



Housing & Development Bank
بنك التعمير والإسكان

June-2025

INVESTOR RELATIONS PRESENTATION



AGENDA

01 Macroeconomic Overview
& Executive Summary

02 At a Glance

03 Strategy

04 Our Strategic Success by
Numbers

05 Business Model and
Performance Overview

06 Financial Performance
Highlights

07 Corporate Governance

08 Responsible Banking

09 Investment Thesis

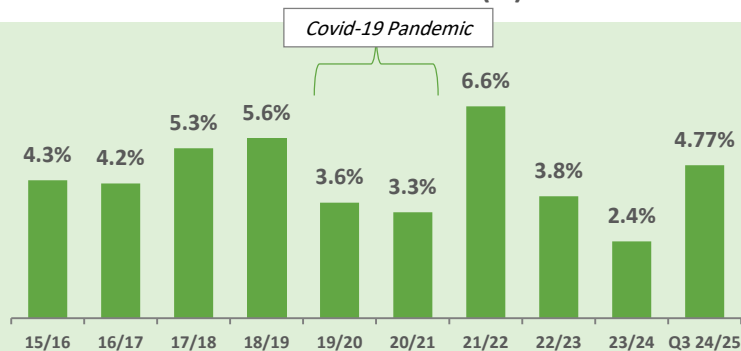
10 Appendix



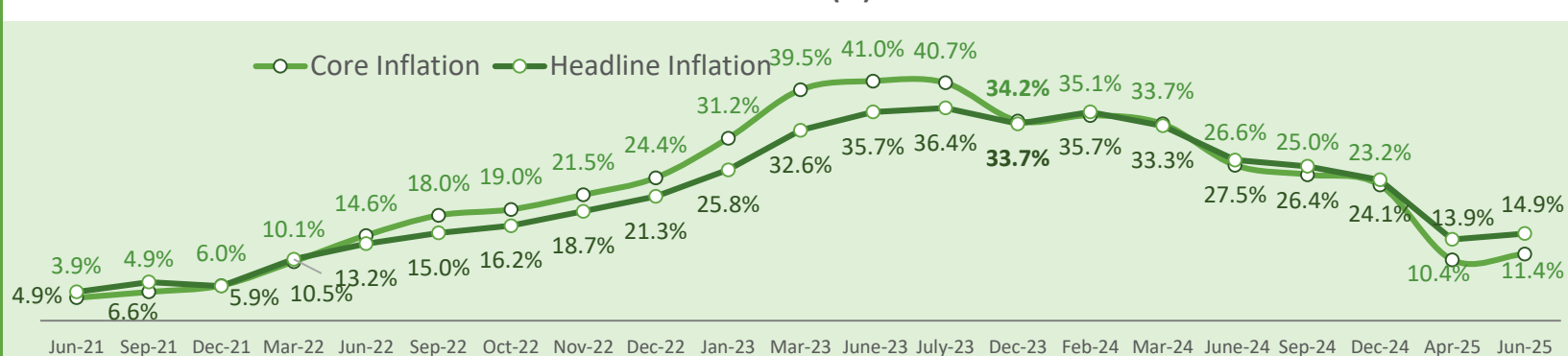
Egypt's Macroeconomic Environment – An Undervalued Market with Attractive Fundamentals

Despite external market challenges impacting the nation's economy, Egypt presents itself as an undervalued emerging market with attractive fundamentals and a proven track record of implementing ideal fiscal and monetary policies to cushion the impact from external challenges and maintain its strong footing and path for growth

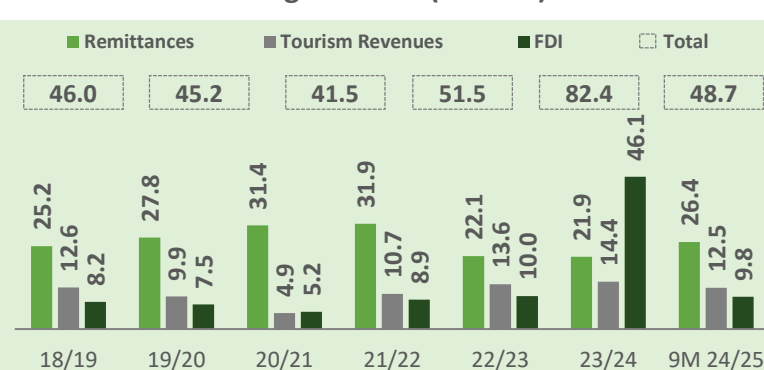
Real GDP Growth (%)



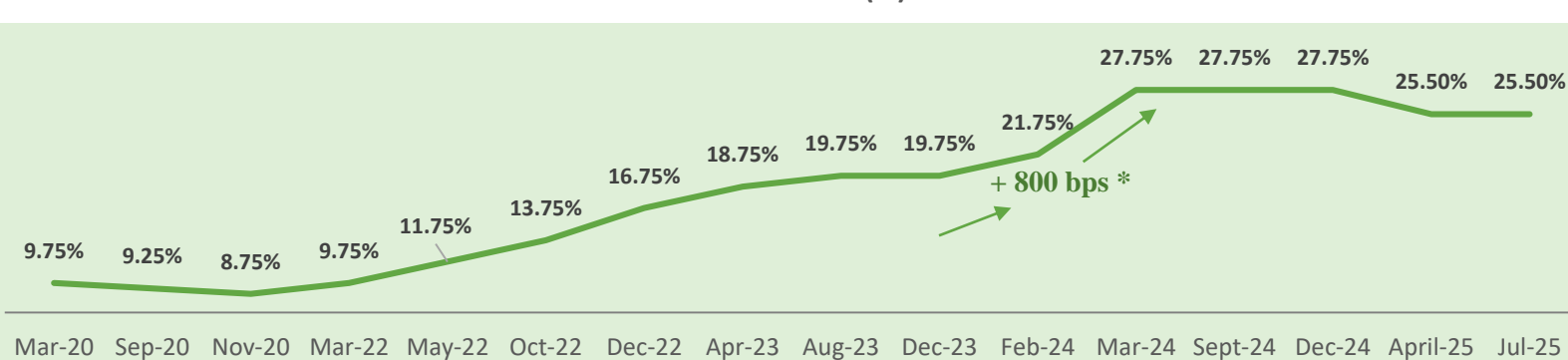
Inflation (%)



Foreign Inflows (USD Bn)



Discount Rate (%)

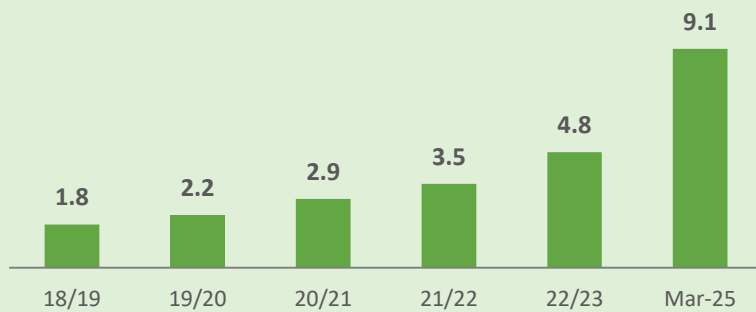




Egypt's Banking Sector – A Growing Economy and a Largely Underbanked and Unbanked Population Presents Clear Opportunities for Banking Institutions in Egypt

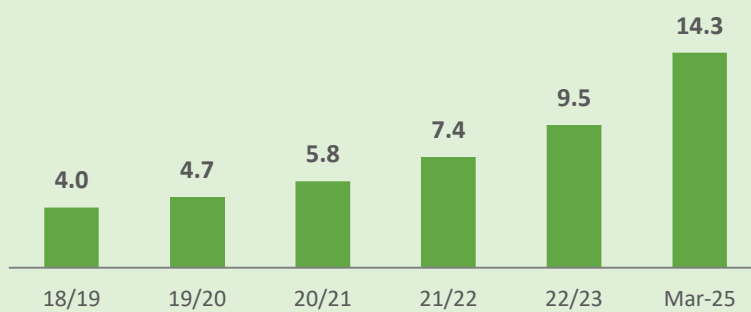
Increasing Loan Appetite

Loans (EGP Trn)



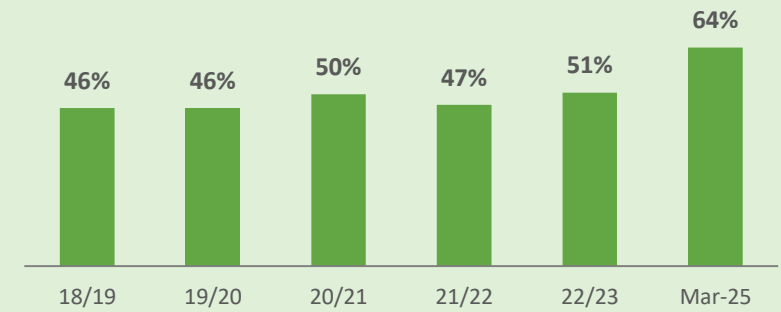
Steady Deposit Growth

Deposits (EGP Trn)



