



Consolidated Financial Statements

September 2022 - Interim Condensed



PricewaterhouseCoopers Ezzeldeen, Diab & Co.
Public Accountants

Deloitte - Saleh, Barsoum & Abdel Aziz
Accountants & Auditors

Limited Review Report on Condensed Consolidated Interim Financial Statements

To: The Board of Directors of Commercial International Bank Egypt

Introduction

We have reviewed the accompanying condensed consolidated interim financial position of Commercial International Bank Egypt (S.A.E) as of 30 September 2022 and the related condensed consolidated interim statements of income, comprehensive income, cash flows and changes in shareholders' equity for the nine months period then ended. Management is responsible for the preparation and fair presentation of these condensed consolidated interim financial statements in accordance with the rules of preparation and presentation of the bank's financial statements approved by the Central Bank of Egypt board of directors on December 16, 2008 as amended by regulations issued on 26 February 2019 and its subsequent interpretive instructions and Central Bank of Egypt board of directors resolution on 3 May 2020 regarding issuing condensed interim financial statements for banks and with the requirements of applicable Egyptian laws and regulations, our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with Egyptian Standard on review engagements (2410). "Review of interim financial statements performed by the Independent Auditor of the Entity". A limited review of condensed consolidated interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters in the bank, and applying analytical and other 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 consolidated interim financial statements.

Conclusion

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

Cairo, 3 November 2022



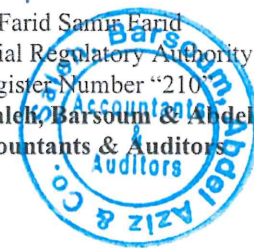
PricewaterhouseCoopers Ezzeldeen, Diab & Co.
Public Accountants

Auditors

Farid Samir

Farid Samir Farid
Financial Regulatory Authority
Register Number "210"
Accountants & Auditors

Deloitte - Saleh, Barsoum & Abdel Aziz
Accountants & Auditors



Condensed Consolidated Interim Statement of Financial Position as at September 30, 2022

	Notes	Sep. 30, 2022 EGP Thousands	Dec. 31, 2021 EGP Thousands
Assets			
Cash and balances at the central bank	8	43,857,708	43,492,248
Due from banks	9	90,458,312	80,141,769
Loans and advances to banks, net	11	1,944,633	312,216
Loans and advances to customers, net	12	177,710,036	145,575,243
Derivative financial instruments		951,214	225,376
Investments			
- Financial Assets at Fair Value through P&L	13	-	240,987
- Financial Assets at Fair Value through OCI	13	231,064,431	193,198,894
- Financial Assets at Amortized cost	13	32,613,909	20,547,465
- Investments in associates	14	187,399	205,315
Other assets	15	10,221,640	11,207,128
Goodwill	26	106,582	137,525
Intangible assets	27	26,780	34,554
Deferred tax assets (Liabilities)		834,437	456,002
Property and equipment	16	2,391,296	2,461,116
Total assets		592,368,377	498,235,838
Liabilities and equity			
Liabilities			
Due to banks	17	1,747,427	866,056
Due to customers	18	499,019,607	407,241,538
Derivative financial instruments		43,987	265,470
Current income tax liabilities		2,678,372	2,234,985
Other liabilities	19	9,995,151	8,085,545
Issued debt instruments	20	1,940,240	1,557,263
Other loans		6,257,126	5,140,782
Other Provisions	21	5,676,497	3,541,462
Total liabilities		527,358,407	428,933,101
Equity			
Issued and paid up capital	25	29,825,134	19,702,418
Reserves		20,434,644	33,774,990
Reserve for employee stock ownership plan (ESOP)		1,751,123	1,674,392
Retained earnings *		12,453,402	13,696,402
Total equity and net profit for the period / year		64,464,303	68,848,202
Non Controlling Interest		545,667	454,535
Total minority interest, equity and net profit for the period / year		65,009,970	69,302,737
Total liabilities and equity		592,368,377	498,235,838


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 Consolidated Interim Income Statement for the period ended September 30, 2022

	Notes	Last 3 Months Sep. 30, 2022 EGP Thousands	Last 9 Months Sep. 30, 2022 EGP Thousands	Last 3 Months Sep. 30, 2021 EGP Thousands	Last 9 Months Sep. 30, 2021 EGP Thousands
Interest and similar income		14,625,124	38,938,124	11,637,222	32,654,016
Interest and similar expense		<u>(6,536,058)</u>	<u>(17,120,373)</u>	<u>(5,179,478)</u>	<u>(14,499,387)</u>
Net interest income		8,089,066	21,817,751	6,457,744	18,154,629
Fee and commission income		1,496,959	3,908,463	1,099,130	2,900,853
Fee and commission expense		<u>(657,392)</u>	<u>(1,730,281)</u>	<u>(442,713)</u>	<u>(1,129,949)</u>
Net fee and commission income		839,567	2,178,182	656,417	1,770,904
Dividends income		-	54,557	18,854	57,451
Net trading income	5	419,890	1,434,169	212,228	490,787
Profits (Losses) on financial investments	13	31,407	1,096,850	56,596	658,483
Administrative expenses		(1,871,711)	(5,142,060)	(1,492,421)	(4,438,232)
Other operating (expenses) income	6	(893,051)	(3,404,237)	(255,488)	(1,370,707)
Goodwill amortization	26	(10,314)	(30,943)	(10,314)	(30,943)
Intangible assets amortization	27	(2,591)	(7,774)	(2,591)	(7,774)
Impairment release (charges) for credit losses		(224,101)	(298,078)	(303,307)	(1,323,521)
Bank's share in the profits / losses of associates		<u>(21,557)</u>	<u>(16,343)</u>	<u>6,560</u>	<u>18,354</u>
Profit before income tax		6,356,605	17,682,074	5,344,278	13,979,431
Income tax expense	28	(1,871,507)	(4,885,951)	(1,525,115)	(4,115,929)
Deferred tax assets (Liabilities)	28	<u>(66,543)</u>	<u>(597,241)</u>	<u>(6,983)</u>	<u>11,861</u>
Net profit for the period		4,418,555	12,198,882	3,812,180	9,875,363
Minority interest		<u>10,095</u>	<u>25,625</u>	<u>(220)</u>	<u>(1,932)</u>
Bank shareholders		4,408,460	12,173,257	3,812,400	9,877,295
Earning per share	7				
Basic		1.32	3.62	1.13	2.97
Diluted		1.31	3.60	1.12	2.95



Hussein Abaza
CEO & Managing Director



Sherif Samy
Chairman

Condensed Consolidated Interim statement of Comprehensive Income for the period ended September 30, 2022

	Last 3 Months Sep. 30, 2022 EGP Thousands	Last 9 Months Sep. 30, 2022 EGP Thousands	Last 3 Months Sep. 30, 2021 EGP Thousands	Last 9 Months Sep. 30, 2021 EGP Thousands
Net profit for the period	4,418,555	12,198,882	3,812,180	9,875,363
Change in fair value of financial instruments measured at fair value through other comprehensive income after income tax	(5,806,870)	(13,184,005)	(700,186)	(2,375,618)
Transferred to RE from financial assets at fair value through OCI	99	(4,128)	(72,956)	(177,362)
Cumulative foreign currencies translation differences	15,543	96,867	(3,490)	(2,636)
Effect of ECL in fair value of debt instruments measured at fair value through OCI	129,529	233,717	(83,602)	(98,246)
Total comprehensive income for the period	<u>(1,243,144)</u>	<u>(658,667)</u>	<u>2,951,946</u>	<u>7,221,501</u>
As follows:				
Bank's shareholders	(1,253,239)	(684,292)	2,952,166	7,223,433
Non Controlling Interest	10,095	25,625	(220)	(1,932)
Total comprehensive income for the period	<u>(1,243,144)</u>	<u>(658,667)</u>	<u>2,951,946</u>	<u>7,221,501</u>

