



# Separate Financial Statements

March 2021 - Interim Condensed



## **Limited Review Report on Condensed Separate Interim Financial Statements**

**To: The Board of Directors of Commercial International Bank (S.A.E)**

### ***Introduction***

We have reviewed the accompanying condensed separate balance sheet of Commercial International Bank - Egypt (S.A.E) as of 31 March 2021 and the related condensed separate statements of income, comprehensive income, cash flows and changes in shareholders' equity for the three months period then ended. Management is responsible for the preparation and fair presentation of these condensed separate interim financial statements in accordance with the rules of preparation and presentation of the bank's financial statements 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 separate 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 limited review of condensed separate interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters in the bank, and applying analytical and other limited review procedures. A limited 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 separate interim financial statements.

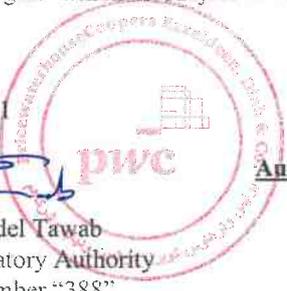
### ***Conclusion***

Based on our limited review, nothing has come to our attention that causes us to believe that the accompanying condensed separate interim financial statements do not present fairly - in all material respects - the condensed separate financial position of Commercial International Bank - Egypt (S.A.E) as at 31 March 2021 and of its condensed separate financial performance and condensed separate cash flows for the three months period then ended in accordance with the rules of preparation and presentation of the bank's financial statements 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.

***Emphasis of Matter Paragraph***

Without qualifying our opinion, we draw attention to note (21) to these condensed separate interim financial statements, which describes the findings of the Central Bank of Egypt (“CBE”) limited review inspection report issued during November 2020. The report **covered** a number of areas including instances of violation of certain provisions of applicable laws and CBE regulations. Management developed a corrective action plan to remediate the limited review inspection report findings and an initial implementation plan addressing the recommendations of the review conducted by an **additional** independent international professional services firm appointed in this regard **which is** subject to final approval and monitoring of the Board of Directors.

Cairo; May 20, 2021



**pwc** **Auditors**

Tamer Abdel Tawab  
Financial Regulatory Authority  
Register Number “388”

**PricewaterhouseCoopers Ezzeldeen, Diab & Co.  
Public Accountants**



Farid Samir Farid  
Financial Regulatory Authority  
Register Number “210”

**Deloitte - Saleh, Barsoum & Abdel Aziz  
Accountants & Auditors**

## Condensed Separate Interim Balance Sheet as at March 31, 2021

	Notes	Mar. 31, 2021 EGP Thousands	Dec. 31, 2020 EGP Thousands
<b>Assets</b>			
Cash and balances at the central bank	7	21,580,813	33,572,597
Due from banks	8	97,069,002	86,997,034
Loans and advances to banks, net	10	781,084	776,980
Loans and advances to customers, net	11	120,303,607	118,854,880
Derivative financial instruments		290,438	248,759
Investments			
- Financial Assets at Fair Value through P&L	12	341,120	359,959
- Financial Assets at Fair Value through OCI	12	167,580,005	147,646,432
- Amortized cost	12	24,677,774	25,020,917
- Investments in associates and subsidiaries	13	1,032,708	874,348
Other assets		9,424,894	9,095,212
Deferred tax assets (Liabilities)		431,534	437,772
Property and equipment	14	2,466,612	2,259,940
<b>Total assets</b>		<b>445,979,591</b>	<b>426,144,830</b>
<b>Liabilities and equity</b>			
<b>Liabilities</b>			
Due to banks	15	2,511,475	8,815,561
Due to customers	16	365,162,571	340,086,524
Derivative financial instruments		306,569	331,073
Current tax liabilities		830,536	859,582
Other liabilities		6,763,064	5,679,266
Other loans		7,732,536	7,746,946
Provisions	17	3,270,735	3,221,252
<b>Total liabilities</b>		<b>386,577,486</b>	<b>366,740,204</b>
<b>Equity</b>			
Issued and paid up capital		14,776,813	14,776,813
Reserves		40,231,425	33,085,554
Reserve for employee stock ownership plan (ESOP)		1,227,099	1,064,648
Retained earnings *		3,166,768	10,477,611
<b>Total equity and net profit for the period / year</b>		<b>59,402,105</b>	<b>59,404,626</b>
<b>Total liabilities and equity</b>		<b>445,979,591</b>	<b>426,144,830</b>

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

(Review report attached)

\* Including net profit for the current period

  
**Hussein Abaza**  
CEO & Board member

  
**Sherif Samy**  
Chairman

**Condensed Separate Interim Income Statement for the period ended March 31, 2021**

	<i>Notes</i>	<b>Mar. 31, 2021</b> EGP Thousands	Mar. 31, 2020 EGP Thousands
Interest and similar income		<b>10,120,581</b>	10,687,101
Interest and similar expense		<b>(4,444,196)</b>	(4,491,834)
<b>Net interest income</b>		<b><u>5,676,385</u></b>	<u>6,195,267</u>
Fee and commission income		<b>844,128</b>	805,413
Fee and commission expense		<b>(333,561)</b>	(305,561)
<b>Net fee and commission income</b>		<b><u>510,567</u></b>	<u>499,852</u>
Dividend income		<b>91</b>	-
Net trading income	<i>5</i>	<b>112,718</b>	(5,425)
Profits (Losses) on financial investments	<i>12</i>	<b>493,655</b>	470,150
Administrative expenses		<b>(1,472,944)</b>	(1,523,538)
Other operating (expenses) income		<b>(526,604)</b>	(747,740)
Impairment release (charges) for credit losses		<b>(702,082)</b>	(1,240,110)
<b>Profit before income tax</b>		<b>4,091,786</b>	3,648,456
Income tax expense		<b>(1,209,247)</b>	(1,332,487)
Deferred tax assets (Liabilities)		<b>(6,239)</b>	75,241
<b>Net profit for the period</b>		<b><u>2,876,300</u></b>	<u>2,391,210</u>
<b>Earning per share</b>	<i>6</i>		
Basic		<b>1.72</b>	1.43
Diluted		<b>1.71</b>	1.42

  
**Hussein Abaza**  
CEO & Board member

  
**Sherif Samy**  
Chairman

**Condensed Separate Interim statement of Comprehensive Income for the period ended March 31, 2021**

	<b>Mar. 31, 2021</b>	Mar. 31, 2020
	EGP Thousands	EGP Thousands
<b>Net profit for the period</b>	<b>2,876,300</b>	2,391,210
Change in fair value of debt instruments measured at fair value through other comprehensive income	<b>(1,674,309)</b>	(4,865,970)
Transferred from reserve on disposal of financial assets at fair value through OCI	<b>(104,406)</b>	-
Effect of ECL in fair value of debt instruments measured at fair value through OCI	<b>(14,644)</b>	(47,321)
<b>Total comprehensive income for the period</b>	<b><u>1,082,941</u></b>	<u>(2,522,081)</u>

**Condensed Separate Interim Cash flows for the period ended March 31, 2021**

	<i>Notes</i>	<b>Mar. 31, 2021</b> EGP Thousands	Mar. 31, 2020 EGP Thousands
<b>Cash flow from operating activities</b>			
Profit before income tax		4,091,786	3,648,456
<b>Adjustments to reconcile net profit to net cash provided by operating activities</b>			
Fixed assets depreciation	14	194,609	160,538
Impairment charge for credit losses (Loans and advances to customers and banks)		720,756	1,272,649
Other provisions charges	17	114,144	439,410
Impairment charge for credit losses (due from banks)		(4,030)	14,782
Impairment charge for credit losses (financial investments)		(14,644)	(47,321)
Impairment charge for other assets		12,676	13,707
Exchange revaluation differences for financial assets at fair value through OCI		23,042	287,889
Impairment charge financial assets at fair value through OCI		(72,957)	69,863
Exchange differences in financial investments in subsidiary		-	719
Utilization of other provisions	17	(43,518)	(726)
Other provisions no longer used	17	(5,872)	(38,630)
Exchange differences of other provisions	17	(15,271)	(22,219)
(Profits) losses from selling property, plant and equipment		(1,250)	(94)
(Profits) losses from selling financial investments	12	(420,698)	(554,113)
Shares based payments		162,451	145,069
Released (Impairment) charges of investments in associates and subsidiaries		-	14,100
<b>Operating profits before changes in operating assets and liabilities</b>		<b>4,741,224</b>	<b>5,404,079</b>
<b>Net decrease (increase) in assets and liabilities</b>			
Due from banks		(12,278,859)	211,025
Financial assets at fair value through P&L	12	18,839	104,116
Derivative financial instruments		(66,183)	35,892
Loans and advances to banks and customers	10 - 11	(2,173,587)	2,428,551
Other assets		(284,984)	857,769
Due to banks	15	(6,304,086)	(1,372,684)
Due to customers	16	25,076,047	5,513,465
Income tax obligations paid		(29,046)	(4,639,364)
Other liabilities		(236,449)	(722,423)
<b>Net cash used in (generated from) operating activities</b>		<b>8,462,916</b>	<b>7,820,426</b>
<b>Cash flow from investing activities</b>			
Proceeds (payments) for investment in associates.		(158,360)	-
Payment for purchases of property, plant, equipment and branches constructions		(347,656)	(319,089)
Proceeds from selling property, plant and equipment		1,250	94
Proceeds from redemption of financial assets at amortized cost		346,898	45,639,889
Payment for purchases of financial assets at amortized cost		(3,844)	(44,945,839)
Payment for purchases of financial assets at fair value through OCI		(55,216,492)	(62,050,349)
Proceeds from selling financial assets at fair value through OCI		34,497,956	54,866,521
<b>Net cash generated from (used in) investing activities</b>		<b>(20,880,248)</b>	<b>(6,808,773)</b>

