



# Consolidated Financial Statements

June 2023 - Interim Condensed



**Accountants & Auditors**

**Public Accountants & Consultants**

**Review Report on Condensed Consolidated Interim Financial Statements**

**To: The Board of Directors of Commercial International Bank Egypt**

***Introduction***

We have reviewed the accompanying condensed consolidated interim financial position of Commercial International Bank Egypt (S.A.E) as of 30 June 2023 and the related condensed consolidated interim statements of income, comprehensive income, cash flows and changes in shareholders' equity for the six months period then ended. Management is responsible for the preparation and fair presentation of these condensed consolidated interim financial statements in accordance with the rules of preparation and presentation of the bank's financial statements and the basis of recognition and measurement approved by the Central Bank of Egypt board of directors on 16 December 2008 as amended by regulations issued on 26 February 2019 and its subsequent interpretive instructions and Central Bank of Egypt board of directors resolution on 3 May 2020 regarding issuing condensed interim financial statements for banks and with the requirements of applicable Egyptian laws and regulations, our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

***Scope of Review***

We conducted our review in accordance with Egyptian Standard on review engagements (2410). "Review of interim financial statements performed by the Independent Auditor of the Entity". A review of condensed consolidated interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters in the bank, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Egyptian Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on these condensed consolidated interim financial statements.

***Conclusion***

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements are not prepared in all material respects in accordance with the rules of preparation and presentation of the bank's financial statements and the basis of recognition and measurement approved by the Central Bank of Egypt board of directors on 16 December 2008 as amended by regulations issued on 26 February 2019 and its subsequent interpretive instructions and Central Bank of Egypt board of directors resolution on 3 May 2020 regarding issuing condensed interim financial statements for banks and with the requirements of applicable Egyptian laws and regulations.

Cairo, 23 July 2023

 **Auditors**

**Farid Samir Farid**

Financial Regulatory Authority Register Number "210"  
**Saleh, Barsoum & Abdel Aziz - Grant Thornton**  
**Public Accountants & Consultants**



 **Hossam Mohamed Hilal**

Financial Regulatory Authority Register Number "147"  
**Baker Tilly Mohamed Hilal - Wahid Abdel Ghaffar**  
**Public Accountants & Consultants**



## Condensed Consolidated Interim Statement of Financial Position as at June 30, 2023

	<i>Notes</i>	<b>Jun. 30, 2023</b> EGP Thousands	Dec. 31, 2022 EGP Thousands
<b>Assets</b>			
Cash and balances at the central bank	8	33,569,139	47,492,549
Due from banks	9	282,231,329	133,856,720
Loans and advances to banks, net	11	265,506	2,978,197
Loans and advances to customers, net	12	220,646,128	193,599,872
Derivative financial instruments		2,072,177	1,939,961
<b>Financial investments :</b>			
- Financial Assets at Fair Value through OCI	13	191,018,179	204,020,733
- Financial Assets at Amortized cost	13	44,071,307	34,524,760
- Investments in associates	14	145,332	186,062
Non current assets held for sale	29	214	-
Other assets	15	19,148,600	14,521,427
Goodwill	26	75,639	96,268
Intangible assets	27	19,005	24,188
Deferred tax assets		518,213	185,746
Property and equipment	16	2,510,392	2,405,434
<b>Total assets</b>		<b>796,291,160</b>	<b>635,831,917</b>
<b>Liabilities and equity</b>			
<b>Liabilities</b>			
Due to banks	17	23,938,050	3,496,698
Due to customers	18	658,531,089	531,616,550
Non current liabilities held for sale	30	933	-
Derivative financial instruments		139,259	219,752
Current income tax liabilities		4,952,484	3,051,583
Other liabilities	19	16,474,178	11,606,912
Issued debt instruments	20	3,070,637	2,456,607
Other loans		11,158,536	7,978,975
Other provisions	21	9,390,357	7,066,672
<b>Total liabilities</b>		<b>727,655,523</b>	<b>567,493,749</b>
<b>Equity</b>			
Issued and paid up capital		30,195,010	29,825,134
Reserves		22,766,742	19,643,327
Reserve for employee stock ownership plan (ESOP)		1,133,385	1,895,435
Retained earnings *		14,411,378	16,393,841
<b>Total equity and net profit for the period / year</b>		<b>68,506,515</b>	<b>67,757,737</b>
Non Controlling Interest		129,122	580,431
<b>Total minority interest, equity and net profit for the period / year</b>		<b>68,635,637</b>	<b>68,338,168</b>
<b>Total liabilities and equity</b>		<b>796,291,160</b>	<b>635,831,917</b>

The accompanying notes are an integral part of these financial statements .

(Limited review report attached)

\* Including net profit for the current period



**Hussein Abaza**  
CEO & Managing Director



**Hisham Ezz Al-Arab**  
Chairman

## Condensed Consolidated Interim Income Statement for the period ended June 30, 2023

	Notes	Last 3 Months	Last 6 Months	Last 3 Months	Last 6 Months
		Jun. 30, 2023	Jun. 30, 2023	Jun. 30, 2022	Jun. 30, 2022
		EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands
Interest and similar income		25,291,551	45,115,105	12,306,957	24,313,000
Interest and similar expense		(12,282,408)	(21,221,785)	(5,295,544)	(10,584,315)
<b>Net interest income</b>		<b>13,009,143</b>	<b>23,893,320</b>	<b>7,011,413</b>	<b>13,728,685</b>
Fee and commission income		2,123,517	4,128,821	1,208,252	2,411,504
Fee and commission expense		(782,919)	(1,575,094)	(557,764)	(1,072,889)
<b>Net fee and commission income</b>		<b>1,340,598</b>	<b>2,553,727</b>	<b>650,488</b>	<b>1,338,615</b>
Dividend income		44,891	77,253	16,757	54,557
Net trading income	5	483,209	2,335,117	281,458	1,014,279
Profits (Losses) on financial investments	13	21,652	92,572	25,146	1,065,443
Administrative expenses		(2,233,227)	(4,296,917)	(1,599,462)	(3,270,349)
Other operating (expenses) income	6	(1,382,364)	(3,423,286)	(1,079,219)	(2,511,186)
Goodwill amortization	26	(10,315)	(20,629)	(10,315)	(20,629)
Intangible assets amortization	27	(2,592)	(5,183)	(2,592)	(5,183)
Impairment release (charges) for credit losses		(237,658)	(1,182,487)	(112,669)	(73,977)
Bank's share in the profits / losses of associates		(11,759)	(26,630)	2,373	5,214
<b>Profit before income tax</b>		<b>11,021,578</b>	<b>19,996,857</b>	<b>5,183,378</b>	<b>11,325,469</b>
Income tax expense	28	(3,486,297)	(5,748,429)	(1,641,505)	(3,014,444)
Deferred tax assets (Liabilities)	28	502,470	(142,753)	(21,164)	(530,698)
<b>Net profit from continued operations</b>		<b>8,037,751</b>	<b>14,105,675</b>	<b>3,520,709</b>	<b>7,780,327</b>
<b>Discontinued Operations</b>					
Net profit (loss) from discontinued operations	31	(50,482)	(49,612)	-	-
<b>Net profit for the period</b>		<b>7,987,269</b>	<b>14,056,063</b>	<b>3,520,709</b>	<b>7,780,327</b>
Non Controlling Interest		(373)	3,474	9,581	15,530
<b>Bank's shareholders</b>		<b>7,987,642</b>	<b>14,052,589</b>	<b>3,511,128</b>	<b>7,764,797</b>
<b>Earnings per share</b>	7				
Basic		2.38	4.17	1.04	2.29
Diluted		2.35	4.12	1.03	2.27



**Hussein Abaza**  
 CEO & Managing Director



**Hisham Ezz Al-Arab**  
 Chairman

**Condensed Consolidated Interim statement of Comprehensive Income for the period ended June 30, 2023**

	<b>Last 3 Months</b>	<b>Last 6 Months</b>	Last 3 Months	Last 6 Months
	<b>Jun. 30, 2023</b>	<b>Jun. 30, 2023</b>	Jun. 30, 2022	Jun. 30, 2022
	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands
Net profit for the period	7,987,269	14,056,063	3,520,709	7,780,327
Change in fair value of Financial investments measured at fair value through comprehensive income after tax	(1,426,897)	(9,949,190)	(3,415,968)	(7,377,135)
Transferred to RE from financial assets at fair value through comprehensive income	(93,413)	(95,308)	(26)	(4,227)
Cumulative foreign currencies translation differences	(15,000)	266,927	28,688	81,324
Effect of ECL in fair value of debt instruments measured at fair value through comprehensive income	(3,001)	205,751	2,586	104,188
<b>Total comprehensive income for the period</b>	<b>6,448,958</b>	<b>4,484,243</b>	<b>135,989</b>	<b>584,477</b>
As follows:				
Bank's shareholders	6,449,331	4,480,769	126,408	568,947
Non Controlling Interest	(373)	3,474	9,581	15,530
<b>Total comprehensive income for the period</b>	<b>6,448,958</b>	<b>4,484,243</b>	<b>135,989</b>	<b>584,477</b>

## Condensed Consolidated Interim Cash flows for the period ended June 30 2023

	Notes	Jun. 30, 2023 EGP Thousands	Jun. 30, 2022 EGP Thousands
<b>Cash flow from operating activities</b>			
Profit before income tax from continued operations		19,996,857	11,325,469
Profit (loss) from discontinued operations		(49,612)	-
<b>Adjustments to reconcile profits to net cash provided by operating activities</b>			
Fixed assets depreciation	16	435,552	445,305
Impairment (Released) charge for credit losses (Loans and advances to customers and banks)		950,009	(41,818)
Other provisions charges	21	1,146,383	1,513,929
Impairment (Released) charge for credit losses (due from banks)		5,231	4,970
Impairment (Released) charge for credit losses (financial investments)		227,247	110,825
Impairment (Released) charge for other assets		-	(277,768)
Exchange revaluation differences for financial assets at fair value through OCI and AC		(5,858,602)	(2,840,747)
Goodwill amortization	26	20,629	20,629
Intangible assets amortization	27	5,183	5,183
Utilization of other provisions	21	(1,031)	(1,707)
Other provisions no longer used	21	-	(782)
Exchange differences of other provisions	21	1,178,333	303,949
profits from selling property and equipment		(130)	(1,142)
profits from selling financial investments at fair value through OCI	13	(92,572)	(1,065,443)
Shares based payments		402,192	384,255
Bank's share in the profits / losses of associates		26,630	(5,214)
<b>Operating profits before changes in operating assets and liabilities</b>		<b>18,392,299</b>	<b>9,879,893</b>
<b>Net decrease (increase) in assets and liabilities</b>			
Due from banks		31,684,362	13,218,002
Financial assets at fair value through P&L		-	239,339
Derivative financial instruments		(213,992)	(882,092)
Loans and advances to banks and customers	11 - 12	(25,279,763)	(25,997,906)
Other assets		(4,443,895)	(280,761)
Non current assets held for sale		(214)	-
Due to banks	17	20,441,352	2,092,943
Due to customers	18	126,914,539	21,624,749
Current income tax obligations paid		(795,945)	(684,278)
Non current liabilities held for sale		933	-
Other liabilities		2,149,496	2,750,906
<b>Net cash generated from (used in) operating activities</b>		<b>168,849,172</b>	<b>21,960,795</b>
<b>Cash flow from investing activities</b>			
Payment for purchases of property, equipment and branches constructions		(727,599)	(331,846)
Proceeds from selling property and equipment		130	1,142
Proceeds from redemption of financial assets at amortized cost		196,783	622,072
Payment for purchases of financial assets at amortized cost		(9,121,279)	(41,770)
Payment for purchases of financial assets at fair value through OCI		(51,268,261)	(67,715,983)
Proceeds from selling financial assets at fair value through OCI		59,321,328	44,348,943
Payment for investment in subsidiaries.		(1,008,761)	-
<b>Net cash generated from (used in) investing activities</b>		<b>(2,607,659)</b>	<b>(23,117,442)</b>

