

Investor Relations Presentation
Housing Bank – December, 2023



www.hbtf.com

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HBTF at a Glance

| | |
|-----------------|---|
| Overview | <ul style="list-style-type: none"> Established in 1973 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. |
|-----------------|---|

| | | | | | | | | | | | | | | | | | |
|----------------------|---|--------------------------------|----------------------------------|--------------------------------|-------------------------|----|----|----|----|----|----|----|---|---------|----------|----------|----------|
| 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. |
|-----------------|---|

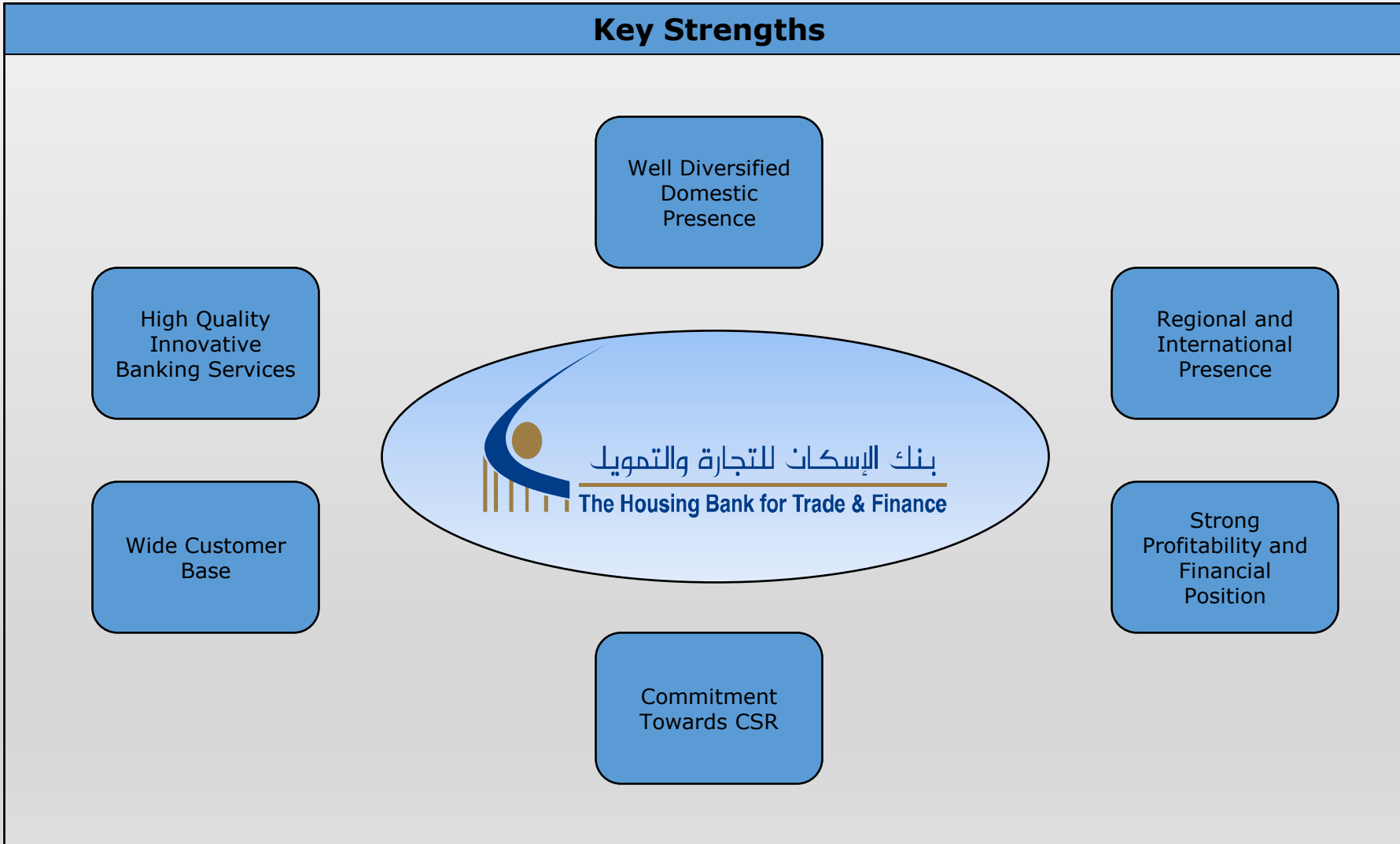
| | |
|---|---|
| Stock Parameters (December 2023) | <ul style="list-style-type: none"> Listed on Amman Stock Exchange (ASE) Free Float ≈ 5.284% Market Cap. of USD 1.66 bn (4th in ASE, 2nd amongst Listed Banks). Share Price of USD 5.26 per share. Price to Book 0.93x Price to Earnings 8.59x |
|---|---|

| Main Shareholders | |
|---|---------------|
| Qatar National Bank | 38.57% |
| Kuwait Investment Authority | 18.61% |
| Libyan Foreign Bank | 17.24% |
| Social Security Corporation/Jordan | 15.42% |

| Dec 2023 Financials (USD millions) | | | |
|---|----------|----------|------------------|
| | Dec 2023 | Dec 2022 | CAGR (2019-2023) |
| Total Deposits | 8,980 | 8,728 | -0.65% |
| Total Assets | 12,238 | 11,930 | 0.7% |
| Credit Facilities | 7,167 | 6,835 | 2.52% |
| Coverage Ratio | 167.1% | 180.5% | - |
| NPL Ratio (Net) | 5.4% | 5.1% | - |
| Net Interest Margin | 4.0% | 3.8% | - |
| | Dec 2023 | Dec 2022 | CAGR (2019-2023) |
| Operating Income | 617.8 | 533.1 | 4.95% |
| Net Profit (After Tax) | 198.6 | 186.7 | 13.88% |

* 2023 Financials are subject to the CBJ approval

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



Middle East

Jordan: 106 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 2023)



Growth vs. Dec 2022
(unless stated otherwise)

Profit

- USD 198.6 million Net Profit (After Tax)  +6.3% (YoY)


| | |
|--|----------|
| • Net Interest Margin (NIM): | 4.0% |
| • Cost to Income (Efficiency) Ratio: | 42.2% |
| • Earnings per Share (EPS): (Attributable to Shareholders) | USD 0.61 |

Assets

- USD 12.2 billion Assets  + 2.6%
- USD 7.2 billion Loans  + 4.9%

| | |
|-----------------------------------|--------|
| • Return on Average Assets (RoA): | 1.64% |
| • NPL Stage III Ratio (Net): | 5.4% |
| • Coverage Ratio: | 167.1% |

Funding

- USD 9.0 billion Deposits  + 2.9%

| | |
|----------------------------|-------|
| • Loans to Deposits Ratio: | 70.3% |
|----------------------------|-------|