**Condensed Separate Interim Cash flows for the period ended March 31, 2021 (Cont.)**

	Mar. 31, 2021 EGP Thousands	Mar. 31, 2020 EGP Thousands
<b>Cash flow from financing activities</b>		
Received (Repaid) in long term loans	(14,410)	(91,576)
Dividend paid	<u>(1,360,652)</u>	<u>(3,370,464)</u>
<b>Net cash generated from (used in) financing activities</b>	<u>(1,375,062)</u>	<u>(3,462,040)</u>
Net increase (decrease) in cash and cash equivalent during the period	(13,792,394)	(2,450,387)
Beginning balance of cash and cash equivalent	<u>75,965,247</u>	<u>22,895,017</u>
<b>Cash and cash equivalent at the end of the period</b>	<u>62,172,853</u>	<u>20,444,630</u>
<b>Cash and cash equivalent comprise:</b>		
Cash and balances at the central bank	21,580,813	27,169,495
Due from banks	97,088,303	26,640,005
Treasury bills and other governmental notes	52,339,135	29,091,960
Obligatory reserve balance with CBE	(15,671,568)	(22,186,285)
Due from banks with maturities more than three months	(40,498,431)	(10,415,104)
Treasury bills with maturity more than three months	<u>(52,665,399)</u>	<u>(29,855,441)</u>
<b>Total cash and cash equivalent</b>	<u>62,172,853</u>	<u>20,444,630</u>

## Condensed Separate Interim statement of changes in shareholders' equity for the period ended March 31, 2020

Mar. 31, 2020	<u>Issued and paid up capital</u>	<u>Legal reserve</u>	<u>General reserve</u>	<u>General risk reserve</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>Total</u>
	EGP Thousands									
Beginning balance	14,690,821	2,188,029	16,474,429	1,549,445	13,466	4,111,781	5,164	11,803,555	963,152	51,799,842
Transferred to reserves	-	590,106	7,840,286	-	1,440	-	-	(8,431,832)	-	-
Dividend paid	-	-	-	-	-	-	-	(3,370,464)	-	(3,370,464)
Net profit for the period	-	-	-	-	-	-	-	2,391,210	-	2,391,210
Net unrealised gain/(loss) on financial assets at fair value through OCI	-	-	-	-	-	(4,865,970)	-	-	-	(4,865,970)
Transferred (from) to bank risk reserve	-	-	-	-	-	-	1,259	(1,259)	-	-
ECL for impairment of debt instruments investments	-	-	-	-	-	(47,321)	-	-	-	(47,321)
Cost of employees stock ownership plan (ESOP)	-	-	-	-	-	-	-	-	145,069	145,069
Ending balance	14,690,821	2,778,135	24,314,715	1,549,445	14,906	(801,510)	6,423	2,391,210	1,108,221	46,052,366

## Condensed Separate Interim statement of changes in shareholders' equity for the period ended March 31, 2021

Mar. 31, 2021	<u>Issued and paid up capital</u>	<u>Legal reserve</u>	<u>General reserve</u>	<u>General risk reserve</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>Total</u>
	EGP Thousands									
Beginning balance	14,776,813	2,778,135	24,765,658	1,549,445	14,906	3,970,987	6,423	10,477,611	1,064,648	59,404,626
Transferred to reserves	-	514,939	8,420,479	-	1,094	-	-	(8,936,512)	-	-
Dividend paid	-	-	-	-	-	-	-	(1,360,652)	-	(1,360,652)
Net profit for the period	-	-	-	-	-	-	-	2,876,300	-	2,876,300
Transferred from reserve on disposal of financial assets at fair value through OCI	-	-	-	-	-	(104,406)	-	104,406	-	-
Transferred from previous years' outstanding balances	-	-	-	-	-	-	-	8,333	-	8,333
Net unrealised gain/(loss) on financial assets at fair value through OCI	-	-	-	-	-	(1,674,309)	-	-	-	(1,674,309)
Transferred (from) to banking risk reserve	-	-	-	-	-	-	2,718	(2,718)	-	-
Effect of ECL in fair value of debt instruments measured at fair value through OCI	-	-	-	-	-	(14,644)	-	-	-	(14,644)
Cost of employees stock ownership plan (ESOP)	-	-	-	-	-	-	-	-	162,451	162,451
Ending balance	<u>14,776,813</u>	<u>3,293,074</u>	<u>33,186,137</u>	<u>1,549,445</u>	<u>16,000</u>	<u>2,177,628</u>	<u>9,141</u>	<u>3,166,768</u>	<u>1,227,099</u>	<u>59,402,105</u>

## Notes to the condensed separate interim financial statement for the period ended March 31, 2021

### 1. General information

Commercial International Bank (Egypt) S.A.E. provides retail, corporate and investment banking services in various parts of Egypt through 181 branches, and 28 units employing 7162 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. 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.

Financial statements have been approved by board of directors in May 20, 2021.

### 2. Summary of accounting policies

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

#### 2.1. Basis of preparation

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

Also according 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 based on the Central Bank of Egypt instructions issued on May 5, 2020, which allow banks to issue condensed quarterly financial statements. Reference is made to what was not mentioned in the instructions of the Central Bank of Egypt to the Egyptian Accounting Standards.

The separate and consolidated financial statements of the Bank and its subsidiaries have been prepared in accordance with the Central Bank of Egypt regulations approved by the Board of Directors on December 16, 2008, also according to the instructions for applying the International Standard for Financial Reports (9) issued by the Central Bank of Egypt on February 26, 2019, reference is made to what was not mentioned in the instructions of the Central Bank of Egypt to the Egyptian Accounting Standards, the affiliated companies are entirely included in the consolidated financial statements and these companies are the companies that the Bank - directly or indirectly – has more than half of the voting rights or has the ability to control the financial and operating policies, regardless of the type of activity, the Bank's consolidated financial statements can be obtained from the Bank's management. The Bank accounts for investments in subsidiaries and associate companies in the separate financial statements at cost minus impairment loss.

The separate financial statements of the Bank should be read with its consolidated financial statements, for the period ended on March 31, 2021 to get complete information on the Bank's financial position, results of operations, cash flows and changes in ownership rights.

These condensed separate interim financial statements do not include all the information and disclosures required for full annual separate financial statements prepared in accordance with CBE rules mentioned above and should be read in conjunction with the Bank's financial statements as at and for the year ended 31 December 2020.

In preparing these condensed separate interim financial statements, significant judgments 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 separate financial statements as at and for the year ended 31 December 2020.

**3.1. Loans and advances**

Loans and advances are summarized as follows:

	Mar.31, 2021		Dec.31, 2020	
	EGP Thousands		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>137,675,588</b>	<b>785,455</b>	<b>135,604,002</b>	<b>786,605</b>
<b>Less:</b>				
Impairment provision	17,057,413	4,371	16,395,749	9,625
Unamortized bills discount	78,093	-	104,176	-
Unamortized syndicated loans discount	197,007	-	210,680	-
Suspended credit account	39,468	-	38,517	-
<b>Net</b>	<b>120,303,607</b>	<b>781,084</b>	<b>118,854,880</b>	<b>776,980</b>

Impairment provision losses for loans and advances reached EGP 17,061,784 thousand.

During the year, the Bank's total loans and advances increased by 1.52%.

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

**Total balances of loans and facilities to customers divided by stages:**

Mar.31, 2021

	<u>Stage 1:</u> <u>Expected credit losses over 12 months</u>	<u>Stage 2:</u> <u>Expected credit losses Over a lifetime that is not creditworthy</u>	<u>Stage 3:</u> <u>Expected credit losses Over a lifetime Credit default</u>	<u>Total</u>
Individuals	34,210,478	2,137,451	868,711	37,216,640
Institutions and Business Banking	50,689,371	44,528,147	5,241,430	100,458,948
<b>Total</b>	<b>84,899,849</b>	<b>46,665,598</b>	<b>6,110,141</b>	<b>137,675,588</b>

**Expected credit losses for loans and facilities to customers divided by stages:**

Mar.31, 2021

	<u>Stage 1:</u> <u>Expected credit losses over 12 months</u>	<u>Stage 2:</u> <u>Expected credit losses Over a lifetime that is not creditworthy</u>	<u>Stage 3:</u> <u>Expected credit losses Over a lifetime Credit default</u>	<u>Total</u>
Individuals	783,379	46,975	328,483	1,158,837
Institutions and Business Banking	1,366,108	9,383,783	5,148,685	15,898,576
<b>Total</b>	<b>2,149,487</b>	<b>9,430,758</b>	<b>5,477,168</b>	<b>17,057,413</b>

**Loans, advances and expected credit losses to banks divided by stages:**

Mar.31, 2021

	<u>Stage 1:</u> <u>Expected credit losses over 12 months</u>	<u>Stage 2:</u> <u>Expected credit losses Over a lifetime that is not creditworthy</u>	<u>Stage 3:</u> <u>Expected credit losses Over a lifetime Credit default</u>	<u>Total</u>
Time and term loans	-	785,455	-	785,455
Expected credit losses	-	(4,371)	-	(4,371)
<b>Net</b>	<b>-</b>	<b>781,084</b>	<b>-</b>	<b>781,084</b>

