



Separate Financial Statements

September 2022- Interim Condensed



PricewaterhouseCoopers Ezzeldeen, Diab & Co.
Public Accountants

Deloitte - Saleh, Barsoum & Abdel Aziz
Accountants & Auditors

Limited Review Report on Condensed Separate Interim Financial Statements

To: The Board of Directors of Commercial International Bank Egypt

Introduction

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

Scope of Review

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

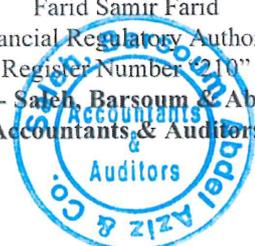
Conclusion

Based on our limited review, nothing has come to our attention that causes us to believe that the accompanying condensed separate interim financial statements 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


Tamer Abdel Tawab
Financial Regulatory Authority
Register Number "338"
PricewaterhouseCoopers Ezzeldeen, Diab & Co.
Public Accountants

Auditors


Farid Samir Farid
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Accountants & Auditors


Condensed Separate 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	43,776,754	43,385,222
Due from banks	9	90,378,194	79,991,287
Loans and advances to banks, net	11	1,944,633	312,216
Loans and advances to customers, net	12	176,669,649	144,765,808
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	230,060,807	192,390,931
- Financial Assets at Amortized cost	13	32,306,835	20,318,767
- Investments in associates and subsidiaries	14	1,074,250	1,014,350
Other assets	15	10,167,659	11,141,917
Deferred tax assets (Liabilities)		727,276	460,026
Property and equipment	16	2,302,530	2,404,237
Total assets		590,359,801	496,651,124
Liabilities and equity			
Liabilities			
Due to banks	17	1,703,884	862,759
Due to customers	18	497,584,590	406,100,916
Derivative financial instruments		43,987	265,265
Current income tax liabilities		2,678,372	2,234,985
Other liabilities	19	9,945,543	8,021,310
Issued debt instruments	20	1,940,240	1,557,263
Other loans		6,257,126	5,140,782
Other Provisions	21	5,675,006	3,539,676
Total liabilities		525,828,748	427,722,956
Equity			
Issued and paid up capital	26	29,825,134	19,702,418
Reserves		20,381,196	33,767,423
Reserve for employee stock ownership plan (ESOP)		1,751,123	1,674,392
Retained earnings *		12,573,600	13,783,935
Total equity and net profit for the period / year		64,531,053	68,928,168
Total liabilities and equity		590,359,801	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 September 30, 2022

	<i>Notes</i>	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		14,503,467	38,761,627	11,593,432	32,568,923
Interest and similar expense		(6,488,309)	(17,050,977)	(5,160,860)	(14,463,322)
Net interest income		8,015,158	21,710,650	6,432,572	18,105,601
Fee and commission income		1,491,932	3,900,488	1,096,988	2,895,435
Fee and commission expense		(657,264)	(1,730,066)	(442,737)	(1,129,866)
Net fee and commission income		834,668	2,170,422	654,251	1,765,569
Dividends income		1,573	64,372	18,854	82,426
Net trading income	5	418,225	1,431,729	210,117	484,774
Profits (Losses) on financial investments	13	31,407	1,096,850	56,589	634,108
Administrative expenses		(1,791,453)	(5,024,897)	(1,463,520)	(4,382,463)
Other operating (expenses) income	6	(889,200)	(3,399,057)	(252,886)	(1,366,178)
Impairment release (charges) for credit losses		(248,157)	(262,606)	(306,694)	(1,325,770)
Profit before income tax		6,372,221	17,787,463	5,349,283	13,998,067
Income tax expense	25	(1,873,747)	(4,984,283)	(1,524,957)	(4,115,227)
Deferred tax assets (Liabilities)	25	(66,543)	(597,258)	(6,983)	11,845
Net profit for the period		4,431,931	12,205,922	3,817,343	9,894,685
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 Separate Interim Statement of Comprehensive Income for the period ended September 30, 2022

