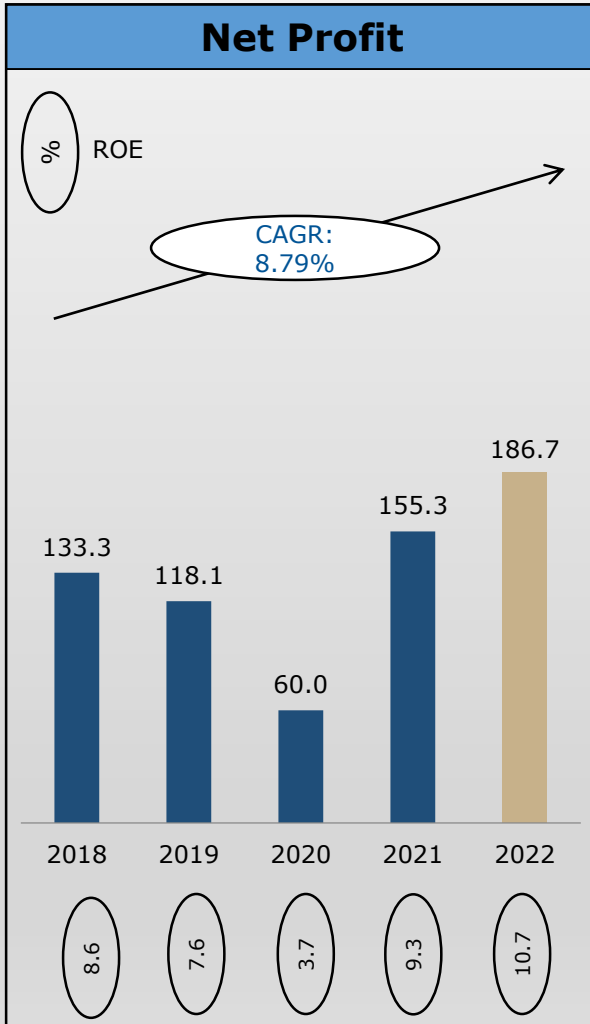
Equity

- USD 1.78 billion Equity  + 3.47%

• Return on Average Equity (RoAE):	10.69%
• Capital Adequacy Ratio:	18.68%

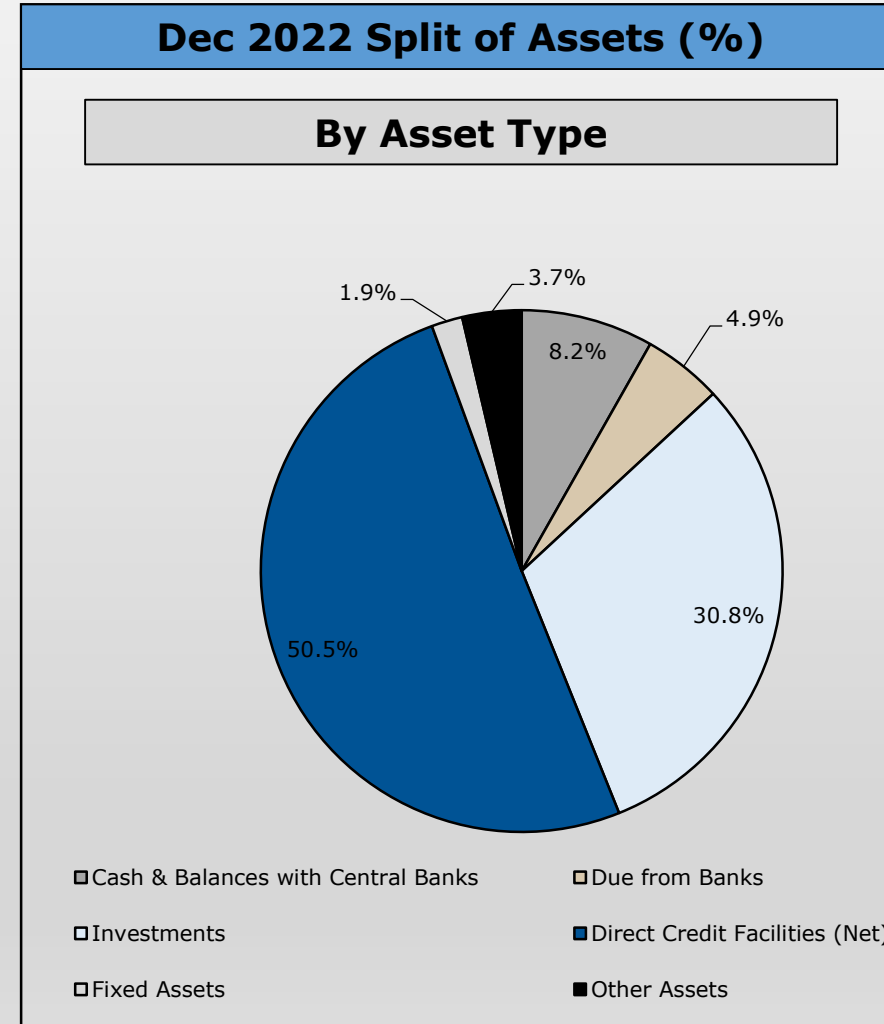
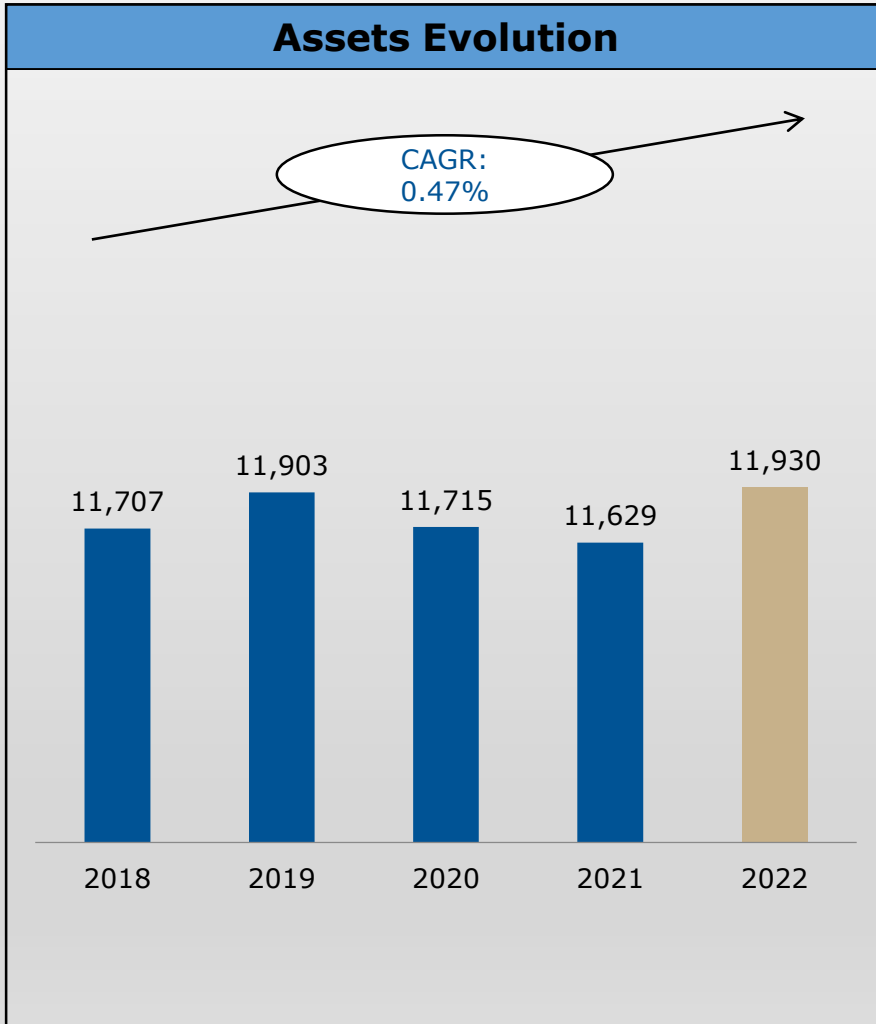
Income Statement Breakdown

