



# **INVESTOR RELATIONS PRESENTATION**

**3Q20**



**A BANK TO TRUST**



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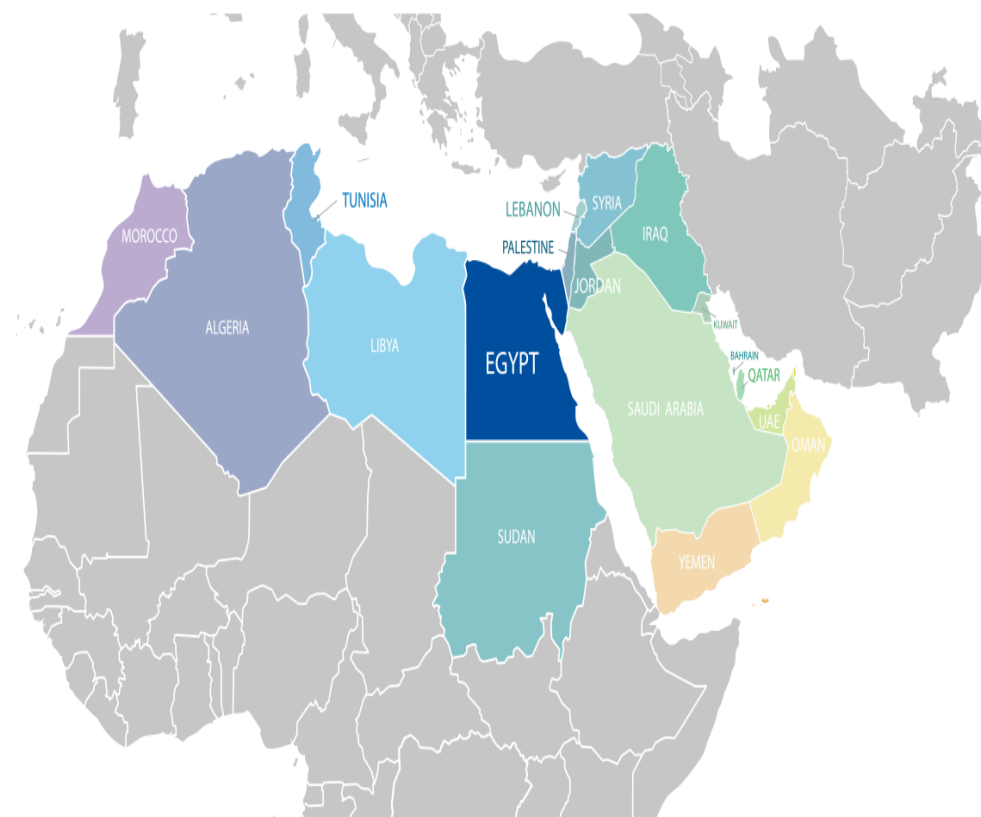
# Egypt's Fact Sheet

## Country Profile

Name	<b>Arab Republic of Egypt</b>
Capital	<b>Cairo</b>
Currency	<b>Egyptian Pound (EGP)</b>
Total area	<b>c.1,002,000 sqm.km</b>
Inhibited area	<b>7.88% of total area</b>
Governorates	<b>29</b>

## Demographics

Population	101.3mn <sup>2</sup>
Median age	24.1 <sup>2*</sup>
Labor force/population	41.1 <sup>1*</sup>
Unemployment rate	7.3% <sup>**</sup>
Most populous country in the Middle East	
3 <sup>rd</sup> most populous in Africa	
Production age totals to c.50% of total population	
Over 85% of the population is below 55 years	


<sup>2</sup> CAPMAS, as of 16/12/2020

<sup>1\*</sup> CAPMAS, as of Q3'2020

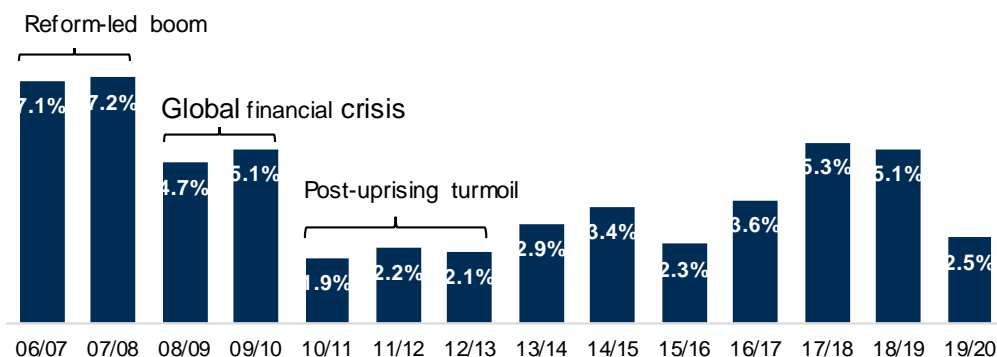
<sup>2\*</sup> CIA, World Fact Book

<sup>\*\*</sup> CAPMAS as of Q3'2020

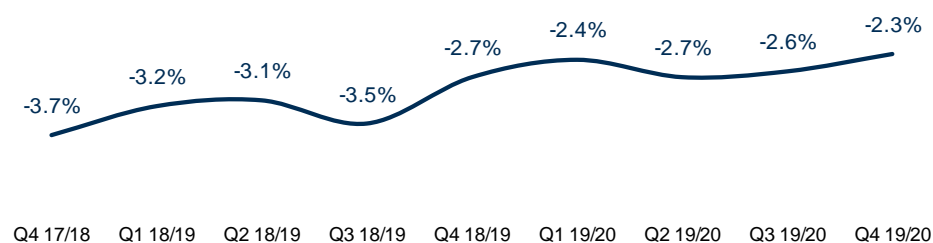


# Macro-Environment and Real Sector

## Real GDP Growth\* (%)



## Trade Deficit (% GDP)

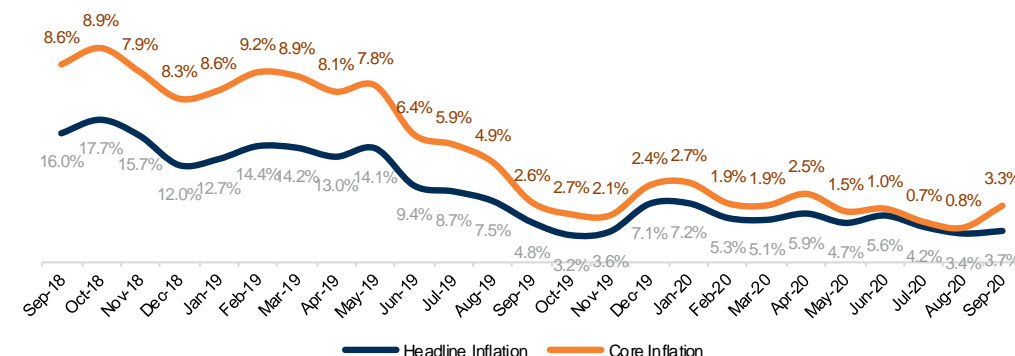


\*GDP at Factor Cost

\*\*CBE, figures as of Q4 2019/2020

\*\*\*\*Trading Economics

## Inflation (%)



## Manageable debt

- ⌘ Net International Reserve: \$38.425bn (Sep2020)
  - ⌘ Current A/C balance: \$-2.7bn\*\*
  - ⌘ LT external debt: \$112.6bn\*\*
  - ⌘ ST external debt: \$10.9bn\*\*
- c.80% of debt in LCY held by public sector*

## Growth Opportunities

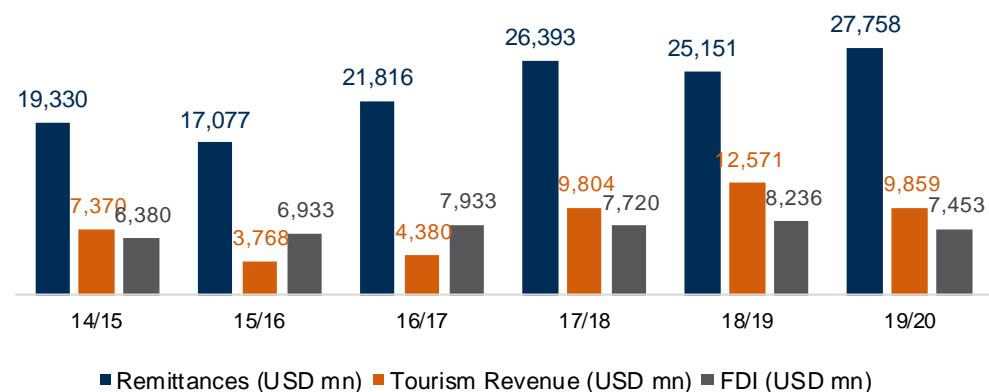
- ⌘ Total GDP: EGP 5,526,955.7mn\*\*\*
- ⌘ GDP/Capita: \$ 2,900 (2020)\*\*\*\*

## Consumption\*\*\*\*

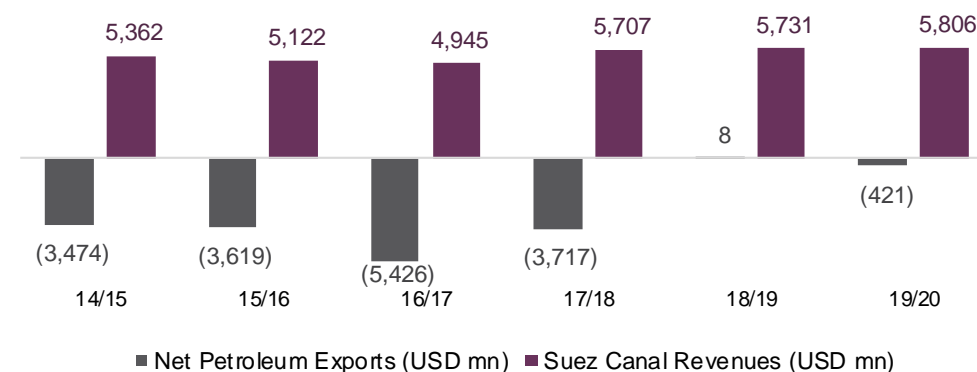
- ⌘ Private consumption/GDP: 83.7%
- ⌘ Public consumption/GDP: 9.8%

