



## Message from the Chairman

### Ladies and Gentlemen, Esteemed Shareholders of Jordan Ahli Bank,

On behalf of myself and the Board of Directors of Jordan Ahli Bank, I am honored to extend a heartfelt welcome to each of you. It is with immense pride that we present our 68th Annual Report for the fiscal year ending in 2023, as we look towards 2024 with renewed optimism and determination.

Our confidence is strengthened by the easing of strict monetary policies adopted by central banks around the world. As we move forward, the global economy should begin to reap the benefits of a more favorable interest rate environment. The global banking industry has increasingly come to the realization that monetary tightening cannot be extended further due to concerns of slipping into a global economic slowdown.

Stringent monetary policy has succeeded in dramatically reducing inflation in the United States, from a peak of 9.1% in the first half of 2022 (the highest level since 1981), to 3.35% by end of 2023. Capital markets responded positively in the latter months of 2023, with indications pointing towards a corrective movement leading to an increase in sovereign debt instrument prices across all maturities, especially long-term ones. The yield on 30-year US Treasury bonds peaked at 5.11% in October 2023 (the highest level reached since the financial crisis in 2007) and has steadily decreased to 4% by end of 2023. This supports the return to normal levels of systemic risk levels for global banking institutions after several banks that were heavily exposed to sovereign debt instruments were ousted.

In the midst of this, our national economy indicators have shown positive signs, with the Gross Domestic Product (GDP) registering a growth rate of 2.7% during the first three quarters of 2023, compared to a growth rate of 2.6% during the same period in 2022. This was accompanied by a decrease in the inflation rate to 2.1% during 2023, compared to 4.2% during 2022. According to the latest data from the Central Bank of Jordan, foreign currency reserves reached approximately \$18.1 billion Jordanian Dinars by the end of 2023, sufficient to cover the Kingdom's exports of goods and services for a period of 7.9 months. This was a result of a 30.5% increase in tourism receipts, in addition to a 1.4% increase in remittances reaching 2.25 billion Jordanian Dinars during the first eleven months of 2023.

The Jordanian banking system affirmed its strength and resilience by continuing to achieve growth despite the significant challenges that have affected the banking industry across the world. Assets of operating banks grew by 3.2% during 2023 compared to the end of 2022, reaching approximately 66.2 billion Jordanian Dinars, constituting about 196.5% of the Gross Domestic Product. Regarding the sources and utilization of funds, banks managed to achieve growth rates of 3.9% and 2.6% for deposits and credit

facilities, respectively, by the end of 2023 compared to the same period in 2022. By end of 2023, total deposits reached about 43.7 billion JD and credit facilities about 33.4 billion JD.

Jordan Ahli Bank has mirrored this positive trajectory, achieving a commendable growth in assets by 7.2%, reaching 3.3 billion JD as of December 31, 2023. This can be attributed to the bank's success in growing its sources of funds from customer deposits by 8.9% to reach around 2.2 billion JD compared to around 2.0 billion JD at the end of 2022. The bank was able to employ these funds in accordance with acceptable risk levels and maintain a balanced interest margin. The credit portfolio before credit provisions and accrued interest achieved a growth rate of 5.8% to reach around 1.8 billion JD as of the end of 2023, compared to 1.7 billion JD for 2022. Similarly, the investment portfolio, including fixed income securities and equity instruments, grew by 2.6% to reach around 932 million JD as of December 31, 2023, compared to 909 million JD for the same period of the previous year.

In terms of our financial performance, Jordan Ahli Bank achieved a healthy growth in net profits before tax of 13.5% for the year 2023 to reach around 32.2 million JD, compared to 28.3 million JD in 2022. This is mainly attributed to the increase in net interest income by 6.5% to reach around 94.9 million JD for 2023, compared to around 89.1 million JD for 2022.