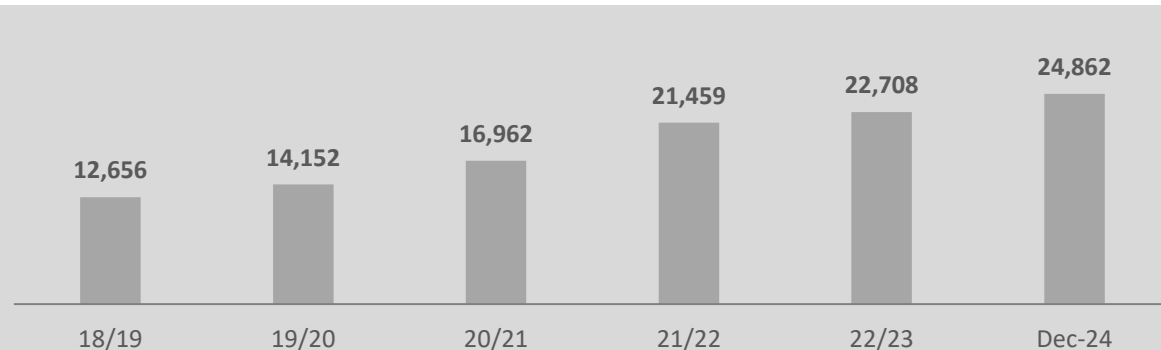
Healthy LDR

Loan to Deposit Ratio (%)

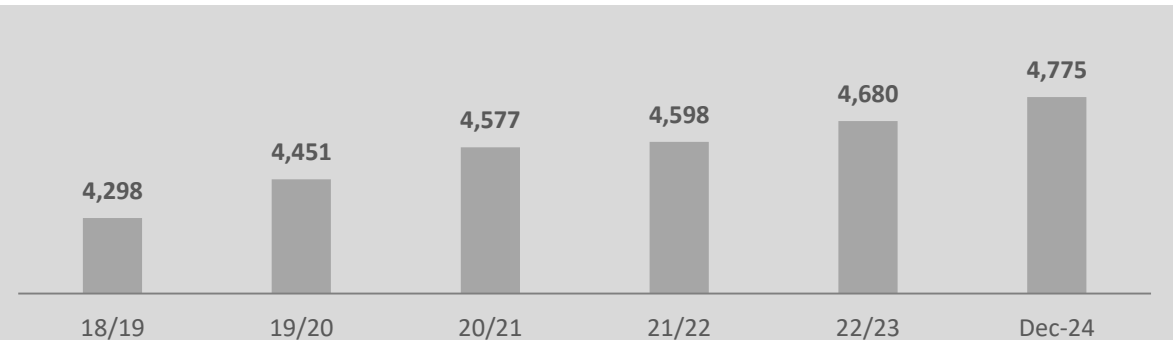


Growing demand for commercial banking services is evident in constantly expanding networks and points of contact

Total # of ATMs



Total # of Branches



AT A GLANCE

One of Egypt's Strongest
Commercial Banking Institutions





Who We Are

Housing and Development Bank is a name that has a history and a pioneering role in the real estate sector for more than four decades.. We were able to gain the confidence of our customers through our extensive experience and distinguished human cadres by

Our Transformation from Sectoral to Commercial Bank



Identified an opportunity to penetrate Egypt's growing commercial banking space



Implemented a restructuring supported by a three-pronged strategy to establish the building blocks that would accelerate HDB's growth in the commercial banking space



The Bank reaped the rewards of its successful strategy, and now boasts a strong and growing presence in Egypt's commercial banking sector

Total Assets

EGP 192.7 Bn

▲ 7.4% YTD

Gross Loans

EGP 60.7 Bn

▲ 8.5% YTD

Customer Deposits

EGP 151.5 Bn

▲ 4.5% YTD

Net Income

EGP 8.9 Bn

▲ 73.1% y-o-y

ROAE*

66.8%



A Long-Standing Name in the Egyptian Banking Space

HDB is a leading commercial bank boasting a +45 year track record

Leveraging its longstanding name in Egypt to accelerate commercial banking growth

The Bank's performance is also supported by its lucrative legacy real estate investment arm

Providing a comprehensive set of customer-centric commercial banking services



Retail Banking



Corporate Banking



SME Banking

Growth across the bank's portfolio driven by dual-driven growth in the Bank's retail and corporate loans

Gross Loans EGP 60.7 Bn		Customer Deposits EGP 151.5 Bn	
▲ 8.5% YTD		▲ 4.5% YTD	
Corporate*	Retail	Corporate	Retail
EGP 31.1 Bn ▲ 9.8% YTD	EGP 29.6 Bn ▲ 7.2% YTD	EGP 73.0 Bn ▲ 13.1% YTD	EGP 78.6 Bn ▼ 2.3% YTD

Solid performance across the balance sheet due to efficient management of the Bank's portfolio

66.8%	9.6%	15.6%	17.2%
Return on Average Equity (H1-2025)	Return on Average Assets (H1-2025)	Net Operating Margin (H1-2025)	Net Interest Margin (H1-2025)



Boasting an Expansive Footprint Across the Nation

HDB's Growing Nationwide Footprint Allows Easy Accessibility to its Banking Network



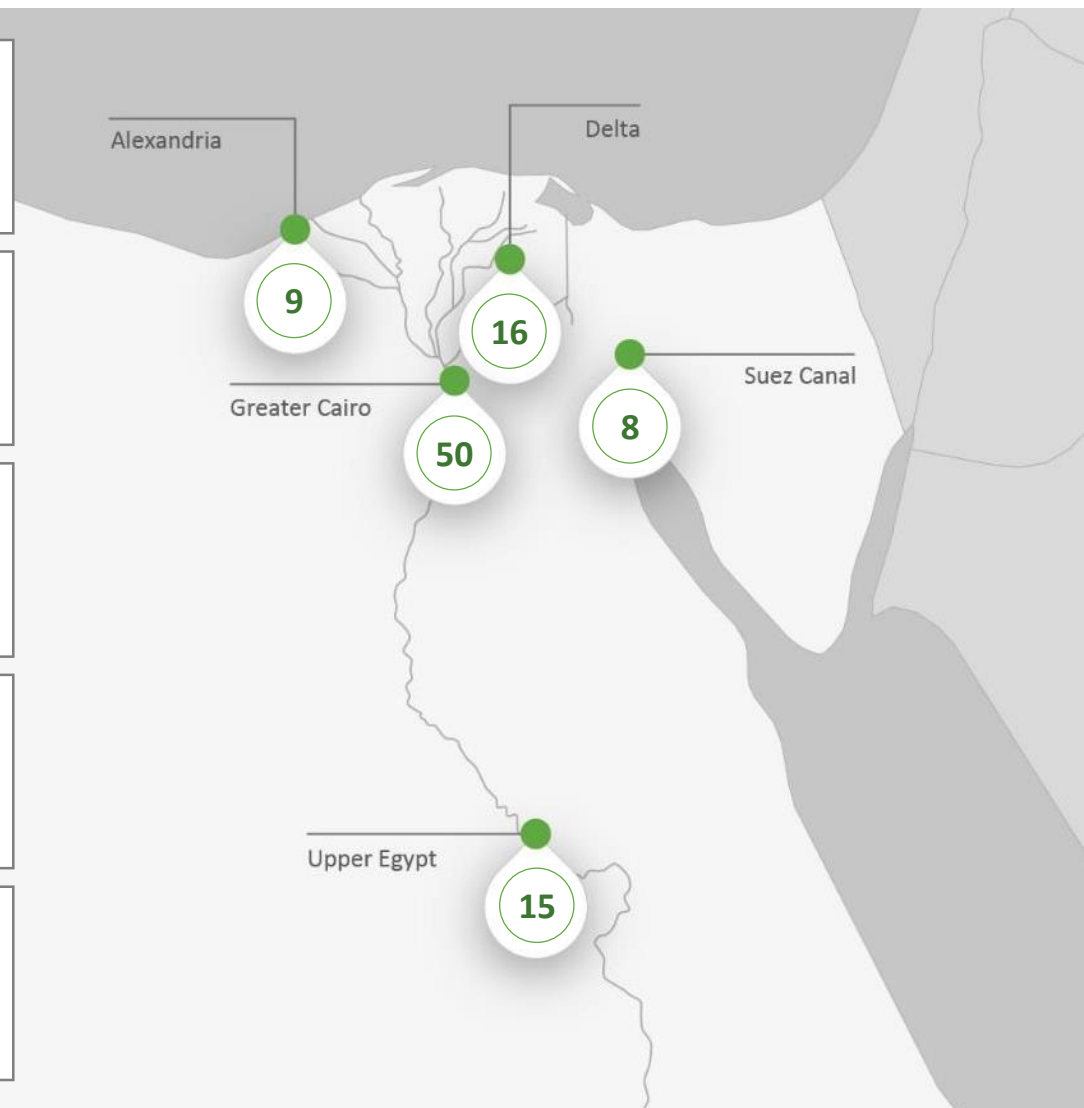
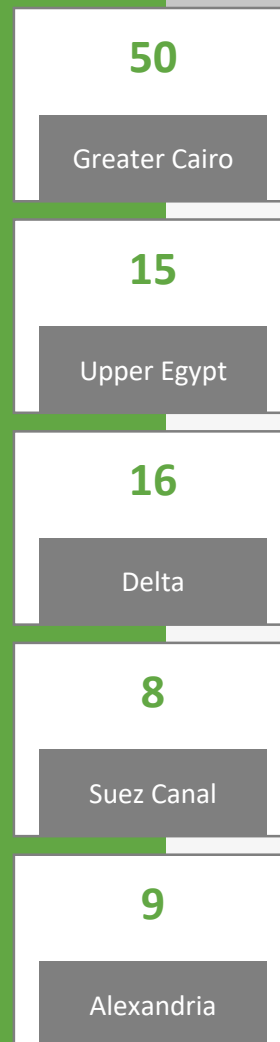
457

of ATMs



98

of Branches



STRATEGY 2030

*“Shaping the future through Innovation
,Trust and Excellence.”*





Journey from Sectoral to Strong Commercial Bank and entering its third era...

