



## Chairman's Letter

### Dear Esteemed Shareholders,

This is our sixty-third annual report, and it brings me pleasure to assure you that your bank is still a healthy and growing institution, and one that continues to be on solid financial and operational footings.

Though the geopolitical challenges overcasting the region do persist, with the region experiencing the continuing war on Gaza and the logistical challenges in the Red Sea, it is our belief that our approach to risk management has thus far allowed us to continue to grow without being overexposed to such risks.

In particular, our financial strength indicators have been kept at elevated levels. Our legal liquidity stands at 156% and our Liquidity Coverage Ratio at 347.4%. Our Capital Adequacy is at 21.4%, well above the regulatory and Basel II requirements. As such, we maintain high confidence that the bank can withstand fiscal and financial shocks within the region, given the overshadowing regional issues at hand, and noting the regional risks of the war on Gaza and its ramifications.

Further, our expansion in the region is still on track, despite such challenges. Bank of Jordan's branch in Baghdad, Iraq, has been operational for almost a year and is growing, with a competent regional management at the helm. The plans to expand into the Kingdom of Saudi Arabia are still on track. And despite the issues affecting our branches in Gaza, our operations in Palestine are still going on, with our branches continuing to offer full services to our corporate and retail customers.

### Dear Valued Shareholders,

The restructuring of our operating model has witnessed the creation of a CIB division, entrusted with managing relationships with the SME, Corporate, Large Corporate, and Financial Institutions sectors, and across the different geographies we operate in. Along this path, our transactional banking offering to CIB customers is now fully functional and has witnessed wide adaptation and appreciation by our corporate clients, as it allowed our clients to achieve high-level of self-service, using a fully functional and secure web offering.

The treasury department restructuring is now complete, with the division restructured to accommodate the varied offerings required by our CIB customers, as well as meet the challenges of the evolving investment market.

Our journey into digitization has, during the year, witnessed the completion of the upgrade of our technical infrastructure, to take advantage of the best of a mixed on-premise/cloud state of the art combination. It also included upgrading the application connectivity layers to a fully functional and customizable middleware offering.

Most importantly, the bank has taken a deep dive into data analytics by creating a division for data management, which includes specialized units for data analytics, reporting, governance, and quality control. Further, to ensure the institutionalization of data science, we have introduced data partners, analysts, and agents into the operational and business divisions, supported by the centralized data



management team. Over time, this structure will assure proper utilization of data into everyday business practices and customer relationship management.

**Dear Shareholders,**

Bank of Jordan continues to perform well financially. Our net profit grew to 44 million JOD, up by 9.7% from prior year. Return on assets improved to 1.5% and return on equity grew to 8.4%. Shareholders equity now stands at 524 million JOD. Additionally, our balance sheet now stands at 3 billion JOD, with customer deposits at 2.2 billion JOD, and with our loan portfolio reaching 1.4 billion JOD.

**Dear Valued Shareholders,**

We extend our appreciation and gratitude to you for your continued support. The relentless efforts of our teams in Jordan, Palestine, Syria, Bahrain or Iraq are greatly appreciated.

In conclusion, our Board of Directors is recommending a 0.18 JOD/share dividends distribution, subject to Central Bank of Jordan Approval.

Yours very truly,

**Shaker Tawfiq Fakhoury.**

Chairman of the Board