(USD million as at 31 Dec 2022)



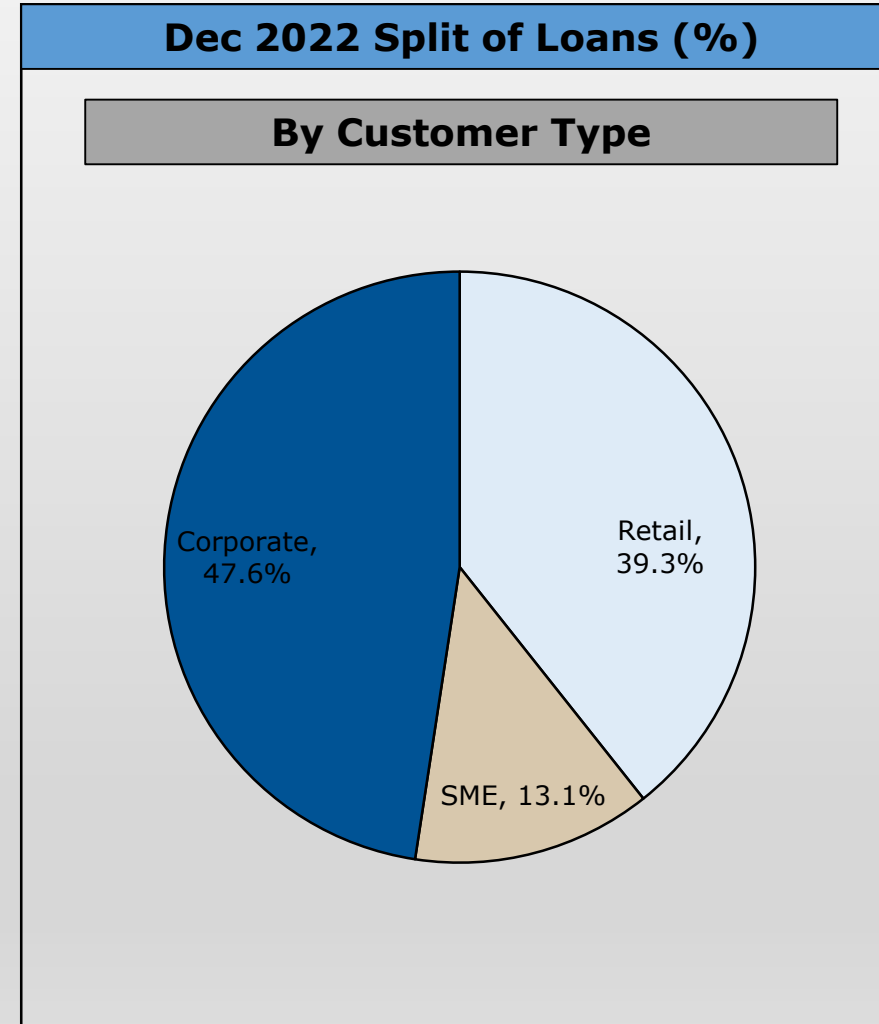
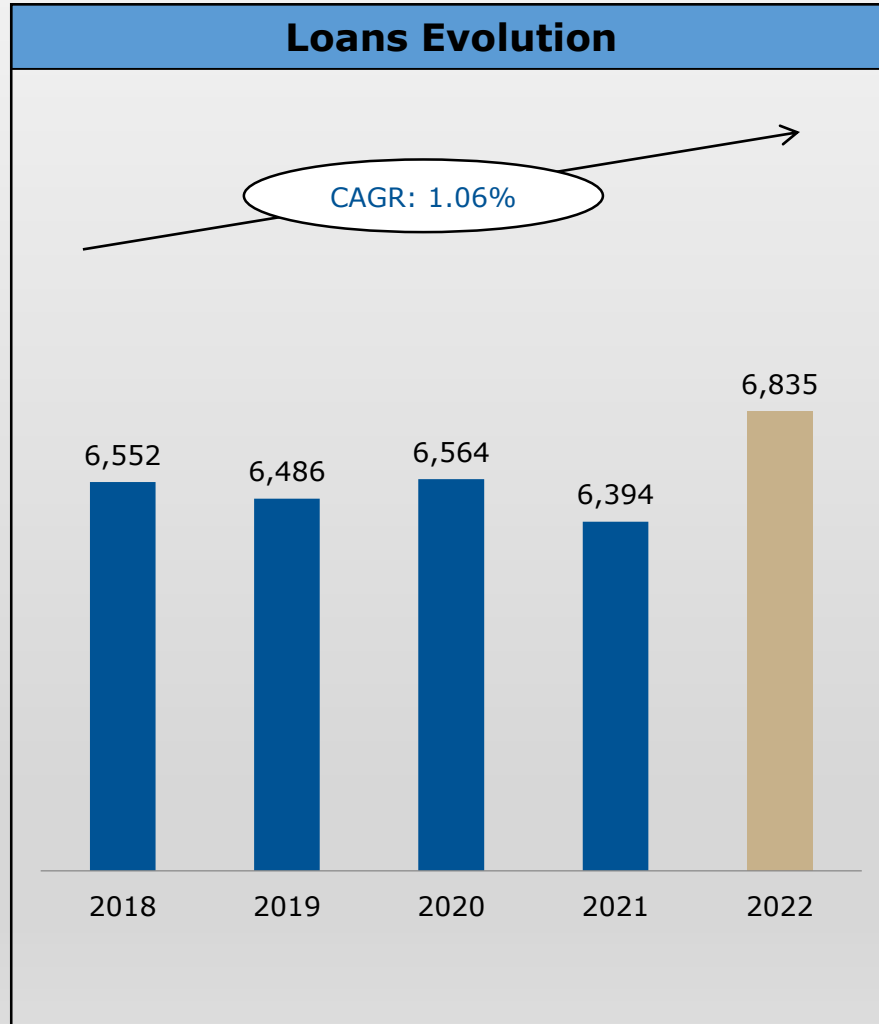
Assets Analysis

