



Consolidated Financial Statements

September 2023 - Interim Condensed



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 2023 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 and the basis of recognition and measurement approved by the Central Bank of Egypt board of directors on 16 December 2008 as amended by regulations issued on 26 February 2019 and its subsequent interpretive instructions and Central Bank of Egypt board of directors resolution on 3 May 2020 regarding issuing condensed interim financial statements for banks and with the requirements of applicable Egyptian laws and regulations, our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

Scope of Review

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

Conclusion

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

Cairo, 2 November 2023

 **Auditors**

Farid Samir Farid

Financial Regulatory Authority Register Number "210"

**Saleh, Barsoum & Abdel Aziz - Grant Thornton
Public Accountants & Consultants**



 **Hossam Mohamed Hilal**

Hossam Mohamed Hilal

Financial Regulatory Authority Register Number "147"

**Baker Tilly Mohamed Hilal - Wahid Abdel Ghaffar
Public Accountants & Consultants**



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

	<i>Notes</i>	Sep. 30, 2023 EGP Thousands	Dec. 31, 2022 EGP Thousands
Assets			
Cash and balances at the central bank	8	59,950,223	47,492,549
Due from banks	9	276,842,860	133,856,720
Loans and advances to banks, net	11	-	2,978,197
Loans and advances to customers, net	12	223,085,568	193,599,872
Derivative financial instruments		1,647,485	1,939,961
Financial investments			
- Financial Assets at Fair Value through OCI	13	189,098,612	204,020,733
- Financial Assets at Amortized cost	13	39,177,670	34,524,760
- Investments in associates	14	132,476	186,062
Non current assets held for sale	29	214	-
Other assets	15	17,375,013	14,521,427
Goodwill	26	65,325	96,268
Intangible assets	27	-	24,188
Deferred tax assets		1,137,342	185,746
Property and equipment	16	2,556,198	2,405,434
Total assets		811,068,986	635,831,917
Liabilities and equity			
Liabilities			
Due to banks	17	19,022,706	3,496,698
Due to customers	18	667,669,213	531,616,550
Non current liabilities held for sale	30	933	-
Derivative financial instruments		99,911	219,752
Current income tax liabilities		6,993,454	3,051,583
Other liabilities	19	15,875,568	11,606,912
Issued debt instruments	20	3,071,834	2,456,607
Other loans		10,387,714	7,978,975
Other provisions	21	10,511,982	7,066,672
Total liabilities		733,633,315	567,493,749
Equity			
Issued and paid up capital		30,195,010	29,825,134
Reserves		23,007,690	19,643,327
Reserve for employee stock ownership plan (ESOP)		1,339,443	1,895,435
Retained earnings *		22,764,552	16,393,841
Total equity and net profit for the period / year		77,306,695	67,757,737
Non Controlling Interest		128,976	580,431
Total minority interest, equity and net profit for the period / year		77,435,671	68,338,168
Total liabilities and equity		811,068,986	635,831,917

The accompanying notes are an integral part of these financial statements.
 (Limited review report attached)

* Including net profit for the current period



Hussein Abaza
 CEO & Managing Director



Hisham Ezz Al-Arab
 Chairman

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

	<i>Notes</i>	Last 3 Months Sep. 30, 2023 EGP Thousands	Last 9 Months Sep. 30, 2023 EGP Thousands	Last 3 Months Sep. 30, 2022 EGP Thousands	Last 9 Months Sep. 30, 2022 EGP Thousands
Interest and similar income		27,891,317	73,006,422	14,625,124	38,938,124
Interest and similar expense		(14,053,798)	(35,275,583)	(6,536,058)	(17,120,373)
Net interest income		13,837,519	37,730,839	8,089,066	21,817,751
Fee and commission income		2,414,764	6,543,585	1,496,959	3,908,463
Fee and commission expense		(1,014,586)	(2,589,680)	(657,392)	(1,730,281)
Net fee and commission income		1,400,178	3,953,905	839,567	2,178,182
Dividend income		6,400	83,653	-	54,557
Net trading income	5	830,027	3,165,144	419,890	1,434,169
Profits (Losses) on financial investments	13.1	72,906	165,478	31,407	1,096,850
Administrative expenses		(2,204,746)	(6,501,663)	(1,871,711)	(5,142,060)
Other operating (expenses) income	6	(2,256,161)	(5,679,447)	(893,051)	(3,404,237)
Goodwill amortization	26	(10,314)	(30,943)	(10,314)	(30,943)
Intangible assets amortization	27	(19,005)	(24,188)	(2,591)	(7,774)
Impairment release (charges) for credit losses		(34,283)	(1,216,770)	(224,101)	(298,078)
Bank's share in the profits / losses of associates		(12,856)	(39,486)	(21,557)	(16,343)
Profit before income tax		11,609,665	31,606,522	6,356,605	17,682,074
Income tax expense	28	(3,791,983)	(9,540,412)	(1,871,507)	(4,885,951)
Deferred tax assets (Liabilities)	28	535,433	392,680	(66,543)	(597,241)
Net profit from continued operations		8,353,115	22,458,790	4,418,555	12,198,882
Discontinued Operations					
Net profit (loss) from discontinued operations	31	(87)	(49,699)	-	-
Net profit for the period		8,353,028	22,409,091	4,418,555	12,198,882
Non Controlling Interest		(146)	3,328	10,095	25,625
Bank's shareholders		8,353,174	22,405,763	4,408,460	12,173,257
Earnings per share	7				
Basic		2.24	6.41	1.31	3.62
Diluted		2.21	6.34	1.29	3.58



Hussein Abaza
 CEO & Managing Director



Hisham Ezz Al-Arab
 Chairman

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

	Last 3 Months Sep. 30, 2023 EGP Thousands	Last 9 Months Sep. 30, 2023 EGP Thousands	Last 3 Months Sep. 30, 2022 EGP Thousands	Last 9 Months Sep. 30, 2022 EGP Thousands
Net profit for the period	8,353,028	22,409,091	4,418,555	12,198,882
Change in fair value of Financial investments measured at fair value through comprehensive income after tax	319,279	(9,629,911)	(5,806,870)	(13,184,005)
Transferred to RE from financial assets at fair value through comprehensive income	-	(95,308)	99	(4,128)
Cumulative foreign currencies translation differences	(73,765)	193,162	15,543	96,867
Effect of ECL in fair value of debt instruments measured at fair value through comprehensive income	(4,566)	201,185	129,529	233,717
Total comprehensive income for the period	8,593,976	13,078,219	(1,243,144)	(658,667)
As follows:				
Bank's shareholders	8,594,122	13,074,891	(1,253,239)	(684,292)
Non Controlling Interest	(146)	3,328	10,095	25,625
Total comprehensive income for the period	8,593,976	13,078,219	(1,243,144)	(658,667)