## Condensed Consolidated Interim Cash flows for the period ended June 30, 2023 (Cont.)

	Jun. 30, 2023 EGP Thousands	Jun. 30, 2022 EGP Thousands
<b>Cash flow from financing activities</b>		
Other loans	3,179,561	846,869
Dividends paid	(3,594,747)	(4,410,322)
Issued debt instruments	614,030	307,661
Capital increase	369,876	122,716
<b>Net cash generated from (used in) financing activities</b>	<b>568,720</b>	<b>(3,133,076)</b>
Net (decrease) increase in cash and cash equivalent during the period	166,810,233	(4,289,723)
Beginning balance of cash and cash equivalent	92,969,526	61,065,822
<b>Cash and cash equivalent at the end of the period</b>	<b>259,779,759</b>	<b>56,776,099</b>
<b>Cash and cash equivalent comprise:</b>		
Cash and balances at the central bank	33,569,139	41,970,190
Due from banks	282,285,952	56,974,029
Treasury bills	71,798,021	76,380,971
Obligatory reserve balance with CBE	(25,697,561)	(36,172,792)
Due from banks with maturities more than three months	(30,318,097)	(10,530,558)
Treasury bills with maturity more than three months	(71,857,695)	(71,845,741)
<b>Total cash and cash equivalent</b>	<b>259,779,759</b>	<b>56,776,099</b>



**Condensed Consolidated Interim statement of changes in shareholders' equity**

	<u>Issued and paid up capital</u>	<u>Legal reserve</u>	<u>General reserve</u>	<u>General risk reserve</u>	<u>Reserve for transactions under common control</u>	<u>Capital reserve</u>	<u>Reserve for financial assets at fair value through OCI</u>	<u>Banking risks reserve</u>	<u>Retained earnings</u>	<u>Reserve for employee stock ownership plan</u>	<u>Cumulative foreign currencies translation differences</u>	<u>Total Shareholders Equity</u>	<u>Non- Controlling Interest</u>	<u>Total</u>
<b>Jun. 30, 2022</b>														EGP Thousands
Beginning at 1 January 2022	19,702,418	3,293,074	28,260,532	1,550,906	8,183	16,000	641,372	9,141	13,696,402	1,674,392	(4,218)	68,848,202	454,535	69,302,737
Capital increase	122,716	-	-	-	-	-	-	-	-	-	-	122,716	-	122,716
Transferred to reserves	-	670,872	8,836,326	-	-	2,947	-	-	(9,007,223)	(502,922)	-	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	(4,410,322)	-	-	(4,410,322)	-	(4,410,322)
Net profit for the period	-	-	-	-	-	-	-	-	7,764,797	-	-	7,764,797	15,530	7,780,327
Transferred to RE from financial assets at fair value through OCI	-	-	-	-	-	-	(4,227)	-	4,227	-	-	-	-	-
Net unrealised gain/(loss) on financial assets at fair value through OCI after tax	-	-	-	-	-	-	(7,377,135)	-	-	-	-	(7,377,135)	-	(7,377,135)
Transferred (from) to banking risk reserve	-	-	-	-	-	-	-	2,840	(2,840)	-	-	-	-	-
Effect of ECL in fair value of debt instruments measured at fair value through OCI	-	-	-	-	-	-	104,188	-	-	-	-	104,188	-	104,188
Cost of employees stock ownership plan (ESOP)	-	-	-	-	-	-	-	-	-	384,255	-	384,255	-	384,255
Cumulative foreign currencies translation differences	-	-	-	-	-	-	-	-	-	-	85,542	85,542	54,747	140,289
<b>Balance at 30 June 2022</b>	<b>19,825,134</b>	<b>3,963,946</b>	<b>37,096,858</b>	<b>1,550,906</b>	<b>8,183</b>	<b>18,947</b>	<b>(6,635,802)</b>	<b>11,981</b>	<b>8,045,041</b>	<b>1,555,725</b>	<b>81,324</b>	<b>65,522,243</b>	<b>524,812</b>	<b>66,047,055</b>
<b>Jun. 30, 2023</b>														EGP Thousands
Beginning at 1 January 2023	29,825,134	3,963,946	27,096,858	1,550,906	8,183	18,947	(13,188,818)	11,981	16,393,841	1,895,435	181,324	67,757,737	580,431	68,338,168
Capital increase	369,876	-	-	-	-	-	-	-	-	-	-	369,876	-	369,876
Transferred to reserves	-	806,408	12,743,849	-	-	2,208	-	-	(12,388,223)	(1,164,242)	-	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	(3,738,888)	-	-	(3,738,888)	(17,108)	(3,755,996)
Net profit for the period	-	-	-	-	-	-	-	-	14,052,589	-	-	14,052,589	3,474	14,056,063
Transferred to RE from financial assets at fair value through OCI	-	-	-	-	-	-	(95,308)	-	95,308	-	-	-	-	-
Change in non controlling interest from acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	(536,867)	(536,867)
Reserve for transactions under common control	-	-	-	-	(679,155)	-	-	-	-	-	-	(679,155)	-	(679,155)
Net unrealised gain/(loss) on financial assets at fair value through OCI after tax	-	-	-	-	-	-	(9,949,190)	-	-	-	-	(9,949,190)	-	(9,949,190)
Transferred (from) to banking risk reserve	-	-	-	-	-	-	-	3,249	(3,249)	-	-	-	-	-
Effect of ECL in fair value of debt instruments measured at fair value through OCI	-	-	-	-	-	-	205,751	-	-	-	-	205,751	-	205,751
Cost of employees stock ownership plan (ESOP)	-	-	-	-	-	-	-	-	-	402,192	-	402,192	-	402,192
Cumulative foreign currencies translation differences	-	-	-	-	-	-	-	-	-	-	85,603	85,603	99,192	184,795
<b>Balance at 30 June 2023</b>	<b>30,195,010</b>	<b>4,770,354</b>	<b>39,840,707</b>	<b>1,550,906</b>	<b>(679,972)</b>	<b>21,155</b>	<b>(23,027,565)</b>	<b>15,230</b>	<b>14,411,378</b>	<b>1,133,385</b>	<b>266,927</b>	<b>68,506,515</b>	<b>129,122</b>	<b>68,635,637</b>



## Notes to the condensed consolidated interim financial statement for the period ended June 30, 2023

### 1. General information

Commercial International Bank (Egypt) S.A.E. provides retail, corporate and investment banking services in various parts of Egypt through 191 branches, and 20 units employing 7,725 employees on the statement of financial position date.

Commercial international Bank (Egypt) S.A.E. was formed as a commercial bank under the investment law no. 43 of 1974 amended by law no. 32/1977 and its amendments The address of its registered head office is as follows: Nile tower, 21/23 Charles de Gaulle Street-Giza. The Bank is listed in the Egyptian stock exchange.

The bank owns investments in subsidiaries “Commercial International Bank (CIB) Kenya Limited”, “Commercial international for finance” and “Damietta Shipping” in which the bank’s shares are 100%, 99.83% and 49.95% respectively.

Financial statements have been approved by the board of directors on 23<sup>rd</sup> of July, 2023.

### 2. Summary of accounting policies

The principal accounting policies applied in the preparation of these financial statements are provided below. These policies have been consistently applied to all years presented, unless otherwise stated.

#### 2.1. Basis of preparation

The financial statements have been prepared in accordance with the Central Bank of Egypt approved by the Board of Directors on December 16, 2008 consistent with the principles referred to.

In accordance to the instructions for applying the International Standard for Financial Reports (9) issued by the Central Bank of Egypt on February 26, 2019, the bank issued condensed financial statements complying with the Central Bank of Egypt instructions issued on May 3, 2020, which allow banks to issue condensed quarterly financial statements.

References are provided to unmentioned instructions from the Central Bank of Egypt to the Egyptian Accounting Standards.

These condensed consolidated interim financial statements do not include all the information and disclosures required for full annual consolidated financial statements prepared in accordance with CBE rules mentioned above and should be read in conjunction with the Bank’s financial statements for and at the year ended 31 December 2022.

In preparing these condensed consolidated interim financial statements, significant judgments were made by the management in applying the Bank’s accounting policies and the key sources of estimation were the same as those that were applied to the consolidated financial statements for and at the year ended 31 December 2022.

#### 2.2. Basis of consolidation

The basis of the consolidation is as follows:

- Eliminating all balances and transactions between the Bank and group companies.
- The cost of acquisition of subsidiary companies is dependent on the company’s share price, the fair value of assets acquired and the outstanding obligations on the acquisition date.
- Minority shareholders represent the rights of others in subsidiary companies.

**3.1. Loans and advances**

Loans and advances are summarized as follows:

	Jun.30, 2023 EGP Thousands		Dec.31, 2022 EGP Thousands	
	<u>Loans and advances to customers</u>	<u>Loans and advances to banks</u>	<u>Loans and advances to customers</u>	<u>Loans and advances to banks</u>
<b>Gross Loans and advances</b>	<b>252,565,401</b>	<b>265,511</b>	<b>219,746,382</b>	<b>2,988,410</b>
<b>Less:</b>				
ECL	29,989,245	5	24,536,712	10,213
Unamortized bills discount	718,370	-	678,795	-
Unamortized syndicated loans discount	181,772	-	221,018	-
Suspended credit account	1,029,886	-	709,985	-
<b>Net</b>	<b>220,646,128</b>	<b>265,506</b>	<b>193,599,872</b>	<b>2,978,197</b>

Impairment provision losses for loans and advances totaled EGP 29,989,250 thousand

During the period, the Bank's total loans and advances increased by 13.51%.

In order to minimize the probable exposure to credit risk, the Bank focuses more on the business with large enterprises or banks or retail customers with good credit rating or sufficient collateral.