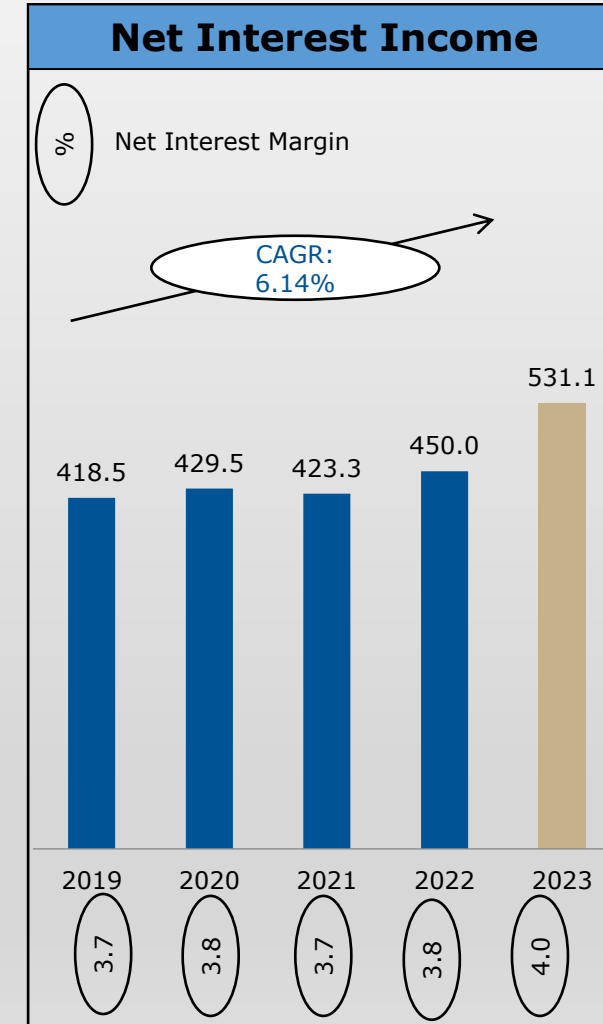
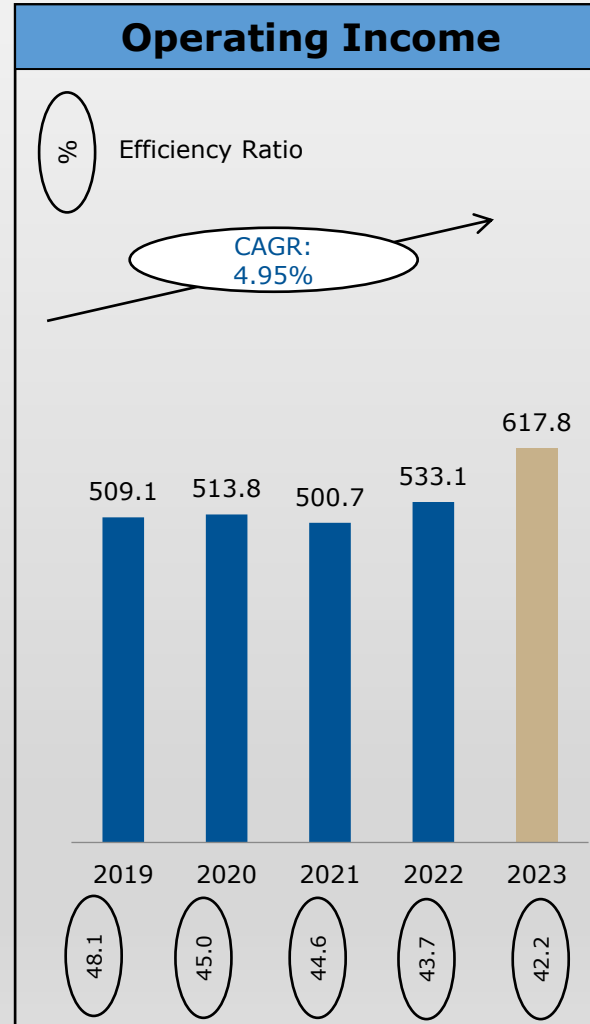
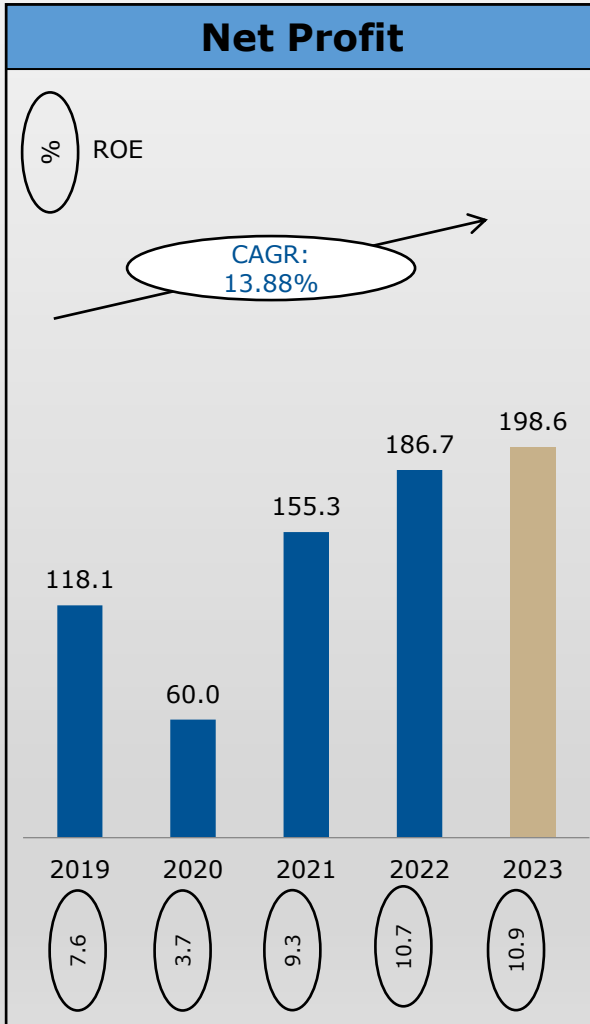
Equity

- USD 1.9 billion Equity  + 5.5%

| | |
|------------------------------------|-------|
| • Return on Average Equity (RoAE): | 10.9% |
| • Capital Adequacy Ratio: | 18.8% |

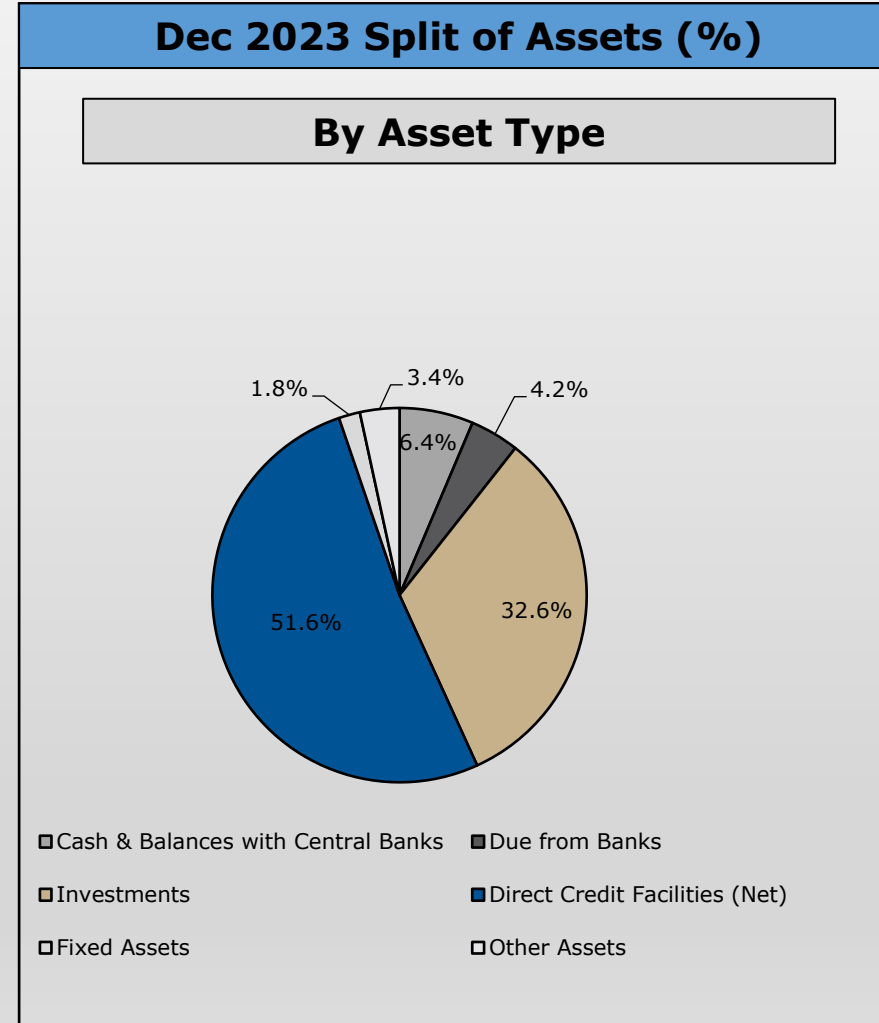
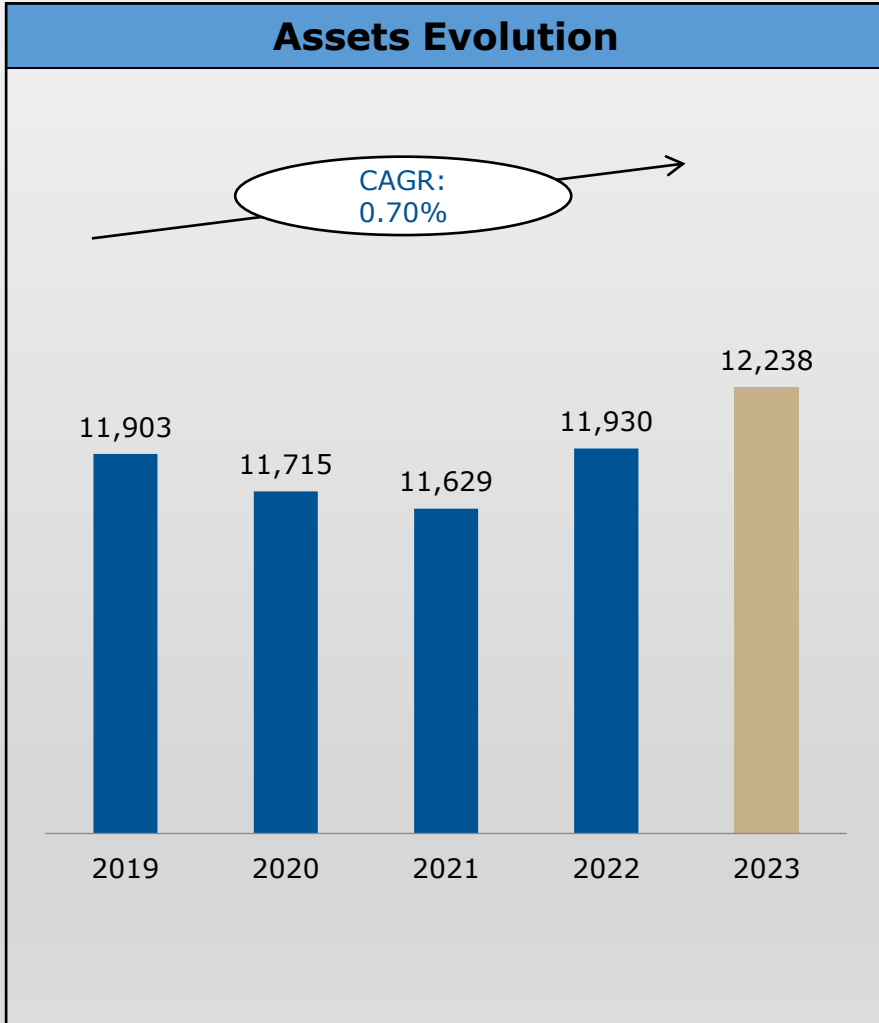
Income Statement Breakdown