Condensed Consolidated Interim Cash flows for the period ended September 30 2022

	Notes	Sep. 30, 2022 EGP Thousands	Sep. 30, 2021 EGP Thousands
Cash flow from operating activities			
Profit before income tax from continued operations		17,682,074	13,979,431
Adjustments to reconcile profits to net cash provided by operating activities			
Fixed assets depreciation	16	644,401	636,413
Impairment charge for credit losses (Loans and advances to customers and banks)		12,998	1,383,887
Other provisions charges	21	1,803,568	190,525
Impairment charge for credit losses (due from banks)		534	37,880
Impairment (Released) charge for credit losses (financial investments)		284,546	(98,246)
Impairment (Released) charge for other assets		(277,768)	31,975
Exchange revaluation differences for financial assets at fair value through OCI and AC		(3,745,045)	40,050
Goodwill amortization	26	30,943	58,448
Intangible assets amortization	27	7,774	14,685
Utilization of other provisions	21	(1,857)	(44,978)
Other provisions no longer used	21	(101)	(12,255)
Exchange differences of other provisions	21	333,425	(13,722)
Losses (profits) from selling property and equipment		(2,192)	(2,124)
Losses (profits) from selling financial investments at fair value through OCI	13	(1,096,850)	(643,467)
Impairment (Released) charges of investments in associates		-	(15,016)
Shares based payments		579,653	477,644
Bank's share in the profits / losses of associates		16,343	(18,354)
Operating profits before changes in operating assets and liabilities		16,272,446	16,002,776
Net decrease (increase) in assets and liabilities			
Due from banks		870,167	(272,238)
Financial assets at fair value through P&L	13	240,987	153,260
Derivative financial instruments		(947,321)	(24,448)
Loans and advances to banks and customers	11 - 12	(33,780,208)	(20,943,748)
Other assets		1,245,185	(1,611,672)
Due to banks	17	881,371	(7,271,485)
Due to customers	18	91,778,069	63,033,657
Current income tax obligations paid		(2,207,579)	(2,153,441)
Other liabilities		(325,379)	1,706,495
Net cash used in (generated from) operating activities		74,027,738	48,619,156
Cash flow from investing activities			
Proceeds (payments) for investment in associates.		-	(158,360)
Payment for purchases of property, equipment and branches constructions		(556,512)	(677,464)
Proceeds from selling property and equipment		2,192	2,124
Proceeds from redemption of financial assets at amortized cost		6,520,697	4,753,398
Payment for purchases of financial assets at amortized cost		(18,268,602)	(2,617)
Payment for purchases of financial assets at fair value through OCI		(115,077,815)	(208,509,917)
Proceeds from selling financial assets at fair value through OCI		73,424,845	147,101,717
Net cash generated from (used in) investing activities		(53,955,195)	(57,491,119)

Condensed Consolidated Interim Cash flows for the period ended September 30, 2022 (Cont.)

	Sep. 30, 2022 EGP Thousands	Sep. 30, 2021 EGP Thousands
Cash flow from financing activities		
Other loans	1,116,344	(2,113,845)
Dividends paid	(4,410,322)	(1,360,652)
Issued debt instruments	382,977	1,556,032
Capital increase	122,716	-
Net cash generated from (used in) financing activities	(2,788,285)	(1,918,465)
Net (decrease) increase in cash and cash equivalent during the period	17,284,258	(10,790,428)
Beginning balance of cash and cash equivalent	61,065,822	75,796,375
Cash and cash equivalent at the end of the period	78,350,080	65,005,947
Cash and cash equivalent comprise:		
Cash and balances at the central bank	43,857,708	33,326,348
Due from banks	90,499,843	72,296,624
Treasury bills and other governmental notes	87,122,900	65,656,846
Obligatory reserve balance with CBE	(38,082,441)	(27,265,818)
Due from banks with maturities more than three months	(22,949,758)	(16,980,376)
Treasury bills with maturity more than three months	(82,098,172)	(62,027,677)
Total cash and cash equivalent	78,350,080	65,005,947

Condensed Consolidated Interim statement of changes in shareholders' equity for the period ended Septemebr 30, 2021

Sep. 30, 2021	Issued and paid up capital	Legal reserve	General reserve	General reserve	General risk reserve	Reserve for transactions under common control	Capital reserve	Reserve for financial assets at fair value through OCI	Banking risks reserve	Retained earnings	Reserve for employee stock ownership plan	Cumulative foreign currencies translation differences	Total Shareholders Equity	Non Controlling Interest	Total	EGP Thousands
Beginning balance	14,776,813	2,778,135	24,765,658	1,549,445	8,183	14,906	3,975,514	6,423	10,539,715	1,064,648	(3,684)	59,475,756	483,055	59,958,811	-	-
Capital increase	4,925,605	-	(4,925,605)	-	-	-	-	-	-	-	-	-	-	-	-	-
Transferred to reserves	-	514,939	8,420,479	1,461	-	1,094	-	-	(8,937,973)	-	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	(1,360,652)	-	-	-	(1,360,652)	-	(1,360,652)	-
Net profit of the period	-	-	-	-	-	-	-	-	9,877,295	-	-	-	9,877,295	(1,932)	9,875,363	-
Minority Interest Share	-	-	-	-	-	-	-	-	-	-	-	-	-	(25,219)	(25,219)	-
Transferred from reserve of financial assets at fair value through OCI	-	-	-	-	-	-	(177,362)	-	177,362	-	-	-	-	-	-	-
Transferred from previous years' outstanding balances	-	-	-	-	-	-	-	-	8,333	-	-	-	8,333	-	8,333	-
Net unrealised gain/(loss) on financial assets at fair value through OCI after tax	-	-	-	-	-	-	(2,375,618)	-	-	-	-	-	(2,375,618)	-	(2,375,618)	-
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	-	-	-	-	-	-	(98,246)	-	-	-	-	-	(98,246)	-	(98,246)	-
Cost of employees stock ownership plan (ESOP)	-	-	-	-	-	-	-	-	-	477,644	-	-	477,644	-	477,644	-
Cumulative foreign currencies translation differences	-	-	-	-	-	-	-	-	-	-	-	1,048	1,048	-	1,048	-
Balance at the end of the period	19,702,418	3,293,074	28,260,532	1,550,906	8,183	16,000	1,324,288	9,141	10,301,362	1,542,292	(2,636)	66,005,560	455,904	66,461,464	-	-

Condensed Consolidated Interim statement of changes in shareholders' equity for the period ended September 30, 2022

Sep. 30, 2022	Issued and paid up capital	Legal reserve	General reserve	General reserve	General risk reserve	Reserve for transactions under common control	Capital reserve	Reserve for financial assets at fair value through OCI	Banking risks reserve	Retained earnings	Reserve for employee stock ownership plan	Cumulative foreign currencies translation differences	Total Shareholders' Equity	Non Controlling Interest	Total
Beginning balance	19,702,418	3,293,074	28,260,532	1,550,906	8,183	16,000	641,372	9,141	13,696,402	1,674,392	(4,218)	68,848,202	454,535	69,302,737	
Capital increase	10,122,716	-	(10,000,000)	-	-	-	-	-	-	-	-	-	122,716	122,716	
Transferred to reserves	-	670,872	8,836,326	-	-	2,947	(9,007,223)	-	(502,922)	-	-	-	-	-	
Dividends paid	-	-	-	-	-	-	(4,410,322)	-	-	-	-	-	(4,410,322)	-	
Net profit of the period	-	-	-	-	-	-	12,173,257	-	12,173,257	-	-	-	12,173,257	25,625	12,198,882
Transferred to RE from financial assets at fair value through OCI	-	-	-	-	-	-	(4,128)	-	4,128	-	-	-	-	-	-
Transferred from previous years' outstanding balances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net unrealised gain/(loss) on financial assets at fair value through OCI after tax	-	-	-	-	-	-	(13,184,005)	-	-	-	-	-	(13,184,005)	-	(13,184,005)
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	-	-	-	-	-	-	233,717	-	-	-	-	-	233,717	-	233,717
Cost of employees stock ownership plan (ESOP)	-	-	-	-	-	-	-	-	-	579,653	-	-	579,653	-	579,653
Cumulative foreign currencies translation differences	-	-	-	-	-	-	-	-	-	-	-	101,085	101,085	65,507	166,592
Balance at the end of the period	29,825,134	3,963,946	27,096,858	1,550,906	8,183	18,947	(12,313,044)	11,981	12,453,402	1,751,123	96,867	64,464,303	545,667	65,009,970	

EGP Thousands

Notes to the condensed consolidated interim financial statement for the period ended September 30, 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 7,560 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.