**Total balances of loans and facilities to customers divided by stages:**
**EGP Thousands**
**Jun.30, 2023**

	<u>Stage 1: 12 months</u>	<u>Stage 2: Life time</u>	<u>Stage 3: Life time</u>	<u>Total</u>
Individuals	47,004,207	5,260,649	807,579	53,072,435
Institutions and Business Banking	118,692,651	68,785,241	12,015,074	199,492,966
<b>Total</b>	<b>165,696,858</b>	<b>74,045,890</b>	<b>12,822,653</b>	<b>252,565,401</b>

**Expected credit losses for loans and facilities to customers divided by stages:**
**Jun.30, 2023**

	<u>Stage 1: Expected credit losses over 12 months</u>	<u>Stage 2: Expected credit losses Over a lifetime that is not creditworthy</u>	<u>Stage 3: Expected credit losses Over a lifetime Credit default</u>	<u>Total</u>
Individuals	1,191,511	205,111	438,856	1,835,478
Institutions and Business Banking	3,333,463	13,992,593	10,827,711	28,153,767
<b>Total</b>	<b>4,524,974</b>	<b>14,197,704</b>	<b>11,266,567</b>	<b>29,989,245</b>

**Loans, advances and expected credit losses to banks divided by stages:**
**Jun.30, 2023**

	<u>Stage 1: 12 months</u>	<u>Stage 2: Life time</u>	<u>Stage 3: Life time</u>	<u>Total</u>
Time loans	64,395	201,116	-	265,511
Expected credit losses	(1)	(4)	-	(5)
<b>Net</b>	<b>64,394</b>	<b>201,112</b>	<b>-</b>	<b>265,506</b>

**Off balance sheet items exposed to credit risk and expected credit losses divided by stages:**
**Jun.30, 2023**

	<u>Stage 1: 12 months</u>	<u>Stage 2: Life time</u>	<u>Stage 3: Life time</u>	<u>Total</u>
Facilities and guarantees	98,683,651	52,705,015	6,512,775	157,901,441
Expected credit losses	(4,363,089)	(2,840,496)	(1,758,906)	(8,962,491)
<b>Net</b>	<b>94,320,562</b>	<b>49,864,519</b>	<b>4,753,869</b>	<b>148,938,950</b>

**Total balances of loans and facilities to customers divided by stages:**
**Dec.31, 2022**

	EGP Thousands			
	<u>Stage 1:</u> <u>12 months</u>	<u>Stage 2:</u> <u>Life time</u>	<u>Stage 3:</u> <u>Life time</u>	<u>Total</u>
Individuals	47,483,664	5,269,640	790,595	53,543,899
Institutions and Business Banking	91,616,120	64,555,274	10,031,089	166,202,483
<b>Total</b>	<b>139,099,784</b>	<b>69,824,914</b>	<b>10,821,684</b>	<b>219,746,382</b>

**Expected credit losses for loans and facilities to customers divided by stages:**
**Dec.31, 2022**

	<u>Stage 1: Expected</u> <u>credit losses over 12</u> <u>months</u>	<u>Stage 2: Expected credit</u> <u>losses</u> <u>Over a lifetime that is not</u> <u>creditworthy</u>	<u>Stage 3: Expected</u> <u>credit losses</u> <u>Over a lifetime</u> <u>Credit default</u>	<u>Total</u>
Individuals	1,024,932	171,725	397,479	1,594,136
Institutions and Business Banking	2,631,413	11,053,147	9,258,016	22,942,576
<b>Total</b>	<b>3,656,345</b>	<b>11,224,872</b>	<b>9,655,495</b>	<b>24,536,712</b>

**Loans, advances and expected credit losses to banks divided by stages:**
**Dec.31, 2022**

	<u>Stage 1:</u> <u>12 months</u>	<u>Stage 2:</u> <u>Life time</u>	<u>Stage 3:</u> <u>Life time</u>	<u>Total</u>
Time loans	-	2,988,410	-	2,988,410
Expected credit losses	-	(10,213)	-	(10,213)
<b>Net</b>	<b>-</b>	<b>2,978,197</b>	<b>-</b>	<b>2,978,197</b>

**Off balance sheet items exposed to credit risk and expected credit losses divided by stages:**
**Dec.31, 2022**

	<u>Stage 1:</u> <u>12 months</u>	<u>Stage 2:</u> <u>Life time</u>	<u>Stage 3:</u> <u>Life time</u>	<u>Total</u>
Facilities and guarantees	84,513,998	45,046,087	5,636,373	135,196,458
Expected credit losses	(3,561,390)	(1,443,926)	(1,670,378)	(6,675,694)
<b>Net</b>	<b>80,952,608</b>	<b>43,602,161</b>	<b>3,965,995</b>	<b>128,520,764</b>

The following tables shows changes in ECL between the beginning and end of the period as a result of these factors:

**Jun.30, 2023**

**Due from banks**

	EGP Thousands			
	<u>Stage 1</u> <u>12 months</u> <u>ECL</u>	<u>Stage 2</u> <u>Life time</u> <u>ECL</u>	<u>Stage 3</u> <u>Life time</u> <u>ECL</u>	<u>Total</u> <u>ECL</u>
ECL on 1 January 2023	38,884	10,508	-	49,392
New financial assets purchased or issued	2,514	4	-	2,518
Matured or disposed financial assets	(173)	(10,508)	-	(10,681)
Transferred to stage 1	-	-	-	-
Transferred to stage 2	-	-	-	-
Transferred to stage 3	-	-	-	-
Changes in models/risk parameters	13,394	-	-	13,394
Write off during the period	-	-	-	-
<b>Ending balance</b>	<b>54,619</b>	<b>4</b>	<b>-</b>	<b>54,623</b>

**Individual Loans:**

	<u>Stage 1</u> <u>12 months</u> <u>ECL</u>	<u>Stage 2</u> <u>Life time</u> <u>ECL</u>	<u>Stage 3</u> <u>Life time</u> <u>ECL</u>	<u>Total</u> <u>ECL</u>
ECL on 1 January 2023	1,024,932	171,725	397,479	1,594,136
Impairment during the period	166,579	33,386	96,772	296,737
Write off during the period	-	-	(107,974)	(107,974)
Recoveries	-	-	52,579	52,579
<b>Ending balance</b>	<b>1,191,511</b>	<b>205,111</b>	<b>438,856</b>	<b>1,835,478</b>

**Corporate and Business Banking loans:**

	<u>Stage 1</u> <u>12 months</u> <u>ECL</u>	<u>Stage 2</u> <u>Life time</u> <u>ECL</u>	<u>Stage 3</u> <u>Life time</u> <u>ECL</u>	<u>Total</u> <u>ECL</u>
ECL on 1 January 2023	2,631,413	11,053,147	9,258,016	22,942,576
New financial assets purchased or issued	1,563,633	2,015,359	8,284	3,587,276
Matured or disposed financial assets	(812,935)	(834,677)	(351,830)	(1,999,442)
Transferred to stage 1	93,032	(132,397)	-	(39,365)
Transferred to stage 2	(27,419)	118,595	(31,113)	60,063
Transferred to stage 3	(19,784)	(16,855)	43,037	6,398
Changes in models/risk parameters	(146,688)	(694,007)	(110,755)	(951,450)
Recoveries	-	-	5,059	5,059
Write off during the period	-	-	(147,368)	(147,368)
Cumulative foreign currencies translation differences	52,211	2,483,428	2,154,381	4,690,020
<b>Ending balance</b>	<b>3,333,463</b>	<b>13,992,593</b>	<b>10,827,711</b>	<b>28,153,767</b>

The following tables displays changes in ECL between the beginning and end of the period as a result of these factors:

**Jun.30, 2023**

**Debt Instruments at Fair value through OCI**

	EGP Thousands			
	<u>Stage 1</u> <u>12 months</u> <u>ECL</u>	<u>Stage 2</u> <u>Life time</u> <u>ECL</u>	<u>Stage 3</u> <u>Life time</u> <u>ECL</u>	<u>Total</u> <u>ECL</u>
ECL on 1 January 2023	979,945	-	-	979,945
New financial assets purchased or issued	163,683	-	-	163,683
Matured or disposed financial assets	(28,054)	-	-	(28,054)
Transferred to stage 1	-	-	-	-
Transferred to stage 2	-	-	-	-
Transferred to stage 3	-	-	-	-
Changes in models/risk parameters	70,122	-	-	70,122
Write off during the period	-	-	-	-
<b>Ending balance</b>	<b>1,185,696</b>	<b>-</b>	<b>-</b>	<b>1,185,696</b>

**Debt Instruments at amortized cost**

	<u>Stage 1</u> <u>12 months</u> <u>ECL</u>	<u>Stage 2</u> <u>Life time</u> <u>ECL</u>	<u>Stage 3</u> <u>Life time</u> <u>ECL</u>	<u>Total</u> <u>ECL</u>
ECL on 1 January 2023	78,837	-	-	78,837
New financial assets purchased or issued	12,150	-	-	12,150
Matured or disposed financial assets	(4,580)	-	-	(4,580)
Transferred to stage 1	-	-	-	-
Transferred to stage 2	-	-	-	-
Transferred to stage 3	-	-	-	-
Changes in models/risk parameters	13,926	-	-	13,926
Write off during the period	-	-	-	-
<b>Ending balance</b>	<b>100,333</b>	<b>-</b>	<b>-</b>	<b>100,333</b>

The following tables shows changes in ECL between the beginning and end of the year as a result of these factors:

Dec.31, 2022

**Due from banks**

	EGP Thousands			
	<u>Stage 1</u>	<u>Stage 2</u>	<u>Stage 3</u>	<u>Total</u>
	<u>12 months</u>	<u>Life time</u>	<u>Life time</u>	<u>ECL</u>
	<u>ECL</u>	<u>ECL</u>	<u>ECL</u>	<u>ECL</u>
ECL on 1 January 2022	20,283	20,714	-	40,997
New financial assets purchased or issued	158	10,508	-	10,666
Matured or disposed financial assets	(432)	(20,714)	-	(21,146)
Transferred to stage 1	-	-	-	-
Transferred to stage 2	-	-	-	-
Transferred to stage 3	-	-	-	-
Changes in models/risk parameters	18,875	-	-	18,875
Write off during the year	-	-	-	-
<b>Ending balance</b>	<b>38,884</b>	<b>10,508</b>	<b>-</b>	<b>49,392</b>

**Individual Loans:**

	<u>Total</u>			
	<u>Stage 1</u>	<u>Stage 2</u>	<u>Stage 3</u>	<u>ECL</u>
	<u>12 months</u>	<u>Life time</u>	<u>Life time</u>	<u>ECL</u>
	<u>ECL</u>	<u>ECL</u>	<u>ECL</u>	<u>ECL</u>
ECL on 1 January 2022	826,702	91,111	264,646	1,182,459
Impairment during the year	198,230	80,614	255,704	534,548
Write off during the year	-	-	(227,426)	(227,426)
Recoveries	-	-	104,555	104,555
<b>Ending balance</b>	<b>1,024,932</b>	<b>171,725</b>	<b>397,479</b>	<b>1,594,136</b>

**Corporate and Business Banking loans:**

	<u>Total</u>			
	<u>Stage 1</u>	<u>Stage 2</u>	<u>Stage 3</u>	<u>ECL</u>
	<u>12 months</u>	<u>Life time</u>	<u>Life time</u>	<u>ECL</u>
	<u>ECL</u>	<u>ECL</u>	<u>ECL</u>	<u>ECL</u>
ECL on 1 January 2022	1,484,973	7,600,199	7,649,732	16,734,904
New financial assets purchased or issued	821,408	2,081,522	38,394	2,941,324
Matured or disposed financial assets	(524,455)	(603,580)	(677,494)	(1,805,529)
Transferred to stage 1	75,252	(108,908)	-	(33,656)
Transferred to stage 2	(28,138)	86,815	(2,120)	56,557
Transferred to stage 3	(6,470)	(9,416)	15,923	37
Changes in models/risk parameters	748,738	(1,217,069)	(189,269)	(657,600)
Recoveries	-	-	9,662	9,662
Write off during the year	-	-	(985,685)	(985,685)
Cumulative foreign currencies translation differences	60,105	3,223,584	3,398,873	6,682,562
<b>Ending balance</b>	<b>2,631,413</b>	<b>11,053,147</b>	<b>9,258,016</b>	<b>22,942,576</b>

The following tables shows changes in ECL between the beginning and end of the year as a result of these factors:

Dec.31, 2022

**Financial Assets at Fair value through OCI**

	<u>Stage 1</u>	<u>Stage 2</u>	<u>Stage 3</u>	<b>EGP Thousands</b>
	<u>12 months</u>	<u>Life time</u>	<u>Life time</u>	<u>Total</u>
	<u>ECL</u>	<u>ECL</u>	<u>ECL</u>	<u>ECL</u>
ECL on 1 January 2022	515,177	9,721	-	524,898
New financial assets purchased or issued	520,900	-	-	520,900
Matured or disposed financial assets	(135,154)	(2,736)	-	(137,890)
Transferred to stage 1	-	-	-	-
Transferred to stage 2	-	-	-	-
Transferred to stage 3	-	-	-	-
Changes in models/risk parameters	79,022	(6,985)	-	72,037
Write off during the year	-	-	-	-
<b>Ending balance</b>	<b>979,945</b>	<b>-</b>	<b>-</b>	<b>979,945</b>

**Debt Instruments at amortized cost**

	<u>Stage 1</u>	<u>Stage 2</u>	<u>Stage 3</u>	<u>Total</u>
	<u>12 months</u>	<u>Life time</u>	<u>Life time</u>	<u>ECL</u>
	<u>ECL</u>	<u>ECL</u>	<u>ECL</u>	<u>ECL</u>
ECL on 1 January 2022	1,113	-	-	1,113
New financial assets purchased or issued	75,973	-	-	75,973
Matured or disposed financial assets	-	-	-	-
Transferred to stage 1	-	-	-	-
Transferred to stage 2	-	-	-	-
Transferred to stage 3	-	-	-	-
Changes in models/risk parameters	1,751	-	-	1,751
Write off during the year	-	-	-	-
<b>Ending balance</b>	<b>78,837</b>	<b>-</b>	<b>-</b>	<b>78,837</b>



**Loans and advances restructured**

Restructuring activities include rescheduling arrangements, applying obligatory management programs, modifying and deferral of payments. The application of restructuring policies are based on indicators or criteria of credit performance of the borrower that is based on the personal judgment of the management, which indicate that payment will most likely continue. Restructuring is commonly applied to term loans, specially customer loans. Renegotiated loans totaled at the end of the period / year are as follows :

	Jun.30, 2023	Dec.31, 2022
	EGP Thousands	EGP Thousands
<b>Loans and advances to customer</b>		
<b>Corporate</b>		
- Direct loans	20,645,034	17,207,400
<b>Total</b>	<b>20,645,034</b>	<b>17,207,400</b>

**3.2. Financial investments:**

The following table provides analysis of financial investment balances by rating agencies at the end of the period:

Jun.30, 2023	EGP Thousands				
<u>Amortized cost</u>	<u>Stage 1: 12 months</u>	<u>Stage 2: Life time</u>	<u>Stage 3: Life time</u>	<u>Individually impaired</u>	<u>Total</u>
AAA	-	-	-	-	-
AA+ to -AA	-	-	-	-	-
A+ to -A	-	-	-	-	-
Less than -A	44,071,307	-	-	-	44,071,307
Not rated	-	-	-	-	-
<b>Total</b>	<b>44,071,307</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>44,071,307</b>

Jun.30, 2023	EGP Thousands				
<u>Fair value through OCI</u>	<u>Stage 1: 12 months</u>	<u>Stage 2: Life time</u>	<u>Stage 3: Life time</u>	<u>Individually impaired</u>	<u>Total</u>
AAA	-	-	-	-	-
AA+ to -AA	-	-	-	-	-
A+ to -A	-	-	-	-	-
Less than -A	189,712,589	-	-	-	189,712,589
Not rated	-	-	-	-	-
<b>Total</b>	<b>189,712,589</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>189,712,589</b>

The following table displays the analysis of expected credit losses of financial investments by rating agencies at the end of the period:

Jun.30, 2023	EGP Thousands				
<u>Fair value through OCI and amortized cost</u>	<u>Stage 1: Expected credit losses over 12 months</u>	<u>Stage 2: Expected credit losses Over a lifetime that is not creditworthy</u>	<u>Stage 3: Expected credit losses Over a lifetime Credit default</u>	<u>Individually impaired</u>	<u>Total</u>
AAA	-	-	-	-	-
AA+ to -AA	-	-	-	-	-
A+ to -A	-	-	-	-	-
Less than -A	1,286,029	-	-	-	1,286,029
Not rated	-	-	-	-	-
<b>Total</b>	<b>1,286,029</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,286,029</b>

**3.2. Financial investments:**

The following table analyzes financial investment balances by rating agencies at the end of the year:

Dec.31, 2022						EGP Thousands
<u>Amortized cost</u>	<u>Stage 1: 12 months</u>	<u>Stage 2: Life time</u>	<u>Stage 3: Life time</u>	<u>Individually impaired</u>	<u>Total</u>	
AAA	-	-	-	-	-	-
AA+ to -AA	-	-	-	-	-	-
A+ to -A	-	-	-	-	-	-
Less than -A	34,524,760	-	-	-	34,524,760	
Not rated	-	-	-	-	-	-
<b>Total</b>	<b>34,524,760</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>34,524,760</b>	

Dec.31, 2022						EGP Thousands
<u>Fair value through OCI</u>	<u>Stage 1: 12 months</u>	<u>Stage 2: Life time</u>	<u>Stage 3: Life time</u>	<u>Individually impaired</u>	<u>Total</u>	
AAA	-	-	-	-	-	-
AA+ to -AA	-	-	-	-	-	-
A+ to -A	-	-	-	-	-	-
Less than -A	202,700,013	-	-	-	202,700,013	
Not rated	-	-	-	-	-	-
<b>Total</b>	<b>202,700,013</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>202,700,013</b>	

The following table displays analysis of impairment on credit losses of financial investments by rating agencies at the end of the year:

Dec.31, 2022						EGP Thousands
<u>Fair value through OCI &amp; Amortized cost</u>	<u>Stage 1: Expected credit losses over 12 months</u>	<u>Stage 2: Expected credit losses Over a lifetime that is not creditworthy</u>	<u>Stage 3: Expected credit losses Over a lifetime Credit default</u>	<u>Individually impaired</u>	<u>Total</u>	
AAA	-	-	-	-	-	-
AA+ to -AA	-	-	-	-	-	-
A+ to -A	-	-	-	-	-	-
Less than -A	1,058,782	-	-	-	1,058,782	
Not rated	-	-	-	-	-	-
<b>Total</b>	<b>1,058,782</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,058,782</b>	

### 3.3. Foreign exchange risk

The Bank's financial position and cash flows are exposed to fluctuations in foreign currency exchange rates. The Board sets limits on the level of exposure by currency and in aggregate for both overnight and intra-day positions, which are monitored daily. The table below summarizes the Bank's exposure to foreign exchange rate risk and financial instruments at carrying amounts, categorized by currency.

Jun.30, 2023	Equivalent EGP Thousands					Total
	EGP	USD	EUR	GBP	Other	
<b>Financial assets</b>						
Cash and balances at the central bank	29,970,413	2,329,031	593,896	168,652	507,147	33,569,139
Gross due from banks	149,855,013	113,365,424	16,196,094	2,390,087	479,334	282,285,952
Gross loans and advances to banks	-	265,511	-	-	-	265,511
Gross loans and advances to customers	173,079,911	72,034,402	6,289,568	19,517	1,142,003	252,565,401
Derivative financial instruments	1,137,530	934,647	-	-	-	2,072,177
<b>Financial investments</b>						
Gross financial investment securities	185,250,179	45,154,236	3,762,115	-	1,023,289	235,189,819
Investments in associates	145,332	-	-	-	-	145,332
<b>Total financial assets</b>	<b>539,438,378</b>	<b>234,083,251</b>	<b>26,841,673</b>	<b>2,578,256</b>	<b>3,151,773</b>	<b>806,093,331</b>
<b>Financial liabilities</b>						
Due to banks	510,968	23,085,482	309,668	15,389	16,543	23,938,050
Due to customers	446,741,931	184,175,191	22,807,787	2,558,862	2,247,318	658,531,089
Derivative financial instruments	103,081	36,178	-	-	-	139,259
Issued debt instruments	-	3,070,637	-	-	-	3,070,637
Other loans	182,980	10,901,346	74,210	-	-	11,158,536
<b>Total financial liabilities</b>	<b>447,538,960</b>	<b>221,268,834</b>	<b>23,191,665</b>	<b>2,574,251</b>	<b>2,263,861</b>	<b>696,837,571</b>
<b>Net on-balance sheet financial position</b>	<b>91,899,418</b>	<b>12,814,417</b>	<b>3,650,008</b>	<b>4,005</b>	<b>887,912</b>	<b>109,255,760</b>
<b>Total financial assets as of December 31, 2022</b>	<b>452,425,118</b>	<b>169,455,300</b>	<b>18,509,254</b>	<b>1,501,039</b>	<b>2,993,095</b>	<b>644,883,806</b>
<b>Total financial liabilities as of December 31, 2022</b>	<b>369,855,281</b>	<b>157,397,713</b>	<b>15,225,576</b>	<b>1,430,547</b>	<b>1,859,465</b>	<b>545,768,582</b>
<b>Net financial position as of December 31, 2022</b>	<b>82,569,837</b>	<b>12,057,587</b>	<b>3,283,678</b>	<b>70,492</b>	<b>1,133,630</b>	<b>99,115,224</b>

### 3.4. Interest rate risk

The Bank addresses exposure to the effects of fluctuations in the prevailing levels of market interest rates on both its fair value and cash flow risks. Interest margins may increase as a result of such changes but profit may decrease as a consequence unexpected movements. The Board sets limits on the gaps of interest rate repricing that may be undertaken, which is monitored by the bank's Risk Management Department.

### 3.5. Liquidity risk

Liquidity risk specifies the Bank's inability to replace withdrawn funds and meet consequential payment obligations due to the fall of financial liabilities.

The consequence may be the failure to meet obligations to repay depositors and fulfill commitments to lend.

#### Liquidity Risk Management Organization and Measurement Tools

Liquidity Risk is governed by Asset and Liability Committee (ALCO) and Board Risk Committee (BRC) subject to provisions of Treasury Policy Guide (TPG).

**Board Risk Committee (BRC):** Provides oversight of risk management functions and assesses compliance to the set risk strategies and policies approved by the Board of Directors (BoD) through periodic reports submitted by the Risk Group. The committee makes recommendations to the BoD regarding risk management strategies and policies (including those related to capital adequacy, liquidity management, various types of risks: credit, market, operation, compliance, reputation and any other risks the Bank may be exposed to).

**Asset & Liability Committee (ALCO):** Optimises the allocation of assets and liabilities, taking into consideration expectations of the potential impact of future interest rate fluctuations, liquidity constraints, and foreign exchange exposures. ALCO monitors the Bank's liquidity and market risks, economic developments, market fluctuations, and risk profile to ensure ongoing activities are compatible with the risk/ reward guidelines approved by the BoD.

**Treasury Policy Guide (TPG):** The function of the TPG is to document and communicate the policies that govern the activities performed by the Treasury Group and monitored by Risk

The main measures and monitoring tools used to assess the Bank's liquidity risk include regulatory and internal ratios, gaps, Basel III liquidity ratios, asset and liability gapping mismatch, stress testing, and funding base concentration.

More conservative internal targets and Risk Appetite indicators (RAI) against regulatory requirements are set for various measures of Liquidity and Funding Concentration. At the end of Period, the Basel III Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR) maintained strong and well above regulatory requirements.