(USD million as at 31 Dec 2023)



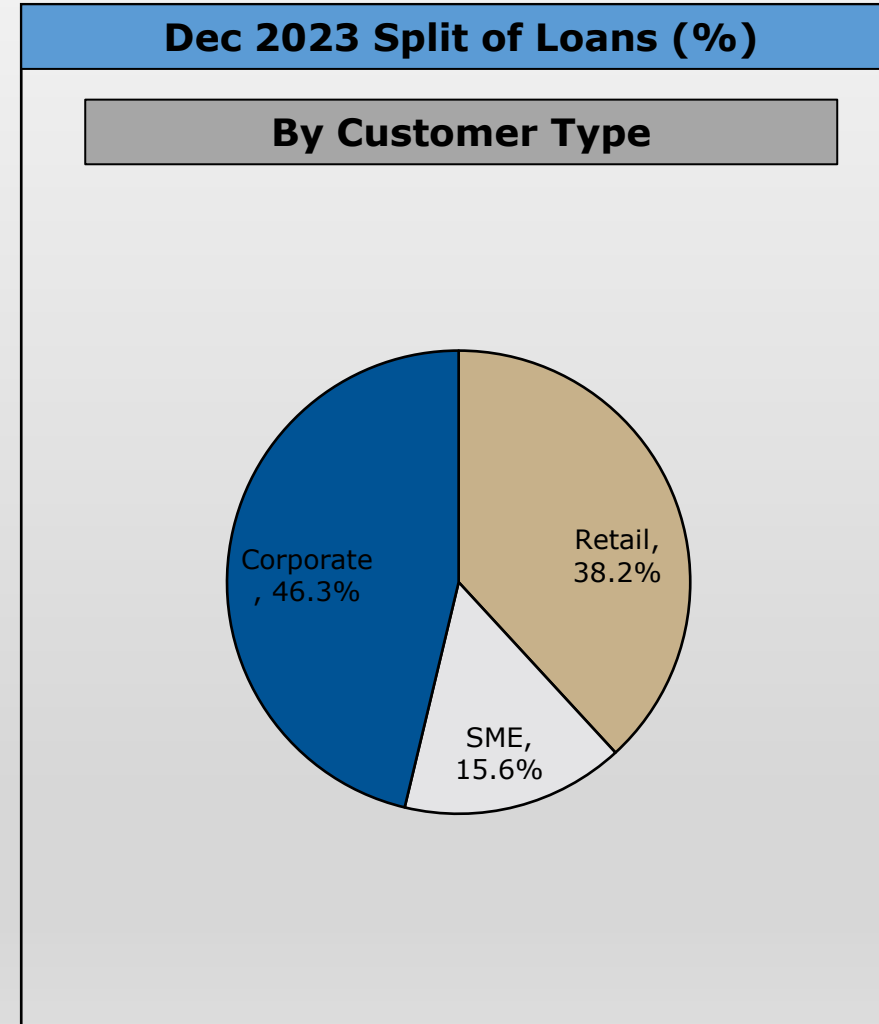
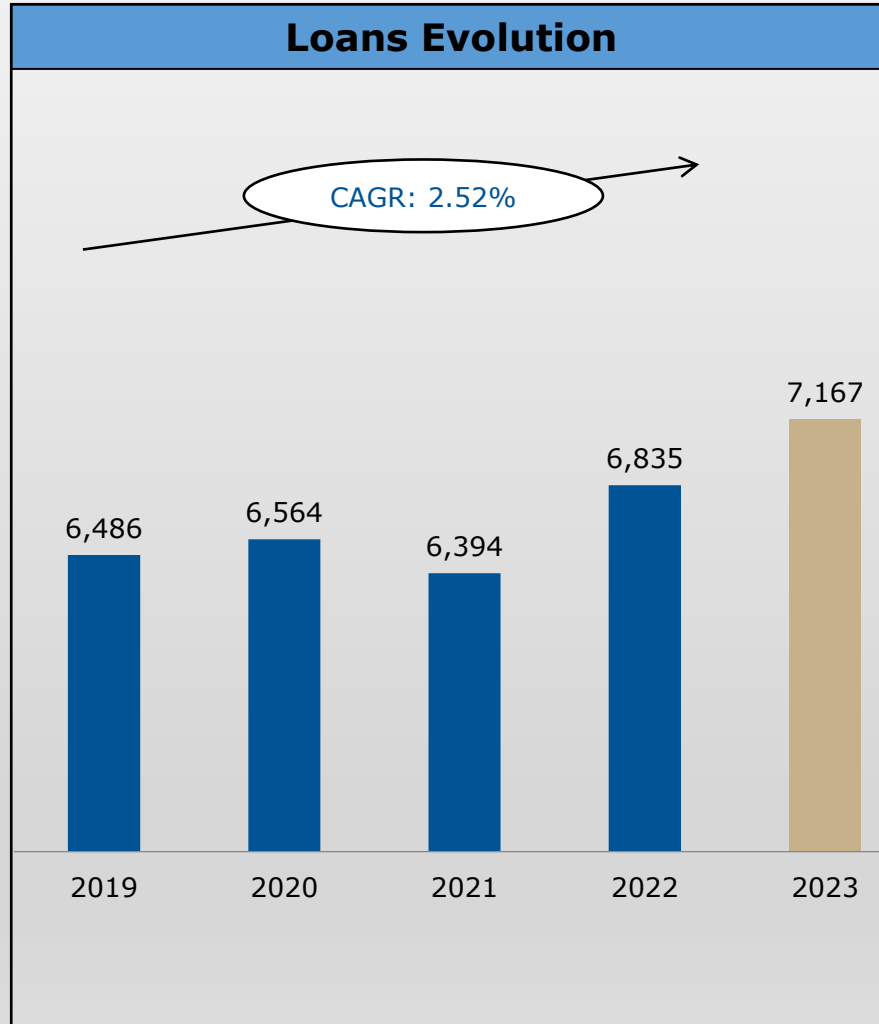
Assets Analysis

(USD million as at 31 Dec 2023)