Legacy Real Estate Bank

1979-2002



Housing & Development Bank
بنك التعمير والإسكان

Housing & Development Bank (HDB) was founded in 1979 as a specialized entity for real estate development and the provisioning of housing units in Egypt

HDB's primary revenue generator was the sale of residential units across its multiple flagship developments in Egypt

Transformational Restructuring to Full-Fledged Commercial Bank

2003-2024

In 2003, HDB began a full restructuring to focus on the growth of its core commercial banking business due to the introduction of Law No. 88 of the Year 2003 of The Central Bank, which prohibited the existence of specialized banks in Egypt. In 2017, the Bank accelerated its commercial banking expansion strategy by delivering on three key pillars:



Revamped Business Model

Focusing on establishing dedicated retail, corporate, and SME banking operations



Enhanced Visibility

Growing the Bank's branch and ATM network as well as conducting a facelift of its corporate identity to attract multiple target customer segments



Digitalized Technology

Investing in technologies to enhance operational efficiencies and provide digital banking platforms for clients

- HDB reaped the rewards of its successful transformational strategy, with commercial banking activities now generating the lion's share of the Bank's bottom line with a contribution of 98.4% in H1-2025.
- Legacy real estate operations still support the Bank's overall profitability but at a significantly reduced contribution compared to previous years
- The Bank is maintaining its focus on growing and further enhancing its commercial banking operations with a goal of becoming one of the top ten commercial banks in Egypt

Leap Frogging

to become a **leading player** in the Egyptian banking landscape...

2025 - 2030

Recognized for as a top player in customer experience, high efficiency, and an employer of choice

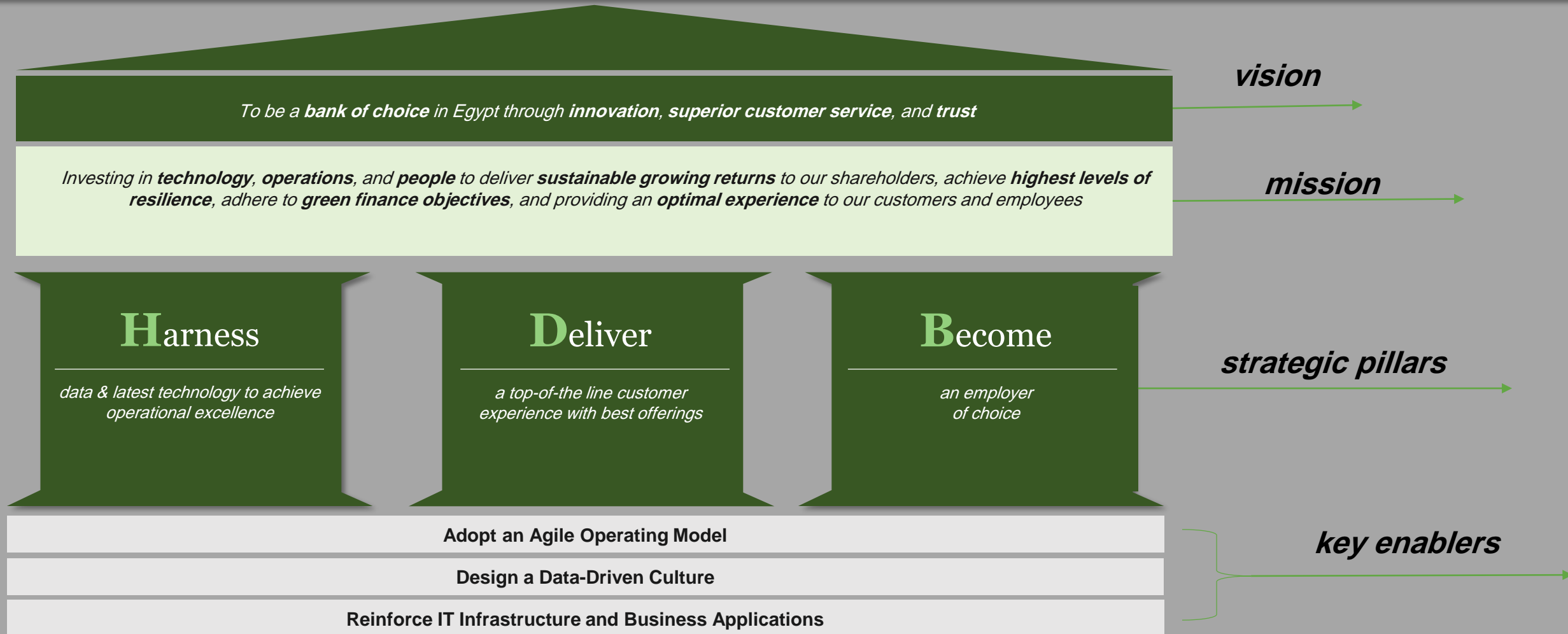
- Digital capabilities to allow onboarding and full servicing
- Optimization and automation of operations to achieve efficiency
- Data and MIS capabilities to drive decision-making and maximize cross-selling potential
- Pioneering value propositions





HDB has Focused on Three Key Pillars to Accomplish its Strategy 2030:

A strategy house including HDB's vision and mission statements, strategic pillars and key enablers has been developed



OUR STRATEGIC SUCCESS BY NUMBERS

Delivering On Our Three-Pillar
Transformation Strategy





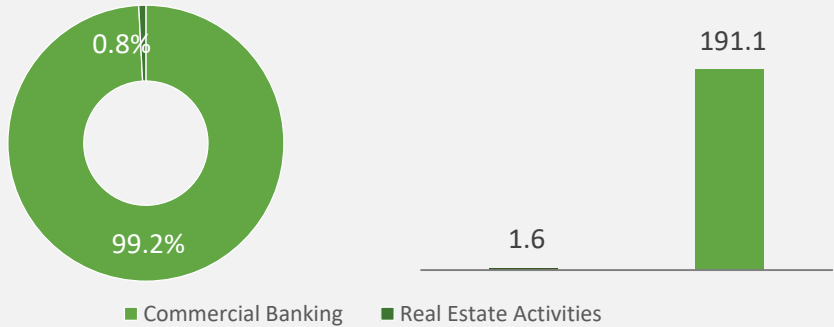
Commercial Banking is Now The Core of HDB's Operations Thanks to a Successful Revamped Business Model and Enhanced Visibility Strategy



Commercial banking activities have become the cornerstone of our success

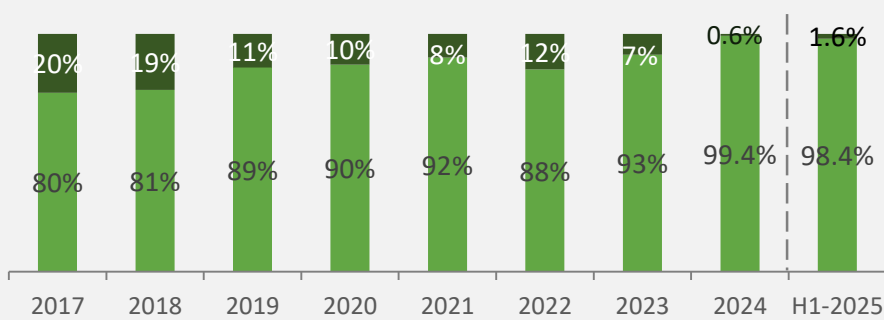
Top line expansion driven by accelerated growth in commercial banking contribution over the years

Commercial Banking vs Real Estate Business Volumes (H1-2025 | %, EGP Bn)



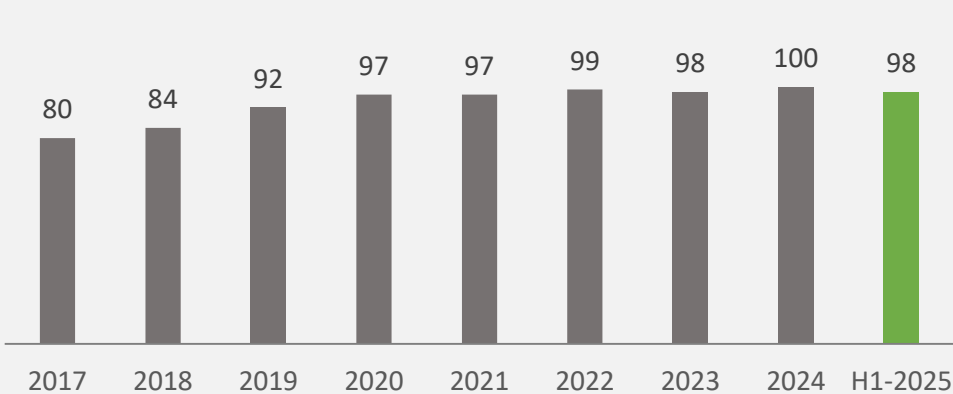
Commercial banking activities now contribute the majority of HDB's bottom-line