**Off balance sheet items exposed to credit risk and expected credit losses divided by stages:**

Mar.31, 2021

	<u>Stage 1:</u> <u>Expected credit losses over 12 months</u>	<u>Stage 2:</u> <u>Expected credit losses Over a lifetime that is not creditworthy</u>	<u>Stage 3:</u> <u>Expected credit losses Over a lifetime Credit default</u>	<u>Total</u>
Facilities and guarantees	56,364,647	26,467,239	98,857	82,930,743
Expected credit losses	(1,904,514)	(1,023,635)	(93,938)	(3,022,087)
<b>Net</b>	<b>54,460,133</b>	<b>25,443,604</b>	<b>4,919</b>	<b>79,908,656</b>

**Total balances of loans and facilities divided by stages:**

Dec.31, 2020

	<u>Stage 1:</u> <u>Expected credit</u> <u>losses over 12</u> <u>months</u>	<u>Stage 2:</u> <u>Expected credit</u> <u>losses</u> <u>Over a lifetime</u> <u>that is not</u> <u>creditworthy</u>	<u>Stage 3:</u> <u>Expected credit</u> <u>losses</u> <u>Over a lifetime</u> <u>Credit default</u>	<u>Total</u>
Individuals	34,674,902	942,359	576,361	36,193,622
Institutions and Business Banking	50,379,160	43,777,483	5,253,737	99,410,380
<b>Total</b>	<b>85,054,062</b>	<b>44,719,842</b>	<b>5,830,098</b>	<b>135,604,002</b>

**Expected credit losses**

Dec.31, 2020

	<u>Stage 1:</u> <u>Expected credit</u> <u>losses over 12</u> <u>months</u>	<u>Stage 2:</u> <u>Expected credit</u> <u>losses</u> <u>Over a lifetime</u> <u>that is not</u> <u>creditworthy</u>	<u>Stage 3:</u> <u>Expected credit</u> <u>losses</u> <u>Over a lifetime</u> <u>Credit default</u>	<u>Total</u>
Individuals	705,482	22,779	348,551	1,076,812
Institutions and Business Banking	1,395,756	8,756,070	5,167,111	15,318,937
<b>Total</b>	<b>2,101,238</b>	<b>8,778,849</b>	<b>5,515,662</b>	<b>16,395,749</b>

**Loans and advances to banks divided by stages:**

Dec.31, 2020

	<u>Stage 1:</u> <u>Expected credit</u> <u>losses over 12</u> <u>months</u>	<u>Stage 2:</u> <u>Expected credit</u> <u>losses</u> <u>Over a lifetime</u> <u>that is not</u> <u>creditworthy</u>	<u>Stage 3:</u> <u>Expected credit</u> <u>losses</u> <u>Over a lifetime</u> <u>Credit default</u>	<u>Total</u>
Time and term loans	-	786,605	-	786,605
Expected credit losses	-	(9,625)	-	(9,625)
<b>Net</b>	<b>-</b>	<b>776,980</b>	<b>-</b>	<b>776,980</b>

**Off balance sheet items exposed to credit risk and expected credit losses divided by stages:**

Dec.31, 2020

	<u>Stage 1:</u> <u>Expected credit</u> <u>losses over 12</u> <u>months</u>	<u>Stage 2:</u> <u>Expected credit</u> <u>losses</u> <u>Over a lifetime</u> <u>that is not</u> <u>creditworthy</u>	<u>Stage 3:</u> <u>Expected credit</u> <u>losses</u> <u>Over a lifetime</u> <u>Credit default</u>	<u>Total</u>
Facilities and guarantees	54,078,581	28,364,823	93,398	82,536,802
Expected credit losses	(1,439,401)	(1,400,364)	(88,729)	(2,928,494)
<b>Net</b>	<b>52,639,180</b>	<b>26,964,459</b>	<b>4,669</b>	<b>79,608,308</b>

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

Mar.31, 2021

EGP Thousands

**Due from banks**

	Stage 1 12 months		Stage 2 Life time		Stage 3 Life time		Total	
	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding
Provision for credit losses on 1 January 2021	23,331	10,010,027	-	-	-	-	23,331	10,010,027
New financial assets purchased or issued	-	27,546	-	-	-	-	-	27,546
Matured or disposed financial assets	(4,150)	(1,137,862)	-	-	-	-	(4,150)	(1,137,862)
Transferred to stage 1	-	-	-	-	-	-	-	-
Transferred to stage 2	-	-	-	-	-	-	-	-
Transferred to stage 3	-	-	-	-	-	-	-	-
Changes in the probability of default and loss in case of default and the exposure at default	120	(156,426)	-	-	-	-	120	(156,426)
Changes to model assumptions and methodology	-	-	-	-	-	-	-	-
Write off during the period	-	-	-	-	-	-	-	-
Cumulative foreign currencies translation differences	-	-	-	-	-	-	-	-
<b>Ending balance</b>	<b>19,301</b>	<b>8,743,285</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19,301</b>	<b>8,743,285</b>

**Individual Loans:**

	Stage 1 12 months		Stage 2 Life time		Stage 3 Life time		Stage 1	
	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding
Provision for credit losses on 1 January 2021	705,482	34,674,902	22,779	942,359	348,551	576,361	1,076,812	36,193,622
Impairment during the period	77,897	(464,424)	24,196	1,195,092	8,749	335,711	110,842	1,066,379
Write off during the period	-	-	-	-	(43,361)	(43,361)	(43,361)	(43,361)
Recoveries	-	-	-	-	14,544	-	14,544	-
<b>Ending balance</b>	<b>783,379</b>	<b>34,210,478</b>	<b>46,975</b>	<b>2,137,451</b>	<b>328,483</b>	<b>868,711</b>	<b>1,158,837</b>	<b>37,216,640</b>

**Corporate and Business Banking loans:**

	Stage 1 12 months		Stage 2 Life time		Stage 3 Life time		Total	
	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding
Provision for credit losses on 1 January 2021	1,395,756	50,379,160	8,756,070	43,777,483	5,167,111	5,253,737	15,318,937	99,410,380
New financial assets purchased or issued	354,710	13,920,363	288,355	4,113,657	-	-	643,065	18,034,020
Matured or disposed financial assets	(257,624)	(14,225,905)	(353,187)	(5,316,582)	-	-	(610,811)	(19,542,487)
Transferred to stage 1	20,143	1,480,021	(24,310)	(929,523)	(355)	(7,097)	(4,522)	543,401
Transferred to stage 2	(37,180)	(1,214,784)	36,833	1,366,931	-	1	(347)	152,148
Transferred to stage 3	-	(588)	(451)	(5,099)	711	5,352	260	(335)
Changes in the probability of default and loss in case of default and the exposure at default	(27,028)	1,078,582	(59,321)	(1,357,742)	(17,317)	(10,563)	(103,666)	(289,723)
Changes to model assumptions and methodology	(81,581)	(727,478)	779,394	2,879,022	(6,624)	-	691,189	2,151,544
Recoveries	-	-	-	-	27,538	-	27,538	-
Write off during the period	-	-	-	-	-	-	-	-
Cumulative foreign currencies translation differences	(1,088)	-	(39,600)	-	(22,379)	-	(63,067)	-
<b>Ending balance</b>	<b>1,366,108</b>	<b>50,689,371</b>	<b>9,383,783</b>	<b>44,528,147</b>	<b>5,148,685</b>	<b>5,241,430</b>	<b>15,898,576</b>	<b>100,458,948</b>

**Financial Assets at Fair Value through OCI**

	Stage 1 12 months		Stage 2 Life time		Stage 3 Life time		Total	
	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding
Provision for credit losses on 1 January 2021	619,398	38,390,014	-	-	-	-	619,398	38,390,014
New financial assets purchased or issued	85,378	5,331,400	-	-	-	-	85,378	5,331,400
Matured or disposed financial assets	(45,830)	(6,245,967)	-	-	-	-	(45,830)	(6,245,967)
Transferred to stage 1	-	-	-	-	-	-	-	-
Transferred to stage 2	-	-	-	-	-	-	-	-
Transferred to stage 3	-	-	-	-	-	-	-	-
Changes in the probability of default and loss in case of default and the exposure at default	(55,155)	(893,894)	-	-	-	-	(55,155)	(893,894)
Changes to model assumptions and methodology	-	-	-	-	-	-	-	-
Write off during the period	-	-	-	-	-	-	-	-
Cumulative foreign currencies translation differences	-	-	-	-	-	-	-	-
<b>Ending balance</b>	<b>603,791</b>	<b>36,581,553</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>603,791</b>	<b>36,581,553</b>

**Amortized cost**

	Stage 1 12 months		Stage 2 Life time		Stage 3 Life time		Total	
	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding
Provision for credit losses on 1 January 2021	179	64,151	-	-	-	-	179	64,151
New financial assets purchased or issued	-	-	-	-	-	-	-	-
Matured or disposed financial assets	-	-	-	-	-	-	-	-
Transferred to stage 1	-	-	-	-	-	-	-	-
Transferred to stage 2	-	-	-	-	-	-	-	-
Transferred to stage 3	-	-	-	-	-	-	-	-
Changes in the probability of default and loss in case of default and the exposure at default	963	(3,574)	-	-	-	-	963	(3,574)
Changes to model assumptions and methodology	-	-	-	-	-	-	-	-
Write off during the period	-	-	-	-	-	-	-	-
Cumulative foreign currencies translation differences	-	-	-	-	-	-	-	-
<b>Ending balance</b>	<b>1,142</b>	<b>60,577</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,142</b>	<b>60,577</b>

