



Separate Financial Statements

March 2022 - 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 interim balance sheet of Commercial International Bank - Egypt (S.A.E) as of March 31, 2022 and the related condensed **separate** interim 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 December 16, 2008 as amended by regulations issued on February 26, 2019 and its subsequent interpretive instructions and Central Bank of Egypt board of directors resolution on May 3, 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 are not prepared in all material respects 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 December 16, 2008 as amended by regulations issued on February 26, 2019 and its subsequent interpretive instructions and Central Bank of Egypt board of directors resolution on May 3, 2020 regarding issuing condensed interim financial statements for banks and with the requirements of applicable Egyptian laws and regulations.

Cairo; April 14, 2022



Tamer Abdel Tawab
Financial Regulatory Authority
Register Number "388"

PricewaterhouseCoopers Ezzeldeen, Diab & Co.
Public Accountants

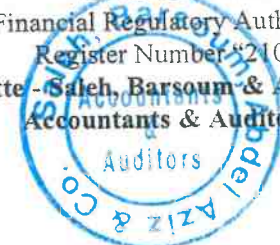


Auditors



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, 2022

	Notes	Mar. 31, 2022 EGP Thousands	Dec. 31, 2021 EGP Thousands
Assets			
Cash and balances at the central bank	8	30,471,454	43,385,222
Due from banks	9	120,898,421	79,991,287
Loans and advances to banks, net	11	364,470	312,216
Loans and advances to customers, net	12	157,575,938	144,765,808
Derivative financial instruments		884,030	225,376
Investments			
- Financial Assets at Fair Value through P&L	13	1,648	240,987
- Financial Assets at Fair Value through OCI	13	179,382,229	192,390,931
- Amortized cost	13	20,139,599	20,318,767
- Investments in associates and subsidiaries	14	1,014,350	1,014,350
Other assets	15	9,554,515	11,141,917
Deferred tax assets (Liabilities)		308,421	460,026
Property and equipment	16	2,284,285	2,404,237
Total assets		522,879,360	496,651,124
Liabilities and equity			
Liabilities			
Due to banks	17	3,695,888	862,759
Due to customers	18	427,654,058	406,100,916
Derivative financial instruments		243,629	265,265
Current tax liabilities		1,113,423	2,234,985
Other liabilities	19	12,133,075	8,021,310
Issued debt instruments	20	1,810,601	1,557,263
Other loans		6,176,776	5,140,782
Other Provisions	21	4,853,905	3,539,676
Total liabilities		457,681,355	427,722,956
Equity			
Issued and paid up capital		19,825,134	19,702,418
Reserves		39,418,823	33,767,423
Reserve for employee stock ownership plan (ESOP)		1,346,705	1,674,392
Retained earnings *		4,607,343	13,783,935
Total equity and net profit for the period / year		65,198,005	68,928,168
Total liabilities and equity		522,879,360	496,651,124

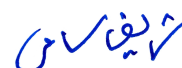
The accompanying notes are an integral part of these financial statements.

(Review report attached)

* Including net profit for the current period



Hussein Abaza
CEO & Managing Director



Sherif Samy
Chairman

Condensed Separate Interim Income Statement for the period ended March 31, 2022

	Notes	Mar. 31, 2022 EGP Thousands	Mar. 31, 2021 EGP Thousands
Interest and similar income		11,812,196	10,120,581
Interest and similar expense		(5,209,537)	(4,444,196)
Net interest income		6,602,659	5,676,385
Fee and commission income		1,191,476	844,128
Fee and commission expense		(514,635)	(333,561)
Net fee and commission income		676,841	510,567
Dividend income		37,800	91
Net trading income	5	716,066	112,718
Profits (Losses) on financial investments	13	1,021,334	493,655
Administrative expenses		(1,545,348)	(1,472,944)
Other operating (expenses) income	6	(1,425,498)	(526,604)
Impairment release (charges) for credit losses		40,525	(702,082)
Profit before income tax		6,124,379	4,091,786
Income tax expense		(1,375,213)	(1,209,247)
Deferred tax assets (Liabilities)		(509,574)	(6,239)
Net profit for the period		4,239,592	2,876,300
Earning per share	7		
Basic		1.90	1.29
Diluted		1.87	1.27



Hussein Abaza
CEO & Managing Director



Sherif Samy
Chairman

Condensed Separate Interim statement of Comprehensive Income for the period ended March 31, 2022

	Mar. 31, 2022	Mar. 31, 2021
	EGP Thousands	EGP Thousands
Net profit for the period	4,239,592	2,876,300
Change in fair value of debt instruments measured at fair value through other comprehensive income after income tax	(3,958,945)	(1,674,309)
Transferred from reserve on disposal of financial assets at fair value through OCI	(4,201)	(104,406)
Effect of ECL in fair value of debt instruments measured at fair value through OCI	101,561	(14,644)
Total comprehensive income for the period	378,007	1,082,941

Condensed Separate Interim Cash flows for the period ended March 31, 2022

	<i>Notes</i>	Mar. 31, 2022 EGP Thousands	Mar. 31, 2021 EGP Thousands
Cash flow from operating activities			
Profit before income tax		6,124,379	4,091,786
Adjustments to reconcile net profit to net cash provided by operating activities			
Fixed assets depreciation	16	210,105	194,609
Impairment charge for credit losses (Loans and advances to customers and banks)		(147,259)	720,756
Other provisions charges	21	1,036,307	114,144
Impairment charge for credit losses (due from banks)		4,977	(4,030)
Impairment (Released) charge for credit losses (financial investments)		101,757	(14,644)
Impairment (Released) charge for other assets		(277,768)	12,676
Exchange revaluation differences for financial assets at fair value through OC		63	23,042
Impairment (Released) charge financial assets at fair value through OCI		-	(72,957)
Utilization of other provisions	21	(156)	(43,518)
Other provisions no longer used	21	(385)	(5,872)
Exchange differences of other provisions	21	278,463	(15,271)
Losses (profits) from selling property and equipment		(50)	(1,250)
Losses (profits) from selling financial investments	13	(1,021,334)	(420,698)
Shares based payments		175,235	162,451
Operating losses (profits) before changes in operating assets and liabilities		6,484,334	4,741,224
Net decrease (increase) in assets and liabilities			
Due from banks		25,542,432	(12,278,859)
Financial assets at fair value through P&L	13	239,339	18,839
Derivative financial instruments		(680,290)	(66,183)
Loans and advances to banks and customers	11 - 12	(12,715,125)	(2,173,587)
Other assets		1,851,768	(284,984)
Due to banks	17	2,833,129	(6,304,086)
Due to customers	18	21,553,142	25,076,047
Income tax obligations paid		(261,790)	(29,046)
Other liabilities		1,876,780	(236,449)
Net cash used in (generated from) operating activities		46,723,719	8,462,916
Cash flow from investing activities			
Proceeds (payments) for investment in associates.		-	(158,360)
Payment for purchases of property, equipment and branches constructions		(76,753)	(347,656)
Proceeds from selling property and equipment		50	1,250
Proceeds from redemption of financial assets at amortized cost		2,609,283	346,898
Payment for purchases of financial assets at amortized cost		(2,430,124)	(3,844)
Payment for purchases of financial assets at fair value through OCI		(68,194,467)	(55,216,492)
Proceeds from selling financial assets at fair value through OCI		78,071,439	34,497,956
Net cash generated from (used in) investing activities		9,979,428	(20,880,248)