Commercial Banking Contribution (%) Real Estate Contribution (%)

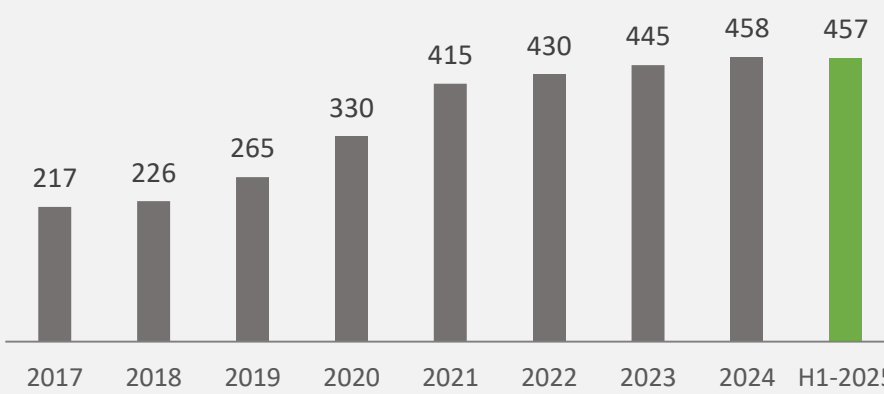


Significant growth in the Bank's network is in line with its visibility strategy

of Branches



of ATMs





HDB Reaped the Rewards of its Tech Investments and Successfully Grew its Digital Banking Capabilities Across its Operations

HDB's two-pronged tech investment strategy has yielded strong results and has seen its digital customer base witness robust growth over the years



Number of Digital Services on HDB's Platforms

2015

15

2017

+20

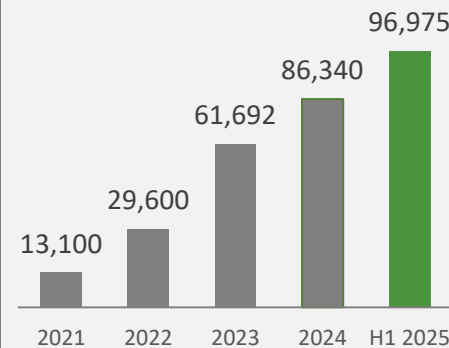
2025

+50

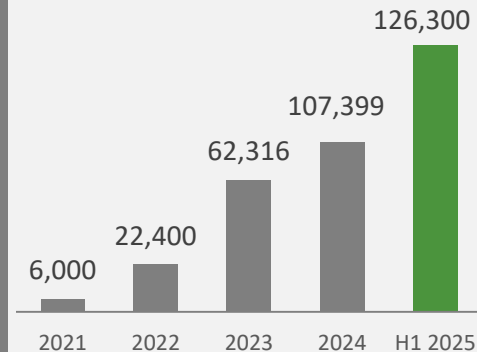


Online Banking

of Active Users



of Transactions



Value of Transactions (EGP Mn)



BUSINESS MODEL AND PERFORMANCE OVERVIEW

Impressive Operational
Performance Driven by Robust
Expansion in Commercial
Banking Activities



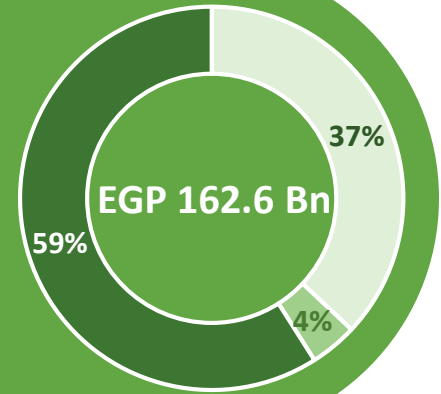


Business Model – A Well-Structured Balance Sheet Has Driven the Solid Performance of the Bank's KPIs and Maintained the Sustainability of its Growth

Earning Assets Structure (H1-2025 | %)

The Bank's earning assets structure is comprised of a diversified and healthy portfolio that yields attractive returns due to an ideal interest type mix at various maturities

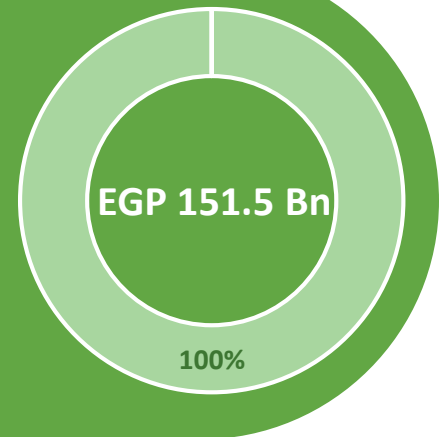
- Customer Loans
- Banks
- Investments



Interest Bearing Liabilities Structure (H1-2025 | %)

The Bank has a consistent and stable flow of customer deposits that are comprised of a healthy mix of interest and non-interest-bearing funds

- Customer Deposits





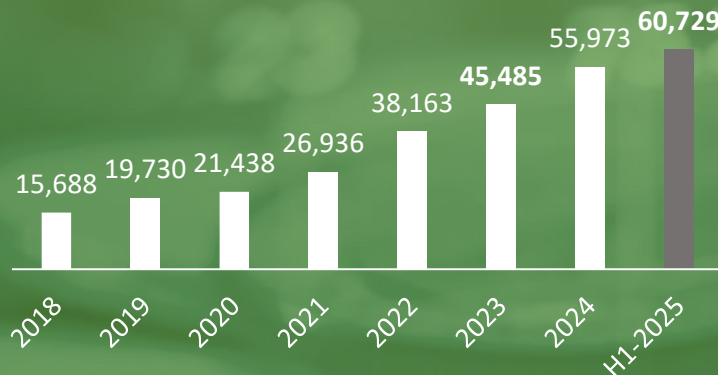
Robust Loan and Deposit Growth – HDB's Successful Strategy Has Generated Growth Across the Board on The Back of Strong Expansion in Commercial Banking Activities

A three-pronged transformation strategy, which focused on the Bank's revamped business model, enhanced visibility, and digitalized technology, has generated stellar growth and driven its strong results in recent years

23.2%

5-Year CAGR
(2019-2024)

Gross Loans | EGP Mn



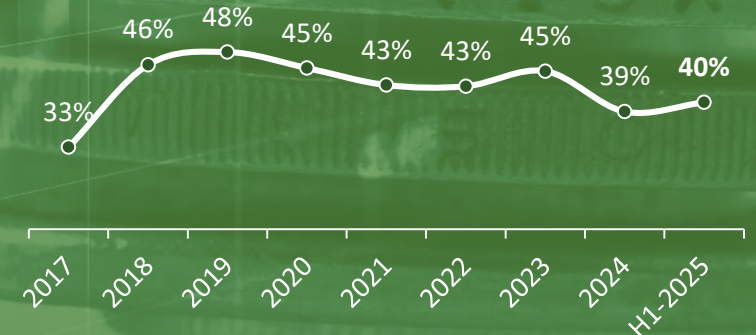
28.6%

5-Year CAGR
(2019-2024)

Total Deposits | EGP Mn



Loan-to-Deposit Ratio (LDR | %)



Steady loans and deposits growth has supported the Bank's profitability and strong liquid base



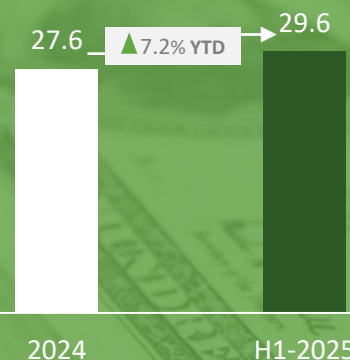
Retail Banking – Providing a Comprehensive Approach to Retail Banking that Caters to the Needs of Our Wide Customer Base

Full-fledged retail service offering

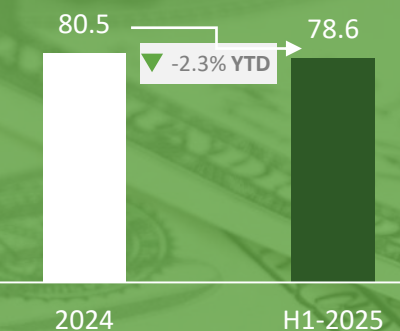
	Current Account		Savings Products		Loan Products
	Digital Services		Contact Centers		ATMs
	Prepaid, Debit, and Credit Cards		Bancassurance		Payroll Services

Growing retail loans and deposits reflect HDB's expanding presence & enhanced visibility

Retail Loans (EGP bn)



Retail Deposits (EGP bn)



49%

Gross Retail Loans
as a % of Total Gross
Loans

52%

Retail Deposits as
a % of Total
Deposits



Corporate Banking – HDB Leverages Its Deep Lending Capacities to Serve Some of Egypt’s Leading Businesses and Drive the Growth of its Corporate Banking Offering

