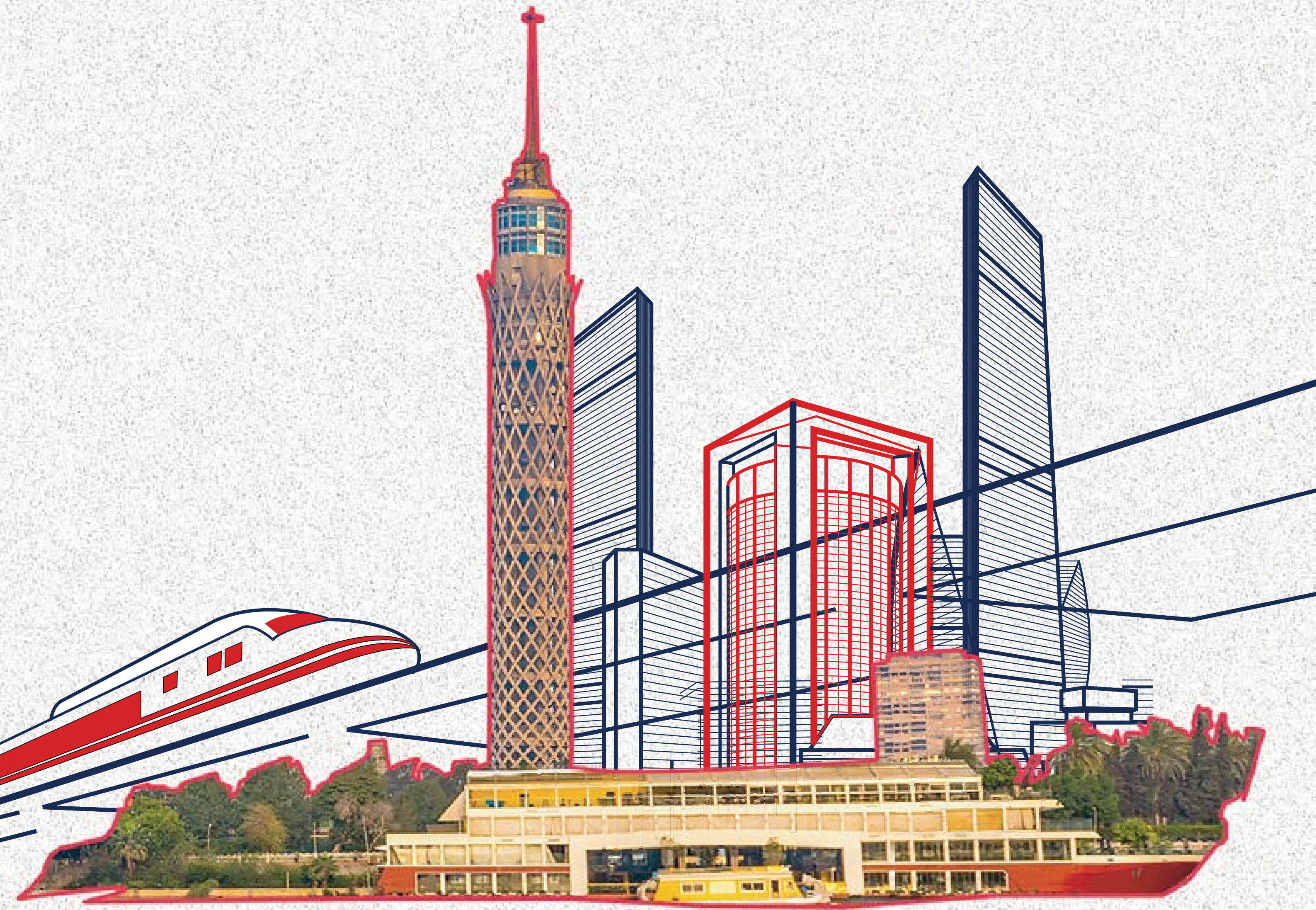
2022 ANNUAL REPORT



EBank

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Executive Chairman's Statement

2022: A YEAR OF DIFFERENCE AND EXCELLENCE

I am honoured to present, in this report, the business results, activities and achievements of the Bank during fiscal year 2022, which we consider a different and distinguished year, despite the challenges and circumstances that faced the economies worldwide, represented in lower local and global growth rates, the repercussions of Russia-Ukraine war and the consequent inflation surge and rise in energy and commodity prices. Nevertheless, the Bank employees, with their spirit of challenge and perseverance, were determined to make this fiscal year even more ambitious than the previous one to maintain the earnings achieved earlier, and which resulted in distinct growth rates in the banking market amid the difficulties, and despite the competition and rapid changes and developments in the markets.

