

**THE DEPOSIT INSURANCE
CORPORATION'S FINANCIAL
PERFORMANCE For The Year 2022**

THE DEPOSIT INSURANCE CORPORATION'S FINANCIAL PERFORMANCE

JODIC continued throughout the year 2022 to boost its reserves' level to ultimately achieve its mandatory requirements efficiently and effectively as deposit insurer and liquidator, and in protecting depositors by insuring their deposits, encouraging savings, as well as enhancing **confidence in the Jordanian banking system.**

JODIC's financial resources consist mainly of the annual membership fees contributed by member banks (annual flat fee of 2.5 per thousand of total eligible deposits), in addition to the returns on its investments, and any obtained loans or financial grants given to the Corporation in accordance with the provisions of JODIC's Law. The percentage of annual membership fees that will be collected during the year 2022 has continued modified to 1.75 per thousand Accordance with the provisions of Article (12/c) of JODIC's Law and its amendments.

JODIC invests its funds in securities issued or guaranteed by the Government in accordance with the provisions of Article 24 (a) of JODIC's Law. It utilizes the best investment opportunities available in the primary market taking into account their term, yield-to-maturity (YTM) and JODIC's share of each issuance, along with the maturity structure of JODIC's portfolio for the purpose of managing the prospective opportunities as well as the reinvestment risk.

The interest rate structure in the market is closely monitored when diversifying portfolio investments in order to achieve the best possible returns in both the medium and long terms.

The Financial Performance

Total owners' equity increased to reach JD 1102 million by the end of 2022 compared with JD 1014 million by the end of 2021. JODIC's capital amounted to JD 3.15 million of which JD (0.85) million was paid by the Government and JD 2.3 million was paid by member banks (JD 100,000 as a non-refundable initiation fee paid by each member bank). The accumulated reserves by the end of 2022, generated from the annual surplus and premiums (annual membership fees), formed the bulk of total owners' equity and reached JD 1099 million with an increase of JD 88 million from the previous year. Annual membership fees collected from member banks amounted to JD 38.4 million during the year 2022, compared with JD 35.8 million collected a year earlier and reflected 7.3% increase rate, while the net investments income amounted to JD 49.5 million during 2022, compared with JD 46.4 million during 2021 with an increase of 6.6%.



To further manage its overhead expenses and enhance the reserves buildup, JODIC adopts a medium-term financial program with the assumption of decreasing the ratio of total overhead expenses to investments income, this ratio reached to 3% by the end of 2022. Furthermore, JODIC's revenues and expenses are monitored and evaluated on an ongoing basis to ensure the effective implementation of the annual budget that has been approved by the Board of Directors (BOD) in accordance with the Provisions of Article 7 (a/5) of JODIC's Law, as well as to ensure compliance with the performance indicators adopted in its medium-term financial program.

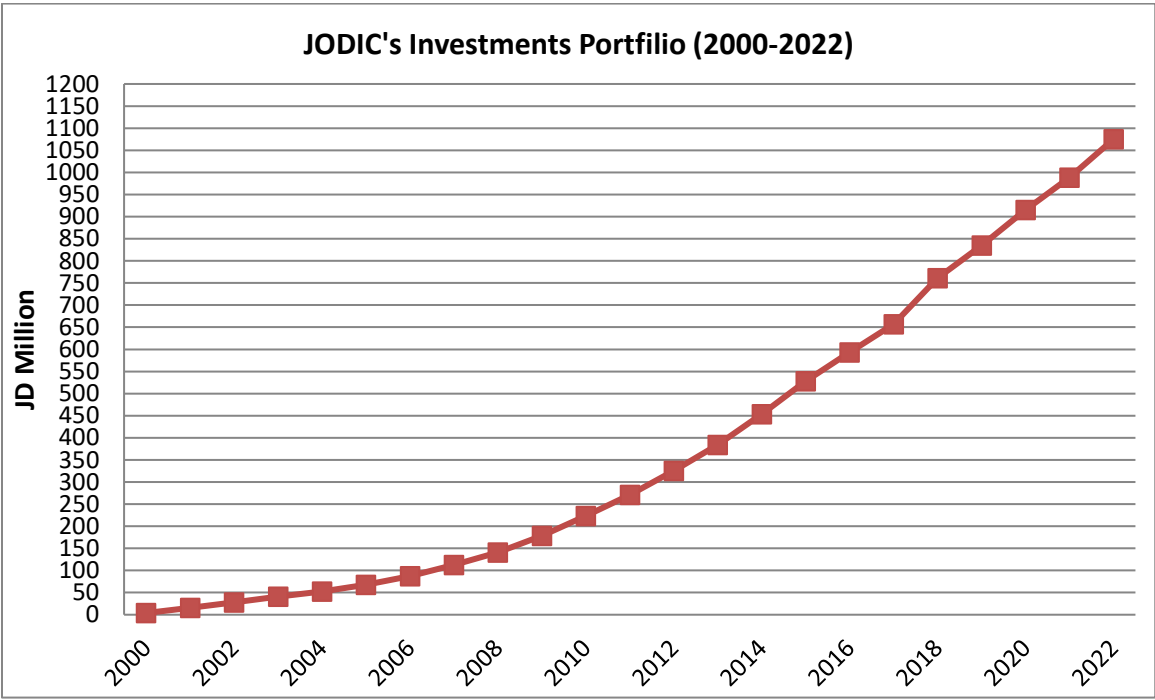
Investment's Portfolio and Investment's Income

The outstanding value of JODIC's Held-to-Maturity bonds portfolio increased to reach JD 1074.9 million by the end of 2022 compared with JD 988.6 million a year earlier, with an increase of JD 86.3 million and a growth rate of 8.7%.

