Consolidated Financial Statements

December 2023

Saleh, Barsoum & Abdel Aziz - Grant Thornton
Accountants & Auditors

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

AUDITORS' REPORT

To the Shareholders of Commercial International Bank - Egypt - CIB S.A.E

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Commercial International Bank – Egypt - CIB S.A.E "the Bank", which comprise the consolidated financial position as at December 31, 2023 and the consolidated statements of income, comprehensive income, changes in shareholder's equity and cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Consolidated Financial Statements

These consolidated financial statements are the responsibility of Bank's management. Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the rules of preparation and presentation of the banks' financial statements, basis of recognition and measurement issued by Central Bank of Egypt on December 16, 2008 as amended by the regulations issued on February 26, 2019 and in light of the prevailing Egyptian laws and regulations. Management's responsibility includes, designing, implementing and maintaining internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error; management's responsibility also includes selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Egyptian Standards on Auditing and in the light of the prevailing Egyptian laws. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the bank's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the bank's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Bank as of December 31, 2023 and of its consolidated financial performance and its consolidated cash flows for the year then ended, in accordance with Central Bank of Egypt's rules, pertaining to the preparation and presentation of the banks' financial statements, issued on December 16, 2008 as amended by the regulations issued on February 26, 2019 and in light of the prevailing Egyptian laws and regulations relating to the preparation of these consolidated financial statements.

Cairo; 11 February 2024

Auditors

Farid Samir	Hossam Hilal
Farid Samir Farid	**Hossam Mohamed Hilal**
Financial Regulatory Authority Register Number "210"	Financial Regulatory Authority Register Number "147"
Saleh, Barsoum & Abdel Aziz - Grant Thornton	**Baker Tilly Mohamed Hilal - Wahid Abdel Ghaffar**
Public Accountants & Consultants	**Public Accountants & Consultants**

Consolidated Statement of Financial Position as at December 31, 2023

	Notes	Dec. 31, 2023 EGP Thousands	Dec. 31, 2022 EGP Thousands
Assets			
Cash and balances at the central bank	15	**71,887,821**	47,492,549
Due from banks	16	**231,085,244**	133,856,720
Loans and advances to banks, net	18	**822,448**	2,978,197
Loans and advances to customers, net	19	**234,985,936**	193,599,872
Derivative financial instruments	20	**1,105,148**	1,939,961
Financial investments			
- Financial Assets at Fair Value through OCI	21	**233,125,234**	204,020,733
- Financial Assets at Amortized cost	21	**38,341,019**	34,524,760
- Investments in associates	22	**115,979**	186,062
Non current assets held for sale	45	**161**	-
Other assets	23	**18,972,786**	14,521,427
Goodwill	43	**-**	96,268
Intangible assets	44	**-**	24,188
Deferred tax assets	32	**1,685,231**	185,746
Property and equipment	24	**2,739,092**	2,405,434
Total assets		**834,866,099**	635,831,917
Liabilities and equity			
Liabilities			
Due to banks	25	**12,458,003**	3,496,698
Due to customers	26	**677,237,479**	531,616,550
Non current liabilities held for sale	46	**873**	-
Derivative financial instruments	20	**140,934**	219,752
Current income tax liabilities		**9,395,534**	3,051,583
Other liabilities	29	**18,339,465**	11,606,912
Issued debt instruments	27	**3,073,349**	2,456,607
Other loans	28	**12,483,907**	7,978,975
Other provisions	30	**11,095,089**	7,066,672
Total liabilities		**744,224,633**	567,493,749
Equity			
Issued and paid up capital	31	**30,195,010**	29,825,134
Reserves	34	**28,807,042**	19,643,327
Reserve for employee stock ownership plan (ESOP)	34	**1,486,010**	1,895,435
Retained earnings *	34	**29,993,331**	16,393,841
Total equity and net profit for the year		**90,481,393**	67,757,737
Non Controlling Interest		**160,073**	580,431
Total minority interest, equity and net profit for the year		**90,641,466**	68,338,168
Total liabilities and equity		**834,866,099**	635,831,917

The accompanying notes are an integral part of these financial statements .
(Audit report attached)
* *Including net profit for the current year*

Hussein Abaza
CEO & Managing Director

Hisham Ezz Al-Arab
Chairman

Consolidated Income Statement for the year Ended December 31, 2023

	Notes	Dec. 31, 2023 EGP Thousands	Dec. 31, 2022 EGP Thousands
Interest and similar income		104,028,379	55,723,701
Interest and similar expense		(51,098,717)	(24,718,803)
Net interest income	6	52,929,662	31,004,898
Fee and commission income		9,049,924	5,555,082
Fee and commission expense		(3,611,699)	(2,476,945)
Net fee and commission income	7	5,438,225	3,078,137
Dividend income	8	234,010	52,411
Net trading income	9	3,942,939	2,749,657
Profits (Losses) on financial investments	21	221,810	1,162,195
Administrative expenses	10	(10,076,013)	(7,371,629)
Other operating income (expenses)	11	(6,590,740)	(5,080,138)
Goodwill amortization		(96,268)	(41,257)
Intangible assets amortization		(24,188)	(10,366)
Impairment release (charges) for credit losses	12	(4,270,081)	(1,584,942)
Bank's share in the profits / losses of associates		(55,983)	(17,680)
Profit before income tax		41,653,373	23,941,286
Income tax expense	13	(13,099,948)	(6,345,103)
Deferred tax assets (Liabilities)		1,157,542	(1,424,033)
Net profit from continued operations		29,710,967	16,172,150
Discontinued Operations	47		
Net profit (loss) from discontinued operations		(42,102)	-
Net profit for the year		29,668,865	16,172,150
Non Controlling Interest		34,323	57,762
Bank's shareholders		29,634,542	16,114,388
Earnings per share	14		
Basic		8.59	4.80
Diluted		8.48	4.74

Hussein Abaza
CEO & Managing Director

Hisham Ezz Al-Arab
Chairman

Consolidated Statement of Comprehensive Income for the year Ended December 31 2023

	Dec. 31, 2023 EGP Thousands	Dec. 31, 2022 EGP Thousands
Net profit for the year	**29,668,865**	16,172,150
Comprehensive income items that will not be reclassified to the Profit or Loss:		
Change in fair value of equity instruments measured at fair value through comprehensive income	**259,291**	294,799
Deferred Tax impact for investments that will not be reclassified to P&L	**(131,008)**	(61,753)
Transferred to RE from financial assets at fair value through comprehensive income	**(95,308)**	(3,436)
Comprehensive income items that may be reclassified to the profit or loss:		
Change in fair value of debt instruments measured at fair value through comprehensive income	**(6,926,653)**	(14,517,696)
Selling FVOCI financial instruments	**(205,344)**	(1,116,776)
Deferred Tax impact for investments that may be reclassified to P&L	**1,530,823**	1,119,625
Cumulative foreign currencies translation differences	**(32,971)**	185,542
Effect of ECL on fair value of debt instruments measured at fair value through comprehensive income	**1,888,326**	455,047
Total comprehensive income for the year	**25,956,021**	2,527,502
As follows:		
Bank's shareholders	**25,921,698**	2,469,740
Non Controlling Interest	**34,323**	57,762
Total comprehensive income for the year	**25,956,021**	2,527,502

Consolidated Cash Flow for the year Ended December 31, 2023

	Notes	Dec. 31, 2023 EGP Thousands	Dec. 31, 2022 EGP Thousands
Cash flow from operating activities			
Profit before income tax from continued operations		41,653,373	23,941,286
Profit (loss) from discontinued operations		(42,102)	-
Adjustments to reconcile profits to net cash provided by operating activities			
Fixed assets depreciation	24	788,209	885,801
Impairment (Released) charge for credit losses (Loans and advances to customers and banks)	12	2,311,867	1,043,776
Other provisions charges	30	2,821,141	2,133,535
Impairment (Released) charge for credit losses (due from banks)	12	(47,234)	8,395
Impairment (Released) charge for credit losses (financial investments)	12	2,005,448	524,838
Impairment (Released) charge for other assets		17,620	(277,766)
Exchange revaluation differences for financial assets at fair value through OCI and AC	21	(5,442,433)	(7,477,865)
Goodwill amortization	43	96,268	41,257
Intangible assets amortization	44	24,188	10,366
Revaluation differences Impairment charge for Financial Assets at Fair value through OCI		1,903	-
Revaluation differences Impairment charge for Financial Assets at Amortized cost		607	-
Utilization of other provisions	30	(5,850)	(3,126)
Other provisions no longer used	30	-	(172)
Exchange Revaluation differences of other provisions	30	1,213,126	1,394,973
profits from selling property and equipment	11	(1,663)	(2,208)
profits from selling financial investments at fair value through OCI	21.1	(205,344)	(1,162,195)
Losses (Profits) from selling investments in associates	21.1	(7,466)	-
Impairment (Released) charges of investments in associates	21.1	(9,000)	-
Shares based payments		754,817	723,965
Bank's share in the profits / losses of associates		55,983	17,680
Operating profits before changes in operating assets and liabilities		45,983,458	21,802,540
Net decrease / increase in assets and liabilities			
Due from banks	16	18,441,280	(25,811,654)
Financial assets at fair value through P&L	21	-	240,987
Derivative financial instruments	20	755,995	(1,760,303)
Loans and advances to banks and customers	18 - 19	(41,467,103)	(51,705,061)
Other assets	41	(3,968,123)	(2,862,478)
Non current assets held for sale		(161)	-
Due to banks	25	8,961,305	2,630,642
Due to customers	26	145,620,929	124,375,012
Current income tax obligations paid		(3,704,414)	(3,293,520)
Non current liabilities held for sale		873	-
Other liabilities	29	3,680,970	1,286,382
Net cash generated from (used in) operating activities		174,305,009	64,902,547
Cash flow from investing activities			
Proceeds from Investments in associates.		4,510	-
Payment for purchases of property, equipment and branches construction		(1,685,846)	(1,033,499)
Proceeds from selling property and equipment	11	1,663	2,208
Proceeds from redemption of financial assets at amortized cost		6,125,452	6,738,937
Payment for purchases of financial assets at amortized cost		(9,409,257)	(19,978,014)
Payment for purchases of financial assets at fair value through OCI		(129,066,885)	(45,646,889)
Proceeds from selling financial assets at fair value through OCI		100,481,027	27,478,730
Payment for investment in subsidiaries.		(1,142,840)	-
Net cash generated from (used in) investing activities		(34,692,176)	(32,438,527)

Consolidated Cash Flow for the Year Ended December 31, 2023 (Cont.)

		Dec. 31, 2023 EGP Thousands	Dec. 31, 2022 EGP Thousands
Cash flow from financing activities			
Other loans	28	**4,504,932**	2,838,193
Dividends paid		**(3,755,996)**	(4,420,569)
Issued debt instruments		**616,742**	899,344
Capital increase		**369,876**	122,716
Net cash generated from (used in) financing activities		**1,735,554**	(560,316)
Net (decrease) increase in cash and cash equivalent during the year		**141,348,387**	31,903,704
Beginning balance of cash and cash equivalent		**92,969,526**	61,065,822
Cash and cash equivalent at the end of the year		**234,317,913**	92,969,526
Cash and cash equivalent comprise:			
Cash and balances at the central bank	15	**71,887,821**	47,492,549
Due from banks	16	**231,087,402**	133,906,112
Treasury bills and other governmental notes	17	**113,403,703**	59,146,824
Obligatory reserve balance with CBE	15	**(64,396,185)**	(40,493,607)
Due from banks with maturity more than three months		**(4,942,896)**	(47,286,754)
Treasury bills and other governmental notes with maturity more than three months		**(112,721,932)**	(59,795,598)
Total cash and cash equivalent		**234,317,913**	92,969,526

Consolidated Statement of Changes in Shareholders' Equity

Dec. 31, 2022	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
														EGP Thousands
Beginning balance	19,702,418	3,293,074	28,260,532	1,550,906	8,183	16,000	641,372	9,141	13,696,402	1,674,392	(4,218)	68,848,202	454,535	69,302,737
Capital increase	10,122,716	-	(10,000,000)	-	-	-	-	-	-	-	-	122,716	-	122,716
Transferred to reserves	-	670,872	8,836,326	-	-	2,947	-	-	(9,007,223)	(502,922)	-	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	(4,410,322)	-	-	(4,410,322)	(10,247)	(4,420,569)
Net profit for the year	-	-	-	-	-	-	-	-	16,114,388	-	-	16,114,388	57,762	16,172,150
Transferred to RE from financial assets at fair value through OCI	-	-	-	-	-	-	(3,436)	-	3,436	-	-	-	-	-
Net unrealised gain/(loss) on financial assets at fair value through OCI after tax	-	-	-	-	-	-	(14,281,801)	-	-	-	-	(14,281,801)	-	(14,281,801)
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	-	-	-	-	-	-	455,047	-	-	-	-	455,047	-	455,047
Cost of employees stock ownership plan (ESOP)	-	-	-	-	-	-	-	-	-	723,965	-	723,965	-	723,965
Cumulative foreign currencies translation differences	-	-	-	-	-	-	-	-	-	-	185,542	185,542	78,381	263,923
Ending balance	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

Dec. 31, 2023	**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**
														EGP Thousands
Beginning balance	**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 year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**29,634,542**	**-**	**-**	**29,634,542**	**34,323**	**29,668,865**
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	**-**	**-**	**-**	**-**	**-**	**-**	**(5,472,891)**	**-**	**-**	**-**	**-**	**(5,472,891)**	**-**	**(5,472,891)**
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	**-**	**-**	**-**	**-**	**-**	**-**	**1,888,326**	**-**	**-**	**-**	**-**	**1,888,326**	**-**	**1,888,326**
Cost of employees stock ownership plan (ESOP)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**754,817**	**-**	**754,817**	**-**	**754,817**
Cumulative foreign currencies translation differences	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(32,971)**	**(32,971)**	**99,294**	**66,323**
Ending balance	**30,195,010**	**4,770,354**	**39,840,707**	**1,550,906**	**(670,972)**	**21,155**	**(16,868,691)**	**15,230**	**29,993,331**	**1,486,010**	**148,353**	**90,481,393**	**160,073**	**90,641,466**

Notes to the consolidated financial statements for the year ended December 31, 2023

1. General information

Commercial International Bank-Egypt (CIB) S.A.E. provides retail, corporate and investment banking services in various parts of Egypt through 193 branches, and 15 units employing 7,917 employees on the statement of financial position date.

Commercial International Bank-Egypt (CIB)s 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", "Damietta Shipping" and "Commercial International for Finance" in which the bank's shares are 100%, 49.95% and 99.83% respectively.

Financial statements have been approved by board of directors on February 11, 2024.

2. Summary of accounting policies

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

2.1. Basis of preparation

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

2.1.1. Basis of consolidation

The basis of the consolidation is as follows:

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

2.2. Subsidiaries and associates

2.2.1. Subsidiaries

Subsidiaries are those investees, including structured entities, that the Bank controls because the Bank (i) has power to direct relevant activities of the investees that significantly affect their returns, (ii) has exposure, or rights, to variable returns from its involvement with the investees, and (iii) has the ability to use its power over the investees to affect the amount of investor's returns. The existence and effect of substantive rights, including substantive potential voting rights, are considered when assessing whether the Bank has power over another entity. For a right to be substantive, the holder must have practical ability to exercise that right when decisions about the direction of the relevant activities of the investee need to be made. The Bank may have power over an investee even when it holds less than majority of voting power in an investee. In such a case, the Bank assesses the size of its voting rights relative to the size and dispersion of holdings of the other vote holders to determine if it has de-facto power over the investee. Protective rights of other investors, such as those that relate to fundamental changes of investee's activities or apply only in exceptional circumstances, do not prevent the Bank from controlling an investee. Subsidiaries are consolidated in the Bank's consolidated financial statements from the date on which control is transferred to the Bank, and are deconsolidated from the date on which control ceases.

The acquisition method of accounting is used to account for the acquisition of subsidiaries [other than those acquired from parties under common control]. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest.

The Bank measures non-controlling interest that represents present ownership interest and entitles the holder to a proportionate share of net assets in the event of liquidation on a transaction by transaction basis, either at: (a) fair value, or (b) the non-controlling interest's proportionate share of net assets of the acquiree. Non-controlling interests that are not present ownership interests are measured at fair value.

Goodwill is measured by deducting the net assets of the acquiree from the aggregate of the consideration transferred for the acquiree, the amount of non-controlling interest in the acquiree and fair value of an interest in the acquiree held immediately before the acquisition date. Any negative amount ("negative goodwill") is recognized in profit or loss, after management reassesses whether it identified all the assets acquired and all liabilities and contingent liabilities assumed, and reviews appropriateness of their measurement.

The consideration transferred for the acquiree is measured at the fair value of the assets given up, equity instruments issued and liabilities incurred or assumed, including fair value of assets or liabilities from contingent consideration arrangements, but excludes acquisition related costs such as advisory, legal, valuation and similar professional services. Transaction costs incurred for issuing equity instruments are deducted from equity; transaction costs incurred for issuing debt are deducted from its carrying amount and all other transaction costs associated with the acquisition are expensed.

Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated; unrealized losses are also eliminated unless the cost cannot be recovered. The Bank and all its subsidiaries use uniform accounting policies consistent with the Group's policies.

Non-controlling interest is that part of the net results and of the equity of a subsidiary attributable to interests which are not owned, directly or indirectly, by the Bank. Non-controlling interest forms a separate component of the Group's equity.

Purchases and sales of non-controlling interests. The Bank applies the economic entity model to account for transactions with owners of non-controlling interest. Any difference between the purchase consideration and the carrying amount of non-controlling interest acquired is recorded as a capital transaction directly in equity. The Bank recognizes the difference between sales consideration and carrying amount of non-controlling interest sold as a capital transaction in the statement of changes in equity.

2.2.2. Associates

Associates are entities over which the Bank has significant influence (directly or indirectly), but not control, generally accompanying a shareholding of between 20 and 50 percent of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognized at cost. The carrying amount of associates includes goodwill identified on acquisition less accumulated credit losses, if any. Dividends received from associates reduce the carrying value of the investment in associates. Other post-acquisition changes in Group's share of net assets of an associate are recognized as follows: (i) the Group's share of profits or losses of associates is recorded in the consolidated profit or loss for the year as share of result of associates, (ii) the Group's share of other comprehensive income is recognized in other comprehensive income and presented separately, (iii); all other changes in the Group's share of the carrying value of net assets of associates are recognized in profit or loss within the share of result of associates. However, when the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates; unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The Bank applies the impairment requirements in IFRS 9 to long-term loans, preference shares and similar long-term interest that in substance form part of the investment in associate before reducing the carrying value of the investment by a share of a loss of the investee that exceeds the amount of the Group's interest in the ordinary shares.

Disposals of subsidiaries, associates or joint ventures. When the Group ceases to have control or significant influence, any retained interest in the entity is re-measured to its fair value, with the change in carrying amount recognized in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity, are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are recycled to profit or loss.

2.3. Segment reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risks and returns different from those of segments operating in other economic environments.

2.4. Foreign currency translation

2.4.1. Functional and presentation currency

The financial statements are presented in Egyptian pound, which is the Bank's functional and presentation currency.