The Bank maintained a solid LCY & FCY Liquidity position with decent buffers to sustain both the global and local increase in risk profile. CIB will continue with its robust Liability strategy with reliance on customer deposits (stable funding) as the main contributor of total liabilities, and low dependency on the Wholesale Funding. CIB has ample level of High Quality Liquid Assets (HQLA) based on its LCY & FCY Sovereign Portfolio investments, which positively reflects the Bank's solid Liquidity Ratios and Basel III LCR & NSFR ratios, with a large buffer maintained above the Regulatory ratios requirements.

#### **LIQUIDITY MANAGEMENT**

The Bank's approach is to maintain a prudent Liquidity position with a Liability driven strategy, as almost the entire funding base is customer based rather than wholesale funding; which is a core component of the Risk Appetite. This is coupled with ample amounts of Liquid Assets. To limit potential Liquidity shocks, the Bank has a well-established Contingency Funding Plan (CFP), where Liquidity Risk is assessed in line with all Regulatory and Internal Liquidity Measurements, and Basel II and III requirements; including Liquidity Stress Testing; and Basel III Ratios; Net Stable Funding Ratio (NSFR) and Liquidity Coverage Ratio (LCR).

For June 2023 NSFR ratio record 222% (LCY 226% and FCY 215%), and LCR ratio record 866% (LCY 1438% and FCY 308%).

For December 2022 NSFR ratio record 229% (LCY 239% and FCY 208%), and LCR ratio record 1086% (LCY 1291% and FCY 297%).

For June 2023 CAR ratio record 19.0%, and 22.6% for December 2022.

For June 2023 Leverage ratio record 7.6%, and 8.7% for December 2022.

### 3.6. Financial instruments not measured at fair value

The table below summarizes the book value and fair value of the financial assets and liabilities not presented on the Bank's balance sheet at their fair value.

	EGP Thousands		EGP Thousands	
	<u>Book value</u>		<u>Fair value</u>	
	Jun.30, 2023	Dec.31, 2022	Jun.30, 2023	Dec.31, 2022
<b>Financial assets</b>				
Gross due from banks	282,285,952	133,906,112	284,110,554	134,627,973
Gross loans and advances to banks	265,511	2,988,410	265,511	2,988,410
Gross loans and advances to customers	252,565,401	219,746,382	251,880,612	219,163,469
<b>Financial investments:</b>				
Financial Assets at Amortized cost	44,171,640	34,603,597	42,135,559	33,813,552
<b>Total financial assets</b>	<b>579,288,504</b>	<b>391,244,501</b>	<b>578,392,236</b>	<b>390,593,404</b>
<b>Financial liabilities</b>				
Due to banks	23,938,050	3,496,698	23,993,314	3,502,732
Due to customers	658,531,089	531,616,550	662,713,200	534,738,218
Issued debt instruments	3,070,637	2,456,607	3,075,849	2,461,042
Other loans	11,158,536	7,978,975	11,032,087	7,981,357
<b>Total financial liabilities</b>	<b>696,698,312</b>	<b>545,548,830</b>	<b>700,814,450</b>	<b>548,683,349</b>

The fair value is considered in the previous note from the second and third level in accordance with the fair value standard

#### Due from banks

The fair value of floating rate placements and overnight deposits is their carrying amount. The estimated fair value of floating interest bearing deposits is based on discounted cash flows using prevailing money-market interest rates for debts with similar credit risk and similar maturity date.

#### Fair values of financial instruments

##### Quantitative disclosures fair value measurement hierarchy for assets as at 30 June 2023:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities that the bank can access at the measurement date.

Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 - Unobservable inputs for the asset or liability.

The following table provides the fair value measurement hierarchy of the assets and liabilities according to EAS.

**Fair value measurement using**

Jun.30, 2023	Date of Valuation	<u>Total</u>	<u>Quoted prices in active markets (Level 1)</u>	<u>Significant observable inputs (level 2)</u>	<u>Valuation techniques (level 3)</u>	<u>EGP Thousands</u>
<b>Measured at fair value:</b>						
<b>Financial assets</b>						
Financial Assets at Fair Value through OCI	30-Jun-23	191,018,179	118,035,827	72,982,352	-	-
<b>Total</b>		<b>191,018,179</b>	<b>118,035,827</b>	<b>72,982,352</b>	-	-
<b>Derivative financial instruments</b>						
Financial assets	30-Jun-23	2,072,177	-	-	-	2,072,177
Financial liabilities	30-Jun-23	139,259	-	-	-	139,259
<b>Total</b>		<b>2,211,436</b>	-	-	-	<b>2,211,436</b>
<b>Assets for which fair values are disclosed:</b>						
Financial Assets at Amortized cost	30-Jun-23	42,135,559	-	42,135,559	-	-
Loans and advances to banks	30-Jun-23	265,511	-	-	-	265,511
Loans and advances to customers	30-Jun-23	251,880,612	-	-	-	251,880,612
<b>Total</b>		<b>294,281,682</b>	-	<b>42,135,559</b>	-	<b>252,146,123</b>
<b>Liabilities for which fair values are disclosed:</b>						
Issued debt instruments	30-Jun-23	3,075,849	-	3,075,849	-	-
Other loans	30-Jun-23	11,032,087	-	11,032,087	-	-
Due to customers	30-Jun-23	662,713,200	-	-	-	662,713,200
<b>Total</b>		<b>676,821,136</b>	-	<b>14,107,936</b>	-	<b>662,713,200</b>

**Fair value measurement using**

Dec.31, 2022	Date of Valuation	<u>Total</u>	<u>Quoted prices in active markets (Level 1)</u>	<u>Significant observable inputs (level 2)</u>	<u>Valuation techniques (level 3)</u>	
<b>Measured at fair value:</b>						
<b>Financial assets</b>						
Financial Assets at Fair value through OCI	31-Dec-22	204,020,733	142,101,346	61,919,387	-	-
<b>Total</b>		<b>204,020,733</b>	<b>142,101,346</b>	<b>61,919,387</b>	-	-
<b>Derivative financial instruments</b>						
Financial assets	31-Dec-22	1,939,961	-	-	-	1,939,961
Financial liabilities	31-Dec-22	219,752	-	-	-	219,752
<b>Total</b>		<b>2,159,713</b>	-	-	-	<b>2,159,713</b>
<b>Assets for which fair values are disclosed:</b>						
Amortized cost	31-Dec-22	33,813,552	-	33,813,552	-	-
Loans and advances to banks	31-Dec-22	2,988,410	-	-	-	2,988,410
Loans and advances to customers	31-Dec-22	219,163,469	-	-	-	219,163,469
<b>Total</b>		<b>255,965,431</b>	-	<b>33,813,552</b>	-	<b>222,151,879</b>
<b>Liabilities for which fair values are disclosed:</b>						
Issued debt instruments	31-Dec-22	2,461,042	-	2,461,042	-	-
Other loans	31-Dec-22	7,981,357	-	7,981,357	-	-
Due to customers	31-Dec-22	534,738,218	-	-	-	534,738,218
<b>Total</b>		<b>545,180,617</b>	-	<b>10,442,399</b>	-	<b>534,738,218</b>

#### 4. Segment analysis

##### 4.1. By business segment

The Bank is divided into the following business segments:

- Corporate banking & SME's: This includes current account activities, deposits, overdrafts, loans, credit facilities, and financial derivatives to large, medium, and small entities, currency and derivative products.
- Investment : Incorporating financial instruments, structured financing, corporate leasing, merger and acquisitions information.
- Retail banking: incorporating private banking services, private customer current accounts, savings, deposits, investment savings products, custody, credit and debit cards, consumer loans and mortgages.
- Assets and liabilities management –Including other banking business.
- Inter-segment activities which is affected by the Bank's normal course of business. Assets and liabilities of each segment include operating assets and liabilities as displayed in the Financial Statements.

	EGP Thousands					
	<u>Corporate banking</u>	<u>SME's</u>	<u>Investments</u>	<u>Retail banking</u>	<u>Asset Liability Mangement</u>	<u>Total</u>
<b>Jun.30, 2023</b>						
<b>Net revenue according to business segment *</b>	10,348,373	3,219,902	4,378,624	7,584,656	3,344,192	28,875,747
<b>Expenses according to business segment</b>	<u>(5,277,930)</u>	<u>(913,436)</u>	<u>(206,557)</u>	<u>(2,531,587)</u>	<u>(2,466)</u>	<u>(8,931,976)</u>
<b>Profit before tax</b>	5,070,443	2,306,466	4,172,067	5,053,069	3,341,726	19,943,771
<b>Income tax</b>	<u>(1,577,709)</u>	<u>(676,947)</u>	<u>(1,200,749)</u>	<u>(1,468,664)</u>	<u>(967,113)</u>	<u>(5,891,182)</u>
<b>Profit for the period</b>	<u>3,492,734</u>	<u>1,629,519</u>	<u>2,971,318</u>	<u>3,584,405</u>	<u>2,374,613</u>	<u>14,052,589</u>
<b>Total assets</b>	<u>194,578,025</u>	<u>7,888,108</u>	<u>236,963,368</u>	<u>51,592,969</u>	<u>305,268,690</u>	<u>796,291,160</u>
<b>Total liabilities</b>	<u>258,657,173</u>	<u>82,533,406</u>	<u>-</u>	<u>350,505,334</u>	<u>35,959,610</u>	<u>727,655,523</u>

\* Represents the net interest income and other income.

	<u>Corporate banking</u>	<u>SME's</u>	<u>Investments</u>	<u>Retail banking</u>	<u>Asset Liability Mangement</u>	<u>Total</u>
<b>Jun.30, 2022</b>						
<b>Net revenue according to business segment</b>	7,138,864	1,218,505	4,097,804	4,279,208	472,412	17,206,793
<b>Expenses according to business segment</b>	<u>(3,084,675)</u>	<u>(642,942)</u>	<u>(135,765)</u>	<u>(2,026,703)</u>	<u>(6,769)</u>	<u>(5,896,854)</u>
<b>Profit before tax</b>	4,054,189	575,563	3,962,039	2,252,505	465,643	11,309,939
<b>Income tax</b>	<u>(1,177,545)</u>	<u>(180,726)</u>	<u>(1,325,567)</u>	<u>(715,093)</u>	<u>(146,211)</u>	<u>(3,545,142)</u>
<b>Profit for the period</b>	<u>2,876,644</u>	<u>394,837</u>	<u>2,636,472</u>	<u>1,537,412</u>	<u>319,432</u>	<u>7,764,797</u>
<b>Total assets at 31 December 2022</b>	<u>157,888,749</u>	<u>6,819,154</u>	<u>243,597,100</u>	<u>53,296,732</u>	<u>174,230,182</u>	<u>635,831,917</u>
<b>Total liabilities at 31 December 2022</b>	<u>239,694,892</u>	<u>67,995,672</u>	<u>-</u>	<u>251,469,542</u>	<u>8,333,643</u>	<u>567,493,749</u>