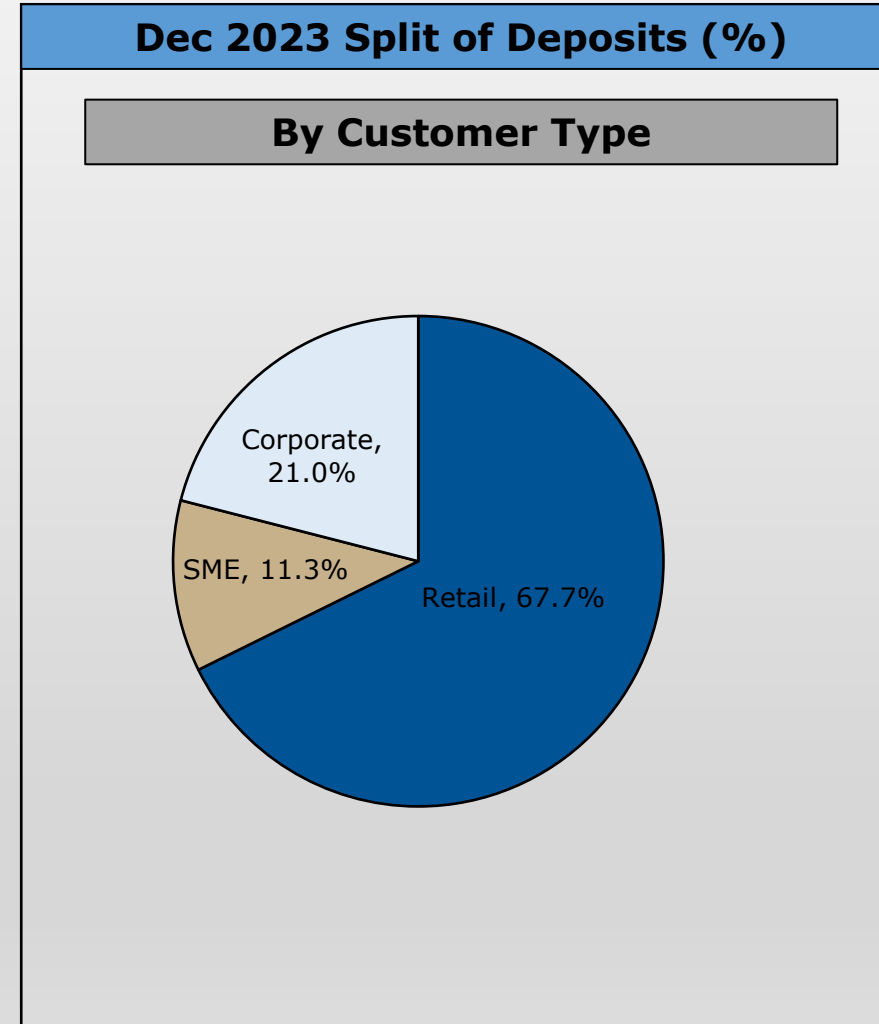
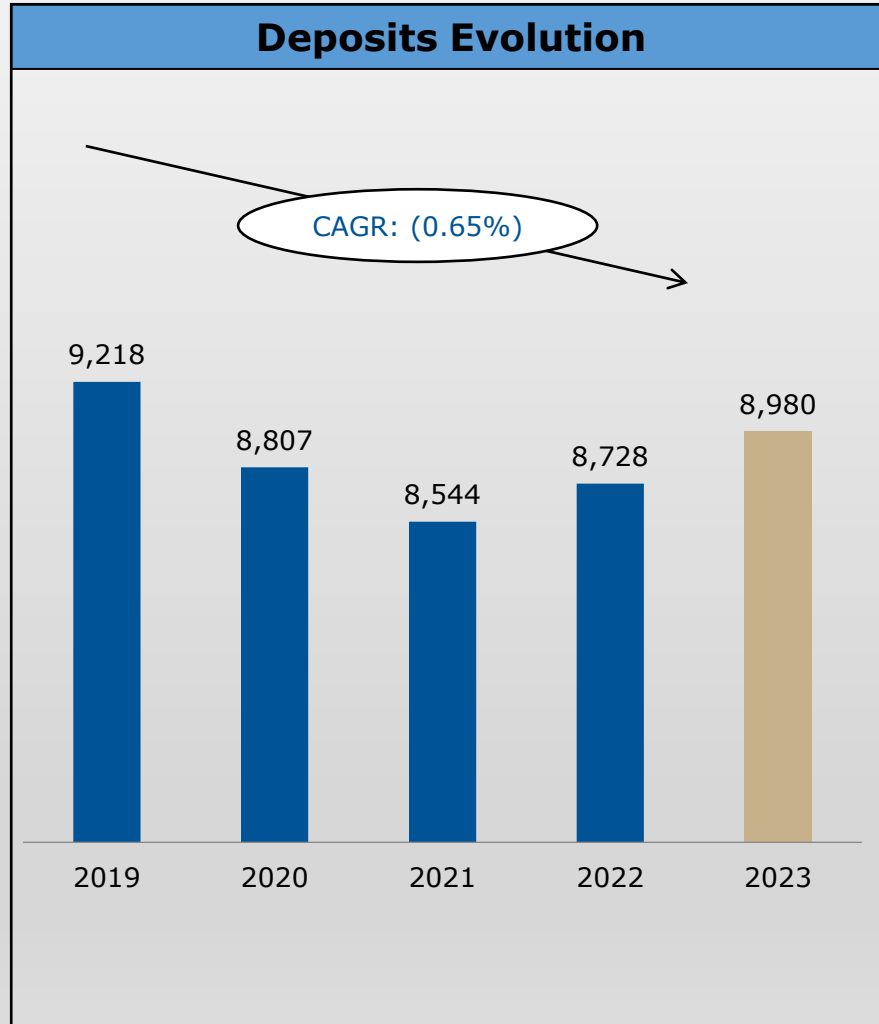
Loans Analysis

(USD million as at 31 Dec 2023)