	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 period	4,431,931	12,205,922	3,817,343	9,894,685
Change in fair value of financial instruments measured at fair value through other comprehensive income after income tax	(5,770,571)	(13,128,801)	(700,186)	(2,374,495)
Transferred to RE from financial assets at fair value through OCI	99	(4,128)	(72,956)	(177,362)
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	(1,209,012)	(693,290)	2,960,599	7,244,582

Condensed Separate Interim Cash Flows for the period ended September 30, 2022

	<i>Notes</i>	Sep. 30, 2022 EGP Thousands	Sep. 30, 2021 EGP Thousands
Cash flow from operating activities			
Profit before income tax		17,787,463	13,998,067
Adjustments to reconcile profits to net cash provided by operating activities			
Fixed assets depreciation	16	654,220	636,413
Impairment charge for credit losses (Loans and advances to customers and banks)		(16,255)	1,385,835
Other provisions charges	21	1,803,863	190,858
Impairment charge for credit losses (due from banks)		849	38,181
Impairment (Released) charge for credit losses (financial investments)		278,012	(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
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)
Shares based payments		579,653	477,644
Impairment (Released) charges of investments in associates		-	9,359
Operating profits before changes in operating assets and liabilities		16,297,417	15,993,590
Net decrease (increase) in assets and liabilities			
Due from banks		845,633	(272,238)
Financial assets at fair value through P&L	13	240,987	153,260
Derivative financial instruments		(947,116)	(24,448)
Loans and advances to banks and customers	11 - 12	(33,520,003)	(20,847,787)
Other assets		1,242,254	(1,631,518)
Due to banks	17	841,125	(7,272,811)
Due to customers	18	91,483,674	62,999,029
Current income tax obligations paid		(2,305,911)	(2,152,739)
Other liabilities		(310,752)	1,414,946
Net cash used in (generated from) operating activities		73,867,308	48,359,284
Cash flow from investing activities			
Payments for investment in subsidiaries and associates.		(59,900)	(158,360)
Payment for purchases of property, equipment and branches constructions		(542,743)	(669,801)
Proceeds from selling property and equipment		2,192	2,124
Proceeds from redemption of financial assets at amortized cost		6,569,803	4,725,376
Payment for purchases of financial assets at amortized cost		(18,239,332)	(3,844)
Payment for purchases of financial assets at fair value through OCI		(114,918,927)	(207,918,546)
Proceeds from selling financial assets at fair value through OCI		73,463,225	146,303,855
Net cash generated from (used in) investing activities		(53,725,682)	(57,719,196)

Condensed Separate 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	17,353,341	(11,278,377)
Beginning balance of cash and cash equivalent	60,891,899	75,965,247
Cash and cash equivalent at the end of the period	78,245,240	64,686,870
Cash and cash equivalent comprise:		
Cash and balances at the central bank	43,776,754	33,207,606
Due from banks	90,419,482	72,015,406
Treasury bills and other governmental notes	87,119,766	65,654,913
Obligatory reserve balance with CBE	(38,022,832)	(27,183,002)
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	78,245,240	64,686,870

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

Sep. 30, 2021 EGP Thousands	Issued and paid up capital	Legal reserve	General reserve	General risk reserve	Capital reserve	Reserve for financial assets at fair value through OCI	Banking risks reserve	Retained earnings	Reserve for employee stock ownership plan	Total
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	4,925,605	-	(4,925,605)	-	-	-	-	-	-	-
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 period	-	-	-	-	-	-	-	9,894,685	-	9,894,685
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
Net unrealised gain/(loss) on financial assets at fair value through OCI after tax	-	-	-	-	-	(2,374,495)	-	-	-	(2,374,495)
Transferred (from) to bank 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)
Cost of employees stock ownership plan (ESOP)	-	-	-	-	-	-	-	-	477,644	477,644
Ending balance	19,702,418	3,293,074	28,260,532	1,549,445	16,000	1,320,884	9,141	10,258,109	1,542,292	65,951,895