Serving Egypt’s leading businesses through HDB’s one-stop-shop



Credit
Facilities



Trade
Finance



Financing
Customs &
Taxes



Specialized
Services to
SMEs



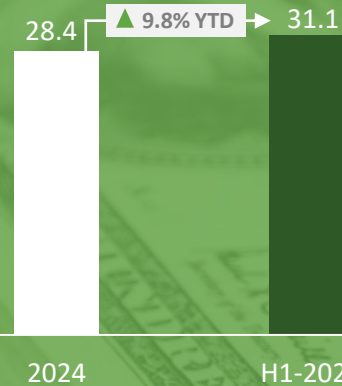
Treasury and
Cash
Management



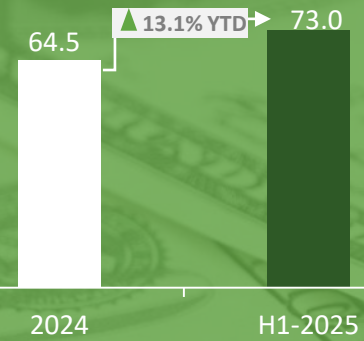
Select
Investment
Banking
Services

Capitalizing on its trusted name in the Egyptian banking space to grow its corporate banking portfolio

Corporate Loans (EGP bn)



Corporate Deposits (EGP bn)



51%

Gross Corporate
Loans as a % of Total
Gross Loans

48%

Corporate
Deposits as a % of
Total Deposits

Real Estate Operations – Generating Lucrative Returns Supporting the Bank's Profitability

Lucrative legacy real estate portfolio



Boasting a portfolio of flagship developments in Egypt

HDB's real estate portfolio provides a healthy cushion for the Bank's profitability

Offers potential forward-looking strategic sale opportunities

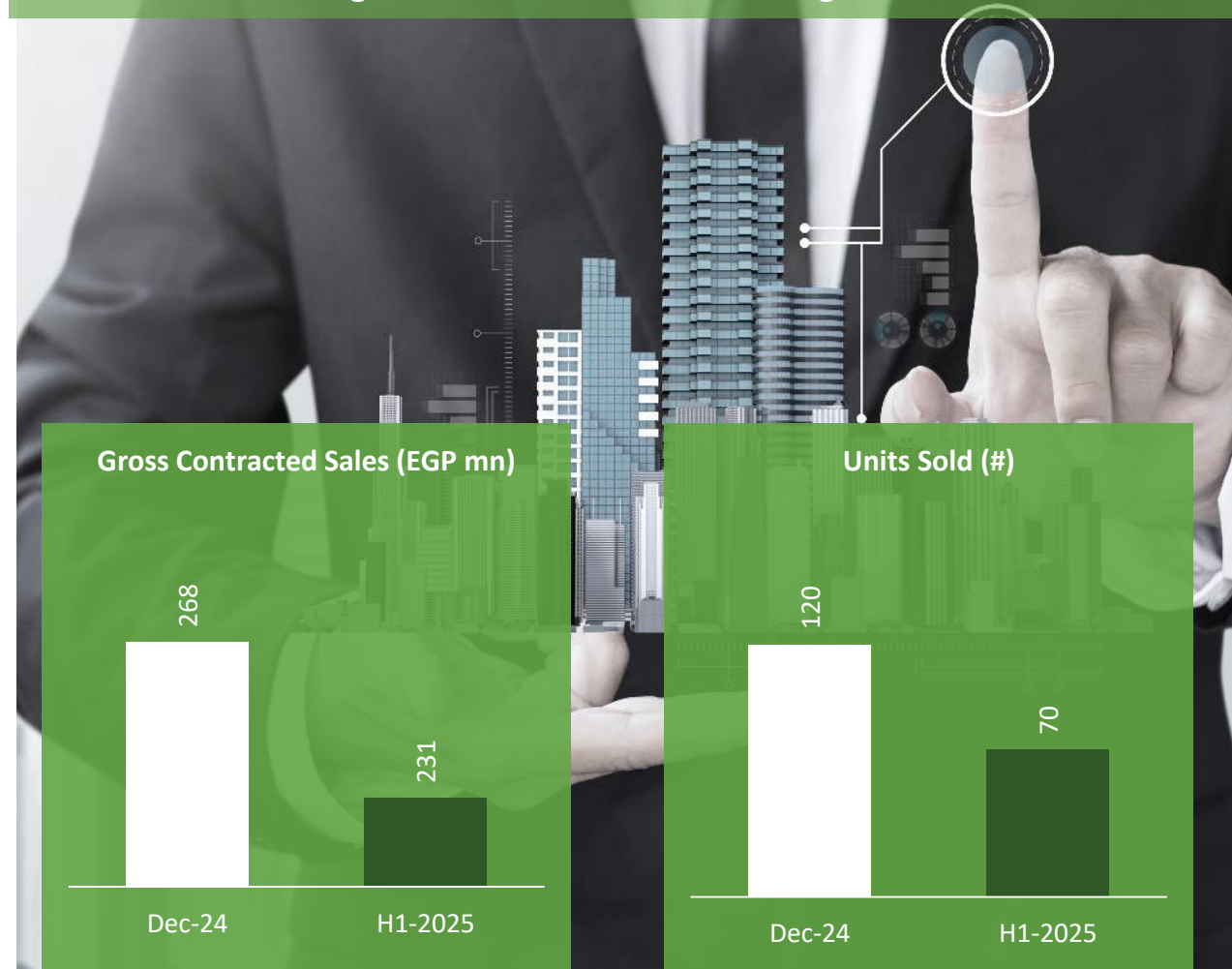
EGP 1.6 Bn

Real Estate Business

1.6%

Contribution to Net Income

Revenues from legacy real estate operations declined in line with HDB's strategic focus on commercial banking activities





FINANCIAL PERFORMANCE HIGHLIGHTS

The Bank has Maintained its Strong
Growth Trajectory and Delivered
Solid Results

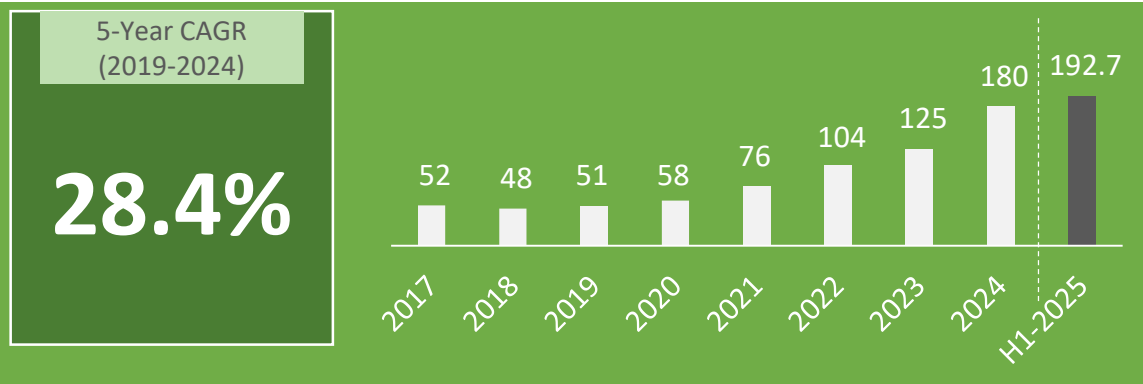




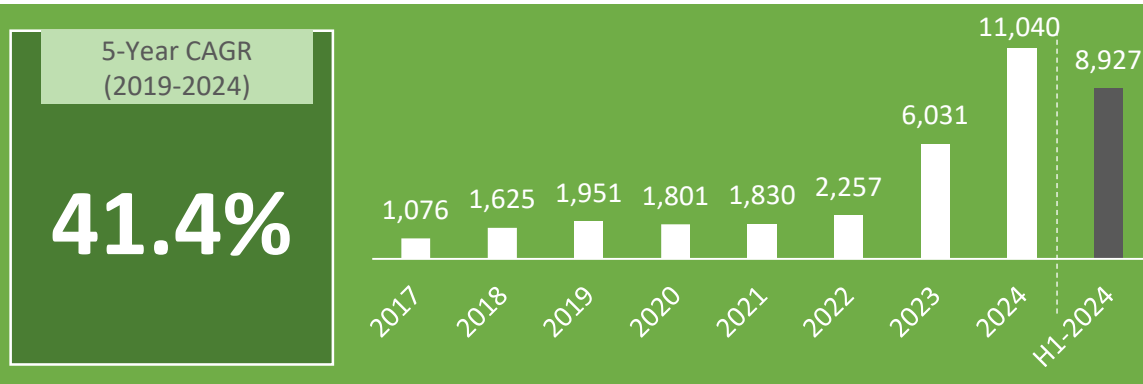
Enhanced Profitability – HDB has Yielded Strong Returns on The Back of Excellent Balance Sheet Management

The Bank's growing asset base coupled with optimized balanced sheet management has supported HDB's profitability over the years