(USD million as at 31 Dec 2022)



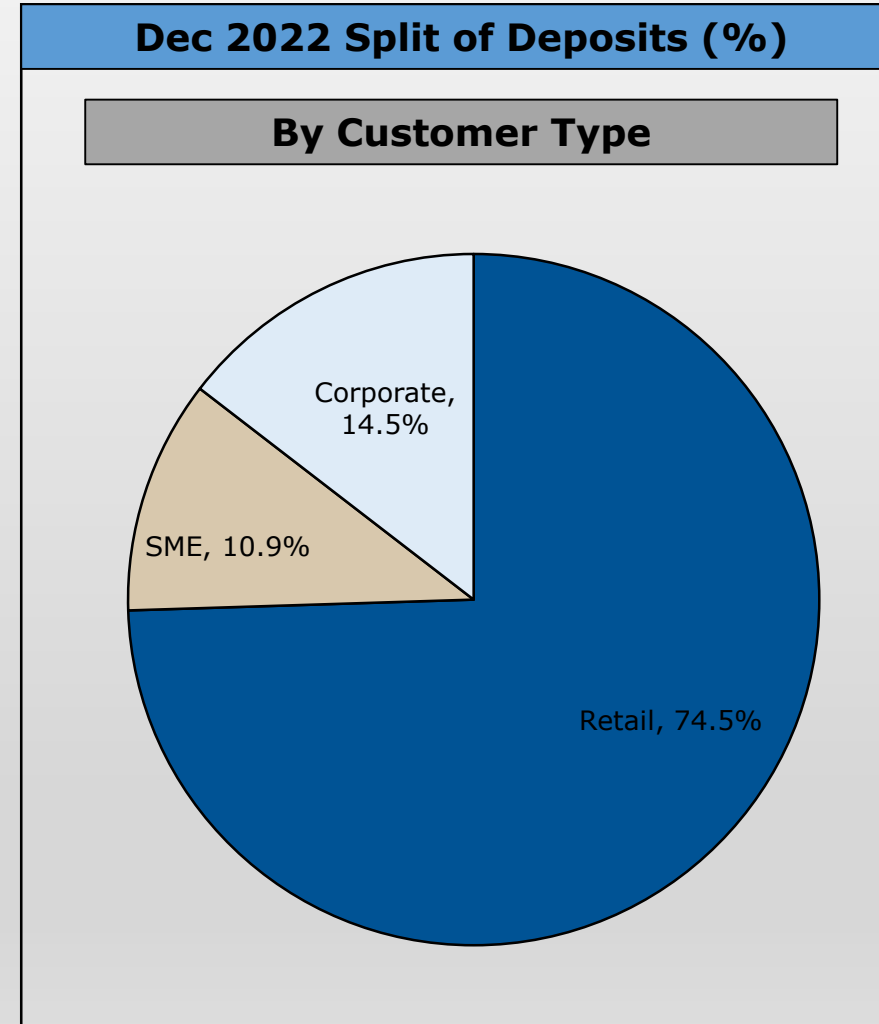
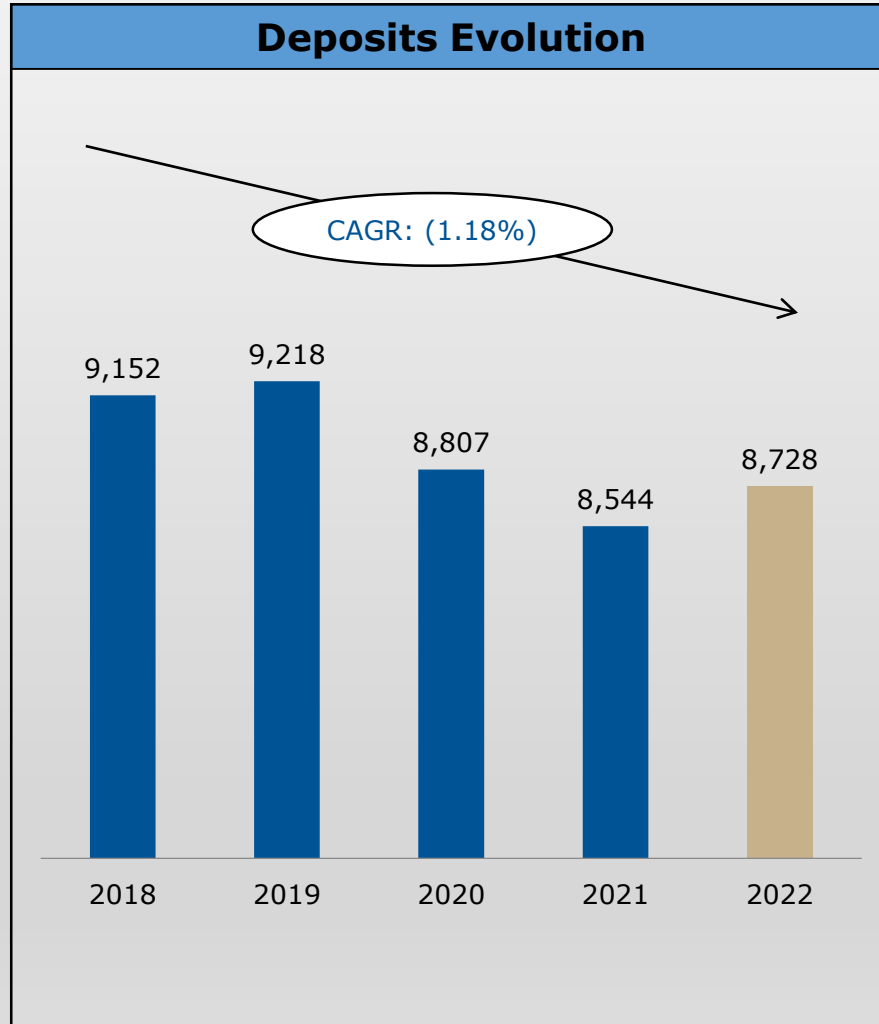
Loans Analysis