\*\*\*GDP at Factor cost by Economic Activity (current prices), as of 2019/2020

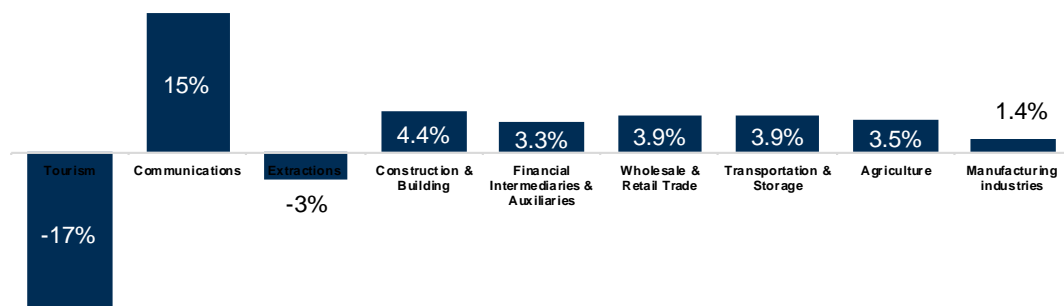
## Foreign Inflows (USD mn)



## Petroleum and Suez Canal Proceeds (USD mn)

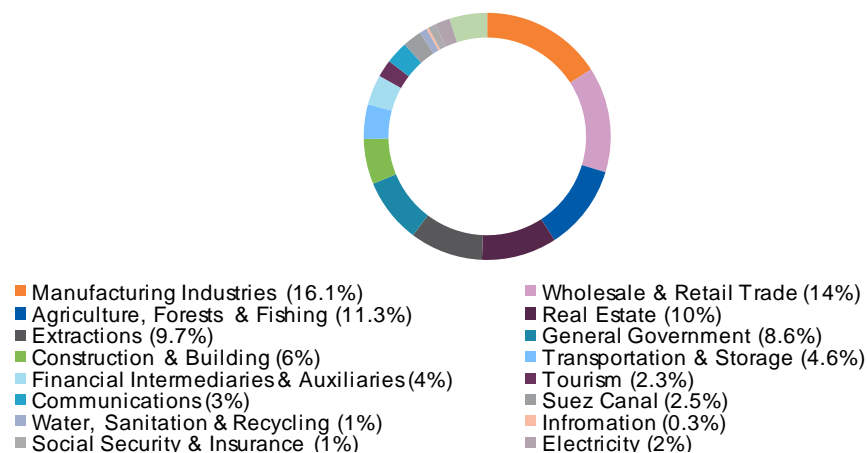


## Key Sector Growth rates\*\*



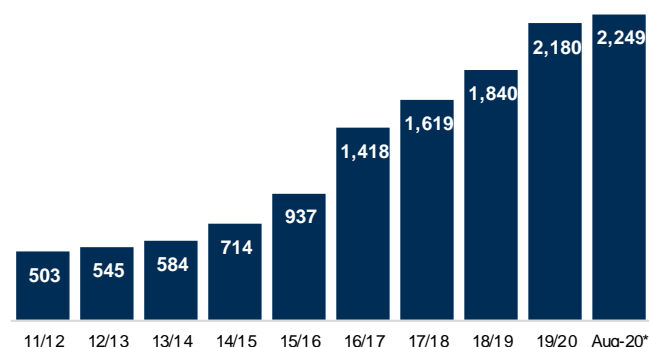
\*\*As of 2019/2020

## Diversified Economy\*\*

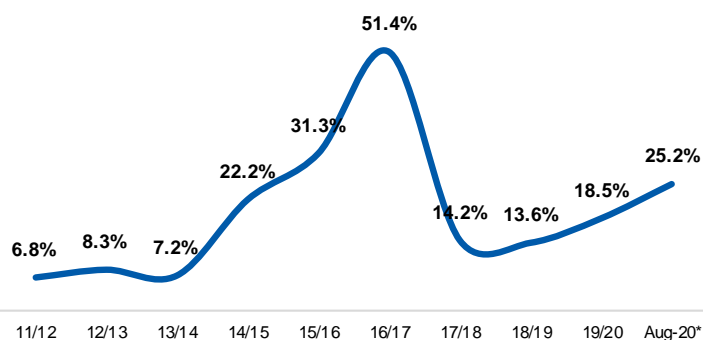


# Egypt's Banking Sector

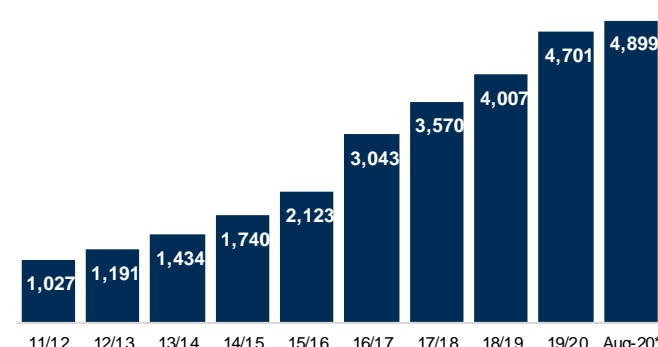
Total loans (EGP bn)



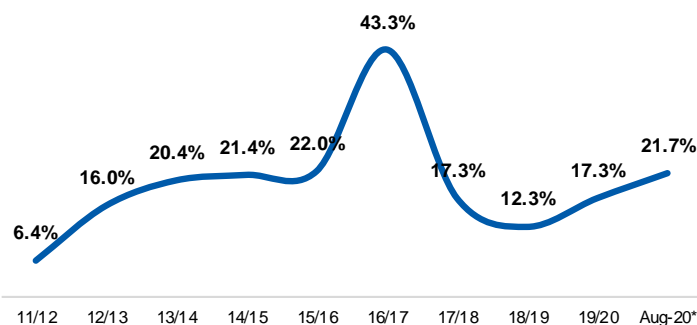
Loan growth (%)



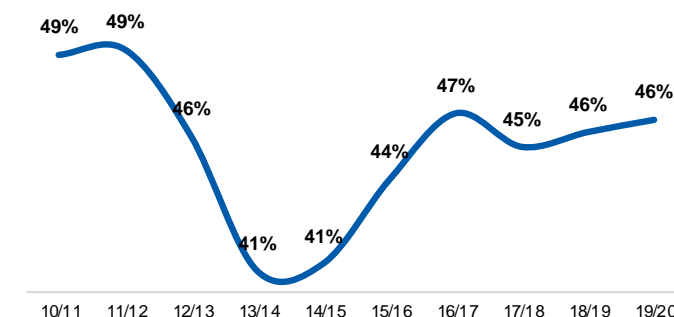
Total deposits (EGP bn)



Deposit growth (%)



LDR (%)



Underleveraged

- ⊗ Total # of banks: 38\*\*
- ⊗ Total bank lending facilities/GDP: 39.0%\*\*\*
- ⊗ Corporate loans/GDP: 30.9%\*\*\*
- ⊗ Household debt/GDP: 8.1%\*\*\*
- ⊗ Loans/Deposits: 46.3%

\* YoY Growth

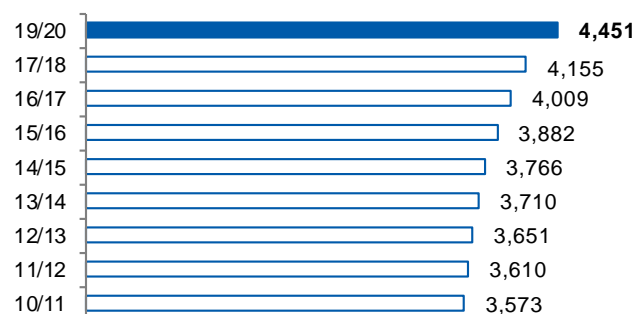
\*\* As of June 2020 - After The Bank of Nova Scotia and The National Bank of Oman obtained approvals to cease operations in Egypt

\*\*\*GDP by expenditure at market price as of 2019/2020. Loan and Deposit Balances as of Aug-20