Condensed Separate 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 risk reserve	Capital reserve	Reserve for financial assets at fair value through OCI	Banking risks reserve	Retained earnings	Reserve for employee stock ownership plan	Total	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	10,122,716	-	(10,000,000)	-	-	-	-	-	-	122,716	
Transferred to reserves	-	670,872	8,836,326	-	2,947	-	-	(9,007,223)	(502,922)	-	
Dividend paid	-	-	-	-	-	-	-	(4,410,322)	-	(4,410,322)	
Net profit of the period	-	-	-	-	-	-	-	12,205,922	-	12,205,922	
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	-	-	-	-	-	(13,128,801)	-	-	-	(13,128,801)	
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	
Cost of employees stock ownership plan (ESOP)	-	-	-	-	-	-	-	-	579,653	579,653	
Ending balance	<u>29,825,134</u>	<u>3,963,946</u>	<u>27,096,858</u>	<u>1,549,445</u>	<u>18,947</u>	<u>(12,259,981)</u>	<u>11,981</u>	<u>12,573,600</u>	<u>1,751,123</u>	<u>64,531,053</u>	

Notes to the condensed separate 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.

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 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 September 30, 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:

	Sep.30, 2022		Dec.31, 2021	
	EGP Thousands		EGP Thousands	
	Loans and advances to customers	Loans and advances to banks	Loans and advances to customers	Loans and advances to banks
Gross Loans and advances	197,971,704	1,955,230	163,087,768	314,334
Less:				
ECL	19,825,836	10,597	17,875,739	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	176,669,649	1,944,633	144,765,808	312,216

Impairment provision losses for loans and advances reached EGP 19,836,433 thousand.

During the period, the Bank's total loans and advances increased by 22.35%

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:

Sep.30, 2022

	Stage 1: 12 months	Stage 2: Life time	Stage 3: Life time	Total
Individuals	44,239,483	4,839,767	768,919	49,848,169
Institutions and Business Banking	81,725,665	57,983,779	8,414,091	148,123,535
Total	125,965,148	62,823,546	9,183,010	197,971,704

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

Sep.30, 2022

	Stage 1: Expected credit losses over 12 months	Stage 2: Expected credit losses Over a lifetime that is not creditworthy	Stage 3: Expected credit losses Over a lifetime Credit default	Total
Individuals	1,026,494	171,228	260,720	1,458,442
Institutions and Business Banking	2,116,640	8,437,375	7,813,379	18,367,394
Total	3,143,134	8,608,603	8,074,099	19,825,836

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

Sep.30, 2022

	Stage 1: 12 months	Stage 2: Life time	Stage 3: Life time	Total
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

	Stage 1: 12 months	Stage 2: Life time	Stage 3: Life time	Total
Facilities and guarantees	69,207,055	36,900,591	4,271,557	110,379,203
Expected credit losses	(2,804,526)	(1,386,980)	(1,121,749)	(5,313,255)
Net	66,402,529	35,513,611	3,149,808	105,065,948

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	<u>101,345,434</u>	<u>53,367,249</u>	<u>8,375,085</u>	<u>163,087,768</u>

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</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	<u>2,301,034</u>	<u>7,687,994</u>	<u>7,886,711</u>	<u>17,875,739</u>

Loans and 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	<u>-</u>	<u>312,216</u>	<u>-</u>	<u>312,216</u>

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	<u>58,612,021</u>	<u>29,829,589</u>	<u>2,566</u>	<u>88,444,176</u>

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

Sep.30, 2022

EGP Thousands

Due from banks

	<u>Stage 1</u> <u>12 months</u> <u>ECL</u>	<u>Stage 2</u> <u>Life time</u> <u>ECL</u>	<u>Stage 3</u> <u>Life time</u> <u>ECL</u>	<u>Total</u> <u>ECL</u>
ECL on 1 January 2022	19,725	20,714	-	40,439
New financial assets purchased or issued	10	11,661	-	11,671
Matured or disposed financial assets	(13)	(20,713)	-	(20,726)
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	9,904	-	-	9,904
Changes to model assumptions and methodology	-	-	-	-
Write off during the period	-	-	-	-
Cumulative foreign currencies translation differences	-	-	-	-
Ending balance	29,626	11,662	-	41,288

Individual Loans:

	<u>Stage 1</u> <u>12 months</u> <u>ECL</u>	<u>Stage 2</u> <u>Life time</u> <u>ECL</u>	<u>Stage 3</u> <u>Life time</u> <u>ECL</u>	<u>Total</u> <u>ECL</u>
ECL on 1 January 2022	825,814	90,037	257,071	1,172,922
Impairment during the period	200,680	81,191	91,681	373,552
Write off during the period	-	-	(159,601)	(159,601)
Recoveries	-	-	71,569	71,569
Ending balance	1,026,494	171,228	260,720	1,458,442

Corporate and Business Banking loans:

	<u>Stage 1</u> <u>12 months</u> <u>ECL</u>	<u>Stage 2</u> <u>Life time</u> <u>ECL</u>	<u>Stage 3</u> <u>Life time</u> <u>ECL</u>	<u>Total</u> <u>ECL</u>
ECL on 1 January 2022	1,475,220	7,597,957	7,629,640	16,702,817
New financial assets purchased or issued	1,111,871	1,044,087	475	2,156,433
Matured or disposed financial assets	(467,111)	(500,090)	(512,675)	(1,479,876)
Transferred to stage 1	39,794	(57,669)	-	(17,875)
Transferred to stage 2	(24,546)	74,031	-	49,485
Transferred to stage 3	(4,151)	(6,922)	11,073	-
Changes in the probability of default and loss in case of default and the exposure at default	(90,989)	(1,210,653)	(8,780)	(1,310,422)
Changes to model assumptions and methodology	51,974	151,995	-	203,969
Recoveries	-	-	8,732	8,732
Write off during the period	-	-	(741,111)	(741,111)
Cumulative foreign currencies translation differences	24,578	1,344,639	1,426,025	2,795,242
Ending balance	2,116,640	8,437,375	7,813,379	18,367,394

Financial Assets at Fair Value through OCI

	<u>Stage 1</u> <u>12 months</u> <u>ECL</u>	<u>Stage 2</u> <u>Life time</u> <u>ECL</u>	<u>Stage 3</u> <u>Life time</u> <u>ECL</u>	<u>Total</u> <u>ECL</u>
ECL on 1 January 2022	515,177	9,721	-	524,898
New financial assets purchased or issued	333,957	53,387	-	387,344
Matured or disposed financial assets	(46,791)	(2,736)	-	(49,527)
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	706,339	53,388	-	759,727

Amortized cost

	<u>Stage 1</u> <u>12 months</u> <u>ECL</u>	<u>Stage 2</u> <u>Life time</u> <u>ECL</u>	<u>Stage 3</u> <u>Life time</u> <u>ECL</u>	<u>Total</u> <u>ECL</u>
ECL on 1 January 2022	1,113	-	-	1,113
New financial assets purchased or issued	43,710	-	-	43,710
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	44,296	-	-	44,296

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			
	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>
Due from banks				
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:				
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:				
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				
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
Financial Assets at Amortized cost				
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:

	Sep.30, 2022	Dec.31, 2021
	EGP Thousands	EGP Thousands
Loans and advances to customer		
Corporate		
- Direct loans	13,856,967	10,903,602
Total	13,856,967	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:

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	32,306,835	-	-	-	32,306,835
Not rated	-	-	-	-	-
Total	32,306,835	-	-	-	32,306,835

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	229,230,944	-	-	-	229,230,944
Not rated	-	-	-	-	-
Total	229,230,944	-	-	-	229,230,944

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	804,023	-	-	-	804,023
Not rated	-	-	-	-	-
Total	804,023	-	-	-	804,023

3.2. Financial investments:

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

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:

Dec.31, 2021 EGP Thousands

<u>Fair value through OCI & 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	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.