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

Dec.31, 2020

**Due from banks**

	EGP Thousands							
	Stage 1		Stage 2		Stage 3		Total	
	12 months		Life time		Life time			
	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding
Provision for credit losses on 1 January 2020	16,817	9,253,619	-	-	-	-	16,817	9,253,619
New financial assets purchased or issued	4,150	1,051,335	-	-	-	-	4,150	1,051,335
Matured or disposed financial assets	(3)	80,208	-	-	-	-	(3)	80,208
Transferred to stage 1	-	-	-	-	-	-	-	-
Transferred to stage 2	-	-	-	-	-	-	-	-
Transferred to stage 3	-	-	-	-	-	-	-	-
Changes in the probability of default and loss in case of default and the exposure at default	2,367	(375,135)	-	-	-	-	2,367	(375,135)
Changes to model assumptions and methodology	-	-	-	-	-	-	-	-
Write off during the year	-	-	-	-	-	-	-	-
Cumulative foreign currencies translation differences	-	-	-	-	-	-	-	-
<b>Ending balance</b>	<b>23,331</b>	<b>10,010,027</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23,331</b>	<b>10,010,027</b>

**Individual Loans:**

	EGP Thousands							
	Stage 1		Stage 2		Stage 3		Total	
	12 months		Life time		Life time			
	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding
Provision for credit losses on 1 January 2020	96,469	26,734,505	10,394	339,408	210,068	202,357	316,931	27,276,270
Impairment during the year	609,013	7,940,397	12,385	602,951	173,270	449,965	794,668	8,993,313
Write off during the year	-	-	-	-	(75,961)	(75,961)	(75,961)	(75,961)
Recoveries	-	-	-	-	41,174	-	41,174	-
<b>Ending balance</b>	<b>705,482</b>	<b>34,674,902</b>	<b>22,779</b>	<b>942,359</b>	<b>348,551</b>	<b>576,361</b>	<b>1,076,812</b>	<b>36,193,622</b>

**Corporate and Business Banking loans:**

	EGP Thousands							
	Stage 1		Stage 2		Stage 3		Total	
	12 months		Life time		Life time			
	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding
Provision for credit losses on 1 January 2020	1,208,722	63,749,865	5,325,121	35,158,341	4,975,113	5,059,619	11,508,956	103,967,825
New financial assets purchased or issued	503,947	22,076,357	1,497,789	17,919,504	-	-	2,001,736	39,995,861
Matured or disposed financial assets	(535,980)	(31,103,750)	(1,145,259)	(20,167,844)	(163,719)	(163,720)	(1,844,958)	(51,435,314)
Transferred to stage 1	3,369	123,050	(8,211)	(135,649)	-	-	(4,842)	(12,599)
Transferred to stage 2	(32,197)	(1,241,569)	108,422	1,209,324	-	-	76,225	(32,245)
Transferred to stage 3	-	-	(371,956)	(531,834)	479,140	538,489	107,184	6,655
Changes in the probability of default and loss in case of default and the exposure at default	(50,024)	(4,070,553)	548,069	2,123,630	(43,862)	(48,427)	454,183	(1,995,350)
Changes to model assumptions and methodology	306,509	845,760	2,881,778	8,202,011	-	-	3,188,287	9,047,771
Recoveries	-	-	-	-	121,721	-	121,721	-
Write off during the year	-	-	-	-	(132,224)	(132,224)	(132,224)	(132,224)
Cumulative foreign currencies translation differences	(8,590)	-	(79,683)	-	(69,058)	-	(157,331)	-
<b>Ending balance</b>	<b>1,395,756</b>	<b>50,379,160</b>	<b>8,756,070</b>	<b>43,777,483</b>	<b>5,167,111</b>	<b>5,253,737</b>	<b>15,318,937</b>	<b>99,410,380</b>

**Financial Assets at Fair value through OCI**

	EGP Thousands							
	Stage 1		Stage 2		Stage 3		Total	
	12 months		Life time		Life time			
	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding
Provision for credit losses on 1 January 2020	414,395	33,728,881	-	-	-	-	414,395	33,728,881
New financial assets purchased or issued	270,021	19,326,470	-	-	-	-	270,021	19,326,470
Matured or disposed financial assets	(126,273)	(14,695,439)	-	-	-	-	(126,273)	(14,695,439)
Transferred to stage 1	-	-	-	-	-	-	-	-
Transferred to stage 2	-	-	-	-	-	-	-	-
Transferred to stage 3	-	-	-	-	-	-	-	-
Changes in the probability of default and loss in case of default and the exposure at default	61,434	94,253	-	-	-	-	61,434	94,253
Changes to model assumptions and methodology	-	-	-	-	-	-	-	-
Write off during the year	-	-	-	-	-	-	-	-
Cumulative foreign currencies translation differences	-	-	-	-	-	-	-	-
<b>Ending balance</b>	<b>619,577</b>	<b>38,454,165</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>619,577</b>	<b>38,454,165</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:

	Mar.31, 2021	Dec.31, 2020
	EGP Thousands	EGP Thousands
<b>Loans and advances to customer</b>		
<b>Corporate</b>		
- Direct loans	4,889,966	4,794,419
<b>Total</b>	<b>4,889,966</b>	<b>4,794,419</b>

**3.2. Financial investments:**

The following table represents an analysis of financial investment balances by rating agencies at the end of the period based on Standard & Poor's valuation and its equivalent.

**Mar.31, 2021**

	EGP Thousands				
<u>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	24,677,774	-	-	-	24,677,774
Not rated	-	-	-	-	-
<b>Total</b>	<b>24,677,774</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24,677,774</b>

**Mar.31, 2021**

	EGP Thousands				
<u>Fair value through OCI</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	166,170,478	-	-	-	166,170,478
Not rated	-	-	-	-	-
<b>Total</b>	<b>166,170,478</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>166,170,478</b>

The following table shows the analysis of impairment on credit losses of financial investments by rating agencies at the end of the period based on Standard & Poor's valuation and its equivalent.

**Mar.31, 2021**

	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	604,933	-	-	-	604,933
Not rated	-	-	-	-	-
<b>Total</b>	<b>604,933</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>604,933</b>

**3.2. Financial investments:**

The following table represents an analysis of financial investment balances by rating agencies at the end of the year based on Standard & Poor's valuation and its equivalent.

Dec.31, 2020 EGP Thousands

<u>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	25,020,917	-	-	-	25,020,917
Not rated	-	-	-	-	-
<b>Total</b>	<b>25,020,917</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>25,020,917</b>

Dec.31, 2020 EGP Thousands

<u>Fair value through OCI</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	145,974,040	-	-	-	145,974,040
Not rated	-	-	-	-	-
<b>Total</b>	<b>145,974,040</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>145,974,040</b>

The following table shows the analysis of impairment on credit losses of financial investments by rating agencies at the end of the year based on Standard & Poor's valuation and its equivalent.

Dec.31, 2020 EGP Thousands

<u>Fair value through OCI</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	619,577	-	-	-	619,577
Not rated	-	-	-	-	-
<b>Total</b>	<b>619,577</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>619,577</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.

Mar.31, 2021						Equivalent EGP Thousands
	EGP	USD	EUR	GBP	Other	Total
<b>Financial assets</b>						
Cash and balances at the central bank	18,638,844	1,934,541	452,245	111,094	444,089	21,580,813
Gross due from banks	52,246,100	41,485,174	2,361,532	873,046	122,451	97,088,303
Gross loans and advances to banks	-	785,455	-	-	-	785,455
Gross loans and advances to customers	93,015,814	40,145,628	4,470,230	43,817	99	137,675,588
Derivative financial instruments	82,724	207,714	-	-	-	290,438
<b>Financial investments</b>						
Gross financial investment securities	174,924,099	19,108,282	1,657,561	-	-	195,689,942
- Investments in associates and subsidiaries	311,917	159,828	-	-	560,963	1,032,708
<b>Total financial assets</b>	<b>339,219,498</b>	<b>103,826,622</b>	<b>8,941,568</b>	<b>1,027,957</b>	<b>1,127,602</b>	<b>454,143,247</b>
<b>Financial liabilities</b>						
Due to banks	173,754	2,300,480	27,380	9,834	27	2,511,475
Due to customers	273,925,080	82,391,560	7,550,414	990,996	304,521	365,162,571
Derivative financial instruments	183,517	123,052	-	-	-	306,569
Other loans	11,391	7,721,145	-	-	-	7,732,536
<b>Total financial liabilities</b>	<b>274,293,742</b>	<b>92,536,237</b>	<b>7,577,794</b>	<b>1,000,830</b>	<b>304,548</b>	<b>375,713,151</b>
<b>Net on-balance sheet financial position</b>	<b>64,925,756</b>	<b>11,290,385</b>	<b>1,363,774</b>	<b>27,127</b>	<b>823,054</b>	<b>78,430,096</b>
<b>Total financial assets as of December 31, 2020</b>	<b>316,459,285</b>	<b>105,766,625</b>	<b>9,029,784</b>	<b>513,923</b>	<b>1,311,340</b>	<b>433,080,957</b>
<b>Total financial liabilities as of December 31, 2020</b>	<b>253,086,441</b>	<b>95,028,728</b>	<b>7,657,363</b>	<b>936,892</b>	<b>270,680</b>	<b>356,980,104</b>
<b>Net on-balance sheet financial position as of December 31, 2020</b>	<b>63,372,844</b>	<b>10,737,897</b>	<b>1,372,421</b>	<b>(422,969)</b>	<b>1,040,660</b>	<b>76,100,853</b>

**3.4. Interest rate risk**

The Bank takes on 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 in the event that unexpected movements arise. 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 is the risk that the Bank is unable to meet its payment obligations associated with its financial liabilities when they fall due and to replace funds when they are withdrawn. 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 with regards to 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 purpose of the TPG is to document and communicate the policies that govern the activities performed by the Treasury Group and monitored by Risk Group. 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 Risks.