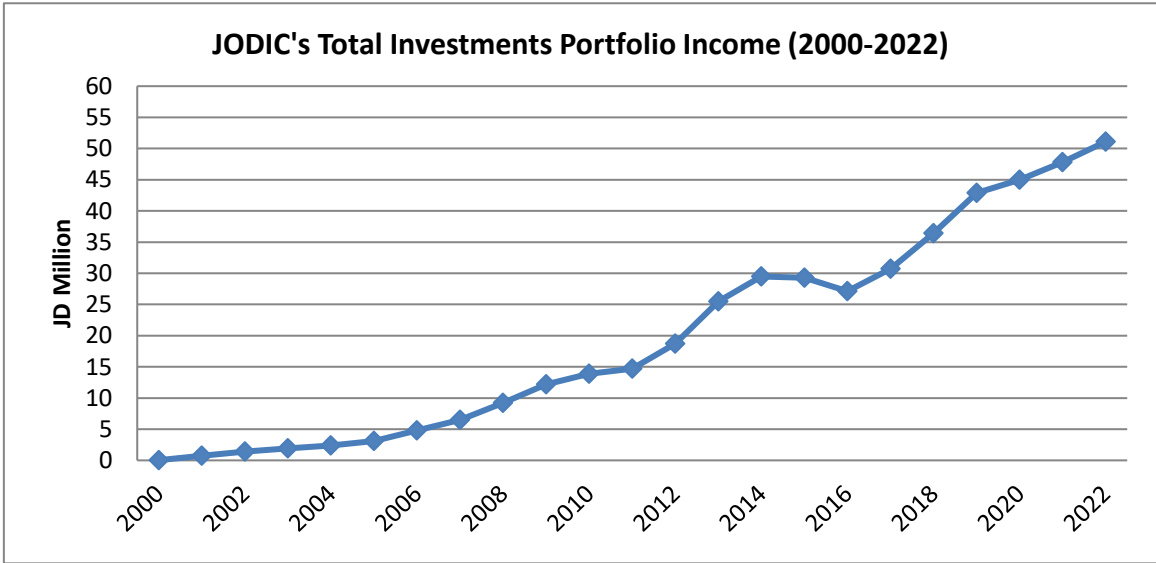
The portfolio consists of:

1. Treasury bonds with a value of JD 995.6 million; representing 92.6 of total value of the portfolio.
2. Public entities bonds with a value of JD 10 million; representing 0.9% of total value of the portfolio.
3. Treasury bills with a value of JD 69.3 million; representing 6.5 of total value of the portfolio.

Outstanding balance of public debt instruments portfolio amounted to JD 1074.9 million representing 97.5% of the Corporation's total assets by the end of 2022.



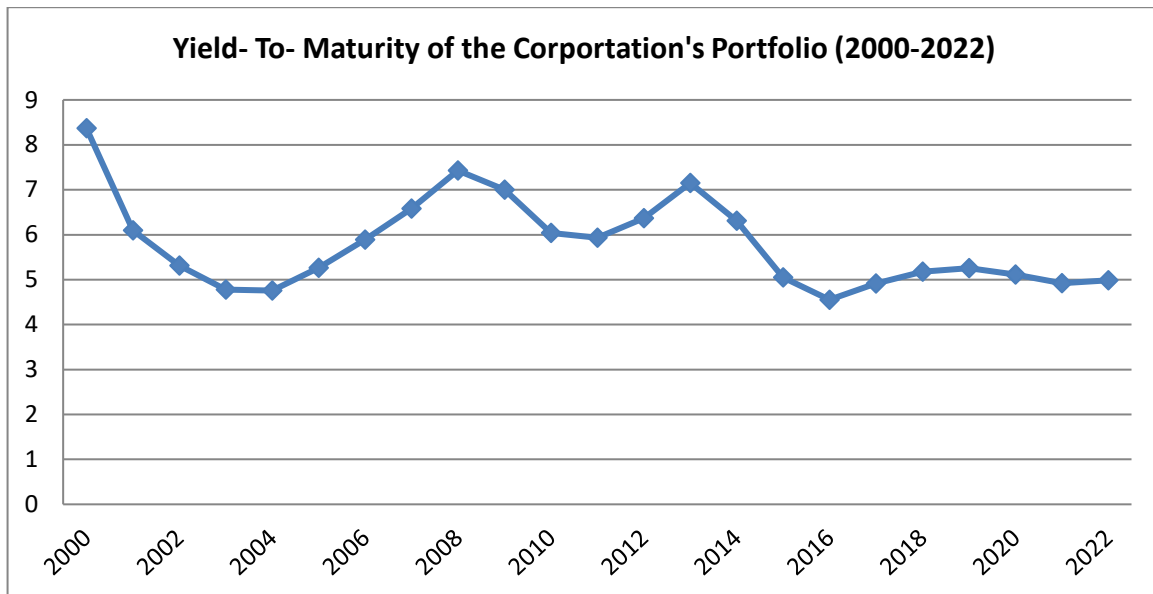
JODIC's total investments portfolio income amounted to approximately JD 51.1 million during the year 2022 compared with JD 47.8 million during the year 2021, with an increase of 6.9%.