Condensed Separate Interim Cash flows for the period ended March 31, 2022 (Cont.)

	Mar. 31, 2022 EGP Thousands	Mar. 31, 2021 EGP Thousands
Cash flow from financing activities		
Received (Repaid) in long term loans	1,035,994	(14,410)
Dividend paid	(4,410,322)	(1,360,652)
Issued debt instruments	253,338	-
Capital increase	122,716	-
Net cash generated from (used in) financing activities	(2,998,274)	(1,375,062)
Net (decrease) increase in cash and cash equivalent during the period	53,704,873	(13,792,394)
Beginning balance of cash and cash equivalent	60,891,899	75,965,247
Cash and cash equivalent at the end of the period	114,596,772	62,172,853
Cash and cash equivalent comprise:		
Cash and balances at the central bank	30,471,454	21,580,813
Due from banks	120,943,837	97,088,303
Treasury bills and other governmental notes	40,371,415	52,339,135
Obligatory reserve balance with CBE	(26,030,335)	(15,671,568)
Due from banks with maturities more than three months	(10,245,456)	(40,498,431)
Treasury bills with maturity more than three months	(40,914,143)	(52,665,399)
Total cash and cash equivalent	114,596,772	62,172,853

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
Capital increase	-	-	-	-	-	-	-	-	-	-
Transferred to reserves	-	514,939	8,420,479	-	1,094	-	-	(8,936,512)	-	-
Dividend paid	-	-	-	-	-	-	-	(1,360,652)	-	(1,360,652)
Net profit of the year	-	-	-	-	-	-	-	2,876,300	-	2,876,300
Transferred from reserve 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 after tax	-	-	-	-	-	(1,674,309)	-	-	-	(1,674,309)
Transferred (from) to bank risk reserve	-	-	-	-	-	-	2,718	(2,718)	-	-
ECL for impairment of debt instruments investments	-	-	-	-	-	(14,644)	-	-	-	(14,644)
Cost of employees stock ownership plan (ESOP)	-	-	-	-	-	-	-	-	162,451	162,451
Ending balance	14,776,813	3,293,074	33,186,137	1,549,445	16,000	2,177,628	9,141	3,166,768	1,227,099	59,402,105

Condensed Separate Interim statement of changes in shareholders' equity for the period ended March 31, 2022

Mar. 31, 2022	<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	19,702,418	3,293,074	28,260,532	1,549,445	16,000	639,231	9,141	13,783,935	1,674,392	68,928,168
Capital increase	122,716	-	502,922	-	-	-	-	-	(502,922)	122,716
Transferred to reserves	-	670,872	8,333,404	-	2,947	-	-	(9,007,223)	-	-
Dividend paid	-	-	-	-	-	-	-	(4,410,322)	-	(4,410,322)
Net profit of the year	-	-	-	-	-	-	-	4,239,592	-	4,239,592
Transferred from reserve on disposal of financial assets at fair value through OCI	-	-	-	-	-	(4,201)	-	4,201	-	-
Net unrealised gain/(loss) on financial assets at fair value through OCI after tax	-	-	-	-	-	(3,958,945)	-	-	-	(3,958,945)
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	-	-	-	-	-	101,561	-	-	-	101,561
Cost of employees stock ownership plan (ESOP)	-	-	-	-	-	-	-	-	175,235	175,235
Ending balance	<u>19,825,134</u>	<u>3,963,946</u>	<u>37,096,858</u>	<u>1,549,445</u>	<u>18,947</u>	<u>(3,222,354)</u>	<u>11,981</u>	<u>4,607,343</u>	<u>1,346,705</u>	<u>65,198,005</u>

Notes to the condensed separate interim financial statement for the period ended March 31, 2022

1. General information

Commercial International Bank (Egypt) S.A.E. provides retail, corporate and investment banking services in various parts of Egypt through 190 branches, and 23 units employing 7472 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 on April 14, 2022.

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, 2022 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 2021.

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 2021.

3.1. Loans and advances

Loans and advances are summarized as follows:

	Mar.31, 2022		Dec.31, 2021	
	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>
Gross Loans and advances	176,981,476	366,459	163,087,768	314,334
Less:				
ECL	18,967,888	1,989	17,875,739	2,118
Unamortized bills discount	58,719	-	68,410	-
Unamortized syndicated loans discount	289,192	-	312,682	-
Suspended credit account	89,739	-	65,129	-
Net	<u>157,575,938</u>	<u>364,470</u>	<u>144,765,808</u>	<u>312,216</u>

Impairment provision losses for loans and advances reached EGP 18,969,877 thousand.

During the year, the Bank's total loans and advances increased by 8.53%

In order to minimize the probable 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, 2022

	<u>Stage 1: 12 months</u>	<u>Stage 2: Life time</u>	<u>Stage 3: Life time</u>	<u>Total</u>
Individuals	40,024,968	4,017,595	698,346	44,740,909
Institutions and Business Banking	69,995,373	54,248,232	7,996,962	132,240,567
Total	<u>110,020,341</u>	<u>58,265,827</u>	<u>8,695,308</u>	<u>176,981,476</u>

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

Mar.31, 2022

	<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	890,522	123,679	269,000	1,283,201
Institutions and Business Banking	1,573,862	8,329,037	7,781,788	17,684,687
Total	<u>2,464,384</u>	<u>8,452,716</u>	<u>8,050,788</u>	<u>18,967,888</u>

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

Mar.31, 2022

	<u>Stage 1: 12 months</u>	<u>Stage 2: Life time</u>	<u>Stage 3: Life time</u>	<u>Total</u>
Time and term loans	-	366,459	-	366,459
Expected credit losses	-	(1,989)	-	(1,989)
Net	-	<u>364,470</u>	-	<u>364,470</u>