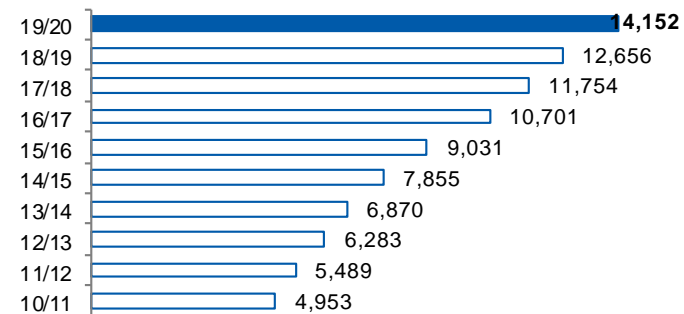
Figures as per CBE

# Egypt's Banking Sector (Cont'd)

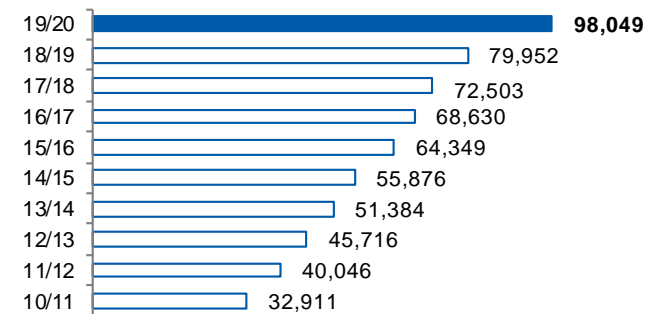
## Total # of branches



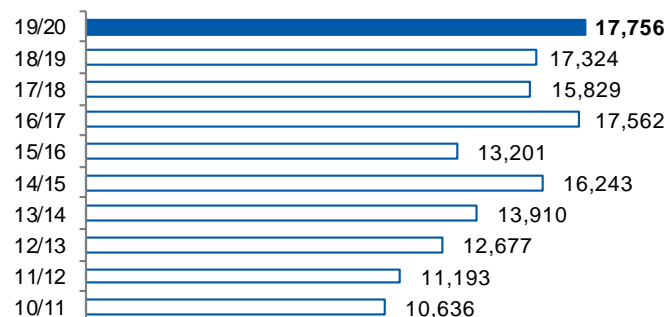
## Total # of ATMs



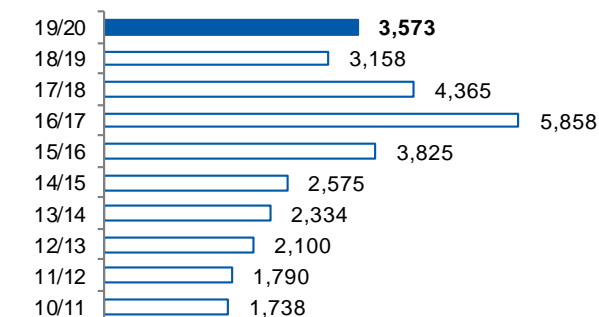
## Total # of POS



## Total # of debit cards ('000)\*



## Total # of credit cards ('000)



## Banking Reforms

- 🌐 **Phase I** (2005-2008): completed
- 🌐 **Phase II** (2009- 2011): improving regulatory environment, adopting Basel II, increased focus on corporate governance, limit concentrated risk exposure and proprietary investment
- 🌐 **Phase III** (2011-2012): finalized fine-tuning of regulations
- 🌐 **Phase IV** (Ongoing): parallel run of existing regulations on capital adequacy and Basel II, finalizing data warehousing framework, final regulations on leverage ratio, 2nd discussion paper on LCR and NSFR, final regulations on ICAAP, Capital conservation buffer
- 🌐 **Starting 1Q19, banks report financial statements in accordance with IFRS9**

\* Including the number of prepaid debit cards from June 2013 until June 2015

# Why Egypt?

## Economic Environment

Among the most diverse in the MENA region

### Mega Projects

- ⊗ New Suez Canal
- ⊗ New Cairo Administrative Capital
- ⊗ Development Passage in Western Desert
- ⊗ Golden Triangle in the South
- ⊗ North Coast development plan
- ⊗ 1.5 million feddan reclamation project in New Valley

### Financial Inclusion

- ⊗ Unveiling opportunities within SMEs
- ⊗ Initiative to pay government employees via debit cards
- ⊗ Integration of grey economy
- ⊗ Attracting retail into banks
- ⊗ (over 80% of adult population unbanked)

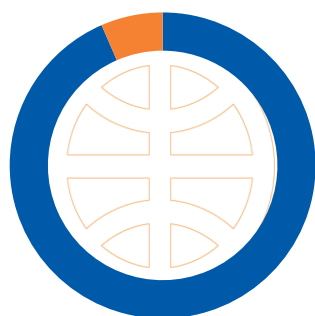
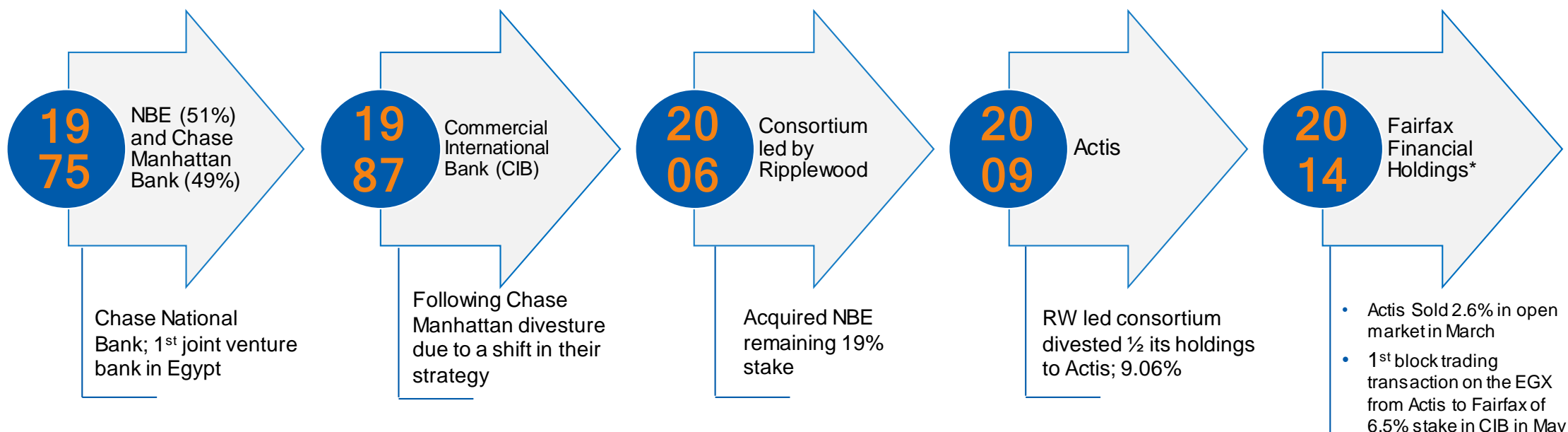
### Reform Policy

- ⊗ Economy faced rising imbalances that led to weakening growth, high public debt, a widening current account deficit, and low official reserves hence the need for reform
- ⊗ Liberalization of foreign exchange system to eliminate forex exchange shortages and encourage investment and exports
- ⊗ Monetary policy aimed at containing inflation
- ⊗ Target to decrease budget deficit to contain public debt by collecting more revenues through progressive taxation and cutting expenditure through eliminating fuel and energy subsidies
- ⊗ Strengthening social safety nets by increasing spending on food subsidies and cash transfers such as Takaful and Karama.
- ⊗ Far-reaching structural reforms to promote higher and inclusive growth, increasing employment opportunities for youth and women

## Attracts Investments

- ⊗ Approved IMF Loan signaling a tremendous confidence boost in Egypt's ability to release its economic potential in a sustainable way
- ⊗ Broad and increasing local consumer base
- ⊗ Government has finalized the new investment law, new industrial license act and the new bankruptcy law which will increase domestic investment & attract FDI
- ⊗ Low labor costs

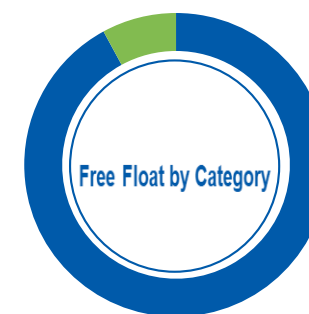
# CIB's Shareholders



■ Free Float (93.45%) ■ Fairfax (6.55%)\*



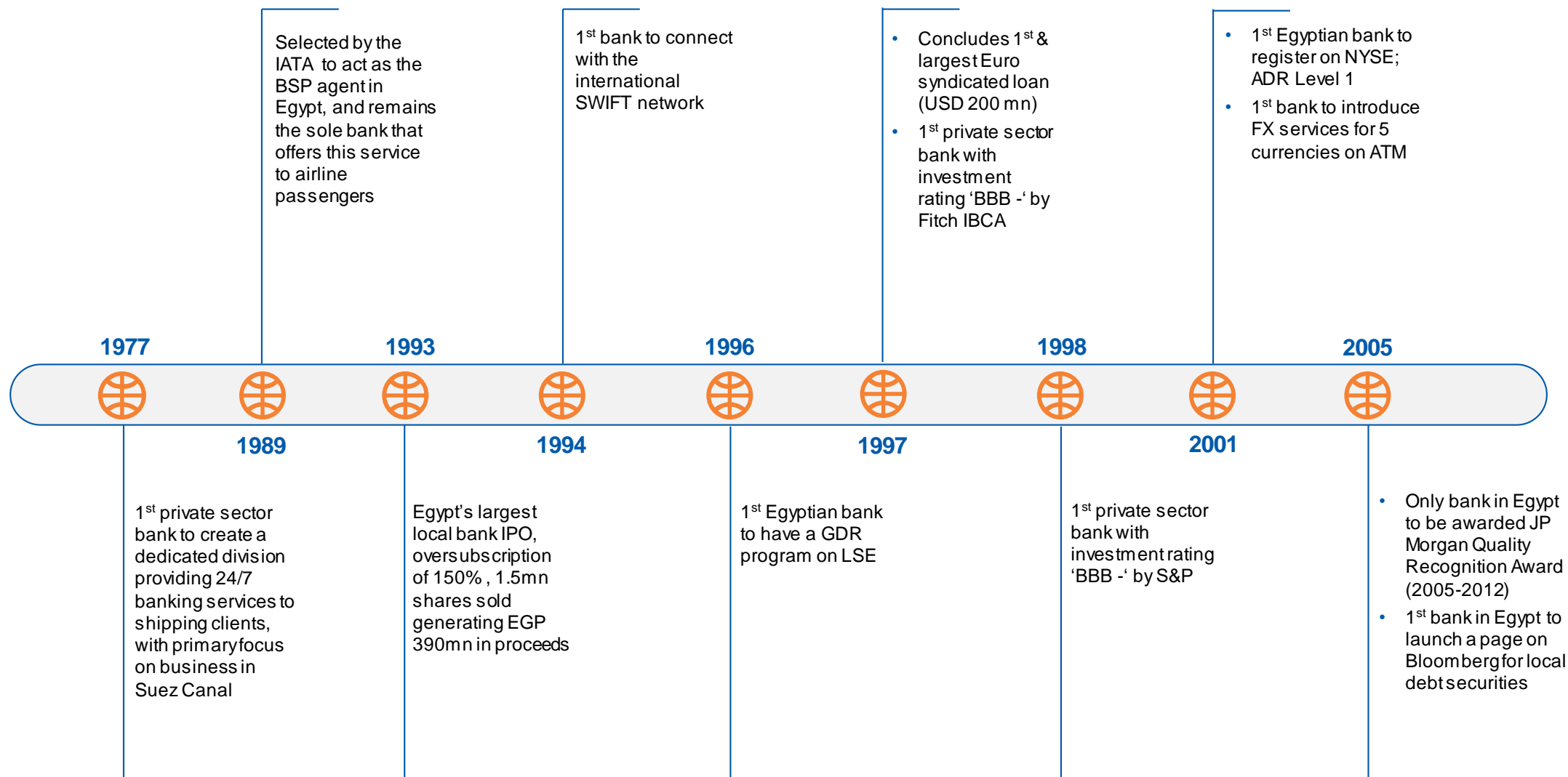
■ North America (48.95%)  
 ■ Africa (22.5%)  
 ■ GCC (9.62%)  
 ■ Continental Europe (8.40%)  
 ■ UK & Ireland (5.74%)  
 ■ Rest of the World (4.74%)