(USD million as at 31 Dec 2022)



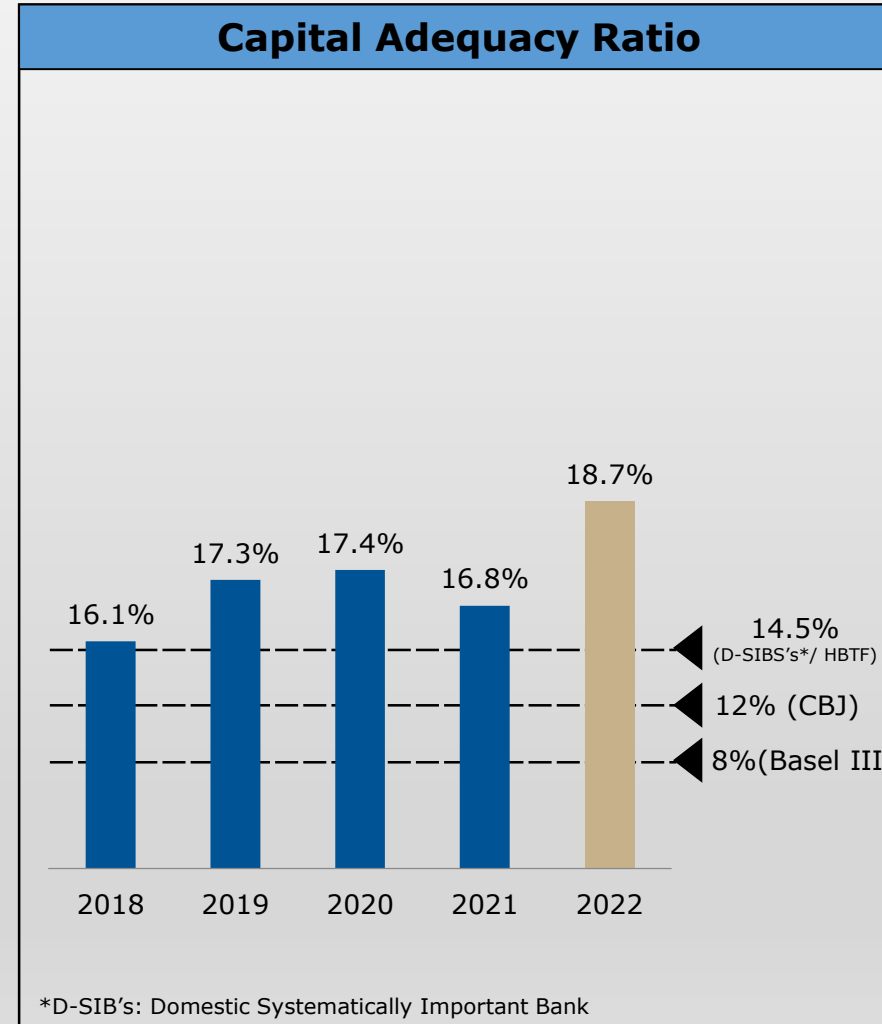
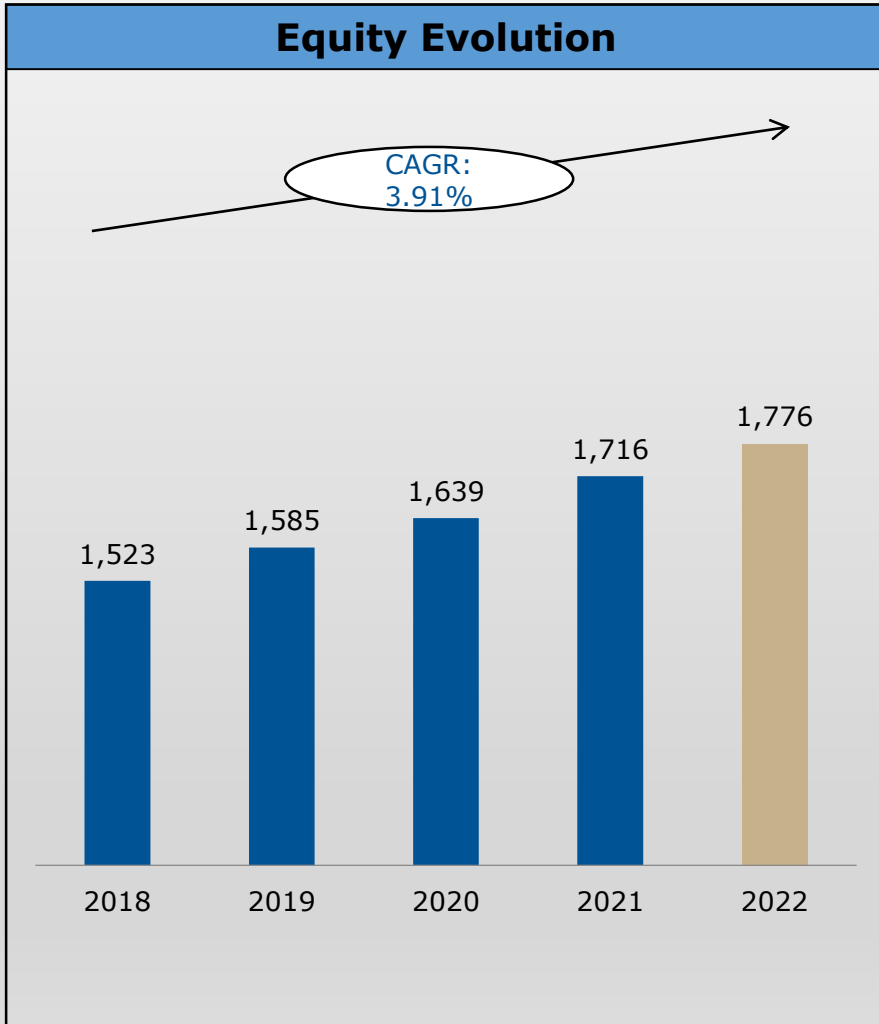
Funding Analysis

(USD million as at 31 Dec 2022)