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

Mar.31, 2022

	<u>Stage 1: 12 months</u>	<u>Stage 2: Life time</u>	<u>Stage 3: Life time</u>	<u>Total</u>
Facilities and guarantees	70,376,711	31,512,345	4,386,386	106,275,442
Expected credit losses	(2,196,171)	(1,257,066)	(1,050,910)	(4,504,147)
Net	<u>68,180,540</u>	<u>30,255,279</u>	<u>3,335,476</u>	<u>101,771,295</u>

Total balances of loans and facilities divided by stages:

Dec.31, 2021

	<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	36,509,635	3,893,211	660,606	41,063,452
Institutions and Business Banking	64,835,799	49,474,038	7,714,479	122,024,316
Total	101,345,434	53,367,249	8,375,085	163,087,768

Expected credit losses

Dec.31, 2021

	<u>Stage 1: Expected</u> <u>credit losses over 12</u> <u>months</u>	<u>Stage 2: Expected</u> <u>credit losses</u> <u>Over a lifetime that is</u> <u>not creditworthy</u>	<u>Stage 3: Expected</u> <u>credit losses</u> <u>Over a lifetime</u> <u>Credit default</u>	<u>Total</u>
Individuals	825,814	90,037	257,071	1,172,922
Institutions and Business Banking	1,475,220	7,597,957	7,629,640	16,702,817
Total	2,301,034	7,687,994	7,886,711	17,875,739

Loans and advances to banks divided by stages:

Dec.31, 2021

	<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 and term loans	-	314,334	-	314,334
Expected credit losses	-	(2,118)	-	(2,118)
Net	-	312,216	-	312,216

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

Dec.31, 2021

	<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	60,535,590	30,943,446	168,459	91,647,495
Expected credit losses	(1,923,569)	(1,113,857)	(165,893)	(3,203,319)
Net	58,612,021	29,829,589	2,566	88,444,176

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

Mar.31, 2022

EGP Thousands

Due from banks

	Stage 1	Stage 2	Stage 3	Total
	12 months	Life time	Life time	
	ECL	ECL	ECL	ECL
ECL on 1 January 2022	19,725	20,714	-	40,439
New financial assets purchased or issued	8	4,845	-	4,853
Matured or disposed financial assets	(13)	(20,714)	-	(20,727)
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	20,851	-	-	20,851
Changes to model assumptions and methodology	-	-	-	-
Write off during the period	-	-	-	-
Cumulative foreign currencies translation differences	-	-	-	-
Ending balance	40,571	4,845	-	45,416

Individual Loans:

	Stage 1	Stage 2	Stage 3	Total
	12 months	Life time	Life time	
	ECL	ECL	ECL	ECL
ECL on 1 January 2022	825,814	90,037	257,071	1,172,922
Impairment during the period	64,708	33,643	29,856	128,207
Write off during the period	-	-	(38,003)	(38,003)
Recoveries	-	-	20,075	20,075
Ending balance	890,522	123,680	268,999	1,283,201

Corporate and Business Banking loans:

	Stage 1	Stage 2	Stage 3	Total
	12 months	Life time	Life time	
	ECL	ECL	ECL	ECL
ECL on 1 January 2022	1,475,220	7,597,957	7,629,640	16,702,817
New financial assets purchased or issued	307,222	97,909	-	405,131
Matured or disposed financial assets	(106,279)	(113,721)	(50,556)	(270,556)
Transferred to stage 1	27	(49)	-	(22)
Transferred to stage 2	(12,530)	15,127	-	2,597
Transferred to stage 3	-	-	-	-
Changes in the probability of default and loss in case of default and the exposure at default	(110,625)	(776,314)	(85,301)	(972,240)
Changes to model assumptions and methodology	3,429	556,324	-	559,753
Recoveries	-	-	6,617	6,617
Write off during the period	-	-	(728,026)	(728,026)
Cumulative foreign currencies translation differences	17,398	951,805	1,009,413	1,978,616
Ending balance	1,573,862	8,329,038	7,781,787	17,684,687

Financial Assets at Fair Value through OCI

	Stage 1	Stage 2	Stage 3	Total
	12 months	Life time	Life time	
	ECL	ECL	ECL	ECL
ECL on 1 January 2022	515,177	9,721	-	524,898
New financial assets purchased or issued	127,577	-	-	127,577
Matured or disposed financial assets	(14,525)	-	-	(14,525)
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	(9,614)	(1,877)	-	(11,491)
Changes to model assumptions and methodology	-	-	-	-
Write off during the period	-	-	-	-
Cumulative foreign currencies translation differences	-	-	-	-
Ending balance	618,615	7,844	-	626,459

Amortized cost

	Stage 1	Stage 2	Stage 3	Total
	12 months	Life time	Life time	
	ECL	ECL	ECL	ECL
ECL on 1 January 2022	1,113	-	-	1,113
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	196	-	-	196
Changes to model assumptions and methodology	-	-	-	-
Write off during the period	-	-	-	-
Cumulative foreign currencies translation differences	-	-	-	-
Ending balance	1,309	-	-	1,309