■ Institutions (92.07%)  
 ■ Retail (7.93%)

\* Several wholly owned subsidiaries of Fairfax Financial Holdings Ltd ("Fairfax")

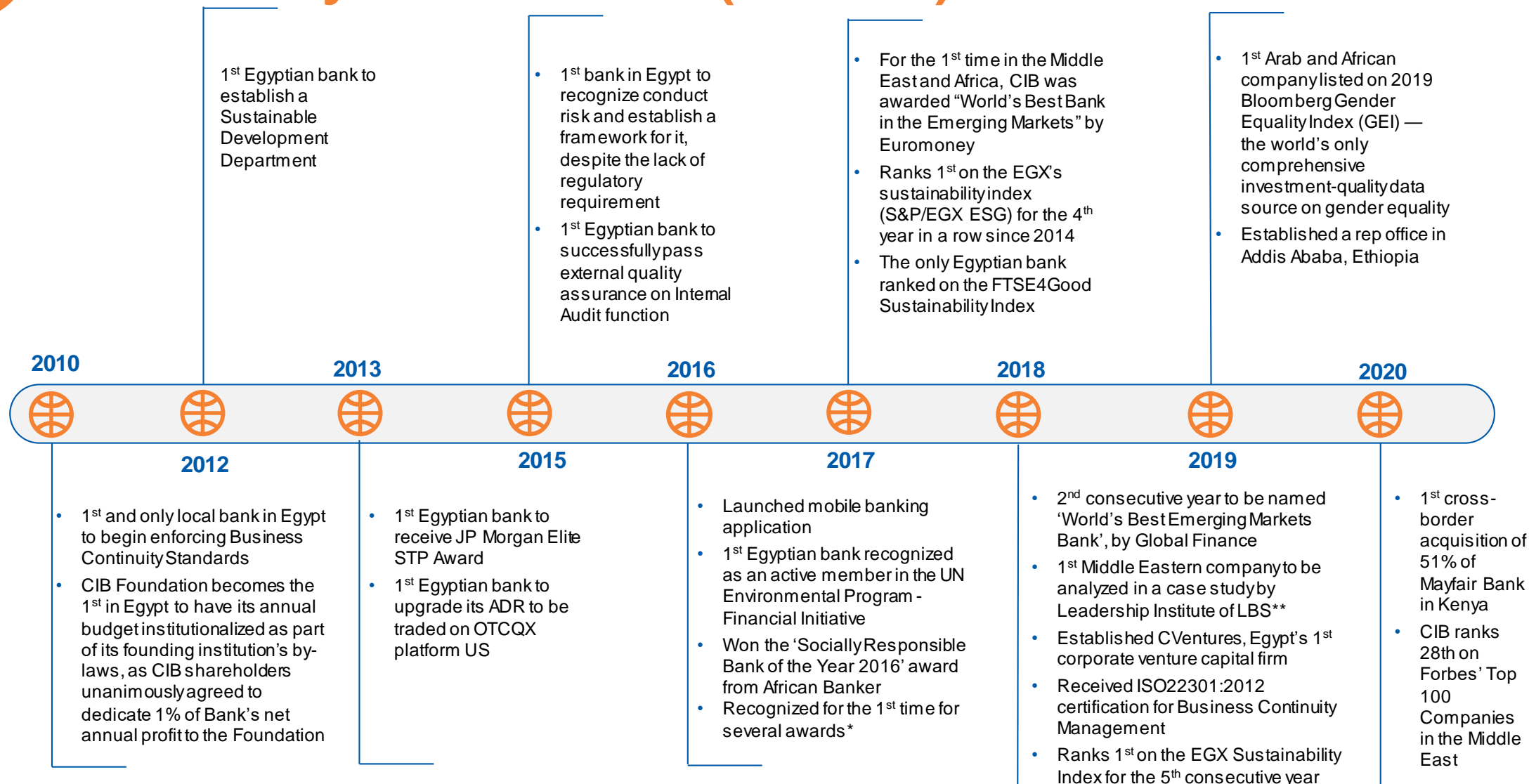
# CIB's Key Milestones



\* The publications are Euromoney, Global Finance, EMEA Finance, & The Banker



# CIB's Key Milestones (Cont'd)



\* Awards include: Best Bank in Egypt Supporting Women Owned and Women Run Businesses by the American Chamber of Commerce in Egypt, Two awards in Achievement in Liquidity Risk and Operational Risk for Middle East & Africa by Asian Banker for 2016, Best Retail Risk Management Initiative by Asian Banker for 2016, Middle East Most Effective Recovery 2016 by BCI

\*\* LBS: London Business School

\*\*\* By PECB in partnership with EGYBYTE

# CIB's Subsidiaries & Associates



## Ownership

99.9%

Established in 2018, CVentures is Egypt's first corporate venture capital firm focused primarily on investing in category-defining companies with the potential to create meaningful change in financial services. CVentures primarily participates in investment rounds, and —on a selective basis — seed investment rounds in core financial applications



## Ownership

51%

Mayfair CIB Bank Limited is a Kenyan banking institution serving small and medium enterprises, large corporate clients and high net worth individuals. The Bank was established in 2017 by a group of Kenyan investors, and was granted a banking license by the CBK on June 20<sup>th</sup>, 2017 and began its operations on August 1<sup>st</sup>, 2017



## Ownership

30%\*\*

**Profile:** Offers a full suite of security services;

Private security

Premises protection

Cash-in-Transit (CIT)

Electronic security system solutions

General and facility management services

Touristic and governmental concierge services



## Ownership

23.5%

**Profile:** an "Agent Bank" financial services;

Registration and Application Services

Loans and Credit Cards Payment

Retail Cash Deposit and Withdrawals

Local and International Remittances

Drop In and Collection Services

ATM Outsourcing Services

Fawry Plus is a newly established Joint Venture offering an "Agent Bank" financial services that acts on behalf of another bank or group of banks, which is an innovative delivery model that brings financial services providers closer to millions of un-banked population.

\*\* Ownership as of Q4 2020

\* CI Capital is now within the available for sale investment portfolio. On the back of CI Capital's Initial Public Offering and Capital Increase, CIB's stake in CI Capital was diluted to reach 7.56%.

# CIB's Subsidiaries & Associates Cont'd



## Ownership

39.34%\*

Established in October 1996 as a joint stock company, ACE has a long track record in the field of trading and maintenance of specialized information technology hardware. The company is well-positioned as the system integrator of choice for the government, major banks, and large institutions. ACE sources its original hardware products from recognized companies in the field, such as Sedco, Fujitsu, HP, and Cisco



## Ownership

49.95%\*

Damietta Shipping and Marine Services (DSMS) is a shareholding company, established in 1986 through a Public Offer. CIB acquired stake in the company during July 2018, and its stake reached 49.95% in October 2020. DSMS is a small sized company, with minimal operations in the form of marine services mainly containers repairs, renting fuel tanks and electricity generators

\* Ownership as of Q4 2020

# Our Presence In Egypt

## CIB's footprint

### Distribution Network

Total Branches and Units: 207

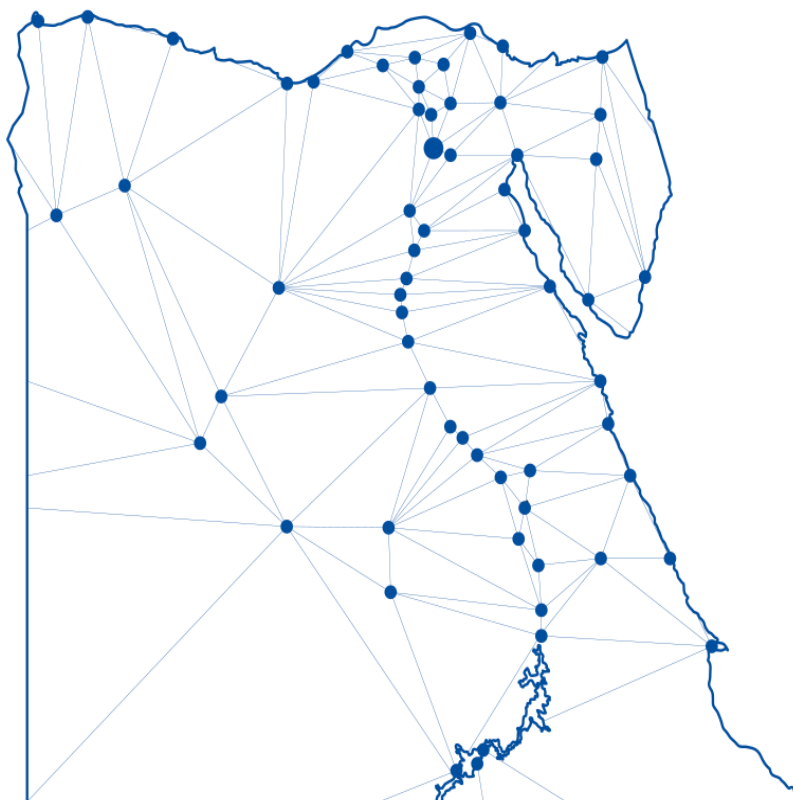
Cairo: 120

Alexandria: 29

Sinai and Canal: 28

Delta: 15

Upper Egypt and Red Sea: 15



### Digital Banking

**3,748,194** Website Visits

**3,913,444** Call Center Calls

**769,402** Smart Wallet Users

**746,021** Internet Banking Users

**756,887** Mobile Banking Downloads

**1,760,003** IVR calls

**19,373** POS

**1,110** ATMs

# CIB's Digital Transformation Highlights

Since the launch of CIB's digital transformation strategy, significant progress has been made on all three fronts. Today, CIB is ideally positioned to continue building on its current framework to drive full digitalization across the entirety of its day-to-day operations in the coming years