Total Assets | EGP Bln

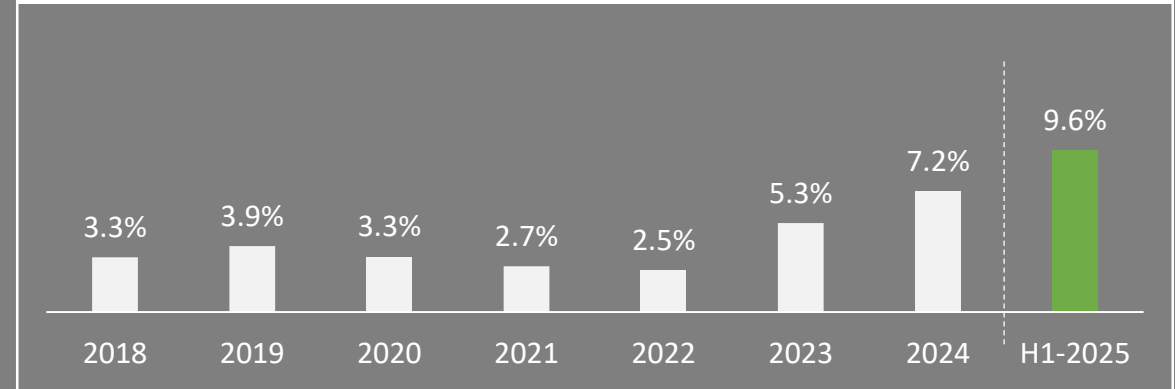


Net Income | EGP Mn

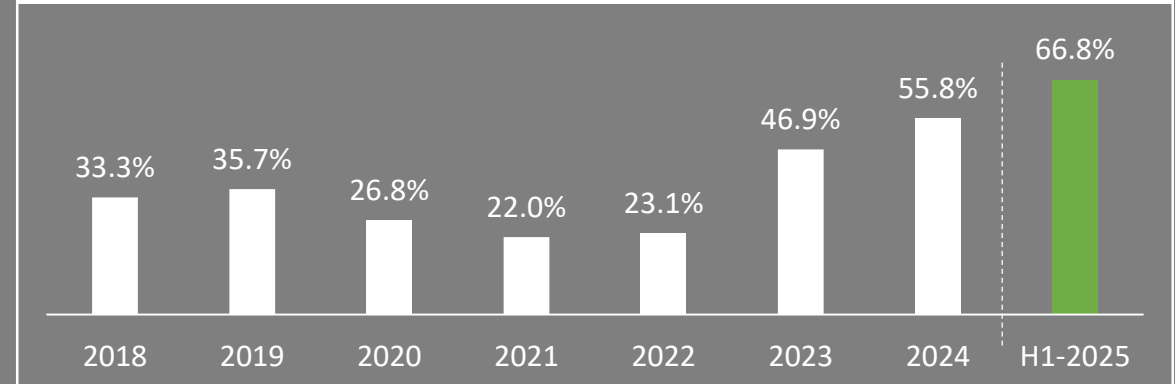


HDB has successfully delivered one of the highest ROAA and ROAE ratios amongst its peers in the banking space

Return on Average Assets (ROAA) | %



Return on Average Equity (ROAE) | %





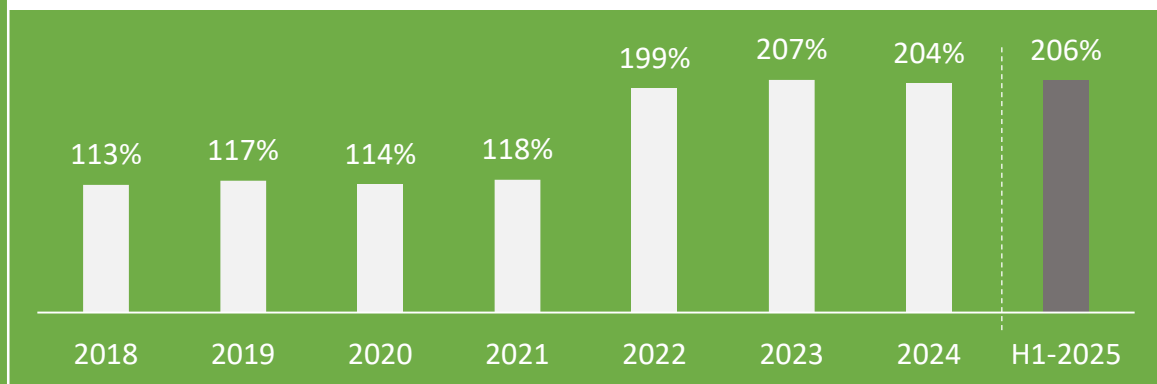
Improved Asset Quality – Steady Decline in NPLs Reflects the Bank’s Commitment to Increasingly Enhance the Health of its Loan Book

Declining trend in NPLs are a direct result of management’s efforts to enhance the quality of the loan portfolio & align with the Egyptian market average

Non-Performing Loans to Gross Loan Ratio | %

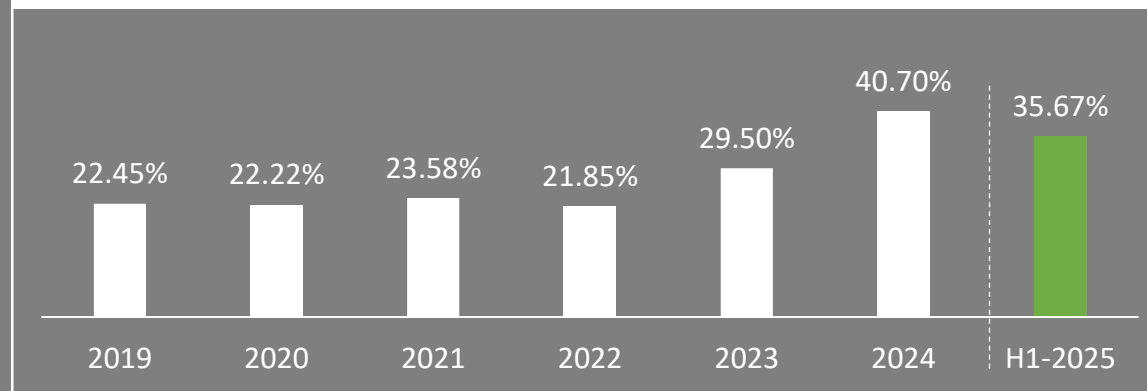


NSFR Ratio | %

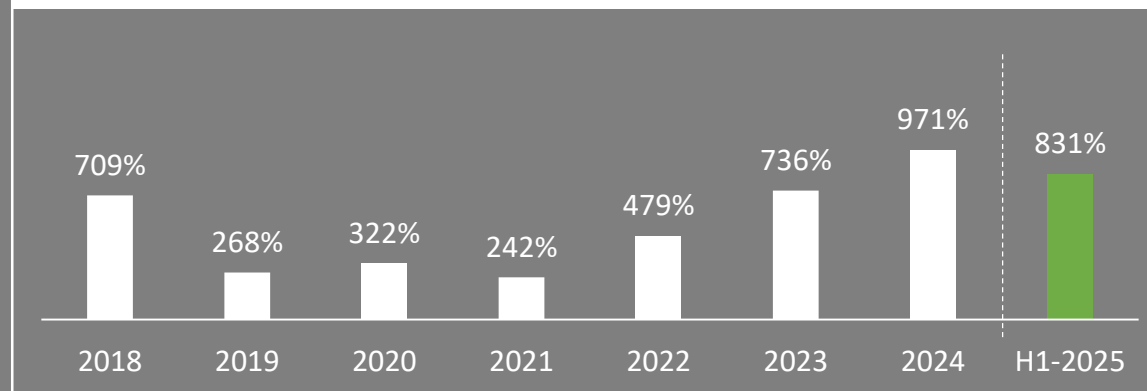


HDB’s Capital Adequacy Ratio has historically remained far above both local and international minimum requirements (CBE and BASEL)

Capital Adequacy Ratio | %



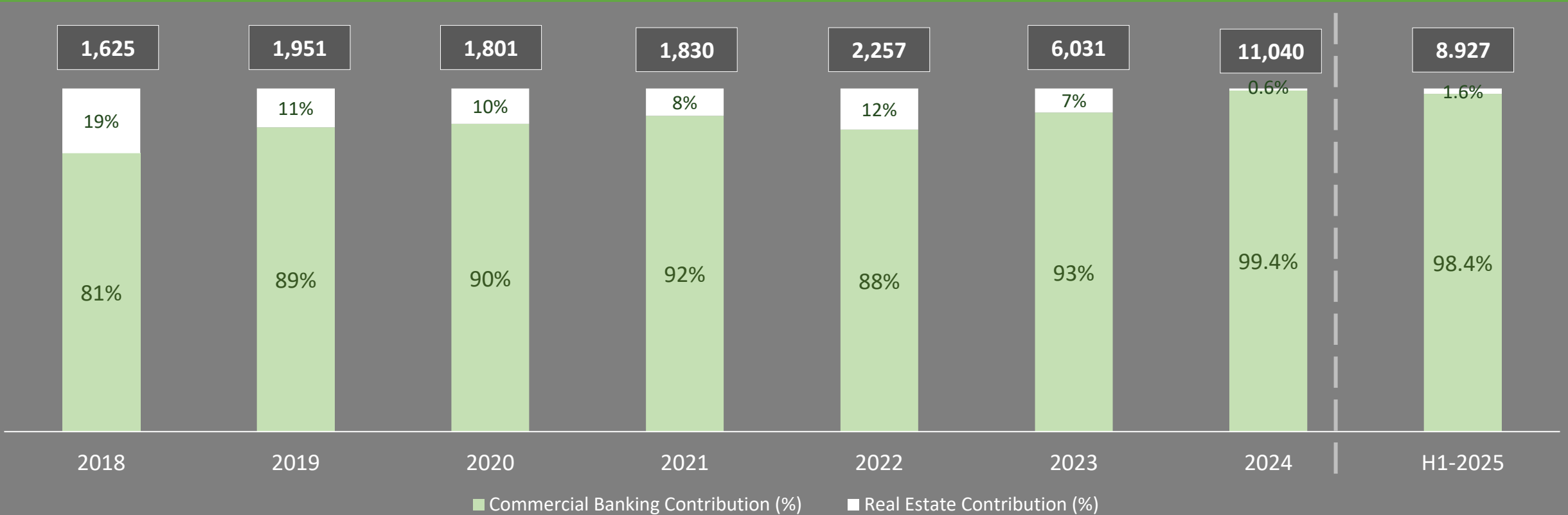
LCR Ratio | %





Net Income Breakdown – Commercial Banking Activities Contribute the Lion’s Share of HDB’s Bottom-Line