The Bank achieved massive progress in its business results marking the highest in the Bank history, where the net profit after tax reached EGP 1229 million by the end of 2022, compared to EGP 501 million year-over-year, with a growth rate of 145%.

The net interest income also increased reaching EGP 3046 million with an increase of EGP 1207 million and a growth rate of 66% year-over-year, owing to the increase in the business volume and particularly in foreign trade finance, reflecting the Bank's role in supporting exporters and enhancing their competitiveness in addition to the Bank's expansion in retail banking.

In addition, the total assets increased by EGP 21 billion reaching EGP 97 billion with a growth rate of 28% above that achieved at the end of 2021; with an increase of EGP 40 billion and a growth rate of 70% above that achieved on 30 June 2020.

The net portfolio of loans and facilities also reached EGP 43 billion with an increase of EGP 8 billion and a growth rate of 23% above that achieved on 31 December 2021, i.e., with an increase of EGP 12 billion and a growth rate of 39% above that achieved on 30 June 2020.

On the other hand, the deposit portfolio increased by EGP 9 billion to reach EGP 73 billion, with a growth rate of 14% above that achieved on 31 December 2021; with an increase of EGP 29 billion and a growth rate of 66% above that achieved on 30 June 2020.

The total shareholders' equity increased reaching EGP 10 billion with an increase of EGP 3 billion and a growth rate of 43% above that achieved on 31 December 2021; with an increase of EGP 4 billion and a growth rate of 67% above that achieved on 30 June 2020.

As a continuation of the Bank's positive indicators, the return on the average assets (ROAA) reached 1.5% compared to 0.9% year-over-year. Also, the return on the average shareholders' equity amounted to 18.5% compared to 10.5% on 31 December 2021.

Regarding corporate social responsibility, which represents one of the main pillars of the Bank strategy, the Bank continued to play its part by supporting the State's neediest sectors, namely education and health, by supporting major health institutions and projects, sponsoring medical cases as well as providing treatment, medical equipment

and supplies. Additionally, the Bank offers scholarships to many outstanding students in basic, university and technical education and supports scientific research, as such serving and supporting the community while developing and having positive impact on the surrounding environment.

On the other hand, the Bank continues to demonstrate its new brand image "EBank" released at the beginning of this year under the slogan "Pioneers of a New Era", targeting different segments of customers with a range of distinct banking products, and focusing on modern digital services. The rebranding involves changing the Bank identity and reintroducing it in a more modern and youthful image to align with the current digital transformation trend. EBank's new identity and logo are derived from the Bank's long history and also flexibility to meet the current market needs in a modern, developed manner and in line with the current stage and Bank strategy represented in strength, trust and security. Moreover, the Bank won the award for "Best Corporate Rebrand – 2022" from GBO (Global Business Outlook) International.

In the end, on behalf of the Board of Directors and all colleagues of the Bank, I would like to extend my sincere gratitude and appreciation to our dear shareholders for their continuous support that always enhances our journey to success. I would like to thank our customers for their continuous trust in our ability to provide the best banking services. I would also wish to thank the Bank Management and work team for their continuous dedication and loyalty.

Finally, I am looking forward to a year ahead that will be crowned with more and more success, achievements and excellence.

Dr. Ahmed Galal
Executive Chairman

About the Bank

About the Bank

Export development Bank of Egypt was established in 1983 for the purpose of boosting Egyptian exports and supporting establishments of Agricultural, Industrial, Commercial and Services Sectors. Soon after, the Bank became the main funding source of exports operations in Egypt.

Through its outstanding performance and policy, based on diversified investments, the Bank was able to grow more and more, and achieve efficiency and a strong financial position. This has helped the Bank to attain the confidence of exporters, owners of small and medium size enterprises and individuals, in addition to the trust of local and international financial institutions.

The Bank plays a vital role in supporting Egyptian exporters and facilitating the access of Egyptian products to markets worldwide through the extension of finance of export, and import substitution projects to help improving the local production. This goes along with its significant role in participating in syndicated loans and equity participations of those projects. The Bank extends its full-fledged financing and banking services to exporters and its entire customer base.