## Analytics and Data Management

### Credit Card Purchase Behavior Segmentation

The first phase of the project involved an internal staff analysis using data from more than 7,500 credit cards issued to c.4,500 CIB employees

### Intelligent Product Recommendation Engine

### Anomaly Detection Model

### Automated Credit Limit Increase (ACLI)

## Building CIB's Digital Channels

As of Q3' 2020:

**746,021** Internet & Mobile Banking users with an activity rate of 65%

▲ **8%** Internet banking subscribers increase versus Q2 2020

▲ **68%** Mobile banking rise in the number of transactions versus Q2 2020

▲ **7%** Smart Wallet subscribers increase versus Q2 2020

### Bank Of The Future

. The Bank of the future (BOTF) program was launched which is a 5-pillars program that aims to make CIB "The digital bank to trust" by transforming customer-facing aspects (service digitalization- branch digital experience- branch classification) and internal aspects (operations centralization - Robotics)

- Under the service digitalization 'branch off-loading' work stream: We managed to announce the suspension of in-branch 25 services on 2 consecutive drops (October 1st '17 services', and November 15th '8 services')

## Digital Innovation and International Recognition



Only Egyptian private sector company in **Digital Economy Task Force** (2018-2019)



**R3 Consortium Member** (since 2017)



Part of pilot and launch of **Interbank Information Network (IIN)** powered by JP Morgan (2017-2019)



Subject of **London Business School Case Study** (2018)



Euromoney's "Best Bank in the Emerging Markets"

Digital Edge 50 award

# CIB's Latest Digital Initiatives

## Chatbot



2019 was the introduction of “Zaki the Bot”; the virtual assistant who uses artificial intelligence to help the Bank’s customers and non-customers learn about CIB’s products and also locates the nearest ATM or branch

The chatbot supports both English and colloquial Arabic operating on both Facebook Messenger and CIB’s public website, off-loading inquiries from both call-center agents and social media teams, and significantly creates a new customer touch point

In 2020, Zaki the Bot’s use cases will be expanded to serve new customer segments, such as corporate and business banking

## QR Code



QR Code is a new payment method which provides a secure and convenient approach to process payments through mobile wallets

In 2019, the Bank obtained the license to introduce the QR Code via CIB Smart Wallet as a new payment method which will rapidly expand the Bank’s merchant network and in a cheaper channel compared to the traditional terminals (POS) that used to be provided to the merchants

The new payment method will encourage a large portion of the mobile wallet users who currently reached 13.5 mn users to activate their wallets and follow the new market trend

## Smart Pay



Smart Pay is a merchant payments service used as an acquiring tool that allows merchants to accept electronic payments from customers through their mobile devices through:

QR codes: Merchant will receive their payments through QR code scanned by the customers directly through their mobile phones

Request to pay: Merchant can send a payment request to customers

Direct payment using the merchant’s ID: Customers enter the merchant details manually to complete the payment process

Merchant to Merchant Payment: purchase your goods from retailers through Smart Pay Smart

# CIB's Presence in Africa

CIB foresees tremendous growth across the continent and is working towards increased collaboration among African countries, financial institutions and individuals to expand markets and to bolster trade



**World Economic Forum (WEF):** Chairman was invited by the WEF to lead and address the discussion on Financial Crime within the scope of the “Globalization 4.0: shaping a global architecture in the age of the fourth industrial revolution” theme and to also inaugurate their regional African forum in South Africa. CIB has since officially become a WEO member, and accordingly, will be able to leverage this unique platform to learn from other world class financial intuitions, engage in globally transformative projects, and connect with potential African and global partners alike



**Smart Africa:** CIB is proud to have joined the esteemed Smart Africa network, joining forces and actively working hand-in-hand with the continent's leading organizations on financial inclusion and digital transformation. The Smart Africa Alliance is a Public-Private platform launched in 2013, the Alliance is made up of all African countries adhering to the Smart Africa Manifesto and dozens of private sector and academia members. During the Transform Africa Summit in Rwanda, CIB signed an MOU to collaborate on ICT literacy, eServices innovation and awareness and digital entrepreneurship advancement



**European Union (EU) and African Union's (AU) Digital Economy Task Force (DETF):** CIB was invited to be member of the DETF which is a multi-stakeholder group aimed at creating synergies between the EU and AU and promote private sector interventions and investments in developing countries. The Task Force has published recommendations based on four priority pillars: *1. Access to affordable broadband connectivity and digital infrastructure 2. Digital skills 3. Digital entrepreneurship and 4. eServices.* The final document, signed off on June 13<sup>th</sup>, 2019, showcases CIB's Advanced Analytics and Big Data Lab as a best practice across the African continent



**Ethiopia Representative Office:** During April 2019, CIB established its commercial representative office in Addis Ababa, Ethiopia with the aim to strengthen the relationships with Ethiopian banks, promote Egyptian exports and gain market insights. This office represents the CIB's first step to operate in one of the most attractive markets in the region



**Carnegie Mellon University (CMU):** CIB has partnered with CMU Africa based in Kigali, Rwanda to provide real-life business case practicum courses for their Master of Science in Information Technology (MSIT) degree specifically within the IT Entrepreneurship concentration. CMU is a top ranked US research institution, whose industry partners include top international renowned companies



**Mayfair Bank:** CIB acquired 51% of Mayfair Bank in Kenya. CIB's mandate to explore and assess opportunities in Africa, building a bridge for Egyptian customers to benefit from regional integration efforts across the continent and benefiting from the prospects available from being Common Market for Eastern and Southern Africa (COMESA) members and the recent African Continental Free Trade Agreement (ACFTA).



# Lines of Business and Credit Rating

	Institutional Banking	Consumer Banking
<b>Profile</b>	<ul style="list-style-type: none"> <li>Market leader</li> <li>Prime contributor to profitability</li> </ul>	<ul style="list-style-type: none"> <li>The take-off for a world class consumer banking franchise</li> </ul>
<b>Focus</b>	<ul style="list-style-type: none"> <li>Large and medium-size corporates (MNCs, institutions and banks)</li> <li>Project finance and syndicated loans</li> <li>Treasury and capital Markets Services</li> <li>Transactional banking services</li> </ul>	<ul style="list-style-type: none"> <li>Retail customers (with special focus on Wealth and Plus)</li> <li>Business Banking (SMEs)</li> </ul>
<b>Contribution to loans</b>	74%	26%
<b>Contribution to deposits</b>	33%	67%
<b># of customers</b>	8,295	1,558,924

## Credit Rating

### Current Rating

### Previous Rating

	LT FCY	ST FCY	Outlook	LT FCY	ST FCY	Outlook
<b>Fitch*</b>	B+	B	Negative	B+	B	Stable
<b>S&amp;P****</b>	B	B	Stable	B+	B	Stable
<b>Moody's**</b>	B2	NP	Stable	B3	NP	Positive
<b>CI***</b>	B+	B	Stable	B	B	Positive

The information and figures related to lines of business are based on Managerial Accounting and according to CIB's internal organization chart

\*\*\*\* According to the latest report April 17<sup>th</sup> 2020

\* According to the latest report on September 16<sup>th</sup>, 2020

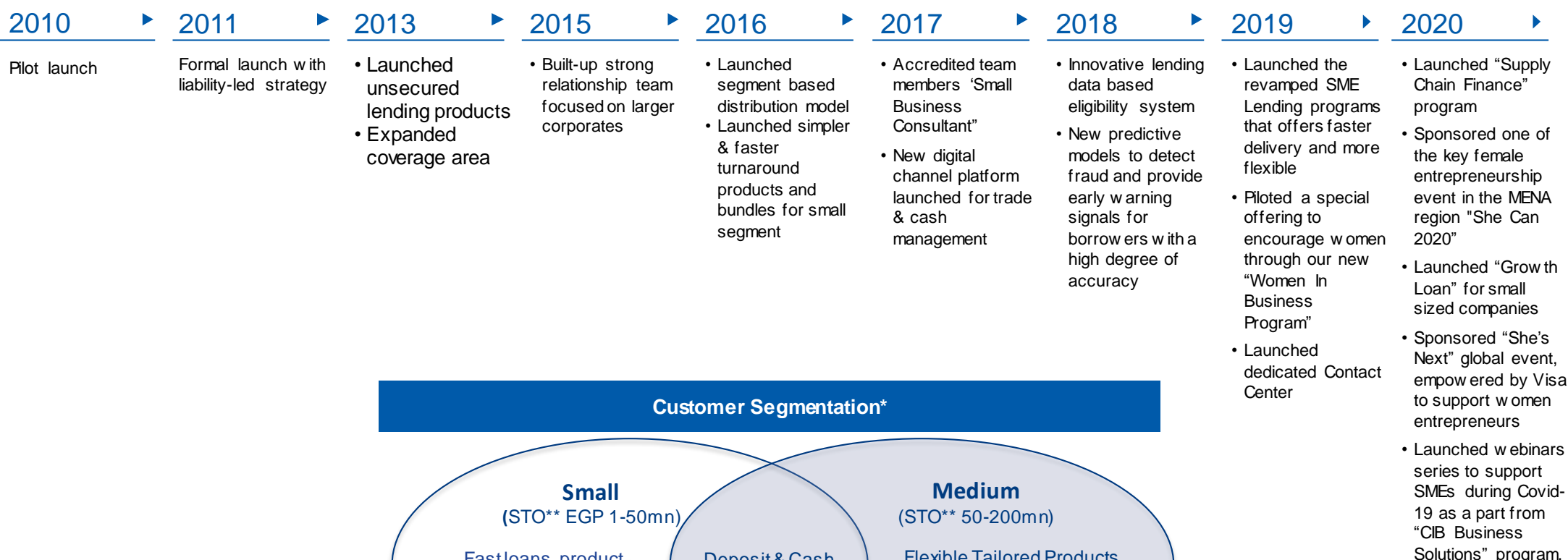
\*\* According to the latest report on December 10<sup>th</sup> 2020

\*\*\* According to the latest report October 2020

# Business Banking

Serves SMEs through a comprehensive range of financial solutions

Covers all sectors and industries through over 70 highly trained Relationship Managers across Egypt



\* According to CBE Segment Definition  
 \*\*STO: Sales turnover

# Our Stock in a Nutshell

## STOCK EXCHANGES

### TICKER

Listed Egyptian Exchange (EGX)

COMI

Listed London Stock Exchange (LSE)

CBKD

Traded OTCQX Int'l Premier (Level 1 ADR prog.)