The bank owns investments in subsidiaries “C-Ventures”, “May Fair”, “Commercial international for finance” and “Damietta Shipping” in which the bank’s shares are 99.99%, 51%, 99.8% and 49.95% respectively.

Financial statements have been approved by board of directors on November 3, 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 consolidated financial statements have been prepared in accordance with the Central Bank of Egypt approved by the Board of Directors on December 16, 2008 consistent with the principles referred to.

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.

These condensed consolidated interim financial statements do not include all the information and disclosures required for full annual consolidated financial statements prepared in accordance with CBE rules mentioned above and should be read in conjunction with the Bank’s financial statements as at and for the year ended 31 December 2021.

In preparing these condensed consolidated 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 consolidated financial statements as at and for the year ended 31 December 2021.

2.2. Basis of consolidation

The basis of the consolidation is as follows:

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

3.1. Loans and advances

Loans and advances are summarized as follows:

	Sep.30, 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	199,094,489	1,955,230	163,938,827	314,334
Less:				
ECL	19,908,234	10,597	17,917,363	2,118
Unamortized bills discount	679,235	-	68,410	-
Unamortized syndicated loans discount	243,472	-	312,682	-
Suspended credit account	553,512	-	65,129	-
Net	177,710,036	1,944,633	145,575,243	312,216

Impairment provision losses for loans and advances reached EGP 19,918,831 thousand

During the period, the Bank's total loans and advances increased by 22.40%.

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:
EGP Thousands
Sep.30, 2022

	<u>Stage 1:</u> <u>12 months</u>	<u>Stage 2:</u> <u>Life time</u>	<u>Stage 3:</u> <u>Life time</u>	<u>Total</u>
Individuals	44,454,018	4,842,565	782,400	50,078,983
Institutions and Business Banking	82,368,754	58,165,401	8,481,351	149,015,506
Total	126,822,772	63,007,966	9,263,751	199,094,489

Expected credit losses for loans and facilities to customers divided by stages:
Sep.30, 2022

	<u>Stage 1:</u> <u>Expected credit losses over 12 months</u>	<u>Stage 2: Expected credit losses Over a lifetime that is not creditworthy</u>	<u>Stage 3: Expected credit losses Over a lifetime Credit default</u>	<u>Total</u>
Individuals	1,027,687	171,234	270,535	1,469,456
Institutions and Business Banking	2,125,098	8,461,895	7,851,785	18,438,778
Total	3,152,785	8,633,129	8,122,320	19,908,234

Loans, advances and expected credit losses to banks divided by stages:
Sep.30, 2022

	<u>Stage 1:</u> <u>12 months</u>	<u>Stage 2:</u> <u>Life time</u>	<u>Stage 3:</u> <u>Life time</u>	<u>Total</u>
Time and term loans	-	1,955,230	-	1,955,230
Expected credit losses	-	(10,597)	-	(10,597)
Net	-	1,944,633	-	1,944,633

Off balance sheet items exposed to credit risk and expected credit losses divided by stages:
Sep.30, 2022

	<u>Stage 1:</u> <u>12 months</u>	<u>Stage 2:</u> <u>Life time</u>	<u>Stage 3:</u> <u>Life time</u>	<u>Total</u>
Facilities and guarantees	69,253,056	36,900,591	4,271,557	110,425,204
Expected credit losses	(2,806,017)	(1,386,980)	(1,121,749)	(5,314,746)
Net	66,447,039	35,513,611	3,149,808	105,110,458

Total balances of loans and facilities to customers 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	36,579,875	3,904,276	668,181	41,152,332
Institutions and Business Banking	65,511,996	49,532,625	7,741,874	122,786,495
Total	102,091,871	53,436,901	8,410,055	163,938,827

Expected credit losses for loans and facilities to customers divided by stages:
Dec.31, 2021

	<u>Stage 1: Expected</u> <u>credit losses over 12</u> <u>months</u>	<u>Stage 2: Expected credit</u> <u>losses</u> <u>Over a lifetime that is not</u> <u>creditworthy</u>	<u>Stage 3: Expected</u> <u>credit losses</u> <u>Over a lifetime</u> <u>Credit default</u>	<u>Total</u>
Individuals	826,702	91,111	264,646	1,182,459
Institutions and Business Banking	1,484,973	7,600,199	7,649,732	16,734,904
Total	2,311,675	7,691,310	7,914,378	17,917,363

Loans, advances and expected credit losses 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	60,720,384	30,943,446	168,459	91,832,289
Expected credit losses	(1,925,355)	(1,113,857)	(165,893)	(3,205,105)
Net	58,795,029	29,829,589	2,566	88,627,184

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

Sep.30, 2022

Due from banks

	EGP Thousands			
	Stage 1	Stage 2	Stage 3	Total
	12 months	Life time	Life time	
	<u>ECL</u>	<u>ECL</u>	<u>ECL</u>	<u>ECL</u>
ECL on 1 January 2022	20,283	20,714	-	40,997
New financial assets purchased or issued	253	11,661	-	11,914
Matured or disposed financial assets	(395)	(20,700)	-	(21,095)
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	9,715	-	-	9,715
Changes to model assumptions and methodology	-	-	-	-
Write off during the period	-	-	-	-
Cumulative foreign currencies translation differences	-	-	-	-
Ending balance	29,856	11,675	-	41,531

Individual Loans:

	EGP Thousands			
	Stage 1	Stage 2	Stage 3	Total
	12 months	Life time	Life time	
	<u>ECL</u>	<u>ECL</u>	<u>ECL</u>	<u>ECL</u>
ECL on 1 January 2022	826,702	91,111	264,646	1,182,459
Impairment during the period	200,985	80,123	93,921	375,029
Write off during the period	-	-	(159,601)	(159,601)
Recoveries	-	-	71,569	71,569
Cumulative foreign currencies translation differences	-	-	-	-
Ending balance	1,027,687	171,234	270,535	1,469,456

Corporate and Business Banking loans:

	EGP Thousands			
	Stage 1	Stage 2	Stage 3	Total
	12 months	Life time	Life time	
	<u>ECL</u>	<u>ECL</u>	<u>ECL</u>	<u>ECL</u>
ECL on 1 January 2022	1,484,973	7,600,199	7,649,732	16,734,904
New financial assets purchased or issued	1,113,126	1,057,097	6,601	2,176,824
Matured or disposed financial assets	(469,969)	(500,111)	(518,437)	(1,488,517)
Transferred to stage 1	39,943	(57,818)	-	(17,875)
Transferred to stage 2	(25,754)	76,190	(1,012)	49,424
Transferred to stage 3	(4,261)	(8,450)	12,747	36
Changes in the probability of default and loss in case of default and the exposure at default	(91,724)	(1,211,128)	(17,891)	(1,320,743)
Changes to model assumptions and methodology	52,886	157,961	19,494	230,341
Recoveries	-	-	8,732	8,732
Write off during the period	-	-	(741,111)	(741,111)
Cumulative foreign currencies translation differences	25,878	1,347,955	1,432,930	2,806,763
Ending balance	2,125,098	8,461,895	7,851,785	18,438,778