JODIC's investments income from public debt instruments amounted to approximately JD 51.1 million during the year 2022.

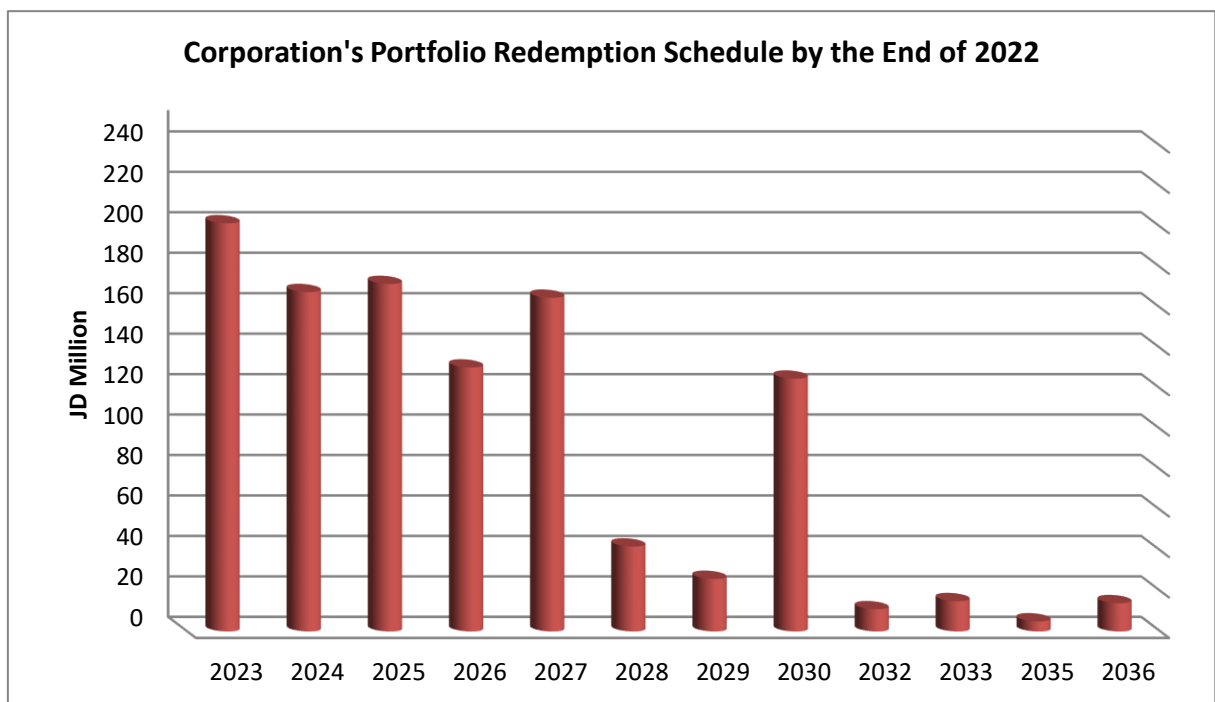
Portfolio's Yield- to- Maturity and Modified Duration:

The Yield-to-Maturity (YTM) of the portfolio increase by 0.061% to reach 4.984% by the end of 2022 compared with 4.923% a year earlier, and the modified duration decreased to reach 3.011 year by the end of 2022 compared with 3.651 year from the previous year.



Maturities of Financial Instruments:

By the end of 2022, the value of the redeemed bonds and bills amounted to approximately JD 218.2 million. However, short term investments in JODIC's portfolio amounted to JD 201.8 million by the end of 2022.



Cash Account:

JODIC's cash balances not invested in public debt instruments is deposited at the Central Bank of Jordan (CBJ) in accordance with the Provisions of Article 24(b) of JODIC's Law. The balance of this account amounted to JD 7.3 million by the end of 2022.

Total Reserves

The premiums contributed by member banks and investments income resulted in raising JODIC's total reserves from JD 1011 million by the end of 2021 to JD 1099 million by the end of 2022 with an increase of JD 88 million, or by 8.7%. This level of reserves formed 4.69% of total eligible deposits amounting to JD 23412.1 million by the end of 2022, and 13.11% of estimated reimbursement amount being JD 8385.1 million.