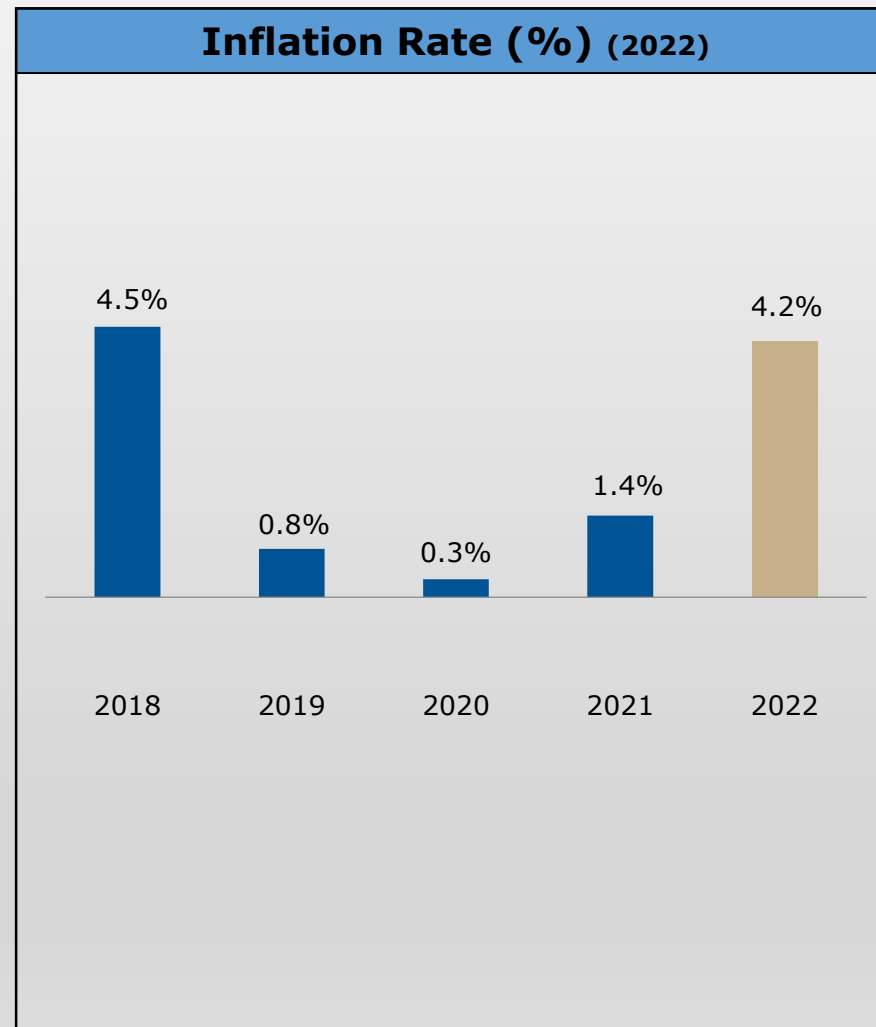
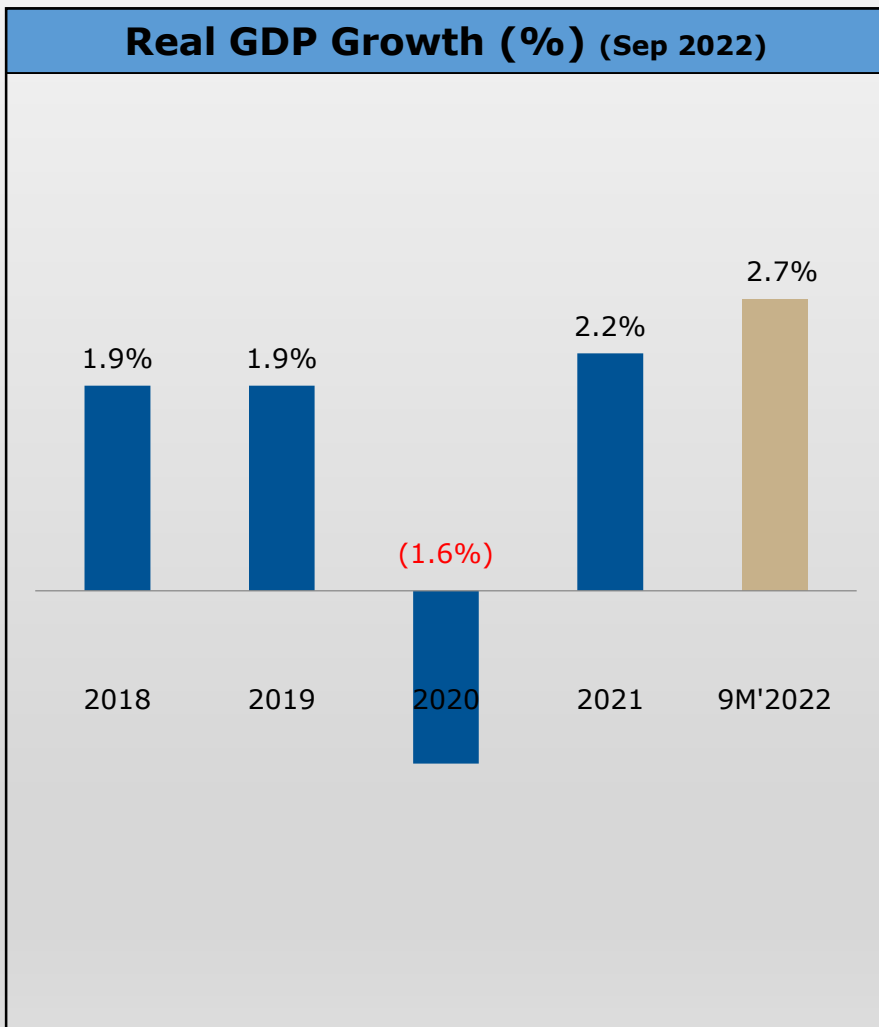


