



Separate Financial Statements

March 2023 - Interim Condensed



Limited Review Report on Condensed Separate Interim Financial Statements

To: The Board of Directors of Commercial International Bank Egypt

Introduction

We have reviewed the accompanying condensed separate interim financial position of Commercial International Bank Egypt (S.A.E) as of 31 March 2023 and the related condensed separate interim statements of income, comprehensive income, cash flows and changes in shareholders' equity for the three months period then ended. Management is responsible for the preparation and fair presentation of these condensed separate interim financial statements in accordance with the rules of preparation and presentation of the bank's financial statements approved by the Central Bank of Egypt board of directors on 16 December 2008 as amended by regulations issued on 26 February 2019 and its subsequent interpretive instructions and Central Bank of Egypt board of directors resolution on 3 May 2020 regarding issuing condensed interim financial statements for banks and with the requirements of applicable Egyptian laws and regulations, our responsibility is to express a conclusion on these condensed separate interim financial statements based on our limited review.

Scope of Limited Review

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

Conclusion

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

Cairo; 14 May 2023

Hossam Hilal
Hossam Mohamed Hilal

Financial Regulatory Authority Register Number "147"
Baker Tilly Mohamed Hilal - Wahid Abdel Ghaffar
Public Accountants & Consultants



Auditors

Farid Samir

Farid Samir Farid

Financial Regulatory Authority Register Number "210"
Saleh, Barsoum & Abdel Aziz - Grant Thornton
Accountants & Auditors



Condensed Separate Interim Statement of Financial Position as at March 31, 2023

	Notes	Mar. 31, 2023 EGP Thousands	Dec. 31, 2022 EGP Thousands
Assets			
Cash and balances at the central bank	8	52,319,656	47,384,574
Due from banks	9	169,608,129	133,766,196
Loans and advances to banks, net	11	616,088	2,978,197
Loans and advances to customers, net	12	212,026,712	192,621,288
Derivative financial instruments		2,087,218	1,939,961
Investments			
- Financial Assets at Fair Value through OCI	13	184,988,891	202,916,225
- Financial Assets at Amortized cost	13	43,228,737	34,178,753
- Investments in associates and subsidiaries	14	2,116,344	1,074,250
Non current assets held for sale	27	159,828	-
Other assets	15	14,686,237	14,454,868
Deferred tax assets		-	24,240
Property and equipment	16	2,357,699	2,304,513
Total assets		684,195,539	633,643,065
Liabilities and equity			
Liabilities			
Due to banks	17	8,286,858	3,475,848
Due to customers	18	574,113,802	530,124,905
Derivative financial instruments		8,294	219,752
Deferred tax liabilities		303,511	-
Current income tax liabilities		1,991,935	3,051,583
Other liabilities	19	16,012,509	11,549,472
Issued debt instruments	20	3,069,231	2,456,607
Other loans		9,586,379	7,978,975
Other provisions	21	8,699,209	7,065,292
Total liabilities		622,071,728	565,922,434
Equity			
Issued and paid up capital		29,990,563	29,825,134
Reserves		24,012,537	19,502,716
Reserve for employee stock ownership plan (ESOP)		1,667,377	1,895,435
Retained earnings *		6,453,334	16,497,346
Total equity and net profit for the period / year		62,123,811	67,720,631
Total liabilities and equity		684,195,539	633,643,065

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

* Including net profit for the current period



Hussein Abaza
CEO & Managing Director



Hisham Ezz Al-Arab
Chairman

Condensed Separate Interim Income Statement for the period ended March 31, 2023

	<i>Notes</i>	Mar. 31, 2023 EGP Thousands	Mar. 31, 2022 EGP Thousands
Interest and similar income		19,729,848	11,812,196
Interest and similar expense		<u>(8,897,778)</u>	<u>(5,209,537)</u>
Net interest income		<u>10,832,070</u>	<u>6,602,659</u>
Fee and commission income		2,004,350	1,191,476
Fee and commission expense		<u>(792,102)</u>	<u>(514,635)</u>
Net fee and commission income		<u>1,212,248</u>	<u>676,841</u>
Dividend income		32,362	37,800
Net trading income	5	1,845,604	716,066
Profits (Losses) on financial investments	13	70,920	1,021,334
Administrative expenses		(2,004,617)	(1,545,348)
Other operating (expenses) income	6	(1,969,625)	(1,425,498)
Impairment release (charges) for credit losses		<u>(947,656)</u>	<u>40,525</u>
Profit before income tax		<u>9,071,306</u>	<u>6,124,379</u>
Income tax expense	25	(2,264,671)	(1,375,213)
Deferred tax assets (Liabilities)	25	<u>(722,182)</u>	<u>(509,574)</u>
Net profit for the period		<u><u>6,084,453</u></u>	<u><u>4,239,592</u></u>
Earning per share	7		
Basic		1.81	1.26
Diluted		1.79	1.24



Hussein Abaza
CEO & Managing Director



Hisham Ezz Al-Arab
Chairman

Condensed Separate Interim Statement of Comprehensive Income for the period ended March 31, 2023

	Mar. 31, 2023	Mar. 31, 2022
	EGP Thousands	EGP Thousands
Net profit for the period	6,084,453	4,239,592
Change in fair value of Financial investments measured at fair value through comprehensive income after tax	(8,507,038)	(3,958,945)
Transferred to RE from financial assets at fair value through comprehensive income	(1,895)	(4,201)
Effect of ECL in fair value of debt instruments measured at fair value through comprehensive income	208,250	101,561
Total comprehensive income for the period	<u>(2,216,230)</u>	<u>378,007</u>

Condensed Separate Interim Cash Flows for the period ended March 31, 2023

	<i>Notes</i>	Mar. 31, 2023 EGP Thousands	Mar. 31, 2022 EGP Thousands
Cash flow from operating activities			
Profit before income tax		9,071,306	6,124,379
Adjustments to reconcile profits to net cash provided by operating activities			
Fixed assets depreciation	16	206,400	210,105
Impairment (Released) charge for credit losses (Loans and advances to customers and banks)		714,714	(147,259)
Other provisions charges	21	464,368	1,036,307
Impairment (Released) charge for credit losses (due from banks)		(1,549)	4,977
Impairment (Released) charge for credit losses (financial investments)		234,491	101,757
Impairment (Released) charge for other assets		-	(277,768)
Exchange revaluation differences for financial assets at fair value through OCI and AC		(6,033,831)	63
Utilization of other provisions	21	(345)	(156)
Other provisions no longer used	21	-	(385)
Exchange differences of other provisions	21	1,169,894	278,463
profits from selling property and equipment		(118)	(50)
profits from selling financial investments at fair value through OCI	13	(70,920)	(1,021,334)
Shares based payments		190,974	175,235
Operating profits before changes in operating assets and liabilities		5,945,384	6,484,334
Net decrease (increase) in assets and liabilities			
Due from banks		12,102,385	25,542,432
Financial assets at fair value through P&L		-	239,339
Derivative financial instruments		(358,715)	(680,290)
Loans and advances to banks and customers	11 - 12	(17,757,613)	(12,715,125)
Other assets		(75,936)	1,851,768
Due to banks	17	4,811,010	2,833,129
Due to customers	18	43,988,897	21,553,142
Current income tax obligations paid		(272,736)	(261,790)
Other liabilities		(362,831)	1,876,780
Net cash generated from (used in) operating activities		48,019,845	46,723,719
Cash flow from investing activities			
Payments for investment in subsidiaries		(1,216,022)	-
Payment for purchases of property, equipment and branches constructions		(415,435)	(76,753)
Proceeds from selling property and equipment		118	50
Proceeds from redemption of financial assets at amortized cost		196,783	2,609,283
Payment for purchases of financial assets at amortized cost		(8,454,232)	(2,430,124)
Payment for purchases of financial assets at fair value through OCI		(32,426,908)	(68,194,467)
Proceeds from selling financial assets at fair value through OCI		46,782,676	78,071,439
Net cash generated from (used in) investing activities		4,466,980	9,979,428

Condensed Separate Interim Cash Flows for the period ended March 31, 2023 (Cont.)