Condensed Consolidated Interim Cash flows for the period ended September 30 2023

	Notes	Sep. 30, 2023 EGP Thousands	Sep. 30, 2022 EGP Thousands
Cash flow from operating activities			
Profit before income tax from continued operations		31,606,522	17,682,074
Profit (loss) from discontinued operations		(49,699)	-
Adjustments to reconcile profits to net cash provided by operating activities			
Fixed assets depreciation	16	655,051	644,401
Impairment (Released) charge for credit losses (Loans and advances to customers and banks)		1,050,980	12,998
Other provisions charges	21	2,350,253	1,803,568
Impairment (Released) charge for credit losses (due from banks)		(47,249)	534
Impairment (Released) charge for credit losses (financial investments)		213,039	284,546
Impairment (Released) charge for other assets		14,347	(277,768)
Exchange revaluation differences for financial assets at fair value through OCI and AC		(5,409,592)	(3,745,045)
Goodwill amortization	26	30,943	30,943
Intangible assets amortization	27	24,188	7,774
Utilization of other provisions	21	(1,608)	(1,857)
Other provisions no longer used	21	-	(101)
Exchange Revaluation differences of other provisions	21	1,096,665	333,425
profits from selling property and equipment		(194)	(2,192)
profits from selling financial investments at fair value through OCI	13.1	(149,012)	(1,096,850)
Losses (Profits) from selling investments in associates	13.1	(7,466)	-
Impairment (Released) charges of investments in associates	13.1	(9,000)	-
Shares based payments		608,250	579,653
Bank's share in the profits / losses of associates		39,486	16,343
Operating profits before changes in operating assets and liabilities		32,015,904	16,272,446
Net decrease / increase in assets and liabilities			
Due from banks		9,859,636	870,167
Financial assets at fair value through P&L		-	240,987
Derivative financial instruments		172,635	(947,321)
Loans and advances to banks and customers	11 - 12	(27,548,758)	(33,780,208)
Other assets		(2,506,019)	1,245,185
Non current assets held for sale		(214)	-
Due to banks	17	15,526,008	881,371
Due to customers	18	136,052,663	91,778,069
Current income tax obligations paid		(2,546,958)	(2,207,579)
Non current liabilities held for sale		933	-
Other liabilities		(3,890,097)	(325,379)
Net cash generated from (used in) operating activities		157,135,733	74,027,738
Cash flow from investing activities			
Proceeds from Investments in associates.		2,119	-
Payment for purchases of property, equipment and branches construction		(1,177,450)	(556,512)
Proceeds from selling property and equipment		194	2,192
Proceeds from redemption of financial assets at amortized cost		5,278,030	6,520,697
Payment for purchases of financial assets at amortized cost		(9,334,085)	(18,268,602)
Payment for purchases of financial assets at fair value through OCI		(64,860,157)	(115,077,815)
Proceeds from selling financial assets at fair value through OCI		75,128,566	73,424,845
Payment for investment in subsidiaries.		(1,008,761)	-
Net cash generated from (used in) investing activities		4,028,456	(53,955,195)

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

	Sep. 30, 2023 EGP Thousands	Sep. 30, 2022 EGP Thousands
Cash flow from financing activities		
Other loans	2,408,739	1,116,344
Dividends paid	(3,594,747)	(4,410,322)
Issued debt instruments	615,227	382,977
Capital increase	369,876	122,716
Net cash generated from (used in) financing activities	(200,905)	(2,788,285)
Net (decrease) increase in cash and cash equivalent during the period	160,963,284	17,284,258
Beginning balance of cash and cash equivalent	92,969,526	61,065,822
Cash and cash equivalent at the end of the period	253,932,810	78,350,080
Cash and cash equivalent comprise:		
Cash and balances at the central bank	59,950,223	43,857,708
Due from banks	276,845,003	90,499,843
Treasury bills	71,507,826	87,122,900
Obligatory reserve balance with CBE	(52,963,236)	(38,082,441)
Due from banks with maturity more than three months	(30,994,611)	(22,949,758)
Treasury bills with maturity more than three months	(70,412,395)	(82,098,172)
Total cash and cash equivalent	253,932,810	78,350,080

Condensed Consolidated Interim statement of changes in shareholders' equity

	Issued and paid up capital	Legal 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
Sep. 30, 2022														EGP Thousands
Beginning Balance at 1 January 2022	19,702,418	3,293,074	28,260,532	1,550,906	8,183	16,000	641,372	9,141	13,696,402	1,674,392	(4,218)	68,848,202	454,535	69,302,737
Capital increase	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)	-	(4,410,322)
Net profit for the period	-	-	-	-	-	-	-	-	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	-	-	-	-	-
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 30 September 2022	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
Sep. 30, 2023														EGP Thousands
Beginning Balance at 1 January 2023	29,825,134	3,963,946	27,096,858	1,550,906	8,183	18,947	(13,188,818)	11,981	16,393,841	1,895,435	181,324	67,757,737	580,431	68,338,168
Capital increase	369,876	-	-	-	-	-	-	-	-	-	-	369,876	-	369,876
Transferred to reserves	-	806,408	12,743,849	-	-	2,208	-	-	(12,388,223)	(1,164,242)	-	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	(3,738,888)	-	-	(3,738,888)	(17,108)	(3,755,996)
Net profit for the period	-	-	-	-	-	-	-	-	22,405,763	-	-	22,405,763	3,328	22,409,091
Transferred to RE from financial assets at fair value through OCI	-	-	-	-	-	-	(95,308)	-	95,308	-	-	-	-	-
Change in non controlling interest from acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	(536,867)	(536,867)
Reserve for transactions under common control	-	-	-	-	(679,155)	-	-	-	-	-	-	(679,155)	-	(679,155)
Net unrealised gain/(loss) on financial assets at fair value through OCI after tax	-	-	-	-	-	-	(9,629,911)	-	-	-	-	(9,629,911)	-	(9,629,911)
Transferred (from) to banking risk reserve	-	-	-	-	-	-	-	3,249	(3,249)	-	-	-	-	-
Effect of ECL in fair value of debt instruments measured at fair value through OCI	-	-	-	-	-	-	201,185	-	-	-	-	201,185	-	201,185
Cost of employees stock ownership plan (ESOP)	-	-	-	-	-	-	-	-	-	608,250	-	608,250	-	608,250
Cumulative foreign currencies translation differences	-	-	-	-	-	-	-	-	-	-	11,838	11,838	99,192	111,030
Balance at 30 September 2023	30,195,010	4,770,354	39,840,707	1,550,906	(679,972)	21,155	(22,712,852)	15,230	22,764,552	1,339,443	193,162	77,306,695	128,976	77,435,671

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

1. General information

Commercial International Bank (Egypt) S.A.E. provides retail, corporate and investment banking services in various parts of Egypt through 194 branches, and 16 units employing 7,791 employees on the statement of financial position date.

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

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

Financial statements have been approved by the board of directors on 2nd of November, 2023.