Capital Analysis

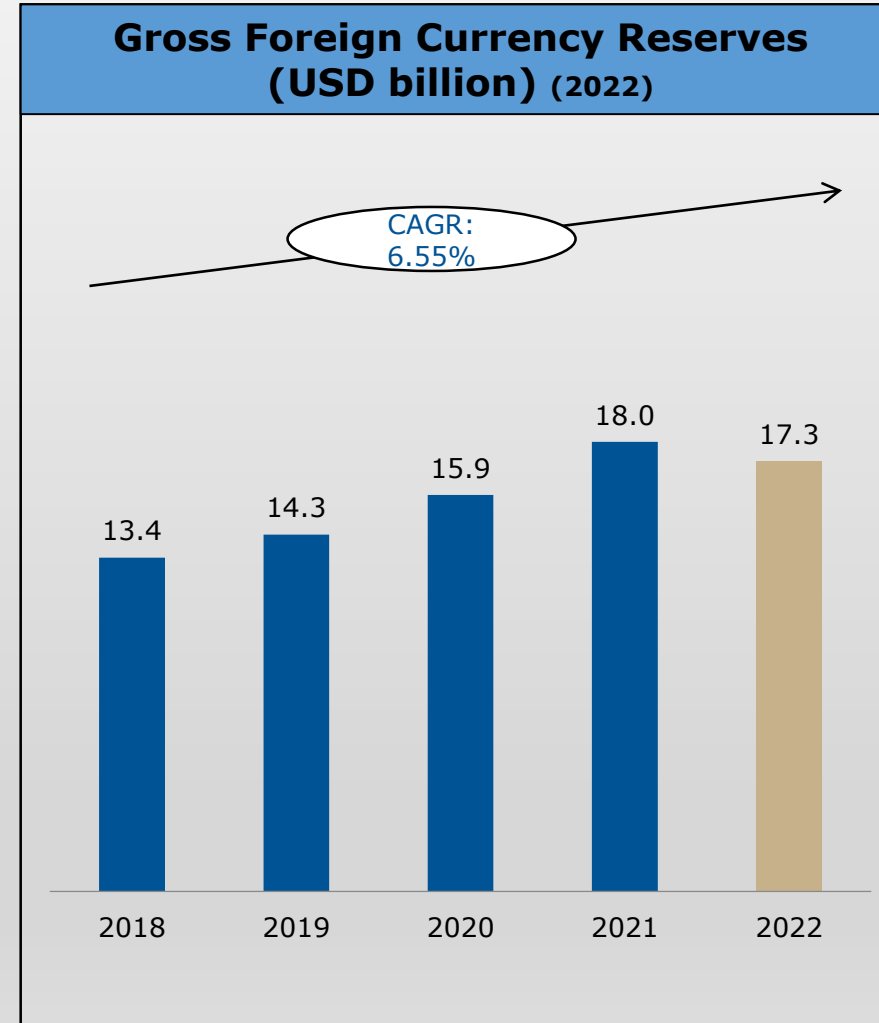
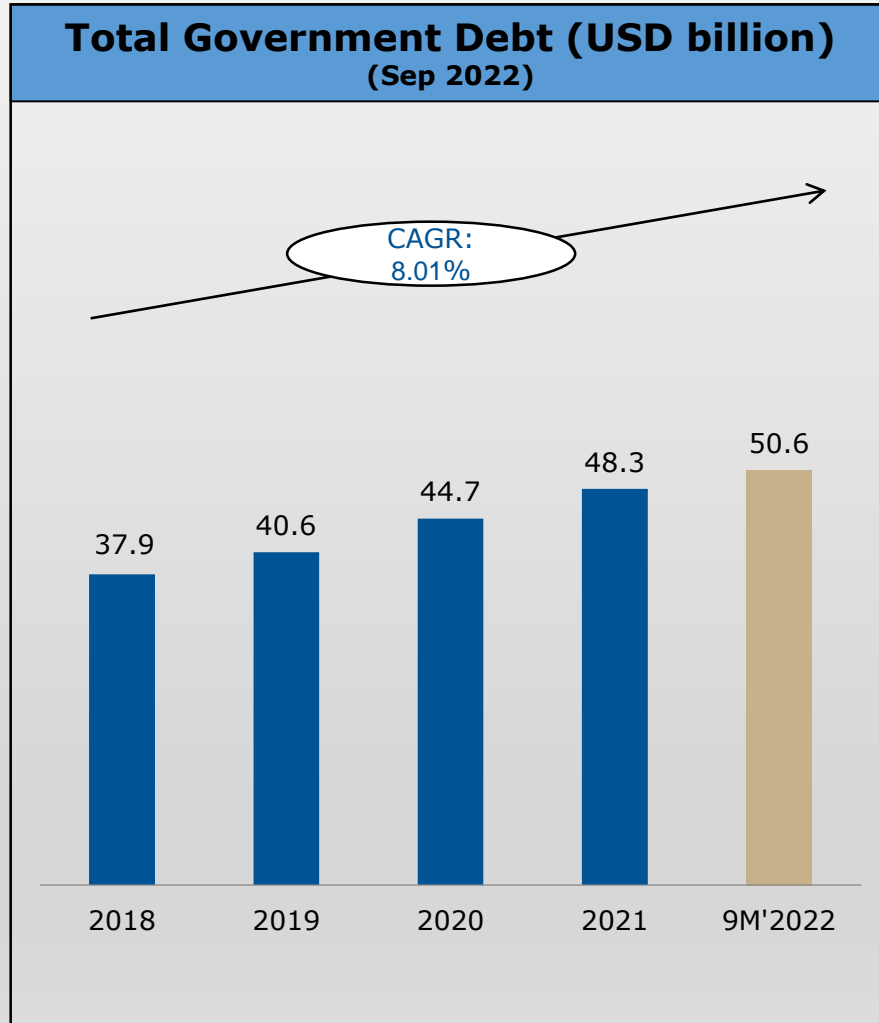
(USD million as at 31 Dec 2022)