CIBEY

## SHARE INFORMATION

Shares outstanding 1,469,082,130

Par value EGP 10.00

GDR convertibility 1:1

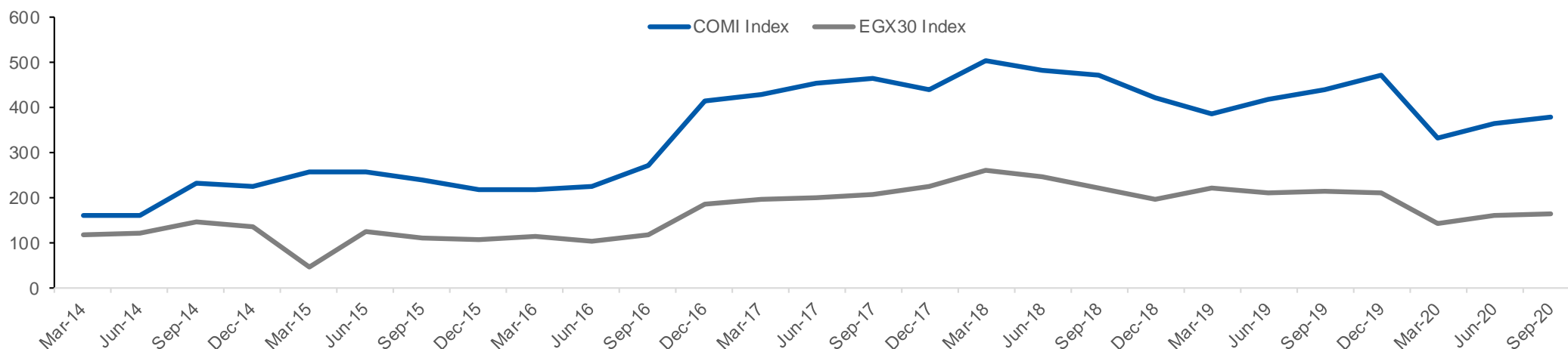
## 52 WEEKS PERFORMANCE

High EGP 87.10

Low EGP 51.2

	2013	2014	2015	2016	2017	2018	2019	YTD 2020*
Market Cap. (EGP)	29,329mn	44,673mn	43,691mn	84,324mn	89,865mn	86,438mn	109bn	92.6bn
Avg. Daily Volume	2.110mn	1.98mn	2.17mn	2.37mn	1.31mn	1.30mn	1.23mn	2.12mn
Avg. Daily Price (EGP)	15.65	26.41	33.86	38.20	62.92	65.84	73.47	69.12

## Stock Activity: COMI vs. EGX30



All information normalized after 1:4 stock bonus as of 14/2/2019

CIB's market cap surpassed EGP100bn in July 2017, the highest ever in EGX history and 1<sup>st</sup> time a listed company reaches this mark

\*As of 14/01/2020

Source: Bloomberg



# ESG in CIB



## Environmental

CIB promotes and applies green concepts and activities to reduce harm on the environment and promote sustainable ways of operating and conducting its daily business. CIB works to use its resources in ways leading to minimal environmental harm

### Carbon Footprint Calculations:

- Emissions hit 36,373,090 MtCO<sub>2</sub>e for 2019. A target was set for 2025 to reduce greenhouse gas emissions by 10% (1,800 MtCO<sub>2</sub>e)

### Energy Efficiency

- Energy Management System (EnMS) to provide technical data on energy consumption and how to effectively manage it. Recorded a 3% YoY reduction in 2019

### Sound Measurement

- Finalized a sound measurement exercise on the five busiest branches in Cairo, Giza, and Alexandria.
- The results showed that CIB successfully decreased noise pollution levels on average by 10-12 decibels per branch

### Reducing Waste and Managing Resources

- Water consumption is controlled through water restrictors and other devices
- Waste management systems are in place, paper waste is sold to paper recycling startups, and biodegradable plastic is used
- The Bank also encourages carpooling through a tailored CIB application



## Social

CIB strives to create a positive impact on the local community. Accordingly, it has undertaken a number of initiatives to promote inclusive and sustainable development across the country as well as provide support to underserved segments of the community

### Corporate social responsibility

#### Social Activities:

- The Bank increased its effort and focus on creating partnerships with organizations to have a social impact on underprivileged and special needs children, as well as children with health conditions

#### Cultural activities:

- CSR activities branched into the art and culture fields, CIB has increased and diversified its support of artistic endeavors throughout Egypt

### CIB Foundation

- Dedicated to improving healthcare and nutrition services extended to children of underprivileged families with limited access to quality healthcare
- CIB donates 1.5% of its annual profit to the CIB Foundation
- Includes not only the donation of money, but also the monitoring of projects' impact

### Supporting Sports

- Continued to positively impact local communities by strengthening our support for sports in Egypt
- Recognized early on the true potential of Egypt's squash players, who are dominating world rankings



## Governance

CIB endeavors to apply international best practices in the area of corporate governance. CIB's corporate governance structure is anchored both in a highly professional executive directors and a distinguished group of independent non-executive directors (NED), as well as its experienced management team

### Board of Directors

- CIB is headed by a competent BoD, which provides the Bank with the necessary leadership and experience to manage its business with integrity, efficiency

### Board Committees

- Backed by an experienced executive management team, CIB's highly qualified BoD is also supported by specialized Board Committees

### External Auditor

- The Board Audit Committee recommends the appointment and/or termination of the external auditor, which is approved at the General Assembly Meeting of Shareholders

### Shareholders' Rights

- Provides a platform for shareholders to engage with the Board of Directors, ask questions, and exercise their voting rights. Shareholder consent is required for key decisions

Please refer to CIB's Sustainability report on the website for detailed information on the Bank's activities



# Corporate Governance

## Commitment to Sound Corporate Governance Practices Continues to Define CIB

### This commitment is supported by several mandates:

- ⊗ Internal policies, risk controls, and manuals have been put in place to ensure that all business aspects are not only covered, but well-governed (including risk management, compliance, audit, remuneration, evaluation, succession planning, code of conduct, and budgeting)
- ⊗ Segregation of the role of Executive Management and Board of Directors
- ⊗ Dedicated Corporate Governance team
- ⊗ Highly skilled Investor Relations team

The Board carries on with its mandate to continuously improve the overall corporate governance framework by regularly reviewing and supervising the Bank's practices

### The Board's main responsibilities include:

- ⊗ Setting the Bank's overall strategy and overseeing its execution
- ⊗ Establishing internal control mechanisms
- ⊗ Setting the Bank's risk appetite and regularly monitoring performance indicators against approved, defined appetite
- ⊗ Approving IT Group strategy and review it periodically, especially with regards to the confidentiality of the Bank's information
- ⊗ Ensuring that shareholders' interests are being catered to

We take pride in our strong corporate governance structures which include:

Experienced team of professional executive directors and senior management

Distinguished group of non-executive directors

Competent board committees

# Board of Directors

- ⊗ The Board enjoys significant diversity, leadership, skills, operating experience and professionalism in a broad set of industries
- ⊗ Complying with best international practices, an independent Lead Director is appointed
- ⊗ The Board and its committees are governed by well-defined charters that sets out its responsibilities and composition requirements
- ⊗ The Board is supported by internal and external auditors

7 committees assist in fulfilling the Board's responsibilities;

## Non-executive

Audit Committee

Corporate Governance & Nomination Committee

Risk Committee

Operations & IT Committee

Compensation Committee

## Executive

High Lending & Investment Committee

Management Committee

CIB's Board consists of 7 members;  
6 are non-executive and 5 are independent

Sherif Samy	Non-Executive Chairman
Hussein Abaza	Chief Executive Officer and Board Member
Amani Abou-Zeid	Lead Director, Independent, Non-Executive Board Member
Magda Habib	Independent, Non-Executive Board Member
Paresh Sukthankar	Independent, Non-Executive Board Member
Rajeev Kakar	Independent, Non-Executive Board Member
Michael-Jay Baslow	Independent, Non-Executive Board Member

New Board term effective 15/03/2020, and recent Board changes in October 2020 whereby Mr. Michael-Jay Baslow joined CIB's Board of Directors on October 12<sup>th</sup>, and Mr. Hisham Ezz Al-Arab decided to step down from his responsibilities as Chairman and MD on October 23<sup>rd</sup>. CIB's Board has unanimously appointed Mr. Sherif Samy as non-executive chairman

# Our Strategy

Today				Tomorrow
<b>Financial Performance Drivers</b>	Quality loan growth, with focus on increasing product penetration and SoW	Deposit growth, specially from households	Transactional banking services	<ul style="list-style-type: none"> <li>Positioned as trade finance hub for Egypt &amp; Africa</li> <li>Focus on SMEs &amp; underpenetrated retail banking segment</li> <li>Capture the pent-up CAPEX and investments inflow on the back of expected economic recovery</li> </ul>
<b>Customer Centricity</b>	Adopting a customer relationship model	Offering bundled financial solutions and value-added services	Undertaking several service quality initiatives to improve customer satisfaction	<ul style="list-style-type: none"> <li>Deepen understanding of customer behavior through data analytics</li> <li>Adding granularity to customer segments for a behavioral and lifestyle approach</li> <li>Development of need-based bundled value propositions</li> </ul>
<b>Operational Efficiency</b>	Centralization of Operations	Automation and process re-engineering	Core system upgrade	<ul style="list-style-type: none"> <li>Focus on operational efficiency , automation and productivity gains</li> <li>Digitize banking experience and work towards straight through processing</li> <li>Enforcing advanced business continuity, and security management best practices including cyber security</li> </ul>
<b>Organizational Development</b>	Focus on learning and development	Reduction in our ecological footprint	Adoption of corporate governance best practices and solid CSR strategy	<ul style="list-style-type: none"> <li>Enforcing a social and environmental management system</li> <li>Become Egypt's number 1 "Green Bank"</li> <li>Development in human capital and alignment to accommodate with the digital transformation</li> </ul>



# Business Continuity & Resilience Management

**Pioneer in implementing international standards and best practices;** established in 2010; ahead of all major players in the market

**Set a unique model within the Egyptian financial sector in Business Continuity industry;** since 2014, CIB was shortlisted for 12 global and regional Business Continuity excellence awards from 3 of the most reputed organizations in the BCM industry worldwide.