Sep.30, 2022						Equivalent EGP Thousands
	EGP	USD	EUR	GBP	Other	Total
Financial assets						
Cash and balances at the central bank	41,457,986	1,315,152	350,444	43,884	609,288	43,776,754
Gross due from banks	34,907,322	46,716,820	7,591,684	1,083,582	120,074	90,419,482
Gross loans and advances to banks	-	1,955,230	-	-	-	1,955,230
Gross loans and advances to customers	146,792,474	47,699,768	3,341,467	14,287	123,708	197,971,704
Derivative financial instruments	431,686	519,528	-	-	-	951,214
Financial investments						
Gross financial investment securities	231,100,872	29,221,512	2,089,554	-	-	262,411,938
Investments in associates and subsidiaries	353,459	159,828	-	-	560,963	1,074,250
Total financial assets	455,043,799	127,587,838	13,373,149	1,141,753	1,414,033	598,560,572
Financial liabilities						
Due to banks	412,893	1,267,332	17,152	5,699	808	1,703,884
Due to customers	373,919,290	111,226,553	10,976,330	1,102,638	359,779	497,584,590
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	374,395,192	120,646,129	11,019,582	1,108,337	360,587	507,529,827
Net on-balance sheet financial position	80,648,607	6,941,709	2,353,567	33,416	1,053,446	91,030,745
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. 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.

	Book value		Fair value	
	Sep.30, 2022	Dec.31, 2021	Sep.30, 2022	Dec.31, 2021
Financial assets				
Due from banks	90,419,482	80,031,726	90,668,165	80,459,411
Gross loans and advances to banks	1,955,230	314,334	1,955,230	314,334
Gross loans and advances to customers	197,971,704	163,087,768	196,301,497	163,388,858
Financial investments:				
Financial Assets at Amortized cost	32,351,131	20,318,767	31,758,472	21,074,139
Total financial assets	322,697,547	263,752,595	320,683,364	265,236,742
Financial liabilities				
Due to banks	1,703,884	862,759	1,813,087	832,976
Due to customers	497,584,590	406,100,916	500,318,430	408,645,667
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	507,500,830	413,676,127	510,318,576	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 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			Valuation techniques (level 3)
		Total	Quoted prices in active markets (Level 1)	Significant observable inputs (level 2)	
	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	230,060,807	130,677,765	99,383,042	-
Total		230,060,807	130,677,765	99,383,042	-
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	31,758,472	-	31,758,472	-
Loans and advances to banks	30-Sep-22	1,955,230	-	-	1,955,230
Loans and advances to customers	30-Sep-22	196,301,497	-	-	196,301,497
Total		230,015,199	-	31,758,472	198,256,727
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	500,318,430	-	-	500,318,430
Total		508,505,489	-	8,187,059	500,318,430
	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:					
Financial Assets at 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;
- Assets and liabilities management – Including other banking business.

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

	EGP Thousands					
Sep.30, 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 *	10,605,584	2,083,573	5,950,020	6,818,846	1,016,000	26,474,023
Expenses according to business segment	<u>(4,593,811)</u>	<u>(1,017,575)</u>	<u>(69,809)</u>	<u>(2,999,955)</u>	<u>(5,410)</u>	<u>(8,686,560)</u>
Profit before tax	6,011,773	1,065,998	5,880,211	3,818,891	1,010,590	17,787,463
Income tax	<u>(1,886,438)</u>	<u>(334,500)</u>	<u>(1,845,156)</u>	<u>(1,198,333)</u>	<u>(317,114)</u>	<u>(5,581,541)</u>
Profit for the period	<u>4,125,335</u>	<u>731,498</u>	<u>4,035,055</u>	<u>2,620,558</u>	<u>693,476</u>	<u>12,205,922</u>
Total assets	<u>152,564,991</u>	<u>5,500,547</u>	<u>264,115,784</u>	<u>48,915,936</u>	<u>119,262,543</u>	<u>590,359,801</u>

* Represents the net interest income and other income.