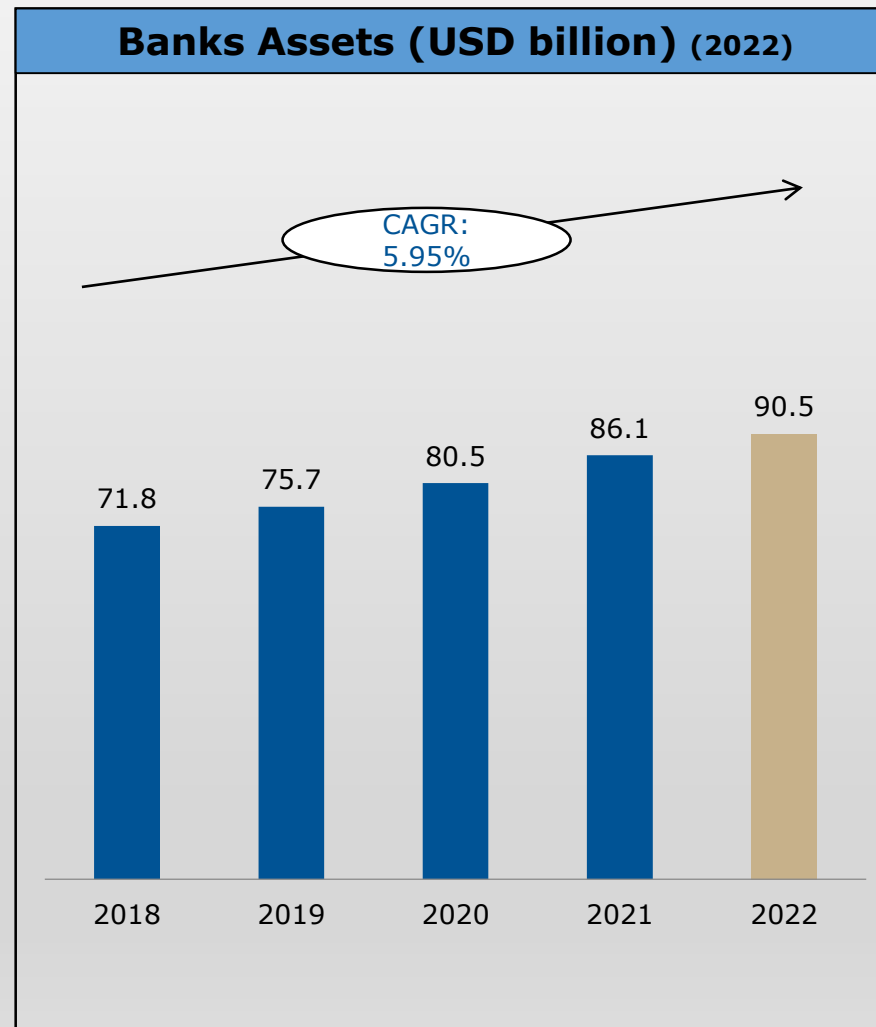
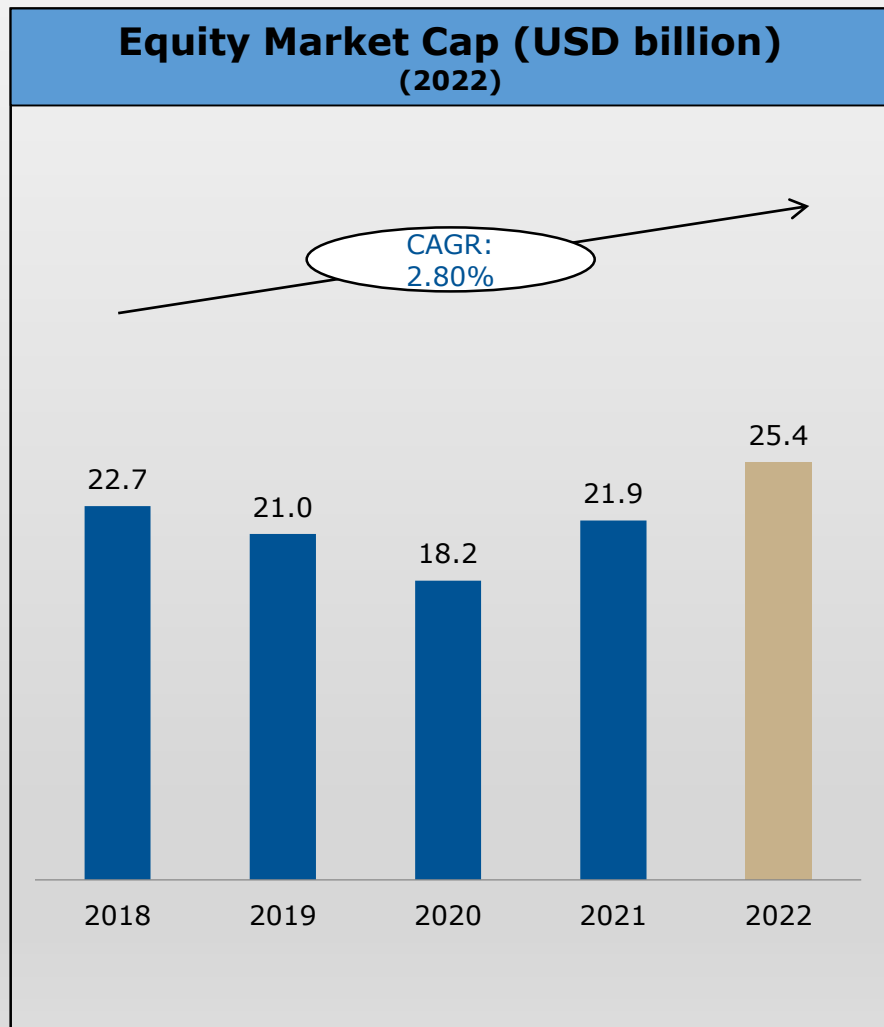
Jordan Economy - Overview



Jordan Economy – Overview (continued)



Jordan Economy – Overview (continued)





Other Information

Amounts in million USD

	Consolidated					
	2018	2019	2020	2021	2022	
Gross Credit Portfolio	6,552	6,486	6,564	6,394	6,835	
Net Credit Portfolio	6,002	5,866	5,793	5,567	6,024	
	FCY Credit Portfolio	1,621	1,688	1,682	1,655	1,847
	JOD Credit Portfolio	4,381	4,177	4,111	3,912	4,177
Stage 3 loans - Gross (with interest in suspense)	428	547	620	548	506	
Stage 3 loans - Net	290	398	459	381	338	
Stage 3 Ratio - Gross	6.5%	8.4%	9.4%	8.6%	7.4%	
Stage 3 Ratio - Net	4.5%	6.3%	7.2%	6.1%	5.1%	
Total Loan Provisions	412	471	608	640	610	
Loan Coverage Ratio *	142.2%	118.4%	132.6%	167.8%	180.5%	
Cost Income Ratio **	44.2%	48.1%	45.0%	44.6%	43.7%	
Non Interest Expenses to Avg Assets	1.9%	2.1%	2.0%	1.7%	2.1%	
Net Interest Margin	3.5%	3.7%	3.8%	3.7%	3.8%	
Fee Income/Total Revenue	16.1%	14.5%	13.0%	15.5%	15.6%	
Total Assets	11,707	11,903	11,715	11,629	11,930	
Total Deposits	9,152	9,218	8,807	8,544	8,728	
	FCY Deposits	3,452	3,677	3,513	3,530	3,568
	JOD Deposits	5,700	5,541	5,294	5,015	5,159
Loans/Assets	51.3%	49.3%	49.5%	47.9%	50.5%	
Loans/Deposits	65.6%	63.6%	65.8%	65.2%	69.0%	
	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%	81.0%

NPLs - Gross (Only for Jordan)