2.4.2. Transactions and balances in foreign currencies

The Bank maintains its accounting records in Egyptian pound. Transactions in foreign currencies during the period are translated into the Egyptian pound using the prevailing exchange rates at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the end of reporting period at the prevailing exchange rates. Foreign exchange gains and losses resulting from settlement and translation of such transactions and balances are recognized in the income statement and reported under the following line items:

- Net trading income from held-for-trading assets and liabilities.
- Items of other comprehensive income with equity in relation to investments in equity instruments at fair value through comprehensive income.
- Other operating revenues (expenses) from the remaining assets and liabilities.

Changes in the fair value of financial instruments of a monetary nature in foreign currencies that are classified as financial investments at fair value through comprehensive income (debt instruments) are analyzed between valuation differences that resulted from changes in the cost consumed for the instrument and differences that resulted from changing the exchange rates in effect and differences caused by changing the fair value For the instrument, the evaluation differences related to changes in the cost consumed are recognized in the income of loans and similar revenues and in the differences related to changing the exchange rates in other operating income (expenses) item, and are recognized in the items of comprehensive income.

Valuation differences arising from the measurement of items of a non-monetary nature at fair value through profit and losses resulting from changes in the exchange rates used to translate those items include, and then are recognized in the income statement by the total valuation differences resulting from the measurement of equity instruments classified at fair value through Profits and losses, while the total valuation differences resulting from the measurement of equity instruments at fair value through comprehensive income are recognized within other comprehensive income items in equity, fair value reserve item for financial investments at fair value through comprehensive income.

2.5. Financial assets

Key Measurement Terms:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The best evidence of fair value is price in an active market. An active market is one in which transactions for the asset or liability take place with enough frequency and volume to provide pricing information on an ongoing basis. Fair value of financial instruments traded in an active market is measured as the product of the quoted price for the individual asset or liability and the quantity held by the entity.

Valuation techniques such as discounted cash flow models or models based on recent arm's length transactions or consideration of financial data of the investees, are used to measure fair value of certain financial instruments for which external market pricing information is not available. Fair value measurements are analyzed by level in the fair value hierarchy as follows: (i) level one are measurements at quoted prices (unadjusted) in active markets for identical assets or liabilities, (ii) level two measurements are valuations techniques with all material inputs observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices), and (iii) level three measurements are valuations not based on solely observable market data (that is, the measurement requires significant unobservable inputs).

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial instrument. An incremental cost is one that would not have been incurred if the transaction had not taken place. Transaction costs include fees and commissions paid. Transaction costs do not include debt premiums or discounts.

Amortized cost is the amount at which the financial instrument was recognized at initial recognition less any principal repayments, plus accrued interest, and for financial assets less any allowance for expected credit losses. Accrued interest includes amortization of transaction costs deferred at initial recognition and of any premium or discount to maturity amount using the effective interest method.

The effective interest method is a method of allocating interest income or interest expense over the relevant period, so as to achieve a constant periodic rate of interest (effective interest rate) on the carrying amount. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, if appropriate, to the gross carrying amount of the financial instrument.

The effective interest rate discounts cash flows of variable interest instruments to the next interest repricing date, except for the premium or discount, which reflects the credit spread over the floating rate specified in the instrument, or other variables that are not reset to market rates. Such premiums or discounts are amortized over the expected life of the instrument. The present value calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate.

Financial instruments – initial recognition.

Financial instruments at FVTPL are initially recorded at fair value. Fair value at initial recognition is best evidenced by the transaction price. A gain or loss on initial recognition is only recorded if there is a difference between fair value and transaction price which can be evidenced by other observable current market transactions in the same instrument or by a valuation technique whose inputs include only data from observable markets. After the initial recognition, an ECL allowance is recognized for financial assets measured at amortized cost and investments in debt instruments measured at FVOCI, resulting in an immediate accounting loss.

All purchases and sales of financial assets that require delivery within the time frame established by regulation or market convention ("regular way" purchases and sales) are recorded at trade date, which is the date on which the bank commits to deliver a financial asset. All other purchases are recognized when the entity becomes a party to the contractual provisions of the instrument.

Financial assets – classification and subsequent measurement – measurement categories.

The bank classifies financial assets in the following measurement categories: FVTPL, FVOCI and AC. The classification and subsequent measurement of debt financial assets depends on: (i) the bank's business model for managing the related assets portfolio and (ii) the cash flow characteristics of the asset.

The following table summarizes measurement categories

Financial Instrument	Methods of Measurement according to Business Models		
	Amortized Cost	Fair Value	
		Through Other Comprehensive Income	Through Profit or Loss
Equity Instruments	Not Applicable	An irrevocable election at Initial Recognition	Normal treatment of equity instruments
Debt Instruments / Loans & Facilities	Business Model of Assets held for Collecting Contractual Cash Flows	Business Model of Assets held for Collecting Contractual Cash Flows & Selling	Business Model of Assets held for Trading

Financial assets – classification and subsequent measurement – business model.

The business model reflects how the bank manages the assets in order to generate cash flows – whether the bank's objective is: (i) solely to collect the contractual cash flows from the assets ("hold to collect contractual cash flows",) or (ii) to collect both the contractual cash flows and the cash flows arising from the sale of assets ("hold to collect contractual cash flows and sell") or, if neither of (i) and (ii) is applicable, the financial assets are classified as part of "other" business model and measured at FVTPL.

Business model is determined for a group of assets (on a portfolio level) based on all relevant evidence about the activities that the bank undertakes to achieve the objective set out for the portfolio available at the date of the assessment. Factors considered by the bank in determining the business model include the purpose and composition of a portfolio, past experience on how the cash flows for the respective assets were collected, how risks are assessed and managed, how the assets' performance is assessed.

Financial assets – classification and subsequent measurement – cash flow characteristics.

Where the business model is to hold assets to collect contractual cash flows or to hold contractual cash flows and sell, the bank assesses whether the cash flows represent solely payments of principal and interest ("SPPI"). Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are consistent with the SPPI feature. In making this assessment, the bank considers whether the contractual cash flows are consistent with a basic lending arrangement, i.e. interest includes only consideration for credit risk, time value of money, other basic lending risks and profit margin. Where the contractual terms introduce exposure to risk or volatility that is inconsistent with a basic lending arrangement, the financial asset is classified and measured at FVTPL. The SPPI assessment is performed on initial recognition of an asset and it is not subsequently reassessed.

The following table summarizes the classification of the Banks Financial Assets in accordance with the business model:

Financial asset	Business model	Basic characteristics
Financial Assets at Amortized Cost (AC)	Business model for financial assets held to collect contractual cash flows	- The objective of the business model is to retain the financial assets to collect the contractual cash flows of the principal amount of the investment and the proceeds. - Sale is an exceptional event for the purpose of this model and under the terms of the criterion of a deterioration in the creditworthiness of the issuer of the financial instrument. - Lowest sales in terms of turnover and value. - The Bank makes clear and reliable documentation of the reasons for each sale and its compliance with the requirements of the Standard.
Financial Assets at Fair Value through Other Comprehensive Income (FVTOCI)	Business model of financial assets held to collect cash flows and sales	- Both the collection of contractual cash flows and sales are complementary to the objective of the model. - High sales (in terms of turnover and value) compared to the business model retained for the collection of cash flows.
Financial Assets at Fair Value through Profit or Loss (FVTPL)	Other business models include trading - management of financial assets at fair value - maximizing cash flows by selling	- The objective of the business model is not to retain the financial asset for the collection of contractual or retained cash flows for the collection of contractual cash flows and sales. - Collecting contractual cash flows is an incidental event for the model objective. - Management of financial assets at fair value through profit or loss to avoid inconsistency in accounting measurement.

Financial assets – reclassification. Financial instruments are reclassified only when the business model for managing the portfolio as a whole changes. The Bank did not change its business model during the current and comparative year and did not make any reclassifications.

Financial assets impairment – credit loss allowance for ECL. The bank assesses, on a forward-looking basis, the ECL for debt instruments measured at AC and FVOCI and for the exposures arising from loan commitments and financial guarantee contracts. The bank measures ECL and recognizes credit loss allowance at each reporting date. The measurement of ECL reflects: (i) an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes, (ii) time value of money and (iii) all reasonable and supportable information that is available without undue cost and effort at the end of each reporting date about past events, current conditions and forecasts of future conditions.

The bank applies a three-stage model for impairment, based on changes in credit quality since initial recognition. A financial instrument that is not credit-impaired on initial recognition is classified in Stage 1. Financial assets in Stage 1 have their ECL measured at an amount equal to the portion of lifetime ECL that results from default events possible within the next 12 months or until contractual maturity, if shorter (“12 Months ECL”). If the bank identifies a significant increase in credit risk (“SICR”) since initial recognition, the asset is transferred to Stage 2 and its ECL is measured based on ECL on a lifetime basis, that is, up until contractual maturity but considering expected prepayments, if any (“Lifetime ECL”). If the bank determines that a financial asset is credit-impaired, the asset is transferred to Stage 3 and its ECL is measured as a Lifetime ECL.

Financial assets – write-off. Financial assets are written-off, in whole or in part, when the bank exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. The write-off represents a derecognition event.

Financial assets – derecognition. The bank derecognizes financial assets when (a) the assets are redeemed or the rights to cash flows from the assets otherwise expired or (b) the bank has transferred the rights to the cash flows from the financial assets or entered into a qualifying pass-through arrangement while (i) also transferring substantially all risks and rewards of ownership of the assets or (ii) neither transferring nor retaining substantially all risks and rewards of ownership, but not retaining control. Control is retained if the counterparty does not have the practical ability to sell the asset in its entirety to an unrelated third party without needing to impose restrictions on the sale.

When the financial asset is derecognized, the difference between the carrying amount of the financial asset and the total of the consideration received in other comprehensive income is recognized in profit or loss.

Gain / Loss recognized in other comprehensive income in respect of investment securities in equity securities is not recognized in profit or loss on disposal of such securities.

Financial liabilities – measurement categories. Financial liabilities are classified as subsequently measured at AC, except for financial liabilities at FVTPL: this classification is applied to derivatives or financial liabilities held for trading (e.g. short positions in securities)

Financial liabilities – derecognition. Financial liabilities are derecognized when they are extinguished (i.e. when the obligation specified in the contract is discharged, cancelled or expires).

2.6. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet if, and only if, there is a legally enforceable right to offset the recognized amounts and there is an intention to be settled on a net basis.

2.7. Derivative financial instruments and hedge accounting

Derivatives are recognized initially, and subsequently, at fair value. Fair values of exchange traded derivatives are obtained from quoted market prices. Fair values of over-the-counter derivatives are obtained using valuation techniques, including discounted cash flow models and option pricing models. Derivatives are classified as assets when their fair value is positive and as liabilities when their fair value is negative.

Embedded derivatives in other financial instruments, such as conversion option in a convertible bond, are treated as separate derivatives when their economic characteristics and risks are not closely related to those of the host contract, provided that the host contract is not classified as at fair value through profit and loss. These embedded derivatives are measured at fair value with changes in fair value recognized in income statement unless the Bank chooses to designate the hybrid contact as at fair value through net trading income in profit or loss.

The timing of recognition in profit and loss, of any gains or losses arising from changes in the fair value of derivatives, depends on whether the derivative is designated as a hedging instrument, and the nature of the item being hedged. The Bank designates certain derivatives as:

- Hedging instruments of the risks associated with fair value changes of recognized assets or liabilities or firm commitments (fair value hedge).
- Hedging of risks relating to future cash flows attributable to a recognized asset or liability or a highly probable forecast transaction (cash flow hedge)
- Hedge accounting is used for derivatives designated in a hedging relationship when the following criteria are met.

At the inception of the hedging relationship, the Bank documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore,

At the inception of the hedge, and on ongoing basis, the Bank documents whether the hedging instrument is expected to be highly effective in offsetting changes in fair values of the hedged item attributable to the hedged risk.

2.7.1. Fair value hedge

Changes in the fair value of derivatives that are designated and qualified as fair value hedges are recognized in profit or loss immediately together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The effective portion of changes in the fair value of the interest rate swaps and the changes in the fair value of the hedged item attributable to the hedged risk are recognized in the 'net interest income' line item of the income statement. Any ineffectiveness is recognized in profit or loss in 'net trading income'.

When the hedging instrument is no longer qualified for hedge accounting, the adjustment to the carrying amount of a hedged item, measured at amortized cost, arising from the hedged risk is amortized to profit or loss from that date using the effective interest method.

2.7.2. Derivatives that do not qualify for hedge accounting

All gains and losses from changes in the fair values of derivatives that do not qualify for hedge accounting are recognized immediately in the income statement. These gains and losses are reported in 'net trading income', except where derivatives are managed in conjunction with financial instruments designated at fair value , in which case gains and losses are reported in 'net income from financial instruments designated at fair value'.

2.8. Interest income and expense

Interest income and expense for all financial instruments except for those classified as held-for-trading or designated at fair value are recognized in 'interest income' and 'interest expense' in the income statement using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Bank estimates cash flows considering all contractual terms of the financial instrument (for example, prepayment options) but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that represents an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

Once loans or debts are classified as nonperforming or impaired, the revenue of interest income will not be recognized and will be recorded off balance sheet, and are recognized as income subsequently based on a cash basis according to the following:

- When all arrears are collected for consumer loans, personnel mortgages and micro-finance loans.
- When calculated interest for corporate are capitalized according to the rescheduling agreement conditions until paying 25% from rescheduled payments for a minimum performing period of one year, if the customer continues to perform, the calculated interest will be recognized in interest income (interest on the performing rescheduling agreement balance) without the marginalized before the rescheduling agreement which will be recognized in interest income after the settlement of the outstanding loan balance.

2.9. Fee and commission income

Fees charged for servicing a loan or facility that is measured at amortized cost, are recognized as revenue as the service is provided. Fees and commissions on non-performing or impaired loans or receivables cease to be recognized as income and are rather recorded off balance sheet. These are recognized as revenue, on a cash basis, only when interest income on those loans is recognized in profit and loss, at that time, fees and commissions that represent an integral part of the effective interest rate of a financial asset, are treated as an adjustment to the effective interest rate of that financial asset. Commitment fees and related direct costs for loans and advances where draw down is probable are deferred and recognized as an adjustment to the effective interest on the loan once drawn. Commitment fees in relation to facilities where draw down is not probable are recognized at the maturity of the term of the commitment.

Fees are recognized on the debt instruments that are measured at fair value through profit and loss on initial recognition and syndicated loan fees received by the Bank are recognized when the syndication has been completed and the Bank does not hold any portion of it or holds a part at the same effective interest rate used for the other participants portions. Commission and fee arising from negotiating, or participating in the negotiation of a transaction for a third party such as the arrangement of the acquisition of shares or other securities or the purchase or sale of properties are recognized upon completion of the underlying transaction in the income statement .

Other management advisory and service fees are recognized based on the applicable service contracts, usually on accrual basis. Financial planning fees related to investment funds are recognized steadily over the period in which the service is provided. The same principle is applied for wealth management; financial planning and custody services that are provided on the long term are recognized on the accrual basis also.

Operating revenues in the holding company are:

- Commission income is resulting from purchasing and selling securities to a customer account upon receiving the transaction confirmation from the Stock Exchange.
- Mutual funds and investment portfolios management which is calculated as a percentage of the net value of assets under management according to the terms and conditions of agreement. These amounts are credited to the assets management company's revenue pool on a monthly accrual basis.

2.10. Dividend income

Dividends are recognized in the income statement when the right to collect is established.

2.11. Sale and repurchase agreements

Securities may be lent or sold subject to a commitment to repurchase (Repos) are reclassified in the financial statements and deducted from treasury bills balance. Securities borrowed or purchased subject to a commitment to resell them (Reverse Repos) are reclassified in the financial statements and added to treasury bills balance. The difference between sale and repurchase price is treated as interest and accrued over the life of the agreements using the effective interest method.

2.12. Investment property

The investment property represents lands and buildings owned by the Bank in order to obtain rental returns or capital gains and therefore do not include real estate assets which the Bank is carrying out its operations through or those that have owned by the Bank as settlement of debts. The accounting treatment is the same used with property and equipment.

2.13. Property and equipment

Land and buildings comprise mainly branches and offices. All property, plant and equipment are stated at historical cost less depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or as a separate asset, as appropriate, only when it is probable that future economic benefits will flow to the Bank and the cost of the item can be measured reliably. All other repairs and maintenance are charged to other operating expenses during the financial period in which they are incurred.

Land is not depreciated. Depreciation of other assets is calculated using the straight-line method to allocate their residual values over estimated useful lives, as follows:

Buildings	20 years.
Leasehold improvements	3 years,
Furniture and safes	3-5 years.
Air-conditioners	5 years
Vehicles	5 years
Computers and core systems	3-4 years
Fixtures and fittings	3 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. Depreciable assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recovered. An asset's carrying amount is written down immediately to its recoverable value if the asset's carrying amount exceeds its estimated recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use.

Gains and losses on disposals are determined by comparing the selling proceeds with the asset carrying amount and charged to other operating expenses in the income statement.

2.14. Impairment of non-financial assets

Assets that have an indefinite useful life are not amortized -except goodwill- and are tested annually for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. Assets are tested for impairment with reference to the lowest level of cash generating unit/s. A previously recognized impairment loss relating to a fixed asset may be reversed in part or in full when a change in circumstances leads to a change in the estimates used to determine the fixed asset's recoverable amount. The carrying amount of the fixed asset will only be increased up to the amount that it would have been had the original impairment not been recognized.

2.14.1. Goodwill

Goodwill is capitalized and represents the excess of acquisition cost over the fair value of the Bank's share in the acquired entity's net identifiable assets on the date of acquisition. For the purpose of calculating goodwill, the fair values of acquired assets, liabilities and contingent liabilities are determined by reference to market values or by discounting expected future cash flows. Goodwill is included in the cost of investments in associates and subsidiaries in the Bank's separate financial statements. Goodwill is tested for impairment on an annual basis or shorter when trigger event took place, impairment loss is charged to the income statement.

Goodwill is allocated to the cash generating units for the purpose of impairment testing. The cash generating units represented in the Bank main segments.

2.14.2. Other intangible assets

The intangible assets other than goodwill and computer programs (trademarks, licenses, contracts for benefits, the benefits of contracting with clients).

Other intangible assets that are acquired by the Bank are recognized at cost less accumulated amortization and impairment losses. Amortization is charged to the income statement on a straight-line basis over the estimated useful lives of the intangible asset with definite life. Intangible assets with indefinite life are not amortized and tested for impairment.

2.15. Leases

The accounting treatment for the finance lease is complied with the instructions of Central Bank of Egypt, if the contract entitles the lessee to purchase the asset at a specified date and predefined value. The other leases contracts are considered operating leases contracts.

2.15.1. Being lessee

Finance lease contract recognizes the lease cost, including the cost of maintenance of the leased assets in the income statement for the period in which they occurred. If the Bank decides to exercise the right to purchase the leased asset the leased assets are capitalized and included in ‘property, plant and equipment’ and depreciated over the useful life of the expected remaining life of the asset in the same manner as similar assets.

Operating lease payments leases are accounted for on a straight-line basis over the periods of the leases and are included in ‘general and administrative expenses’.