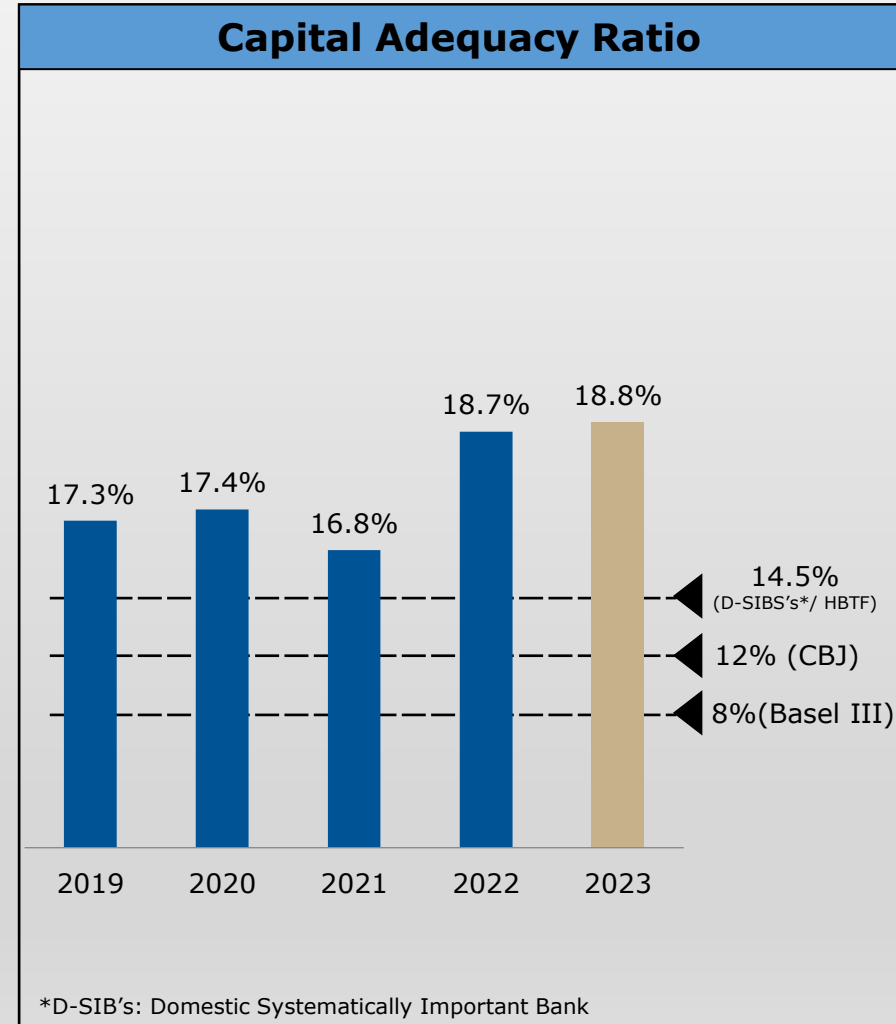
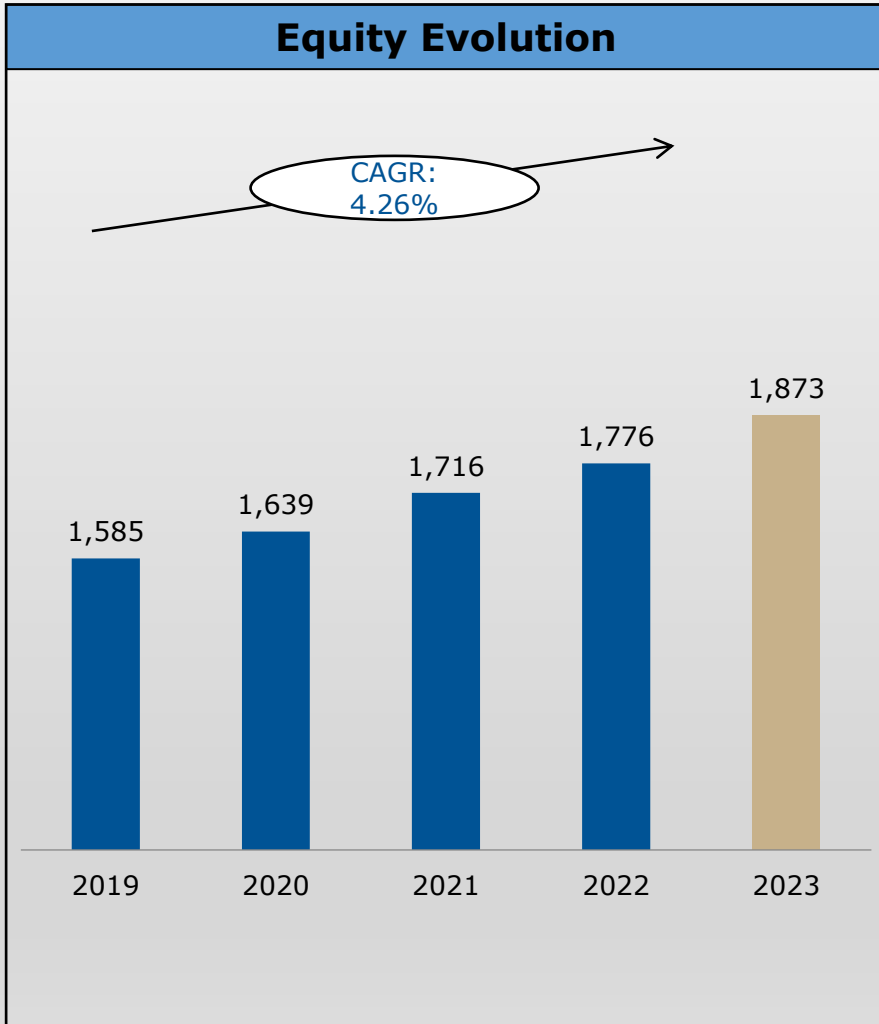
Funding Analysis

(USD million as at 31 Dec 2023)

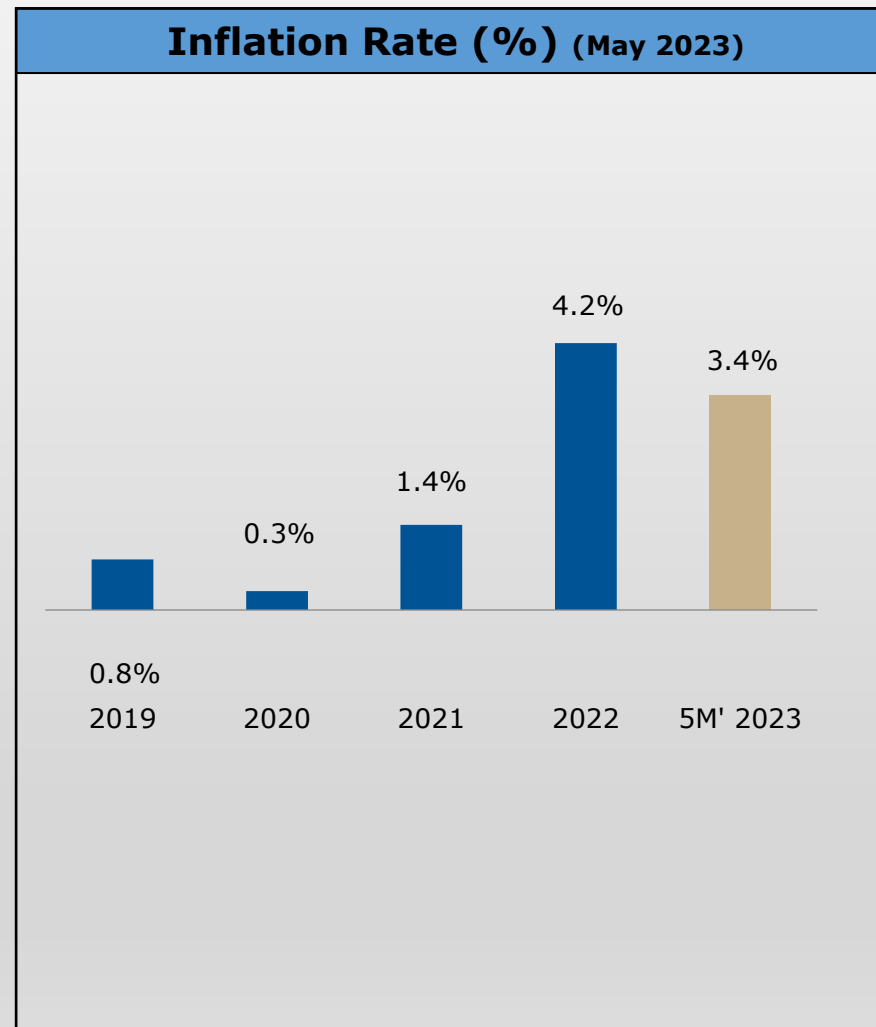
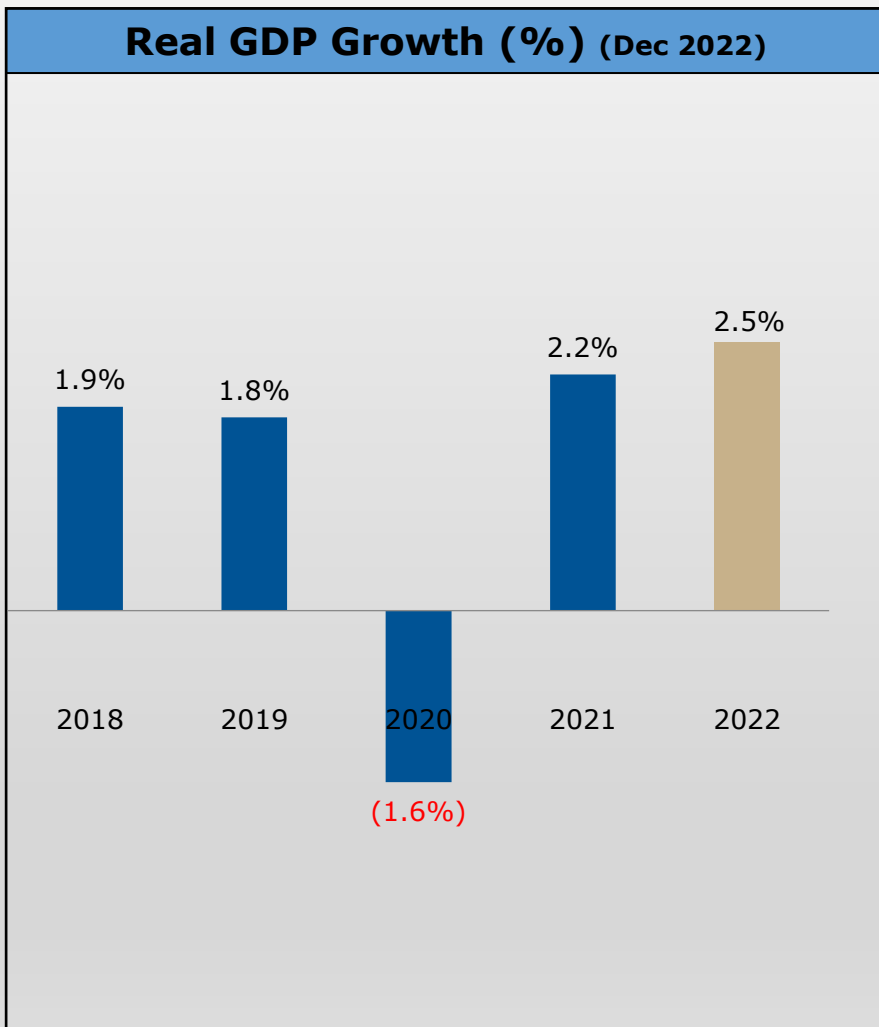