	Mar. 31, 2023 EGP Thousands	Mar. 31, 2022 EGP Thousands
Cash flow from financing activities		
Other loans	1,607,404	1,035,994
Dividends paid	(1,964,603)	(4,410,322)
Issued debt instruments	612,624	253,338
Capital increase	165,429	122,716
Net cash generated from (used in) financing activities	420,854	(2,998,274)
Net (decrease) increase in cash and cash equivalent during the period	52,907,679	53,704,873
Beginning balance of cash and cash equivalent	92,895,143	60,891,899
Cash and cash equivalent at the end of the period	145,802,822	114,596,772
Cash and cash equivalent comprise:		
Cash and balances at the central bank	52,319,656	30,471,454
Due from banks	169,655,814	120,943,837
Treasury bills and other governmental notes	68,681,151	40,371,415
Obligatory reserve balance with CBE	(45,888,981)	(26,030,335)
Due from banks with maturities more than three months	(29,664,721)	(10,245,456)
Treasury bills with maturity more than three months	(69,300,097)	(40,914,143)
Total cash and cash equivalent	145,802,822	114,596,772

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

Mar. 31, 2022	Issued and paid up capital		Legal reserve	General reserve	General risk reserve	Capital reserve	Reserve for financial assets at fair value through OCI	Banking risks reserve	Retained earnings	Reserve for employee stock ownership plan	Total
	EGP Thousands	EGP Thousands									
Beginning balance	19,702,418	3,293,074	28,260,532	1,549,445	16,000	639,231	9,141	13,783,935	1,674,392	68,928,168	
Capital increase	122,716	-	502,922	-	-	-	-	(9,007,223)	(502,922)	122,716	
Transferred to reserves	-	670,872	8,333,404	-	2,947	-	-	(4,410,322)	-	-	
Dividend paid	-	-	-	-	-	-	-	4,239,592	-	-	
Net profit of the period	-	-	-	-	-	(4,201)	-	4,201	-	-	
Transferred to RE from financial assets at fair value through comprehensive income	-	-	-	-	-	(3,958,945)	-	-	-	(3,958,945)	
Net unrealised gain/(loss) on financial assets at fair value through OCI after tax	-	-	-	-	-	-	2,840	(2,840)	-	-	
Transferred (from) to bank risk reserve	-	-	-	-	-	-	-	-	-	-	
Effect of ECL in fair value of debt instruments measured at fair value through OCI	-	-	-	-	-	101,561	-	-	-	101,561	
Cost of employees stock ownership plan (ESOP)	-	-	-	-	-	-	-	-	175,235	175,235	
Ending balance	19,825,134	3,963,946	37,096,858	1,549,445	18,947	(3,222,354)	11,981	4,607,343	1,346,705	65,198,005	

Condensed Separate Interim statement of changes in shareholders' equity for the period ended March 31, 2023

	Mar. 31, 2023									
	<u>Issued and paid up capital</u>	<u>Legal reserve</u>	<u>General reserve</u>	<u>General risk reserve</u>	<u>Capital reserve</u>	<u>Reserve for financial assets at fair value through OCI</u>	<u>Banking risks reserve</u>	<u>Retained earnings</u>	<u>Reserve for employee stock ownership plan</u>	<u>Total</u>
Beginning balance	29,825,134	3,963,946	27,096,858	1,549,445	18,947	(13,138,461)	11,981	16,497,346	1,895,435	67,720,631
Capital increase	165,429	-	-	-	-	-	-	-	-	165,429
Transferred to reserves	-	806,408	11,998,639	-	2,208	-	-	(12,388,223)	(419,032)	-
Dividend paid	-	-	-	-	-	-	-	(3,738,888)	-	(3,738,888)
Net profit of the period	-	-	-	-	-	-	-	6,084,453	-	6,084,453
Transferred to RE from financial assets at fair value through comprehensive income	-	-	-	-	-	(1,895)	-	1,895	-	-
Net unrealised gain/(loss) on financial assets at fair value through OCI after tax	-	-	-	-	-	(8,507,038)	-	-	-	(8,507,038)
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	-	-	-	-	-	208,250	-	-	-	208,250
Cost of employees stock ownership plan (ESOP)	-	-	-	-	-	-	-	-	190,974	190,974
Ending balance of the period	29,990,563	4,770,354	39,095,497	1,549,445	21,155	(21,439,144)	15,230	6,453,334	1,667,377	62,123,811

ECP Thousands

Notes to the condensed separate interim financial statement for the period ended March 31, 2023

1. General information

Commercial International Bank (Egypt) S.A.E. provides retail, corporate and investment banking services in various parts of Egypt through 190 branches, and 20 units employing 7,735 employees on the statement of financial position date.

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

Financial statements have been approved by board of directors on May 14, 2023.

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 financial statements have been prepared in accordance with the Central Bank of Egypt regulations approved by the Board of Directors on December 16, 2008.

Also according to the instructions for applying the International Standard for Financial Reports (9) issued by the Central Bank of Egypt on February 26, 2019, the bank issued condensed financial statements based on the Central Bank of Egypt instructions issued on May 5, 2020, which allow banks to issue condensed quarterly financial statements. Reference is made to what was not mentioned in the instructions of the Central Bank of Egypt to the Egyptian Accounting Standards.

The separate and consolidated financial statements of the Bank and its subsidiaries have been prepared in accordance with the Central Bank of Egypt regulations approved by the Board of Directors on December 16, 2008, also according to the instructions for applying the International Standard for Financial Reports (9) issued by the Central Bank of Egypt on February 26, 2019, reference is made to what was not mentioned in the instructions of the Central Bank of Egypt to the Egyptian Accounting Standards, the affiliated companies are entirely included in the consolidated financial statements and these companies are the companies that the Bank - directly or indirectly - has more than half of the voting rights or has the ability to control the financial and operating policies, regardless of the type of activity, the Bank's consolidated financial statements can be obtained from the Bank's management. The Bank accounts for investments in subsidiaries and associate companies in the separate financial statements at cost minus impairment loss.

The separate financial statements of the Bank should be read with its consolidated financial statements, for the period ended on March 31, 2023 to get complete information on the Bank's financial position, results of operations, cash flows and changes in ownership rights.

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

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

3.1. Loans and advances

Loans and advances are summarized as follows:

	Mar.31, 2023		Dec.31, 2022	
	EGP Thousands		EGP Thousands	
	Loans and advances to customers	Loans and advances to banks	Loans and advances to customers	Loans and advances to banks
Gross Loans and advances	243,394,122	617,966	218,633,100	2,988,410
Less:				
ECL	29,627,708	1,878	24,402,014	10,213
Unamortized bills discount	671,500	-	678,795	-
Unamortized syndicated loans discount	200,631	-	221,018	-
Suspended credit account	867,571	-	709,985	-
Net	212,026,712	616,088	192,621,288	2,978,197

Impairment provision losses for loans and advances reached EGP 29,629,586 thousand.