Financial Assets at Fair Value through OCI

	EGP Thousands			
	Stage 1	Stage 2	Stage 3	Total
	12 months	Life time	Life time	
	<u>ECL</u>	<u>ECL</u>	<u>ECL</u>	<u>ECL</u>
ECL on 1 January 2022	515,177	9,721	-	524,898
New financial assets purchased or issued	333,957	53,387	-	387,344
Matured or disposed financial assets	(47,298)	(2,736)	-	(50,034)
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	(96,004)	(6,984)	-	(102,988)
Changes to model assumptions and methodology	-	-	-	-
Write off during the period	-	-	-	-
Cumulative foreign currencies translation differences	-	-	-	-
Ending balance	705,832	53,388	-	759,220

Amortized cost

	EGP Thousands			
	Stage 1	Stage 2	Stage 3	Total
	12 months	Life time	Life time	
	<u>ECL</u>	<u>ECL</u>	<u>ECL</u>	<u>ECL</u>
ECL on 1 January 2022	1,113	-	-	1,113
New financial assets purchased or issued	50,751	-	-	50,751
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	(527)	-	-	(527)
Changes to model assumptions and methodology	-	-	-	-
Write off during the period	-	-	-	-
Cumulative foreign currencies translation differences	-	-	-	-
Ending balance	51,337	-	-	51,337

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

Dec.31, 2021

Due from banks	Stage 1	Stage 2	Stage 3	Total
	12 months	Life time	Life time	
	ECL	ECL	ECL	
ECL on 1 January 2021	24,189	-	-	24,189
New financial assets purchased or issued	394	20,714	-	21,108
Matured or disposed financial assets	(4,737)	-	-	(4,737)
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	20,283	20,714	-	40,997

Individual Loans:

Individual Loans:	Stage 1	Stage 2	Stage 3	Total
	12 months	Life time	Life time	
	ECL	ECL	ECL	
ECL on 1 January 2021	711,711	25,326	356,726	1,093,763
Impairment during the year	114,991	65,785	126,900	307,676
Write off during the year	-	-	(298,324)	(298,324)
Recoveries	-	-	79,344	79,344
Ending balance	826,702	91,111	264,646	1,182,459

Corporate and Business Banking loans:

Corporate and Business Banking loans:	Stage 1	Stage 2	Stage 3	Total
	12 months	Life time	Life time	
	ECL	ECL	ECL	
ECL on 1 January 2021	1,403,518	8,760,972	5,176,560	15,341,050
New financial assets purchased or issued	898,640	1,303,833	1,386	2,203,859
Matured or disposed financial assets	(598,685)	(492,548)	(2,903)	(1,094,136)
Transferred to stage 1	10,898	(19,271)	(92)	(8,465)
Transferred to stage 2	(53,721)	94,243	(1,260)	39,262
Transferred to stage 3	(17,878)	(2,364,361)	2,571,074	188,835
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	(63,082)	649,455	(15,278)	571,095
Recoveries	-	-	45,431	45,431
Write off during the year	-	-	(4,366)	(4,366)
Cumulative foreign currencies translation differences	(1,786)	(64,994)	(36,767)	(103,547)
Ending balance	1,484,973	7,600,199	7,649,732	16,734,904

Financial Assets at Fair value through OCI

Financial Assets at Fair value through OCI	Stage 1	Stage 2	Stage 3	Total
	12 months	Life time	Life time	
	ECL	ECL	ECL	
ECL 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

Financial assets at Amortized cost

Financial assets at Amortized cost	Stage 1	Stage 2	Stage 3	Total
	12 months	Life time	Life time	
	ECL	ECL	ECL	
ECL 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:

	Sep.30, 2022	Dec.31, 2021
Loans and advances to	EGP Thousands	EGP Thousands
Corporate		
- Direct loans	<u>13,858,392</u>	<u>10,927,093</u>
Total	<u><u>13,858,392</u></u>	<u><u>10,927,093</u></u>

3.2. Financial investments:

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

Sep.30, 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	32,613,909	-	-	-	32,613,909
Not rated	-	-	-	-	-
Total	<u><u>32,613,909</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>32,613,909</u></u>

Sep.30, 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	229,944,484	-	-	-	229,944,484
Not rated	-	-	-	-	-
Total	<u><u>229,944,484</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>229,944,484</u></u>

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

Sep.30, 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	810,557	-	-	-	810,557
Not rated	-	-	-	-	-
Total	<u><u>810,557</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>810,557</u></u>

3.2. Financial investments:

The following table represents an analysis of financial investment balances by rating agencies at the end of the year:

EGP Thousands					
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>Individually</u> <u>impaired</u>	<u>Total</u>
<u>Amortized cost</u>					
AAA	-	-	-	-	-
AA+ to -AA	-	-	-	-	-
A+ to -A	-	-	-	-	-
Less than -A	20,547,465	-	-	-	20,547,465
Not rated	-	-	-	-	-
Total	20,547,465	-	-	-	20,547,465

EGP Thousands					
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>Individually</u> <u>impaired</u>	<u>Total</u>
<u>Fair value through OCI</u>					
AAA	-	-	-	-	-
AA+ to -AA	-	-	-	-	-
A+ to -A	-	-	-	-	-
Less than -A	190,855,901	-	-	-	190,855,901
Not rated	-	-	-	-	-
Total	190,855,901	-	-	-	190,855,901

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

EGP Thousands					
Dec.31, 2021	<u>Stage 1: Expected credit</u> <u>losses over 12 months</u>	<u>Stage 2: Expected</u> <u>credit losses</u> <u>Over a lifetime that</u> <u>is not creditworthy</u>	<u>Stage 3: Expected</u> <u>credit losses</u> <u>Over a lifetime</u> <u>Credit default</u>	<u>Individually</u> <u>impaired</u>	<u>Total</u>
<u>Fair value through OCI &</u> <u>Amortized cost</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					
Sep.30, 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	41,458,898	1,345,595	352,474	45,990	654,751	43,857,708
Gross due from banks	34,850,498	46,784,100	7,595,708	1,084,593	184,944	90,499,843
Gross loans and advances to banks	-	1,955,230	-	-	-	1,955,230
Gross loans and advances to customers	146,766,189	47,898,135	3,341,467	14,287	1,074,411	199,094,489
Derivative financial instruments	431,705	519,509	-	-	-	951,214
Financial investments						
Gross financial investment securities	231,330,176	29,432,939	2,089,554	-	877,008	263,729,677
Investments in associates	187,399	-	-	-	-	187,399
Total financial assets	455,024,865	127,935,508	13,379,203	1,144,870	2,791,114	600,275,560
Financial liabilities						
Due to banks	411,920	1,306,466	22,542	5,691	808	1,747,427
Due to customers	373,809,490	111,525,507	10,977,040	1,105,809	1,601,761	499,019,607
Derivative financial instruments	43,987	-	-	-	-	43,987
Issued debt instruments	-	1,940,240	-	-	-	1,940,240
Other loans	19,022	6,212,004	26,100	-	-	6,257,126
Total financial liabilities	374,284,419	120,984,217	11,025,682	1,111,500	1,602,569	509,008,387
Net on-balance sheet financial position	80,740,446	6,951,291	2,353,521	33,370	1,188,545	91,267,173
Total financial assets as of December 31, 2021	387,547,286	104,776,065	9,986,321	439,675	1,924,247	504,673,594
Total financial liabilities as of December 31, 2021	312,354,583	92,006,965	8,255,848	1,117,614	1,336,099	415,071,109
Net on-balance sheet financial position as of December 31, 2021	75,192,703	12,769,100	1,730,473	(677,939)	588,148	89,602,485

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. 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 september 2022 NSFR ratio record 201% (LCY 209% and FCY 179%), and LCR ratio record 685% (LCY 798% and FCY 260%).