The Bank maintained a solid LCY & FCY Liquidity position with decent buffers to meet both the global and local increase in risk profile related to the Covid-19 pandemic. 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.

For March 2021 NSFR ratio record 236% (LCY 272% and FCY 166%), and LCR ratio record 1438% (LCY 2204% and FCY 297%).

For December 2020 NSFR ratio record 251% (LCY 301% and FCY 168%), and LCR ratio record 1359% (LCY 1977% and FCY 337%).

For March 2021 CAR ratio record 31.50%, and 31.41% for December 2020.

For March 2021 Leverage ratio record 11.40%, and 11.62% for December 2020.

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

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

	<b>Book value</b>		<b>Fair value</b>	
	Mar.31, 2021	Dec.31, 2020	Mar.31, 2021	Dec.31, 2020
<b>Financial assets</b>				
Due from banks	97,088,303	87,020,365	96,841,749	87,018,791
Gross loans and advances to banks	785,455	786,605	785,455	786,605
Gross loans and advances to customers	137,675,588	135,604,002	136,843,956	135,421,732
<b>Financial investments:</b>				
Amortized cost	24,677,774	25,020,917	25,650,415	26,172,861
<b>Total financial assets</b>	<b>260,227,120</b>	<b>248,431,889</b>	<b>260,121,575</b>	<b>249,399,989</b>
<b>Financial liabilities</b>				
Due to banks	2,511,475	8,815,561	2,407,366	8,698,421
Due to customers	365,162,571	340,086,524	364,571,296	339,293,107
Other loans	7,732,536	7,746,946	7,732,536	7,746,946
<b>Total financial liabilities</b>	<b>375,406,582</b>	<b>356,649,031</b>	<b>374,711,198</b>	<b>355,738,474</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**

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

**Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2021:**

instruments:

Level 1 - Quoted prices in active markets for the same instrument (i.e. without modification or repacking);

Level 2 - Quoted prices in active markets for similar assets and liabilities or other valuation techniques for which all significant inputs are based on observable market data; and

Level 3 - Valuation techniques for which any significant input is not based on observable market data.

	Date of Valuation	Fair value measurement using			Valuation techniques (level 3)
		Total	Quoted prices in active markets (Level 1)	Significant observable inputs (level 2)	
<b>Mar.31, 2021</b>					
<b>Measured at fair value:</b>					
<b>Financial assets</b>					
Financial Assets at Fair Value through P&L	31-Mar-21	341,120	341,120	-	-
Financial Assets at Fair Value through OCI	31-Mar-21	167,580,005	114,748,643	52,831,362	-
<b>Total</b>		<b>167,921,125</b>	<b>115,089,763</b>	<b>52,831,362</b>	<b>-</b>
<b>Derivative financial instruments</b>					
Financial assets	31-Mar-21	290,438	-	-	290,438
Financial liabilities	31-Mar-21	306,569	-	-	306,569
<b>Total</b>		<b>597,007</b>	<b>-</b>	<b>-</b>	<b>597,007</b>
<b>Assets for which fair values are disclosed:</b>					
Amortized cost	31-Mar-21	25,650,415	-	25,650,415	-
Loans and advances to banks	31-Mar-21	785,455	-	-	785,455
Loans and advances to customers	31-Mar-21	136,843,956	-	-	136,843,956
<b>Total</b>		<b>163,279,826</b>	<b>-</b>	<b>25,650,415</b>	<b>137,629,411</b>
<b>Liabilities for which fair values are disclosed:</b>					
Other loans	31-Mar-21	7,732,536	-	7,732,536	-
Due to customers	31-Mar-21	364,571,296	-	-	364,571,296
<b>Total</b>		<b>372,303,832</b>	<b>-</b>	<b>7,732,536</b>	<b>364,571,296</b>
<b>Dec.31, 2020</b>					
<b>Measured at fair value:</b>					
<b>Financial assets</b>					
Financial Assets at Fair value through P&L	31-Dec-20	359,959	359,959	-	-
Financial Assets at Fair value through OCI	31-Dec-20	147,646,432	107,691,850	39,954,582	-
<b>Total</b>		<b>148,006,391</b>	<b>108,051,809</b>	<b>39,954,582</b>	<b>-</b>
<b>Derivative financial instruments</b>					
Financial assets	31-Dec-20	248,759	-	-	248,759
Financial liabilities	31-Dec-20	331,073	-	-	331,073
<b>Total</b>		<b>579,832</b>	<b>-</b>	<b>-</b>	<b>579,832</b>
<b>Assets for which fair values are disclosed:</b>					
Amortized cost	31-Dec-20	26,172,861	-	26,172,861	-
Loans and advances to banks	31-Dec-20	786,605	-	-	786,605
Loans and advances to customers	31-Dec-20	135,421,732	-	-	135,421,732
<b>Total</b>		<b>162,381,198</b>	<b>-</b>	<b>26,172,861</b>	<b>136,208,337</b>
<b>Liabilities for which fair values are disclosed:</b>					
Other loans	31-Dec-20	7,746,946	-	7,746,946	-
Due to customers	31-Dec-20	339,293,107	-	-	339,293,107
<b>Total</b>		<b>347,040,053</b>	<b>-</b>	<b>7,746,946</b>	<b>339,293,107</b>

**4. Segment analysis**
**4.1. By business segment**

The Bank is divided into four main business segments on a worldwide basis:

- Corporate banking – incorporating direct debit facilities, current accounts, deposits, overdrafts, loan and other credit facilities, foreign currency and derivative products
- Investment – incorporating financial instruments Trading, structured financing, Corporate leasing, and merger and acquisitions advice.
- Retail banking – incorporating private banking services, private customer current accounts, savings, deposits, investment savings products, custody, credit and debit cards, consumer loans and mortgages;
- Others – Including other banking business, such as Assets Management.

Transactions between the business segments are on normal commercial terms and conditions.

EGP Thousands

Mar.31, 2021	<u>Corporate banking</u>	<u>SME's</u>	<u>Investments</u>	<u>Retail banking</u>	<u>Asset Liability Mangement</u>	<u>Total</u>
Net revenue according to business segment	2,961,844	405,003	1,576,700	1,732,674	117,195	6,793,416
Expenses according to business segment	<u>(1,555,920)</u>	<u>(236,424)</u>	<u>(42,690)</u>	<u>(866,163)</u>	<u>(433)</u>	<u>(2,701,630)</u>
Profit before tax	1,405,924	168,579	1,534,010	866,511	116,762	4,091,786
Tax	<u>(421,734)</u>	<u>(49,820)</u>	<u>(453,345)</u>	<u>(256,080)</u>	<u>(34,507)</u>	<u>(1,215,486)</u>
Profit for the period	984,190	118,759	1,080,665	610,431	82,255	2,876,300
Total assets	<u>127,156,889</u>	<u>1,856,026</u>	<u>201,838,295</u>	<u>36,365,540</u>	<u>78,762,841</u>	<u>445,979,591</u>

\* Represents the net interest income and other income.

Mar.31, 2020	<u>Corporate banking</u>	<u>SME's</u>	<u>Investments</u>	<u>Retail banking</u>	<u>Asset Liability Mangement</u>	<u>Total</u>
Revenue according to business segment	3,031,662	405,533	1,795,704	1,802,854	176,044	7,211,797
Expenses according to business segment	<u>(2,465,699)</u>	<u>(191,053)</u>	<u>(10,763)</u>	<u>(895,353)</u>	<u>(473)</u>	<u>(3,563,341)</u>
Profit before tax	565,963	214,480	1,784,941	907,501	175,571	3,648,456
Tax	<u>(192,929)</u>	<u>(74,055)</u>	<u>(616,301)</u>	<u>(313,340)</u>	<u>(60,621)</u>	<u>(1,257,246)</u>
Profit for the year	373,034	140,425	1,168,640	594,161	114,950	2,391,210
Total assets at 31 December 2020	<u>137,464,591</u>	<u>1,067,415</u>	<u>182,133,166</u>	<u>35,348,914</u>	<u>70,130,744</u>	<u>426,144,830</u>