During the period, the Bank's total loans and advances increased by 10.10%

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

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

Mar.31, 2023

	Stage 1: 12 months	Stage 2: Life time	Stage 3: Life time	Total
Individuals	47,066,630	5,201,096	803,859	53,071,585
Institutions and Business Banking	102,437,828	75,988,559	11,896,150	190,322,537
Total	149,504,458	81,189,655	12,700,009	243,394,122

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

Mar.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	1,167,222	189,687	404,544	1,761,453
Institutions and Business Banking	3,216,479	13,609,168	11,040,608	27,866,255
Total	4,383,701	13,798,855	11,445,152	29,627,708

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

Mar.31, 2023

	Stage 1: 12 months	Stage 2: Life time	Stage 3: Life time	Total
Time loans	-	617,966	-	617,966
Expected credit losses	-	(1,878)	-	(1,878)
Net	-	616,088	-	616,088

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

Mar.31, 2023

	Stage 1: 12 months	Stage 2: Life time	Stage 3: Life time	Total
Facilities and guarantees	101,308,704	55,397,040	6,987,507	163,693,251
Expected credit losses	(3,955,440)	(2,340,109)	(1,976,623)	(8,272,172)
Net	97,353,264	53,056,931	5,010,884	155,421,079

Total balances of loans and facilities divided by stages:

Dec.31, 2022

	<u>Stage 1:</u> <u>12 months</u>	<u>Stage 2:</u> <u>Life time</u>	<u>Stage 3:</u> <u>Life time</u>	<u>Total</u>
Individuals	47,271,035	5,241,042	775,327	53,287,404
Institutions and Business Banking	90,991,045	64,466,540	9,888,111	165,345,696
Total	138,262,080	69,707,582	10,663,438	218,633,100

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

Dec.31, 2022

	<u>Stage 1: Expected</u> <u>credit losses over 12</u> <u>months</u>	<u>Stage 2: Expected</u> <u>credit losses</u> <u>Over a lifetime that is</u> <u>not creditworthy</u>	<u>Stage 3: Expected</u> <u>credit losses</u> <u>Over a lifetime</u> <u>Credit default</u>	<u>Total</u>
Individuals	1,023,758	171,630	386,953	1,582,341
Institutions and Business Banking	2,605,958	11,044,132	9,169,583	22,819,673
Total	3,629,716	11,215,762	9,556,536	24,402,014

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

Dec.31, 2022

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

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

Dec.31, 2022

	<u>Stage 1:</u> <u>12 months</u>	<u>Stage 2:</u> <u>Life time</u>	<u>Stage 3:</u> <u>Life time</u>	<u>Total</u>
Facilities and guarantees	84,304,802	45,046,087	5,636,373	134,987,262
Expected credit losses	(3,560,010)	(1,443,926)	(1,670,378)	(6,674,314)
Net	80,744,792	43,602,161	3,965,995	128,312,948

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

Mar.31, 2023

EGP Thousands

Due from banks

	<u>Stage 1</u> <u>12 months</u> ECL	<u>Stage 2</u> <u>Life time</u> ECL	<u>Stage 3</u> <u>Life time</u> ECL	<u>Total</u> ECL
ECL on 1 January 2023	38,726	10,508	-	49,234
New financial assets purchased or issued	-	15	-	15
Matured or disposed financial assets	(3)	(10,508)	-	(10,511)
Transferred to stage 1	-	-	-	-
Transferred to stage 2	-	-	-	-
Transferred to stage 3	-	-	-	-
Changes in the probability of default and loss in case of default and the exposure at default	8,947	-	-	8,947
Changes to model assumptions and methodology	-	-	-	-
Write off during the period	-	-	-	-
Ending balance	47,670	15	-	47,685

Individual Loans:

	<u>Stage 1</u> <u>12 months</u> ECL	<u>Stage 2</u> <u>Life time</u> ECL	<u>Stage 3</u> <u>Life time</u> ECL	<u>Total</u> ECL
ECL on 1 January 2023	1,023,758	171,630	386,953	1,582,341
Impairment during the period	143,464	18,057	34,663	196,184
Write off during the period	-	-	(40,868)	(40,868)
Recoveries	-	-	23,796	23,796
Ending balance	1,167,222	189,687	404,544	1,761,453

Corporate and Business Banking loans:

	<u>Stage 1</u> <u>12 months</u> ECL	<u>Stage 2</u> <u>Life time</u> ECL	<u>Stage 3</u> <u>Life time</u> ECL	<u>Total</u> ECL
ECL on 1 January 2023	2,605,958	11,044,132	9,169,583	22,819,673
New financial assets purchased or issued	999,623	474,440	-	1,474,063
Matured or disposed financial assets	(459,721)	(215,000)	(116,678)	(791,399)
Transferred to stage 1	67,431	(73,649)	-	(6,218)
Transferred to stage 2	(55,095)	30,568	-	(24,527)
Transferred to stage 3	-	(6,058)	6,058	-
Changes in the probability of default and loss in case of default and the exposure at default	(181,476)	(1,775,033)	(9,396)	(1,965,905)
Changes to model assumptions and methodology	176,349	1,664,502	-	1,840,851
Recoveries	-	-	3,731	3,731
Write off during the period	-	-	(146,570)	(146,570)
Cumulative foreign currencies translation differences	63,410	2,465,266	2,133,880	4,662,556
Ending balance	3,216,479	13,609,168	11,040,608	27,866,255

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

Mar.31, 2023

EGP Thousands

Debt Instruments at Fair value through OCI

	<u>Stage 1</u> <u>12 months</u> <u>ECL</u>	<u>Stage 2</u> <u>Life time</u> <u>ECL</u>	<u>Stage 3</u> <u>Life time</u> <u>ECL</u>	<u>Total</u> <u>ECL</u>
ECL on 1 January 2023	979,945	-	-	979,945
New financial assets purchased or issued	150,316	-	-	150,316
Matured or disposed financial assets	(12,123)	-	-	(12,123)
Transferred to stage 1	-	-	-	-
Transferred to stage 2	-	-	-	-
Transferred to stage 3	-	-	-	-
Changes in the probability of default and loss in case of default and the exposure at default	70,057	-	-	70,057
Changes to model assumptions and methodology	-	-	-	-
Write off during the period	-	-	-	-
Ending balance	1,188,195	-	-	1,188,195

Debt Instruments at amortized cost

	<u>Stage 1</u> <u>12 months</u> <u>ECL</u>	<u>Stage 2</u> <u>Life time</u> <u>ECL</u>	<u>Stage 3</u> <u>Life time</u> <u>ECL</u>	<u>Total</u> <u>ECL</u>
ECL on 1 January 2023	70,904	-	-	70,904
New financial assets purchased or issued	14,118	-	-	14,118
Matured or disposed financial assets	(486)	-	-	(486)
Transferred to stage 1	-	-	-	-
Transferred to stage 2	-	-	-	-
Transferred to stage 3	-	-	-	-
Changes in the probability of default and loss in case of default and the exposure at default	12,609	-	-	12,609
Changes to model assumptions and methodology	-	-	-	-
Write off during the period	-	-	-	-
Ending balance	97,145	-	-	97,145

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

Dec.31, 2022

Due from banks	EGP Thousands			
	Stage 1	Stage 2	Stage 3	Total
	12 months	Life time	Life time	
	<u>ECL</u>	<u>ECL</u>	<u>ECL</u>	<u>ECL</u>
Expected credit losses on 1 January 2022	19,725	20,714	-	40,439
New financial assets purchased or issued	-	10,508	-	10,508
Matured or disposed financial assets	(13)	(20,714)	-	(20,727)
Transferred to stage 1	-	-	-	-
Transferred to stage 2	-	-	-	-
Transferred to stage 3	-	-	-	-
Changes in the probability of default and loss in case of default and the exposure at default	19,014	-	-	19,014
Changes to model assumptions and methodology	-	-	-	-
Write off during the year	-	-	-	-
Ending balance	38,726	10,508	-	49,234

Individual Loans:

	Stage 1	Stage 2	Stage 3	Total
	12 months	Life time	Life time	
	<u>ECL</u>	<u>ECL</u>	<u>ECL</u>	<u>ECL</u>
Expected credit losses on 1 January 2022	825,814	90,037	257,071	1,172,922
Impairment during the year	197,944	81,593	252,753	532,290
Write off during the year	-	-	(227,426)	(227,426)
Recoveries	-	-	104,555	104,555
Ending balance	1,023,758	171,630	386,953	1,582,341

Corporate and Business Banking loans:

	Stage 1	Stage 2	Stage 3	Total
	12 months	Life time	Life time	
	<u>ECL</u>	<u>ECL</u>	<u>ECL</u>	<u>ECL</u>
Expected credit losses on 1 January 2022	1,475,220	7,597,957	7,629,640	16,702,817
New financial assets purchased or issued	802,625	2,079,329	458	2,882,412
Matured or disposed financial assets	(524,184)	(603,531)	(672,361)	(1,800,076)
Transferred to stage 1	73,793	(107,449)	-	(33,656)
Transferred to stage 2	(27,535)	84,153	-	56,618
Transferred to stage 3	(5,598)	(5,988)	11,586	-
Changes in the probability of default and loss in case of default and the exposure at default	735,920	(3,513,270)	(218,783)	(2,996,133)
Changes to model assumptions and methodology	17,200	2,311,624	-	2,328,824
Recoveries	-	-	9,662	9,662
Write off during the year	-	-	(985,685)	(985,685)
Cumulative foreign currencies translation differences	58,517	3,201,307	3,395,066	6,654,890
Ending balance	2,605,958	11,044,132	9,169,583	22,819,673

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

Dec.31, 2022

Financial Assets at Fair value through OCI	Stage 1	Stage 2	Stage 3	EGP Thousands
	12 months	Life time	Life time	Total
	ECL	ECL	ECL	ECL
Expected credit losses on 1 January 2022	515,177	9,721	-	524,898
New financial assets purchased or issued	520,393	-	-	520,393
Matured or disposed financial assets	(134,647)	(2,736)	-	(137,383)
Transferred to stage 1	-	-	-	-
Transferred to stage 2	-	-	-	-
Transferred to stage 3	-	-	-	-
Changes in the probability of default and loss in case of default and the exposure at default	79,022	(6,985)	-	72,037
Changes to model assumptions and methodology	-	-	-	-
Write off during the year	-	-	-	-
Ending balance	979,945	-	-	979,945

Debt Instruments at amortized cost	Stage 1	Stage 2	Stage 3	Total
	12 months	Life time	Life time	ECL
	ECL	ECL	ECL	ECL
Expected credit losses on 1 January 2022	1,113	-	-	1,113
New financial assets purchased or issued	68,040	-	-	68,040
Matured or disposed financial assets	-	-	-	-
Transferred to stage 1	-	-	-	-
Transferred to stage 2	-	-	-	-
Transferred to stage 3	-	-	-	-
Changes in the probability of default and loss in case of default and the exposure at default	1,751	-	-	1,751
Changes to model assumptions and methodology	-	-	-	-
Write off during the year	-	-	-	-
Ending balance	70,904	-	-	70,904

Loans and advances restructured

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

	Mar.31, 2023	Dec.31, 2022
Loans and advances to customer	EGP Thousands	EGP Thousands
Corporate		
- Direct loans	21,877,708	17,200,504
Total	21,877,708	17,200,504

3.2. Financial investments:

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

Mar.31, 2023

<u>Amortized cost</u>	EGP Thousands				<u>Total</u>
	<u>Stage 1: 12 months</u>	<u>Stage 2: Life time</u>	<u>Stage 3: Life time</u>	<u>Individually impaired</u>	
AAA	-	-	-	-	-
AA+ to -AA	-	-	-	-	-
A+ to -A	-	-	-	-	-
Less than -A	43,228,737	-	-	-	43,228,737
Not rated	-	-	-	-	-
Total	43,228,737	-	-	-	43,228,737

Mar.31, 2023

<u>Fair value through OCI</u>	EGP Thousands				<u>Total</u>
	<u>Stage 1: 12 months</u>	<u>Stage 2: Life time</u>	<u>Stage 3: Life time</u>	<u>Individually impaired</u>	
AAA	-	-	-	-	-
AA+ to -AA	-	-	-	-	-
A+ to -A	-	-	-	-	-
Less than -A	183,949,353	-	-	-	183,949,353
Not rated	-	-	-	-	-
Total	183,949,353	-	-	-	183,949,353

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

Mar.31, 2023

<u>Fair value through OCI and amortized cost</u>	EGP Thousands				<u>Total</u>
	<u>Stage 1: Expected credit losses over 12 months</u>	<u>Stage 2: Expected credit losses Over a lifetime that is not creditworthy</u>	<u>Stage 3: Expected credit losses Over a lifetime Credit default</u>	<u>Individually impaired</u>	
AAA	-	-	-	-	-
AA+ to -AA	-	-	-	-	-
A+ to -A	-	-	-	-	-
Less than -A	1,285,340	-	-	-	1,285,340
Not rated	-	-	-	-	-
Total	1,285,340	-	-	-	1,285,340

3.2. Financial investments:

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

Dec.31, 2022

EGP Thousands

<u>Amortized cost</u>	<u>Stage 1: 12 months</u>	<u>Stage 2: Life time</u>	<u>Stage 3: Life time</u>	<u>Individually impaired</u>	<u>Total</u>
AAA	-	-	-	-	-
AA+ to -AA	-	-	-	-	-
A+ to -A	-	-	-	-	-
Less than -A	34,178,753	-	-	-	34,178,753
Not rated	-	-	-	-	-
Total	34,178,753	-	-	-	34,178,753

Dec.31, 2022

EGP Thousands

<u>Fair value through OCI</u>	<u>Stage 1: 12 months</u>	<u>Stage 2: Life time</u>	<u>Stage 3: Life time</u>	<u>Individually impaired</u>	<u>Total</u>
AAA	-	-	-	-	-
AA+ to -AA	-	-	-	-	-
A+ to -A	-	-	-	-	-
Less than -A	201,941,763	-	-	-	201,941,763
Not rated	-	-	-	-	-
Total	201,941,763	-	-	-	201,941,763

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

Dec.31, 2022

EGP Thousands

<u>Fair value through OCI & Amortized cost</u>	<u>Stage 1: Expected credit losses over 12 months</u>	<u>Stage 2: Expected credit losses Over a lifetime that is not creditworthy</u>	<u>Stage 3: Expected credit losses Over a lifetime Credit default</u>	<u>Individually impaired</u>	<u>Total</u>
AAA	-	-	-	-	-
AA+ to -AA	-	-	-	-	-
A+ to -A	-	-	-	-	-
Less than -A	1,050,849	-	-	-	1,050,849
Not rated	-	-	-	-	-
Total	1,050,849	-	-	-	1,050,849

3.3. Foreign exchange risk

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

Mar.31, 2023	Equivalent EGP Thousands					
	EGP	USD	EUR	GBP	Other	Total
Financial assets						
Cash and balances at the central bank	49,282,578	1,791,443	521,419	173,801	550,415	52,319,656
Gross due from banks	60,003,123	93,603,762	14,148,544	1,616,333	284,052	169,655,814
Gross loans and advances to banks	-	617,966	-	-	-	617,966
Gross loans and advances to customers	163,678,826	73,111,631	6,409,292	23,046	171,327	243,394,122
Derivative financial instruments	1,378,332	708,886	-	-	-	2,087,218
Financial investments						
Gross financial investment securities	183,417,011	41,168,667	3,729,095	-	-	228,314,773
Investments in associates and subsidiaries	339,359	-	-	-	1,776,985	2,116,344
Total financial assets	458,099,229	211,002,355	24,808,350	1,813,180	2,782,779	698,505,893
Financial liabilities						
Due to banks	1,325,137	6,909,814	29,922	9,558	12,427	8,286,858
Due to customers	371,895,223	179,403,925	20,404,752	1,742,777	667,125	574,113,802
Derivative financial instruments	8,294	-	-	-	-	8,294
Issued debt instruments	-	3,069,231	-	-	-	3,069,231
Other loans	133,833	9,392,959	59,587	-	-	9,586,379
Total financial liabilities	373,362,487	198,775,929	20,494,261	1,752,335	679,552	595,064,564
Net on-balance sheet financial position	84,736,742	12,226,426	4,314,089	60,845	2,103,227	103,441,329
Total financial assets as of December 31, 2022	452,351,369	169,140,657	18,505,653	1,496,980	1,506,948	643,001,607
Total financial liabilities as of December 31, 2022	369,950,367	157,112,832	15,222,166	1,426,653	544,069	544,256,087
Net financial position as of December 31, 2022	82,401,002	12,027,825	3,283,487	70,327	962,879	98,745,520

3.4. Interest rate risk

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

3.5. Liquidity risk

Liquidity risk is the risk that the Bank is unable to meet its payment obligations associated with its financial liabilities when they fall due and to replace funds when they are withdrawn. The consequence may be the failure to meet obligations to repay depositors and fulfill commitments to lend.