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

For september 2022 CAR ratio record 26.7%, and 29.8% for December 2021.

For september 2022 Leverage ratio record 9.4%, and 11.3% 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.

	<u>Book value</u>		<u>Fair value</u>	
	Sep.30, 2022	Dec.31, 2021	Sep.30, 2022	Dec.31, 2021
Financial assets				
Due from banks	90,499,843	80,182,766	90,804,551	80,609,895
Gross loans and advances to banks	1,955,230	314,334	1,955,230	314,334
Gross loans and advances to customers	199,094,489	163,938,827	197,450,975	164,228,916
Financial investments:				
Financial Assets at Amortized cost	32,665,246	20,547,465	32,046,860	21,310,034
Total financial assets	324,214,808	264,983,392	322,257,616	266,463,179
Financial liabilities				
Due to banks	1,747,427	866,056	1,884,764	836,273
Due to customers	499,019,607	407,241,538	501,830,954	409,825,357
Issued debt instruments	1,955,230	1,571,670	1,977,601	1,574,487
Other loans	6,257,126	5,140,782	6,209,458	5,124,531
Total financial liabilities	508,979,390	414,820,046	511,902,777	417,360,648

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 30 September 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			
		Total	Quoted prices in active markets (Level 1)	Significant observable inputs (level 2)	Valuation techniques (level 3)
Sep.30, 2022					
Measured at fair value:					EGP Thousands
Financial assets					
Financial Assets at Fair Value through P&L	30-Sep-22	-	-	-	-
Financial Assets at Fair Value through OCI	30-Sep-22	231,064,431	131,388,171	99,676,260	-
Total		231,064,431	131,388,171	99,676,260	-
Derivative financial instruments					
Financial assets	30-Sep-22	951,214	-	-	951,214
Financial liabilities	30-Sep-22	43,987	-	-	43,987
Total		995,201	-	-	995,201
Assets for which fair values are disclosed:					
Financial Assets at Amortized cost	30-Sep-22	32,046,860	-	32,046,860	-
Loans and advances to banks	30-Sep-22	1,955,230	-	-	1,955,230
Loans and advances to customers	30-Sep-22	197,450,975	-	-	197,450,975
Total		231,453,065	-	32,046,860	199,406,205
Liabilities for which fair values are disclosed:					
Issued debt instruments	30-Sep-22	1,977,601	-	1,977,601	-
Other loans	30-Sep-22	6,209,458	-	6,209,458	-
Due to customers	30-Sep-22	501,830,954	-	-	501,830,954
Total		510,018,013	-	8,187,059	501,830,954
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	193,198,894	148,072,372	45,126,522	-
Total		193,439,881	148,313,359	45,126,522	-
Derivative financial instruments					
Financial assets	31-Dec-21	225,376	-	-	225,376
Financial liabilities	31-Dec-21	265,470	-	205	265,265
Total		490,846	-	205	490,641
Assets for which fair values are disclosed:					
Amortized cost	31-Dec-21	21,310,034	-	21,045,985	264,049
Loans and advances to banks	31-Dec-21	314,334	-	-	314,334
Loans and advances to customers	31-Dec-21	164,228,916	-	-	164,228,916
Total		185,853,284	-	21,045,985	164,807,299
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	409,825,357	-	-	409,825,357
Total		416,524,375	-	6,699,018	409,825,357

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;
- Assets and liabilities management – Including other banking business.

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

EGP Thousands

	Corporate banking	SME's	Investments	Retail banking	Asset Liability Mangement	Total
Sep.30, 2022						
Net revenue according to business segment *	10,674,999	2,083,573	5,965,765	6,824,829	1,016,000	26,565,166
Expenses according to business segment	(4,790,654)	(1,017,575)	(84,096)	(3,010,982)	(5,410)	(8,908,717)
Profit before tax	5,884,345	1,065,998	5,881,669	3,813,847	1,010,590	17,656,449
Income tax	(1,788,089)	(334,500)	(1,845,156)	(1,198,333)	(317,114)	(5,483,192)
Profit for the period	4,096,256	731,498	4,036,513	2,615,514	693,476	12,173,257
Total assets	152,813,593	5,500,547	265,024,399	49,767,295	119,262,543	592,368,377

*Represents the net interest income and other income

	Corporate banking	SME's	Investments	Retail banking	Asset Liability Mangement	Total
Sep.30, 2021						
Net revenue according to business segment	9,154,103	1,351,526	4,466,628	5,731,590	446,761	21,150,608
Expenses according to business segment	(3,729,880)	(794,579)	(72,577)	(2,531,290)	(40,919)	(7,169,245)
Profit before tax	5,424,223	556,947	4,394,051	3,200,300	405,842	13,981,363
Income tax	(1,594,498)	(163,263)	(1,288,091)	(939,248)	(118,968)	(4,104,068)
Profit for the period	3,829,725	393,684	3,105,960	2,261,052	286,874	9,877,295
Total assets at 31 December 2021	158,526,753	3,193,320	218,836,949	40,659,292	77,019,524	498,235,838

4.2. By geographical segment

	Cairo	Alex, Delta & Sinai	Upper Egypt	Outside Egypt (Kenya)	Total
Sep.30, 2022					
Revenue according to geographical segment	23,042,361	2,991,898	497,429	33,478	26,565,166
Expenses according to geographical segment	(7,605,573)	(1,210,770)	(51,990)	(40,384)	(8,908,717)
Profit before tax	15,436,788	1,781,128	445,439	(6,906)	17,656,449
Income tax	(4,890,565)	(558,902)	(139,775)	106,050	(5,483,192)
Profit for the period	10,546,223	1,222,226	305,664	99,144	12,173,257
Total assets	547,950,443	33,599,366	8,366,779	2,451,789	592,368,377
Sep.30, 2021					
Revenue according to geographical segment	18,404,158	2,298,293	431,783	16,374	21,150,608
Expenses according to geographical segment	(5,685,269)	(1,250,734)	(217,254)	(15,988)	(7,169,245)
Profit before tax	12,718,889	1,047,559	214,529	386	13,981,363
Income tax	(3,734,100)	(307,081)	(62,887)	-	(4,104,068)
Profit for the period	8,984,789	740,478	151,642	386	9,877,295
Total assets at 31 December 2021	462,689,580	26,469,030	7,203,609	1,873,619	498,235,838

5 . Net trading income	Last 3 Months	Last 9 Months	Last 3 Months	Last 9 Months
	Sep.30, 2022	Sep.30, 2022	Sep.30, 2021	Sep.30, 2021
	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands
Profit (Loss) from foreign exchange transactions	396,247	957,209	53,466	461,635
Profit (Loss) from forward foreign exchange deals revaluation	(58,691)	384,079	152,867	46,834
Profit (Loss) from interest rate swaps revaluation	2,811	2,573	18	(1,519)
Profit (Loss) from currency swap deals revaluation	79,465	96,359	7,642	11,318
Profit (Loss) from financial assets at fair value through P&L	58	(6,051)	(1,765)	(27,481)
Total	419,890	1,434,169	212,228	490,787