2.15.2. Being lessor

For finance lease, assets are recorded in the property and equipment in the balance sheet and amortized over the expected useful life of this asset in the same manner as similar assets. Lease income is recognized on the basis of rate of return on the lease in addition to an amount corresponding to the cost of depreciation for the period. The difference between the recognized rental income and the total finance lease clients' accounts is transferred to the in the income statement until the expiration of the lease to be reconciled with a net book value of the leased asset. Maintenance and insurance expenses are charged to the income statement when incurred to the extent that they are not charged to the tenant.

In case there is objective evidence that the Bank will not be able to collect the of financial lease obligations, the finance lease payments are reduced to the recoverable amount.

For assets leased under operating lease it appears in the balance sheet under property, plant and equipment, and depreciated over the expected useful life of the asset in the same way as similar assets, and the lease income recorded less any discounts given to the lessee on a straight-line method over the contract period.

2.16. Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise balances with less than three months’ maturity from the date of acquisition, including cash and non-restricted balances with Central Bank, treasury bills and other eligible bills, loans and advances to banks, amounts due from other banks and short-term government securities.

2.17. Other provisions

Provisions for restructuring costs and legal claims are recognized when the Bank has present legal or constructive obligations as a result of past events; where it is more likely than not that a transfer of economic benefit will be necessary to settle the obligation, and it can be reliably estimated.

In case of similar obligations, the related cash outflow should be determined in order to settle these obligations as a group. The provision is recognized even in case of minor probability that cash outflow will occur for an item of these obligations.

When a provision is wholly or partially no longer required, it is reversed through profit or loss under other operating income (expenses).

Provisions for obligations, other than those for credit risk or employee benefits, due in more than 12 months from the balance sheet date are recognized based on the present value of the best estimate of the consideration required to settle the present obligation at the balance sheet date. An appropriate pretax discount rate that reflects the time value of money is used to calculate the present value of such provisions. For obligations due within less than twelve months from the balance sheet date, provisions are calculated based on undiscounted expected cash outflows unless the time value of money has a significant impact on the amount of provision, then it is measured at the present value.

2.18. Share based payments

The Bank applies an equity-settled, share-based compensation plan. The fair value of equity instruments recognized as an expense over the vesting period using appropriate valuation models, taking into account the terms and conditions upon which the equity instruments were granted. The vesting period is the period during which all the specified vesting conditions of a share-based payment arrangement are to be satisfied. Vesting conditions include service conditions and performance conditions and market performance conditions are taken into account when estimating the fair value of equity instruments at the date of grant. At each balance sheet date the number of options that are expected to be exercised are estimated. Recognizes estimate changes, if any, in the income statement, and a corresponding adjustment to equity over the remaining vesting period.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

The bank's contributions to the employees' social insurance fund

Bank employees benefit from the Social Insurance Fund that has been established under the Law No. 64 of year 84 regarding alternative social insurance systems. This system is considered an alternative to state regulations and is subject to the supervision of the Ministry of Social Insurance. A Ministerial Resolution No. 22 of year 83 was issued regarding approval of the establishment of the Social Fund for Employees. The bank is obliged to pay to the fund the contributions due for each month represented in the employer's share and the share of the insured and pay his obligations towards the fund in implementation of the provisions of the fund system. This is a system of benefits enjoyed by employees, a system of specific benefits for the bank, according to the Egyptian accounting standards.

2.19. Income tax

Income tax on the profit or loss for the period and deferred tax are recognized in the income statement except for income tax relating to items of equity that are recognized directly in equity.

Income tax is recognized based on net taxable profit using the tax rates applicable at the date of the balance sheet in addition to tax adjustments for previous years.

Deferred taxes arising from temporary time differences between the book value of assets and liabilities are recognized in accordance with the principles of accounting and value according to the foundations of the tax, this is determining the value of deferred tax on the expected manner to realize or settle the values of assets and liabilities, using tax rates applicable at the date of the balance sheet.

Deferred tax assets of the Bank recognized when there is likely to be possible to achieve profits subject to tax in the future to be possible through to use that asset, and is reducing the value of deferred tax assets with part of that will come from tax benefit expected during the following years, that in the case of expected high benefit tax, deferred tax assets will increase within the limits of the above reduced.

2.20. Borrowings

Borrowings are recognized initially at fair value net of transaction costs incurred. Borrowings are subsequently stated at amortized cost also any difference between proceeds net of transaction costs and the redemption value is recognized in the income statement over the period of the borrowings using the effective interest method.

2.21. Dividends

Dividends on ordinary shares and profit sharing are recognized as a charge of equity upon the general assembly approval. Profit sharing includes the employees' profit share and the Board of Directors' remuneration as prescribed by the Bank's articles of incorporation and the corporate law.

2.22. Comparatives

Comparative figures have been adjusted to conform to changes in presentation in the current period where necessary.

2.23. Noncurrent assets held for sale

a non-current asset (or disposal group) to be classified as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use.

Determining whether (and when) an asset stops being recovered principally through use and becomes recoverable principally through sale.

For an asset (or disposal group) to be classified as held for sale:

(a) It must be available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal groups);

(b) Its sale must be highly probable;

The standard requires that non-current assets (and, in a 'disposal group', related liabilities and current assets,) meeting its criteria to be classified as held for sale be:

(a) Measured at the lower of carrying amount and fair value less costs to sell, with depreciation on them ceasing; and

(b) Presented separately on the face of the statement of financial position with the results of discontinued operations presented separately in the income statement.

2.24. Discontinued operation

Discontinued operation as 'a component of an entity that either has been disposed of, or is classified as held for sale, and

(a) Represents a separate major line of business or geographical area of operations,

(b) Is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations or

(c) Is a subsidiary acquired exclusively with a view to resale.

Important Accounting Estimates, and Judgements in Applying Accounting Policies

The bank makes estimates and assumptions that affect the amounts recognized, and the carrying amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Management also makes certain judgements, apart from those involving estimations, in the process of applying the accounting policies. Judgements that have the most significant effect on the amounts recognized and estimates that can cause a significant adjustment to the carrying amount of assets and liabilities within the next financial year include:

ECL measurement: Measurement of ECLs is a significant estimate that involves determination of methodology, models and data inputs. The following components have a major impact on credit loss allowance: definition of default, SICR, probability of default ("PD"), exposure at default ("EAD"), and loss given default ("LGD"), as well as forward-looking of macro-economic indicators . The bank regularly reviews and validates the models and inputs to the models to reduce any gaps between expected credit loss estimates and actual credit loss experience.

The bank used forward-looking information for measurement of ECL, primarily an outcome of its own macro-economic forecasting model. The most significant forward-looking assumptions, for both corporate, that correlate with ECL level and their assigned weights were interest rate, GDP growth rate, Inflation rate and Foreign currency index. In addition to these assumptions liquidity standard M2 and foreign direct investment have been used for the retail facilities portfolio.

A change in the assigned weight to the base scenario of the forward looking macro-economic variables by 10% towards the downturn scenario would result in an increase in ECL by EGP 1,817,837 thousand as of 31 December 2023 (31 December 2022: by EGP 1,188,080 thousand). A corresponding change towards the upturn scenario would result in a decrease in ECL by EGP 1,817,788 thousand as of 31 December 2023 (31 December 2022: by EGP 1,179,558 thousand). A 10% increase or decrease in LGD estimates would result in an increase or decrease in total expected credit loss allowances of EGP 2,055,659 thousand at 31 December 2023 (31 December 2022: increase or decrease of EGP 1,530,366 thousand).

Significant increase in credit risk ("SICR"). In order to determine whether there has been a significant increase in credit risk, the bank compares the risk of a default occurring over the life of a financial instrument at the end of the reporting date with the risk of default at the date of initial recognition. The assessment considers relative increase in credit risk rather than achieving a specific level of credit risk at the end of the reporting date using, Transition in risk ratings, delinquency status, number of defaulted days and restructured status resulting from credit risk in addition to watch list. The bank considers all information about actual or estimated negative changes at working environment , financial and economic circumstances and regulatory jurisdiction which may affect negatively the ability of the borrower to settle outstanding's dues. The bank identifies behavioral indicators of increases in credit risk prior to delinquency and incorporated appropriate forward-looking information into the credit risk assessment, either at an individual instrument, or on a portfolio level.

Business model assessment. The business model drives classification of financial assets. Management applied judgement in determining the level of aggregation and portfolios of financial instruments when performing the business model assessment. When assessing sales transactions, the bank considers their historical frequency, timing and value, reasons for the sales and expectations about future sales activity. Sales transactions aimed at minimizing potential losses due to credit deterioration are considered consistent with the "hold to collect" business model. Other sales before maturity, not related to credit risk management activities, are also consistent with the "hold to collect" business model, provided that they are infrequent or insignificant in value, both individually and in aggregate. The bank assesses significance of sales transactions by comparing the value of the sales to the value of the portfolio subject to the business model assessment over the average life of the portfolio. In addition, sales of financial asset expected only in stress case scenario, or in response to an isolated event that is beyond the bank's control, is not recurring and could not have been anticipated by the bank, are regarded as incidental to the business model objective and do not impact the classification of the respective financial assets.

The "hold to collect and sell" business model means that assets are held to collect the cash flows, but selling is also integral to achieving the business model's objective, such as, managing liquidity needs, achieving a particular yield, or matching the duration of the financial assets to the duration of the liabilities that fund those assets.

The residual category includes those portfolios of financial assets, which are managed with the objective of realizing cash flows primarily through sale, such as where a pattern of trading exists. Collecting contractual cash flow is often incidental for this business model.

Assessment whether cash flows are solely payments of principal and interest ("SPPI"). Determining whether a financial asset's cash flows are solely payments of principal and interest required judgement.

The time value of money element may be modified, for example, if a contractual interest rate is periodically reset but the frequency of that reset does not match the tenor of the debt instrument's underlying base interest rate. The effect of the modified time value of money was assessed by comparing relevant instrument's cash flows against a benchmark debt instrument with SPPI cash flows, in each period and cumulatively over the life of the instrument. The assessment was done for all reasonably possible scenarios, including reasonably possible financial stress situation that can occur in financial markets.

3. Financial risk management

The Bank's activities expose it to a variety of financial risks and those activities involve the analysis, evaluation, acceptance and management of some degree of risk or combination of risks. Taking risk is core to the financial business, and the operational risks are an inevitable consequence of being in business. The Bank's aim is therefore to achieve an appropriate balance between risk and rewards and minimize potential adverse effects on the Bank's financial performance. The most important types of financial risks are credit risk, market risk, liquidity risk and other operating risks. Also market risk includes exchange rate risk, rate of return risk and other prices risks.

The Bank's risk management policies are designed to identify and analyze these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. The Bank regularly reviews its risk management policies and systems to reflect changes in markets, products and emerging best practice.

Risk management is carried out by risk department under policies approved by the Board of Directors. Bank treasury identifies, evaluates and hedges financial risks in close co-operation with the Bank's operating units.

The board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments. In addition, credit risk management is responsible for the independent review of risk management and the control environment.

3.1. Credit risk

The Bank takes on exposure to credit risk, which is the risk that counterparty will cause a financial loss for the Bank by failing to discharge an obligation. Management therefore carefully manages its exposure to credit risk. Credit exposures arise principally in loans and advances, debt securities and other bills. There is also credit risk in off-balance sheet financial arrangements such as loan commitments. The credit risk management and control are centralized in a credit risk management team and reported to the Board of Directors and head of each business unit regularly.

3.1.1. Credit risk measurement

3.1.1.1. Loans and advances to banks and customers

Bank's rating	description of the grade
1	performing loans
2	regular watching
3	watch list
4	non-performing loans

Loss given default or loss severity represents the Bank expectation of the extent of loss on a claim should default occur. It is expressed as percentage loss per unit of exposure and typically varies by type of counterparty, type and seniority of claim and availability of collateral or other credit mitigation.

3.1.1.2. Debt instruments Treasury Bills and Other Governmental Notes

For debt instruments and bills, by external rating agencies are used for assessing of the credit risk exposures, and if this rating is not available, then other ways similar to those used with the credit customers are uses.

The investments in those securities and bills are viewed as a way to gain a better credit quality mapping and maintain a readily available source to meet the funding requirement at the same time.

3.1.2. Risk limit control and mitigation policies

The Bank manages, limits and controls concentrations of credit risk wherever they are identified − in particular, to individual counterparties and banks, and to industries and countries.

The Bank structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to one borrower, or groups of borrowers, and to geographical and industry segments. Such risks are monitored on a revolving basis and subject to an annual or more frequent review, when considered necessary. Limits on the level of credit risk by individual, counterparties, product, and industry sector and by country are approved quarterly by the Board of Directors.

The exposure to any one borrower including banks and brokers is further restricted by sub-limits covering on- and off-balance sheet exposures, and daily delivery risk limits in relation to trading items such as forward foreign exchange contracts. Actual exposures against limits are monitored daily.

Exposure to credit risk is also managed through regular analysis of the ability of borrowers and potential borrowers to meet interest and capital repayment obligations and by changing these lending limits where appropriate.

Some other specific control and mitigation measures are outlined below:

3.1.2.1. Collateral

The Bank employs a range of policies and practices to mitigate credit risk. The most traditional of these is the taking of security for funds advances, which is common practice. The Bank implements guidelines on the acceptability of specific classes of collateral or credit risk mitigation. The principal collateral types for loans and advances are:

- Mortgages over residential properties.
- Mortgage business assets such as premises, and inventory.
- Mortgage financial instruments such as debt securities and equities.

Longer-term finance and lending to corporate entities are generally secured; revolving individual credit facilities are generally unsecured. In addition, in order to minimize the credit loss the Bank will seek additional collateral from the counterparty as soon as impairment indicators are noticed for the relevant individual loans and advances.

Collateral held as security for financial assets other than loans and advances is determined by the nature of the instrument. Debt securities, treasury and other governmental securities are generally unsecured, with the exception of asset-backed securities and similar instruments, which are secured by portfolios of financial instruments.

Derivatives

The Bank maintains strict control limits on net open derivative positions (i.e., the difference between purchase and sale contracts), by both amount and term. At any one time, the amount subject to credit risk is limited to the current fair value of instruments that are favorable to the Bank (i.e., assets with positive fair value), which in relation to derivatives is only a small fraction of the contract, or notional values used to express the volume of instruments outstanding. This credit risk exposure is managed as part of the overall lending limits with customers, together with potential exposures from market movements. Collateral or other security is not usually obtained for credit risk exposures on these instruments, except where the Bank requires margin deposits from counterparties.

Settlement risk arises in any situation where a payment in cash, securities or equities is made in the expectation of a corresponding receipt in cash, securities or equities. Daily settlement limits are established for each counterparty to cover the aggregate of all settlement risk arising from the Bank market transactions on any single day.

3.1.2.2. Clearing house

The Bank further restricts its exposure to credit losses by entering into master netting arrangements with counterparties with which it undertakes a significant volume of transactions. Master netting arrangements do not generally result in an offset of balance sheet assets and liabilities, as transactions are usually settled on a gross basis. However, the credit risk associated with favorable contracts is reduced by a master netting arrangement to the extent that if a default occurs, all amounts with the counterparty are terminated and settled on a net basis. The Bank overall exposure to credit risk on derivative instruments subject to master netting arrangements can change substantially within a short period, as it is affected by each transaction subject to the arrangement.

3.1.2.3. Credit related commitments

The primary purpose of these instruments is to ensure that funds are available to a customer as required. Guarantees and standby letters of credit carry the same credit risk as loans. Documentary and commercial letters of credit – which are written undertakings by the Bank on behalf of a customer authorizing a third party to draw drafts on the Bank up to a stipulated amount under specific terms and conditions – are collateralized by the underlying shipments of goods to which they relate and therefore carry less risk than a direct loan.

Commitments to extend credit represent unused portions of authorizations to extend credit in the form of loans, guarantees or letters of credit. With respect to credit risk on commitments to extend credit, the Bank is potentially exposed to loss in an amount equal to the total unused commitments. However, the likely amount of loss is less than the total unused commitments, as most commitments to extend credit are contingent upon customers maintaining specific credit standards. The Bank monitors the term to maturity of credit commitments because longer-term commitments generally have a greater degree of credit risk than shorter-term commitments.

3.1.3. Impairment and provisioning policies

The internal rating system described in Note 3.1.1 focus on the credit-quality mapping from the lending and investment activities perspective. Conversely, for only financial reporting purposes impairment losses are recognized for that has been incurred on the balance sheet date when there is an objective evidence of impairment. for internal operational management.

The impairment provision reported in balance sheet at the end of the year is derived from each of the four internal credit risk ratings. However, the majority of the impairment provision is usually driven by the last two rating degrees. The following table illustrates the proportional distribution of loans and advances reported in the balance sheet for each of the four internal credit risk ratings of the Bank and their relevant impairment losses:

(All amounts are shown in EGP thousands)

	December 31, 2023		December 31, 2022	
Bank's rating	**Loans and advances (%)**	**Impairment provision (%)**	Loans and advances (%)	Impairment provision (%)
1-Performing loans	**81.87**	**32.83**	78.40	22.91
2-Regular watching	**13.98**	**36.63**	15.02	25.02
3-Watch list	**0.58**	**2.59**	1.76	12.93
4-Non-Performing Loans	**3.57**	**27.95**	4.82	39.14

The internal rating tools assists management to determine whether objective evidence of impairment exists, based on the following criteria set by the Bank:

- Cash flow difficulties experienced by the borrower or debtor
- Breach of loan covenants or conditions
- Initiation of bankruptcy proceedings
- Deterioration of the borrower's competitive position
- Bank granted concessions may not be approved under normal circumstances due to economic, legal reasons and financial difficulties facing the borrower
- Deterioration of the collateral value
- Deterioration of the credit situation

The Bank's policy requires the review of all financial assets that are above materiality thresholds at least annually or more regularly when circumstances require. Impairment provisions on individually assessed accounts are determined by an evaluation of the incurred loss at balance-sheet date, and are applied to all significant accounts individually. The assessment normally encompasses collateral held (including re-confirmation of its enforceability) and the anticipated receipts for that individual account. Collective impairment provisions are provided portfolios of homogenous assets by using the available historical loss experience, experienced judgment and statistical techniques.

3.1.4. Model of measuring the general banking risk

In addition to the four categories of the Bank's internal credit ratings indicated in note 3.1.1, management classifies based on more detailed subgroups to comply with CBE requirements.

The Bank calculates required provisions for impairment of assets exposed to credit risk, including commitments relating to credit on the basis of rates determined by CBE. In case, the provision required for impairment losses as per CBE credit worthiness rules exceeds the required provisions by the application used in balance sheet preparation in accordance to the International Financial Reporting Standard (9) issued by the Central Bank of Egypt on February 26, 2019 . That excess shall be added to the general banking risk reserve in the equity section. Such reserve is always adjusted, on a regular basis, by any increase or decrease so, that reserve shall always be equivalent to the amount of increase between the two provisions. Such reserve is not available for distribution.