To pave the way for Egyptian exporters, the Bank has built a network of correspondent Banks in countries with common interests and economic ties with Egypt. Moreover, the Bank has set up network of branches throughout Egypt to serve the customers wherever they are based.

One of the main business lines and activities of the Bank is the corporate banking and loan syndication activities; its role is to provide necessary finance for export oriented and / or import substitution industries, supporting non-export industries, finance requirements and securing necessary foreign currency needs. Also to provide necessary finance in the form of loan syndications for various industrial sectors, as well as providing diversified finance packages including medium term loans, short term lending to finance working capital requirements for various economic sectors.

As part of the leading role played by the banking sector in supporting the SMEs sector and providing the appropriate finance.

Also, considered as one of the main propellers of the economic growth, as they provide self-employments opportunities thus increasing employment rate, as they need relatively low startup capital costs.

The Bank maintains a leading position among other Banks to tap SMEs sector through signing an agreement in 2005 with IFC, showing interest in supporting and developing the SMEs sector which was reflected in the increase in the Bank's SMEs portfolio.

Additionally, the Bank is keen to obtain customer satisfaction through providing micro finance, as well as a wide variety of banking products and services developed with competitive rates, such as: time deposits, saving certificates in various currencies and tenors, different types of mutual funds, saving and current accounts, credit and debit cards, personal and car loans, mortgage finance, a call center and different e-banking services.

It is worth mentioning that the Bank's future vision is to provide diversified banking products and services at the level of unique and high quality of the services' standards which will fulfill all the desires and needs of customers. In order to achieve this vision, the Bank presents all of its activity through widespread network of branches, which covers most regions and provinces all over the country, as well as several ATMs located over unique and vital places, commercial centers, and branches. Moreover, out of the keenness of the Bank to be present near the customers to easily provide its banking services and diversified products.

Legal form

The Bank is an Egyptian joint-stock company established under law 95 of 1983. It is subject to the regulations of the Central Bank of Egypt (CBE) and the law of financial and banking system, no. 88 for 2020. As an Egyptian joint-stock company, it is also subject to the provisions of law 159 for 1981, promulgating the law on joint stock companies, companies limited by shares and limited liability companies, unless otherwise provided in the law establishing the Bank, without prejudice to the provisions thereof.

Capital and Shareholders

The authorized capital of the Bank is EGP 10 Billion, and the issued and paid-up capital amounts to EGP 5,273,600 Million. All the Bank's shares are of nominal value and indivisible equaling EGP 10 per share. The Bank's shares are registered in the Egyptian stock exchange since august 1989.

According to the provisions of article no. 6 of the law of the Bank, law 95 of 1983 public shareholding should contribute no less than 75% of the paid-up capital.

The capital structure of the Bank in 31 December 2022 is as follows:

National Investment Bank	40.75%
Banque Misr	23.13%
National Bank of Egypt	19.80%
Private Sector and Others (Free Trade on Egyptian Stock Exchange Market)	16.32%

Vision

We anticipate Exporters' and Client's divergent needs to provide the most agile and efficient solutions.

Mission

Become the Bank of Choice through:

- Soliciting / Canvasing dynamic customers' needs.
- Streamlined customer journey.
- Expanding our reach.
- Optimizing digital experience.
- Governance Risk and Compliance diligent.
- Breed Leaders of the Future.
- Sustainable Corporate Social Responsibility.

Values

Accountable - Graceful - Innovative - Leader - Engaged

The General Framework Of The Strategy

In line with Egypt's vision 2030, which includes an ambitious plan towards maximizing Egyptian exports and replacing imports, targeting a steady growth of the local national product, maximizing the role of small, medium and micro companies in the national economy to reduce unemployment and inflation rates, empowering youth and women, promoting financial inclusion and targeting the digitalization of the State by 2030, EBank management developed a five-year strategic plan 2022-2027 to achieve this national vision aligned with the strategic objectives of the Bank. Such objectives include improving the Bank's competitive position and doubling its market share by increasing the Bank size and activity also its network of branches and digital channels.