6 . Other operating (expenses) income	Last 3 Months	Last 9 Months	Last 3 Months	Last 9 Months
	Sep.30, 2022	Sep.30, 2022	Sep.30, 2021	Sep.30, 2021
	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands
Profits (losses) from revaluation of non-trading assets and liabilities by FCY	(101,050)	(433,662)	(6,521)	(3,696)
Profits of selling property and equipment	1,050	2,192	874	2,124
Release (charges) of other provisions	(289,980)	(1,525,359)	154,776	(212,083)
Other income/expenses	(503,071)	(1,447,408)	(404,617)	(1,157,052)
Total	(893,051)	(3,404,237)	(255,488)	(1,370,707)

7 . Earning per share	Last 3 Months	Last 9 Months	Last 3 Months	Last 9 Months
	Sep.30, 2022	Sep.30, 2022	Sep.30, 2021	Sep.30, 2021
	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands
Net profit for the year, available for distribution	4,431,931	12,205,922	3,817,343	9,894,685
Board member's bonus	(66,479)	(183,089)	(57,260)	(49,420)
Staff profit sharing	(443,193)	(1,220,592)	(381,734)	(989,469)
* Profits attributable to shareholders	3,922,259	10,802,241	3,378,349	8,855,796
Weighted average number of shares	2,982,513	2,982,513	2,982,513	2,982,513
Basic earning per share	1.32	3.62	1.13	2.97
By issuance of ESOP earning per share will be:				
Average number of shares including ESOP shares	2,999,601	2,999,601	2,999,601	2,999,601
Diluted earning per share	1.31	3.60	1.12	2.95

* Based on separate financial statement profits.

8 . Cash and balances at the central bank	Sep.30, 2022	Dec.31, 2021
	EGP Thousands	EGP Thousands
Cash	5,775,267	5,391,312
Obligatory reserve balance with CBE		
- Current accounts	38,082,441	38,100,936
Total	43,857,708	43,492,248
Non-interest bearing balances	43,857,708	43,492,248

9 . Due from banks	Sep.30, 2022	Dec.31, 2021
	EGP Thousands	EGP Thousands
Current accounts	3,513,047	2,718,262
Deposits	86,986,796	77,464,504
Expected credit losses	(41,531)	(40,997)
Total	90,458,312	80,141,769
Central banks	55,924,372	51,720,551
Local banks	20,443,357	13,433,149
Foreign banks	14,090,583	14,988,069
Total	90,458,312	80,141,769
Non-interest bearing balances	1,057,797	1,423,922
Floating interest bearing balances	12,212,601	9,413,404
Fixed interest bearing balances	77,187,914	69,304,443
Total	90,458,312	80,141,769

Due from banks	Sep.30, 2022	Sep.30, 2022
	Stage 1	Stage 2
Gross due from banks	84,298,088	6,201,755
Expected credit losses	(29,856)	(11,675)
Net due from banks	84,268,232	6,190,080

Due from banks	Dec.31, 2021	Dec.31, 2021
	Stage 1	Stage 2
Gross due from banks	74,232,738	5,950,028
Expected credit losses	(20,283)	(20,714)
Net due from banks	74,212,455	5,929,314

10. Treasury bills and other governmental notes

	Sep.30, 2022	Dec.31, 2021
	EGP Thousands	EGP Thousands
91 Days maturity	5,784,326	550
182 Days maturity	10,486,525	84,175
364 Days maturity	75,729,736	44,529,537
Unearned interest	<u>(4,206,331)</u>	<u>(2,327,382)</u>
Total	87,794,256	42,286,880
Repos - treasury bills	<u>(671,356)</u>	<u>(707,376)</u>
Net	87,122,900	41,579,504

Governmental bonds

	Sep.30, 2022	Dec.31, 2021
	EGP Thousands	EGP Thousands
	Financial Assets at	Financial Assets at
	Fair Value through	Fair Value through
	OCI	OCI
Governmental bonds	120,803,261	143,250,063
Repo	-	<u>(3,536,336)</u>
Net	120,803,261	139,713,727

11. Loans and advances to banks, net

	Sep.30, 2022	Dec.31, 2021
	EGP Thousands	EGP Thousands
Time and term loans	1,955,230	314,334
ECL	<u>(10,597)</u>	<u>(2,118)</u>
Net	1,944,633	312,216
Current balances	<u>1,944,633</u>	<u>312,216</u>

Analysis for ECL of loans and advances to banks

	Sep.30, 2022	Dec.31, 2021
	EGP Thousands	EGP Thousands
Beginning balance	(2,118)	(9,625)
Released (charged) during the period / year	<u>(8,479)</u>	<u>7,507</u>
Ending balance	(10,597)	(2,118)

Analysis for ECL of loans and advances to banks

	Stage 2	Stage 2
Beginning Balance	(2,118)	(9,625)
Released (charged) during the period / year	<u>(8,479)</u>	<u>7,507</u>
Ending balance	(10,597)	(2,118)

12 . Loans and advances to customers, net

	Sep.30, 2022 EGP Thousands	Dec.31, 2021 EGP Thousands
Individual		
- Overdraft	1,798,315	1,268,376
- Credit cards	6,964,501	5,716,197
- Personal loans	38,213,730	31,683,161
- Mortgage loans	3,102,438	2,484,598
Total 1	50,078,984	41,152,332
Corporate		
- Overdraft	38,428,561	29,333,541
- Direct loans	68,613,728	50,357,437
- Syndicated loans	41,908,201	43,062,028
- Other loans	65,015	33,489
Total 2	149,015,505	122,786,495
Total Loans and advances to customers (1+2)	199,094,489	163,938,827
Less:		
Unamortized bills discount	(679,235)	(68,410)
Unamortized syndicated loans discount	(243,472)	(312,682)
ECL	(19,908,234)	(17,917,363)
Suspended credit account	(553,512)	(65,129)
Net loans and advances to customers	177,710,036	145,575,243
Distributed to		
Current balances	86,095,571	64,258,073
Non-current balances	91,614,465	81,317,170
Total	177,710,036	145,575,243

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

	EGP Thousands				
	Sep.30, 2022				
Individual Loans:	<u>Overdrafts</u>	<u>Credit cards</u>	<u>Personal loans</u>	<u>Mortgages</u>	<u>Total</u>
Beginning balance	(10,115)	(305,005)	(817,525)	(49,814)	(1,182,459)
Released (charged) during the period	1,741	4,873	(352,702)	(28,941)	(375,029)
Written off during the period	897	36,314	122,267	123	159,601
Recoveries during the period	(282)	(32,125)	(39,162)	-	(71,569)
Ending balance	(7,759)	(295,943)	(1,087,122)	(78,632)	(1,469,456)
Corporate and Business Banking loans:	Sep.30, 2022				
	<u>Overdraft</u>	<u>Direct loans</u>	<u>Syndicated loans</u>	<u>Other loans</u>	<u>Total</u>
Beginning balance	(1,650,580)	(10,896,531)	(4,180,998)	(6,795)	(16,734,904)
Released (charged) during the period	(48,968)	85,473	335,829	(1,824)	370,510
Written off during the period	4,035	737,076	-	-	741,111
Recoveries during the period	-	(8,732)	-	-	(8,732)
foreign currencies translation differences	(267,663)	(1,808,799)	(730,301)	-	(2,806,763)
Ending balance	(1,963,176)	(11,891,513)	(4,575,470)	(8,619)	(18,438,778)
	Individual				
	<u>Overdraft</u>	<u>Credit cards</u>	<u>Personal loans</u>	<u>Real estate loans</u>	<u>Total</u>
Dec.31, 2021					
Beginning balance	(13,594)	(242,277)	(775,605)	(62,287)	(1,093,763)
Released (charged) during the year	408	(124,535)	(196,022)	12,473	(307,676)
Written off during the year	3,072	100,263	194,989	-	298,324
Recoveries during the period	(1)	(38,456)	(40,887)	-	(79,344)
Ending balance	(10,115)	(305,005)	(817,525)	(49,814)	(1,182,459)
	Corporate				
	<u>Overdraft</u>	<u>Direct loans</u>	<u>Syndicated loans</u>	<u>Other loans</u>	<u>Total</u>
Dec.31, 2021					
Beginning balance	(1,320,988)	(10,554,565)	(3,459,952)	(5,545)	(15,341,050)
Released (charged) during the year	(337,127)	(374,226)	(743,733)	(1,250)	(1,456,336)
Written off during the year	-	4,366	-	-	4,366
Recoveries during the period	(80)	(45,351)	-	-	(45,431)
foreign currencies translation differences	7,615	73,245	22,687	-	103,547
Ending balance	(1,650,580)	(10,896,531)	(4,180,998)	(6,795)	(16,734,904)