Below is a statement of institutional worthiness according to internal ratings, compared to CBE ratings and rates of provisions needed for assets impairment related to credit risk:

CBE Rating	**Categorization**	**Provision %**	**Internal rating**	**Categorization**
1	Low risk	0%	1	Performing loans
2	Average risk	1%	1	Performing loans
3	Satisfactory risk	1%	1	Performing loans
4	Reasonable risk	2%	1	Performing loans
5	Acceptable risk	2%	1	Performing loans
6	Marginally acceptable risk	3%	2	Regular watching
7	Watch list	5%	3	Watch list
8	Substandard	20%	4	Non performing loans
9	Doubtful	50%	4	Non performing loans
10	Bad debts	100%	4	Non performing loans

3.1.5. Maximum exposure to credit risk before collateral held

	Dec. 31, 2023 EGP Thousands	Dec. 31, 2022 EGP Thousands
In balance sheet items exposed to credit risk		
Cash and balances at the central bank	**71,887,821**	47,492,549
Gross Due from banks	**231,087,402**	133,906,112
Less: ECL	**(2,158)**	(49,392)
Gross loans and advances to banks	**823,739**	2,988,410
Less: ECL	**(1,291)**	(10,213)
Gross loans and advances to customers		
Individual:		
- Overdraft	**2,927,620**	2,132,876
- Credit cards	**10,297,598**	7,636,331
- Personal loans	**42,552,132**	40,374,834
- Mortgages	**4,348,982**	3,399,858
Corporate:		
- Overdraft	**55,047,153**	42,595,303
- Direct loans	**99,455,837**	78,759,856
- Syndicated loans	**51,311,552**	44,722,871
- Other loans	**434,524**	124,453
Unamortized bills discount	**(509,523)**	(678,795)
Unamortized syndicated loans discount	**(145,003)**	(221,018)
ECL	**(29,237,737)**	(24,536,712)
Suspended credit account	**(1,497,199)**	(709,985)
Derivative financial instruments	**1,105,148**	1,939,961
Financial investments:		
-Debt instruments	**269,897,248**	237,224,773
Other assets (Accrued revenues)	**13,018,038**	11,437,147
Total	**822,801,883**	628,529,219
Off balance sheet items exposed to credit risk		
Financial guarantees	**8,021,170**	8,977,208
Customers acceptances	**4,800,405**	3,482,249
Letters of credit (import and export)	**9,075,124**	8,640,327
Letter of guarantee	**160,776,153**	123,073,882
Total	**182,672,852**	144,173,666

The above table represents the Bank's Maximum exposure to credit risk on December 31, 2023, before taking into account any held collateral. For assets recognized on balance sheet, the exposures set out above are based on net carrying amounts as reported in the balance sheet.

As shown above, 28.66% of the total maximum exposure is derived from loans and advances to banks and customers against 31.27% on December 31, 2022, while investments in debt instruments represent 32.8% against 37.74% on December 31, 2022.

Management is confident in its ability to continue to control and sustain minimal exposure of credit risk resulting from both the bank's loans and advances portfolio and debt instruments based on the following:

- 95.85% of the loans and advances are concentrated in the top two grades of the internal credit risk rating system against 93.42% on December 31, 2022
- Loans and advances assessed individualy are valued EGP 9,413,975 thousand against EGP 10,663,438 thousand on December 31, 2022
- The Bank has implemented more prudent processes when granting loans and advances during the financial year ended on December 31, 2023.
- 88.05% of the investments in debt Instruments are Egyptian sovereign instruments against 89.49% on December 31, 2022.

3.1.6. Loans and advances

Loans and advances are summarized as follows:

	Dec.31, 2023 EGP Thousands		Dec.31, 2022 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	266,375,398	823,739	219,746,382	2,988,410
Less:				
ECL	29,237,737	1,291	24,536,712	10,213
Unamortized bills discount	509,523	-	678,795	-
Unamortized syndicated loans discount	145,003	-	221,018	-
Suspended credit account	1,497,199	-	709,985	-
Net	234,985,936	822,448	193,599,872	2,978,197

Expected credit losses for loans and advances totaled EGP 29,239,028 thousand

During the year, the Bank's total loans and advances increased by 19.96%.

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

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

Dec.31, 2023

	Stage 1: 12 months	Stage 2: Life time	Stage 3: Life time	Total
Individuals	53,641,448	5,646,750	838,134	60,126,332
Corporate and Business Banking	129,155,165	68,344,499	8,749,402	206,249,066
Total	182,796,613	73,991,249	9,587,536	266,375,398

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

Dec.31, 2023

	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	1,551,112	205,628	486,555	2,243,295
Corporate and Business Banking	4,410,307	14,882,887	7,701,248	26,994,442
Total	5,961,419	15,088,515	8,187,803	29,237,737

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

Dec.31, 2023

	Stage 1: 12 months	Stage 2: Life time	Stage 3: Life time	Total
Time loans	86,495	737,244	-	823,739
Expected credit losses	-	(1,291)	-	(1,291)
Net	86,495	735,953	-	822,448

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

Dec.31, 2023

	Stage 1: 12 months	Stage 2: Life time	Stage 3: Life time	Total
Facilities and guarantees	113,577,662	55,000,921	6,073,099	174,651,682
Expected credit losses	(5,128,681)	(3,391,432)	(2,150,455)	(10,670,568)
Net	108,448,981	51,609,489	3,922,644	163,981,114

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

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

	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	1,024,932	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

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

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

Expected credit losses divided by internal classification:

Corporate and Business Banking:

EGP Thousands

Dec.31, 2023	Scope of probability of default (PD)	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
Performing loans (1-5)	1%-12%	3,513,490	4,535,215	-	8,048,705
Regular watching (6)	12%-21%	896,817	9,607,743	-	10,504,560
Watch list (7)	21%-37%	-	739,929	16,517	756,446
Non-performing loans (8-10)	100%	-	-	7,684,731	7,684,731

Individual Loans:

Dec.31, 2023	Scope of probability of default (PD)	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
Performing loans (1-5)	1% - 10%	1,551,112	-	-	1,551,112
Regular watching (6)	11% <	-	205,544	-	205,544
Watch list (7)	11% <	-	84	-	84
Non-performing loans (8-10)	100%	-	-	486,555	486,555

The total balances of loans and facilities divided according to the internal classification:

Corporate and Business Banking:

Dec.31, 2023	Scope of probability of default (PD)	Stage 1: 12 months	Stage 2: Life time	Stage 3: Life time	Total
Performing loans (1-5)	1%-12%	117,477,290	46,809,570	-	164,286,860
Regular watching (6)	12%-21%	11,677,875	20,062,699	-	31,740,574
Watch list (7)	21%-37%	-	1,472,230	46,604	1,518,834
Non-performing loans (8-10)	100%	-	-	8,702,798	8,702,798

Individual Loans:

Dec.31, 2023	Scope of probability of default (PD)	Stage 1: 12 months	Stage 2: Life time	Stage 3: Life time	Total
Performing loans (1-5)	1% - 10%	53,641,448	-	-	53,641,448
Regular watching (6)	11% <	-	5,608,073	-	5,608,073
Watch list (7)	11% <	-	38,677	207	38,884
Non-performing loans (8-10)	100%	-	-	837,927	837,927

Expected credit losses divided by internal classification: **EGP Thousands**

Corporate and Business Banking:

Dec.31, 2022	Scope of probability of default (PD)	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
Performing loans (1-5)	1%-11%	2,066,209	2,522,526	-	4,588,735
Regular watching (6)	11%-22%	565,204	5,403,728	-	5,968,932
Watch list (7)	22%-38%	-	3,126,893	46,758	3,173,651
Non-performing loans (8-10)	100%	-	-	9,211,258	9,211,258

Individual Loans:

Dec.31, 2022	Scope of probability of default (PD)	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
Performing loans (1-5)	1% - 9%	1,024,932	-	-	1,024,932
Regular watching (6)	10% <	-	171,724	-	171,724
Watch list (7)	10% <	-	1	253	254
Non-performing loans (8-10)	100%	-	-	397,226	397,226

The total balances of loans and facilities divided according to the internal classification:
Corporate and Business Banking:

Dec.31, 2022	Scope of probability of default (PD)	Stage 1: 12 months	Stage 2: Life time	Stage 3: Life time	Total
Performing loans (1-5)	1%-11%	81,876,093	42,257,778	-	124,133,871
Regular watching (6)	11%-22%	9,740,027	18,454,375	-	28,194,402
Watch list (7)	22%-38%	-	3,843,121	82,698	3,925,819
Non-performing loans (8-10)	100%	-	-	9,948,391	9,948,391

Individual Loans:

Dec.31, 2022	Scope of probability of default (PD)	Stage 1: 12 months	Stage 2: Life time	Stage 3: Life time	Total
Performing loans (1-5)	1% - 9%	47,483,664	-	-	47,483,664
Regular watching (6)	10% <	-	5,269,603	-	5,269,603
Watch list (7)	10% <	-	37	1,429	1,466
Non-performing loans (8-10)	100%	-	-	789,166	789,166

The following table provides information on the quality of financial assets subject to ECL calculation during the financial year:

Dec.31, 2023

EGP Thousands

Due from banks	Stage 1	Stage 2	Stage 3	Total
Credit rating	12 months	Life time	Life time	
Performing loans	5,436,043	-	-	5,436,043
Regular watching	-	-	-	-
Watch list	-	-	-	-
Non-performing loans	-	-	-	-
Total	5,436,043	-	-	5,436,043
Less: ECL	(2,158)	-	-	(2,158)
Net	5,433,885	-	-	5,433,885

The following table provides information on the quality of financial assets during the financial year:

Individual Loans:	Stage 1	Stage 2	Stage 3	Total
Credit rating	12 months	Life time	Life time	
Performing loans	53,641,448	-	-	53,641,448
Regular watching	-	5,608,073	-	5,608,073
Watch list	-	38,677	207	38,884
Non-performing loans	-	-	837,927	837,927
Total	53,641,448	5,646,750	838,134	60,126,332
Less: ECL	(1,551,112)	(205,628)	(486,555)	(2,243,295)
Net	52,090,336	5,441,122	351,579	57,883,037

Corporate and Business Banking:	Stage 1	Stage 2	Stage 3	Total
Credit rating	12 months	Life time	Life time	
Performing loans	117,477,290	46,809,570	-	164,286,860
Regular watching	11,677,875	20,062,699	-	31,740,574
Watch list	-	1,472,230	46,604	1,518,834
Non-performing loans	-	-	8,702,798	8,702,798
Total	129,155,165	68,344,499	8,749,402	206,249,066
Less: ECL	(4,410,307)	(14,882,887)	(7,701,248)	(26,994,442)
Net	124,744,858	53,461,612	1,048,154	179,254,624

Debt Instruments at Fair value through OCI	Stage 1	Stage 2	Stage 3	Total
Credit rating	12 months	Life time	Life time	
Performing loans	183,605,059	-	-	183,605,059
Regular watching	47,951,170	-	-	47,951,170
Watch list	-	-	-	-
Non-performing loans	-	-	-	-
Total	231,556,229	-	-	231,556,229
ECL	(2,868,271)	-	-	(2,868,271)

Debt Instruments at amortized cost	Stage 1	Stage 2	Stage 3	Total
Credit rating	12 months	Life time	Life time	
Performing loans	34,467,915	-	-	34,467,915
Regular watching	4,071,573	-	-	4,071,573
Watch list	-	-	-	-
Non-performing loans	-	-	-	-
Total	38,539,488	-	-	38,539,488
ECL	(198,469)	-	-	(198,469)
Net	38,341,019	-	-	38,341,019

The following table provides information on the quality of financial assets subject to ECL calculation during the financial year:

Dec.31, 2022

EGP Thousands

Due from banks	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Credit rating	**12 months**	**Life time**	**Life time**	
Performing loans	4,389,069	-	-	4,389,069
Regular watching	15,639,858	6,095,598	-	21,735,456
Watch list	-	-	-	-
Non-performing loans	-	-	-	-
Total	20,028,927	6,095,598	-	26,124,525
Less: ECL	(38,884)	(10,508)	-	(49,392)
Net	19,990,043	6,085,090	-	26,075,133

The following table provides information on the quality of financial assets during the financial year:

Individual Loans:	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Credit rating	**12 months**	**Life time**	**Life time**	
Performing loans	47,483,664	-	-	47,483,664
Regular watching	-	5,269,603	-	5,269,603
Watch list	-	37	1,429	1,466
Non-performing loans	-	-	789,166	789,166
Total	47,483,664	5,269,640	790,595	53,543,899
Less: ECL	(1,024,932)	(171,725)	(397,479)	(1,594,136)
Net	46,458,732	5,097,915	393,116	51,949,763

Corporate and Business Banking:	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Credit rating	**12 months**	**Life time**	**Life time**	
Performing loans	81,876,093	42,257,778	-	124,133,871
Regular watching	9,740,027	18,454,375	-	28,194,402
Watch list	-	3,843,121	82,698	3,925,819
Non-performing loans	-	-	9,948,391	9,948,391
Total	91,616,120	64,555,274	10,031,089	166,202,483
Less: ECL	(2,631,413)	(11,053,147)	(9,258,016)	(22,942,576)
Net	88,984,707	53,502,127	773,073	143,259,907

Debt Instruments at Fair value through OCI	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Credit rating	**12 months**	**Life time**	**Life time**	
Performing loans	163,452,629	-	-	163,452,629
Regular watching	39,247,384	-	-	39,247,384
Watch list	-	-	-	-
Non-performing loans	-	-	-	-
Total	202,700,013	-	-	202,700,013
ECL	(979,945)	-	-	(979,945)

Debt Instruments at amortized cost	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Credit rating	**12 months**	**Life time**	**Life time**	
Performing loans	31,376,120	-	-	31,376,120
Regular watching	3,227,477	-	-	3,227,477
Watch list	-	-	-	-
Non-performing loans	-	-	-	-
Total	34,603,597	-	-	34,603,597
ECL	(78,837)	-	-	(78,837)
Net	34,524,760	-	-	34,524,760

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

Dec.31, 2023

EGP Thousands

Due from banks	Stage 1		Stage 2		Stage 3		Total	
	12 months		Life time		Life time			
	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding
ECL on 1 January 2023	38,884	20,028,927	10,508	6,095,598	-	-	49,392	26,124,525
Impairment during the year	(36,726)	(14,592,884)	(10,508)	(6,095,598)	-	-	(47,234)	(20,688,482)
Transferred to stage 1	-	-	-	-	-	-	-	-
Transferred to stage 2	-	-	-	-	-	-	-	-
Transferred to stage 3	-	-	-	-	-	-	-	-
Ending balance	2,158	5,436,043	-	-	-	-	2,158	5,436,043

Individual Loans:	Stage 1		Stage 2		Stage 3		Total	
	12 months		Life time		Life time			
	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding
ECL on 1 January 2023	1,024,932	47,483,664	171,725	5,269,640	397,479	790,595	1,594,136	53,543,899
Impairment during the year	526,180	6,157,784	33,903	377,110	204,891	288,953	764,974	6,823,847
Write off during the year	-	-	-	-	(241,414)	(241,414)	(241,414)	(241,414)
Recoveries	-	-	-	-	125,599	-	125,599	-
Ending balance	1,551,112	53,641,448	205,628	5,646,750	486,555	838,134	2,243,295	60,126,332

Corporate and Business Banking:	Stage 1		Stage 2		Stage 3		Total	
	12 months		Life time		Life time			
	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding
ECL on 1 January 2023	2,631,413	91,616,120	11,053,147	64,555,274	9,258,016	10,031,089	22,942,576	166,202,483
Impairment during the year	1,670,168	34,717,462	1,182,352	6,063,996	(1,296,705)	1,501,940	1,555,815	42,283,398
Transferred to stage 1	148,230	4,573,831	(148,230)	(4,573,831)	-	-	-	-
Transferred to stage 2	(70,107)	(1,632,469)	328,769	2,323,932	(258,662)	(691,463)	-	-
Transferred to stage 3	(33,076)	(119,779)	(7,716)	(24,872)	40,792	144,651	-	-
Recoveries	-	-	-	-	51,666	-	51,666	-
Write off during the year	-	-	-	-	(2,236,815)	(2,236,815)	(2,236,815)	(2,236,815)
Cumulative foreign currencies translation differences	63,679	-	2,474,565	-	2,142,956	-	4,681,200	-
Ending balance	4,410,307	129,155,165	14,882,887	68,344,499	7,701,248	8,749,402	26,994,442	206,249,066

Debt Instruments at Fair value through OCI	Stage 1		Stage 2		Stage 3		Total	
	12 months		Life time		Life time			
	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding
ECL on 1 January 2023	979,945	62,191,193	-	-	-	-	979,945	62,191,193
Impairment during the year	1,886,423	16,469,655	-	-	-	-	1,886,423	16,469,655
Transferred to stage 1	-	-	-	-	-	-	-	-
Transferred to stage 2	-	-	-	-	-	-	-	-
Transferred to stage 3	-	-	-	-	-	-	-	-
Write off during the year	-	-	-	-	-	-	-	-
Cumulative foreign currencies translation differences	1,903	-	-	-	-	-	1,903	-
Ending balance	2,868,271	78,660,848	-	-	-	-	2,868,271	78,660,848

Debt Instruments at amortized cost	Stage 1		Stage 2		Stage 3		Total	
	12 months		Life time		Life time			
	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding	ECL	Outstanding
ECL on 1 January 2023	78,837	4,554,960	-	-	-	-	78,837	4,554,960
Impairment during the year	119,025	(39,750)	-	-	-	-	119,025	(39,750)
Transferred to stage 1	-	-	-	-	-	-	-	-
Transferred to stage 2	-	-	-	-	-	-	-	-
Transferred to stage 3	-	-	-	-	-	-	-	-
Write off during the year	-	-	-	-	-	-	-	-
Cumulative foreign currencies translation differences	607	-	-	-	-	-	607	-
Ending balance	198,469	4,515,210	-	-	-	-	198,469	4,515,210

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, 2022 — **EGP Thousands**

Due from banks	Stage 1 12 months ECL	Stage 1 Outstanding	Stage 2 Life time ECL	Stage 2 Outstanding	Stage 3 Life time ECL	Stage 3 Outstanding	Total ECL	Total Outstanding
ECL on 1 January 2022	20,283	14,067,993	20,714	5,950,028	-	-	40,997	20,018,021
Impairment during the year	18,601	5,960,934	(10,206)	145,570	-	-	8,395	6,106,504
Transferred to stage 1	-	-	-	-	-	-	-	-
Transferred to stage 2	-	-	-	-	-	-	-	-
Transferred to stage 3	-	-	-	-	-	-	-	-
Ending balance	38,884	20,028,927	10,508	6,095,598	-	-	49,392	26,124,525

Individual Loans:	Stage 1 12 months ECL	Stage 1 Outstanding	Stage 2 Life time ECL	Stage 2 Outstanding	Stage 3 Life time ECL	Stage 3 Outstanding	Total ECL	Total Outstanding
ECL on 1 January 2022	826,702	36,579,875	91,111	3,904,276	264,646	668,181	1,182,459	41,152,332
Impairment during the year	198,230	10,903,789	80,614	1,365,364	255,704	349,840	534,548	12,618,993
Write off during the year	-	-	-	-	(227,426)	(227,426)	(227,426)	(227,426)
Recoveries	-	-	-	-	104,555	-	104,555	-
Ending balance	1,024,932	47,483,664	171,725	5,269,640	397,479	790,595	1,594,136	53,543,899