**4.2. By geographical segment**

EGP Thousands

Mar.31, 2021	<u>Cairo</u>	<u>Alex, Delta &amp; Sinai</u>	<u>Upper Egypt</u>	<u>Total</u>
Revenue according to geographical segment	5,900,490	726,185	166,741	6,793,416
Expenses according to geographical segment	<u>(2,238,937)</u>	<u>(390,601)</u>	<u>(72,092)</u>	<u>(2,701,630)</u>
Profit before tax	3,661,553	335,584	94,649	4,091,786
Tax	<u>(1,088,339)</u>	<u>(99,175)</u>	<u>(27,972)</u>	<u>(1,215,486)</u>
Profit for the period	2,573,214	236,409	66,677	2,876,300
Total assets	<u>416,112,313</u>	<u>22,508,439</u>	<u>7,358,839</u>	<u>445,979,591</u>

Mar.31, 2020	<u>Cairo</u>	<u>Alex, Delta &amp; Sinai</u>	<u>Upper Egypt</u>	<u>Total</u>
Revenue according to geographical segment	6,216,238	799,525	196,034	7,211,797
Expenses according to geographical segment	<u>(3,147,140)</u>	<u>(359,246)</u>	<u>(56,955)</u>	<u>(3,563,341)</u>
Profit before tax	3,069,098	440,279	139,079	3,648,456
Tax	<u>(1,057,206)</u>	<u>(152,019)</u>	<u>(48,021)</u>	<u>(1,257,246)</u>
Profit for the year	2,011,892	288,260	91,058	2,391,210
Total assets at 31 December 2020	<u>395,946,324</u>	<u>22,705,248</u>	<u>7,493,258</u>	<u>426,144,830</u>

**5 . Net trading income**

	<b>Mar.31, 2021</b>	Mar.31, 2020
	EGP Thousands	EGP Thousands
Profit (Loss) from foreign exchange transactions	<b>135,036</b>	166,429
Profit (Loss) from forward foreign exchange deals revaluation	<b>(3,870)</b>	(55,913)
Profit (Loss) from interest rate swaps revaluation	<b>(292)</b>	(10,914)
Profit (Loss) from currency swap deals revaluation	<b>769</b>	(1,428)
Profit (Loss) from financial assets at fair value through P&L	<b>(18,925)</b>	(103,599)
<b>Total</b>	<b>112,718</b>	<b>(5,425)</b>

**6 . Earning per share**

	<b>Mar.31, 2021</b>	Mar.31, 2020
	EGP Thousands	EGP Thousands
Net profit for the year, available for distribution	<b>2,876,300</b>	2,391,210
Board member's bonus	<b>(43,145)</b>	(35,868)
Staff profit sharing	<b>(287,630)</b>	(239,121)
<b>Profits attributable to shareholders</b>	<b>2,545,525</b>	2,116,221
Weighted average number of shares	<b>1,477,681</b>	1,477,681
<b>Basic earning per share</b>	<b>1.72</b>	1.43
By issuance of ESOP earning per share will be:		
Average number of shares including ESOP shares	<b>1,482,781</b>	1,482,781
<b>Diluted earning per share</b>	<b>1.71</b>	1.42

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

	<b>Mar.31, 2021</b>	Dec.31, 2020
	EGP Thousands	EGP Thousands
Cash	<b>5,909,245</b>	5,962,217
<b>Obligatory reserve balance with CBE</b>		
- Current accounts	<b>15,671,568</b>	27,610,380
<b>Total</b>	<b>21,580,813</b>	33,572,597
<b>Non-interest bearing balances</b>	<b>21,580,813</b>	33,572,597

**8 . Due from banks**

	<b>Mar.31, 2021</b>	Dec.31, 2020
	EGP Thousands	EGP Thousands
Current accounts	<b>3,500,639</b>	2,932,060
Deposits	<b>93,587,664</b>	84,088,305
Expected credit losses	<b>(19,301)</b>	(23,331)
<b>Total</b>	<b>97,069,002</b>	86,997,034
Central banks	<b>57,965,560</b>	54,425,073
Local banks	<b>2,794,774</b>	1,268,079
Foreign banks	<b>36,308,668</b>	31,303,882
<b>Total</b>	<b>97,069,002</b>	86,997,034
Non-interest bearing balances	<b>249,822</b>	1,573
Floating interest bearing balances	<b>8,743,284</b>	8,872,165
Fixed interest bearing balances	<b>88,075,896</b>	78,123,296
<b>Total</b>	<b>97,069,002</b>	86,997,034
Current balances	<b>97,069,002</b>	86,997,034

**Due from banks**

	<b>Stage 1</b>
Gross due from banks	97,088,303
Expected credit losses	(19,301)
<b>Net due from banks</b>	<b>97,069,002</b>

**9 . Treasury bills and other governmental notes**

	<b>Mar.31, 2021</b>	Dec.31, 2020
	EGP Thousands	EGP Thousands
91 Days maturity	423,676	22,426
182 Days maturity	1,353,725	98,825
364 Days maturity	54,397,563	42,049,022
Unearned interest	(3,091,043)	(1,946,973)
<b>Total</b>	<b>53,083,921</b>	<b>40,223,300</b>
Repos - treasury bills	(744,784)	(758,586)
<b>Net</b>	<b>52,339,137</b>	<b>39,464,714</b>

**. Governmental bonds**

	<b>Mar.31, 2021</b>	<b>Dec.31, 2020</b>
	EGP Thousands	EGP Thousands
	<b><u>Financial Assets at Fair Value through OCI</u></b>	<b><u>Financial Assets at Fair Value through OCI</u></b>
Governmental bonds	113,190,802	105,998,913
Repo	(7,461,904)	(7,472,925)
<b>Net</b>	<b>105,728,898</b>	<b>98,525,988</b>

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

	<b>Mar.31, 2021</b>	Dec.31, 2020
	EGP Thousands	EGP Thousands
Time and term loans	785,455	786,605
Impairment provision	(4,371)	(9,625)
<b>Net</b>	<b>781,084</b>	<b>776,980</b>
Current balances	<b>781,084</b>	<b>776,980</b>

**Analysis for impairment provision of loans and advances to banks**

	<b>Mar.31, 2021</b>	Dec.31, 2020
	EGP Thousands	EGP Thousands
Beginning balance	(9,625)	(4,516)
Additions during the period / year	5,254	(5,109)
<b>Ending balance</b>	<b>(4,371)</b>	<b>(9,625)</b>

**Analysis for impairment provision of loans and advances to banks**

	<b>Stage 2</b>
Beginning Balance	(9,625)
Addition during the period	5,254
<b>Ending balance</b>	<b>(4,371)</b>

Below is an analysis of outstanding balance:

<b>Balance</b>	<b>781,084</b>
----------------	----------------

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

	Mar.31, 2021 EGP Thousands	Dec.31, 2020 EGP Thousands
<b>Individual</b>		
- Overdraft	1,443,589	1,511,221
- Credit cards	4,994,873	4,864,404
- Personal loans	28,704,720	27,792,367
- Real estate loans	2,073,458	2,025,630
<b>Total 1</b>	<b>37,216,640</b>	<b>36,193,622</b>
<b>Corporate</b>		
- Overdraft	26,054,223	23,541,904
- Direct loans	45,203,655	44,736,272
- Syndicated loans	29,189,679	31,110,813
- Other loans	11,391	21,391
<b>Total 2</b>	<b>100,458,948</b>	<b>99,410,380</b>
<b>Total Loans and advances to customers (1+2)</b>	<b>137,675,588</b>	<b>135,604,002</b>
<b>Less:</b>		
Unamortized bills discount	(78,093)	(104,176)
Unamortized syndicated loans discount	(197,007)	(210,680)
Impairment provision	(17,057,413)	(16,395,749)
Suspended credit account	(39,468)	(38,517)
<b>Net loans and advances to customers</b>	<b>120,303,607</b>	<b>118,854,880</b>
<b>Distributed to</b>		
Current balances	54,386,090	51,070,650
Non-current balances	65,917,517	67,784,230
<b>Total</b>	<b>120,303,607</b>	<b>118,854,880</b>

Analysis of the expected credit losses on loans and advances to customers by type during the period / year was as follows:

	EGP Thousands				
	Mar.31, 2021				
Individual Loans:	Personal				Total
	Overdrafts	Credit cards	loans	Mortgages	
Beginning balance	(9,559)	(242,278)	(762,850)	(62,125)	(1,076,812)
Release / charge during the period	1,296	(27,311)	(83,295)	(1,532)	(110,842)
Written off during the period	-	11,846	31,515	-	43,361
Recoveries	-	(4,343)	(10,201)	-	(14,544)
<b>Ending balance</b>	<b>(8,263)</b>	<b>(262,086)</b>	<b>(824,831)</b>	<b>(63,657)</b>	<b>(1,158,837)</b>
	Mar.31, 2021				
Corporate and Business Banking loans:	Syndicated				Total
	Overdraft	Direct loans	loans	Other loans	
Beginning balance	(1,319,514)	(10,533,928)	(3,459,950)	(5,545)	(15,318,937)
Release / charge during the period	(145,950)	(499,991)	35,541	(4,768)	(615,168)
Written off during the period	-	-	-	-	-
Recoveries	-	(27,538)	-	-	(27,538)
foreign currencies translation differences	3,431	46,161	13,475	-	63,067
<b>Ending balance</b>	<b>1,462,033</b>	<b>11,015,296</b>	<b>3,410,934</b>	<b>10,313</b>	<b>15,898,576</b>