2. Summary of accounting policies

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

2.1. Basis of preparation

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

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

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

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

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

2.2. Basis of consolidation

The basis of the consolidation is as follows:

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

3.1. Loans and advances

Loans and advances are summarized as follows:

	Sep.30, 2023 EGP Thousands		Dec.31, 2022 EGP Thousands	
	<u>Loans and advances to customers</u>	<u>Loans and advances to banks</u>	<u>Loans and advances to customers</u>	<u>Loans and advances to banks</u>
Gross Loans and advances	255,380,957	-	219,746,382	2,988,410
Less:				
ECL	29,949,462	-	24,536,712	10,213
Unamortized bills discount	594,298	-	678,795	-
Unamortized syndicated loans discount	163,261	-	221,018	-
Suspended credit account	1,588,368	-	709,985	-
Net	223,085,568	-	193,599,872	2,978,197

Impairment provision losses for loans and advances totaled EGP 29,949,462 thousand

During the year, the Bank's total loans and advances increased by 14.66%.

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

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

EGP Thousands

Sep.30, 2023

	<u>Stage 1: 12 months</u>	<u>Stage 2: Life time</u>	<u>Stage 3: Life time</u>	<u>Total</u>
Individuals	50,247,506	5,510,102	827,503	56,585,111
Corporate and Business Banking	120,387,687	66,259,375	12,148,784	198,795,846
Total	170,635,193	71,769,477	12,976,287	255,380,957

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

Sep.30, 2023

	<u>Stage 1: Expected credit losses over 12 months</u>	<u>Stage 2: Expected credit losses Over a lifetime that is not creditworthy</u>	<u>Stage 3: Expected credit losses Over a lifetime Credit default</u>	<u>Total</u>
Individuals	1,190,592	203,825	476,917	1,871,334
Corporate and Business Banking	3,528,605	14,129,564	10,419,959	28,078,128
Total	4,719,197	14,333,389	10,896,876	29,949,462

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

Sep.30, 2023

	<u>Stage 1: 12 months</u>	<u>Stage 2: Life time</u>	<u>Stage 3: Life time</u>	<u>Total</u>
Time loans	-	-	-	-
Expected credit losses	-	-	-	-
Net	-	-	-	-

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

Sep.30, 2023

	<u>Stage 1: 12 months</u>	<u>Stage 2: Life time</u>	<u>Stage 3: Life time</u>	<u>Total</u>
Facilities and guarantees	109,837,542	53,514,406	6,113,085	169,465,033
Expected credit losses	(4,577,177)	(3,268,528)	(2,238,689)	(10,084,394)
Net	105,260,365	50,245,878	3,874,396	159,380,639

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

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

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

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

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

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

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

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

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

Sep.30, 2023

Due from banks

	EGP Thousands			
	<u>Stage 1</u>	<u>Stage 2</u>	<u>Stage 3</u>	<u>Total</u>
	<u>12 months</u>	<u>Life time</u>	<u>Life time</u>	
	<u>ECL</u>	<u>ECL</u>	<u>ECL</u>	<u>ECL</u>
ECL on 1 January 2023	38,884	10,508	-	49,392
New financial assets purchased or issued	1,934	20	-	1,954
Matured or disposed financial assets	(38,737)	(10,508)	-	(49,245)
Transferred to stage 1	-	-	-	-
Transferred to stage 2	-	-	-	-
Transferred to stage 3	-	-	-	-
Changes in models/risk parameters	42	-	-	42
Write off during the period	-	-	-	-
Ending balance	2,123	20	-	2,143

Individual Loans:

	<u>Stage 1</u>	<u>Stage 2</u>	<u>Stage 3</u>	<u>Total</u>
	<u>12 months</u>	<u>Life time</u>	<u>Life time</u>	
	<u>ECL</u>	<u>ECL</u>	<u>ECL</u>	<u>ECL</u>
ECL on 1 January 2023	1,024,932	171,725	397,479	1,594,136
Impairment during the period	165,660	32,100	164,714	362,474
Write off during the period	-	-	(169,089)	(169,089)
Recoveries	-	-	83,813	83,813
Ending balance	1,190,592	203,825	476,917	1,871,334

Corporate and Business Banking:

	<u>Stage 1</u>	<u>Stage 2</u>	<u>Stage 3</u>	<u>Total</u>
	<u>12 months</u>	<u>Life time</u>	<u>Life time</u>	
	<u>ECL</u>	<u>ECL</u>	<u>ECL</u>	<u>ECL</u>
ECL on 1 January 2023	2,631,413	11,053,147	9,258,016	22,942,576
New financial assets purchased or issued	2,185,347	5,111,611	8,172	7,305,130
Matured or disposed financial assets	(1,015,716)	(3,009,931)	(652,641)	(4,678,288)
Transferred to stage 1	133,686	(133,689)	3	-
Transferred to stage 2	(83,700)	103,272	(19,572)	-
Transferred to stage 3	(23,086)	(7,738)	30,824	-
Changes in models/risk parameters	(335,433)	(1,434,375)	(158,315)	(1,928,123)
Recoveries	-	-	11,408	11,408
Write off during the period	-	-	(181,016)	(181,016)
Cumulative foreign currencies translation differences	36,094	2,447,267	2,123,080	4,606,441
Ending balance	3,528,605	14,129,564	10,419,959	28,078,128

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

Sep.30, 2023

Debt Instruments at Fair value through OCI

	EGP Thousands			
	<u>Stage 1</u> <u>12 months</u> <u>ECL</u>	<u>Stage 2</u> <u>Life time</u> <u>ECL</u>	<u>Stage 3</u> <u>Life time</u> <u>ECL</u>	<u>Total</u> <u>ECL</u>
ECL on 1 January 2023	979,945	-	-	979,945
New financial assets purchased or issued	297,380	-	-	297,380
Matured or disposed financial assets	(58,208)	-	-	(58,208)
Transferred to stage 1	-	-	-	-
Transferred to stage 2	-	-	-	-
Transferred to stage 3	-	-	-	-
Changes in models/risk parameters	(37,987)	-	-	(37,987)
Write off during the period	-	-	-	-
Ending balance	1,181,130	-	-	1,181,130

Debt Instruments at amortized cost

	<u>Stage 1</u> <u>12 months</u> <u>ECL</u>	<u>Stage 2</u> <u>Life time</u> <u>ECL</u>	<u>Stage 3</u> <u>Life time</u> <u>ECL</u>	<u>Total</u> <u>ECL</u>
ECL on 1 January 2023	78,837	-	-	78,837
New financial assets purchased or issued	6,519	-	-	6,519
Matured or disposed financial assets	(4,580)	-	-	(4,580)
Transferred to stage 1	-	-	-	-
Transferred to stage 2	-	-	-	-
Transferred to stage 3	-	-	-	-
Changes in models/risk parameters	9,915	-	-	9,915
Write off during the period	-	-	-	-
Ending balance	90,691	-	-	90,691

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

Dec.31, 2022 Due from banks	EGP Thousands			
	<u>Stage 1</u>	<u>Stage 2</u>	<u>Stage 3</u>	<u>Total</u>
	<u>12 months</u>	<u>Life time</u>	<u>Life time</u>	<u>ECL</u>
	<u>ECL</u>	<u>ECL</u>	<u>ECL</u>	<u>ECL</u>
ECL on 1 January 2022	20,283	20,714	-	40,997
New financial assets purchased or issued	158	10,508	-	10,666
Matured or disposed financial assets	(432)	(20,714)	-	(21,146)
Transferred to stage 1	-	-	-	-
Transferred to stage 2	-	-	-	-
Transferred to stage 3	-	-	-	-
Changes in models/risk parameters	18,875	-	-	18,875
Write off during the year	-	-	-	-
Ending balance	38,884	10,508	-	49,392