Corporate and Business Banking:	Stage 1 12 months ECL	Stage 1 Outstanding	Stage 2 Life time ECL	Stage 2 Outstanding	Stage 3 Life time ECL	Stage 3 Outstanding	Total ECL	Total Outstanding
ECL on 1 January 2022	1,484,973	65,511,996	7,600,199	49,532,625	7,649,732	7,741,874	16,734,904	122,786,495
Impairment during the year	1,045,691	25,360,848	260,873	15,777,116	(828,369)	3,236,134	478,195	44,374,098
Transferred to stage 1	75,252	1,600,991	(108,908)	(1,548,020)	-	-	(33,656)	52,971
Transferred to stage 2	(28,138)	(847,716)	86,815	804,374	(2,120)	-	56,557	(43,342)
Transferred to stage 3	(6,470)	(9,999)	(9,416)	(10,821)	15,923	38,766	37	17,946
Recoveries	-	-	-	-	9,662	-	9,662	-
Write off during the year	-	-	-	-	(985,685)	(985,685)	(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	91,616,120	11,053,147	64,555,274	9,258,016	10,031,089	22,942,576	166,202,483

Debt Instruments at Fair value through OCI	Stage 1 12 months ECL	Stage 1 Outstanding	Stage 2 Life time ECL	Stage 2 Outstanding	Stage 3 Life time ECL	Stage 3 Outstanding	Total ECL	Total Outstanding
ECL on 1 January 2022	515,177	38,705,150	9,721	60,420	-	-	524,898	38,765,570
Impairment during the year	464,768	23,486,043	(9,721)	(60,420)	-	-	455,047	23,425,623
Transferred to stage 1	-	-	-	-	-	-	-	-
Transferred to stage 2	-	-	-	-	-	-	-	-
Transferred to stage 3	-	-	-	-	-	-	-	-
Write off during the year	-	-	-	-	-	-	-	-
Cumulative foreign currencies translation differences	-	-	-	-	-	-	-	-
Ending balance	979,945	62,191,193	-	-	-	-	979,945	62,191,193

Debt Instruments at amortized cost	Stage 1 12 months ECL	Stage 1 Outstanding	Stage 2 Life time ECL	Stage 2 Outstanding	Stage 3 Life time ECL	Stage 3 Outstanding	Total ECL	Total Outstanding
ECL on 1 January 2022	1,113	62,102	-	-	-	-	1,113	62,102
Impairment during the year	77,724	4,492,858	-	-	-	-	77,724	4,492,858
Transferred to stage 1	-	-	-	-	-	-	-	-
Transferred to stage 2	-	-	-	-	-	-	-	-
Transferred to stage 3	-	-	-	-	-	-	-	-
Write off during the year	-	-	-	-	-	-	-	-
Cumulative foreign currencies translation differences	-	-	-	-	-	-	-	-
Ending balance	78,837	4,554,960	-	-	-	-	78,837	4,554,960

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 year are as follows :

	Dec.31, 2023	Dec.31, 2022
Loans and advances to customer	EGP Thousands	EGP Thousands
Corporate		
- Direct loans	18,472,670	17,207,400
Total	18,472,670	17,207,400

3.1.7. Financial investments:

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

Dec.31, 2023 EGP Thousands

Amortized cost	Stage 1: 12 months	Stage 2: Life time	Stage 3: Life time	Individually impaired	Total
AAA	-	-	-	-	-
AA+ to AA-	-	-	-	-	-
A+ to A-	-	-	-	-	-
Less than A-	38,341,019	-	-	-	38,341,019
Not rated	-	-	-	-	-
Total	38,341,019	-	-	-	38,341,019

Dec.31, 2023 EGP Thousands

Fair value through OCI	Stage 1: 12 months	Stage 2: Life time	Stage 3: Life time	Individually impaired	Total
AAA	-	-	-	-	-
AA+ to AA-	-	-	-	-	-
A+ to A-	-	-	-	-	-
Less than A-	231,556,229	-	-	-	231,556,229
Not rated	-	-	-	-	-
Total	231,556,229	-	-	-	231,556,229

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

Dec.31, 2023 EGP Thousands

Fair value through OCI & Amortized cost	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	Individually impaired	Total
AAA	-	-	-	-	-
AA+ to AA-	-	-	-	-	-
A+ to A-	-	-	-	-	-
Less than A-	3,066,740	-	-	-	3,066,740
Not rated	-	-	-	-	-
Total	3,066,740	-	-	-	3,066,740

3.1.7. Financial investments:

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

Dec.31, 2022 EGP Thousands

Amortized cost	Stage 1: 12 months	Stage 2: Life time	Stage 3: Life time	Individually impaired	Total
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

Dec.31, 2022 EGP Thousands

Fair value through OCI	Stage 1: 12 months	Stage 2: Life time	Stage 3: Life time	Individually impaired	Total
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:

Dec.31, 2022 EGP Thousands

Fair value through OCI & Amortized cost	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	Individually impaired	Total
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

3.1.8. Concentration of risks of financial assets with credit risk exposure

3.1.8.1. Geographical sectors

Following is a breakdown of the Bank's main credit exposure at their book values categorized by geographical region at the end of the year.

The Bank has allocated exposures to regions based on the country of domicile of its counterparties.

EGP Thousands

Dec.31, 2023	**Cairo**	**Alex, Delta and Sinai**	**Upper Egypt**	**Outside Egypt (CIB Kenya)**	**Total**
Cash and balances at the central bank	**71,751,785**	**-**	**-**	**136,036**	**71,887,821**
Gross due from banks	**230,709,611**	**-**	**-**	**377,791**	**231,087,402**
Less: ECL	**(192)**	**-**	**-**	**(1,966)**	**(2,158)**
Gross loans and advances to banks	**823,739**	**-**	**-**	**-**	**823,739**
Less: ECL	**(1,291)**	**-**	**-**	**-**	**(1,291)**
Gross loans and advances to customers					
Individual:					
- Overdrafts	**2,170,271**	**593,886**	**158,004**	**5,459**	**2,927,620**
- Credit cards	**8,169,218**	**1,823,675**	**304,705**	**-**	**10,297,598**
- Personal loans	**30,168,288**	**10,055,677**	**2,284,529**	**43,638**	**42,552,132**
- Mortgages	**4,111,504**	**195,951**	**29,176**	**12,351**	**4,348,982**
Corporate:					
- Overdrafts	**48,947,119**	**4,454,786**	**1,422,155**	**223,093**	**55,047,153**
- Direct loans	**64,287,140**	**26,635,089**	**7,546,425**	**987,183**	**99,455,837**
- Syndicated loans	**48,285,122**	**3,026,430**	**-**	**-**	**51,311,552**
- Other loans	**208,060**	**226,464**	**-**	**-**	**434,524**
Unamortized bills discount	**(479,204)**	**(30,319)**	**-**	**-**	**(509,523)**
Unamortized syndicated loans discount	**(145,003)**	**-**	**-**	**-**	**(145,003)**
ECL	**(22,385,965)**	**(4,175,424)**	**(2,565,815)**	**(110,533)**	**(29,237,737)**
Suspended credit account	**(1,496,706)**	**(336)**	**(157)**	**-**	**(1,497,199)**
Derivative financial instruments	**1,101,896**	**-**	**-**	**3,252**	**1,105,148**
Financial investments:					
-Debt instruments	**268,790,594**	**-**	**-**	**1,106,654**	**269,897,248**
Total	**755,015,986**	**42,805,879**	**9,179,022**	**2,782,958**	**809,783,845**
Total as at December 31, 2022	**570,576,462**	**35,113,647**	**9,214,884**	**2,187,079**	**617,092,072**

3.1.8.2. Industry sectors

The following table analyses the Group's main credit exposure at their book value categorized by the Bank's customers activities.

EGP Thousands

Dec.31, 2023	Financial institutions	Manufacturing	Real estate	Wholesale and retail trade	Government sector	Other activities	Individual	Total
Cash and balances at the central bank	71,883,379	-	-	-	-	4,442	-	71,887,821
Gross due from banks	231,087,402	-	-	-	-	-	-	231,087,402
Less: ECL	(2,158)	-	-	-	-	-	-	(2,158)
Gross loans and advances to banks	823,739	-	-	-	-	-	-	823,739
Less: ECL	(1,291)	-	-	-	-	-	-	(1,291)
Gross loans and advances to customers								
Individual:								
- Overdrafts	-	-	-	-	-	-	2,927,620	2,927,620
- Credit cards	-	-	-	-	-	-	10,297,598	10,297,598
- Personal loans	-	-	-	-	-	-	42,552,132	42,552,132
- Mortgages	-	-	-	-	-	-	4,348,982	4,348,982
Corporate:								
- Overdrafts	6,749,096	21,553,328	6,533,287	3,206,340	2,516,833	14,488,269	-	55,047,153
- Direct loans	5,109,807	43,484,367	6,364,089	2,837,764	11,447,055	30,212,755	-	99,455,837
- Syndicated loans	501,230	4,457,019	3,203,020	-	40,557,812	2,592,471	-	51,311,552
- Other loans	-	434,524	-	-	-	-	-	434,524
Unamortized bills discount	(8,625)	(8,964)	-	-	-	(491,934)	-	(509,523)
Unamortized syndicated loans discount	-	-	-	-	-	(145,003)	-	(145,003)
ECL	(332,265)	(8,211,025)	(29,537)	(372,369)	(3,119,621)	(14,929,594)	(2,243,326)	(29,237,737)
Suspended credit account	-	(194,186)	-	(46,091)	-	(1,256,922)	-	(1,497,199)
Derivative financial instruments	1,105,148	-	-	-	-	-	-	1,105,148
Financial investments:								
-Debt instruments	31,145,168	-	-	-	238,752,080	-	-	269,897,248
Total	348,060,630	61,515,063	16,070,859	5,625,644	290,154,159	30,474,484	57,883,006	809,783,845
Total as at December 31, 2022	217,047,244	51,837,237	9,857,905	3,701,023	260,656,727	22,042,553	51,949,383	617,092,072

3.2. Market risk

Market Risks represent the potential losses resulting from unfavorable movements in market prices that may negatively affect the values of the bank's investment positions linked to the bank's balance sheet as a whole, which in turn affects the bank's profitability and its capital base. These investments are represented in debt instruments, stocks, or investment funds, in addition to the currency exchange rate risks. Market risk results from open positions of the rate of return, currencies, and equity products, as each of them is exposed to general and specific risks in the market and changes in the level of sensitivity to market rates or to prices such as interest rates, exchange rates and prices of equity instruments.

The bank distinguishes between the trading Book portfolio and the Banking Book portfolio in measuring market risks, as the trading portfolio includes instruments held for the purpose of resale or taken by the bank to benefit in the short term from the actual or expected difference between the buying and selling prices or benefiting from any changes that may occur in the return rates and any other prices that affect the trading portfolio, in addition to the financial derivative positions used for the purpose of hedging

The banking book portfolio for non-trading purposes includes instruments acquired that are salable or held until settlement dates and managing the return rate of assets and liabilities.

As part of market risk management, the bank performs several hedging strategies, as well as entering into interest rate swap contracts in order to balance the risk associated with debt instruments and long-term loans. Periodic reports on market risks are submitted to the Board of Directors and the members of the Assets and Liabilities Committee (ALCO).

3.2.1. Market risk measurement techniques

3.2.1.1. Value at Risk

The Bank applies a "Value at Risk" methodology (VaR) to its trading and non-trading portfolios, to estimate the market risk of positions held and the maximum losses expected under normal market conditions, based upon a number of assumptions for various changes in market conditions.

VaR is a statistically based estimate of the potential loss on the current portfolio from adverse market movements. It expresses the 'maximum' amount the Bank might lose , but only to a certain level of confidence (99%). There is therefore a specified statistical probability (1%) that actual loss could be greater than the VaR estimate. The VaR model assumes a certain 'holding period' until positions can be closed (1 Day). The Bank assesses the historical movements in the market prices based on volatilities and correlations. The use of this approach does not prevent losses outside of these limits in the event of more significant market movements.

As VaR constitutes an integral part of the Bank's market risk control regime, the Market Risk Management set VaR Limits, for the trading book, which have been approved by the board, and are monitored and reported on a daily basis to the Senior Management.In addition, monthly limits compliance is reported to the ALCO.

The Bank is calculating the Market Risk Capital Requirements by applying Basel II "Standardised Measurement Method", according to the Central Bank of Egypt regulatory requirements.

3.2.1.2. Stress testing

Stress tests provide an indication of the potential size of losses that could arise under extreme market conditions. Therefore, the bank computes on a daily basis trading Stressed VaR, combined with the trading VaR, to capture the abnormal movements in financial markets and to give more comprehensive picture of risk. The results of the stress tests are reviewed by the ALCO on a monthly basis and the board risk committee on a quarterly basis.

3.2.2. Value at risk (VaR) Summary

EGP Thousands

Total VaR by risk type	Last 12 months ended 31/12/2023			Last 12 months ended 31/12/2022		
	Medium	High	Low	Medium	High	Low
Foreign exchange risk	16,184	103,290	228	12,300	84,183	117
Interest rate risk	257,479	502,517	139,481	154,140	257,980	79,399
- For non trading purposes	255,617	495,768	139,248	154,140	257,980	79,399
- For trading purposes	1,862	6,749	233	-	-	-
Portfolio managed by others risk	-	-	-	323	8,739	-
Total VaR	135,847	309,967	58,224	157,529	256,962	86,401

Trading portfolio VaR by risk type

	Last 12 months ended 31/12/2023			Last 12 months ended 31/12/2022		
	Medium	High	Low	Medium	High	Low
Foreign exchange risk	16,184	103,290	228	12,300	84,183	117
Interest rate risk	1,862	6,749	233	-	-	-
- For trading purposes	1,862	6,749	233	-	-	-
Portfolio managed by others risk	-	-	-	323	8,739	-
Total VaR	16,184	103,290	228	12,469	84,183	117

Non trading portfolio VaR by risk type

	Last 12 months ended 31/12/2023			Last 12 months ended 31/12/2022		
	Medium	High	Low	Medium	High	Low
- Interest rate risk	255,617	495,768	139,248	154,140	257,980	79,399
Total VaR	255,617	495,768	139,248	154,140	257,980	79,399

The three previous outcomes of the VAR were calculated independently from the positions involved and historical market movements. The aggregate value at risk for trading and non-trading is not the Bank's risk value because of the correlation between types of risks.

3.2.3. Foreign exchange risk

The Bank's financial position and cash flows are exposed to fluctuations in foreign currency exchange rates. The Board sets limits on the level of exposure by currency and in aggregate for both overnight and intra-day positions, which are monitored daily. The table below summarizes the Bank’s exposure to foreign exchange rate risk and financial instruments at carrying amounts, categorized by currency.

						Equivalent EGP Thousands
Dec.31, 2023	**EGP**	**USD**	**EUR**	**GBP**	**Other**	**Total**
Financial assets						
Cash and balances at the central bank	68,287,770	2,203,511	771,722	116,742	508,076	**71,887,821**
Gross due from banks	175,148,470	52,502,950	1,361,594	1,950,328	124,060	**231,087,402**
Gross loans and advances to banks	34,558	789,181	-	-	-	**823,739**
Gross loans and advances to customers	191,787,867	67,423,771	6,003,208	4,847	1,155,705	**266,375,398**
Derivative financial instruments	624,313	477,583	-	-	3,252	**1,105,148**
Financial investments						
Gross financial investment securities	218,415,842	48,616,170	3,748,758	-	883,952	**271,664,722**
Investments in associates	115,979	-	-	-	-	**115,979**
Total financial assets	**654,414,799**	**172,013,166**	**11,885,282**	**2,071,917**	**2,675,045**	**843,060,209**
Financial liabilities						
Due to banks	531,455	11,335,981	545,424	9,961	35,182	**12,458,003**
Due to customers	463,338,470	187,718,800	21,960,477	1,992,672	2,227,060	**677,237,479**
Derivative financial instruments	45,916	95,018	-	-	-	**140,934**
Issued debt instruments	-	3,073,349	-	-	-	**3,073,349**
Other loans	226,917	12,086,470	170,520	-	-	**12,483,907**
Total financial liabilities	**464,142,758**	**214,309,618**	**22,676,421**	**2,002,633**	**2,262,242**	**705,393,672**
Net on-balance sheet financial position	**190,272,041**	**(42,296,452)**	**(10,791,139)**	**69,284**	**412,803**	**137,666,537**
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**

3.2.4. 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 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.

(All amounts are shown in EGP thousands)

The table below summarizes the Bank's exposure to interest rate risks. It includes the Bank's financial instruments at carrying amounts, categorized by the earlier of repricing or contractual maturity dates.

Dec.31, 2023	Up to1 Month	1-3 Months	3-12 Months	1-5 years	Over 5 years	Non- Interest Bearing	Total
Financial assets							
Cash and balances at the central bank	-	-	-	-	-	71,887,821	**71,887,821**
Gross due from banks	202,400,864	21,252,299	308,931	4,633,965	-	2,491,343	**231,087,402**
Gross loans and advances to banks	171,319	652,420	-	-	-	-	**823,739**
Gross loans and advances to customers	177,524,994	28,835,218	20,841,660	31,299,932	7,873,594	-	**266,375,398**
Derivatives financial instruments (including IRS notional amount)	107,866	111,047	405,399	15,927,386	-	-	**16,551,698**
Financial investments							
Gross financial investment securities	79,759,112	29,028,568	74,543,284	62,529,010	24,759,464	1,045,284	**271,664,722**
Investments in associates	-	-	-	-	-	115,979	**115,979**
Total financial assets	**459,964,155**	**79,879,552**	**96,099,274**	**114,390,293**	**32,633,058**	**75,540,427**	**858,506,759**
Financial liabilities							
Due to banks	9,896,311	64,381	521,130	-	-	1,976,181	**12,458,003**
Due to customers	276,798,801	69,358,398	55,497,147	152,834,754	808,683	121,939,696	**677,237,479**
Derivatives financial instruments (including IRS notional amount)	1,566,854	13,918,717	6,895	95,018	-	-	**15,587,484**
Issued debt instruments	-	-	-	3,073,349	-	-	**3,073,349**
Other loans	40,807	7,463,123	4,792,479	187,498	-	-	**12,483,907**
Total financial liabilities	**288,302,773**	**90,804,619**	**60,817,651**	**156,190,619**	**808,683**	**123,915,877**	**720,840,222**
Total interest re-pricing gap	**171,661,382**	**(10,925,067)**	**35,281,623**	**(41,800,326)**	**31,824,375**	**(48,375,450)**	**137,666,537**
Total financial assets as of December 31, 2022	**287,210,474**	**75,741,644**	**94,671,298**	**113,411,522**	**43,605,574**	**50,186,474**	**664,826,986**
Total financial liabilities as of December 31, 2022	**235,230,243**	**75,497,885**	**54,772,128**	**99,211,335**	**3,730,655**	**97,269,516**	**565,711,762**
Total interest re-pricing gap as of December 31, 2022	**51,980,231**	**243,759**	**39,899,170**	**14,200,187**	**39,874,919**	**(47,083,042)**	**99,115,224**

3.3. 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 Poilcy 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.

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 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.

3.3.1. Liquidity risk management process

The Bank's liquidity management process is carried by the Assets and Liabilities Management Department and monitored independently by the Risk Management Department, and includes projecting cash flows by major currency under various stress scenarios and considering the level of liquid assets necessary in relation thereto:

-Maintaining an active presence in global money markets to enable this to happen.