Dec.31, 2020	Individual				EGP Thousands
	Overdraft	Credit cards	Personal loans	Real estate loans	Total
Beginning balance	(5,413)	(90,776)	(179,293)	(41,449)	(316,931)
Released (charged) released during the year	(4,146)	(153,532)	(616,314)	(20,676)	(794,668)
Write off during the year	-	23,080	52,881	-	75,961
Recoveries during the year*	-	(21,050)	(20,124)	-	(41,174)
Ending balance	(9,559)	(242,278)	(762,850)	(62,125)	(1,076,812)

Dec.31, 2020	Corporate				EGP Thousands
	Overdraft	Direct loans	Syndicated loans	Other loans	Total
Beginning balance	(934,823)	(7,828,482)	(2,743,552)	(2,099)	(11,508,956)
Released (charged) released during the year	(395,734)	(2,826,161)	(752,474)	(3,446)	(3,977,815)
Write off during the year	-	132,224	-	-	132,224
Recoveries during the year*	-	(121,721)	-	-	(121,721)
Exchange revaluation difference	11,043	110,212	36,076	-	157,331
Ending balance	(1,319,514)	(10,533,928)	(3,459,950)	(5,545)	(15,318,937)

\*From previously written off amounts

**12. Financial investments securities**
**Mar.31, 2021**

	Financial Assets at	Financial Assets at	Amortized cost	Total
	Fair Value through	Fair Value through		
	P&L	OCI		
	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands
<b>Investments listed in the market</b>				
Governmental bonds	-	105,728,898	24,677,774	130,406,672
Other bonds	-	8,102,445	-	8,102,445
Equity instruments	-	217,300	-	217,300
Portfolio managed by others	341,120	-	-	341,120
Sukuk	-	700,000	-	700,000
<b>Investments not listed in the market</b>				
Treasury bills and other governmental notes	-	52,339,135	-	52,339,135
Equity instruments	-	243,596	-	243,596
Mutual funds	-	248,631	-	248,631
<b>Total</b>	<b>341,120</b>	<b>167,580,005</b>	<b>24,677,774</b>	<b>192,598,899</b>

**Dec.31, 2020**

	Financial Assets at	Financial Assets at	Amortized cost	Total
	Fair Value through	Fair Value through		
	P&L	OCI		
	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands
<b>Investments listed in the market</b>				
Governmental bonds	-	98,525,988	25,020,917	123,546,905
Other bonds	-	7,983,338	-	7,983,338
Equity instruments	-	480,792	-	480,792
Portfolio managed by others	359,959	-	-	359,959
Sukuk	-	701,732	-	701,732
<b>Investments not listed in the market</b>				
Treasury bills and other governmental notes	-	39,464,714	-	39,464,714
Equity instruments	-	243,596	-	243,596
Mutual funds	-	246,272	-	246,272
<b>Total</b>	<b>359,959</b>	<b>147,646,432</b>	<b>25,020,917</b>	<b>173,027,308</b>

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

	Mar.31, 2021 EGP Thousands	Mar.31, 2020 EGP Thousands
Profit (Loss) from selling FVOCI financial instruments	420,698	554,113
Released (Impairment) charges of FVOCI	72,957	(69,863)
Released (Impairment) charges of investments in associates and subsidiaries	-	(14,100)
<b>Total</b>	<b>493,655</b>	<b>470,150</b>

**13 . Investments in associates and subsidiaries**

Mar.31, 2021

**Subsidiaries**

- CVenture Capital
- Damietta shipping & marine services
- Mayfair Bank

**Associates**

- TCA Properties
- Al Ahly Computer
- Fawry Plus
- International Co. for Security and Services (Falcon)

**Total**

	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>
Egypt	144,655	2,175	123	(1,810)	159,828	99.99
Egypt	79,318	2,160	1,139	837	122,366	49.95
Kenya	1,856,285	1,242,561	295,723	(118,241)	560,963	51.00
Egypt	-	-	-	-	158,360	37.00
Egypt	82,094	49,824	49,254	7,140	22,191	39.34
Egypt	122,518	143,914	45,506	(11,011)	-	23.50
Egypt	1,134,812	836,941	634,705	37,593	9,000	30.00
<b>Total</b>	<b>3,419,682</b>	<b>2,277,575</b>	<b>1,026,450</b>	<b>(85,492)</b>	<b>1,032,708</b>	

Dec.31, 2020

**Subsidiaries**

- CVenture Capital
- Damietta shipping & marine services
- Mayfair Bank

**Associates**

- Al Ahly Computer
- Fawry Plus
- International Co. for Security and Services (Falcon)

**Total**

	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>
Egypt	146,693	613	743	(6,331)	159,828	99.99
Egypt	81,416	5,095	38,521	33,558	122,366	49.95
Kenya	1,856,285	1,242,561	295,723	(118,241)	560,963	51.00
Egypt	82,094	49,824	49,254	7,140	22,191	39.34
Egypt	122,518	143,914	45,506	(11,011)	-	23.50
Egypt	1,062,033	799,693	472,714	723	9,000	30.00
<b>Total</b>	<b>3,351,039</b>	<b>2,241,700</b>	<b>902,461</b>	<b>(94,162)</b>	<b>874,348</b>	

**14 . Property and equipment**

	Mar.31, 2021							
	<u>Land</u>	<u>Premises</u>	<u>IT</u>	<u>Vehicles</u>	<u>Fitting -out</u>	<u>Machines and equipment</u>	<u>Furniture and furnishing</u>	<u>Total</u>
Cost at Jan 01, 2021 (1)	64,709	1,129,713	2,541,603	132,023	808,039	700,886	136,093	5,513,066
Additions during the period	-	-	295,076	5,100	50,658	46,321	4,126	401,281
Disposals during the period*	-	-	(371)	-	(1,821)	(2,006)	(461)	(4,659)
<b>Cost at end of the period (2)</b>	<b>64,709</b>	<b>1,129,713</b>	<b>2,836,308</b>	<b>137,123</b>	<b>856,876</b>	<b>745,201</b>	<b>139,758</b>	<b>5,909,688</b>
Accumulated depreciation at beginning of the period (3)	-	458,816	1,615,394	52,714	584,717	452,895	88,590	3,253,126
Depreciation for the period	-	12,969	104,096	3,586	40,836	29,309	3,813	194,609
Disposals during the period*	-	-	(371)	-	(1,821)	(2,006)	(461)	(4,659)
<b>Accumulated depreciation at end of the period (4)</b>	<b>-</b>	<b>471,785</b>	<b>1,719,119</b>	<b>56,300</b>	<b>623,732</b>	<b>480,198</b>	<b>91,942</b>	<b>3,443,076</b>
<b>Ending net assets (2-4)</b>	<b>64,709</b>	<b>657,928</b>	<b>1,117,189</b>	<b>80,823</b>	<b>233,144</b>	<b>265,003</b>	<b>47,816</b>	<b>2,466,612</b>
<b>Beginning net assets (1-3)</b>	<b>64,709</b>	<b>670,897</b>	<b>926,209</b>	<b>79,309</b>	<b>223,322</b>	<b>247,991</b>	<b>47,503</b>	<b>2,259,940</b>

Property and equipment at the balance sheet date includes assets with a net value of EGP 262,658 thousand for which registrations procedures are in process.

\* Fully depreciated assets pound for assets which still in operation are recorded in one pound.

**Property and equipment**

	Dec.31, 2020							
	<u>Land</u>	<u>Premises</u>	<u>IT</u>	<u>Vehicles</u>	<u>Fitting -out</u>	<u>Machines and equipment</u>	<u>Furniture and furnishing</u>	<u>Total</u>
Cost at Jan 01, 2020 (1)	64,709	1,074,231	2,172,452	109,789	769,397	567,026	113,828	4,871,432
Additions during the year	-	71,822	393,202	22,234	79,972	142,227	25,286	734,743
Disposals during the year*	-	(16,340)	(24,051)	-	(41,330)	(8,367)	(3,021)	(93,109)
<b>Cost at end of the period (2)</b>	<b>64,709</b>	<b>1,129,713</b>	<b>2,541,603</b>	<b>132,023</b>	<b>808,039</b>	<b>700,886</b>	<b>136,093</b>	<b>5,513,066</b>
Accumulated depreciation at beginning of the year (3)	-	422,258	1,290,519	41,640	484,840	351,535	77,942	2,668,734
Current year depreciation	-	52,898	348,926	11,074	141,207	109,727	13,669	677,501
Disposals during the year*	-	(16,340)	(24,051)	-	(41,330)	(8,367)	(3,021)	(93,109)
<b>Accumulated depreciation at end of the year (4)</b>	<b>-</b>	<b>458,816</b>	<b>1,615,394</b>	<b>52,714</b>	<b>584,717</b>	<b>452,895</b>	<b>88,590</b>	<b>3,253,126</b>
<b>Ending net assets (2-4)</b>	<b>64,709</b>	<b>670,897</b>	<b>926,209</b>	<b>79,309</b>	<b>223,322</b>	<b>247,991</b>	<b>47,503</b>	<b>2,259,940</b>
<b>Beginning net assets (1-3)</b>	<b>64,709</b>	<b>651,973</b>	<b>881,933</b>	<b>68,149</b>	<b>284,557</b>	<b>215,491</b>	<b>35,886</b>	<b>2,202,698</b>

Property and equipment at the balance sheet date includes assets with a net value of EGP 268,335 thousand for which registrations procedures are in process.