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, 2021				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>
Due from banks	<u>ECL</u>	<u>ECL</u>	<u>ECL</u>	<u>ECL</u>
Expected credit losses on 1 January 2021	23,331	-	-	23,331
New financial assets purchased or issued	106	20,714	-	20,820
Matured or disposed financial assets	(4,149)	-	-	(4,149)
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	437	-	-	437
Changes to model assumptions and methodology	-	-	-	-
Write off during the year	-	-	-	-
Cumulative foreign currencies translation differences	-	-	-	-
Ending balance	19,725	20,714	-	40,439
Individual Loans:	<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>
Expected credit losses on 1 January 2021	705,482	22,779	348,551	1,076,812
Impairment during the year	120,332	67,258	127,500	315,090
Write off during the year	-	-	(298,324)	(298,324)
Recoveries	-	-	79,344	79,344
Ending balance	825,814	90,037	257,071	1,172,922
Corporate and Business Banking loans:	<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>
Expected credit losses on 1 January 2021	1,395,756	8,756,070	5,167,111	15,318,937
New financial assets purchased or issued	890,002	1,302,089	-	2,192,091
Matured or disposed financial assets	(596,491)	(491,306)	(2,101)	(1,089,898)
Transferred to stage 1	8,894	(19,190)	-	(10,296)
Transferred to stage 2	(53,010)	92,677	(409)	39,258
Transferred to stage 3	(2,810)	(2,362,535)	2,544,757	179,412
Changes in the probability of default and loss in case of default and the exposure at default	(92,931)	(267,130)	(84,053)	(444,114)
Changes to model assumptions and methodology	(72,404)	652,276	-	579,872
Recoveries	-	-	45,431	45,431
Write off during the year	-	-	(4,366)	(4,366)
Cumulative foreign currencies translation differences	(1,786)	(64,994)	(36,730)	(103,510)
Ending balance	1,475,220	7,597,957	7,629,640	16,702,817
Financial Assets at Fair value through OCI	<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>
Expected credit losses on 1 January 2021	619,398	-	-	619,398
New financial assets purchased or issued	218,711	9,721	-	228,432
Matured or disposed financial assets	(174,668)	-	-	(174,668)
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	(148,264)	-	-	(148,264)
Changes to model assumptions and methodology	-	-	-	-
Write off during the year	-	-	-	-
Cumulative foreign currencies translation differences	-	-	-	-
Ending balance	515,177	9,721	-	524,898
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>
Expected credit losses on 1 January 2021	179	-	-	179
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	934	-	-	934
Changes to model assumptions and methodology	-	-	-	-
Write off during the year	-	-	-	-
Cumulative foreign currencies translation differences	-	-	-	-
Ending balance	1,113	-	-	1,113

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, 2022	Dec.31, 2021
	EGP Thousands	EGP Thousands
Loans and advances to customer		
Corporate		
- Direct loans	11,099,422	10,903,602
Total	11,099,422	10,903,602

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, 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	20,139,599	-	-	-	20,139,599
Not rated	-	-	-	-	-
Total	20,139,599	-	-	-	20,139,599

Mar.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	178,689,542	-	-	-	178,689,542
Not rated	-	-	-	-	-
Total	178,689,542	-	-	-	178,689,542

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, 2022

	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	627,768	-	-	-	627,768
Not rated	-	-	-	-	-
Total	627,768	-	-	-	627,768

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, 2021 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	20,318,767	-	-	-	20,318,767
Not rated	-	-	-	-	-
Total	20,318,767	-	-	-	20,318,767

Dec.31, 2021 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	190,308,789	-	-	-	190,308,789
Not rated	-	-	-	-	-
Total	190,308,789	-	-	-	190,308,789

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, 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	526,011	-	-	-	526,011
Not rated	-	-	-	-	-
Total	526,011	-	-	-	526,011

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.

						Equivalent EGP Thousands
Mar.31, 2022	<u>EGP</u>	<u>USD</u>	<u>EUR</u>	<u>GBP</u>	<u>Other</u>	<u>Total</u>
Financial assets						
Cash and balances at the central bank	27,886,532	1,302,674	659,103	95,976	527,169	30,471,454
Gross due from banks	65,012,156	49,895,405	4,614,054	1,325,886	96,336	120,943,837
Gross loans and advances to banks	-	366,459	-	-	-	366,459
Gross loans and advances to customers	123,903,444	48,574,609	4,065,846	17,471	420,106	176,981,476
Derivative financial instruments	590,656	293,374	-	-	-	884,030
Financial investments						
Gross financial investment securities	173,006,306	26,929,718	2,252,631	-	-	202,188,655
- Investments in associates and subsidiaries	293,559	159,828	-	-	560,963	1,014,350
Total financial assets	390,692,653	127,522,067	11,591,634	1,439,333	1,604,574	532,850,261
Financial liabilities						
Due to banks	409,324	3,254,690	25,514	5,854	506	3,695,888
Due to customers	309,532,133	106,936,044	9,464,369	1,405,058	316,454	427,654,058
Derivative financial instruments	215,876	27,753	-	-	-	243,629
Issued debt instruments	-	1,810,601	-	-	-	1,810,601
Other loans	12,226	6,140,406	24,144	-	-	6,176,776
Total financial liabilities	310,169,559	118,169,494	9,514,027	1,410,912	316,960	439,580,952
Net on-balance sheet financial position	80,523,094	9,352,573	2,077,607	28,421	1,287,614	93,269,309
Total financial assets as of December 31, 2021	387,395,353	104,537,787	9,982,733	436,909	984,061	503,336,843
Total financial liabilities as of December 31, 2021	312,369,153	91,907,672	8,252,212	1,114,797	283,151	413,926,985
Net on-balance sheet financial position as of December 31, 2021	75,026,200	12,630,115	1,730,521	(677,888)	700,910	89,409,858

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 2022 NSFR ratio record 229% (LCY 259% and FCY 171%), and LCR ratio record 1219% (LCY 1921% and FCY 271%).

For December 2021 NSFR ratio record 247% (LCY 282% and FCY 170%), and LCR ratio record 817% (LCY 902% and FCY 304%).

For March 2022 CAR ratio record 30.6%, and 29.86% for December 2021.

For March 2022 Leverage ratio record 10.8%, and 11.31% for December 2021.

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.

	Book value		Fair value	
	Mar.31, 2022	Dec.31, 2021	Mar.31, 2022	Dec.31, 2021
Financial assets				
Due from banks	120,943,837	80,031,726	121,505,101	80,459,411
Gross loans and advances to banks	366,459	314,334	366,459	314,334
Gross loans and advances to customers	176,981,476	163,087,768	179,632,036	163,388,858
Financial investments:				
Amortized cost	20,139,599	20,318,767	20,668,012	21,074,139
Total financial assets	318,431,371	263,752,595	322,171,608	265,236,742
Financial liabilities				
Due to banks	3,695,888	862,759	3,073,929	832,976
Due to customers	427,654,058	406,100,916	431,491,311	408,645,667
Issued debt instruments	1,826,430	1,571,670	1,847,134	1,574,487
Other loans	6,176,776	5,140,782	5,962,359	5,124,531
Total financial liabilities	439,353,152	413,676,127	442,374,733	416,177,661

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 2022:

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.