13 . Financial investments securities

Sep.30, 2022

	<u>Financial Assets at Fair Value through P&L</u>	<u>Financial Assets at Fair Value through OCI</u>	<u>Financial Assets at Amortized cost</u>	<u>Total</u>
	<u>EGP Thousands</u>			
Investments listed in the market				
Governmental bonds	-	120,803,261	32,613,909	153,417,170
Securitized bonds	-	9,008,883	-	9,008,883
Equity instruments	-	176,027	-	176,027
Portfolio managed by others	-	-	-	-
Sukuk	-	1,400,000	-	1,400,000
Investments not listed in the market				
Treasury bills and other governmental notes	-	87,122,900	-	87,122,900
Securitized bonds	-	11,356,812	-	11,356,812
Equity instruments	-	642,160	-	642,160
Mutual funds	-	301,760	-	301,760
Sukuk	-	252,628	-	252,628
Total	-	231,064,431	32,613,909	263,678,340

Dec.31, 2021

	<u>Financial Assets at Fair Value through P&L</u>	<u>Financial Assets at Fair Value through OCI</u>	<u>Financial Assets at Amortized cost</u>	<u>Total</u>
	<u>EGP Thousands</u>			
Investments listed in the market				
Governmental bonds	-	139,713,727	20,547,465	160,261,192
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	-	507,674	-	507,674
Mutual funds	-	264,679	-	264,679
Total	240,987	193,198,894	20,547,465	213,987,346

13.1 . Profits (Losses) on financial investments

Profit (Loss) from selling FVOCI financial instruments					
Released (Impairment) charges of FVOCI	-	-	-	-	-
Released (Impairment) charges of investments in associates	-	-	-	-	-
Total	31,407	1,096,850	128,630	643,467	15,016

	Last 3 Months	Last 9 Months	Last 3 Months	Last 9 Months
	Sep.30, 2022	Sep.30, 2022	Sep.30, 2021	Sep.30, 2021
	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands
	31,407	1,096,850	128,630	643,467
	-	-	(72,957)	-
	-	-	923	15,016
Total	31,407	1,096,850	56,596	658,483

14 . Investments in associates
Sep.30, 2022

-TCA Properties	1,489,950	1,222,509	11,861	(64,456)	134,511	37.00
- Al Ahly Computer	66,470	37,436	39,435	1,116	29,783	39.34
- Fawry Plus	173,682	101,358	81,039	28,193	23,105	14.99
- International Co. for Security and Services (Falcon)	792,081	805,464	228,072	(106,712)	-	30.00
Total	2,522,183	2,166,767	360,407	(141,859)	187,399	

<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	1,489,950	1,222,509	11,861	(64,456)	134,511	37.00
Egypt	66,470	37,436	39,435	1,116	29,783	39.34
Egypt	173,682	101,358	81,039	28,193	23,105	14.99
Egypt	792,081	805,464	228,072	(106,712)	-	30.00
Total	2,522,183	2,166,767	360,407	(141,859)	187,399	

Dec.31, 2021

-TCA Properties	-	-	-	-	158,360	37.00
- Al Ahly Computer	65,623	37,788	51,796	3,945	30,193	39.34
- Fawry Plus	124,845	97,088	76,903	14,473	16,762	14.99
- International Co. for Security and Services (Falcon)	1,084,916	791,149	509,571	(931)	-	30.00
Total	1,275,384	926,025	638,270	17,487	205,315	

<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	-	-	-	-	158,360	37.00
Egypt	65,623	37,788	51,796	3,945	30,193	39.34
Egypt	124,845	97,088	76,903	14,473	16,762	14.99
Egypt	1,084,916	791,149	509,571	(931)	-	30.00
Total	1,275,384	926,025	638,270	17,487	205,315	

15 . Other assets

	Sep.30, 2022	Dec.31, 2021
	EGP Thousands	EGP Thousands
Accrued revenues	7,310,729	8,938,356
Prepaid expenses	668,341	428,777
Advances to purchase of fixed assets	1,121,119	1,139,188
Accounts receivable and other assets*	1,005,065	581,254
Assets acquired as settlement of debts	148,469	153,423
Insurance	46,917	45,130
Gross	10,300,640	11,286,128
Impairment of other assets	(79,000)	(79,000)
Net	10,221,640	11,207,128

* A provision with amount EGP 277 million has been released.

16 . Property and equipment

	Sep.30, 2022						Dec.31, 2021									
	Land	Premises	IT	Vehicles	Fitting-out	Machines and equipment	Furniture and furnishing	Total	Land	Premises	IT	Vehicles	Fitting-out	Machines and equipment	Furniture and furnishing	Total
								EGP Thousands								EGP Thousands
Cost at Jan 01, 2022 (1)	64,709	1,170,322	3,194,730	161,744	955,100	868,478	159,247	6,574,330	-	-	-	-	-	-	-	-
Additions during the period	164,960	20,121	243,489	24,344	41,736	70,139	9,792	574,581	-	-	-	-	-	-	-	-
Disposals during the period	-	(4,081)	(15,080)	-	(9,827)	(33,196)	(1,777)	(63,961)	-	-	-	-	-	-	-	-
Cost at end of the period (2)	229,669	1,186,362	3,423,139	186,088	987,009	905,421	167,262	7,084,950	64,709	1,133,279	2,587,572	133,483	832,588	733,460	134,713	5,619,804
Accumulated depreciation at beginning of the period (3)	-	506,634	2,128,401	68,539	715,756	587,823	106,061	4,113,214	-	-	-	-	-	-	-	-
Depreciation for the period	-	41,232	375,842	9,254	106,562	98,840	12,671	644,401	-	-	-	-	-	-	-	-
Disposals during the period	-	(4,081)	(15,080)	-	(9,827)	(33,196)	(1,777)	(63,961)	-	-	-	-	-	-	-	-
Accumulated depreciation at end of the period (4)	-	543,785	2,489,163	77,793	812,491	653,467	116,955	4,693,654	229,669	642,577	933,976	108,295	174,518	251,954	50,307	2,391,296
Ending net assets (2-4)	64,709	663,688	1,066,329	93,205	239,344	280,655	53,186	2,461,116	64,709	663,688	1,066,329	93,205	239,344	280,655	53,186	2,461,116
Beginning net assets (1-3)	64,709	673,657	947,762	79,529	240,243	260,830	44,417	2,311,147	64,709	673,657	947,762	79,529	240,243	260,830	44,417	2,311,147

Property and equipment

Cost at Jan 01, 2021 (1)	5,619,804
Additions during the year	1,035,029
Disposals during the year	(80,503)
Cost at end of the year (2)	6,574,330
Accumulated depreciation at beginning of the year (3)	3,308,657
Current year depreciation	885,060
Disposals during the year	(80,503)
Accumulated depreciation at end of the year (4)	4,113,214
Ending net assets (2-4)	2,461,116
Beginning net assets (1-3)	2,311,147