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

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

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

Dec.31, 2022

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

Debt Instruments at amortized cost

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

Loans and advances restructured

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

	Sep.30, 2023	Dec.31, 2022
	EGP Thousands	EGP Thousands
Loans and advances to customer		
Corporate		
- Direct loans	20,003,066	17,207,400
Total	20,003,066	17,207,400

3.2. Financial investments:

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

Sep.30, 2023	EGP Thousands				
<u>Amortized cost</u>	<u>Stage 1: 12 months</u>	<u>Stage 2: Life time</u>	<u>Stage 3: Life time</u>	<u>Individually impaired</u>	<u>Total</u>
AAA	-	-	-	-	-
AA+ to -AA	-	-	-	-	-
A+ to -A	-	-	-	-	-
Less than -A	39,177,670	-	-	-	39,177,670
Not rated	-	-	-	-	-
Total	39,177,670	-	-	-	39,177,670

Sep.30, 2023	EGP Thousands				
<u>Fair value through OCI</u>	<u>Stage 1: 12 months</u>	<u>Stage 2: Life time</u>	<u>Stage 3: Life time</u>	<u>Individually impaired</u>	<u>Total</u>
AAA	-	-	-	-	-
AA+ to -AA	-	-	-	-	-
A+ to -A	-	-	-	-	-
Less than -A	187,813,432	-	-	-	187,813,432
Not rated	-	-	-	-	-
Total	187,813,432	-	-	-	187,813,432

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

Sep.30, 2023	EGP Thousands				
<u>Fair value through OCI and amortized cost</u>	<u>Stage 1: Expected credit losses over 12 months</u>	<u>Stage 2: Expected credit losses Over a lifetime that is not creditworthy</u>	<u>Stage 3: Expected credit losses Over a lifetime Credit default</u>	<u>Individually impaired</u>	<u>Total</u>
AAA	-	-	-	-	-
AA+ to -AA	-	-	-	-	-
A+ to -A	-	-	-	-	-
Less than -A	1,271,821	-	-	-	1,271,821
Not rated	-	-	-	-	-
Total	1,271,821	-	-	-	1,271,821

3.2. Financial investments:

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

EGP Thousands					
<u>Dec.31, 2022</u>	<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	34,524,760	-	-	-	34,524,760
Not rated	-	-	-	-	-
Total	34,524,760	-	-	-	34,524,760

EGP Thousands					
<u>Dec.31, 2022</u>	<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	202,700,013	-	-	-	202,700,013
Not rated	-	-	-	-	-
Total	202,700,013	-	-	-	202,700,013

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

EGP Thousands					
<u>Dec.31, 2022</u>	<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	1,058,782	-	-	-	1,058,782
Not rated	-	-	-	-	-
Total	1,058,782	-	-	-	1,058,782

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, 2023						Equivalent EGP Thousands
	EGP	USD	EUR	GBP	Other	Total
Financial assets						
Cash and balances at the central bank	56,328,664	2,304,902	609,288	132,674	574,695	59,950,223
Gross due from banks	150,003,075	107,558,144	17,812,283	1,182,249	289,252	276,845,003
Gross loans and advances to banks	-	-	-	-	-	-
Gross loans and advances to customers	177,672,346	71,083,712	5,673,537	5,288	946,074	255,380,957
Derivative financial instruments	785,987	861,498	-	-	-	1,647,485
Financial investments						
Gross financial investment securities	178,399,561	45,487,487	3,560,346	-	919,579	228,366,973
Investments in associates	132,476	-	-	-	-	132,476
Total financial assets	563,322,109	227,295,743	27,655,454	1,320,211	2,729,600	822,323,117
Financial liabilities						
Due to banks	3,868,576	14,870,858	266,131	9,415	7,726	19,022,706
Due to customers	455,794,795	184,800,366	23,005,368	2,005,537	2,063,147	667,669,213
Derivative financial instruments	37,094	62,817	-	-	-	99,911
Issued debt instruments	-	3,071,834	-	-	-	3,071,834
Other loans	211,015	10,085,959	90,740	-	-	10,387,714
Total financial liabilities	459,911,480	212,891,834	23,362,239	2,014,952	2,070,873	700,251,374
Net on-balance sheet financial position	103,410,629	14,403,909	4,293,215	(694,741)	658,727	122,071,739
Total financial assets as of December 31, 2022	452,425,118	169,455,300	18,509,254	1,501,039	2,993,095	644,883,806
Total financial liabilities as of December 31, 2022	369,855,281	157,397,713	15,225,576	1,430,547	1,859,465	545,768,582
Net financial position as of December 31, 2022	82,569,837	12,057,587	3,283,678	70,492	1,133,630	99,115,224

3.4. Interest rate risk

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

3.5. Liquidity risk

Liquidity risk specifies the Bank's inability to replace withdrawn funds and meet consequential payment obligations due to the fall of financial liabilities. The consequence may be the failure to meet obligations to repay depositors and fulfill commitments to lend.

Liquidity Risk Management Organization and Measurement Tools

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

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

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

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

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

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

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

LIQUIDITY MANAGEMENT

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

For September 2023 NSFR ratio record 208% (LCY 208% and FCY 206%), and LCR ratio record 801% (LCY 1303% and FCY 265%).

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

For September 2023 CAR ratio record 21.4%, and 22.6% for December 2022.

For September 2023 Leverage ratio record 8.3%, and 8.7% for December 2022.

3.6. Financial instruments not measured at fair value

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

	EGP Thousands		EGP Thousands	
	<u>Book value</u>		<u>Fair value</u>	
	Sep.30, 2023	Dec.31, 2022	Sep.30, 2023	Dec.31, 2022
Financial assets				
Gross due from banks	276,845,003	133,906,112	275,249,188	134,627,973
Gross loans and advances to banks	-	2,988,410	-	2,988,410
Gross loans and advances to customers	255,380,957	219,746,382	257,781,498	219,163,469
Financial investments:				
Financial Assets at Amortized cost	39,268,361	34,603,597	37,094,892	33,813,552
Total financial assets	571,494,321	391,244,501	570,125,578	390,593,404
Financial liabilities				
Due to banks	19,022,706	3,496,698	19,077,769	3,502,732
Due to customers	667,669,213	531,616,550	671,534,124	534,738,218
Issued debt instruments	3,071,834	2,456,607	3,107,181	2,461,042
Other loans	10,387,714	7,978,975	10,496,814	7,981,357
Total financial liabilities	700,151,467	545,548,830	704,215,888	548,683,349

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

Due from banks

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

Fair values of financial instruments

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

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

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

Level 3 - Unobservable inputs for the asset or liability.