Sep.30, 2021	<u>Corporate banking</u>	<u>SME's</u>	<u>Investments</u>	<u>Retail banking</u>	<u>Asset Liability Mangement</u>	<u>Total</u>
Net revenue according to business segment	9,084,609	1,351,526	4,459,026	5,730,556	446,761	21,072,478
Expenses according to business segment	<u>(3,647,560)</u>	<u>(794,579)</u>	<u>(64,898)</u>	<u>(2,526,455)</u>	<u>(40,919)</u>	<u>(7,074,411)</u>
Profit before tax	5,437,049	556,947	4,394,128	3,204,101	405,842	13,998,067
Income tax	<u>(1,593,812)</u>	<u>(163,263)</u>	<u>(1,288,091)</u>	<u>(939,248)</u>	<u>(118,968)</u>	<u>(4,103,382)</u>
Profit for the period	<u>3,843,237</u>	<u>393,684</u>	<u>3,106,037</u>	<u>2,264,853</u>	<u>286,874</u>	<u>9,894,685</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			
Sep.30, 2022	<u>Cairo</u>	<u>Alex, Delta & Sinai</u>	<u>Upper Egypt</u>	<u>Total</u>
Revenue according to geographical segment	22,984,696	2,991,898	497,429	26,474,023
Expenses according to geographical segment	<u>(7,423,800)</u>	<u>(1,210,770)</u>	<u>(51,990)</u>	<u>(8,686,560)</u>
Profit before tax	15,560,896	1,781,128	445,439	17,787,463
Income tax	<u>(4,882,864)</u>	<u>(558,902)</u>	<u>(139,775)</u>	<u>(5,581,541)</u>
Profit for the period	<u>10,678,032</u>	<u>1,222,226</u>	<u>305,664</u>	<u>12,205,922</u>
Total assets	<u>548,393,656</u>	<u>33,599,366</u>	<u>8,366,779</u>	<u>590,359,801</u>

Sep.30, 2021	<u>Cairo</u>	<u>Alex, Delta & Sinai</u>	<u>Upper Egypt</u>	<u>Total</u>
Revenue according to geographical segment	18,342,402	2,298,293	431,783	21,072,478
Expenses according to geographical segment	<u>(5,606,423)</u>	<u>(1,250,734)</u>	<u>(217,254)</u>	<u>(7,074,411)</u>
Profit before tax	12,735,979	1,047,559	214,529	13,998,067
Income tax	<u>(3,733,414)</u>	<u>(307,081)</u>	<u>(62,887)</u>	<u>(4,103,382)</u>
Profit for the period	<u>9,002,565</u>	<u>740,478</u>	<u>151,642</u>	<u>9,894,685</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

	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 (Loss) from foreign exchange transactions	395,107	955,448	57,007	463,928
Profit (Loss) from forward foreign exchange deals revaluation	(59,216)	383,400	147,215	38,528
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	418,225	1,431,729	210,117	484,774

6 . Other operating (expenses) income

	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
Profits (losses) from revaluation of non-trading assets and liabilities by FCY	(101,050)	(433,662)	(6,588)	(3,601)
Profits of selling property and equipment	1,050	2,192	874	2,124
Release (charges) of other provisions	(290,046)	(1,525,995)	156,123	(210,578)
Other income/expenses	(499,154)	(1,441,592)	(403,295)	(1,154,123)
Total	(889,200)	(3,399,057)	(252,886)	(1,366,178)

7 . Earning per share

	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 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

8 . Cash and balances at the central bank

	Sep.30, 2022 EGP Thousands	Dec.31, 2021 EGP Thousands
Cash	5,753,922	5,368,429
Obligatory reserve balance with CBE		
- Current accounts	38,022,832	38,016,793
Total	43,776,754	43,385,222
Non-interest bearing balances	43,776,754	43,385,222

9 . Due from banks

	Sep.30, 2022 EGP Thousands	Dec.31, 2021 EGP Thousands
Current accounts	3,471,595	2,706,161
Deposits	86,947,887	77,325,565
Expected credit losses	(41,288)	(40,439)
Total	90,378,194	79,991,287
Central banks	55,924,372	51,720,551
Local banks	20,376,165	13,293,580
Foreign banks	14,077,657	14,977,156
Total	90,378,194	79,991,287
Non-interest bearing balances	1,016,345	1,411,821
Floating interest bearing balances	12,212,601	9,413,404
Fixed interest bearing balances	77,149,248	69,166,062
Total	90,378,194	79,991,287

Due from banks

	Sep.30, 2022 Stage 1	Sep.30, 2022 Stage 2
Gross due from banks	84,217,727	6,201,755
Expected credit losses	(29,626)	(11,662)
Net due from banks	84,188,101	6,190,093