We also continue to lead the industry in good governance standards. Jordan Ahli Bank was the first local bank to begin evaluating the maturity of institutional governance by engaging Deloitte to conduct a Governance Maturity Assessment. The objective of the maturity assessment was to present the board with detailed recommendations to elevate our governance maturity to world class levels. Three assessments have been conducted, in the years 2015, 2018, and most recently in 2023. Our governance maturity score improved from 1.9 out of 5 in 2015, to 3.9 out of 5 in 2018, and finally to 4.5 out of 5 in 2023. According to Deloitte, our latest score exceeds global best practices in governance, and we are eminently proud of this achievement. Similar assessments have also been conducted to assess the maturity of all board control functions: audit, compliance, and risk management. All three functions are showing steady improvement and maturity, aligned with best practices, and with a target to continuous improvement, excellence, and advancement.

Ahli Bank continues to execute an exciting strategy, centered on shared prosperity and innovation to serve the needs of our beloved customers. One of our key imperatives has been to invest heavily in digitization and technology, and I am proud to share that in 2023, 87% of all Ahli Bank customer transactions have been digital. Behind this trend is a tremendous team and enterprise architecture that bodes well for our ability to scale in the future. We are also building persona specific value propositions and have launched a couple of deep persona verticals for our personal banking segment – with great success. This falls in line with Ahli Bank's strategy to develop differentiated products, services and customer journeys that appeal specifically to certain customer segments. It is the right way to grow and focuses our value proposition.

We are also focused on Fintech IP creation and corporate venture building. In 2023, we launched Qawn – a unified, social financial platform in the cloud that is the first of its kind in the MENA region. Qawn serves both personal as well as business customers, and is an agile, innovative and state of the art platform that we hope will not only transform banking in Jordan, but will also transform Ahli Bank's culture, operations and strategic direction. Qawn provides customers with an easy and fast way to send and receive money through social interaction. It also allows all Jordanians to open their bank accounts remotely without the need to visit a branch, with the registration process taking on average less than five minutes. Qawn is also suitable for merchants, enabling them to accept payments, manage their finances and grow their businesses more effectively. I look forward to updating you on Qawn's progress in next year's annual report.

Social responsibility has been a central part of Ahli Bank's DNA since the bank's formation, and I am proud to remind shareholders that we became the first bank in the country to issue a GRI certified sustainability report in 2017. Since then, we have produced four other Sustainability Reports, including our latest one for the year 2023 which will be published shortly after our annual report. We hope you will thoroughly enjoy reviewing our latest sustainability report, as it transparently and objectively highlights the deep impact Jordan Ahli Bank is having on the environment, society, and governance.

I would like to mention a few of our ESG highlights. In 2023, we launched “Ahli Future” – an educational program that we designed to bridge technology and software design skill gaps in the university ecosystem, and that aims to promote Ahli Bank and to attract the highest caliber students to join our software development teams. The bank also signed research partnerships with public and private Jordanian universities to develop products and services that save time and effort for customers and apply the latest technology and scientific research findings.

In addition, In our effort to continue to promote gender equality and to empower women across the country, we signed the statement of support for «Women’s Empowerment Principles» established by the United Nations Global Compact and UN Women. Jordan Ahli Bank also became a platinum member at the Jordan Green Building Council.

I hope you will join me in celebrating Jordan Ahli Bank’s award for 1st place in the “Arabia CSR and Sustainability” competition. Our Sustainability team traveled to Dubai to receive this great recognition – as we lead all organizations in the financial services category across the entire MENA region. This is a formidable recognition of our bank’s commitment to sustainability and ESG.

As we reflect on the accomplishments of 2023, I extend my deepest gratitude to the Jordan Ahli Bank family, under the leadership of Dr. Ahmed AlHussein, our General Manager/CEO, and to our distinguished Board of Directors. Our sincere appreciation also goes to the Central Bank of Jordan and its brilliant management of our monetary and banking ecosystem. I extend my gratitude also to the Ministry of Industry Trade and Supply, the Companies and Control Department, the Securities Commission, and all capital market institutions for their invaluable support. Special thanks are also extended to our partners in Palestine, especially the Palestinian Monetary Authority, and to you, our esteemed shareholders, for your continued trust and support.

We remain grateful for the peace and stability that grace our beloved Jordan and earnestly pray for sustained peace across the region. Under the wise leadership of His Majesty King Abdullah II In Al-Hussein, we look forward to a future of prosperity and success for Jordan and all its formidable people. May peace and prosperity prevail.

Warm regards,



**Saad Nabil Mouasher**  
Chairman of the Board