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

Fair value measurement using

Sep.30, 2023	Date of Valuation	<u>Total</u>	<u>Quoted prices in active markets (Level 1)</u>	<u>Significant observable inputs (level 2)</u>	<u>Valuation techniques (level 3)</u>	<u>EGP Thousands</u>
Measured at fair value:						
Financial assets						
Financial Assets at Fair Value through OCI	30-Sep-23	189,098,612	116,192,246	72,906,366	-	-
Total		189,098,612	116,192,246	72,906,366	-	-
Derivative financial instruments						
Financial assets	30-Sep-23	1,647,485	-	-	1,647,485	-
Financial liabilities	30-Sep-23	99,911	-	-	99,911	-
Total		1,747,396	-	-	1,747,396	-
Assets for which fair values are disclosed:						
Financial Assets at Amortized cost	30-Sep-23	37,094,892	-	37,094,892	-	-
Loans and advances to banks	30-Sep-23	-	-	-	-	-
Loans and advances to customers	30-Sep-23	257,781,498	-	-	257,781,498	-
Total		294,876,390	-	37,094,892	257,781,498	-
Liabilities for which fair values are disclosed:						
Issued debt instruments	30-Sep-23	3,107,181	-	3,107,181	-	-
Other loans	30-Sep-23	10,496,814	-	10,496,814	-	-
Due to customers	30-Sep-23	671,534,124	-	-	671,534,124	-
Total		685,138,119	-	13,603,995	671,534,124	-

Fair value measurement using

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

4. Segment analysis

4.1. By business segment

The Bank is divided into the following business segments:

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

	EGP Thousands					
	<u>Corporate banking</u>	<u>SME's</u>	<u>Investments</u>	<u>Retail banking</u>	<u>Asset Liability Mangement</u>	<u>Total</u>
Sep.30, 2023						
Net revenue according to business segment *	16,170,997	5,267,096	6,597,296	11,743,102	5,320,528	45,099,019
Expenses according to business segment	<u>(8,062,334)</u>	<u>(1,390,219)</u>	<u>(304,664)</u>	<u>(3,770,801)</u>	<u>(17,506)</u>	<u>(13,545,524)</u>
Profit before tax	8,108,663	3,876,877	6,292,632	7,972,301	5,303,022	31,553,495
Income tax	<u>(2,362,200)</u>	<u>(1,122,067)</u>	<u>(1,821,248)</u>	<u>(2,307,387)</u>	<u>(1,534,830)</u>	<u>(9,147,732)</u>
Profit for the period	<u>5,746,463</u>	<u>2,754,810</u>	<u>4,471,384</u>	<u>5,664,914</u>	<u>3,768,192</u>	<u>22,405,763</u>
Total assets	<u>189,712,728</u>	<u>8,951,684</u>	<u>229,615,399</u>	<u>53,691,026</u>	<u>329,098,149</u>	<u>811,068,986</u>
Total liabilities	<u>251,634,590</u>	<u>90,583,013</u>	<u>-</u>	<u>359,390,087</u>	<u>32,025,625</u>	<u>733,633,315</u>

* Represents the net interest income and other income.

	<u>Corporate banking</u>	<u>SME's</u>	<u>Investments</u>	<u>Retail banking</u>	<u>Asset Liability Mangement</u>	<u>Total</u>
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	<u>(4,790,654)</u>	<u>(1,017,575)</u>	<u>(84,096)</u>	<u>(3,010,982)</u>	<u>(5,410)</u>	<u>(8,908,717)</u>
Profit before tax	5,884,345	1,065,998	5,881,669	3,813,847	1,010,590	17,656,449
Income tax	<u>(1,788,089)</u>	<u>(334,500)</u>	<u>(1,845,156)</u>	<u>(1,198,333)</u>	<u>(317,114)</u>	<u>(5,483,192)</u>
Profit for the period	<u>4,096,256</u>	<u>731,498</u>	<u>4,036,513</u>	<u>2,615,514</u>	<u>693,476</u>	<u>12,173,257</u>
Total assets at 31 December 2022	<u>157,888,749</u>	<u>6,819,154</u>	<u>243,597,100</u>	<u>53,296,732</u>	<u>174,230,182</u>	<u>635,831,917</u>
Total liabilities at 31 December 2022	<u>239,694,892</u>	<u>67,995,672</u>	<u>-</u>	<u>251,469,542</u>	<u>8,333,643</u>	<u>567,493,749</u>

4.2. By geographical segment

	EGP Thousands				
	<u>Cairo</u>	<u>Alex, Delta & Sinai</u>	<u>Upper Egypt</u>	<u>Outside Egypt (CIB Kenya)</u>	<u>Total</u>
Sep.30, 2023					
Revenue according to geographical segment	37,586,723	6,320,191	1,027,033	165,072	45,099,019
Expenses according to geographical segment	<u>(11,766,827)</u>	<u>(1,518,525)</u>	<u>(77,626)</u>	<u>(182,546)</u>	<u>(13,545,524)</u>
Profit before tax	25,819,896	4,801,666	949,407	(17,474)	31,553,495
Income tax	<u>(7,527,465)</u>	<u>(1,389,724)</u>	<u>(274,783)</u>	<u>44,240</u>	<u>(9,147,732)</u>
Profit for the period	<u>18,292,431</u>	<u>3,411,942</u>	<u>674,624</u>	<u>26,766</u>	<u>22,405,763</u>
Total assets	<u>754,293,348</u>	<u>42,838,851</u>	<u>11,225,827</u>	<u>2,710,960</u>	<u>811,068,986</u>
Total liabilities	<u>554,087,659</u>	<u>149,100,476</u>	<u>28,371,783</u>	<u>2,073,397</u>	<u>733,633,315</u>
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	<u>(7,605,573)</u>	<u>(1,210,770)</u>	<u>(51,990)</u>	<u>(40,384)</u>	<u>(8,908,717)</u>
Profit before tax	15,436,788	1,781,128	445,439	(6,906)	17,656,449
Income tax	<u>(4,890,565)</u>	<u>(558,902)</u>	<u>(139,775)</u>	<u>106,050</u>	<u>(5,483,192)</u>
Profit for the period	<u>10,546,223</u>	<u>1,222,226</u>	<u>305,664</u>	<u>99,144</u>	<u>12,173,257</u>
Total assets at 31 December 2022	<u>586,848,023</u>	<u>36,636,416</u>	<u>9,747,543</u>	<u>2,599,935</u>	<u>635,831,917</u>
Total liabilities at 31 December 2022	<u>439,636,070</u>	<u>107,081,685</u>	<u>19,101,653</u>	<u>1,674,341</u>	<u>567,493,749</u>

5 . Net trading income

	Last 3 Months Sep.30, 2023	Last 9 Months Sep.30, 2023	Last 3 Months Sep.30, 2022	Last 9 Months Sep.30, 2022
	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands
Profit (Loss) from foreign exchange transactions	998,850	3,321,898	396,247	957,209
Profit (Loss) from forward foreign exchange deals revaluation	(357,653)	147,430	(58,691)	384,079
Profit (Loss) from interest rate swaps revaluation	116,790	117,850	2,811	2,573
Profit (Loss) from currency swap deals revaluation	72,004	(439,259)	79,465	96,359
Profit (Loss) from financial assets at fair value through P&L	36	17,225	58	(6,051)
Total	830,027	3,165,144	419,890	1,434,169