	Dec.31, 2021 Stage 1	Dec.31, 2021 Stage 2
Gross due from banks	74,081,698	5,950,028
Expected credit losses	(19,725)	(20,714)
Net due from banks	74,061,973	5,929,314

10 . Treasury bills and other governmental notes

	Sep.30, 2022 EGP Thousands	Dec.31, 2021 EGP Thousands
91 Days maturity	5,784,326	550
182 Days maturity	10,486,525	84,175
364 Days maturity	75,726,602	44,529,537
Unearned interest	<u>(4,206,331)</u>	<u>(2,327,382)</u>
Total	<u>87,791,122</u>	<u>42,286,880</u>
Repos - treasury bills	<u>(671,356)</u>	<u>(707,376)</u>
Net	<u>87,119,766</u>	<u>41,579,504</u>

Governmental bonds

	Sep.30, 2022 EGP Thousands	Dec.31, 2021 EGP Thousands
	<u>Financial Assets at Fair Value through OCI</u>	<u>Financial Assets at Fair Value through OCI</u>
Governmental bonds	120,092,855	142,702,951
Repo	-	<u>(3,536,336)</u>
Net	<u>120,092,855</u>	<u>139,166,615</u>

11 . Loans and advances to banks, net

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

Analysis for ECL of loans and advances to banks

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

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>(8,479)</u>	<u>7,507</u>
Ending balance	<u>(10,597)</u>	<u>(2,118)</u>

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				Total
	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)

13. Financial investments securities

Sep.30, 2022

	Financial Assets at Fair Value through P&L	Financial Assets at Fair Value through OCI	Financial Assets at Amortized cost	Total EGP Thousands
	Investments listed in the market			
Governmental bonds	-	120,092,855	32,306,835	152,399,690
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	-	87,119,766	-	87,119,766
Securitized bonds	-	11,356,812	-	11,356,812
Equity instruments	-	352,076	-	352,076
Mutual funds	-	301,760	-	301,760
Sukuk	-	252,628	-	252,628
Total	-	230,060,807	32,306,835	262,367,642

Dec.31, 2021

	Financial Assets at Fair Value through P&L	Financial Assets at Fair Value through OCI	Financial Assets at Amortized cost	Total 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

	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 (Loss) from selling FVOCI financial instruments	31,407	1,096,850	128,630	643,467
Released (Impairment) charges of FVOCI	-	-	(72,957)	-
Released (Impairment) charges of investments in associates	-	-	916	(9,359)
Total	31,407	1,096,850	56,589	634,108

14 . Investments in associates and subsidiaries

	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						
- C-Venture Capital	158,645	24,217	4,710	(2,432)	159,828	99.99
- Damietta shipping & marine services	24,887	1,668	623	(974)	97,991	49.95
- Mayfair Bank	2,430,902	1,632,573	182,597	61,067	560,963	51.00
- Commercial International for Finance	-	-	-	-	59,900	99.80
Associates						
-TCA Properties	1,489,950	1,222,509	11,861	(64,456)	158,360	37.00
- Al Ahly Computer	66,470	37,436	39,435	1,116	23,108	39.34
- Fawry Plus	173,682	101,358	81,039	28,193	14,100	14.99
- International Co. for Security and Services (Falcon)	792,081	805,464	228,072	(106,712)	-	30.00
Total	5,136,617	3,825,225	548,337	(84,198)	1,074,250	

	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 %
Dec.31, 2021						
Subsidiaries						
- C-Venture Capital	143,491	1,806	1,386	(2,674)	159,828	99.99
- Damietta shipping & marine services	28,346	1,999	2,132	411	97,991	49.95
- Mayfair Bank	1,860,020	1,250,661	95,361	4,918	560,963	51.00
Associates						
-TCA Properties	-	-	-	-	158,360	37.00
- Al Ahly Computer	65,623	37,788	51,796	3,945	23,108	39.34
- Fawry Plus	124,845	97,088	76,903	14,473	14,100	14.99
- International Co. for Security and Services (Falcon)	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