##### 4.2. By geographical segment

	EGP Thousands				
	<u>Cairo</u>	<u>Alex, Delta &amp; Sinai</u>	<u>Upper Egypt</u>	<u>Outside Egypt (Kenya)</u>	<u>Total</u>
<b>Jun.30, 2023</b>					
<b>Revenue according to geographical segment</b>	24,074,460	4,120,493	658,232	22,562	28,875,747
<b>Expenses according to geographical segment</b>	<u>(7,775,672)</u>	<u>(975,786)</u>	<u>(159,651)</u>	<u>(20,867)</u>	<u>(8,931,976)</u>
<b>Profit before tax</b>	16,298,788	3,144,707	498,581	1,695	19,943,771
<b>Income tax</b>	<u>(4,846,567)</u>	<u>(919,846)</u>	<u>(145,138)</u>	<u>20,369</u>	<u>(5,891,182)</u>
<b>Profit for the period</b>	<u>11,452,221</u>	<u>2,224,861</u>	<u>353,443</u>	<u>22,064</u>	<u>14,052,589</u>
<b>Total assets</b>	<u>740,785,545</u>	<u>40,666,780</u>	<u>11,405,016</u>	<u>3,433,819</u>	<u>796,291,160</u>
<b>Total liabilities</b>	<u>556,061,665</u>	<u>145,975,907</u>	<u>25,617,951</u>	<u>-</u>	<u>727,655,523</u>
<b>Jun.30, 2022</b>					
<b>Revenue according to geographical segment</b>	15,064,268	1,792,481	307,305	42,739	17,206,793
<b>Expenses according to geographical segment</b>	<u>(4,874,820)</u>	<u>(769,739)</u>	<u>(211,884)</u>	<u>(40,411)</u>	<u>(5,896,854)</u>
<b>Profit before tax</b>	10,189,448	1,022,742	95,421	2,328	11,309,939
<b>Income tax</b>	<u>(3,194,587)</u>	<u>(321,140)</u>	<u>(29,962)</u>	<u>547</u>	<u>(3,545,142)</u>
<b>Profit for the period</b>	<u>6,994,861</u>	<u>701,602</u>	<u>65,459</u>	<u>2,875</u>	<u>7,764,797</u>
<b>Total assets at 31 December 2022</b>	<u>586,848,023</u>	<u>36,636,416</u>	<u>9,747,543</u>	<u>2,599,935</u>	<u>635,831,917</u>
<b>Total liabilities at 31 December 2022</b>	<u>441,310,411</u>	<u>107,081,685</u>	<u>19,101,653</u>	<u>-</u>	<u>567,493,749</u>

**5 . Net trading income**

	Last 3 Months Jun.30, 2023	Last 6 Months Jun.30, 2023	Last 3 Months Jun.30, 2022	Last 6 Months Jun.30, 2022
	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands
Profit (Loss) from foreign exchange transactions	798,080	2,323,048	298,456	560,962
Profit (Loss) from forward foreign exchange deals revaluation	(259,410)	505,083	(53,842)	442,770
Profit (Loss) from interest rate swaps revaluation	281	1,060	(119)	(238)
Profit (Loss) from currency swap deals revaluation	(72,714)	(511,263)	37,092	16,894
Profit (Loss) from financial assets at fair value through P&L	16,972	17,189	(129)	(6,109)
<b>Total</b>	<b>483,209</b>	<b>2,335,117</b>	<b>281,458</b>	<b>1,014,279</b>

**6 . Other operating (expenses) income**

	Last 3 Months Jun.30, 2023	Last 6 Months Jun.30, 2023	Last 3 Months Jun.30, 2022	Last 6 Months Jun.30, 2022
	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands
Profits (losses) from revaluation of non-trading assets and liabilities by FCY	(890)	(866,780)	(129,948)	(332,612)
Profits of selling property and equipment	12	130	1,092	1,142
Release (charges) of other provisions	(682,072)	(1,146,383)	(476,607)	(1,235,379)
Other income/expense	(699,414)	(1,410,253)	(473,756)	(944,337)
<b>Total</b>	<b>(1,382,364)</b>	<b>(3,423,286)</b>	<b>(1,079,219)</b>	<b>(2,511,186)</b>

**7 . Earnings per share**

	Last 3 Months Jun.30, 2023	Last 6 Months Jun.30, 2023	Last 3 Months Jun.30, 2022	Last 6 Months Jun.30, 2022
	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands
Net profit for the period, available for distribution	8,059,118	14,143,571	3,534,399	7,773,991
Board member's bonus*	(120,887)	(212,154)	(53,016)	(110,239)
Staff profit sharing*	(805,912)	(1,414,357)	(353,440)	(777,399)
<b>Profits attributable to shareholders</b>	<b>7,132,319</b>	<b>12,517,060</b>	<b>3,127,943</b>	<b>6,886,353</b>
Weighted average number of shares	3,001,981	3,001,981	3,001,981	3,001,981
<b>Basic earning per share</b>	<b>2.38</b>	<b>4.17</b>	<b>1.04</b>	<b>2.29</b>
By issuance of ESOP earning per share will be:				
Average number of shares including ESOP shares	3,034,810	3,034,810	3,034,810	3,034,810
<b>Diluted earning per share</b>	<b>2.35</b>	<b>4.12</b>	<b>1.03</b>	<b>2.27</b>

*Based on separate financial statement profits.*

\* Proposed amounts are subject to change according to GAM decision.



**8 . Cash and balances at the central bank**

	<b>Jun.30, 2023</b>	Dec.31, 2022
	EGP Thousands	EGP Thousands
Cash	7,871,578	6,998,942
<b>Obligatory reserve balance with CBE</b>		
- Current accounts	<u>25,697,561</u>	<u>40,493,607</u>
<b>Total</b>	<u>33,569,139</u>	<u>47,492,549</u>
<b>Non-interest bearing balances</b>	<u>33,569,139</u>	<u>47,492,549</u>

**9 . Due from banks**

	<b>Jun.30, 2023</b>	Dec.31, 2022
	EGP Thousands	EGP Thousands
Current accounts	11,173,329	2,920,513
Deposits	271,112,623	130,985,599
Expected credit losses	<u>(54,623)</u>	<u>(49,392)</u>
<b>Total</b>	<u>282,231,329</u>	<u>133,856,720</u>
Central banks	233,005,327	86,487,886
Local banks	33,029,410	25,816,767
Foreign banks	<u>16,196,592</u>	<u>21,552,067</u>
<b>Total</b>	<u>282,231,329</u>	<u>133,856,720</u>
Non-interest bearing balances	1,731,638	1,768,912
Floating interest bearing balances	21,610,283	12,212,601
Fixed interest bearing balances	<u>258,889,408</u>	<u>119,875,207</u>
<b>Total</b>	<u>282,231,329</u>	<u>133,856,720</u>
Current balances	277,596,584	130,145,210
Non-Current balances	<u>4,634,745</u>	<u>3,711,510</u>
<b>Total</b>	<u>282,231,329</u>	<u>133,856,720</u>

**Due from banks**

	<b>Jun.30, 2023</b>	<b>Jun.30, 2023</b>
	Stage 1	Stage 2
Gross due from banks	<u>282,283,591</u>	<u>2,361</u>
Expected credit losses	<u>(54,619)</u>	<u>(4)</u>
Net due from banks	<u>282,228,972</u>	<u>2,357</u>
	Dec.31, 2022	Dec.31, 2022
	Stage 1	Stage 2
Gross due from banks	<u>127,810,514</u>	<u>6,095,598</u>
Expected credit losses	<u>(38,884)</u>	<u>(10,508)</u>
Net due from banks	<u>127,771,630</u>	<u>6,085,090</u>

**10. Treasury bills**

	<b>Jun.30, 2023</b>	Dec.31, 2022
	EGP Thousands	EGP Thousands
91 Days maturity	599,375	10,575
182 Days maturity	17,002,975	656,150
273 Days maturity	9,319,000	7,515,700
364 Days maturity	51,120,306	54,502,250
Unearned interest	(5,608,299)	(2,878,502)
<b>Total</b>	<b>72,433,357</b>	<b>59,806,173</b>
Repos - treasury bills	(635,336)	(659,349)
<b>Net</b>	<b>71,798,021</b>	<b>59,146,824</b>

**. Governmental bonds**

	<b>Jun.30, 2023</b>	Dec.31, 2022
	EGP Thousands	EGP Thousands
	<u>Financial Assets at Fair Value through OCI</u>	<u>Financial Assets at Fair Value through OCI</u>
Governmental bonds	96,326,502	124,344,205
Repo	-	(3,711,489)
<b>Net</b>	<b>96,326,502</b>	<b>120,632,716</b>

**11. Loans and advances to banks, net**

	<b>Jun.30, 2023</b>	Dec.31, 2022
	EGP Thousands	EGP Thousands
Time loans	265,511	2,988,410
ECL	(5)	(10,213)
<b>Net</b>	<b>265,506</b>	<b>2,978,197</b>
Current balances	265,506	2,978,197

**Analysis for ECL of loans and advances to banks**

	<b>Jun.30, 2023</b>	Dec.31, 2022
	EGP Thousands	EGP Thousands
Beginning balance	(10,213)	(2,118)
Released (charged) during the period/year	10,208	(8,095)
<b>Ending balance</b>	<b>(5)</b>	<b>(10,213)</b>

**12 . Loans and advances to customers, net**

	Jun.30, 2023 EGP Thousands	Dec.31, 2022 EGP Thousands
<b>Individual</b>		
- Overdraft	2,630,788	2,132,876
- Credit cards	8,353,440	7,636,331
- Personal loans	38,180,316	40,374,834
- Mortgage loans	3,907,891	3,399,858
<b>Total 1</b>	<b>53,072,435</b>	<b>53,543,899</b>
<b>Corporate</b>		
- Overdraft	55,048,450	42,595,303
- Direct loans	95,258,306	78,759,856
- Syndicated loans	48,929,021	44,722,871
- Other loans	257,189	124,453
<b>Total 2</b>	<b>199,492,966</b>	<b>166,202,483</b>
<b>Total Loans and advances to customers (1+2)</b>	<b>252,565,401</b>	<b>219,746,382</b>
<b>Less:</b>		
Unamortized bills discount	(718,370)	(678,795)
Unamortized syndicated loans discount	(181,772)	(221,018)
ECL	(29,989,245)	(24,536,712)
Suspended credit account	(1,029,886)	(709,985)
<b>Net loans and advances to customers</b>	<b>220,646,128</b>	<b>193,599,872</b>
<b>Distributed to</b>		
Current balances	121,184,829	99,866,973
Non-current balances	99,461,299	93,732,899
<b>Total</b>	<b>220,646,128</b>	<b>193,599,872</b>

Analysis of the expected credit losses on loans and advances to customers by product during the period is as follows:

	EGP Thousands				
	Jun.30, 2023				
<b>Individual Loans:</b>	Overdrafts	Credit cards	Personal loans	Mortgages	Total
Beginning balance	(7,131)	(321,989)	(1,201,774)	(63,242)	(1,594,136)
Released (charged) during the period	(94)	(65,033)	(223,904)	(7,706)	(296,737)
Written off during the period	863	25,916	78,394	2,801	107,974
Recoveries during the period	(532)	(22,216)	(29,392)	(439)	(52,579)
<b>Ending balance</b>	<b>(6,894)</b>	<b>(383,322)</b>	<b>(1,376,676)</b>	<b>(68,586)</b>	<b>(1,835,478)</b>

	Jun.30, 2023				
<b>Corporate and Business Banking loans:</b>	Overdraft	Direct loans	Syndicated loans	Other loans	Total
Beginning balance	(2,516,317)	(15,277,168)	(5,140,284)	(8,807)	(22,942,576)
Released (charged) during the period	206,278	(830,411)	(33,021)	(6,326)	(663,480)
Written off during the period	-	147,368	-	-	147,368
Recoveries during the period	-	(5,059)	-	-	(5,059)
Foreign currencies translation differences	(504,669)	(3,016,617)	(1,168,734)	-	(4,690,020)
<b>Ending balance</b>	<b>(2,814,708)</b>	<b>(18,981,887)</b>	<b>(6,342,039)</b>	<b>(15,133)</b>	<b>(28,153,767)</b>