6 . Other operating (expenses) income

	Last 3 Months Sep.30, 2023	Last 9 Months Sep.30, 2023	Last 3 Months Sep.30, 2022	Last 9 Months Sep.30, 2022
	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands
Profits (losses) from revaluation of non-trading assets and liabilities by FCY	6,380	(860,400)	(101,050)	(433,662)
Profits of selling property and equipment	64	194	1,050	2,192
Release (charges) of other provisions	(1,218,387)	(2,364,770)	(289,980)	(1,525,359)
Other income/expense	(1,044,218)	(2,454,471)	(503,071)	(1,447,408)
Total	(2,256,161)	(5,679,447)	(893,051)	(3,404,237)

7 . Earnings per share

	Last 3 Months Sep.30, 2023	Last 9 Months Sep.30, 2023	Last 3 Months Sep.30, 2022	Last 9 Months Sep.30, 2022
	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands
Net profit for the period, available for distribution	7,588,505	21,732,076	4,431,931	12,205,922
Board member's bonus*	(113,827)	(325,981)	(66,479)	(110,239)
Staff profit sharing*	(758,851)	(2,173,208)	(443,193)	(1,220,592)
Profits attributable to shareholders	6,715,827	19,232,887	3,922,259	10,875,091
Weighted average number of shares	3,001,981	3,001,981	3,001,981	3,001,981
Basic earning per share	2.24	6.41	1.31	3.62
By issuance of ESOP earning per share will be:				
Average number of shares including ESOP shares	3,035,566	3,035,566	3,035,566	3,035,566
Diluted earning per share	2.21	6.34	1.29	3.58

Based on separate financial statement profits.

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

8 . Cash and balances at the central bank

	Sep.30, 2023 EGP Thousands	Dec.31, 2022 EGP Thousands
Cash	6,986,987	6,998,942
Obligatory reserve balance with CBE		
- Current accounts	<u>52,963,236</u>	<u>40,493,607</u>
Total	<u>59,950,223</u>	<u>47,492,549</u>
Non-interest bearing balances	<u>59,950,223</u>	<u>47,492,549</u>

9 . Due from banks

	Sep.30, 2023 EGP Thousands	Dec.31, 2022 EGP Thousands
Current accounts	5,231,836	2,920,513
Deposits	271,613,167	130,985,599
Expected credit losses	(2,143)	(49,392)
Total	<u>276,842,860</u>	<u>133,856,720</u>
Central banks	230,541,298	86,487,886
Local banks	32,168,533	25,816,767
Foreign banks	14,133,029	21,552,067
Total	<u>276,842,860</u>	<u>133,856,720</u>
Non-interest bearing balances	3,586,927	1,768,912
Floating interest bearing balances	22,588,751	12,212,601
Fixed interest bearing balances	250,667,182	119,875,207
Total	<u>276,842,860</u>	<u>133,856,720</u>
Current balances	272,209,037	130,145,210
Non-Current balances	4,633,823	3,711,510
Total	<u>276,842,860</u>	<u>133,856,720</u>

Due from banks

	Sep.30, 2023 Stage 1	Sep.30, 2023 Stage 2
Gross due from banks	<u>276,842,721</u>	<u>2,282</u>
Expected credit losses	(2,123)	(20)
Net due from banks	<u>276,840,598</u>	<u>2,262</u>
	Dec.31, 2022 Stage 1	Dec.31, 2022 Stage 2
Gross due from banks	<u>127,810,514</u>	<u>6,095,598</u>
Expected credit losses	(38,884)	(10,508)
Net due from banks	<u>127,771,630</u>	<u>6,085,090</u>

10 . Treasury bills

	Sep.30, 2023 EGP Thousands	Dec.31, 2022 EGP Thousands
91 Days maturity	1,798,025	10,575
182 Days maturity	7,467,425	656,150
273 Days maturity	9,354,975	7,515,700
364 Days maturity	59,038,829	54,502,250
Unearned interest	(5,528,098)	(2,878,502)
Total	72,131,156	59,806,173
Repos - Treasury bills	(623,330)	(659,349)
Net	71,507,826	59,146,824

. Governmental bonds

	Sep.30, 2023 EGP Thousands <u>Financial Assets at Fair Value through OCI</u>	Dec.31, 2022 EGP Thousands <u>Financial Assets at Fair Value through OCI</u>
Governmental bonds	92,038,981	124,344,205
Repos - Treasury bonds	-	(3,711,489)
Net	92,038,981	120,632,716

11 . Loans and advances to banks, net

	Sep.30, 2023 EGP Thousands	Dec.31, 2022 EGP Thousands
Time loans	-	2,988,410
ECL	-	(10,213)
Net	-	2,978,197
Current balances	-	2,978,197

Analysis for ECL of loans and advances to banks

	Sep.30, 2023 EGP Thousands	Dec.31, 2022 EGP Thousands
Beginning balance	(10,213)	(2,118)
Released (charged) during the period/year	10,213	(8,095)
Ending balance	-	(10,213)

12 . Loans and advances to customers, net

	Sep.30, 2023 EGP Thousands	Dec.31, 2022 EGP Thousands
Individual		
- Overdraft	2,812,605	2,132,876
- Credit cards	9,225,621	7,636,331
- Personal loans	40,465,915	40,374,834
- Mortgage loans	4,080,970	3,399,858
Total 1	56,585,111	53,543,899
Corporate and Business Banking		
- Overdraft	53,739,047	42,595,303
- Direct loans	95,730,001	78,759,856
- Syndicated loans	49,025,044	44,722,871
- Other loans	301,754	124,453
Total 2	198,795,846	166,202,483
Total Loans and advances to customers (1+2)	255,380,957	219,746,382
Less:		
Unamortized bills discount	(594,298)	(678,795)
Unamortized syndicated loans discount	(163,261)	(221,018)
ECL	(29,949,462)	(24,536,712)
Suspended credit account	(1,588,368)	(709,985)
Net loans and advances to customers	223,085,568	193,599,872
Distributed to		
Current balances	118,913,267	99,866,973
Non-current balances	104,172,301	93,732,899
Total	223,085,568	193,599,872