Net Profit, % Contribution | EGP Mn, %



The Bank’s strategy has seen it significantly grow its commercial banking operations contribution to HDB’s bottom-line in recent years as it continues to focus on cementing and expanding its presence in Egypt’s commercial banking space

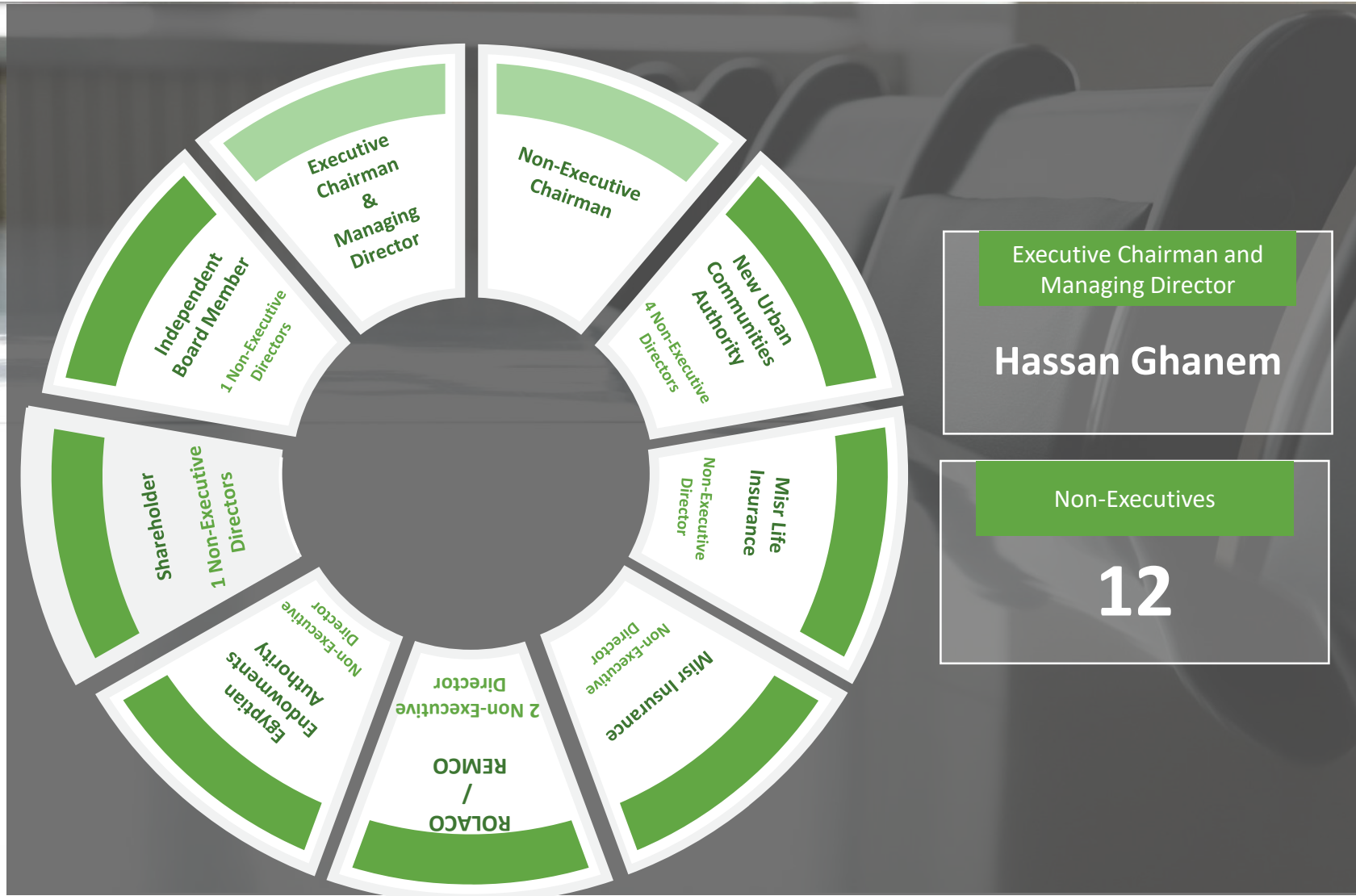
CORPORATE GOVERNANCE

Strong Board of Directors and
Comprehensive Governance
Frameworks Have Guided the Bank
Throughout its Transformation





Board Composition – HDB is Led By A Strong Board That Has Maintained The Bank's Stability and Kept it Aligned With Egypt's Overarching Growth Strategies for the Sector





Corporate Governance – HDB Employs Comprehensive Governance Frameworks that Ensure the Bank Operates in a Sustainable and Ethical Manner

HDB is a firm believer that operating in a reliable, transparent, and ethical manner is key to maintaining the long-term sustainability of the business and to unlock and create value for shareholders

The Bank's nine committees ensure that HDB's comprehensive corporate governance frameworks are implemented and consistently abided by to ensure full accountability and transparency across the organization's operations

Committees

1

Audit

2

Risk

3

Remuneration

4

Governance and
Nomination

5

Executive and
Operational

6

Investment

7

Engineering

8

IT Enhancement

9

CSR and Donations



RESPONSIBLE BANKING

Supporting the Sustainability
and Development of the
Community at Large





Corporate Social Responsibility – Creating Meaningful and Sustainable Impact Towards Egypt's Economy

Playing Our Part in Creating Positive Impact to Ensure the Sustainability and Development of Our Communities



Education

Financing the construction of **El Sewedy Academy** in the Sadat Industrial Area, which focuses on technical and vocational training for students

Supporting **Nile University** in equipping their industrial engineering department

Elevating the infrastructures of **20 schools** in the Marsa Matrouh governorate in cooperation with the **Misr El Kheir Foundation** and the **Ministry of Education and Technical Education**

Coordinating with the **Ministry of Education** to develop resource rooms in **30 public schools** across 7 governorates to serve special needs students



Healthcare

Supporting the establishment of the **Magdy Yacoub Foundation** in 6th of October City

Financing the comprehensive renovation and development of two departments at the **Qasr Al-Aini OBGYN Hospital**, which ranks second globally in terms of number of patients served annually at around **105,000 patients**

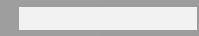
Supporting the establishment of the **Ahl Masr Hospital**, which is anticipated to be the first and largest specialized hospital in the Middle East and North Africa (MENA) to treat burns at no cost to the patient



Inclusion

HDB partnered with the **Mazala Foundation** to train women on niche artistic skills as well as support them in showcasing their final products across various prestigious exhibitions

HDB partnered with **Al Masry Alaseel** to train women on sewing, carpet weaving, as well as reading and writing in an effort to support job creation



INVESTMENT THESIS





Solid Investment Thesis Driven By Promising Outlook As The Bank Continues To Leverage Strong Brand Equity And Growing Commercial Banking Presence

One of Egypt's fastest growing commercial banking institutions

Providing an exceptional customer centric service offering

Strong liquid base provides for potentially aggressive lending capabilities to fuel growth

Nationwide footprint provides easy access to grow desired customer segments

The Bank's ROAE and ROAA are some of the highest when compared against the market average

Growing profitability margins are reflective of HDB's well managed operations



Together, these factors leave HDB well positioned to continue reaping the rewards of its strategy, build on its historical success, and achieve its goal of becoming one of Egypt's top ten banking institutions

CORPORATE & SHAREHOLDER INFORMATION





Corporate Structure and Share Performance

Share Information & Performance

(30th Jun 2025)