Liquidity Risk Management Organization and Measurement Tools

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

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

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

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

The main measures and monitoring tools used to assess the Bank's liquidity risk include regulatory and internal ratios, gaps, Basel III liquidity ratios, asset and liability gapping mismatch, stress testing, and funding base concentration. More conservative internal targets and Risk Appetite indicators (RAI) against regulatory requirements are set for various measures of Liquidity and Funding Concentration Risks. At the end of Period, the Basel III Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR) remained 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.

LIQUIDITY MANAGEMENT

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

For March 2023 NSFR ratio record 207.53% (LCY 211.62% and FCY 200.04%), and LCR ratio record 895.94% (LCY 1503.35% and FCY 275.22%).

For December 2022 NSFR ratio record 229% (LCY 239% and FCY 208%), and LCR ratio record 1,086% (LCY 1,291% and FCY 297%).

For March 2023 CAR ratio record 19.32%, and 22.66% for December 2022.

For March 2023 Leverage ratio record 7.77%, and 8.71% for December 2022.

3.6. Financial instruments not measured at fair value

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

	<u>Book value</u>		<u>Fair value</u>	
	Mar.31, 2023	Dec.31, 2022	Mar.31, 2023	Dec.31, 2022
Financial assets				
Gross due from banks	169,655,814	133,815,430	170,352,971	134,581,524
Gross loans and advances to banks	617,966	2,988,410	617,966	2,988,410
Gross loans and advances to customers	243,394,122	218,633,100	242,347,753	218,020,891
Financial investments:				
Financial Assets at Amortized cost	43,325,882	34,249,657	41,182,841	33,490,533
Total financial assets	456,993,784	389,686,597	454,501,531	389,081,358
Financial liabilities				
Due to banks	8,286,858	3,475,848	8,299,772	3,476,025
Due to customers	574,113,802	530,124,905	577,091,696	533,139,722
Issued debt instruments	3,069,231	2,456,607	3,104,256	2,461,042
Other loans	9,586,379	7,978,975	9,550,814	7,981,357
Total financial liabilities	595,056,270	544,036,335	598,046,538	547,058,146

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

Due from banks

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

Fair values of financial instruments

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

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

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

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

Level 3 - Unobservable inputs for the asset or liability.

	Date of Valuation	Fair value measurement using			Valuation techniques (level 3)
		Total	Quoted prices in active markets (Level 1)	Significant observable inputs (level 2)	
Mar.31, 2023					
Measured at fair value:					
Financial assets					
Financial Assets at Fair Value through OCI	31-Mar-23	184,988,891	114,623,683	70,365,208	-
Total		184,988,891	114,623,683	70,365,208	-
Derivative financial instruments					
Financial assets	31-Mar-23	2,087,218	-	-	2,087,218
Financial liabilities	31-Mar-23	8,294	-	-	8,294
Total		2,095,512	-	-	2,095,512
Assets for which fair values are disclosed:					
Financial Assets at Amortized cost	31-Mar-23	41,182,841	-	41,182,841	-
Loans and advances to banks	31-Mar-23	617,966	-	-	617,966
Loans and advances to customers	31-Mar-23	242,347,753	-	-	242,347,753
Total		284,148,560	-	41,182,841	242,965,719
Liabilities for which fair values are disclosed:					
Issued debt instruments	31-Mar-23	3,104,256	-	3,104,256	-
Other loans	31-Mar-23	9,550,814	-	9,550,814	-
Due to customers	31-Mar-23	577,091,696	-	-	577,091,696
Total		589,746,766	-	12,655,070	577,091,696
Dec.31, 2022					
Measured at fair value:					
Financial assets					
Financial Assets at Fair value through OCI	31-Dec-22	202,916,225	141,343,096	61,573,129	-
Total		202,916,225	141,343,096	61,573,129	-
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:					
Financial Assets at Amortized cost	31-Dec-22	33,490,533	-	33,490,533	-
Loans and advances to banks	31-Dec-22	2,988,410	-	-	2,988,410
Loans and advances to customers	31-Dec-22	218,020,891	-	-	218,020,891
Total		254,499,834	-	33,490,533	221,009,301
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	533,139,722	-	-	533,139,722
Total		543,582,121	-	10,442,399	533,139,722

4. Segment analysis

4.1. By business segment

The Bank is divided into business segments as follow:

- 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: This includes other Banking activities such as fund management and 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 presented in the Financial Statements.

	EGP Thousands					
Mar.31, 2023	<u>Corporate banking</u>	<u>SME's</u>	<u>Investments</u>	<u>Retail banking</u>	<u>Asset Liability Mangement</u>	<u>Total</u>
Net revenue according to business segment *	5,480,727	1,463,133	2,045,186	3,837,779	1,166,379	13,993,204
Expenses according to business segment	<u>(3,037,462)</u>	<u>(429,416)</u>	<u>(144,779)</u>	<u>(1,308,733)</u>	<u>(1,508)</u>	<u>(4,921,898)</u>
Profit before tax	2,443,265	1,033,717	1,900,407	2,529,046	1,164,871	9,071,306
Income tax	<u>(804,479)</u>	<u>(340,366)</u>	<u>(625,735)</u>	<u>(832,723)</u>	<u>(383,550)</u>	<u>(2,986,853)</u>
Profit for the period	<u>1,638,786</u>	<u>693,351</u>	<u>1,274,672</u>	<u>1,696,323</u>	<u>781,321</u>	<u>6,084,453</u>
Total assets	<u>181,321,863</u>	<u>7,204,877</u>	<u>229,894,839</u>	<u>50,231,430</u>	<u>215,542,530</u>	<u>684,195,539</u>
Total liabilities	<u>235,258,814</u>	<u>76,284,352</u>	<u>-</u>	<u>289,877,664</u>	<u>20,650,898</u>	<u>622,071,728</u>

* Represents the net interest income and other income.

Mar.31, 2022	<u>Corporate banking</u>	<u>SME's</u>	<u>Investments</u>	<u>Retail banking</u>	<u>Asset Liability Mangement</u>	<u>Total</u>
Net revenue according to business segment	3,751,586	533,094	2,396,732	2,037,439	335,849	9,054,700
Expenses according to business segment	<u>(1,578,453)</u>	<u>(276,535)</u>	<u>(84,709)</u>	<u>(988,596)</u>	<u>(2,028)</u>	<u>(2,930,321)</u>
Profit before tax	2,173,133	256,559	2,312,023	1,048,843	333,821	6,124,379
Income tax	<u>(848,206)</u>	<u>(62,897)</u>	<u>(634,715)</u>	<u>(257,131)</u>	<u>(81,838)</u>	<u>(1,884,787)</u>
Profit for the period	<u>1,324,927</u>	<u>193,662</u>	<u>1,677,308</u>	<u>791,712</u>	<u>251,983</u>	<u>4,239,592</u>
Total assets at 31 December 2022	<u>157,661,395</u>	<u>6,819,154</u>	<u>242,610,969</u>	<u>52,321,365</u>	<u>174,230,182</u>	<u>633,643,065</u>
Total liabilities at 31 December 2022	<u>238,123,577</u>	<u>67,995,672</u>	<u>-</u>	<u>251,469,542</u>	<u>8,333,643</u>	<u>565,922,434</u>