-Maintaining a diverse range of funding sources with back-up facilities

-Monitoring balance sheet liquidity and advances to core funding ratios against internal and CBE regulations.

-Managing the concentration and profile of debt maturities.

Monitoring and reporting takes the form of cash flow measurement and projections for the next day, week and month respectively, as these are key periods for liquidity management. The starting point for those projections is an analysis of the contractual maturity of the financial liabilities and the expected collection date of the financial assets.

3.3.2. Funding approach

Sources of liquidity are regularly reviewed jointly by the bank's Assets & Liabilities Management Department and Consumer Banking to maintain a wide diversification by currency, provider, product and term.

3.3.3. Non-derivative cash flows

The table below presents the cash flows payable by the Bank under non-derivative financial liabilities by remaining contractual maturities and the maturities assumption for non contractual products on the basis of their behaviour studies, at balance sheet date.

Dec.31, 2023	**Up to 1 month**	**One to three months**	**Three months to one year**	**One year to five years**	**Over five years**	**Total EGP Thousands**
Financial liabilities						
Due to banks	**12,296,040**	**65,462**	**552,098**	**-**	**-**	**12,913,600**
Due to customers	**61,646,285**	**77,872,527**	**194,550,897**	**414,913,382**	**12,533,110**	**761,516,201**
Issued debt instruments	**10,189**	**19,720**	**90,384**	**3,257,074**	**-**	**3,377,367**
Other loans	**137,513**	**215,330**	**658,073**	**5,372,219**	**12,080,624**	**18,463,759**
Total liabilities (contractual and non contractual maturity dates)	**74,090,027**	**78,173,039**	**195,851,452**	**423,542,675**	**24,613,734**	**796,270,927**
Total financial assets (contractual and non contractual maturity dates)	**277,803,459**	**75,457,297**	**209,938,489**	**321,260,443**	**117,900,508**	**1,002,360,196**

Dec.31, 2022	Up to 1 month	One to three months	Three months to one year	One year to five years	Over five years	Total EGP Thousands
Financial liabilities						
Due to banks	3,579,434	-	-	-	-	3,579,434
Due to customers	47,230,473	65,858,750	167,856,018	282,414,105	11,079,361	574,438,707
Issued debt instruments	8,161	15,531	72,392	2,697,474	-	2,793,558
Other loans	821,482	338,609	971,984	6,158,164	1,787,943	10,078,182
Total liabilities (contractual and non contractual maturity dates)	51,639,550	66,212,890	168,900,394	291,269,743	12,867,304	590,889,881
Total financial assets (contractual and non contractual maturity dates)	147,046,643	103,639,656	142,239,730	272,824,348	113,525,774	779,276,151

The disclosed figures cannot be compared with the corresponding items in the financial statements, as they include the principal amount and related interest.

Assets available to meet all of the liabilities and to cover outstanding loan commitments include cash, due from CBE and due from banks, treasury bills, other government notes , loans and advances to banks and customers.

In the normal course of business, a proportion of customer loans contractually repayable within one year will be extended. In addition, debt instrument and treasury bills and other governmental notes have been pledged to secure liabilities. The Bank would also be able to meet unexpected net cash outflows by selling securities and accessing additional funding sources.

3.3.4. Derivative cash flows

The Bank's derivatives include:
Foreign exchange derivatives: exchange traded options and over-the-counter (OTC) ,exchange traded forwards currency options that will be settled on a gross basis interest rate derivatives: interest rate swaps, forward rate agreements, OTC and exchange traded interest rate options, other interest rate contracts and exchange traded futures .
The table below analyses the Bank's derivative undiscounted financial liabilities into maturity groupings based on the remaining period of the balance sheet to the contractual maturity date will be settled on a net basis. The amounts disclosed in the table are the contractual undiscounted cash flows:

EGP Thousands

Dec.31, 2023	Up to 1 month	One to three months	Three months to one year	One year to five years	Over five years	Total
Liabilities						
Derivatives financial instruments						
Foreign exchange derivatives	22,199	16,822	6,895	-	-	45,916
Interest rate derivatives	-	-	-	95,018	-	95,018
Total	22,199	16,822	6,895	95,018	-	140,934
Total as of Dec. 31, 2022	215,085	4,667	-	-	-	219,752

Off balance sheet items

EGP Thousands

Dec.31, 2023	Up to 1 year	1-5 years	Over 5 years	Total
Letters of credit, guarantees and other commitments	112,655,172	48,169,918	13,826,592	174,651,682
Total	112,655,172	48,169,918	13,826,592	174,651,682
Total as of Dec. 31, 2022	78,378,459	46,408,459	10,409,540	135,196,458

Dec.31, 2023	Up to 1 year	1-5 years	Total
Credit facilities commitments	4,296,934	1,078,987	5,375,921
Total	4,296,934	1,078,987	5,375,921
Total as of Dec. 31, 2022	1,818,133	5,259,267	7,077,400

3.4. Fair value of financial assets and liabilities

3.4.1. 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.

	Book value		Fair value	
	Dec.31, 2023	Dec.31, 2022	Dec.31, 2023	Dec.31, 2022
Financial assets				
Gross due from banks	231,087,402	133,906,112	231,713,694	134,627,973
Gross loans and advances to banks	823,739	2,988,410	823,739	2,988,410
Gross loans and advances to customers	266,375,398	219,746,382	263,012,927	219,163,469
Financial investments:				
Financial Assets at Amortized cost	38,539,488	34,603,597	36,709,182	33,813,552
Total financial assets	536,826,027	391,244,501	532,259,542	390,593,404
Financial liabilities				
Due to banks	12,458,003	3,496,698	12,783,893	3,502,732
Due to customers	677,237,479	531,616,550	681,407,303	534,738,218
Issued debt instruments	3,073,349	2,456,607	3,074,203	2,461,042
Other loans	12,483,907	7,978,975	12,613,487	7,981,357
Total financial liabilities	705,252,738	545,548,830	709,878,886	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

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

Quantitative disclosures fair value measurement hierarchy for assets as at 31 December 2023:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.
A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.
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.

Dec.31, 2023	Date of Valuation	Fair value measurement using Total	Quoted prices in active markets (Level 1)	Significant observable inputs (level 2)	Valuation techniques (level 3)
					EGP Thousands
Measured at fair value:					
Financial assets					
Financial Assets at Fair Value through OCI	**31-Dec-23**	233,125,234	114,973,913	118,151,321	-
Total		**233,125,234**	**114,973,913**	**118,151,321**	**-**
Derivative financial instruments:					
Financial assets	**31-Dec-23**	1,105,148	-	-	1,105,148
Financial liabilities	**31-Dec-23**	140,934	-	-	140,934
Total		**1,246,082**	**-**	**-**	**1,246,082**
Assets for which fair values are disclosed:					
Financial Assets at Amortized cost	**31-Dec-23**	36,709,182	-	36,709,182	-
Loans and advances to banks	**31-Dec-23**	823,739	-	-	823,739
Loans and advances to customers	**31-Dec-23**	263,012,927	-	-	263,012,927
Total		**300,545,848**	**-**	**36,709,182**	**263,836,666**
Liabilities for which fair values are disclosed:					
Issued debt instruments	**31-Dec-23**	3,074,203	-	3,074,203	-
Other loans	**31-Dec-23**	12,613,487	-	12,613,487	-
Due to customers	**31-Dec-23**	681,407,303	-	-	681,407,303
Total		**697,094,993**	**-**	**15,687,690**	**681,407,303**

Dec.31, 2022	Date of Valuation	Fair value measurement using Total	Quoted prices in active markets (Level 1)	Significant observable inputs (level 2)	Valuation techniques (level 3)
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**

Fair value of financial assets and liabilities

Loans and advances to banks

Loans and advances to banks are represented in loans that do not consider bank placing. The expected fair value of the loans and advances represents the discounted value of future cash flows expected to be collected. Cash flows are discounted using the current market rate to determine fair value.

Loans and advances to customers

Loans and advances are net of ECL. The estimated fair value of loans and advances represents the discounted amount of estimated future cash flows expected to be received. Expected cash flows are discounted at current market rates to determine fair value.

Financial Investments

Investment securities include financial assets at amortized cost while fair value through OCI is being revaluated.

Fair value for amortized cost assets is based on market prices.

If this data is not available, the fair value is estimated using financial market prices for traded securities with similar credit characteristics, maturity dates, and rates.

Due to other banks and customers

The estimated fair value of deposits with no stated maturity, which includes non-interest-bearing deposits, is the amount repayable on demand. The estimated fair value of fixed interest-bearing deposits and other borrowings not quoted in an active market is based on discounted cash flows using interest rates for new debts with similar maturity date.

3.5 Capital management

For capital management purposes, the Bank’s capital includes total equity as reported in the balance sheet plus some other elements that are managed as capital. The Bank manages its capital to ensure that the following objectives are achieved:

- Complying with the legally imposed capital requirements in Egypt.
- Protecting the Bank’s ability to continue as a going concern and enabling the generation of yield for shareholders and other parties dealing with the bank.
- Maintaining a strong capital base to enhance growth of the Bank’s operations.

Capital adequacy and the use of regulatory capital are monitored by the Bank’s management, employing techniques based on the guidelines developed by the Basel Committee as implemented by the banking supervision unit in the Central Bank of Egypt. The required data is submitted to the Central Bank of Egypt on a monthly basis.

Central Bank of Egypt requires the following:

- Maintaining EGP 5 billion as a minimum requirement for the issued and paid-in capital, noting that at the reporting date the issued and paid up capital has reached EGP 30.2 billion.
- Maintaining a minimum level of capital adequacy ratio of 12.75%, calculated as the ratio between total value of the capital elements, and the risk-weighted assets and contingent liabilities of the Bank (credit risk, market risk and opertional risk). While taking into consideration the conservation buffer.

The numerator of the capital adequacy ratio consists of the following two segments:

Tier one:

Tier one comprises of paid-in capital, retained earnings and reserves resulting from the distribution of profits except the banking risk reserve, interim profits, fair value through other comprehensive income reserve and deducting some items such as previously recognized goodwill, any retained losses and deferred tax assets

Tier two:

Tier two consists of stage one of Expected Credit Lossed (ECL) for debt instrument, loans and credit facilities capped by 1.25% risk weighted assets and contingent liabilities ,subordinated loans with more than five years to maturity (amortizing 20% of its carrying amount in each year of the remaining five years to maturity) and 45% of the increase in fair value than book value for the investments in subsidiaries and associates.
When calculating the numerator of capital adequacy ratio, total amount of subordinated loans (deposits) should not exceed 50 % of Tier 1.
Assets risk weight scale ranging from zero to 400% is based on the counterparty risk to reflect the related credit risk scheme, taking into considration the cash collatrals and local currency guarantees. Similar criteria are used for off balance sheet items after applying conversion factors to reflect the nature of contingency and the potential loss of those amounts. The Bank has complied with all local capital adequacy requirements for the current period.

The tables below summarize the compositions of capital base , capital adequacy ratio and leverage ratio.

1- Capital Adequacy Ratio	**Dec.31, 2023**	Dec.31, 2022
	EGP Thousands	EGP Thousands
Tier 1 capital		
Share capital	**30,195,010**	29,825,134
Goodwill	**-**	(96,268)
Reserves	**30,800,441**	21,337,273
Retained Earnings (Losses)	**332,888**	261,557
Total deductions from tier 1 capital common equity	**(1,829,068)**	(297,397)
Net profit for the year	**24,254,227**	12,364,059
Total qualifying tier 1 capital	**83,753,498**	63,394,358
Tier 2 capital		
Subordinated Loans	**12,057,970**	7,874,520
**Expected Credit Losses for loans , Credit facilities, contingent liabilities and debt instruments - stage 1	**4,281,122**	3,712,734
Total qualifying tier 2 capital	**16,339,092**	11,587,254
Total capital 1+2	**100,092,590**	74,981,612
Risk weighted assets and contingent liabilities		
Total credit risk	**343,408,395**	298,496,606
Total market risk	**-**	1,648,310
Total operational risk	**36,038,665**	27,697,003
Cross border over limit	**2,060,413**	3,072,997
Total	**381,507,473**	330,914,916
***Capital adequacy ratio (%)**	**26.2%**	22.7%

**Based on consolidated financial statement figures and in accordance with Central Bank of Egypt regulation issued on 24 December 2012.*

***Not more than 1.25% of total assets and contingent liabilities weighted by credit risk weights.*

2-Leverage ratio	**Dec.31, 2023**	Dec.31, 2022
	EGP Thousands	EGP Thousands
Total qualifying tier 1 capital	**83,753,498**	63,394,358
On-balance sheet items & derivatives	**856,118,571**	641,042,272
Off-balance sheet items	**106,722,210**	86,762,583
Total exposures	**962,840,781**	727,804,855
Percentage*	**8.7%**	8.7%

**Based on consolidated financial statement figures and in accordance with Centeral Bank of Egypt regulation issued on 14 July 2015.*

For December 2023 NSFR ratio record 253% (LCY 264% and FCY 229%), and LCR ratio record 1342% (LCY 2250% and FCY 175%).

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

3. Critical accounting estimates and judgments

The Bank makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year.

Estimates and judgments are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances and available information. Uncertainty about these assumptions and estimates could result in outcomes that require adjustments to the carrying amount of assets or liabilities affected in future periods.

3.1. Fair value of derivatives

The fair value of financial instruments that are not quoted in active markets are determined by using valuation techniques. these valuation techniques (as models) are validated and periodically reviewed by qualified personnel independent of the area that created them.

All models are certified before they are used, and models are calibrated to ensure that outputs reflect actual data and comparative market prices. For practicality purposes, models use only observable data; however, areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect reported fair value of financial instruments.

4. Segment analysis

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

Dec.31, 2023	**Corporate banking**	**SME's**	**Investments**	**Retail banking**	**Asset Liability Mangement**	**Total**
Net revenue according to business segment *	**23,243,897**	**6,953,542**	**7,821,971**	**16,358,868**	**8,388,368**	**62,766,646**
Expenses according to business segment	**(11,174,590)**	**(1,913,988)**	**(2,291,261)**	**(5,202,654)**	**(607,205)**	**(21,189,698)**
Profit before tax	**12,069,307**	**5,039,554**	**5,530,710**	**11,156,214**	**7,781,163**	**41,576,948**
Income tax	**(3,290,559)**	**(1,462,052)**	**(1,678,066)**	**(3,254,295)**	**(2,257,434)**	**(11,942,406)**
Profit for the year	**8,778,748**	**3,577,502**	**3,852,644**	**7,901,919**	**5,523,729**	**29,634,542**
Total assets	**202,130,053**	**8,211,322**	**271,690,860**	**57,840,618**	**294,993,246**	**834,866,099**
Total liabilities	**287,279,101**	**60,305,027**	**-**	**369,256,762**	**27,383,743**	**744,224,633**

* Represents the net interest income and other income.

Dec.31, 2022	Corporate banking	SME's	Investments	Retail banking	Asset Liability Mangement	Total
Net revenue according to business segment	11,629,435	3,201,847	7,944,944	10,108,567	5,144,825	38,029,618
Expenses according to business segment	(8,192,459)	(1,491,815)	(278,474)	(4,179,967)	(3,379)	(14,146,094)
Profit before tax	3,436,976	1,710,032	7,666,470	5,928,600	5,141,446	23,883,524
Income tax	(1,134,070)	(554,919)	(2,487,830)	(1,923,877)	(1,668,440)	(7,769,136)
Profit for the year	2,302,906	1,155,113	5,178,640	4,004,723	3,473,006	16,114,388
Total assets at 31 December 2022	157,888,749	6,819,154	243,597,100	53,296,732	174,230,182	635,831,917
Total liabilities at 31 December 2022	239,694,892	67,995,672	-	251,469,542	8,333,643	567,493,749

5. By geographical segment

EGP Thousands

Dec.31, 2023	**Cairo**	**Alex, Delta & Sinai**	**Upper Egypt**	**Outside Egypt (CIB Kenya)**	**Total**
Revenue according to geographical segment	**52,412,050**	**8,531,843**	**1,435,796**	**386,957**	**62,766,646**
Expenses according to geographical segment	**(18,600,171)**	**(2,115,141)**	**(25,997)**	**(448,389)**	**(21,189,698)**
Profit before tax	**33,811,879**	**6,416,702**	**1,409,799**	**(61,432)**	**41,576,948**
Income tax	**(9,741,043)**	**(1,861,583)**	**(409,004)**	**69,224**	**(11,942,406)**
Profit for the year	**24,070,836**	**4,555,119**	**1,000,795**	**7,792**	**29,634,542**
Total assets	**776,593,063**	**45,036,445**	**9,773,559**	**3,463,032**	**834,866,099**
Total liabilities	**558,474,448**	**151,824,454**	**31,298,613**	**2,627,118**	**744,224,633**

Dec.31, 2022	Cairo	Alex, Delta & Sinai	Upper Egypt	Outside Egypt (CIB Kenya)	Total
Revenue according to geographical segment	32,546,617	4,486,973	758,580	237,448	**38,029,618**
Expenses according to geographical segment	(12,119,363)	(1,547,224)	(156,132)	(323,375)	**(14,146,094)**
Profit before tax	20,427,254	2,939,749	602,448	(85,927)	**23,883,524**
Income tax	(6,779,801)	(953,972)	(195,499)	160,136	**(7,769,136)**
Profit for the year	**13,647,453**	**1,985,777**	**406,949**	**74,209**	**16,114,388**
Total assets at 31 December 2022	**586,848,023**	**36,636,416**	**9,747,543**	**2,599,935**	**635,831,917**
Total liabilities at 31 December 2022	**439,604,426**	**107,081,685**	**19,101,653**	**1,705,985**	**567,493,749**

6 . Net interest income

	Dec.31, 2023 EGP Thousands	Dec.31, 2022 EGP Thousands
Interest and similar income		
- Banks	30,018,930	5,345,778
- Clients	36,650,367	19,936,711
Total	66,669,297	25,282,489
Treasury bills, bonds and other governmental notes	32,950,513	28,823,013
Debt instruments at fair value through OCI and AC	4,408,569	1,618,199
Total	104,028,379	55,723,701
Interest and similar expense		
- Banks	(2,458,316)	(195,095)
- Clients	(47,249,312)	(23,807,888)
Total	(49,707,628)	(24,002,983)
Repos	(156,017)	(165,895)
Other loans	(1,115,442)	(473,246)
Issued debt instruments	(119,630)	(76,679)
Total	(51,098,717)	(24,718,803)
Net interest income	52,929,662	31,004,898

7 . Net fee and commission income

	Dec.31, 2023 EGP Thousands	Dec.31, 2022 EGP Thousands
Fee and commission income		
Fee and commissions related to credit	3,286,402	1,885,109
Custody fee	551,324	241,455
Other fee	5,212,198	3,428,518
Total	9,049,924	5,555,082
Fee and commission expense		
Other fee paid	(3,611,699)	(2,476,945)
Total	(3,611,699)	(2,476,945)
Net income from fee and commission	5,438,225	3,078,137

8 . Dividend income

	Dec.31, 2023 EGP Thousands	Dec.31, 2022 EGP Thousands
Financial assets at fair value through P&L	-	1,600
Financial assets at fair value through OCI	234,010	50,811
Total	234,010	52,411

9 . Net trading income

	Dec.31, 2023 EGP Thousands	Dec.31, 2022 EGP Thousands
Profit (Loss) from foreign exchange transactions	4,096,288	1,617,694
Profit (Loss) from forward foreign exchange deals revaluation	(60,945)	716,231
Profit (Loss) from interest rate swaps revaluation	291,504	482
Profit (Loss) from currency swap deals revaluation	(401,470)	421,130
Profit (Loss) from financial assets at fair value through P&L	17,562	(5,880)
Total	3,942,939	2,749,657

10 . Administrative expenses

	Dec.31, 2023 EGP Thousands	Dec.31, 2022 EGP Thousands
Staff costs		
Wages and salaries	(5,339,030)	(3,696,111)
Social insurance	(354,136)	(157,565)
Other benefits	(282,763)	(214,640)
Other administrative expenses *	(4,100,084)	(3,303,313)
Total	(10,076,013)	(7,371,629)

* The expenses related to the activity for which the bank obtains a commodity or service, donations and depreciation.