	Dec.31, 2022				
<b>Individual Loans:</b>	Overdraft	Credit cards	Personal loans	Mortgages	Total
Beginning balance	(10,115)	(305,005)	(817,525)	(49,814)	(1,182,459)
Released (charged) during the year	1,213	(19,585)	(502,625)	(13,551)	(534,548)
Written off during the year	2,190	52,918	172,195	123	227,426
Recoveries during the year	(419)	(50,317)	(53,819)	-	(104,555)
<b>Ending balance</b>	<b>(7,131)</b>	<b>(321,989)</b>	<b>(1,201,774)</b>	<b>(63,242)</b>	<b>(1,594,136)</b>

	Dec.31, 2022				
<b>Corporate and Business Banking loans:</b>	Overdraft	Direct loans	Syndicated loans	Other loans	Total
Beginning balance	(1,650,580)	(10,896,531)	(4,180,998)	(6,795)	(16,734,904)
Released (charged) during the year	(233,631)	(1,044,899)	779,409	(2,012)	(501,133)
Written off during the year	5,145	980,540	-	-	985,685
Recoveries during the year	-	(9,662)	-	-	(9,662)
Foreign currencies translation differences	(637,251)	(4,306,616)	(1,738,695)	-	(6,682,562)
<b>Ending balance</b>	<b>(2,516,317)</b>	<b>(15,277,168)</b>	<b>(5,140,284)</b>	<b>(8,807)</b>	<b>(22,942,576)</b>

**13 . Financial investments securities**

	Jun.30, 2023		
	<u>Financial Assets at Fair</u> <u>Value through OCI</u>	<u>Financial Assets at</u> <u>Amortized cost</u>	<u>Total</u>
	EGP Thousands	EGP Thousands	EGP Thousands
<b>Investments listed in the market</b>			
Governmental bonds	96,326,502	42,711,561	139,038,063
Securitized and other bonds	20,352,299	1,359,746	21,712,045
Equity instruments	136,707	-	136,707
Sukuk	1,220,319	-	1,220,319
<b>Investments not listed in the market</b>			
Treasury bills	71,798,021	-	71,798,021
Other bonds	15,448	-	15,448
Equity instruments	806,859	-	806,859
Mutual funds	362,024	-	362,024
<b>Total</b>	<b>191,018,179</b>	<b>44,071,307</b>	<b>235,089,486</b>

	Dec.31, 2022		
	<u>Financial Assets at Fair</u> <u>Value through OCI</u>	<u>Financial Assets at</u> <u>Amortized cost</u>	<u>Total</u>
	EGP Thousands	EGP Thousands	EGP Thousands
<b>Investments listed in the market</b>			
Governmental bonds	120,632,716	33,197,277	153,829,993
Securitized and other bonds	19,536,994	-	19,536,994
Equity instruments	257,586	-	257,586
Sukuk	1,674,050	-	1,674,050
<b>Investments not listed in the market</b>			
Treasury bills	59,146,824	-	59,146,824
Securitized and other bonds	1,709,429	1,327,483	3,036,912
Equity instruments	716,432	-	716,432
Mutual funds	346,702	-	346,702
<b>Total</b>	<b>204,020,733</b>	<b>34,524,760</b>	<b>238,545,493</b>

**13.1 . Profits (Losses) on financial investments**

	Last 3 Months Jun.30, 2023 EGP Thousands	Last 6 Months Jun.30, 2023 EGP Thousands	Last 3 Months Jun.30, 2022 EGP Thousands	Last 6 Months Jun.30, 2022 EGP Thousands
Profit (Loss) from selling FVOCI financial instruments	21,652	92,572	25,146	1,065,443
<b>Total</b>	<b>21,652</b>	<b>92,572</b>	<b>25,146</b>	<b>1,065,443</b>

**14 . Investments in associates**

	Jun.30, 2023			EGP Thousands		
<u>Company's country</u>	<u>Company's assets</u>	<u>Company's liabilities (without equity)</u>	<u>Company's revenues</u>	<u>Company's net profit (loss)</u>	<u>Investment book value</u>	<u>Stake %</u>
-TCA Properties	1,516,592	1,315,886	13,264	(32,698)	109,819	37.00
- Al Ahly Computer	76,340	47,574	37,884	861	35,513	39.34
- International Co. for Security and Services (Falcon)	820,523	617,031	-	(125)	-	30.00
<b>Total</b>	<b>2,413,455</b>	<b>1,980,491</b>	<b>51,148</b>	<b>(31,962)</b>	<b>145,332</b>	

	Dec.31, 2022				EGP Thousands		
<u>Company's country</u>	<u>Company's assets</u>	<u>Company's liabilities (without equity)</u>	<u>Company's revenues</u>	<u>Company's net profit (loss)</u>	<u>Investment book value</u>	<u>Stake %</u>	
-TCA Properties	1,511,066	1,251,615	21,503	(72,446)	131,555	37.00	
- Al Ahly Computer	42,494	19,534	50,892	(188)	29,270	39.34	
- Fawry Plus	187,036	100,492	127,246	42,413	25,237	14.99	
- International Co. for Security and Services (Falcon)	779,891	833,180	356,164	(146,617)	-	30.00	
<b>Total</b>	<b>2,520,487</b>	<b>2,204,821</b>	<b>555,805</b>	<b>(176,838)</b>	<b>186,062</b>		

**15 . Other assets**

	Jun.30, 2023	Dec.31, 2022
	EGP Thousands	EGP Thousands
Accrued revenues	14,697,313	11,437,147
Prepaid expenses	1,001,043	572,509
Advances to purchase fixed assets	1,529,657	1,342,568
Accounts receivable and other assets	1,789,819	1,035,654
Assets acquired as settlement of debts	120,287	124,098
Insurance	50,677	49,647
<b>Gross</b>	<b>19,188,796</b>	<b>14,561,623</b>
Impairment of other assets	(40,196)	(40,196)
<b>Net</b>	<b>19,148,600</b>	<b>14,521,427</b>

**16 . Property and equipment**

	Jun.30, 2023							
	Land	Premises	IT	Vehicles	Fitting -out	Machines and equipment	Furniture and furnishing	Total
	EGP Thousands							
Cost at Jan 01, 2023 (1)	229,669	1,233,310	3,538,692	193,875	1,004,226	943,941	161,246	7,304,959
Additions during the period	-	8,689	428,176	26,591	14,669	56,940	5,445	540,510
Disposals during the period	-	(4,650)	(1,667)	-	-	(13,288)	(180)	(19,785)
<b>Cost at end of the period (2)</b>	<b>229,669</b>	<b>1,237,349</b>	<b>3,965,201</b>	<b>220,466</b>	<b>1,018,895</b>	<b>987,593</b>	<b>166,511</b>	<b>7,825,684</b>
Accumulated depreciation at beginning of the period (3)	-	564,587	2,628,760	81,470	815,287	689,216	120,205	4,899,525
Depreciation for the period	-	31,979	270,402	6,389	51,620	66,245	8,917	435,552
Disposals during the period	-	(4,650)	(1,667)	-	-	(13,288)	(180)	(19,785)
<b>Accumulated depreciation at end of the period (4)</b>	<b>-</b>	<b>591,916</b>	<b>2,897,495</b>	<b>87,859</b>	<b>866,907</b>	<b>742,173</b>	<b>128,942</b>	<b>5,315,292</b>
<b>Ending net assets (2-4)</b>	<b>229,669</b>	<b>645,433</b>	<b>1,067,706</b>	<b>132,607</b>	<b>151,988</b>	<b>245,420</b>	<b>37,569</b>	<b>2,510,392</b>
<b>Beginning net assets (1-3)</b>	<b>229,669</b>	<b>668,723</b>	<b>909,932</b>	<b>112,405</b>	<b>188,939</b>	<b>254,725</b>	<b>41,041</b>	<b>2,405,434</b>

**Property and equipment**

	Dec.31, 2022							
	Land	Premises	IT	Vehicles	Fitting -out	Machines and equipment	Furniture and furnishing	Total
	EGP Thousands							
Cost at Jan 01, 2022 (1)	64,709	1,170,322	3,194,730	161,744	955,100	868,478	159,247	6,574,330
Additions during the year	164,960	82,392	359,573	32,131	65,501	120,325	5,237	830,119
Disposals during the year	-	(19,404)	(15,611)	-	(16,375)	(44,862)	(3,238)	(99,490)
<b>Cost at end of the year (2)</b>	<b>229,669</b>	<b>1,233,310</b>	<b>3,538,692</b>	<b>193,875</b>	<b>1,004,226</b>	<b>943,941</b>	<b>161,246</b>	<b>7,304,959</b>
Accumulated depreciation at beginning of the year (3)	-	506,634	2,128,401	68,539	715,756	587,823	106,061	4,113,214
Depreciation for the year	-	77,357	515,970	12,931	115,906	146,255	17,382	885,801
Disposals during the year	-	(19,404)	(15,611)	-	(16,375)	(44,862)	(3,238)	(99,490)
<b>Accumulated depreciation at end of the year (4)</b>	<b>-</b>	<b>564,587</b>	<b>2,628,760</b>	<b>81,470</b>	<b>815,287</b>	<b>689,216</b>	<b>120,205</b>	<b>4,899,525</b>
<b>Ending net assets (2-4)</b>	<b>229,669</b>	<b>668,723</b>	<b>909,932</b>	<b>112,405</b>	<b>188,939</b>	<b>254,725</b>	<b>41,041</b>	<b>2,405,434</b>
<b>Beginning net assets (1-3)</b>	<b>64,709</b>	<b>663,688</b>	<b>1,066,329</b>	<b>93,205</b>	<b>239,344</b>	<b>280,655</b>	<b>53,186</b>	<b>2,461,116</b>

**17 . Due to banks**

	<b>Jun.30, 2023</b>	Dec.31, 2022
	<b>EGP Thousands</b>	EGP Thousands
Current accounts	13,293,571	2,666,251
Deposits	<u>10,644,479</u>	<u>830,447</u>
<b>Total</b>	<b><u>23,938,050</u></b>	<b><u>3,496,698</u></b>
Central banks	637,511	460,169
Local banks	991,283	45,065
Foreign banks	<u>22,309,256</u>	<u>2,991,464</u>
<b>Total</b>	<b><u>23,938,050</u></b>	<b><u>3,496,698</u></b>
Non-interest bearing balances	12,858,955	2,376,326
Floating bearing interest balances	897,864	573,860
Fixed interest bearing balances	<u>10,181,231</u>	<u>546,512</u>
<b>Total</b>	<b><u>23,938,050</u></b>	<b><u>3,496,698</u></b>
Current balances	<b><u>23,938,050</u></b>	<b><u>3,496,698</u></b>

**18 . Due to customers**

	<b>Jun.30, 2023</b>	Dec.31, 2022
	<b>EGP Thousands</b>	EGP Thousands
Demand deposits	238,141,351	197,948,359
Time deposits	115,095,455	106,969,176
Certificates of deposit	194,883,494	128,342,125
Saving deposits	101,562,872	91,986,230
Other deposits	<u>8,847,917</u>	<u>6,370,660</u>
<b>Total</b>	<b><u>658,531,089</u></b>	<b><u>531,616,550</u></b>
Corporate deposits	306,295,463	262,902,380
Individual deposits	<u>352,235,626</u>	<u>268,714,170</u>
<b>Total</b>	<b><u>658,531,089</u></b>	<b><u>531,616,550</u></b>
Non-interest bearing balances	120,942,535	95,060,092
Floating interest bearing balances	6,013,351	7,936,950
Fixed interest bearing balances	<u>531,575,203</u>	<u>428,619,508</u>
<b>Total</b>	<b><u>658,531,089</u></b>	<b><u>531,616,550</u></b>
Current balances	458,628,013	396,058,202
Non-current balances	<u>199,903,076</u>	<u>135,558,348</u>
<b>Total</b>	<b><u>658,531,089</u></b>	<b><u>531,616,550</u></b>

Due to customers contains an amount of EGP 3,437 million representing guarantees of irrevocable commitments for documentary credits - export compared to EGP 2,705 million at the comparative date. The fair value of these deposits is approximately their present value.