4.2. By geographical segment

Mar.31, 2023	<u>Cairo</u>	<u>Alex, Delta & Sinai</u>	<u>Upper Egypt</u>	<u>Total</u>
Revenue according to geographical segment	11,621,312	2,050,753	321,139	13,993,204
Expenses according to geographical segment	<u>(4,306,953)</u>	<u>(489,293)</u>	<u>(125,652)</u>	<u>(4,921,898)</u>
Profit before tax	7,314,359	1,561,460	195,487	9,071,306
Income tax	<u>(2,408,354)</u>	<u>(514,132)</u>	<u>(64,367)</u>	<u>(2,986,853)</u>
Profit for the period	<u>4,906,005</u>	<u>1,047,328</u>	<u>131,120</u>	<u>6,084,453</u>
Total assets	<u>633,528,057</u>	<u>39,341,822</u>	<u>11,325,660</u>	<u>684,195,539</u>
Total liabilities	<u>476,688,256</u>	<u>122,715,348</u>	<u>22,668,124</u>	<u>622,071,728</u>

Mar.31, 2022	<u>Cairo</u>	<u>Alex, Delta & Sinai</u>	<u>Upper Egypt</u>	<u>Total</u>
Revenue according to geographical segment	8,097,132	809,926	147,642	9,054,700
Expenses according to geographical segment	<u>(2,517,523)</u>	<u>(327,122)</u>	<u>(85,676)</u>	<u>(2,930,321)</u>
Profit before tax	5,579,609	482,804	61,966	6,124,379
Income tax	<u>(1,751,234)</u>	<u>(118,362)</u>	<u>(15,191)</u>	<u>(1,884,787)</u>
Profit for the period	<u>3,828,375</u>	<u>364,442</u>	<u>46,775</u>	<u>4,239,592</u>
Total assets at 31 December 2022	<u>587,259,106</u>	<u>36,636,416</u>	<u>9,747,543</u>	<u>633,643,065</u>
Total liabilities at 31 December 2022	<u>439,739,096</u>	<u>107,081,685</u>	<u>19,101,653</u>	<u>565,922,434</u>

5 . Net trading income

	Mar.31, 2023	Mar.31, 2022
	EGP Thousands	EGP Thousands
Profit (Loss) from foreign exchange transactions	1,518,664	255,327
Profit (Loss) from forward foreign exchange deals revaluation	764,493	487,036
Profit (Loss) from interest rate swaps revaluation	779	(119)
Profit (Loss) from currency swap deals revaluation	(438,549)	(20,198)
Profit (Loss) from financial assets at fair value through P&L	217	(5,980)
Total	<u>1,845,604</u>	<u>716,066</u>

6 . Other operating (expenses) income

	Mar.31, 2023	Mar.31, 2022
	EGP Thousands	EGP Thousands
Profits (losses) from revaluation of non-trading assets and liabilities by FCY	(865,890)	(202,669)
Profits of selling property and equipment	118	50
Release (charges) of other provisions	(464,368)	(758,154)
Other income/expense	(639,485)	(464,725)
Total	<u>(1,969,625)</u>	<u>(1,425,498)</u>

7 . Earning per share

	Mar.31, 2023	Mar.31, 2022
	EGP Thousands	EGP Thousands
Net profit for the period, available for distribution	6,084,453	4,239,592
Board member's bonus	(91,267)	(63,594)
Staff profit sharing	(608,445)	(423,959)
Profits attributable to shareholders	<u>5,384,741</u>	<u>3,752,039</u>
Weighted average number of shares	<u>2,982,215</u>	<u>2,982,215</u>
Basic earning per share	1.81	1.26
By issuance of ESOP earning per share will be:		
Average number of shares including ESOP shares	<u>3,014,225</u>	<u>3,014,225</u>
Diluted earning per share	1.79	1.24

8 . Cash and balances at the central bank

	Mar.31, 2023	Dec.31, 2022
	EGP Thousands	EGP Thousands
Cash	6,430,675	6,969,822
Obligatory reserve balance with CBE		
- Current accounts	<u>45,888,981</u>	<u>40,414,752</u>
Total	<u>52,319,656</u>	<u>47,384,574</u>
Non-interest bearing balances	<u>52,319,656</u>	<u>47,384,574</u>

9 . Due from banks

	Mar.31, 2023	Dec.31, 2022
	EGP Thousands	EGP Thousands
Current accounts	4,272,801	2,911,660
Deposits	165,383,013	130,903,770
Expected credit losses	<u>(47,685)</u>	<u>(49,234)</u>
Total	<u>169,608,129</u>	<u>133,766,196</u>
Central banks	111,550,722	86,443,811
Local banks	27,442,117	25,772,861
Foreign banks	<u>30,615,290</u>	<u>21,549,524</u>
Total	<u>169,608,129</u>	<u>133,766,196</u>
Non-interest bearing balances	2,098,428	1,760,059
Floating interest bearing balances	20,577,186	12,212,601
Fixed interest bearing balances	<u>146,932,515</u>	<u>119,793,536</u>
Total	<u>169,608,129</u>	<u>133,766,196</u>
Current balances	164,973,384	130,054,686
Non-Current balances	<u>4,634,745</u>	<u>3,711,510</u>
Total	<u>169,608,129</u>	<u>133,766,196</u>

Due from banks

	Mar.31, 2023	Mar.31, 2023
	Stage 1	Stage 2
Gross due from banks	<u>169,163,136</u>	<u>492,678</u>
Expected credit losses	<u>(47,670)</u>	<u>(15)</u>
Net due from banks	<u>169,115,466</u>	<u>492,663</u>

	Dec.31, 2022	Dec.31, 2022
	Stage 1	Stage 2
Gross due from banks	<u>127,719,832</u>	<u>6,095,598</u>
Expected credit losses	<u>(38,726)</u>	<u>(10,508)</u>
Net due from banks	<u>127,681,106</u>	<u>6,085,090</u>

10 . Treasury bills and other governmental notes

	Mar.31, 2023	Dec.31, 2022
	EGP Thousands	EGP Thousands
91 Days maturity	28,950	10,575
182 Days maturity	13,293,775	656,150
273 Days maturity	10,296,175	7,515,700
364 Days maturity	50,174,162	54,502,250
Unearned interest	(4,464,569)	(2,878,502)
Total	69,328,493	59,806,173
Repos - treasury bills	(647,342)	(659,349)
Net	68,681,151	59,146,824

. Governmental bonds

	Mar.31, 2023	Dec.31, 2022
	EGP Thousands	EGP Thousands
	Financial Assets at	Financial Assets at
	Fair Value through	Fair Value through
	OCI	OCI
Governmental bonds	97,195,156	123,585,955
Repo	(4,633,799)	(3,711,489)
Net	92,561,357	119,874,466

11 . Loans and advances to banks, net

	Mar.31, 2023	Dec.31, 2022
	EGP Thousands	EGP Thousands
Time loans	617,966	2,988,410
ECL	(1,878)	(10,213)
Net	616,088	2,978,197
Current balances	616,088	2,978,197

Analysis for ECL of loans and advances to banks

	Mar.31, 2023	Dec.31, 2022
	EGP Thousands	EGP Thousands
Beginning balance	(10,213)	(2,118)
Released (charged) during the period/year	8,335	(8,095)
Ending balance	(1,878)	(10,213)

12 . Loans and advances to customers, net

	Mar.31, 2023	Dec.31, 2022
	EGP Thousands	EGP Thousands
Individual		
- Overdraft	2,067,371	2,123,198
- Credit cards	8,008,828	7,636,331
- Personal loans	39,303,133	40,137,967
- Mortgage loans	3,692,253	3,389,908
Total 1	53,071,585	53,287,404
Corporate		
- Overdraft	50,119,028	42,468,290
- Direct loans	87,793,066	78,030,082
- Syndicated loans	52,205,023	44,722,871
- Other loans	205,420	124,453
Total 2	190,322,537	165,345,696
Total Loans and advances to customers (1+2)	243,394,122	218,633,100
Less:		
Unamortized bills discount	(671,500)	(678,795)
Unamortized syndicated loans discount	(200,631)	(221,018)
ECL	(29,627,708)	(24,402,014)
Suspended credit account	(867,571)	(709,985)
Net loans and advances to customers	212,026,712	192,621,288
Distributed to		
Current balances	111,359,032	99,866,973
Non-current balances	100,667,680	92,754,315
Total	212,026,712	192,621,288