**Award winner of “Middle East Most Effective Recovery 2016” by Business Continuity Institute-UK (BCI) & “Business Continuity Team of the Year 2015” from Disaster Recovery Institute International-USA (DRII)**

**Certified ISO22301 in Business Continuity** as the first Egyptian private bank to obtain this reputable accolade and the first bank in Egypt to be certified against the latest version of the standard.

## Initiatives

CIB continues to invest in further improving its business continuity and recovery capabilities to ensure it provides sustainable and uninterrupted services to our customers

- ⊗ **Progressive Disaster Recovery Planning**
- ⊗ **Continuous Alternate Sites Enhancement**
- ⊗ **Flexible Remote Working strategies (Work from Anywhere)**
- ⊗ **Moving towards Resilience Management**
- ⊗ **Critical Suppliers Management**
- ⊗ **Automation and Performance Metrics Management**

# Response to COVID-19





# Cyber & Information Security

**Security is a major area of focus for CIB**

**Strong Security Governance & policies** aligned with International Standards and Best Practices

**Certified Payment Cards Industry** – Data Security Standards (PCI-DSS) since 2017  
And **Certified ISO27001** in Information Security Management in 2020

**Dedicated Information Security Compliance and Controls** departments responsible for ensuring Bank maintains security posture status

**Cyber Security Operations Center (SOC)** for ongoing Monitoring and response for Security threats considered the first SOC operating with full in-house capabilities in the financial sector in Egypt, when launched in 2017

**Commitment** towards a safer operational and business environment that supports the organization and customers' benefits and well-being

## Initiatives

**CIB continues to invest in further improving its Cyber & Information Security capabilities to continuously protect its customers', shareholders and provide secure banking services and unique customer experience**

- ⊗ Round the clock 24x7 Security Operations Center (SOC)
- ⊗ Focus on Data Protection
- ⊗ Moving towards ISO27001 Certification
- ⊗ Incident response Automation and efficiency
- ⊗ **Continuous Investment** in Security Infrastructure, technologies, and Workforce development

# Awards and Recognition



## 2020

Best Treasury & Cash Management Providers in Egypt - by Global Finance

Best Bank – by Euromoney

Best Regional Bank in North Africa – by African Banker

Safest Banks in Africa - Egypt – by Global Finance

Best Website Design - by Global Finance

Best Bank in Egypt - by Global Finance

Best Domestic Bank in Egypt – by Asiamoney

Best Emerging Markets Bank – by Global Finance

Best Consumer Digital Bank – by Global Finance

Best Mobile Banking App - by Global Finance

Best Foreign Exchange Provider in Egypt - by Global Finance

Best Digital Bank in Egypt – by Asiamoney

Pan-Africa Sustainability Award – by EMEA Finance

Best Integrated Consumer Banking Site - by Global Finance

Most Innovative Digital Bank – by Global Finance

More awards available:

<https://www.cibeg.com/English/AboutCIB/Pages/Awards.aspx>



# Performance Snapshot: 3Q20

	Key Indicators	3Q20	Comparison	Commentary	
<b>Profitability</b>	REVENUES NPAT ROAE ROAA	EGP 6.7bn EGP 2,349mn 17.6% 2.31%	EGP 6.1bn; 3Q19 EGP 3,183mn; 3Q19 28.4%; 3Q19 3.46%; 3Q19	10% YoY -26% YoY -38% YoY -33% YoY	▲ ▼ ▼ ▼
<b>Efficiency</b>	NIM** COST/INCOME	6.71% 20.5%	6.41%; 3Q19 20.7%; 3Q19	5% YoY -1% YoY	▲ ▼
<b>Assets</b>	TOTAL ASSETS NET LOANS	EGP 414,720mn EGP 119,165mn	EGP 386,742mn; Dec-19 EGP 119,946mn; Dec-19	7.2% YtD -1% YtD	▲ ▼
<b>Asset Quality</b>	NPLs/GROSS LOANS** COVERAGE RATIO**	3.97% 289%	3.99%; Dec-19 225%; Dec-19	1% YtD 29% YtD	▼ ▲
<b>Funding</b>	CUSTOMER DEPOSITS LOAN TO DEPOSIT RATIO**	EGP 332,327mn 40.5%	EGP 304,448mn; Dec-19 43.3%; Dec-19	9% YtD -6% YtD	▲ ▼
<b>Equity &amp; Capital</b>	SHAREHOLDERS' EQUITY*** CAR	EGP 54,185mn 31%	EGP 51,880mn; Dec19 26.1%; Dec-19	4% YtD 19% YtD	▲ ▲

Figures on a consolidated basis unless otherwise stated

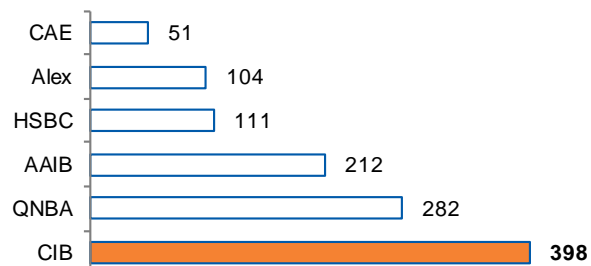
\* NIM based on managerial accounts

\*\* On a standalone basis

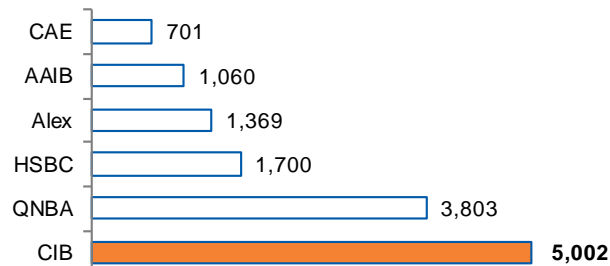
\*\*\* Before minority interest

# Position Among Peers

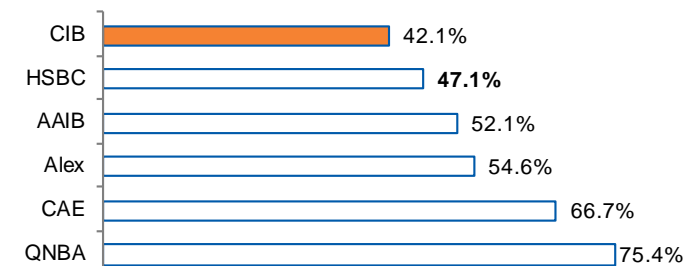
## Total Assets (EGP bn)



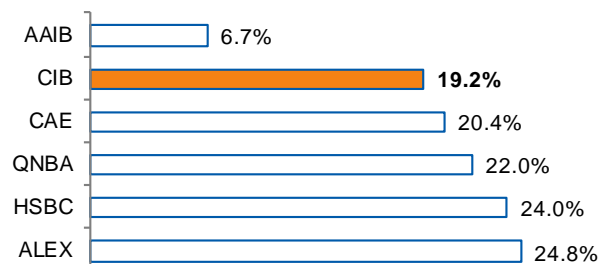
## Net Income (EGP mn)