Capital Analysis

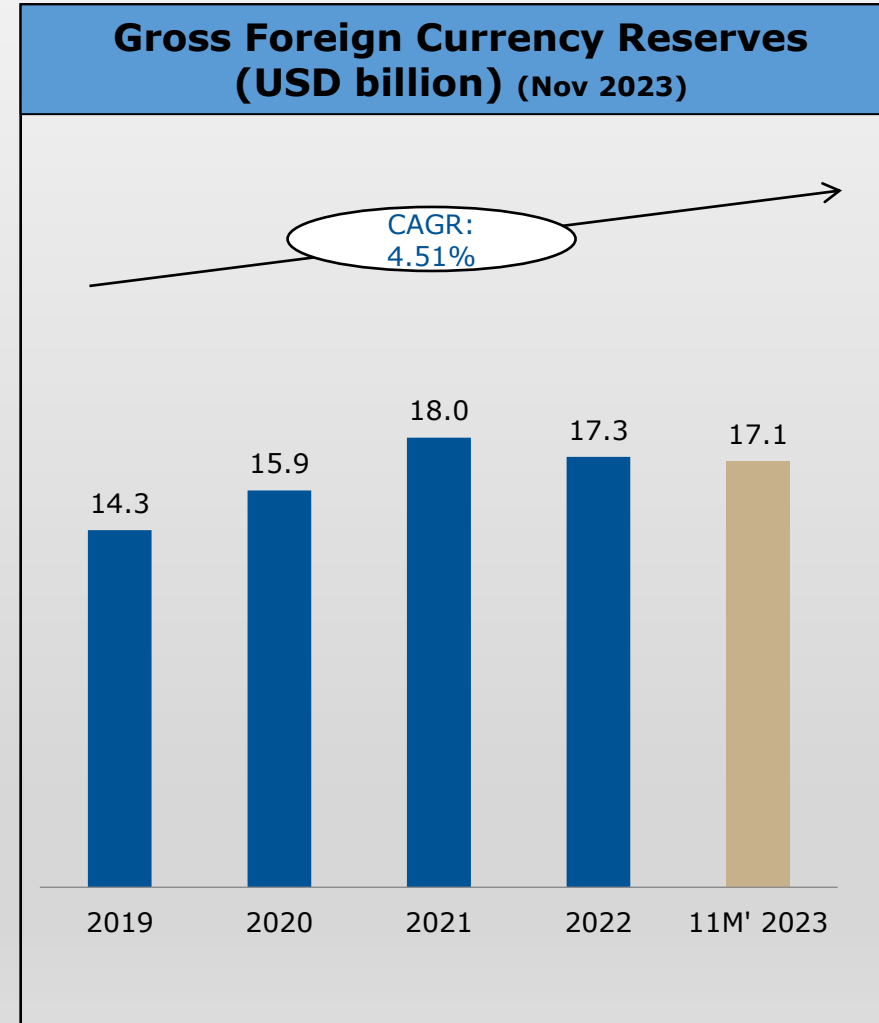
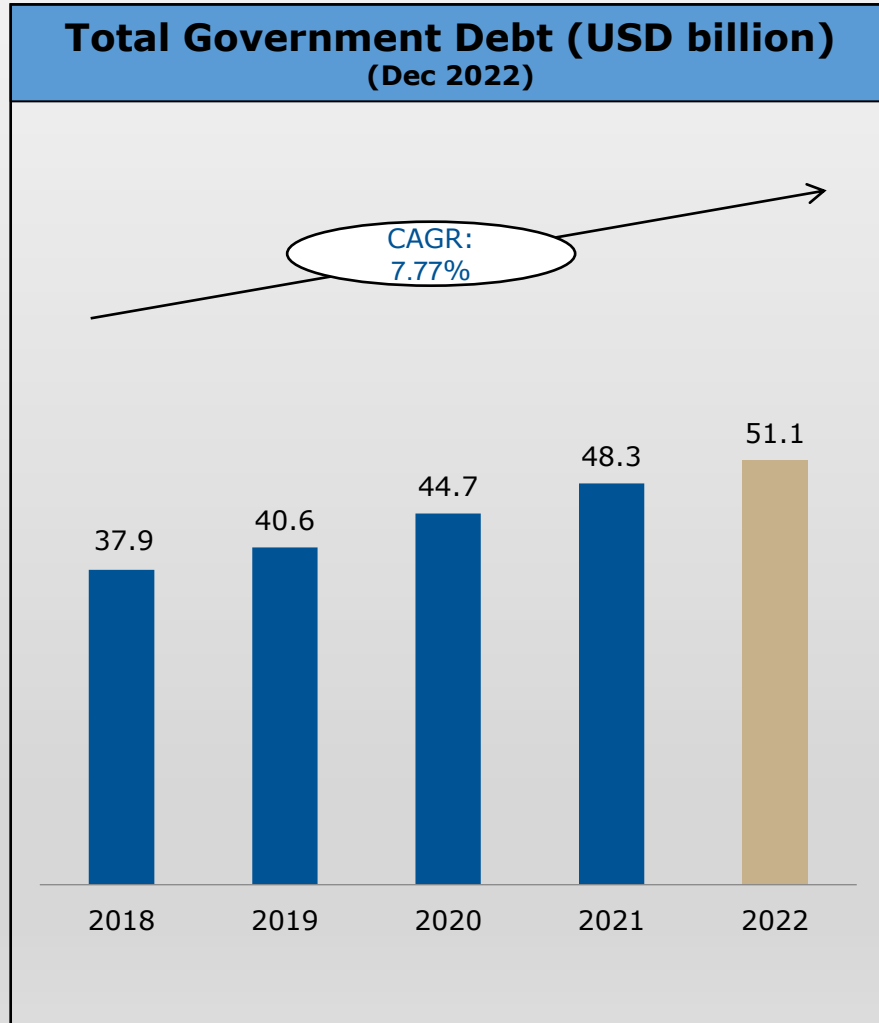
(USD million as at 31 Dec 2023)