	Date of Valuation	Fair value measurement using			Valuation techniques (level 3)
		Total	Quoted prices in active markets (Level 1)	Significant observable inputs (level 2)	
Mar.31, 2022					
Measured at fair value:					
Financial assets					
Financial Assets at Fair Value through P&L	31-Mar-22	1,648	1,648	-	-
Financial Assets at Fair Value through OCI	31-Mar-22	179,382,229	136,638,997	42,743,232	-
Total		179,383,877	136,640,645	42,743,232	-
Derivative financial instruments					
Financial assets	31-Mar-22	884,030	-	-	884,030
Financial liabilities	31-Mar-22	243,629	-	-	243,629
Total		1,127,659	-	-	1,127,659
Assets for which fair values are disclosed:					
Amortized cost	31-Mar-22	20,668,012	-	20,668,012	-
Loans and advances to banks	31-Mar-22	366,459	-	-	366,459
Loans and advances to customers	31-Mar-22	179,632,036	-	-	179,632,036
Total		200,666,507	-	20,668,012	179,998,495
Liabilities for which fair values are disclosed:					
Issued debt instruments	31-Mar-22	1,847,134	-	1,847,134	-
Other loans	31-Mar-22	5,962,359	-	5,962,359	-
Due to customers	31-Mar-22	431,491,311	-	-	431,491,311
Total		439,300,804	-	7,809,493	431,491,311
Dec.31, 2021					
Measured at fair value:					
Financial assets					
Financial Assets at Fair value through P&L	31-Dec-21	240,987	240,987	-	-
Financial Assets at Fair value through OCI	31-Dec-21	192,390,931	147,525,260	44,865,671	-
Total		192,631,918	147,766,247	44,865,671	-
Derivative financial instruments					
Financial assets	31-Dec-21	225,376	-	-	225,376
Financial liabilities	31-Dec-21	265,265	-	-	265,265
Total		490,641	-	-	490,641
Assets for which fair values are disclosed:					
Amortized cost	31-Dec-21	21,074,139	-	21,074,139	-
Loans and advances to banks	31-Dec-21	314,334	-	-	314,334
Loans and advances to customers	31-Dec-21	163,388,858	-	-	163,388,858
Total		184,777,331	-	21,074,139	163,703,192
Liabilities for which fair values are disclosed:					
Issued debt instruments	31-Dec-21	1,574,487	-	1,574,487	-
Other loans	31-Dec-21	5,124,531	-	5,124,531	-
Due to customers	31-Dec-21	408,645,667	-	-	408,645,667
Total		415,344,685	-	6,699,018	408,645,667

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 and liabilities management.

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

	EGP Thousands					
Mar.31, 2022	<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 *	3,950,982	533,094	2,396,732	2,037,439	136,453	9,054,700
Expenses according to business segment	<u>(1,579,017)</u>	<u>(276,535)</u>	<u>(84,709)</u>	<u>(988,596)</u>	<u>(1,464)</u>	<u>(2,930,321)</u>
Profit before tax	2,371,965	256,559	2,312,023	1,048,843	134,989	6,124,379
Tax	<u>(896,951)</u>	<u>(62,897)</u>	<u>(634,715)</u>	<u>(257,131)</u>	<u>(33,093)</u>	<u>(1,884,787)</u>
Profit for the period	<u>1,475,014</u>	<u>193,662</u>	<u>1,677,308</u>	<u>791,712</u>	<u>101,896</u>	<u>4,239,592</u>
Total assets	<u>168,249,085</u>	<u>3,995,841</u>	<u>204,887,557</u>	<u>43,772,705</u>	<u>101,974,172</u>	<u>522,879,360</u>

* Represents the net interest income and other income.

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>
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	<u>984,190</u>	<u>118,759</u>	<u>1,080,665</u>	<u>610,431</u>	<u>82,255</u>	<u>2,876,300</u>
Total assets at 31 December 2021	<u>158,069,828</u>	<u>3,193,320</u>	<u>218,237,747</u>	<u>40,130,705</u>	<u>77,019,524</u>	<u>496,651,124</u>

4.2. By geographical segment

	EGP Thousands			
Mar.31, 2022	<u>Cairo</u>	<u>Alex, Delta & Sinai</u>	<u>Upper Egypt</u>	<u>Total</u>
Revenue according to geographical segment	8,097,132	809,926	147,642	9,054,700
Expenses according to geographical segment	<u>(2,517,523)</u>	<u>(327,122)</u>	<u>(85,676)</u>	<u>(2,930,321)</u>
Profit before tax	5,579,609	482,804	61,966	6,124,379
Tax	<u>(1,751,234)</u>	<u>(118,362)</u>	<u>(15,191)</u>	<u>(1,884,787)</u>
Profit for the period	<u>3,828,375</u>	<u>364,442</u>	<u>46,775</u>	<u>4,239,592</u>
Total assets	<u>484,865,214</u>	<u>29,862,068</u>	<u>8,152,078</u>	<u>522,879,360</u>

Mar.31, 2021	<u>Cairo</u>	<u>Alex, Delta & 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	<u>2,573,214</u>	<u>236,409</u>	<u>66,677</u>	<u>2,876,300</u>
Total assets at 31 December 2021	<u>462,978,485</u>	<u>26,469,030</u>	<u>7,203,609</u>	<u>496,651,124</u>

5 . Net trading income

	Mar.31, 2022	Mar.31, 2021
	EGP Thousands	EGP Thousands
Profit (Loss) from foreign exchange transactions	255,327	135,036
Profit (Loss) from forward foreign exchange deals revaluation	487,036	(3,870)
Profit (Loss) from interest rate swaps revaluation	(119)	(292)
Profit (Loss) from currency swap deals revaluation	(20,198)	769
Profit (Loss) from financial assets at fair value through P&L	(5,980)	(18,925)
Total	716,066	112,718

6 . Other operating (expenses) income

	Mar.31, 2022	Mar.31, 2021
	EGP Thousands	EGP Thousands
Profits (losses) of non-trading assets and liabilities	(202,669)	820
Profits of selling property and equipment	50	1,250
Release (charges) of other provisions	(758,154)	(120,948)
Other income/expenses	(464,725)	(407,726)
Total	(1,425,498)	(526,604)

7 . Earning per share

	Mar.31, 2022	Mar.31, 2021
	EGP Thousands	EGP Thousands
Net profit for the year, available for distribution	4,239,592	2,876,300
Board member's bonus	(63,594)	(43,145)
Staff profit sharing	(423,959)	(287,630)
Profits attributable to shareholders	3,752,039	2,545,525
Weighted average number of shares	1,974,459	1,974,459
Basic earning per share	1.90	1.29
By issuance of ESOP earning per share will be:		
Average number of shares including ESOP shares	2,004,469	2,004,469
Diluted earning per share	1.87	1.27

8 . Cash and balances at the central bank

	Mar.31, 2022	Dec.31, 2021
	EGP Thousands	EGP Thousands
Cash	4,441,119	5,368,429
Obligatory reserve balance with CBE		
- Current accounts	26,030,335	38,016,793
Total	30,471,454	43,385,222
Non-interest bearing balances	30,471,454	43,385,222