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

	EGP Thousands				
	Sep.30, 2023				
	Overdraft	Credit cards	Personal loans	Mortgage loans	Total
Individual Loans:					
Beginning balance	(7,131)	(321,989)	(1,201,774)	(63,242)	(1,594,136)
Released (charged) during the period	(1,099)	(82,157)	(260,492)	(18,726)	(362,474)
Written off during the period	1,304	39,944	124,641	3,200	169,089
Recoveries during the period	(730)	(36,155)	(46,755)	(173)	(83,813)
Ending balance	(7,656)	(400,357)	(1,384,380)	(78,941)	(1,871,334)
	Sep.30, 2023				
	Overdraft	Direct loans	Syndicated loans	Other loans	Total
Corporate and Business Banking:					
Beginning balance	(2,516,317)	(15,277,168)	(5,140,284)	(8,807)	(22,942,576)
Released (charged) during the period	376,472	(1,052,442)	(14,542)	(8,207)	(698,719)
Written off during the period	2,529	178,487	-	-	181,016
Recoveries during the period	-	(11,408)	-	-	(11,408)
Foreign currencies translation differences	(497,273)	(2,957,560)	(1,151,608)	-	(4,606,441)
Ending balance	(2,634,589)	(19,120,091)	(6,306,434)	(17,014)	(28,078,128)
	Dec.31, 2022				
	Overdraft	Credit cards	Personal loans	Mortgage loans	Total
Individual Loans:					
Beginning balance	(10,115)	(305,005)	(817,525)	(49,814)	(1,182,459)
Released (charged) during the year	1,213	(19,585)	(502,625)	(13,551)	(534,548)
Written off during the year	2,190	52,918	172,195	123	227,426
Recoveries during the year	(419)	(50,317)	(53,819)	-	(104,555)
Ending balance	(7,131)	(321,989)	(1,201,774)	(63,242)	(1,594,136)
	Dec.31, 2022				
	Overdraft	Direct loans	Syndicated loans	Other loans	Total
Corporate and Business Banking:					
Beginning balance	(1,650,580)	(10,896,531)	(4,180,998)	(6,795)	(16,734,904)
Released (charged) during the year	(233,631)	(1,044,899)	779,409	(2,012)	(501,133)
Written off during the year	5,145	980,540	-	-	985,685
Recoveries during the year	-	(9,662)	-	-	(9,662)
Foreign currencies translation differences	(637,251)	(4,306,616)	(1,738,695)	-	(6,682,562)
Ending balance	(2,516,317)	(15,277,168)	(5,140,284)	(8,807)	(22,942,576)

13 . Financial investments securities

	Sep.30, 2023		
	<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	92,038,981	38,493,400	130,532,381
Securitized and other bonds	23,001,958	684,270	23,686,228
Equity instruments	102,594	-	102,594
Sukuk	1,048,713	-	1,048,713
Investments not listed in the market			
Treasury bills	71,507,826	-	71,507,826
Securitized and other bonds	215,954	-	215,954
Equity instruments	811,969	-	811,969
Mutual funds	370,617	-	370,617
Total	189,098,612	39,177,670	228,276,282

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

13.1 . Profits (Losses) on financial investments

	Last 3 Months Sep.30, 2023 EGP Thousands	Last 9 Months Sep.30, 2023 EGP Thousands	Last 3 Months Sep.30, 2022 EGP Thousands	Last 9 Months Sep.30, 2022 EGP Thousands
Profit (Loss) from selling FVOCI financial instruments	56,440	149,012	31,407	1,096,850
Profit from selling shares of associates	7,466	7,466	-	-
Released (Impairment) for invesment in associates	9,000	9,000	-	-
Total	72,906	165,478	31,407	1,096,850

14 . Investments in associates

	Company's country	Company's assets	Sep.30, 2023 Company's liabilities (without equity)	Company's revenues	Company's net profit (loss)	EGP Thousands Investment book value	Stake %
-TCA Properties	Egypt	1,516,439	1,350,479	24,761	(67,443)	96,963	37.00
- Al Ahly Computer	Egypt	76,340	47,574	37,884	861	35,513	39.34
Total		1,592,779	1,398,053	62,645	(66,582)	132,476	

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

15 . Other assets

	Sep.30, 2023	Dec.31, 2022
	EGP Thousands	EGP Thousands
Accrued revenues	12,310,188	11,437,147
Prepaid expenses	984,114	572,509
Advances to purchase fixed assets	1,714,203	1,342,568
Accounts receivable (after deducting the provision)*	2,241,419	1,035,654
Assets acquired as settlement of debts	114,377	124,098
Insurance	50,908	49,647
Gross	17,415,209	14,561,623
Impairment of other assets	(40,196)	(40,196)
Net	17,375,013	14,521,427

* A provision with amount EGP 14 million has been created against pending installments.

16 . Property and equipment

	Sep.30, 2023							
	<u>Land</u>	<u>Premises</u>	<u>IT</u>	<u>Vehicles</u>	<u>Fitting -out</u>	<u>Machines and equipment</u>	<u>Furniture and furnishing</u>	<u>Total</u>
	EGP Thousands							
Cost at Jan 01, 2023 (1)	229,669	1,233,310	3,538,692	193,875	1,004,226	943,941	161,246	7,304,959
Additions during the period	-	6,564	659,371	32,110	28,923	70,423	8,424	805,815
Disposals during the period	-	(4,650)	(2,440)	-	-	(18,389)	(2,250)	(27,729)
Cost at end of the period (2)	229,669	1,235,224	4,195,623	225,985	1,033,149	995,975	167,420	8,083,045
Accumulated depreciation at beginning of the period (3)	-	564,587	2,628,760	81,470	815,287	689,216	120,205	4,899,525
Depreciation for the period	-	45,650	417,976	9,965	76,218	92,158	13,084	655,051
Disposals during the period	-	(4,650)	(2,440)	-	-	(18,389)	(2,250)	(27,729)
Accumulated depreciation at end of the period (4)	-	605,587	3,044,296	91,435	891,505	762,985	131,039	5,526,847
Ending net assets (2-4)	229,669	629,637	1,151,327	134,550	141,644	232,990	36,381	2,556,198
Beginning net assets (1-3)	229,669	668,723	909,932	112,405	188,939	254,725	41,041	2,405,434

Property and equipment

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

17 . Due to banks

	Sep.30, 2023	Dec.31, 2022
	EGP Thousands	EGP Thousands
Current accounts	6,517,722	2,666,251
Deposits	<u>12,504,984</u>	<u>830,447</u>
Total	<u>19,022,706</u>	<u>3,496,698</u>
Central banks	777,196	460,169
Local banks	3,621,607	45,065
Foreign banks	<u>14,623,903</u>	<u>2,991,464</u>
Total	<u>19,022,706</u>	<u>3,496,698</u>
Non-interest bearing balances	6,256,106	2,376,326
Floating bearing interest balances	848,332	573,860
Fixed interest bearing balances	<u>11,918,268</u>	<u>546,512</u>
Total	<u>19,022,706</u>	<u>3,496,698</u>
Current balances	<u>19,022,706</u>	<u>3,496,698</u>

18 . Due to customers

	Sep.30, 2023	Dec.31, 2022
	EGP Thousands	EGP Thousands
Demand deposits	252,300,452	197,948,359
Time deposits	110,067,941	106,969,176
Certificates of deposit	193,786,379	128,342,125
Saving deposits	103,165,046	91,986,230
Other deposits	<u>8,349,395</u>	<u>6,370,660</u>
Total	<u>667,669,213</u>	<u>531,616,550</u>
Corporate deposits	306,858,857	262,902,380
Individual deposits	<u>360,810,356</u>	<u>268,714,170</u>
Total	<u>667,669,213</u>	<u>531,616,550</u>
Non-interest bearing balances	117,139,641	95,060,092
Floating interest bearing balances	5,902,936	7,936,950
Fixed interest bearing balances	<u>544,626,636</u>	<u>428,619,508</u>
Total	<u>667,669,213</u>	<u>531,616,550</u>
Current balances	468,804,629	396,058,202
Non-current balances	<u>198,864,584</u>	<u>135,558,348</u>
Total	<u>667,669,213</u>	<u>531,616,550</u>

Due to customers includes an amount of EGP 2,317 million representing guarantees of irrevocable commitments for documentary credits - export compared to EGP 2,705 million at the comparative date. The fair value of these deposits is approximately their present value.