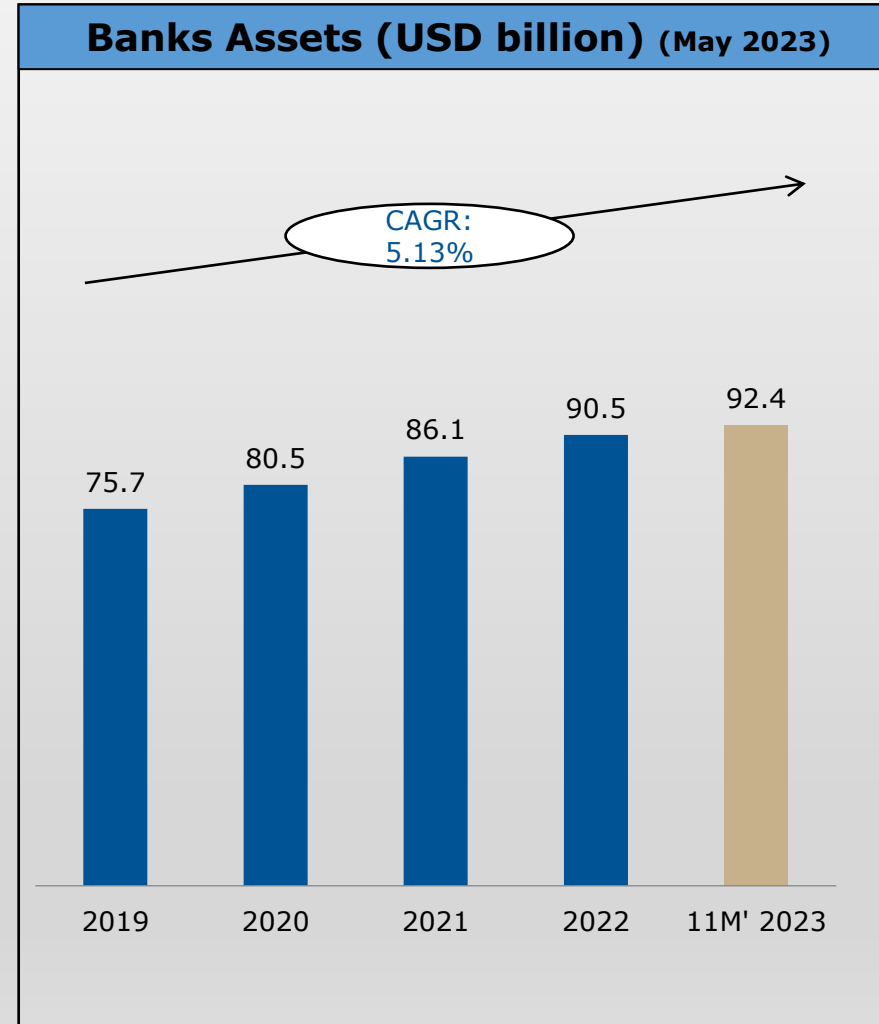
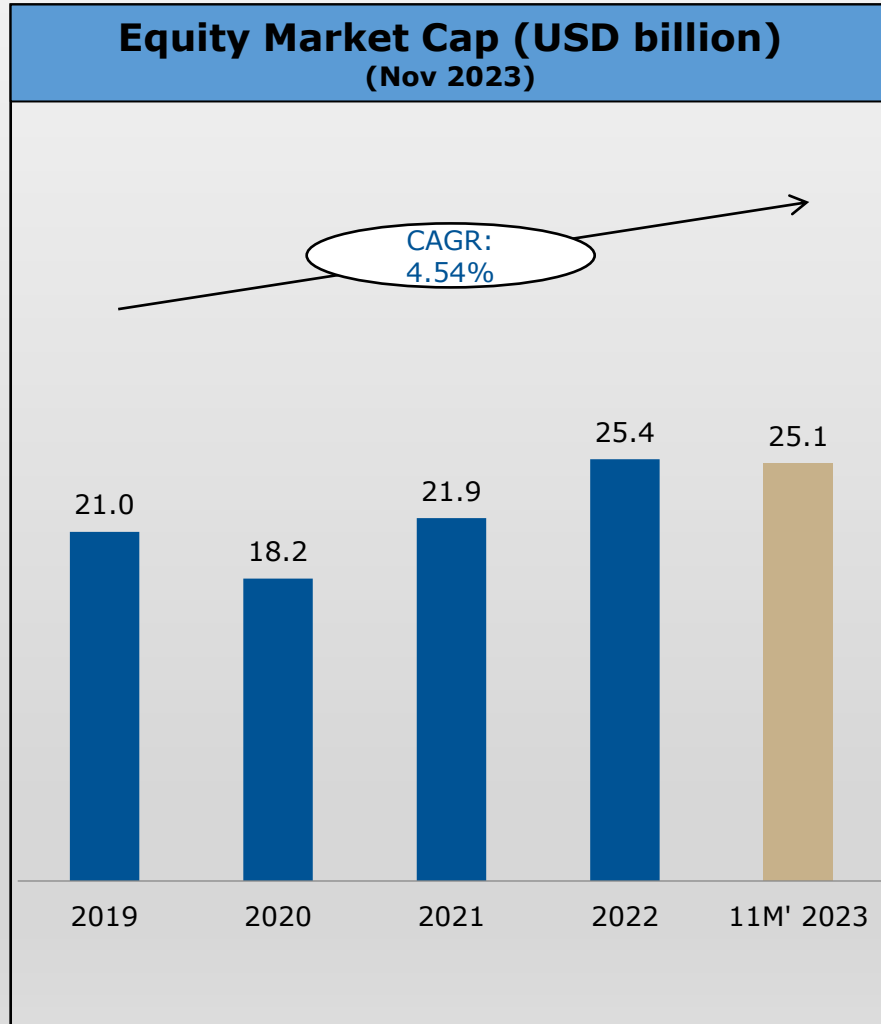
Jordan Economy - Overview



Jordan Economy – Overview (continued)



Jordan Economy – Overview (continued)





Other Information

Amounts in million USD

| | Consolidated | | | | |
|---|--------------|--------|--------|--------|--------|
| | 2019 | 2020 | 2021 | 2022 | 2023 |
| Gross Credit Portfolio | 6,486 | 6,564 | 6,394 | 6,835 | 7,167 |
| Net Credit Portfolio | 5,866 | 5,793 | 5,567 | 6,024 | 6,310 |
| FCY Credit Portfolio | 1,688 | 1,682 | 1,655 | 1,847 | 2,093 |
| JOD Credit Portfolio | 4,177 | 4,111 | 3,912 | 4,177 | 4,217 |
| Stage 3 loans - Gross (with interest in suspense) | 547 | 620 | 548 | 506 | 556 |
| Stage 3 loans - Net | 398 | 459 | 381 | 338 | 381 |
| Stage 3 Ratio - Gross | 8.4% | 9.4% | 8.6% | 7.4% | 7.8% |
| Stage 3 Ratio - Net | 6.3% | 7.2% | 6.1% | 5.1% | 5.4% |
| Total Loan Provisions | 471 | 608 | 640 | 610 | 636 |
| Loan Coverage Ratio * | 118.4% | 132.6% | 167.8% | 180.5% | 167.1% |
| Cost Income Ratio ** | 48.1% | 45.0% | 44.6% | 43.7% | 42.20% |
| Non Interest Expenses to Avg Assets | 2.1% | 2.0% | 1.7% | 2.1% | 2.2% |
| Net Interest Margin | 3.7% | 3.8% | 3.7% | 3.8% | 4.0% |
| Fee Income/Total Revenue | 14.5% | 13.0% | 15.5% | 15.6% | 14.0% |
| Total Assets | 11,903 | 11,715 | 11,629 | 11,930 | 12,238 |
| Total Deposits | 9,218 | 8,807 | 8,544 | 8,728 | 8,980 |
| FCY Deposits | 3,677 | 3,513 | 3,530 | 3,568 | 3,559 |
| JOD Deposits | 5,541 | 5,294 | 5,015 | 5,159 | 5,421 |
| Loans/Assets | 49.3% | 49.5% | 47.9% | 50.5% | 51.6% |
| Loans/Deposits | 63.6% | 65.8% | 65.2% | 69.0% | 70.3% |
| FCY Loans/Deposits ratio | 45.9% | 47.9% | 46.9% | 51.7% | 58.8% |
| JOD Loans/Deposits ratio | 75.4% | 77.7% | 78.0% | 81.0% | 77.8% |