11 . Other operating income (expenses)

	Dec.31, 2023 EGP Thousands	Dec.31, 2022 EGP Thousands
Profits (losses) from revaluation of non-trading assets and liabilities by FCY	(756,492)	(1,089,939)
Profits from selling property and equipment	1,663	2,208
Release (charges) of other provisions	(2,838,761)	(1,855,407)
Other income (expenses)	(2,997,150)	(2,137,000)
Total	(6,590,740)	(5,080,138)

12 . Impairment release (charges) for credit losses

	Dec.31, 2023 EGP Thousands	Dec.31, 2022 EGP Thousands
Loans and advances to customers and banks	(2,311,867)	(1,043,776)
Due from banks impairment provision	47,234	(8,395)
Financial securities	(2,005,448)	(532,771)
Total	(4,270,081)	(1,584,942)

13 . Adjustments to calculate the effective tax rate

	Dec.31, 2023 EGP Thousands	Dec.31, 2022 EGP Thousands
Profit before tax	41,653,373	23,941,286
Tax rate	22.50%	22.50%
Income tax based on accounting profit	9,372,009	5,386,789
Add / (Deduct)		
Non-deductible expenses	4,790,895	3,853,758
Tax exemptions	(7,458,312)	(6,345,343)
Withholding tax	5,237,814	4,873,932
Income and Deferred tax	11,942,406	7,769,136
Effective tax rate	28.67%	32.45%

14 . Earnings per share

	Dec.31, 2023 EGP Thousands	Dec.31, 2022 EGP Thousands
Net profit for the year, available for distribution	28,763,709	16,124,903
Board member's bonus*	(110,239)	(110,239)
Staff profit sharing*	(2,876,371)	(1,612,490)
Profits attributable to shareholders	25,777,099	14,402,174
Weighted average number of shares	3,001,981	3,001,981
Basic earning per share	8.59	4.80
By issuance of ESOP earning per share will be:		
Average number of shares including ESOP shares	3,038,040	3,038,040
Diluted earning per share	8.48	4.74

* Proposed amounts are subject to change according to GAM decision.
Based on separate financial statement profits.

15 . Cash and balances at the central bank

	Dec.31, 2023 EGP Thousands	Dec.31, 2022 EGP Thousands
Cash	7,491,636	6,998,942
Obligatory reserve balance with CBE		
- Current accounts	64,396,185	40,493,607
Total	71,887,821	47,492,549
Non-interest bearing balances	71,887,821	47,492,549

16 . Due from banks

	Dec.31, 2023 EGP Thousands	Dec.31, 2022 EGP Thousands
Current accounts	4,750,675	2,920,513
Deposits	226,336,727	130,985,599
Expected credit losses	(2,158)	(49,392)
Total	231,085,244	133,856,720
Central banks	198,129,519	86,487,886
Local banks	7,418,937	25,816,767
Foreign banks	25,536,788	21,552,067
Total	231,085,244	133,856,720
Non-interest bearing balances	2,491,343	1,768,912
Floating interest bearing balances	98,470,020	69,663,117
Fixed interest bearing balances	130,123,881	62,424,691
Total	231,085,244	133,856,720
Current balances	226,451,466	130,145,210
Non-Current balances	4,633,778	3,711,510
Total	231,085,244	133,856,720

17 . Treasury bills and Other Governmental notes

	Dec.31, 2023 EGP Thousands	Dec.31, 2022 EGP Thousands
91 Days maturity	718,500	10,575
182 Days maturity	6,619,200	656,150
273 Days maturity	9,998,675	7,515,700
364 Days maturity	51,590,470	54,502,250
Unearned interest	(4,911,765)	(2,878,502)
Total Treasury bills	64,015,080	**59,806,173**
Repos - Treasury bills	(611,377)	(659,349)
Net	63,403,703	59,146,824
Other Governmental notes	50,000,000	-
Total Treasury bills and other governmental notes	113,403,703	**59,146,824**

. Governmental bonds

	Dec.31, 2023 EGP Thousands Financial Assets at Fair Value through OCI	Dec.31, 2022 EGP Thousands Financial Assets at Fair Value through OCI
Governmental bonds	87,442,849	124,344,205
Repos - Treasury bonds	-	(3,711,489)
Net	87,442,849	120,632,716

18 . Loans and advances to banks, net

	Dec.31, 2023 EGP Thousands	Dec.31, 2022 EGP Thousands
Time loans	823,739	2,988,410
ECL	(1,291)	(10,213)
Net	822,448	2,978,197
Current balances	822,448	2,978,197
Net	822,448	2,978,197

Analysis for ECL of loans and advances to banks

	Dec.31, 2023 EGP Thousands	Dec.31, 2022 EGP Thousands
Beginning balance	(10,213)	(2,118)
Released (charged) during the year	8,922	(8,095)
Ending balance	(1,291)	(10,213)

19 . Loans and advances to customers, net

	Dec.31, 2023 EGP Thousands	Dec.31, 2022 EGP Thousands
Individual		
- Overdraft	2,927,620	2,132,876
- Credit cards	10,297,598	7,636,331
- Personal loans	42,552,132	40,374,834
- Mortgage loans	4,348,982	3,399,858
Total 1	60,126,332	53,543,899
Corporate and Business Banking		
- Overdraft	55,047,153	42,595,303
- Direct loans	99,455,837	78,759,856
- Syndicated loans	51,311,552	44,722,871
- Other loans	434,524	124,453
Total 2	206,249,066	166,202,483
Total Loans and advances to customers (1+2)	266,375,398	219,746,382
Less:		
Unamortized bills discount	(509,523)	(678,795)
Unamortized syndicated loans discount	(145,003)	(221,018)
ECL	(29,237,737)	(24,536,712)
Suspended credit account	(1,497,199)	(709,985)
Net loans and advances to customers	234,985,936	193,599,872
Distributed to		
Current balances	126,122,466	99,866,973
Non-current balances	108,863,470	93,732,899
Total	234,985,936	193,599,872

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

Beginning balance

EGP Thousands

	Dec.31, 2023				
Individual Loans:	Overdraft	Credit cards	Personal loans	Mortgage loans	Total
Beginning balance	(7,131)	(321,989)	(1,201,774)	(63,242)	(1,594,136)
Released (charged) during the year	663	(402,460)	(337,815)	(25,362)	(764,974)
Written off during the year	1,960	59,027	177,095	3,332	241,414
Recoveries during the year	(1,009)	(58,102)	(66,308)	(180)	(125,599)
Ending balance	(5,517)	(723,524)	(1,428,802)	(85,452)	(2,243,295)

	Dec.31, 2023				
Corporate and Business Banking:	Overdraft	Direct loans	Syndicated loans	Other loans	Total
Beginning balance	(2,516,317)	(15,277,168)	(5,140,284)	(8,807)	(22,942,576)
Released (charged) during the year	205,563	(2,270,797)	520,032	(10,613)	(1,555,815)
Written off during the year	2,529	2,234,286	-	-	2,236,815
Recoveries during the year	-	(51,666)	-	-	(51,666)
Foreign currencies translation differences	(506,322)	(3,002,315)	(1,172,563)	-	(4,681,200)
Ending balance	(2,814,547)	(18,367,660)	(5,792,815)	(19,420)	(26,994,442)

EGP Thousands

	Dec.31, 2022				
Individual Loans:	**Overdraft**	**Credit cards**	**Personal loans**	**Mortgage loans**	**Total**
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)**
Write 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				
Corporate and Business Banking:	**Overdraft**	**Direct loans**	**Syndicated loans**	**Other loans**	**Total**
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)**
Write 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)**

(All amounts are shown in EGP thousands)

20 Derivative financial instruments

20.1 Derivatives

The Bank uses the following financial derivatives for non hedging purposes.

Forward contracts represent commitments to buy foreign and local currencies including unexecuted spot transactions. Future contracts for foreign currencies and/or interest rates represent contractual commitments to receive or pay net on the basis of changes in foreign exchange rates or interest rates, and/or to buy/sell foreign currencies or financial instruments in a future date with a fixed contractual price under active financial market.

Credit risk is considered low, and future interest rate contract represents future exchange rate contracts negotiated for case by case, These contracts require financial settlements of any differences in contractual interest rates and prevailing market interest rates on future interest rates on future dates based on contractual amount (nominal value) pre agreed upon.

Foreign exchange and/or interest rate swap represents commitments to exchange cash flows, resulting from these contracts are exchange of currencies or interest (fixed rate versus variable rate for example) or both (meaning foreign exchange and interest rate contracts). Contractual amounts are not exchanged except for some foreign exchange contracts.

Credit risk is represented in the expected cost of foreign exchange contracts that takes place if other parties default to fulfill their liabilities. This risk is monitored continuously through comparisons of fair value and contractual amount, and in order to control the outstanding credit risk, the Bank evaluates other parties using the same methods as in borrowing activities.

Options contracts in foreign currencies and/or interest rates represent contractual agreements for the buyer (issuer) to the seller (holders) as a right not an obligation whether to buy (buy option) or sell (sell option) at a certain day or within certain year for a predetermined amount in foreign currency or interest rate. Options contracts are either traded in the market or negotiated between The Bank and one of its clients (Off balance sheet). The Bank is exposed to credit risk for purchased options contracts only and in the line of its book cost which represent its fair value.

The contractual value for some derivatives options is considered a base to analyze the realized financial instruments on the balance sheet, but it doesn't provide an indicator for the projected cash flows of the fair value for current instruments, and those amounts don't reflects credit risk or interest rate risk.

Derivatives in the Bank's benefit that are classified as (assets) are conversely considered (liabilities) as a result of the changes in foreign exchange prices or interest rates related to these derivatives. Contractual / expected total amounts of financial derivatives can fluctuate from time to time as well as the range through which the financial derivatives can be in benefit for the Bank or conversely against its benefit and the total fair value of the financial derivatives in assets and liabilities. Hereunder are the fair values of the booked financial derivatives:

20.1.1 For trading derivatives

	Dec.31, 2023			Dec.31, 2022		
	Notional amount	**Assets**	**Liabilities**	Notional amount	Assets	Liabilities
Foreign currencies derivatives						
- Forward foreign exchange contracts	**8,573,448**	**578,528**	**37,765**	9,886,585	823,287	218,296
- Swap deals	**74,891,979**	**49,037**	**8,151**	2,081,255	440,559	1,456
Total (1)		**627,565**	**45,916**		1,263,846	219,752
20.1.2 Fair value hedge						
Interest rate derivatives						
Interest rate derivatives	**15,446,550**	**40,482**	**95,018**	12,520,160	30,480	-
Total (2)		**40,482**	**95,018**		30,480	-
20.1.3 Cash flow hedge						
Cash flow hedge	**3,089,310**	**437,101**	**-**	7,423,020	645,635	-
Total (3)		**437,101**	**-**		645,635	-
Total financial derivatives (1+2+3)		**1,105,148**	**140,934**		1,939,961	219,752

20.2 . Hedging derivatives

Fair value hedge

The Bank uses interest rate swap contracts to cover part of the risk of potential increase in fair value of its fixed rate customer deposits in foreign currencies. Net derivative value resulting from the related hedging instruments is EGP 382,565 thousand at the end of December 31, 2023 against EGP 676,115 thousand at December 31, 2022, resulting in profits from hedging instruments at December 31, 2023 of EGP 293,550 thousand against profits of EGP 623,945 thousand at December 31, 2022. Profits arose from the hedged items at December 31, 2023 reached EGP 84,228 thousand against Profits EGP 13,191 thousand at December 31, 2022.

21 . Movement of financial investment securities:

	Financial Assets at Fair Value through OCI	Financial Assets at Amortized cost
Beginning balance as of 2022	193,198,894	20,547,465
Addition	45,665,232	19,908,223
Disposals	(26,130,169)	(6,738,937)
Profit (losses) from fair value difference	(15,383,080)	-
Exchange revaluation differences for foreign financial assets	6,669,856	808,009
Ending Balance as of Dec.31, 2022	204,020,733	34,524,760

	Financial Assets at Fair Value through OCI	**Financial Assets at Amortized cost**
Beginning balance as of 2023	**204,020,733**	**34,524,760**
Addition	**129,073,519**	**9,290,232**
Disposals	**(98,945,138)**	**(6,125,452)**
Profit (losses) from fair value difference	**(5,814,834)**	**-**
Exchange revaluation differences for foreign financial assets	**4,790,954**	**651,479**
Ending Balance as of Dec.31, 2023	**233,125,234**	**38,341,019**

21 Financial investments securities

	Dec.31, 2023		
	Financial Assets at Fair Value through OCI	**Financial Assets at Amortized cost**	**Total**
	EGP Thousands	**EGP Thousands**	**EGP Thousands**
Investments listed in the market			
Governmental bonds	**87,442,849**	**37,905,528**	**125,348,377**
Securitized and other bonds	**26,535,662**	**363,647**	**26,899,309**
Equity instruments	**121,184**	**-**	**121,184**
Sukuk	**874,218**	**-**	**874,218**
Investments not listed in the market			
Treasury bills and Other Governmental notes	**113,403,703**	**-**	**113,403,703**
Securitized and other bonds	**3,299,797**	**71,844**	**3,371,641**
Equity instruments	**1,038,885**	**-**	**1,038,885**
Mutual funds	**408,936**	**-**	**408,936**
Total	**233,125,234**	**38,341,019**	**271,466,253**

Dec.31, 2022	Financial Assets at Fair Value through OCI	Financial Assets at Amortized cost	Total
	EGP Thousands	EGP Thousands	EGP Thousands
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 and Other Governmental notes	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

Classification and measurement of financial assets and financial liabilities:

The following table shows the financial assets and the net financial liabilities according to the business model classification:

Dec.31, 2023	**Amortized cost**	**Debt financial Assets at Fair value through OCI**	**Equity financial Assets at Fair value through OCI**	**Financial Assets/Liabilities at Fair value through P&L**	**Total book value**
Cash and balances with central bank	71,887,821	-	-	-	71,887,821
Due from banks	231,085,244	-	-	-	231,085,244
Treasury bills and Other Governmental notes	-	113,403,703	-	-	113,403,703
Loans and advances to customers, net	234,985,936	-	-	-	234,985,936
Loans and advances to banks, net	822,448	-	-	-	822,448
Derivative financial instruments	-	-	-	1,105,148	1,105,148
Financial Assets at Fair value through OCI	-	118,152,526	1,569,005	-	119,721,531
Amortized cost	38,341,019	-	-	-	38,341,019
Total 1	577,122,468	231,556,229	1,569,005	1,105,148	811,352,850
Due to banks	12,458,003	-	-	-	12,458,003
Due to customers	677,237,479	-	-	-	677,237,479
Derivative financial instruments	-	-	-	140,934	140,934
Issued debt instruments	3,073,349	-	-	-	3,073,349
Other loans	12,483,907	-	-	-	12,483,907
Other Provisions	11,095,089	-	-	-	11,095,089
Total 2	716,347,827	-	-	140,934	716,488,761

21.1 . Profits (Losses) on financial investments

	Dec.31, 2023 EGP Thousands	Dec.31, 2022 EGP Thousands
Profit (Loss) from selling FVOCI financial instruments	205,344	1,162,195
Profit from selling shares of associates	7,466	-
Released (Impairment) for invesment in associates	9,000	-
Total	221,810	1,162,195

22 Investments in associates

EGP Thousands

Dec.31, 2023	**Company's country**	**Company's assets**	**Company's liabilities (without equity)**	**Company's revenues**	**Company's net profit (loss)**	**Investment book value**	**Stake %**
-TCA Properties	Egypt	1,508,346	1,364,689	56,196	(89,746)	88,711	37.00
- Al Ahly Computer	Egypt	30,031	30,620	48,038	(20,097)	27,268	39.34
Total		1,538,377	1,395,309	104,234	(109,843)	115,979	

EGP Thousands

Dec.31, 2022	Company's country	Company's assets	Company's liabilities (without equity)	Company's revenues	Company's net profit (loss)	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	

23 . Other assets

	Dec.31, 2023 EGP Thousands	Dec.31, 2022 EGP Thousands
Accrued revenues	**13,018,038**	11,437,147
Prepaid expenses	**903,169**	572,509
Advances to purchase fixed assets	**1,906,547**	1,342,568
Accounts receivable (after deducting the provision)*	**3,044,238**	1,035,654
Assets acquired as settlement of debts	**49,019**	124,098
Insurance	**51,775**	49,647
Gross	**18,972,786**	14,561,623
Impairment of other assets	**-**	(40,196)
Net	**18,972,786**	14,521,427

* A provision has been created for other assets with amount EGP 17 million.

This item includes other assets that are not classified under specific items of balance sheet assets, such as: accrued income and prepaid expenses, custodies, debit accounts under settlement and any balance that has no place in any other asset category.