19 . Other liabilities

	Sep.30, 2023 EGP Thousands	Dec.31, 2022 EGP Thousands
Accrued interest payable	3,680,227	2,084,649
Accrued expenses	2,085,697	1,686,588
Accounts payable	9,663,523	7,522,203
Other credit balances	446,121	313,472
Total	15,875,568	11,606,912

20 . Issued debt instruments

	Interest rate	Sep.30, 2023 EGP Thousands	Dec.31, 2022 EGP Thousands
Fixed rate bonds with 5 years maturity			
Green bonds (USD)	Fixed rate	3,071,834	2,456,607
Total		3,071,834	2,456,607
Non current balances		3,071,834	2,456,607

21 . Other provisions

	Sep.30, 2023					Ending balance
	Beginning balance	Charged during the period	Exchange revaluation differences of other provisions	Net utilized / recovered during the period	Provisions no longer used	EGP Thousands
Provision for legal claims*	7,456	3,066	450	(705)	-	10,267
Provision for contingent	6,675,694	2,345,297	1,063,403	-	-	10,084,394
Provision for other claim	383,522	1,890	32,812	(903)	-	417,321
Total	7,066,672	2,350,253	1,096,665	(1,608)	-	10,511,982

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

Dec.31, 2022

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

22 . Share-based payments

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

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

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

Details of the outstanding tranches are as follows:

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

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

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

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

23 . Legal claims

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

24 . Transactions with related parties

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

24.1 . Loans, advances, deposits and contingent liabilities

	Sep.30, 2023 EGP Thousands	Dec.31, 2022 EGP Thousands
Loans, advances and other assets	953,622	1,081,864
Deposits	440,025	123,560
Contingent liabilities	-	173,143

24.2 . Other transactions with related parties

	Sep.30, 2023		Sep.30, 2022	
	Income EGP Thousands	Expenses EGP Thousands	Income EGP Thousands	Expenses EGP Thousands
International Co. for Security & Services	-	-	70	143,140
CVenture Capital	713	701	236	47
Commercial International Bank (CIB) Kenya	968	334	36	-
Damietta shipping & marine services	12	534	1	498
Commercial International Finance Company	29	2,890	1	1,689
Al ahly computer	13	41	2	-
TCA Properties	115,428	-	97,690	-

25 . Important events

- On 3 August 2023, the Monetary Policy Committee (MPC) decided to raise the Central Bank of Egypt's (CBE) overnight deposit rate, overnight lending rate, and the rate of the main operation by 100 basis points to 19.25 percent, 20.25 percent, and 19.75 percent, respectively. The discount rate was also raised by 100 basis points to 19.75 percent , which may affect the bank's policies in pricing current and future banking products.
- On 30 March 2023, the Monetary Policy Committee (MPC) decided to raise the Central Bank of Egypt's (CBE) overnight deposit rate, overnight lending rate, and the rate of the main operation by 200 basis points to 18.25 percent, 19.25 percent, and 18.75 percent, respectively. The discount rate was also raised by 200 basis points to 18.75 percent , which may affect the bank's policies in pricing current and future banking products.
- On January 11, 2023 issued and Paid in Capital increased by an amount of EGP 165,429 thousand to reach EGP 29,990,563 thousand, according to BOD Meeting decision on September 28 ,2022, by issuance of 13th tranche for E.S.O.P program.
- On June 8, 2023 issued and Paid in Capital increased by an amount of EGP 204,447 thousand to reach EGP 30,195,010 thousand, according to BOD Meeting decision on January 24 ,2023, by issuance of 14th tranche for E.S.O.P program.
- During 2023 Central Bank of Egypt (CBE) and the Central Bank of Kenya (CBK) have granted the Bank their consent to acquire 49% of Commercial International Bank (CIB) Kenya to become a fully owned subsidiary of the Bank, for USD 40 million.
- During 2023, CIB obtained USD 150 million Subordinated Debt from the International Finance Corporation (IFC) member of the World Bank Group.

26 . Goodwill

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

	Commercial International Bank (CIB) Kenya Sep.30, 2023 EGP Thousands	Commercial International Bank (CIB) Kenya Dec.31, 2022 EGP Thousands
Goodwill at acquisition date	206,287	206,287
Amortization	(140,962)	(110,019)
Net book value	65,325	96,268

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

27 . Intangible assets

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

28 . Adjustments to calculate the effective tax rate

	Last 3 Months Sep.30, 2023 EGP Thousands	Last 9 Months Sep.30, 2023 EGP Thousands	Last 3 Months Sep.30, 2022 EGP Thousands	Last 9 Months Sep.30, 2022 EGP Thousands
Profit before tax	11,609,665	31,606,522	6,356,605	17,682,074
Tax rate	22.50%	22.50%	22.50%	22.50%
Income tax based on accounting profit	2,612,175	7,111,467	1,430,236	3,978,467
Add / (Deduct)				
Non-deductible expenses	1,228,251	3,638,673	855,195	2,548,712
Tax exemptions	(1,973,375)	(5,473,171)	(1,713,080)	(4,632,791)
Withholding tax	1,389,499	3,870,763	1,365,699	3,588,804
Income and Deferred tax	3,256,550	9,147,732	1,938,050	5,483,192
Effective tax rate	28.05%	28.94%	30.49%	31.01%

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

29 . Non current assets held for sale

	Sep.30, 2023 EGP Thousands	Dec.31, 2022 EGP Thousands
Financial Assets at Fair Value through OCI	50	-
Other assets	48	-
Property and equipment	116	-
Total	214	-

30 . Non current liabilities held for sale

	Sep.30, 2023 EGP Thousands	Dec.31, 2022 EGP Thousands
Other liabilities	722	-
Deferred tax liabilities	18	-
Other provisions	193	-
Total	933	-

31 . Profit (loss) from discontinued operations

	Sep.30, 2023 EGP Thousands	Sep.30, 2022 EGP Thousands
Interest and similar income	3,085	-
Interest and similar expense	(306)	-
Profits (Losses) on financial investments	(44,149)	-
Administrative expenses	(9,158)	-
Other operating (expenses) income	(311)	-
Impairment release (charges) for credit losses	1,150	-
Deferred tax assets (Liabilities)	(10)	-
Net profit (loss) from discontinued operations	(49,699)	-