Net Direct Credit Portfolio by Sector

Consolidated

Amounts in million USD

| | 2019 | | 2020 | | 2021 | | 2022 | | 2023 | |
|-------------------------------------|----------------|-------------|----------------|-------------|----------------|-------------|----------------|-------------|----------------|-------------|
| | amount | pct | amount | pct | amount | pct | amount | pct | amount | pct |
| Financial | 180.7 | 3.1% | 238.0 | 4.1% | 217.8 | 3.9% | 294.2 | 4.9% | 266.0 | 4.2% |
| Industrial | 742.4 | 12.7% | 709.6 | 12.2% | 610.8 | 11.0% | 581.7 | 9.7% | 739.2 | 11.7% |
| Trade | 651.7 | 11.1% | 642.0 | 11.1% | 629.7 | 11.3% | 640.5 | 10.6% | 715.7 | 11.3% |
| Real Estate- Housing Loans | 1,109.0 | 18.9% | 1,105.4 | 19.1% | 1,112.4 | 20.0% | 1,160.9 | 19.3% | 1,182.8 | 18.7% |
| Real Estate- Commercial Developers | 462.0 | 7.9% | 507.8 | 8.8% | 563.0 | 10.1% | 559.7 | 9.3% | 531.8 | 8.4% |
| Agriculture | 21.6 | 0.4% | 27.2 | 0.5% | 24.2 | 0.4% | 70.7 | 1.2% | 88.5 | 1.4% |
| Shares | 4.7 | 0.1% | 5.4 | 0.1% | 6.5 | 0.1% | 5.0 | 0.1% | 6.9 | 0.1% |
| Consumer | 1,090.4 | 18.6% | 1,146.5 | 19.8% | 1,223.0 | 22.0% | 1,366.2 | 22.7% | 1,361.3 | 21.6% |
| Public and Governmental | 1,031.0 | 17.6% | 815.0 | 14.1% | 568.9 | 10.2% | 782.2 | 13.0% | 853.6 | 13.5% |
| Others | 572.2 | 9.8% | 596.3 | 10.3% | 610.5 | 11.0% | 562.7 | 9.3% | 564.6 | 8.9% |
| Total (Net Credit Portfolio) | 5,865.8 | 100% | 5,793.3 | 100% | 5,566.9 | 100% | 6,024.0 | 100% | 6,310.3 | 100% |

Income Statement

Consolidated USD mio

| | 2019 | 2020 | 2021 | 2022 | 2023 |
|---|-------|-------|-------|-------|-------|
| Net Interest Income | 418.5 | 429.5 | 423.3 | 450.0 | 531.1 |
| Net commission | 37.8 | 30.8 | 32.8 | 34.5 | 37.8 |
| Net Interest and Commission Income | 456.3 | 460.3 | 456.2 | 484.5 | 569.0 |
| Foreign exchange income | 14.7 | 13.3 | 11.3 | 12.2 | 12.8 |
| Revenue from financial assets at fair value through OCI | 0.3 | 0.3 | 0.2 | 0.3 | 0.6 |
| Revenue from financial assets at fair value through P/L | 0.0 | 3.3 | (2.0) | (2.8) | 2.3 |
| Bank's share of associates' profits | - | - | - | - | - |
| Other income | 37.7 | 36.7 | 35.0 | 38.9 | 33.2 |
| Gross Income | 509.1 | 513.8 | 500.7 | 533.1 | 617.8 |
| Total Expenses | 244.9 | 231.4 | 200.1 | 245.5 | 260.8 |
| Provisions | 77.8 | 172.9 | 70.6 | 9.0 | 50.3 |
| Net Income before tax | 186.4 | 109.5 | 230.0 | 278.7 | 306.6 |
| Income tax expense | 68.4 | 49.6 | 74.8 | 91.9 | 108.1 |
| Net Income for the Year | 118.1 | 60.0 | 155.3 | 186.7 | 198.6 |

OTHER INCOME
USD

| | 2019 | 2020 | 2021 | 2022 | 2023 | % |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|---------------|
| Fees on salary's accounts | 4,797,075 | 4,689,606 | 4,722,134 | 4,694,925 | 4,633,677 | 14.0% |
| Credit cards income | 10,330,619 | 6,403,197 | 4,737,082 | 8,223,863 | 8,731,643 | 26.3% |
| Safety Deposit Box rental income | 829,014 | 815,178 | 880,893 | 798,302 | 809,079 | 2.4% |
| Commissions on returned checks | 1,093,412 | 645,089 | 634,560 | 648,787 | 622,368 | 1.9% |
| Account management fees | 8,308,403 | 14,915,025 | 9,140,358 | 8,229,828 | 8,456,842 | 25.5% |
| Net income from recovered loans | 36,513 | 1,039,071 | 1,140,343 | 1,668,267 | 678,351 | 2.0% |
| Charges on dormant and low-balance accounts | - | - | - | - | - | 0.0% |
| Revenues on broker services | 342,738 | 317,759 | 1,282,583 | 735,543 | 678,821 | 2.0% |
| Banking services' fees | 1,576,920 | 1,455,186 | 1,984,289 | 2,568,762 | 1,764,543 | 5.3% |
| Revenues on transfers | 7,242,937 | 4,791,312 | 4,673,121 | 5,086,361 | 4,544,135 | 13.7% |
| Hedge derivatives (Gain / loss) | - | - 2,252,437 | 2,500,370 | 3,390,354 | - 2,542,281 | -7.7% |
| Others | 3,189,157 | 3,857,670 | 3,318,917 | 2,893,963 | 4,788,532 | 14.4% |
| Total | 37,746,787 | 36,676,656 | 35,014,649 | 38,938,955 | 33,165,711 | 100.0% |

| | 2019 | 2020 | 2021 | 2022 | 2023 |
|--|-------|-------|-------|-------|-------|
| JOD current accounts | 7.9% | 7.7% | 7.0% | 7.5% | 7.9% |
| JOD savings accounts | 34.4% | 32.5% | 30.1% | 28.0% | 25.9% |
| JOD fixed deposits | 10.5% | 8.3% | 6.6% | 6.5% | 7.9% |
| Total client JOD deposits | 13.7% | 12.2% | 10.6% | 10.0% | 10.4% |
| FCY client deposits | 13.5% | 13.1% | 11.9% | 12.2% | 12.0% |
| Total deposits (all currencies) | 13.7% | 12.4% | 10.9% | 10.5% | 10.8% |
| JOD direct credit facilities | 13.2% | 12.6% | 11.4% | 11.2% | 11.0% |
| FCY direct credit facilities | 11.8% | 12.9% | 11.9% | 13.1% | 13.1% |
| Total credit facilities (all currencies) | 13.0% | 12.6% | 11.5% | 11.5% | 11.3% |
| Import LCs | 25.5% | 20.5% | 29.9% | 29.5% | 25.8% |
| LGs | 11.0% | 10.5% | 9.9% | 10.2% | 10.4% |
| Acceptances | 4.7% | 9.9% | 18.3% | 11.6% | 12.0% |
| Total assets | 13.9% | 13.2% | 12.2% | 12.1% | 11.9% |

Jordan Economy

| | 2018 | 2019 | 2020 | 2021 | 2022 |
|---------------------------|------|------|--------|------|------|
| Nominal GDP (USD billion) | 43.4 | 44.6 | 43.6 | 45.2 | 47.5 |
| Nominal GDP growth | 4.2% | 2.6% | (2.1%) | 3.5% | 5.2% |
| Real GDP growth | 1.9% | 1.8% | (1.6%) | 2.2% | 2.5% |

| | 2019 | 2020 | 2021 | 2022 | 5M' 2023 |
|----------------|------|------|------|------|----------|
| Inflation Rate | 0.8% | 0.3% | 1.4% | 4.2% | 3.4% |

| | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|--------|--------|--------|--------|--------|
| Net Domestic Government Debt (USD billion) (Including debt held by SSIF) | 20.9 | 23.2 | 24.8 | 26.5 | 27.3 |
| External Government Debt (USD billion) (Including debt held by SSIF) | 17.0 | 17.4 | 19.9 | 21.9 | 23.9 |
| Total Government Debt (USD billion) | 37.9 | 40.6 | 44.7 | 48.3 | 51.1 |
| Total Government Debt to GDP | 87.3% | 91.1% | 102.4% | 107.0% | 107.6% |
| Govt Budget Deficit- Including Grants (USD billion) | (1.0) | (1.5) | (3.1) | (2.4) | (2.2) |
| Budget Deficit to GDP | (2.4%) | (3.3%) | (7.1%) | (5.4%) | (4.6%) |

| | 2019 | 2020 | 2021 | 2022 | 11M' 2023 |
|---|------|------|------|------|-----------|
| Banks assets (USD billion) | 75.7 | 80.5 | 86.1 | 90.5 | 92.4 |
| Deposits with banks (USD billion) | 49.8 | 51.9 | 55.7 | 59.4 | 61.1 |
| Private Sector Credit (USD billion) | 36.3 | 38.3 | 40.3 | 43.4 | 44.4 |
| Equity Market Cap (USD billion) | 21.0 | 18.2 | 21.9 | 25.4 | 25.1 |
| Gross Foreign Reserves (USD billion) (Including Gold & SDRs) | 14.3 | 15.9 | 18.0 | 17.3 | 17.1 |