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

	EGP Thousands				
	Mar.31, 2023				
Individual Loans:	Overdrafts	Credit cards	Personal loans	Mortgages	Total
Beginning balance	(3,506)	(321,990)	(1,194,486)	(62,359)	(1,582,341)
Released (charged) during the period	356	(33,934)	(147,142)	(15,464)	(196,184)
Written off during the period	534	7,012	33,322	-	40,868
Recoveries during the period	(309)	(8,806)	(14,681)	-	(23,796)
Ending balance	(2,925)	(357,718)	(1,322,987)	(77,823)	(1,761,453)
Corporate and Business Banking loans:	Mar.31, 2023				
	Overdraft	Direct loans	Syndicated loans	Other loans	Total
Beginning balance	(2,502,614)	(15,167,970)	(5,140,282)	(8,807)	(22,819,673)
Released (charged) during the period	(11,453)	(329,872)	(183,951)	(1,589)	(526,865)
Written off during the period	-	146,570	-	-	146,570
Recoveries during the period	-	(3,731)	-	-	(3,731)
foreign currencies translation differences	(504,178)	(2,990,781)	(1,167,597)	-	(4,662,556)
Ending balance	(3,018,245)	(18,345,784)	(6,491,830)	(10,396)	(27,866,255)

Individual Loans:	Dec.31, 2022				EGP Thousands
	Overdraft	Credit cards	Personal loans	Mortgages	Total
Beginning balance	(6,520)	(305,006)	(811,871)	(49,525)	(1,172,922)
Released (charged) released during the year	1,243	(19,585)	(500,991)	(12,957)	(532,290)
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	(3,506)	(321,990)	(1,194,486)	(62,359)	(1,582,341)

Corporate and Business Banking loans:	Dec.31, 2022				Total
	Overdraft	Direct loans	Syndicated loans	Other loans	Total
Beginning balance	(1,648,574)	(10,866,452)	(4,180,996)	(6,795)	(16,702,817)
Released (charged) released during the year	(221,934)	(993,452)	779,409	(2,012)	(437,989)
Write off during the year	5,145	980,540	-	-	985,685
Recoveries during the year	-	(9,662)	-	-	(9,662)
Exchange revaluation difference	(637,251)	(4,278,944)	(1,738,695)	-	(6,654,890)
Ending balance	(2,502,614)	(15,167,970)	(5,140,282)	(8,807)	(22,819,673)

13. Financial investments securities

Mar.31, 2023

	Financial Assets at Fair Value through OCI	Financial Assets at Amortized cost	Total
	EGP Thousands		
Investments listed in the market			
Governmental bonds	92,561,357	41,284,467	133,845,824
Securitized bonds	20,529,199	1,544,900	22,074,099
Equity instruments	263,035	-	263,035
Sukuk	1,270,092	-	1,270,092
Investments not listed in the market			
Treasury bills and other governmental notes	68,681,151	-	68,681,151
Securitized bonds	907,554	399,370	1,306,924
Equity instruments	426,194	-	426,194
Mutual funds	350,309	-	350,309
Total	184,988,891	43,228,737	228,217,628

Dec.31, 2022

	Financial Assets at Fair Value through OCI	Financial Assets at Amortized cost	Total
	EGP Thousands		
Investments listed in the market			
Governmental bonds	119,874,466	32,851,270	152,725,736
Securitized 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 bonds	1,709,429	1,327,483	3,036,912
Equity instruments	370,174	-	370,174
Mutual funds	346,702	-	346,702
Total	202,916,225	34,178,753	237,094,978

13.1 . Profits (Losses) on financial investments

	Mar.31, 2023 EGP Thousands	Mar.31, 2022 EGP Thousands
Profit (Loss) from selling FVOCI financial instruments	70,920	1,021,334
Total	70,920	1,021,334

14 . Investments in associates and subsidiaries

Mar.31, 2023

Subsidiaries

- Damietta shipping & marine services
- Commercial International Bank (CIB) Kenya *
- Commercial International for Finance

Associates

- TCA Properties
- Al Ahly Computer
- International Co. for Security and Services (Falcon)

Total

* Refer to note (26) important events

Company's country	Company's assets	Company's liabilities (without equity)	Company's revenues	Company's net profit (loss)	EGP Thousands	
					Investment book value	Stake %
Egypt	16,939	1,340	337	(1)	97,991	49.95
Kenya	3,918,750	2,864,422	103,472	11,246	1,776,985	100.00
Egypt	-	-	-	-	59,900	99.83
Egypt	1,514,055	1,280,651	30,731	(98,493)	158,360	37.00
Egypt	78,283	35,865	100,667	19,124	23,108	39.34
Egypt	695,217	924,312	606,412	(308,783)	-	30.00
Total	6,223,244	5,106,590	841,619	(376,907)	2,116,344	

Dec.31, 2022

Subsidiaries

- CVenture Capital
- Damietta shipping & marine services
- Commercial International Bank (CIB) Kenya *
- Commercial International for Finance

Associates

- TCA Properties
- Al Ahly Computer
- Fawry Plus
- International Co. for Security and Services (Falcon)

Total

Company's country	Company's assets	Company's liabilities (without equity)	Company's revenues	Company's net profit (loss)	EGP Thousands	
					Investment book value	Stake %
Egypt	213,108	31,133	8,562	(4,491)	159,828	99.99
Egypt	51,293	1,995	27,512	25,087	97,991	49.95
Kenya	2,578,754	1,680,198	237,289	74,739	560,963	51.00
Egypt	-	-	-	-	59,900	99.83
Egypt	1,511,066	1,251,615	21,503	(72,446)	158,360	37.00
Egypt	42,494	19,534	50,892	(188)	23,108	39.34
Egypt	187,036	100,492	127,246	42,413	14,100	14.99
Egypt	779,891	833,180	356,164	(146,617)	-	30.00
Total	5,363,642	3,918,147	829,168	(81,503)	1,074,250	

15 . Other assets

	Mar.31, 2023	Dec.31, 2022
	EGP Thousands	EGP Thousands
Accrued revenues	10,675,143	11,437,147
Prepaid expenses	809,277	562,736
Advances to purchase fixed assets	1,495,345	1,339,496
Accounts receivable and other assets	1,573,644	981,940
Assets acquired as settlement of debts	123,682	124,098
Insurance	49,342	49,647
Gross	14,726,433	14,495,064
Impairment of other assets	(40,196)	(40,196)
Net	14,686,237	14,454,868

16 . Property and equipment

	Mar.31, 2023							
	<u>Land</u>	<u>Premises</u>	<u>IT</u>	<u>Vehicles</u>	<u>Fitting -out</u>	<u>Machines and equipment</u>	<u>Furniture and furnishing</u>	<u>Total</u>
	EGP Thousands							
Cost at Jan 01, 2023 (1)	229,669	1,170,233	3,514,649	185,552	980,692	868,485	155,586	7,104,866
Additions during the period	-	-	240,330	2,080	3,116	12,341	1,719	259,586
Disposals during the period	-	(4,649)	-	-	-	(6,305)	(177)	(11,131)
Cost at end of the period (2)	229,669	1,165,584	3,754,979	187,632	983,808	874,521	157,128	7,353,321
Accumulated depreciation at beginning of the period (3)	-	541,398	2,612,834	78,210	815,287	637,275	115,349	4,800,353
Depreciation for the period	-	13,610	128,113	5,177	26,552	28,847	4,101	206,400
Disposals during the period	-	(4,649)	-	-	-	(6,305)	(177)	(11,131)
Accumulated depreciation at end of the period (4)	-	550,359	2,740,947	83,387	841,839	659,817	119,273	4,995,622
Ending net assets (2-4)	229,669	615,225	1,014,032	104,245	141,969	214,704	37,855	2,357,699
Beginning net assets (1-3)	229,669	628,835	901,815	107,342	165,405	231,210	40,237	2,304,513