**19 . Other liabilities**

	Jun.30, 2023 EGP Thousands	Dec.31, 2022 EGP Thousands
Accrued interest payable	3,661,708	2,084,649
Accrued expenses	1,618,997	1,686,588
Accounts payable	10,218,271	7,522,203
Other credit balances	975,202	313,472
<b>Total</b>	<b>16,474,178</b>	<b>11,606,912</b>

**20 . Issued debt instruments**

	<u>Interest rate</u>	Jun.30, 2023 EGP Thousands	Dec.31, 2022 EGP Thousands
<b>Fixed rate bonds with 5 years maturity</b>			
Green bonds (USD)	Fixed rate	3,070,637	2,456,607
<b>Total</b>		<b>3,070,637</b>	<b>2,456,607</b>
Non current balances		3,070,637	2,456,607

**21 . Other provisions**

	Jun.30, 2023					
	<u>Beginning balance</u>	<u>Charged during the period</u>	<u>Exchange differences of other provisions</u>	<u>Net utilized / recovered during the period</u>	<u>Provisions no longer used</u>	<u>Ending balance</u>
						EGP Thousands
<b>Provision for legal claims*</b>	7,456	3,066	450	(277)	-	10,695
<b>Provision for contingent</b>	6,675,694	1,141,722	1,145,075	-	-	8,962,491
<b>Provision for other claim</b>	383,522	1,595	32,808	(754)	-	417,171
<b>Total</b>	<b>7,066,672</b>	<b>1,146,383</b>	<b>1,178,333</b>	<b>(1,031)</b>	<b>-</b>	<b>9,390,357</b>

	Dec.31, 2022					
	<u>Beginning balance</u>	<u>Charged during the year</u>	<u>Exchange differences of other provisions</u>	<u>Net utilized / recovered during the year</u>	<u>Provisions no longer used</u>	<u>Ending balance</u>
						EGP Thousands
Provision for legal claims	7,184	-	656	(212)	(172)	7,456
Provision for contingent	3,205,105	2,124,575	1,346,014	-	-	6,675,694
Provision for other claim	329,173	8,960	48,303	(2,914)	-	383,522
<b>Total</b>	<b>3,541,462</b>	<b>2,133,535</b>	<b>1,394,973</b>	<b>(3,126)</b>	<b>(172)</b>	<b>7,066,672</b>

\* There is a number of existing cases against the bank on June 30, 2023 for which no provisions are made as the bank doesn't expect to incur losses from it.

## 22 . Share-based payments

According to the extraordinary general assembly meeting on June 26, 2006, the Bank launched new Employees Share Ownership Plan (ESOP) scheme and issued equity-settled share-based payments. Eligible employees should complete a term of 3 years of service in The Bank to have the right in ordinary shares at face value (right to share) that will be issued on the vesting date, otherwise such grants will be forfeited. Equity-settled share-based payments are measured at fair value at the grant date, and expensed on a straight-line basis over the vesting year (3 years) with corresponding increase in equity based on estimated number of shares that will eventually vest (True up model). The fair value for such equity instruments is measured using the Black-Scholes pricing model.

Details of the rights to share outstanding during the period are as follows:

	<b>Jun.30, 2023</b>	Dec.31, 2022
	<u>No. of shares in thousand</u>	<u>No. of shares in thousand</u>
Outstanding at the beginning of the period / year	92,551	76,328
Granted during the period / year	28,143	31,177
Forfeited during the period / year	(519)	(2,682)
Exercised during the period / year	(36,988)	(12,272)
Outstanding at the end of the period / year	<u>83,187</u>	<u>92,551</u>

Details of the outstanding tranches are as follows:

Maturity date	EGP		No. of shares in thousand
	Exercise price	Fair value	
2024	10.00	26.34	24,697
2025	10.00	28.43	30,347
2026	10.00	34.09	28,143
<b>Total</b>			<u>83,187</u>

The fair value of granted shares is calculated using Black-Scholes pricing model with the following:

	<u>17th tranche</u>	<u>16th tranche</u>
Exercise price	10	10
Current share price	41.48	42.65
Expected life (years)	3	3
Risk free rate %	18.00%	14.65%
Dividend yield%	1.30%	2.50%
Volatility%	34.75%	25.73%

Volatility is calculated based on the daily standard deviation of returns for the last five years.

## 23 . Legal claims

- There is a number of existing cases against the bank on June 30, 2023 for which no provisions are made as the bank doesn't expect to incur losses from it.
- A provision for legal cases that are expected to generate losses has been created ( Disclosure number 21 )

## 24 . Transactions with related parties

All banking transactions with related parties are conducted in accordance with the normal banking practices and regulations applied to all other customers without any discrimination.

### 24.1 . Loans, advances, deposits and contingent liabilities

	<b>Jun.30, 2023</b>	Dec.31, 2022
	EGP Thousands	EGP Thousands
Loans, advances and other assets	1,047,954	1,081,864
Deposits	408,518	123,560
Contingent liabilities	20,337	173,143

### 24.2 . Other transactions with related parties

	Jun.30, 2023		Jun.30, 2022	
	Income	Expenses	Income	Expenses
	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands
International Co. for Security & Services	6	113,735	69	87,928
CVenture Capital	688	120	79	33
Commercial International Bank (CIB) Kenya	913	-	37	-
Damietta shipping & marine services	11	488	1	394
Commercial International Finance Company	4	548	-	338
Al ahly computer	10	-	2	-
TCA Properties	78,839	-	62,961	-

**25 . Important events**

- On 30 March 2023, the Monetary Policy Committee (MPC) decided to raise the Central Bank of Egypt's (CBE) overnight deposit rate, overnight lending rate, and the rate of the main operation by 200 basis points to 18.25 percent, 19.25 percent, and 18.75 percent, respectively. The discount rate was also raised by 200 basis points to 18.75 percent, which may affect the bank's policies in pricing current and future banking products.
- On January 11, 2023 issued and Paid in Capital increased by an amount of EGP 165,429 thousand to reach EGP 29,990,563 thousand, according to BOD Meeting decision on September 28, 2022, by issuance of 13th tranche for E.S.O.P program.
- On June 8, 2023 issued and Paid in Capital increased by an amount of EGP 204,447 thousand to reach EGP 30,195,010 thousand, according to BOD Meeting decision on January 24, 2023, by issuance of 14th tranche for E.S.O.P program.
- During 2023 Central Bank of Egypt (CBE) and the Central Bank of Kenya (CBK) have granted the Bank their consent to acquire 49% of Commercial International Bank (CIB) Kenya to become a fully owned subsidiary of the Bank, for USD 40 million.
- During the first half of 2023, CIB obtained USD 150 million Subordinated Debt from the International Finance Corporation (IFC) member of the World Bank Group.
- The table below shows the exposure at the period end to significant LIBOR subject to reform that have yet to transition to RFRs.

30-Jun-23	EGP Thousands		
	Non-derivative financial assets- carrying value	Non-derivative financial liabilities – carrying value	Derivatives Nominal amount
LIBOR USD (1 month)	8,067,431	-	-
LIBOR USD (3 months)	20,810,019	5,644,158	-
LIBOR USD (6 months)	24,055,313	-	-

<sup>4</sup> The transition from LIBOR to SOFR has no impact on our business operations.

**26 . Goodwill**

	Commercial International Bank (CIB) Kenya Jun.30, 2023 EGP Thousands	Commercial International Bank (CIB) Kenya Dec.31, 2022 EGP Thousands
Acquisition cost	560,963	560,963
Net assets value	(354,676)	(354,676)
Goodwill	206,287	206,287

	Commercial International Bank (CIB) Kenya Jun.30, 2023 EGP Thousands	Commercial International Bank (CIB) Kenya Dec.31, 2022 EGP Thousands
Goodwill at acquisition date	206,287	206,287
Amortization	(130,648)	(110,019)
Net book value	75,639	96,268

According to Central Bank of Egypt regulation issued on Dec 16, 2008, an amortization of 20% annually has been applied on Goodwill starting from acquisition date.

**27 . Intangible assets**

	Commercial International Bank (CIB) Kenya Jun.30, 2023 EGP Thousands	Commercial International Bank (CIB) Kenya Dec.31, 2022 EGP Thousands
Intangible Assets at acquisition date	51,831	51,831
Amortization	(32,826)	(27,643)
Net book value	19,005	24,188

**28 . Adjustments to calculate the effective tax rate**

	Last 3 Months Jun.30, 2023 EGP Thousands	Last 6 Months Jun.30, 2023 EGP Thousands	Last 3 Months Jun.30, 2022 EGP Thousands	Last 6 Months Jun.30, 2022 EGP Thousands
Profit before tax	10,971,096	19,996,857	5,183,378	11,325,469
Tax rate	22.50%	22.50%	22.50%	22.50%
Income tax based on accounting profit	2,468,497	4,499,293	1,166,260	2,548,231
Add / (Deduct)				
Non-deductible expenses	1,064,021	2,410,421	807,372	1,693,517
Tax exemptions	(1,832,116)	(3,499,796)	(1,488,191)	(2,919,711)
Withholding tax	1,283,425	2,481,264	1,177,228	2,223,105
Income and Deferred tax	2,983,827	5,891,182	1,662,669	3,545,142
Effective tax rate	27.20%	29.46%	32.08%	31.30%

The following tables represent the Summarized Financial information of (C Venture Capital) subsidiary transferred to non-current asset held for sale

**29 . Non current assets held for sale**

	<b>Jun.30, 2023</b>	Dec.31, 2022
	EGP Thousands	EGP Thousands
Financial Assets at Fair Value through OCI	79	-
Other assets	19	-
Property and equipment	116	-
<b>Total</b>	<b>214</b>	<b>-</b>

**30 . Non current liabilities held for sale**

	<b>Jun.30, 2023</b>	Dec.31, 2022
	EGP Thousands	EGP Thousands
Other liabilities	722	-
Deferred tax liabilities	18	-
Other provisions	193	-
<b>Total</b>	<b>933</b>	<b>-</b>

**31 . Profit (loss) from discontinued operations**

	<b>Jun.30, 2023</b>	Jun.30, 2022
	EGP Thousands	EGP Thousands
Interest and similar income	2,559	-
Interest and similar expense	216	-
Profits (Losses) on financial investments	(44,073)	-
Administrative expenses	(9,142)	-
Other operating (expenses) income	(310)	-
Impairment release (charges) for credit losses	1,148	-
Deferred tax assets (Liabilities)	(10)	-
<b>Net profit (loss) from discontinued operations</b>	<b>(49,612)</b>	<b>-</b>