	Sep.30, 2022	Dec.31, 2021
	EGP Thousands	EGP Thousands
Accrued revenues	7,310,729	8,938,356
Prepaid expenses	656,634	421,083
Advances to purchase of fixed assets	1,124,596	1,134,366
Accounts receivable and other assets*	959,314	528,559
Assets acquired as settlement of debts	148,469	153,423
Insurance	46,917	45,130
Gross	10,246,659	11,220,917
Impairment of other assets	(79,000)	(79,000)
Net	10,167,659	11,141,917

* 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	1,169,516	3,142,053	156,316	928,154	826,083	148,638	6,435,469	-	-	-	-	-	-	-	-
Additions during the period	164,960	20,121	240,603	23,804	35,160	60,200	7,665	552,513	-	-	-	-	-	-	-	-
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	1,185,556	3,367,576	180,120	953,487	853,087	154,526	6,924,021	-	-	-	-	-	-	-	-
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	-	41,232	396,645	8,508	103,594	92,195	12,046	654,220	-	-	-	-	-	-	-	-
Disposals during the period	-	(4,081)	(15,080)	-	(9,827)	(33,196)	(1,777)	(63,961)	-	-	-	-	-	-	-	-
Accumulated depreciation at end of the period (4)	-	542,979	2,474,938	75,195	797,360	618,391	112,628	4,621,491	-	-	-	-	-	-	-	-
Ending net assets (2-4)	229,669	642,577	892,638	104,925	156,127	234,696	41,898	2,302,530	-	-	-	-	-	-	-	-
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

	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, 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

	Sep.30, 2022	Dec.31, 2021
	EGP Thousands	EGP Thousands
Current accounts	1,032,262	666,659
Deposits	671,622	196,100
Total	1,703,884	862,759
Central banks	368,081	198,234
Local banks	8,808	5,234
Foreign banks	1,326,995	659,291
Total	1,703,884	862,759
Non-interest bearing balances	773,905	414,135
Floating bearing interest balances	573,860	117,516
Fixed interest bearing balances	356,119	331,108
Total	1,703,884	862,759
Current balances	1,703,884	862,759

18 . Due to customers

	Sep.30, 2022	Dec.31, 2021
	EGP Thousands	EGP Thousands
Demand deposits	194,686,837	134,352,996
Time deposits	98,911,521	79,212,681
Certificates of deposit	110,803,644	102,139,939
Saving deposits	88,302,433	86,405,762
Other deposits	4,880,155	3,989,538
Total	497,584,590	406,100,916
Corporate deposits	254,596,166	179,860,385
Individual deposits	242,988,424	226,240,531
Total	497,584,590	406,100,916
Non-interest bearing balances	86,018,754	64,696,583
Floating interest bearing balances	9,396,746	17,469,106
Fixed interest bearing balances	402,169,090	323,935,227
Total	497,584,590	406,100,916
Current balances	378,063,313	295,627,470
Non-current balances	119,521,277	110,473,446
Total	497,584,590	406,100,916

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	1,972,991	1,610,509
Accounts payable	5,528,102	4,717,019
Other credit balances	462,588	140,153
Total	9,945,543	8,021,310

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	3,203,319	1,797,420	312,516	-	-	5,313,255
Provision for other claim	329,173	6,443	20,628	(1,645)	-	354,599
Total	3,539,676	1,803,863	333,425	(1,857)	(101)	5,675,006
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	2,928,494	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

* 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 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	(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	<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 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

	<u>Income</u>	<u>Expenses</u>
	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. Adjustments to calculate the effective tax rate	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 before tax	6,372,221	17,787,463	5,349,283	13,998,067
Tax rate	22.50%	22.50%	22.50%	22.50%
Income tax based on accounting profit	1,433,750	4,002,179	1,203,589	3,149,565
Add / (Deduct)				
Non-deductible expenses	853,921	2,623,349	582,916	1,738,892
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	1,940,290	5,581,541	1,531,940	4,103,382
Effective tax rate	30.45%	31.38%	28.64%	29.31%

26. 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).