9 . Due from banks

	Mar.31, 2022	Dec.31, 2021
	EGP Thousands	EGP Thousands
Current accounts	5,923,253	2,706,161
Deposits	115,020,584	77,325,565
Expected credit losses	(45,416)	(40,439)
Total	120,898,421	79,991,287
Central banks	79,517,910	51,720,551
Local banks	23,646,055	13,293,580
Foreign banks	17,734,456	14,977,156
Total	120,898,421	79,991,287
Non-interest bearing balances	3,566,800	1,411,821
Floating interest bearing balances	56,054,303	9,413,404
Fixed interest bearing balances	61,277,318	69,166,062
Total	120,898,421	79,991,287
Due from banks		
Gross due from banks	115,251,386	5,692,451
Expected credit losses	(40,571)	(4,845)
Net due from banks	115,210,815	5,687,606

10 . Treasury bills and other governmental notes

	Mar.31, 2022 EGP Thousands	Dec.31, 2021 EGP Thousands
91 Days maturity	155,550	550
182 Days maturity	1,479,150	84,175
364 Days maturity	42,097,263	44,529,537
Unearned interest	<u>(2,665,179)</u>	<u>(2,327,382)</u>
Total	41,066,784	42,286,880
Repos - treasury bills	<u>(695,369)</u>	<u>(707,376)</u>
Net	40,371,415	41,579,504

Governmental bonds

	Mar.31, 2022 EGP Thousands	Dec.31, 2021 EGP Thousands
	Financial Assets at Fair Value through OCI	Financial Assets at Fair Value through OCI
Governmental bonds	131,082,697	142,702,951
Repo	<u>(3,653,054)</u>	<u>(3,536,336)</u>
Net	127,429,643	139,166,615

11 . Loans and advances to banks, net

	Mar.31, 2022 EGP Thousands	Dec.31, 2021 EGP Thousands
Time and term loans	366,459	314,334
ECL	<u>(1,989)</u>	<u>(2,118)</u>
Net	364,470	312,216
Current balances	<u>364,470</u>	<u>312,216</u>

Analysis for ECL of loans and advances to banks

	Mar.31, 2022 EGP Thousands	Dec.31, 2021 EGP Thousands
Beginning balance	(2,118)	(9,625)
Released (charged) during the period / year	<u>129</u>	<u>7,507</u>
Ending balance	(1,989)	(2,118)

Analysis for impairment provision of loans and advances to banks

	Stage 2	Stage 2
Beginning Balance	(2,118)	(9,625)
Released (charged) during the period / year	<u>129</u>	<u>7,507</u>
Ending balance	(1,989)	(2,118)

12 . Loans and advances to customers, net

	Mar.31, 2022 EGP Thousands	Dec.31, 2021 EGP Thousands
Individual		
- Overdraft	1,491,541	1,264,767
- Credit cards	6,276,723	5,716,197
- Personal loans	34,337,099	31,608,307
- Mortgage loans	2,635,546	2,474,181
Total 1	44,740,909	41,063,452
Corporate		
- Overdraft	33,029,467	29,171,025
- Direct loans	54,808,922	49,757,774
- Syndicated loans	44,356,856	43,062,028
- Other loans	45,322	33,489
Total 2	132,240,567	122,024,316
Total Loans and advances to customers (1+2)	176,981,476	163,087,768
Less:		
Unamortized bills discount	(58,719)	(68,410)
Unamortized syndicated loans discount	(289,192)	(312,682)
ECL	(18,967,888)	(17,875,739)
Suspended credit account	(89,739)	(65,129)
Net loans and advances to customers	157,575,938	144,765,808
Distributed to		
Current balances	71,703,053	63,924,184
Non-current balances	85,872,885	80,841,624
Total	157,575,938	144,765,808

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, 2022				
Individual Loans:	Overdrafts	Credit cards	Personal loans	Mortgages	Total
Beginning balance	(6,520)	(305,006)	(811,871)	(49,525)	(1,172,922)
Released (charged) during the period	(318)	(23,890)	(94,600)	(9,399)	(128,207)
Written off during the period	148	9,334	28,521	-	38,003
Recoveries	(213)	(8,158)	(11,704)	-	(20,075)
Ending balance	(6,903)	(327,720)	(889,654)	(58,924)	(1,283,201)
Corporate and Business Banking loans:	Mar.31, 2022				
	Overdraft	Direct loans	Syndicated loans	Other loans	Total
Beginning balance	(1,648,574)	(10,866,452)	(4,180,996)	(6,795)	(16,702,817)
Released (charged) during the period	(187,497)	58,354	404,177	303	275,337
Written off during the period	-	728,026	-	-	728,026
Recoveries	-	(6,617)	-	-	(6,617)
foreign currencies translation differences	(189,466)	(1,272,205)	(516,945)	-	(1,978,616)
Ending balance	(2,025,537)	(11,358,894)	(4,293,764)	(6,492)	(17,684,687)

Dec.31, 2021	Individual				EGP Thousands
	Overdraft	Credit cards	Personal loans	Real estate loans	Total
Beginning balance	(9,559)	(242,278)	(762,850)	(62,125)	(1,076,812)
Released (charged) released during the year	(32)	(124,535)	(203,123)	12,600	(315,090)
Write off during the year	3,072	100,263	194,989	-	298,324
Recoveries during the year*	(1)	(38,456)	(40,887)	-	(79,344)
Ending balance	(6,520)	(305,006)	(811,871)	(49,525)	(1,172,922)

Dec.31, 2021	Corporate				EGP Thousands
	Overdraft	Direct loans	Syndicated loans	Other loans	Total
Beginning balance	(1,319,514)	(10,533,928)	(3,459,950)	(5,545)	(15,318,937)
Released (charged) released during the year	(336,595)	(364,747)	(743,733)	(1,250)	(1,446,325)
Write off during the year	-	4,366	-	-	4,366
Recoveries during the year*	(80)	(45,351)	-	-	(45,431)
Exchange revaluation difference	7,615	73,208	22,687	-	103,510
Ending balance	(1,648,574)	(10,866,452)	(4,180,996)	(6,795)	(16,702,817)