Property and equipment

	Dec.31, 2022							
	<u>Land</u>	<u>Premises</u>	<u>IT</u>	<u>Vehicles</u>	<u>Fitting -out</u>	<u>Machines and equipment</u>	<u>Furniture and furnishing</u>	<u>Total</u>
	EGP Thousands							
Cost at Jan 01, 2022 (1)	64,709	1,169,516	3,142,053	156,316	928,154	826,083	148,638	6,435,469
Additions during the year	164,960	20,121	388,207	29,236	68,913	87,264	10,186	768,887
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	1,170,233	3,514,649	185,552	980,692	868,485	155,586	7,104,866
Accumulated depreciation at beginning of the year (3)	-	505,828	2,093,373	66,687	703,593	559,392	102,359	4,031,232
Depreciation for the year	-	54,974	535,072	11,523	128,069	122,745	16,228	868,611
Disposals during the year	-	(19,404)	(15,611)	-	(16,375)	(44,862)	(3,238)	(99,490)
Accumulated depreciation at end of the year (4)	-	541,398	2,612,834	78,210	815,287	637,275	115,349	4,800,353
Ending net assets (2-4)	229,669	628,835	901,815	107,342	165,405	231,210	40,237	2,304,513
Beginning net assets (1-3)	64,709	663,688	1,048,680	89,629	224,561	266,691	46,279	2,404,237

17 . Due to banks

	Mar.31, 2023	Dec.31, 2022
	EGP Thousands	EGP Thousands
Current accounts	2,673,082	2,672,108
Deposits	5,613,776	803,740
Total	8,286,858	3,475,848
Central banks	555,608	460,169
Local banks	763,839	45,065
Foreign banks	6,967,411	2,970,614
Total	8,286,858	3,475,848
Non-interest bearing balances	2,442,836	2,382,183
Floating bearing interest balances	1,001,105	573,860
Fixed interest bearing balances	4,842,917	519,805
Total	8,286,858	3,475,848
Current balances	8,286,858	3,475,848

18 . Due to customers

	Mar.31, 2023	Dec.31, 2022
	EGP Thousands	EGP Thousands
Demand deposits	215,122,451	197,874,662
Time deposits	110,582,531	105,665,409
Certificates of deposit	145,280,263	128,342,125
Saving deposits	96,542,221	91,890,264
Other deposits	6,586,336	6,352,445
Total	574,113,802	530,124,905
Corporate deposits	283,863,154	262,223,998
Individual deposits	290,250,648	267,900,907
Total	574,113,802	530,124,905
Non-interest bearing balances	105,558,543	94,746,889
Floating interest bearing balances	6,113,121	7,840,984
Fixed interest bearing balances	462,442,138	427,537,032
Total	574,113,802	530,124,905
Current balances	424,096,885	392,968,061
Non-current balances	150,016,917	137,156,844
Total	574,113,802	530,124,905

In 2023, Due to customers contains an amount of EGP 2,442 million representing guarantees of irrevocable commitments for documentary credits - export compared to EGP 2,705 million at the comparative date. The fair value of these deposits is approximately their present value.

19 . Other liabilities

	Mar.31, 2023	Dec.31, 2022
	EGP Thousands	EGP Thousands
Accrued interest payable	2,511,220	2,084,649
Accrued expenses	1,634,909	1,679,182
Accounts payable	11,252,187	7,485,262
Other credit balances	614,193	300,379
Total	16,012,509	11,549,472

20 . Issued debt instruments

	<u>Interest rate</u>		Mar.31, 2023	Dec.31, 2022
	Mar.31, 2023	Dec.31, 2022	EGP Thousands	EGP Thousands
Fixed rate bonds with 5 years maturity				
Green bonds (USD)	Fixed rate	Fixed rate	<u>3,069,231</u>	2,456,607
Total			<u>3,069,231</u>	2,456,607
Non current balances			<u>3,069,231</u>	2,456,607
Total			<u>3,069,231</u>	2,456,607

21 . Other provisions

Mar.31, 2023	<u>Beginning balance</u>	<u>Charged during the period</u>	<u>Exchange differences of other provisions</u>	<u>Net utilized / recovered during the period</u>	<u>Provisions no longer used</u>	<u>Ending balance</u>
						EGP Thousands
Provision for legal claims*	7,456	1,702	450	(277)	-	9,331
Provision for contingent	6,674,314	461,215	1,136,643	-	-	8,272,172
Provision for other claim	383,522	1,451	32,801	(68)	-	417,706
Total	<u>7,065,292</u>	<u>464,368</u>	<u>1,169,894</u>	<u>(345)</u>	<u>-</u>	<u>8,699,209</u>
Dec.31, 2022	<u>Beginning balance</u>	<u>Charged during the year</u>	<u>Exchange differences of other provisions</u>	<u>Net utilized / recovered during the year</u>	<u>Provisions no longer used</u>	<u>Ending balance</u>
						EGP Thousands
Provision for legal claims	7,184	-	656	(212)	(172)	7,456
Provision for contingent	3,203,319	2,124,981	1,346,014	-	-	6,674,314
Provision for other claim	329,173	8,960	48,303	(2,914)	-	383,522
Total	<u>3,539,676</u>	<u>2,133,941</u>	<u>1,394,973</u>	<u>(3,126)</u>	<u>(172)</u>	<u>7,065,292</u>

* There is a number of existing cases against the bank on Mar 31, 2023 for which no provisions are made as the bank doesn't expect to incur losses from it.

22 . Share-based payments

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

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

	Mar.31, 2023	Dec.31, 2022
	<u>No. of shares in thousand</u>	<u>No. of shares in thousand</u>
Outstanding at the beginning of the period / year	92,551	76,328
Granted during the period / year	28,143	31,177
Forfeited during the period / year	(142)	(2,682)
Exercised during the period / year	(36,988)	(12,272)
Outstanding at the end of the period / year	83,564	92,551

Details of the outstanding tranches are as follows:

Maturity date	EGP	EGP	<u>No. of shares in thousand</u>
	<u>Exercise price</u>	<u>Fair value</u>	
2024	10.00	26.34	24,840
2025	10.00	28.43	30,581
2026	10.00	34.09	28,143
Total			83,564

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

	<u>17th tranche</u>	<u>16th tranche</u>
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 daily standard deviation of returns for the last five years.

23 . Legal claims

- There is a number of existing cases against the bank on Mar 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 (Disclosure number 21)

24 . Transactions with related parties

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

24.1 . Loans, advances, deposits and contingent liabilities

	EGP Thousands
Loans, advances and other assets	1,084,806
Deposits	120,723
Contingent liabilities	216,189

24.2 . Other transactions with related parties

	<u>Income</u>	<u>Expenses</u>
	EGP Thousands	EGP Thousands
International Co. for Security & Services	2	51,223
CVenture Capital	541	31
Commercial International Bank (CIB) Kenya	15	-
Damietta shipping & marine services	1	445
Commercial International Finance Company	2	379
Al ahly computer	1	-
TCA Properties	39,202	-

25 . Adjustments to calculate the effective tax rate

	Mar.31, 2023 EGP Thousands	Mar.31, 2022 EGP Thousands
Profit before tax	9,071,306	6,124,379
Tax rate	22.50%	22.50%
Income tax based on accounting profit	2,041,044	1,377,985
Add / (Deduct)		
Non-deductible expenses	1,415,650	892,445
Tax exemptions	(1,667,680)	(1,431,520)
Withholding tax	1,197,839	1,045,877
Income and Deferred tax	2,986,853	1,884,787
Effective tax rate	32.93%	30.78%

26 . Important events

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

27 . Non current assets held for sale

	Mar.31, 2023 EGP Thousands	Dec.31, 2022 EGP Thousands
Subsidiaries		
- C-Venture Capital	159,828	-

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