**15 . Due to banks**

	Mar.31, 2021	Dec.31, 2020
	EGP Thousands	EGP Thousands
Current accounts	423,128	392,725
Deposits	2,088,347	8,422,836
<b>Total</b>	<b>2,511,475</b>	<b>8,815,561</b>
Central banks	154,062	114,786
Local banks	7,162	5,233,885
Foreign banks	2,350,251	3,466,890
<b>Total</b>	<b>2,511,475</b>	<b>8,815,561</b>
Non-interest bearing balances	303,080	232,019
Floating bearing interest balances	674,528	871,427
Fixed interest bearing balances	1,533,867	7,712,115
<b>Total</b>	<b>2,511,475</b>	<b>8,815,561</b>
Current balances	2,511,475	8,815,561

**16 . Due to customers**

	Mar.31, 2021	Dec.31, 2020
	EGP Thousands	EGP Thousands
Demand deposits	113,680,476	107,404,782
Time deposits	71,430,574	57,875,676
Certificates of deposit	102,620,594	100,130,108
Saving deposits	73,733,313	70,737,586
Other deposits	3,697,614	3,938,372
<b>Total</b>	<b>365,162,571</b>	<b>340,086,524</b>
Corporate deposits	158,844,408	140,253,514
Individual deposits	206,318,163	199,833,010
<b>Total</b>	<b>365,162,571</b>	<b>340,086,524</b>
Non-interest bearing balances	48,557,773	49,899,904
Floating interest bearing balances	30,751,740	33,533,480
Fixed interest bearing balances	285,853,058	256,653,140
<b>Total</b>	<b>365,162,571</b>	<b>340,086,524</b>
Current balances	256,025,322	237,899,134
Non-current balances	109,137,249	102,187,390
<b>Total</b>	<b>365,162,571</b>	<b>340,086,524</b>

**17 . Provisions**

Mar.31, 2021	<u>Beginning balance</u>	<u>Charged amounts</u>	<u>Exchange revaluation difference</u>	<u>Utilized during the year</u>	<u>Reversed amounts</u>	<u>Ending balance</u>
						EGP Thousands
Provision for legal claims	52,604	-	851	(42,785)	(3,050)	7,620
Provision for contingent	2,928,494	114,144	(20,551)	-	-	3,022,087
Provision for other claim	240,154	-	4,429	(733)	(2,822)	241,028
<b>Total</b>	<b>3,221,252</b>	<b>114,144</b>	<b>(15,271)</b>	<b>(43,518)</b>	<b>(5,872)</b>	<b>3,270,735</b>
Dec.31, 2020	<u>Beginning balance</u>	<u>Charged during the year</u>	<u>Exchange revaluation difference</u>	<u>Utilized during the year</u>	<u>Reversed amounts</u>	<u>Ending balance</u>
						EGP Thousands
Provision for legal claims	66,106	-	(44)	(185)	(13,273)	52,604
Provision for contingent	1,790,692	1,143,171	(5,369)	-	-	2,928,494
Provision for other claim	154,571	89,560	(1,780)	(2,197)	-	240,154
<b>Total</b>	<b>2,011,369</b>	<b>1,232,731</b>	<b>(7,193)</b>	<b>(2,382)</b>	<b>(13,273)</b>	<b>3,221,252</b>

**18 . 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 period (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 year are as follows:

	<b>Mar.31, 2021</b>	Dec.31, 2020
	<b><u>No. of shares in thousand</u></b>	<u>No. of shares in thousand</u>
Outstanding at the beginning of the year	<b>28,946</b>	27,428
Granted during the period / year	<b>13,279</b>	11,313
Forfeited during the period / year	<b>(96)</b>	(1,196)
Exercised during the period / year	<b>(9,227)</b>	(8,599)
<b>Outstanding at the end of the period / year</b>	<b>32,902</b>	28,946

Details of the outstanding tranches are as follows:

<b>Maturity date</b>	EGP	EGP	<b><u>No. of shares in thousand</u></b>
	<b><u>Exercise price</u></b>	<b><u>Fair value</u></b>	
2022	10.00	50.53	8,560
2023	10.00	72.71	11,063
2024	10.00	52.55	13,279
<b>Total</b>			<b>32,902</b>

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

	<b><u>14th tranche</u></b>	<b><u>13th tranche</u></b>
Exercise price	10	10
Current share price	59.19	83.02
Expected life (years)	3	3
Risk free rate %	13.63%	13.66%
Dividend yield%	0.00%	1.50%
Volatility%	25%	25%

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

**19 . Legal claims**

- There is a number of existing cases against the bank on March 31, 2021 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.

**20 . 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.

**20.1 . Loans, advances, deposits and contingent liabilities**

	EGP Thousands
Loans, advances and other assets	1,060,890
Deposits	166,656
Contingent liabilities	1,210

**20.2 Other transactions with related parties**

	<b><u>Income</u></b>	<b><u>Expenses</u></b>
	EGP Thousands	EGP Thousands
International Co. for Security & Services	2	56,747
CVenture Capital	72	159
Fawry plus	187	-
Mayfair bank	89	-
Damietta shipping & marine services	0	567
Al ahly computer	1	-
TCA Properties	26,460	-

## 21 Important events

- During the first quarter of 2021, the bank established TCA properties, in partnership with Talaat Mostafa Group, after obtaining all necessary approvals from regulatory authorities. The share of Commercial International Bank is 37%. And no financial statements of the company have been issued yet.
- On 10 November 2020 CBE issued its report to the Bank and it covered a number of areas that needed immediate remediation covering the Internal Control Environment, Credit facilities and provisions, Governance and Compliance and also referred to instances of violations of certain provisions of the applicable laws (Articles 57, 64 and 111 of Law 88 for year 2003, and Articles 19 and 42 of the Executive Regulation of the said law), and other instances of violations of CBE regulations. The Bank's management applied its judgement and experience and included in the financial statements for the year ended 31 December 2020, their assessment of the impact of the CBE findings, including credit losses and legal and other charges. The Board of the Bank assessment is that the design of the internal controls over financial reporting remain appropriate and continue to operate effectively to ensure fair presentation of the financial position of the Bank and its financial performance. Management developed a corrective action plan for the CBE to address all the findings and to further enhance regulatory compliance and strengthen controls. Additionally, as directed by the Non-Executive Directors, an independent international professional services firm was appointed to conduct an in depth review of the Bank's controls and lending functions with a view to addressing specific and related areas from the CBE inspection report (communicated in November 2020), based on best practice and to further enhance regulatory compliance and strengthen controls at CIB, as part of the Bank's commitment to enhancing risk management and the governance culture at the Bank. The said review started in early January 2021 and was completed in April 2021. The outcomes of this exercise and related recommendations – addressing organization, policies & procedures, training and technology - were discussed with the Directors and executive management before being formally submitted. Management has finalized an initial implementation plan addressing the recommendations and time frame and has assessed there is no further financial impact subsequent to that determined for the year ended 31 December 2020. This initial implementation plan is subject to final approval and monitoring of the Board of Directors.

### - IMPACT OF COVID-19

The coronavirus ("COVID-19") pandemic has spread across various geographies globally, causing disruption to business and economic activities. COVID-19 has brought about uncertainties in the global economic environment. The fiscal and monetary authorities, both domestic and international, have announced various fiscal and stimulus measures across the globe to counter possible adverse implications.

### - BUSINESS CONTINUITY PLANNING

The Bank is closely monitoring the situation and taking rightful measures to ensure the safety and security of the bank's staff and an uninterrupted service to its customers. Remote working arrangements have been implemented and part of the Bank staff are working from home in line with government directions. Business continuity plans are in place. The Bank has taken measures to ensure that services levels are maintained, customer complaints are resolved, and the Bank continues to serve its customers as they would do in normal conditions. CIB regularly conducts stress tests to assess the resilience of the statement of position and the capital adequacy. CIB is closely monitoring the situation and has activated its risk management practices managing the potential business disruption COVID-19 outbreak may have on its operations and financial performance.

### - IMPACT ON EXPECTED CREDIT LOSSES

In the determination of the impact over the ECL, CIB has considered the potential impact of the uncertainties considering the available information caused by the Covid-19 pandemic and taken into account the economic support and relief measures taken by the Central Bank of Egypt. The Bank has reviewed the potential impact of COVID-19 outbreak on the inputs and assumptions for ECL measurement. In addition, the Bank has analyzed the risk of the credit portfolio by focusing on economic sector wise segmentation analysis using both a top-down approach and the Bank own experience. Overall, the COVID-19 situation remains fluid and is rapidly evolving at this point, which makes it challenging to reliably reflect impacts in our ECL estimates. In addition to the assumptions outlined above, CIB has given specific consideration to the relevant impact of COVID-19 on the qualitative and quantitative factors when determining the significant increase in credit risk (SICR) leading to reclassifying loans from stage 1 to stage 2 and assessing the indicators of impairment for the exposures in potentially affected sectors. The Bank has reassessed its ECL models, underlying assumptions including relevant available macroeconomic data, and the judgmental overlays on the basis of macroeconomic variations reflected in models pertaining to particular industries rather than on customer-account basis.

The impact of current uncertain economic environment is judgmental and management will keep assessing the current position and its related impact regularly. It should be also considered that the assumptions used about economic forecasts are subject to high degree of inherent uncertainty and therefore the actual outcome may be significantly different from forecasted information. CIB has considered potential impacts of the current economic volatility in determination of the reported amounts of the bank's financial and non-financial assets and these are considered to represent management's best assessment based on observable information. Markets however remain volatile and the recorded amounts remain sensitive to market fluctuations.

### - 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).



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