24 . Property and equipment

Dec.31, 2023	Land	Premises	IT	Vehicles	Fitting -out	Machines and equipment	Furniture and furnishing	Total 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 year	-	3,727	1,054,355	31,313	14,023	14,677	3,772	1,121,867
Disposals during the year	-	(4,650)	(18,978)	-	-	(18,557)	(2,450)	(44,635)
Cost at end of the year (2)	**229,669**	**1,232,387**	**4,574,069**	**225,188**	**1,018,249**	**940,061**	**162,568**	**8,382,191**
Accumulated depreciation at beginning of the year (3)	-	564,587	2,628,760	81,470	815,287	689,216	120,205	4,899,525
Depreciation for the year	-	32,217	573,020	10,610	100,507	59,744	12,111	788,209
Disposals during the year	-	(4,650)	(18,978)	-	-	(18,557)	(2,450)	(44,635)
Accumulated depreciation at end of the year (4)	**-**	**592,154**	**3,182,802**	**92,080**	**915,794**	**730,403**	**129,866**	**5,643,099**
Ending net assets (2-4)	**229,669**	**640,233**	**1,391,267**	**133,108**	**102,455**	**209,658**	**32,702**	**2,739,092**
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	Land	Premises	IT	Vehicles	Fitting -out	Machines and equipment	Furniture and furnishing	Total 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**

25 . Due to banks

	Dec.31, 2023 EGP Thousands	Dec.31, 2022 EGP Thousands
Current accounts	2,308,193	2,666,251
Deposits	10,149,810	830,447
Total	12,458,003	3,496,698
Central banks	618,597	460,169
Local banks	16,626	45,065
Foreign banks	11,822,780	2,991,464
Total	12,458,003	3,496,698
Non-interest bearing balances	1,976,181	2,376,326
Floating bearing interest balances	553,295	573,860
Fixed interest bearing balances	9,928,527	546,512
Total	12,458,003	3,496,698
Current balances	12,458,003	3,496,698

26 . Due to customers

	Dec.31, 2023 EGP Thousands	Dec.31, 2022 EGP Thousands
Demand deposits	255,597,422	197,948,359
Time deposits	117,608,870	106,969,176
Certificates of deposit	188,832,842	128,342,125
Saving deposits	107,598,758	91,986,230
Other deposits	7,599,587	6,370,660
Total	677,237,479	531,616,550
Corporate deposits	306,678,764	262,902,380
Individual deposits	370,558,715	268,714,170
Total	677,237,479	531,616,550
Non-interest bearing balances	121,939,696	95,060,092
Floating interest bearing balances	5,930,188	7,936,950
Fixed interest bearing balances	549,367,595	428,619,508
Total	677,237,479	531,616,550
Current balances	483,660,140	396,058,202
Non-current balances	193,577,339	135,558,348
Total	677,237,479	531,616,550

In 2023, Due to customers contains an amount of EGP 1,931 million representing guarantees of irrevocable commitments for documentary credits - export compared to EGP 2,705 million in 2022. The fair value of these deposits is approximately their present value.

27 . Issued debt instruments

	Interest rate Dec.31, 2023	Interest rate Dec.31, 2022	Dec.31, 2023 EGP Thousands	Dec.31, 2022 EGP Thousands
Fixed rate bonds with 5 years maturity				
Green bonds (USD)	Fixed rate	Fixed rate	3,073,349	2,456,607
Total			3,073,349	2,456,607
Non current balances			3,073,349	2,456,607

28 . Other loans

	Interest rate	Loan duration	Due within one year EGP Thousands	Dec.31, 2023 EGP Thousands	Dec.31, 2022 EGP Thousands
British International Investment subordinated loan	Floating rate	10 years	-	2,879,244	2,644,356
Environmental Compliance Project (ECO)	Fixed rate	3-5 years*	315	525	840
Agricultural Research and Development Fund (ARDF)	Fixed rate	Less than 1 year*	200,619	200,619	16,000
Egyptian Pollution Abatement Program (EPAP)	Floating / Fixed rate	3-5 years*	37,506	224,793	87,614
European Bank for Reconstruction and Development (EBRD) subordinated Loan	Floating rate	10 years	-	4,588,784	2,561,585
International Finance Corporation (IFC) subordinated Loan	Floating rate	10 years	-	4,589,942	2,668,580
Total			238,440	12,483,907	7,978,975

Interest rates on variable-interest subordinated loans are determined in advance every 3 months.

* Represents the date of loan repayment to the lending agent.

29 . Other liabilities

	Dec.31, 2023	Dec.31, 2022
	EGP Thousands	EGP Thousands
Accrued interest payable	3,807,422	2,084,649
Accrued expenses	2,554,726	1,686,588
Accounts payable	11,440,035	7,522,203
Other credit balances	537,282	313,472
Total	**18,339,465**	11,606,912

30 . Other provisions

Dec.31, 2023	Beginning balance	Charged during the year	Exchange revaluation difference	Net utilized / recovered during the year	Provisions no longer used	Ending balance
						EGP Thousands
Provision for legal claims*	7,456	1,400	448	(2,058)	-	7,246
Provision for contingent	6,675,694	2,817,520	1,179,866	(2,512)	-	10,670,568
Provision for other claim**	383,522	2,221	32,812	(1,280)	-	417,275
Total	7,066,672	2,821,141	1,213,126	(5,850)	-	11,095,089

Dec.31, 2022	Beginning balance	Charged during the year	Exchange revaluation difference	Net utilized / recovered during the year	Provisions no longer used	Ending balance
						EGP Thousands
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

* A provision for legal cases that are expected to generate losses has been created.

** To face the potential risk of banking operations.

31 Equity

31.1 Capital

The authorized capital is EGP 100 billion according to the extraordinary general assembly decision on 20 March 2023.

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.

	Dec.31, 2023	Dec.31, 2022
	EGP Thousands	EGP Thousands
Authorized Capital	100,000,000	50,000,000
Issued and paid up capital	30,195,010	29,825,134
Number of outstanding shares in thousnds	3,019,501	2,982,513

	Dec.31, 2023	Dec.31, 2022
	EGP	EGP
Par value per share	10	10

31.2 . Reserves

According to The Bank status 5% of net profit is used to increase the legal reseve to reaches 50% of The Bank's issued and paid in capital.
Central Bank of Egypt concurrence for usage of special reserve is required.

32 . Deferred tax assets (Liabilities)

Deferred tax assets and liabilities are attributable to the following:

	Assets (Liabilities) Dec.31, 2023 EGP Thousands	Assets (Liabilities) Dec.31, 2022 EGP Thousands
Fixed assets (depreciation)	**(83,567)**	(45,921)
Other provisions (excluded loan loss, contingent liabilities and income tax provisions)	**782,907**	347,128
Change in fair value of investments through OCI	**1,399,815**	1,057,872
Other Balance Sheet Revaluation	**(1,183,449)**	(1,582,895)
Other investments impairment	**395,979**	82,953
Reserve for employee stock ownership plan (ESOP)	**334,352**	426,473
Interest rate swaps revaluation	**(65,588)**	(108)
Trading investment revaluation	**-**	17,770
Forward foreign exchange deals revaluation	**104,782**	(117,526)
Balance	**1,685,231**	185,746

Deferred tax assets (Liabilities)	Assets (Liabilities) Dec.31, 2023 EGP Thousands	Assets (Liabilities) Dec.31, 2022 EGP Thousands
Movement of Deferred Tax Assets and Liabilities:		
Beginning Balance	**185,746**	456,002
Additions / disposals through OCI	**341,943**	1,153,777
Additions / disposals through P&L	**1,157,542**	(1,424,033)
Ending Balance	**1,685,231**	185,746

33 . 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 year are as follows:

	Dec.31, 2023 No. of shares in thousand	Dec.31, 2022 No. of shares in thousand
Outstanding at the beginning of the year	**92,551**	76,328
Granted during the year	**28,143**	31,177
Forfeited during the year	**(3,693)**	(2,682)
Exercised during the year	**(36,988)**	(12,272)
Outstanding at the end of the year	**80,013**	92,551

Details of the outstanding tranches are as follows:

Maturity date	EGP Exercise price	EGP Fair value	No. of shares in thousand
2024	10.00	26.34	23,788
2025	10.00	28.43	29,052
2026	10.00	34.09	27,173
Total			**80,013**

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.

34 . Reserves and retained earnings

	Dec.31, 2023 EGP Thousands	Dec.31, 2022 EGP Thousands
Legal reserve	4,770,354	3,963,946
General reserve	39,840,707	27,096,858
Capital reserve	21,155	18,947
Retained earnings	29,993,331	16,393,841
Reserve for transactions under common control	(670,972)	8,183
Reserve for financial assets at fair value through OCI	(16,868,691)	(13,188,818)
Reserve for employee stock ownership plan	1,486,010	1,895,435
Banking risks reserve	15,230	11,981
Cumulative foreign currencies translation differences	148,353	181,324
General risk reserve	1,550,906	1,550,906
Ending balance	60,286,383	37,932,603

34.1 . Banking risks reserve

	Dec.31, 2023 EGP Thousands	Dec.31, 2022 EGP Thousands
Beginning balance	11,981	9,141
Transferred to banking risk reserve	3,249	2,840
Ending balance	15,230	11,981

34.2 . Legal reserve

	Dec.31, 2023 EGP Thousands	Dec.31, 2022 EGP Thousands
Beginning balance	3,963,946	3,293,074
Transferred to legal reserve	806,408	670,872
Ending balance	4,770,354	3,963,946

34.3 . Reserve for financial assets at fair value through OCI

	Dec.31, 2023 EGP Thousands	Dec.31, 2022 EGP Thousands
Beginning balance	(13,188,818)	641,372
Transferred to RE from financial assets at fair value through OCI	(95,308)	(3,436)
Net unrealised gain/(loss) on financial assets at fair value through OCI	(5,472,891)	(14,281,801)
Effect of ECL in fair value of debt instruments measured at fair value through OCI	1,888,326	455,047
Ending balance	(16,868,691)	(13,188,818)

34.4 . Retained earnings

	Dec.31, 2023 EGP Thousands	Dec.31, 2022 EGP Thousands
Beginning balance	16,393,841	13,696,402
Transferred to reserves	(12,388,223)	(9,007,223)
Dividends paid	(3,738,888)	(4,410,322)
Net profit of the year	29,634,542	16,114,388
Transferred (from) to banking risk reserve	(3,249)	(2,840)
Transferred to RE from financial assets at fair value through OCI	95,308	3,436
Ending balance	29,993,331	16,393,841

34.5 Reserve for employee stock ownership plan

	Dec.31, 2023 EGP Thousands	Dec.31, 2022 EGP Thousands
Beginning balance	1,895,435	1,674,392
Transferred to reserves	(1,164,242)	(502,922)
Cost of employees stock ownership plan (ESOP)	754,817	723,965
Ending balance	1,486,010	1,895,435

34.6 General risk reserve

	Dec.31, 2023 EGP Thousands	Dec.31, 2022 EGP Thousands
Beginning balance	1,550,906	1,550,906
Ending balance	1,550,906	1,550,906

35 . Cash and cash equivalent

	Dec.31, 2023 EGP Thousands	Dec.31, 2022 EGP Thousands
Cash and balances at the central bank	71,887,821	47,492,549
Due from banks	231,087,402	133,906,112
Treasury bills and other governmental notes	113,403,703	59,146,824
Obligatory reserve balance with CBE	(64,396,185)	(40,493,607)
Due from banks with maturities more than three months	(4,942,896)	(47,286,754)
Treasury bills and other governmental notes with maturities more than three months	(112,721,932)	(59,795,598)
Total	234,317,913	92,969,526

36 . Contingent liabilities and commitments

36.1 . Legal claims

- There is a number of existing cases against the bank on December 31, 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. (Note No. 30)

36.2 . Capital commitments

36.2.1 . Financial investments

The capital commitments for the financial investments reached on the date of financial position EGP 1,931 thousand as follows:

	Investments value	Paid	Remaining
Financial Assets at Fair value through OCI	**308,931**	**307,000**	**1,931**

36.2.2 . Fixed assets and branches constructions

The value of commitments for the purchase of fixed assets, contracts, and branches constructions that have not been implemented till the date of the financial statements amounted to EGP 396,683 thousand against EGP 397,100 thousand in 2022.

36.3 . Letters of credit, guarantees and other commitments

	Dec.31, 2023 EGP Thousands	Dec.31, 2022 EGP Thousands
Letters of guarantee	**160,776,153**	123,073,882
Letters of credit (import and export)	**9,075,124**	8,640,327
Customers acceptances	**4,800,405**	3,482,249
Total	**174,651,682**	135,196,458

36.4 . Credit facilities commitments

	Dec.31, 2023 EGP Thousands	Dec.31, 2022 EGP Thousands
Credit facilities commitments	**5,375,921**	7,077,400

36.5 Lease commitments

The total minimum lease payments for non-cancellable operating leases are as follows:

	Dec.31, 2023	Dec.31, 2022
Not more than one year	**223,456**	57,119
More than one year and less than five years	**659,897**	563,066
More than five years	**287,120**	200,824

37 . Mutual funds

Osoul fund

- CIB established an accumulated return mutual fund under license no.331 issued from capital market authority on February 22, 2005. CI Assets Management Co.- Egyptian joint stock co - manages the fund.
- The number of certificates issued reached 10,164,050 with redeemed value of EGP 6,634,990 thousands.
- The market value per certificate reached EGP 652.79 on December 31, 2023.
- The Bank's portion is 237,112 certificates with a redeemed value of EGP 154,784 thousands.

Istethmar fund

- CIB bank established the second accumulated return mutual fund under license no.344 issued from capital market authority on February 26, 2006. CI Assets Management Co.- Egyptian joint stock co - manages the fund.
- The number of certificates issued reached 396,693 with redeemed value of EGP 165,984 thousands
- The market value per certificate reached EGP 418.42 on December 31, 2023
- The Bank's portion is 50,000 certificates with a redeemed value of EGP 20,921 thousands.

Aman fund (CIB and Faisal Islamic Bank Mutual Fund)

- CIB and Faisal Islamic Bank established an accumulated return mutual fund under license no.365 issued from capital market authority on July 30, 2006. CI Assets Management Co.- Egyptian joint stock co - manages the fund.
- The number of certificates issued reached 317,885 with redeemed value of EGP 65,427 thousands.
- The market value per certificate reached EGP 205.82 on December 31, 2023.
- The Bank's portion is 32,596 certificates with a redeemed value of EGP 6,709 thousands.

Hemaya fund

- CIB bank established an accumulated return mutual fund under license no.585 issued from financial supervisory Authority on June 23, 2010. CI Assets Management Co.- Egyptian joint stock co - manages the fund.
- The number of certificates issued reached 83,589 with redeemed value of EGP 35,903 thousands.
- The market value per certificate reached EGP 429.52 on December 31, 2023
- The Bank's portion is 50,000 certificates with a redeemed value of EGP 21,476 thousands.

Thabat fund

- CIB bank established an accumulated return mutual fund under license no.613 issued from financial supervisory authority on September 13, 2011. CI Assets Management Co.- Egyptian joint stock co - manages the fund.
- The number of certificates issued reached 252,645 with redeemed value of EGP 110,616 thousands.
- The market value per certificate reached EGP 437.83 on December 31, 2023.
- The Bank's portion is 50,000 certificates with a redeemed value of EGP 21,892 thousands.

Takamol fund

- CIB bank established an accumulated return mutual fund under license no.431 issued from financial supervisory authority on February 18, 2015. CI Assets Management Co.- Egyptian joint stock co - manages the fund.
- The number of certificates issued reached 145,783 with redeemed value of EGP 55,463 thousands.
- The market value per certificate reached EGP 380.45 on December 31, 2023.
- The Bank's portion is 50,000 certificates with a redeemed value of EGP 19,023 thousands.

38 . 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.

38.1 . Loans, advances, deposits and contingent liabilities

	Dec.31, 2023 **EGP Thousands**	Dec.31, 2022 EGP Thousands
Loans, advances and other assets	941,131	1,081,864
Deposits	728,866	123,560
Contingent liabilities	-	173,143

38.2 . Other transactions with related parties

	Dec.31, 2023		Dec.31, 2022	
	Income **EGP Thousands**	**Expenses** **EGP Thousands**	**Income** EGP Thousands	**Expenses** EGP Thousands
International Co. for Security & Services	-	-	73	215,848
CVenture Capital	716	1,284	740	93
Commercial International Bank (CIB) Kenya	1,024	4,335	790	-
Damietta shipping & marine services	14	625	2	564
Commercial International Finance Company	90	4,546	4	2,155
Al ahly computer	22	103	3	-
TCA Properties	151,493	-	138,162	-

39 . Main currencies positions

	Dec.31, 2023 **EGP Thousands**	Dec.31, 2022 EGP Thousands
Egyptian pound	**204,337**	(395,392)
US dollar	**706,200**	900,773
Sterling pound	**11,609**	1,289
Japanese yen	**(101)**	-
Swiss franc	**1,471**	109
Euro	**(278,393)**	36,082

40 . Tax status

Corporate income tax

- Settlement of corporate income tax since the start of activity till 2020.
- The yearly income tax return submitted in legal dates.

Salary tax

- Settlement of salary tax since the start of activity till 2022.

Stamp duty tax

- The period since the start of activity till 31/07/2006 was examined & paid, disputed points have been transferred to the court for adjudication & cases are being resolved as per Tax disputes termination law.
- Settlment the period from 01/08/2006 till 31/12/2022 in accordance with the protocol signed between the Federation of Egyptian Banks & the Egyptian Tax Authority

Disclosures related to cash flow statement

41 . Other assets - net increase (decrease)

	Dec.31, 2023 EGP Thousands
Total other assets by beginning of the year	**14,521,427**
Assets acquired as settlement of debts	**(124,098)**
Advances to purchase fixed assets	**(1,342,568)**
Total 1	**13,054,761**
Total other assets by end of the year	**18,972,786**
Assets acquired as settlement of debts	**(49,019)**
Advances to purchase fixed assets	**(1,906,547)**
Uncollected installments from investments in associates	**(11,956)**
Impairment (Release) charge for other assets	**17,620**
Total 2	**17,022,884**
Change (1-2)	**(3,968,123)**

	Dec.31, 2022 EGP Thousands
Total other assets by beginning of the year	11,207,128
Assets acquired as settlement of debts	(153,423)
Advances to purchase fixed assets	(1,139,188)
Total 1	9,914,517
Total other assets by end of the year	14,521,427
Assets acquired as settlement of debts	(124,098)
Advances to purchase fixed assets	(1,342,568)
Impairment (Release) charge for other assets	(277,766)
Total 2	12,776,995
Change (1-2)	(2,862,478)

42 - Significant events during the year

- 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.
- 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.
- During 2023, CIB obtained USD 150 million Subordinated Debt from European Bank for Reconstruction and Development (EBRD).

43 . Goodwill

	Commercial International Bank (CIB) Kenya Dec.31, 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 Dec.31, 2023 EGP Thousands	Commercial International Bank (CIB) Kenya Dec.31, 2022 EGP Thousands
Goodwill at acquisition date	206,287	206,287
Amortization	(206,287)	(110,019)
Net book value	-	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.

44 . Intangible assets

	Commercial International Bank (CIB) Kenya Dec.31, 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

The following tables represent the summarize Financial information of (CVenture Capital) subsidiary under liquidation.

45 . Non current assets held for sale

	Dec.31, 2023 EGP Thousands	Dec.31, 2022 EGP Thousands
Financial Assets at Fair Value through OCI	79	-
Other assets	2	-
Property and equipment	80	-
Total	161	-

46 . Non current liabilities held for sale

	Dec.31, 2023 EGP Thousands	Dec.31, 2022 EGP Thousands
Other liabilities	680	-
Other provisions	193	-
Total	873	-

47 . Profit (loss) from discontinued operations

	Dec.31, 2023 EGP Thousands	Dec.31, 2022 EGP Thousands
Net interest income	3,983	-
Net fee and commission income	136	-
Net trading income	(311)	-
Profits (Losses) on financial investments	(44,182)	-
Administrative expenses	(2,255)	-
Other operating income (expenses)	(632)	-
Impairment release (charges) for credit losses	1,151	-
Deferred tax assets (Liabilities)	8	-
Net profit (loss) from discontinued operations	(42,102)	-

During 2023 CIB BOD decided to start liquidation process for C-Ventures company, one of bank's subsidiaries.

48 . Subsequent events

- On 1 February 2024, 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 21.25 percent, 22.25 percent, and 21.75 percent, respectively. The discount rate was also raised by 200 basis points to 21.75 percent , which may affect the bank's policies in pricing current and future banking products.

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