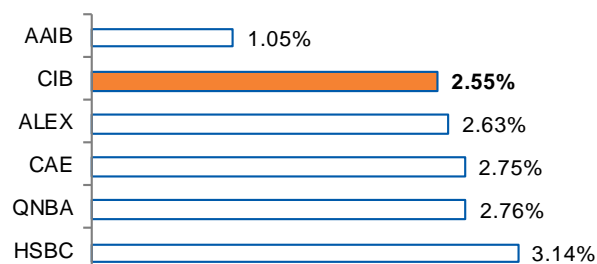
## Gross Loans/Deposits



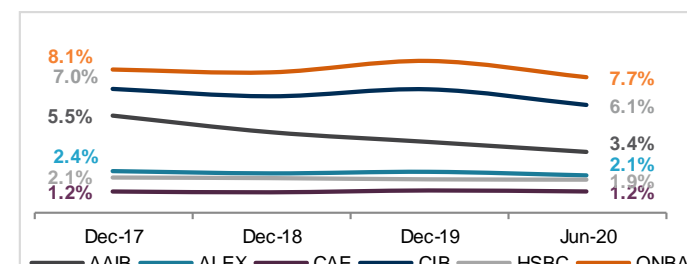
## ROAE



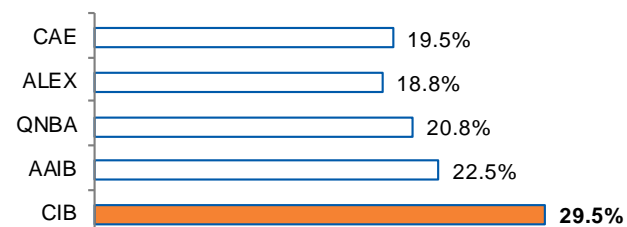
## ROAA



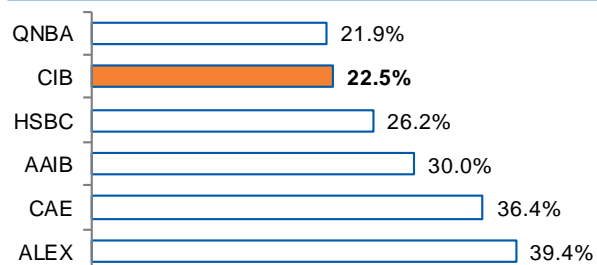
## Deposits Market Share



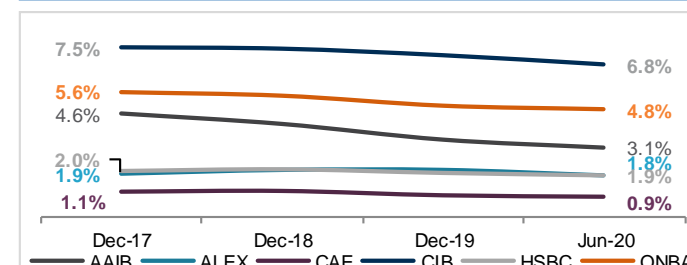
## CAR



## Cost/Income



## Loans Market Share



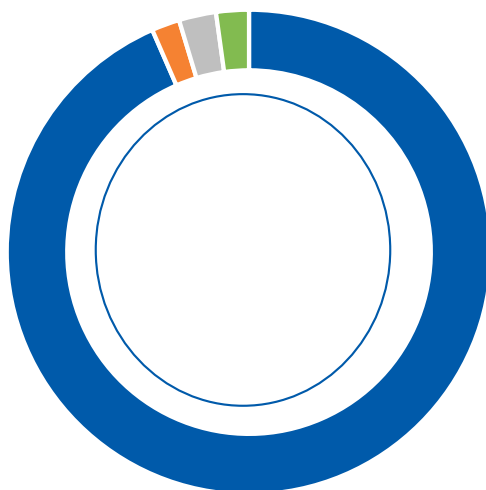
Peer Analysis figures as of June-20



# Performance Snapshot: Funding Overview

## Funding Structure

- Due to Customers (92.26%)
- Other Liabilities (3.13%)
- Due to Banks (2.45%)
- Other Term Loans (2.16%)



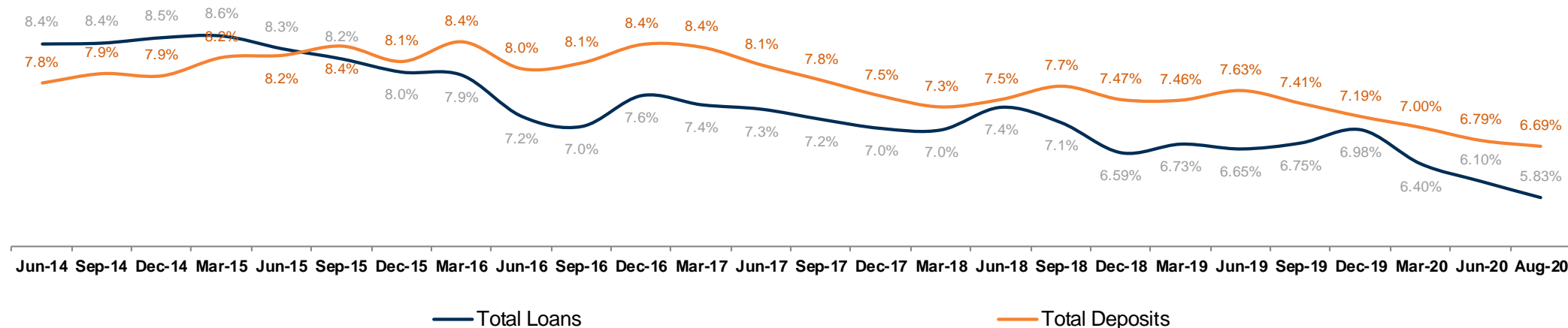
## Customer Deposit Mix



*CIB's funding structure has no wholesale funds*



# Market Share



## Loan Market Share as of Aug'20

**Total Loans 5.83%**

- 🌐 **LCY Loans 4.82%**
- 🌐 **FCY Loans 9.2%**
- 🌐 **Household Loans 7.08%**
- 🌐 **Institutional Loans 5.50%**

## Deposit Market Share as of Aug'20

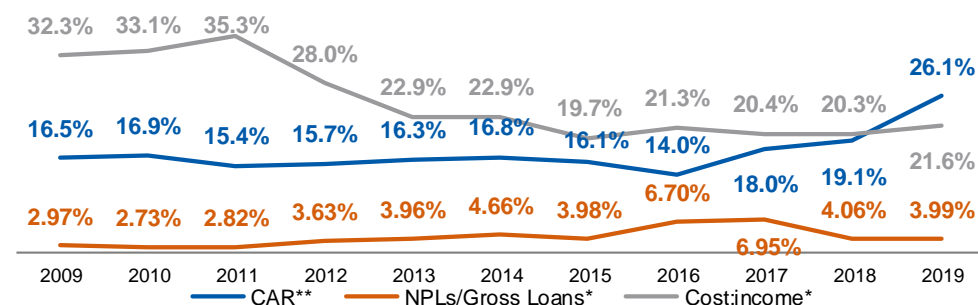
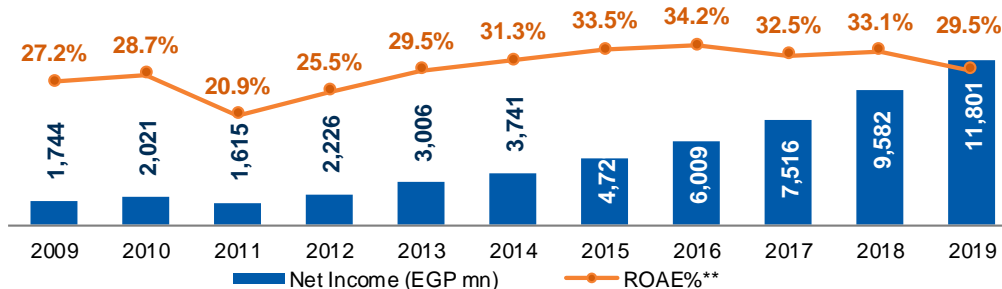
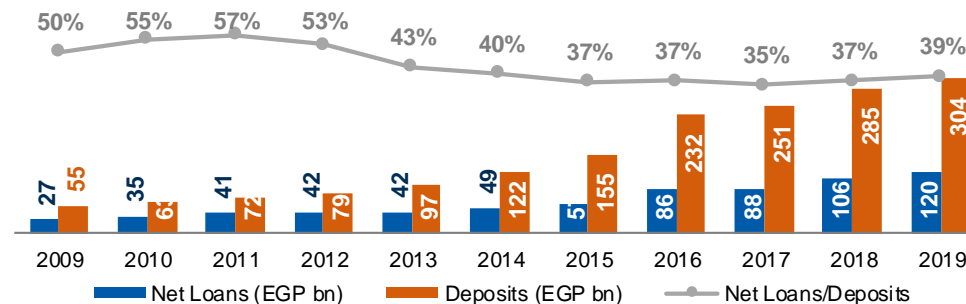
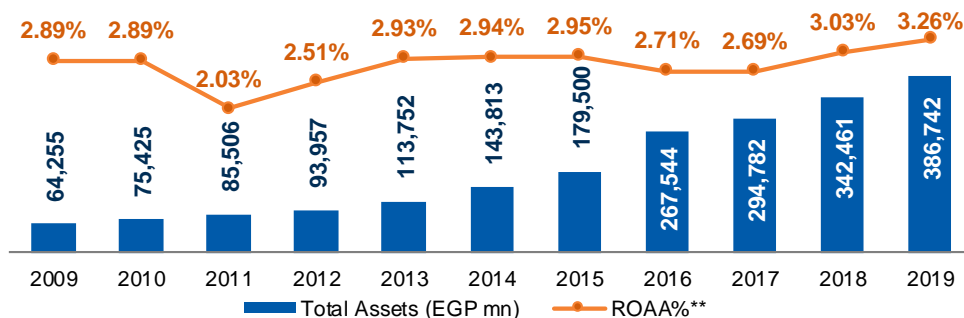
**Total Deposits 6.69%**

- 🌐 **LCY Deposits 5.77%**
- 🌐 **FCY Deposits 11.56%**
- 🌐 **Household Deposits 6.08%**
- 🌐 **Institutional Deposits 8.03%**

*Latest available published ratios*



# 10-Year Performance Summary



Years	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Branches and Units	155	153	154	156	152	160	187	192	196	203	207
Headcount	4,426	4,750	4,845	5,181	5,490	5,697	5,983	6,714	6,551	6,759	6,900

Starting 2009, CIB used IFRS

\* Figure on a standalone basis

\*\* Ratio after appropriation

Figures on a consolidated basis unless otherwise stated

# Why CIB?



Profitability		
NPAT EGP 2,349mn		Revenues EGP 6.7bn
Asset Quality		
NPL/Gross loans 3.97%*		Direct Coverage Ratio 289%*
KPIs		
ROAA 2.31%	ROAE 17.6%	Cost/income 20.5%
Largest in...**		
Total Assets EGP 414,720	Deposits EGP 332,327mn	Market Cap EGP 93bn***
NPAT EGP 2,349mn	Revenues EGP 6.7bn	CAR 31%

CIB's financial performance as of 3Q20

Figures on a consolidated basis unless otherwise stated

\* Ratio on a standalone basis

\*\*Among private-sector banks

\*\*\* 14/12/2020

# Thank You!

- 🌐 For more information, please visit our website; [www.cibeg.com](http://www.cibeg.com)
- 🌐 To read about the projects that the CIB Foundation has helped support, and to know ways in which you can donate, please visit [www.cibfoundationegypt.org](http://www.cibfoundationegypt.org)

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