*From previously written off amount

13. Financial investments securities
Mar.31, 2022

	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
Investments listed in the market				
Governmental bonds	-	127,429,643	20,139,599	147,569,242
Securitized bonds	-	7,651,434	-	7,651,434
Equity instruments	-	157,920	-	157,920
Portfolio managed by others	1,648	-	-	1,648
Sukuk	-	1,400,000	-	1,400,000
Investments not listed in the market				
Treasury bills and other governmental notes	-	40,371,415	-	40,371,415
Securitized bonds	-	1,837,050	-	1,837,050
Equity instruments	-	246,823	-	246,823
Mutual funds	-	287,944	-	287,944
Total	1,648	179,382,229	20,139,599	199,523,476

Dec.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
Investments listed in the market				
Governmental bonds	-	139,166,615	20,318,767	159,485,382
Securitized bonds	-	6,788,005	-	6,788,005
Equity instruments	-	170,640	-	170,640
Portfolio managed by others	240,987	-	-	240,987
Sukuk	-	1,400,000	-	1,400,000
Investments not listed in the market				
Treasury bills and other governmental notes	-	41,579,504	-	41,579,504
Securitized bonds	-	2,774,665	-	2,774,665
Equity instruments	-	246,823	-	246,823
Mutual funds	-	264,679	-	264,679
Total	240,987	192,390,931	20,318,767	212,950,685

13.1 . Profits (Losses) on financial investments

	Mar.31, 2022 EGP Thousands	Mar.31, 2021 EGP Thousands
Profit (Loss) from selling FVOCI financial instruments	1,021,334	420,698
Released (Impairment) charges of FVOCI	-	72,957
Total	1,021,334	493,655

14 . Investments in associates and subsidiaries
Mar.31, 2022

	EGP Thousands					
Company's country	Company's assets	Company's liabilities (without equity)	Company's revenues	Company's net profit (loss)	Investment book value	Stake %
Subsidiaries						
- Cventure Capital	Egypt	157,157	1,981	3,166	(3,971)	159,828 99.99
- Damietta shipping & marine services	Egypt	47,257	2,590	20,866	18,703	97,991 49.95
- Mayfair Bank	Kenya	2,282,218	1,568,924	138,490	14,892	560,963 51.00
Associates						
-TCA Properties	Egypt	-	-	-	-	158,360 37.00
- Al Ahly Computer	Egypt	69,069	39,502	66,482	5,785	23,108 39.34
- Fawry Plus	Egypt	113,935	72,054	112,802	28,597	14,100 14.99
- International Co. for Security and Services (Falcon)	Egypt	864,238	770,948	682,097	(201,408)	- 30.00
Total		3,533,874	2,455,999	1,023,903	(137,402)	1,014,350

Dec.31, 2021

	EGP Thousands					
Company's country	Company's assets	Company's liabilities (without equity)	Company's revenues	Company's net profit (loss)	Investment book value	Stake %
Subsidiaries						
- Cventure Capital	Egypt	143,491	1,806	1,386	(2,674)	159,828 99.99
- Damietta shipping & marine services	Egypt	28,346	1,999	2,132	411	97,991 49.95
- Mayfair Bank	Kenya	1,860,020	1,250,661	95,361	4,918	560,963 51.00
Associates						
-TCA Properties	Egypt	-	-	-	-	158,360 37.00
- Al Ahly Computer	Egypt	65,623	37,788	51,796	3,945	23,108 39.34
- Fawry Plus	Egypt	124,845	97,088	76,903	14,473	14,100 14.99
- International Co. for Security and Services (Falcon)	Egypt	1,084,916	791,149	509,571	(931)	- 30.00
Total		3,307,241	2,180,491	737,149	20,142	1,014,350

15 . Other assets

	Mar.31, 2022	Dec.31, 2021
	EGP Thousands	EGP Thousands
Accrued revenues	7,184,179	8,938,356
Prepaid expenses	430,342	421,083
Advances to purchase of fixed assets	1,120,966	1,134,366
* Accounts receivable and other assets	699,304	528,559
Assets acquired as settlement of debts	153,423	153,423
Insurance	45,301	45,130
Gross	9,633,515	11,220,917
Impairment of other assets	(79,000)	(79,000)
Net	9,554,515	11,141,917

* A provision with amount EGP 277,768 thousand has been released.

16 . Property and equipment

	Mar.31, 2022							
	Land	Premises	IT	Vehicles	Fitting -out	Machines and equipment	Furniture and furnishing	Total
Cost at Jan 01, 2022 (1)	64,709	1,169,516	3,142,053	156,316	928,154	826,083	148,638	6,435,469
Additions during the period	-	20,041	36,388	4,647	18,062	7,845	3,170	90,153
Disposals during the period	-	(4,081)	(447)	-	-	(8,406)	(824)	(13,758)
Cost at end of the period (2)	64,709	1,185,476	3,177,994	160,963	946,216	825,522	150,984	6,511,864
Accumulated depreciation at beginning of the period (3)	-	505,828	2,093,373	66,687	703,593	559,392	102,359	4,031,232
Depreciation for the period	-	13,704	128,651	3,996	44,371	15,407	3,976	210,105
Disposals during the period	-	(4,081)	(447)	-	-	(8,406)	(824)	(13,758)
Accumulated depreciation at end of the period (4)	-	515,451	2,221,577	70,683	747,964	566,393	105,511	4,227,579
Ending net assets (2-4)	64,709	670,025	956,417	90,280	198,252	259,129	45,473	2,284,285
Beginning net assets (1-3)	64,709	663,688	1,048,680	89,629	224,561	266,691	46,279	2,404,237

Property and equipment

	Dec.31, 2021							
	Land	Premises	IT	Vehicles	Fitting -out	Machines and equipment	Furniture and furnishing	Total
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 year	-	46,193	611,641	24,293	165,597	140,810	14,372	1,002,906
Disposals during the year	-	(6,390)	(11,191)	-	(45,482)	(15,613)	(1,827)	(80,503)
Cost at end of the year (2)	64,709	1,169,516	3,142,053	156,316	928,154	826,083	148,638	6,435,469
Accumulated depreciation at beginning of the year (3)	-	458,816	1,615,394	52,714	584,717	452,895	88,590	3,253,126
Current year depreciation	-	53,402	489,170	13,973	164,358	122,110	15,596	858,609
Disposals during the year	-	(6,390)	(11,191)	-	(45,482)	(15,613)	(1,827)	(80,503)
Accumulated depreciation at end of the year (4)	-	505,828	2,093,373	66,687	703,593	559,392	102,359	4,031,232
Ending net assets (2-4)	64,709	663,688	1,048,680	89,629	224,561	266,691	46,279	2,404,237
Beginning net assets (1-3)	64,709	670,897	926,209	79,309	223,322	247,991	47,503	2,259,940