17 . Due to banks

	Sep.30, 2022	Dec.31, 2021
	EGP Thousands	EGP Thousands
Current accounts	1,004,128	666,659
Deposits	743,299	199,397
Total	1,747,427	866,056
Central banks	368,081	198,234
Local banks	8,808	5,234
Foreign banks	1,370,538	662,588
Total	1,747,427	866,056
Non-interest bearing balances	745,771	414,135
Floating bearing interest balances	573,860	117,516
Fixed interest bearing balances	427,796	334,405
Total	1,747,427	866,056
Current balances	1,747,427	866,056

18 . Due to customers

	Sep.30, 2022	Dec.31, 2021
	EGP Thousands	EGP Thousands
Demand deposits	194,776,913	134,443,380
Time deposits	100,160,326	80,220,124
Certificates of deposit	110,803,644	102,119,393
Saving deposits	88,388,880	86,467,822
Other deposits	4,889,844	3,990,819
Total	499,019,607	407,241,538
Corporate deposits	255,235,820	180,309,337
Individual deposits	243,783,787	226,932,201
Total	499,019,607	407,241,538
Non-interest bearing balances	86,307,996	64,908,030
Floating interest bearing balances	9,483,193	17,531,166
Fixed interest bearing balances	403,228,418	324,802,342
Total	499,019,607	407,241,538
Current balances	381,010,853	297,947,782
Non-current balances	118,008,754	109,293,756
Total	499,019,607	407,241,538

In 2022, Due to customers contains an amount of EGP 2,157 million representing guarantees of irrevocable commitments for documentary credits - export compared to EGP 641 million at the comparative date. The fair value of these deposits is approximately their present value.

19 . Other liabilities

	Sep.30, 2022	Dec.31, 2021
	EGP Thousands	EGP Thousands
Accrued interest payable	1,981,862	1,553,629
Accrued expenses	1,978,333	1,612,875
Accounts payable	5,558,780	4,764,115
Other credit balances	476,176	154,926
Total	9,995,151	8,085,545

20 . Issued debt instruments

	interest rate		Sep.30, 2022	Dec.31, 2021
	Sep.30, 2022	Dec.31, 2021	EGP Thousands	EGP Thousands
Fixed rate bonds with 5 years maturity				
Green bonds (USD)	Fixed rate	Fixed rate	1,940,240	1,557,263
Total			1,940,240	1,557,263
Non current balances			1,940,240	1,557,263
Total			1,940,240	1,557,263

21 . Other Provisions

Sep.30, 2022	Beginning balance	Charged during the period	Exchange differences of other provisions	Net utilized / recovered during the period	Provisions no longer used	Ending balance
	EGP Thousands					
Provision for legal claims*	7,184	-	281	(212)	(101)	7,152
Provision for contingent	3,205,105	1,797,125	312,516	-	-	5,314,746
Provision for other claim	329,173	6,443	20,628	(1,645)	-	354,599
Total	3,541,462	1,803,568	333,425	(1,857)	(101)	5,676,497
Dec.31, 2021	Beginning balance	Charged during the year	Exchange differences of other provisions	Net utilized / recovered during the year	Provisions no longer used	Ending balance
	EGP Thousands					
Provision for legal claims	52,604	-	857	(43,826)	(2,451)	7,184
Provision for contingent	2,930,743	308,837	(34,475)	-	-	3,205,105
Provision for other claim	240,154	72,301	18,375	(1,657)	-	329,173
Total	3,223,501	381,138	(15,243)	(45,483)	(2,451)	3,541,462

* There is a number of existing cases against the bank on Sep. 30, 2022 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.

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 period / year are as follows:

	Sep.30, 2022	Dec.31, 2021
	<u>No. of shares in</u>	<u>No. of shares in</u>
	<u>thousand</u>	<u>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	(350)	(1,774)
Exercised during the period / year	(16,543)	(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	No. of shares in thousand
	<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:

	16th tranche	15th tranche
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 Sep. 30, 2022 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.

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	1,082,478
Deposits	151,950
Contingent liabilities	38

24.2 . Other transactions with related parties

	Income	Expenses
	EGP Thousands	EGP Thousands
International Co. for Security & Services	70	143,140
CVenture Capital	236	47
Mayfair bank	36	-
Damietta shipping & marine services	1	498
Commercial International Finance Company	1	1,689
Al ahly computer	2	-
TCA Properties	97,690	-

25 . Important events

- On September 22, 2022 issued and paid in capital increased by an amount of EGP 10 Bn as free shares financed from general reserve to reach EGP 29,825,134 thousand according to ordinary general assembly meeting decision on March 30, 2021. The Commercial Register has been amended on September 4, 2022 to reflect the increase.
 - 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.
 - During the period, the Bank established a subsidiary company called Commercial International for Finance. The Bank holds a 99.8% ownership stake with a value of EGP 59.9 million after obtaining initial approvals from the regulatory authorities. The company's financial statements have not yet been issued as it has not yet started operating its business activities.
 - 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 US dollar exchange rate from 15.72 pounds per dollar to 19.55 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 at the date 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 third 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.
- On 19 May 2022, the Monetary Policy Committee (MPC) decided to raise the Central Bank of Egypt's (CBE) overnight deposit rate, overnight lending rate, and the rate of the main operation by 200 basis points to 11.25 percent, 12.25 percent, and 11.75 percent, respectively. The discount rate was also raised by 200 basis points to 11.75 percent.

-Subsequent Events

On 27 October 2022, Central Bank of Egypt (CBE) has decided to intensify its reform agenda to secure macroeconomic stability and achieve strong, sustainable and inclusive growth. To this end, the CBE moved to a durably flexible exchange rate regime, leaving the forces of supply and demand to determine the value of the EGP against other foreign currencies. Furthermore, in order to uphold the CBE's mandate of ensuring price stability over the medium term, the monetary policy committee (MPC) has decided in its special meeting to raise the overnight deposit rate, the overnight lending rate, and the rate of the main operation by 200 basis points to 13.25 percent, 14.25 percent, and 13.75 percent, respectively. The discount rate was also raised by 200 basis points to 13.75 percent.

- 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).

26 . Goodwill

	Mayfair Bank Sep.30, 2022 EGP Thousands	Mayfair Bank Dec.31, 2021 EGP Thousands
Acquisition cost	560,963	560,963
Net assets value	(354,676)	(354,676)
Goodwill	206,287	206,287

	Mayfair Bank Sep.30, 2022 EGP Thousands	Mayfair Bank Dec.31, 2021 EGP Thousands
Goodwill at acquisition date	206,287	206,287
Amortization	(99,705)	(68,762)
Net book value	106,582	137,525

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

27 . Intangible assets

	Mayfair Bank Sep.30, 2022 EGP Thousands	Mayfair Bank Dec.31, 2021 EGP Thousands
Intangible Assets at acquisition date	51,831	51,831
Amortization	(25,051)	(17,277)
Net book value	26,780	34,554

28 . Adjustments to calculate the effective tax rate

	Last 3 Months Sep.30, 2022 EGP Thousands	Last 9 Months Sep.30, 2022 EGP Thousands	Last 3 Months Sep.30, 2021 EGP Thousands	Last 9 Months Sep.30, 2021 EGP Thousands
Profit before tax	6,356,605	17,682,074	5,344,278	13,979,431
Tax rate	22.50%	22.50%	22.50%	22.50%
Income tax based on accounting profit	1,430,236	3,978,467	1,202,463	3,145,372
Add / (Deduct)				
Non-deductible expenses	855,195	2,548,712	584,200	1,743,771
Tax exemptions	(1,713,080)	(4,632,791)	(1,224,830)	(3,269,044)
Withholding tax	1,365,699	3,588,804	970,265	2,483,969
Income tax / Deferred tax	1,938,050	5,483,192	1,532,098	4,104,068
Effective tax rate	30.49%	31.01%	28.67%	29.36%