Retail	5.9%	7.5%	8.1%	6.8%	6.4%
Corporate	6.2%	8.7%	10.8%	11.2%	8.3%

NPLs - Net (Only for Jordan)

Retail	4.1%	5.5%	5.8%	4.3%	3.9%
Corporate	4.2%	6.6%	8.5%	8.3%	5.9%

• 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

Consolidatd

	2018		2019		2020		2021		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%	294.2	4.9%
Industrial	646.4	10.8%	742.4	12.7%	709.6	12.2%	610.8	11.0%	581.7	9.7%
Trade	778.6	13.0%	651.7	11.1%	642.0	11.1%	629.7	11.3%	640.5	10.6%
Real Estate- Housing Loans	1,132.7	18.9%	1,109.0	18.9%	1,105.4	19.1%	1,112.4	20.0%	1,160.9	19.3%
Real Estate- Commercial Developers	440.1	7.3%	462.0	7.9%	507.8	8.8%	563.0	10.1%	559.7	9.3%
Agriculture	22.1	0.4%	21.6	0.4%	27.2	0.5%	24.2	0.4%	70.7	1.2%
Shares	9.8	0.2%	4.7	0.1%	5.4	0.1%	6.5	0.1%	5.0	0.1%
Consumer	1,022.2	17.0%	1,090.4	18.6%	1,146.5	19.8%	1,223.0	22.0%	1,366.2	22.7%
Public and Governmental	1,258.3	21.0%	1,031.0	17.6%	815.0	14.1%	568.9	10.2%	782.2	13.0%
Others	484.3	8.1%	572.2	9.8%	596.3	10.3%	610.5	11.0%	562.7	9.3%
Total (Net Credit Portfolio)	6,001.9	100.0%	5,865.8	100%	5,793.3	100%	5,566.9	100%	6,024.0	100%

Income Statement

Consolidated USD mio

	2018	2019	2020	2021	2022
Net Interest Income	396.3	418.5	429.5	423.3	450.0
Net commission	36.5	37.8	30.8	32.8	34.5
Net Interest and Commission Income	432.9	456.3	460.3	456.2	484.5
Foreign exchange income	15.8	14.7	13.3	11.3	12.2
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)	(2.8)
Bank's share of associates' profits	-	-	-	-	-
Other income	43.7	37.7	36.7	35.0	38.9
Gross Income	492.0	509.1	513.8	500.7	533.1
Total Expenses	217.4	244.9	231.4	200.1	245.5
Provisions	88.4	77.8	172.9	70.6	9.0
Net Income before tax	186.2	186.4	109.5	230.0	278.7
Income tax expense	52.9	68.4	49.6	74.8	91.9
Net Income for the Year	133.3	118.1	60.0	155.3	186.7

OTHER INCOME

USD

	2018	2019	2020	2021	2022	%
Fees on salary's accounts	4,469,412	4,797,075	4,689,606	4,722,134	4,694,925	12.1%
Credit cards income	9,777,625	10,330,619	6,403,197	4,737,082	8,223,863	21.1%
Safety Deposit Box rental income	877,460	829,014	815,178	880,893	798,302	2.1%
Commissions on returned checks	1,243,054	1,093,412	645,089	634,560	648,787	1.7%
Account management fees	7,418,834	8,308,403	14,915,025	9,140,358	8,229,828	21.1%
Net income from recovered loans	3,982,130	36,513	1,039,071	1,140,343	1,668,267	4.3%
Charges on dormant and low-balance accounts	-	-	-	-	-	-
Revenues on broker services	550,276	342,738	317,759	1,282,583	735,543	1.9%
Banking services' fees	2,896,953	1,576,920	1,455,186	1,984,289	2,568,762	6.6%
Revenues on transfers	8,536,891	7,242,937	4,791,312	4,673,121	5,086,361	13.1%
Hedge derivatives (Gain / loss)	-	-	- 2,252,437	2,500,370	3,390,354	8.7%
Others	3,984,419	3,189,157	3,857,670	3,318,917	2,893,963	7.4%
Total	43,737,054	37,746,787	36,676,656	35,014,649	38,938,955	100.0%

Market Share in Jordan

	2018	2019	2020	2021	2022
JOD current accounts	7.9%	7.9%	7.7%	7.0%	7.5%
JOD savings accounts	36.5%	34.4%	32.5%	30.1%	28.0%
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%	10.0%
FCY client deposits	13.3%	13.5%	13.1%	11.9%	12.2%
Total deposits (all currencies)	14.5%	13.7%	12.4%	10.9%	10.5%
JOD direct credit facilities	14.1%	13.2%	12.6%	11.4%	11.2%
FCY direct credit facilities	10.4%	11.8%	12.9%	11.9%	13.1%
Total credit facilities (all currencies)	13.7%	13.0%	12.6%	11.5%	11.5%
Import LCs	22.2%	25.5%	20.5%	29.9%	29.5%
LGs	11.5%	11.0%	10.5%	9.9%	10.2%
Acceptances	10.9%	4.7%	9.9%	18.3%	11.6%
Total assets	14.3%	13.9%	13.2%	12.2%	12.1%

Jordan Economy

	2018	2019	2020	2021	9M'2022
Nominal GDP (USD billion)	43.4	45.1	44.2	45.8	35.3
Nominal GDP growth	4.2%	3.7%	(1.8%)	3.5%	5.3%
Real GDP growth	1.9%	1.9%	(1.6%)	2.2%	2.7%

	2018	2019	2020	2021	2022
Inflation Rate	4.5%	0.8%	0.3%	1.4%	4.2%

	2018	2019	2020	2021	9M'2022
Net Domestic Government Debt (USD billion) (Including debt held by SSIF)	20.9	23.2	24.8	26.5	27.7
External Government Debt (USD billion) (Including debt held by SSIF)	17.0	17.4	19.9	21.9	22.9
Total Government Debt (USD billion)	37.9	40.6	44.7	48.3	50.6
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)	(2.0)
Budget Deficit to GDP	(2.4%)	(3.3%)	(7.0%)	(5.3%)	N.A

	2018	2019	2020	2021	2022
Banks assets (USD billion)	71.8	75.7	80.5	86.1	90.5
Deposits with banks (USD billion)	47.7	49.8	51.9	55.7	59.4
Private Sector Credit (USD billion)	34.8	36.3	38.3	40.3	43.4
Equity Market Cap (USD billion)	22.7	21.0	18.2	21.9	25.4
Gross Foreign Reserves (USD billion) (Including Gold & SDRs)	13.4	14.3	15.9	18.0	17.3