17 . Due to banks

	Mar.31, 2022	Dec.31, 2021
	EGP Thousands	EGP Thousands
Current accounts	3,241,271	666,659
Deposits	454,617	196,100
Total	3,695,888	862,759
Central banks	360,641	198,234
Local banks	9,525	5,234
Foreign banks	3,325,722	659,291
Total	3,695,888	862,759
Non-interest bearing balances	3,056,565	414,135
Floating bearing interest balances	363,295	117,516
Fixed interest bearing balances	276,028	331,108
Total	3,695,888	862,759
Current balances	3,695,888	862,759

18 . Due to customers

	Mar.31, 2022	Dec.31, 2021
	EGP Thousands	EGP Thousands
Demand deposits	149,351,639	134,352,996
Time deposits	82,113,331	79,212,681
Certificates of deposit	105,027,829	102,139,939
Saving deposits	86,724,154	86,405,762
Other deposits	4,437,105	3,989,538
Total	427,654,058	406,100,916
Corporate deposits	197,982,037	179,860,385
Individual deposits	229,672,021	226,240,531
Total	427,654,058	406,100,916
Non-interest bearing balances	69,499,595	64,696,583
Floating interest bearing balances	14,375,944	17,469,106
Fixed interest bearing balances	343,778,519	323,935,227
Total	427,654,058	406,100,916
Current balances	315,251,090	295,627,470
Non-current balances	112,402,968	110,473,446
Total	427,654,058	406,100,916

In 2022, Due to customers contains an amount of EGP 2,150 million representing guarantees of irrevocable commitments for documentary credits - export compared to EGP 614 million in 2021. The fair value of these deposits is approximately their present value.

19 . Other liabilities

	Mar.31, 2022	Dec.31, 2021
	EGP Thousands	EGP Thousands
Accrued interest payable	1,705,104	1,553,629
Accrued expenses	1,695,244	1,610,509
Accounts payable	8,256,416	4,717,019
Other credit balances	476,311	140,153
Total	12,133,075	8,021,310

20 . Issued debt instruments

	<u>interest rate</u>		Mar.31, 2022	Dec.31, 2021
	Mar.31, 2022	Dec.31, 2021	EGP Thousands	EGP Thousands
Fixed rate bonds with 5 years maturity				
Green bonds (USD)	Fixed rate	Fixed rate	1,810,601	1,557,263
Total			1,810,601	1,557,263
Non current balances			1,810,601	1,557,263
Total			1,810,601	1,557,263

21 . Other Provisions

Mar.31, 2022	<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	7,184	-	186	(156)	(271)	6,943
Provision for contingent	3,203,319	1,036,307	264,521	-	-	4,504,147
Provision for other claim	329,173	-	13,756	-	(114)	342,815
Total	3,539,676	1,036,307	278,463	(156)	(385)	4,853,905
						EGP Thousands
Dec.31, 2021	<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>
Provision for legal claims	52,604	-	857	(43,826)	(2,451)	7,184
Provision for contingent	2,928,494	309,300	(34,475)	-	-	3,203,319
Provision for other claim	240,154	72,301	18,375	(1,657)	-	329,173
Total	3,221,252	381,601	(15,243)	(45,483)	(2,451)	3,539,676

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 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:

	Mar.31, 2022	Dec.31, 2021
	<u>No. of shares in thousand</u>	<u>No. of shares in thousand</u>
Outstanding at the beginning of the period / year	64,056	51,611
Granted during the period / year	31,177	26,491
Forfeited during the period / year	(235)	(1,774)
Exercised during the period / year	(16,658)	(12,272)
Outstanding at the end of the period / year	78,340	64,056

Details of the outstanding tranches are as follows:

Maturity date	EGP	EGP	<u>No. of shares in thousand</u>
	<u>Exercise price</u>	<u>Fair value</u>	
2023	10.00	36.45	21,379
2024	10.00	26.34	25,784
2025	10.00	28.43	31,177
Total			78,340

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

	<u>16th tranche</u>	<u>15th tranche</u>
Exercise price	10	10
Current share price	42.65	52.55
Expected life (years)	3	3
Risk free rate %	14.65%	13.63%
Dividend yield%	2.50%	0.00%
Volatility%	25.73%	25.27%

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 March 31, 2022 for which no provisions are made as the bank doesn't expect to incur losses from it. (Note no. 21)
- A provision for legal cases that are expected to generate losses has been created.

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

	EGP Thousands
Loans, advances and other assets	1,060,011
Deposits	138,334
Contingent liabilities	38

24.2 . Other transactions with related parties

	<u>Income</u>	<u>Expenses</u>
	EGP Thousands	EGP Thousands
International Co. for Security & Services	64	44,076
CVenture Capital	3	38
Mayfair bank	29	-
Damietta shipping & marine services	1	226
Al ahly computer	1	-
TCA Properties	29,720	-

25 . Important events

- On March 21, 2022 issued and Paid in Capital increased by an amount of EGP 122,716 thousand to reach EGP 19,825,134 thousand, according to Ordinary General Assembly Meeting decision on March 30 ,2021, by issuance of 12th tranche for E.S.O.P program.

The Monetary Policy Committee of the Central Bank of Egypt affirmed in its extraordinary meeting on 21 March 2022 that the Central Bank of Egypt believes in the importance of exchange rate flexibility, as global inflationary pressures began to appear again, after signs of recovery of the global economy from the turmoil caused by the Coronavirus pandemic, due to developments of the Russian-Ukrainian conflict.

To maintain the targeted inflation rates, the Central Bank of Egypt raised the overnight deposit and lending rates and the main transaction price by 100 basis points to reach 9.25%, 10.25% and 9.75%, respectively. The credit and discount rate was also raised by 100 basis points to reach 9.75%, which may affect the bank's policies in pricing current and future banking products.

Based on the change in the average US dollar exchange rate from 15.70 pounds per dollar to 18.40 pounds per dollar, the values of assets and liabilities of monetary nature in foreign currencies, as well as the income statement, were affected by the results of evaluating the existing currency positions in the history of the financial position. For more details, refer to notes (5 & 6)

In addition to the above, the impairment of the expected credit losses increased at the end of the first quarter of the year due to the increase in risks related to the borrowers' ability to pay - in light of the impact of the global and Egyptian economy as a result of the Russian-Ukrainian conflict - and its effects on the macro-economy, and micro-economy of some industries from. For more details, refer to note (3.1)

The impact of the aforementioned status over the economic position is considered judgmental & uncertain, and management will keep assessing the current position and its related impact regularly.

- 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).