Market

EGX

Stock Ticker

HDBK.CA

Date of Listing

September 1983

Total Issued Shares

531,300,000

Authorized and Issued Capital

EGP 10 BN

Paid-up Capital

EGP 5.3 BN

Market Cap

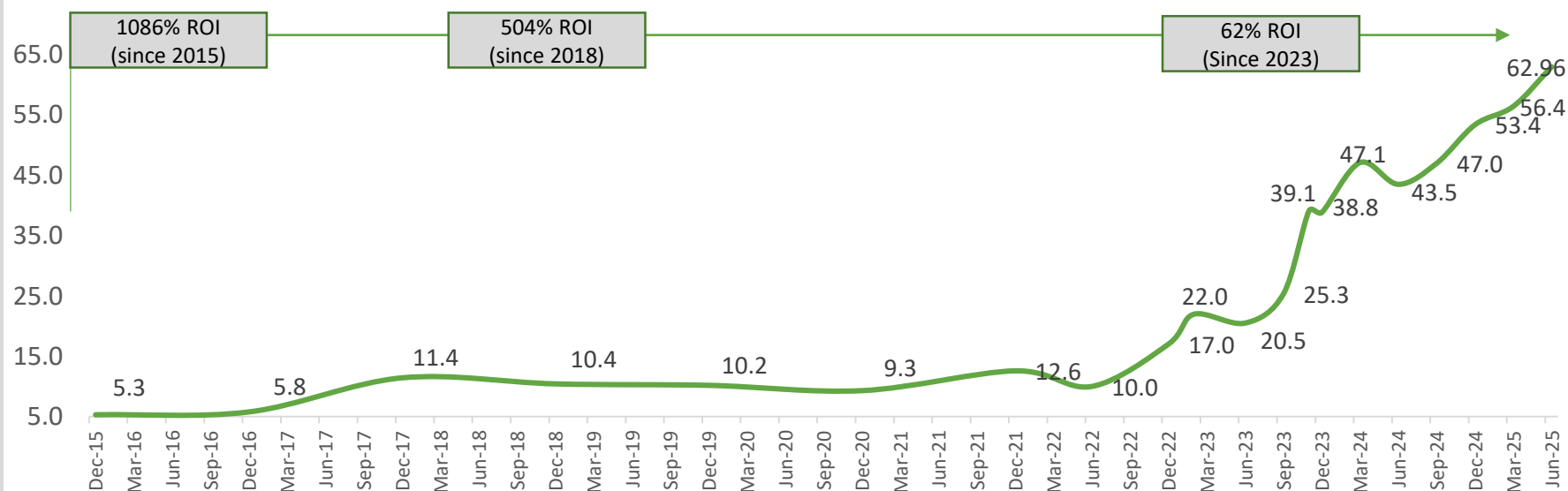
EGP 33.5 BN

Par Value/Share

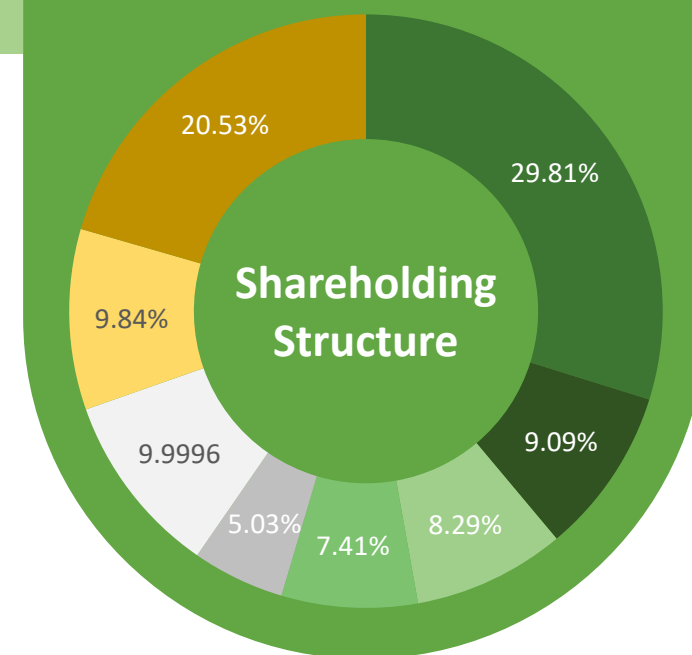
EGP 10

Stock Performance (EGP)

Housing and Development Bank has consistently delivered strong ROI



New Urban Communities Authority (NUCA)	29.81%
Misr Life Insurance	9.09%
Misr Insurance	8.29%
Social Housing and Mortgage Finance Fund	7.41%
Egyptian Endowment Authority	5.03%
Ali Ben Hassan El Dayekh – RELACO	9.9996%
REMCO Egypt - Abdel Moneim El Rashed	9.84%
Free Float	20.53%



Contact Information

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www.hdb-egy.com



Housing & Development Bank
بنك التعمير والإسكان

APPENDIX





Standalone Income Statement and Net Income Breakdown

Standalone Income Statement	Q2-2025	Q1-2025	Q-o-Q Change	Q2-2024	Y-o-Y Change	H1-2025	H1-2024	Y-o-Y Change
	EGP Mn	EGP Mn	(%)	EGP Mn	(%)	EGP Mn	EGP Mn	(%)
Net Interest Income	6,371	6,932	-8.1%	4,494	41.8%	13,303	8,214	62.0%
Net Non-Interest Income	541	623	-13.1%	385	40.5%	1,164	939	24.0%
Core Banking Income	6,912	7,555	-8.5%	4,879	41.7%	14,467	9,152	58.1%
Other Operating Income	18	18	-4.4%	15	16.3%	36	(27)	-233.5%
Net Operating Income	6,930	7,573	-8.5%	4,894	41.6%	14,503	9,125	58.9%
Other Provisions	(50)	21	-341.3%	65	-176.6%	(29)	(8)	259.3%
Administrative Expense	(1,192)	(1,090)	9.4%	(833)	43.1%	(2,282)	(1,433)	59.2%
Credit Loss Impairment	(200)	(118)	69.8%	(449)	-55.5%	(318)	(743)	-57.2%
Net Profit Before Tax	5,488	6,387	-14.1%	3,677	49.2%	11,874	6,941	71.1%
Income Tax	(1,381)	(1,566)	-11.8%	(945)	46.2%	(2,947)	(1,783)	65.3%
Net Profit	4,106	4,821	-14.8%	2,732	50.3%	8,927	5,158	73.1%
<i>Earnings Per Share (EGP)</i>	6.9	8.2		4.6		15.1	8.5	



Standalone Balance Sheet

Balance Sheet		Standalone			
	Jun-25	Dec-24	YTD Change	Jun-24	YOY change
	EGP Mn	EGP Mn	(%)	EGP Mn	(%)
Cash & Due from Central Bank	24,646	18,642	32.2%	19,304	27.7%
Due from Banks	6,429	49,141	-86.9%	24,975	-74.3%
Financial Investments	95,486	51,581	85.1%	49,510	92.9%
Investments in Subsidiaries	2,386	2,195	8.7%	2,195	8.7%
Loans and Advances to Customers (Net)	55,536	50,989	8.9%	46,411	19.7%
Gross Loans:	60,729	55,973	8.5%	50,763	19.6%
Corporate Loans	31,139	28,361	9.8%	24,144	29.0%
Retail Loans	29,590	27,612	7.2%	26,618	11.2%
Real Estate	1,633	1,449	12.7%	1,274	28.3%
Other Assets	4,842	3,787	27.9%	4,904	-1.3%
Fixed Assets	1,742	1,672	4.2%	1,409	23.7%
Total Assets	192,701	179,456	7.4%	149,981	28.5%
Customer Deposits:	151,545	144,959	4.5%	121,703	24.5%
Corporate Deposits	72,964	64,489	13.1%	68,077	7.2%
Retail Deposits	78,582	80,471	-2.3%	53,625	46.5%
Other Liabilities	11,907	10,252	16.1%	10,104	17.8%
Total Liabilities	163,452	155,211	5.3%	131,807	24.0%
Shareholders' Equity	29,249	24,245	20.6%	18,174	60.9%
Total Liabilities & Shareholders' Equity	192,701	179,456	7.4%	149,981	28.5%



Financial Ratios and Indicators

Financial Indicators	Q2-2025	Q1-2024	Q-o-Q Change	Q2-2024	Y-o-Y Change	H1-2025	H1-2024	Y-o-Y Change
Profitability								
ROAE	60.4%	78.0%	-17.7 pp	65.0%	-4.7 pp	66.8%	61.5%	+5.2 pp
ROAA	8.9%	10.8%	-1.9 pp	7.7%	+1.2 pp	9.6%	7.5%	+2.1 pp
Margins								
Net Operating Margin (NOM)	15.0%	17.0%	-2 pp	13.8%	+1.2 pp	15.6%	13.3%	+2.3 pp
Net Interest Margin (NIM)	16.9%	18.8%	-1.9 pp	15.7%	+1.2 pp	17.2%	14.7%	+2.5 pp
Efficiency								
Cost-to-Income	17.2%	14.4%	+2.8 pp	17.0%	+0.2 pp	15.7%	15.7%	+0 pp
Liquidity								
Gross Loans to Deposits	40.1%	43.5%	-3.4 pp	41.7%	-1.6 pp	40.1%	41.7%	-1.6 pp
Net Loans to Deposits	36.6%	39.7%	-3 pp	38.1%	-1.5 pp	36.6%	38.1%	-1.5 pp
Asset Quality								
NPLs-to-Gross Loans	5.4%	5.7%	-0.4 pp	6.5%	-1.1 pp	5.4%	6.5%	-1.1 pp
Capital Adequacy Ratio	35.7%	30.8%	4.9%	25.5%	10.2%	35.7%	25.5%	10.2%