We also aim to maximize the strategic role of the Bank in supporting Egyptian exports and assisting exporters in opening new markets by offering banking products that would enhance competitiveness in the Egyptian banking market, while adopting a foresighted hedging strategy based on the foundations of governance, risk management and compliance. We also observe flexibility in performance by directing attention to modern technologies to raise the efficiency of banking transactions according to the highest international standards. Hence, we are endeavoring to develop the Bank to become more flexible and smarter by focusing on:

- Digital transformation
- Increasing efficiency and excellence
- Maximizing profitability and growth

Strategy Pillars

- Business Development
- Digitalization
- Governance, Risk and Compliance
- Export Development
- Human Capital
- Community

Board of Directors

Dr. Ahmed Galal
Executive Chairman
and Chief Executive Officer

Mr. Mohamed Abou El Seoud
Vice Chairman

Dr. Mohamed Mashaly
Wholesale Banking Group Head
Executive Board Member - Export Development Bank of Egypt

Mr. Mohamed Abd-Elaal
National Investment Bank – Representative

Dr. Mohamed Kamaly
National Investment Bank – Representative

Ms. Nihal Zaki
National Investment Bank – Representative

Dr. Aliaa Soliman
Banque Misr – Representative

Mr. Hamed Hassouna
National Bank of Egypt – Representative

Mr. Abdel Aziz Hassouba
Private Sector – Representative

Dr. Eng. Ahmed Samir El Sayyad
Independent Board Member

Dr. Gehan Saleh
Independent Board Member

Dr. Ahmed Galal
Executive Chairman
and Chief Executive Officer

Appointed as the Chairman of Export Development Bank of Egypt "EBank" in December 2022, where he has been the Vice Chairman since August 2017, with 29 years of experience in the fields of Corporate Banking, Investment Banking, Information Technology and Telecommunications, in addition to Strategic Planning and non-bank financial institutions including leasing and factoring. He earned the Doctorate Degree of Business Administration from the Arab Academy for Technology, Science and Maritime Business, the Master Degree of Business Administration from Maastricht School of Management, Netherlands (1995-2000), and his B.A. in Business Administration from the Faculty of Commerce – Cairo University.

Ahmed Galal worked as the Director of Corporate Banking Department at Ahly Bank of Kuwait (previously Piraeus) and is the Founder and Managing Director of ABKE Leasing Company, then the Chairman of the same company afterward. Additionally, he was the Strategic Planning Manager at the Egyptian Company for Mobile Services (Mobinil), as well as the Relationship Manager in Corporate Banking at Egyptian American Bank (currently Credit Agricole), in addition to other different financial institutions.

* The Chairman of the Board of Directors has undertaken executive responsibility in addition to the chairmanship of the Board of Directors per the requirements of the Bank establishing law in 1983 Article (14).

Mr. Mohamed Abou El Seoud
Vice Chairman

Mohamed M. Abul-Seoud was appointed as Vice Chairman of Export Development Bank of Egypt "EBank" in December 2022. Mohamed has extensive knowledge and well-diversified practices in Corporate Banking, Risk Management and Operations from a career spanning more than 20 years.

Mohamed was formerly the Chief Risk Officer and Executive Board Member between 2017 and 2022. He joined the risk group as Consolidated Risk Management Group Head, who was responsible for reforming and restructuring of all support functions during the organization development journey that involves diagnosis phase and Techno-Structural Interventions, he managed credit, market, and operational risk across EBank.

Abul Seoud currently serves as Head of Business Functions, Branches, Information Technology and Financial Control.

Prior to joining EBank in 2017, Mohamed was the CRO at The United Bank (TUB) where he served for eight years. He developed and exacted effective and reliable restructuring for Risk Division and managed to successfully enhance the bank's Credit portfolio.

Previously, Mohamed also served as Credit Risk Manager at Union National Bank in 2008, and was appointed as a member of the bank's credit committees.

Mohamed Abul Seoud started his professional career in 1997 at Banque Misr, where he held several senior positions including Group Head in Corporate Credit Risk Department, Branch Manager in one of the main branches and participated in executing effective restructuring for Risk Division.

He received his bachelor's degree from Ain-Shams University, and holds an MBA in Banking and Finance from Ain Shams University in cooperation with Westbrook University, USA. He also has pursued several professional diplomas in the areas of political and economic systems, banking and finance. Furthermore, he has completed professional training courses including technical and managerial skills from Harvard Business School, and different international exposure in USA, Germany and Netherlands.

Dr. Mohamed Mashaly
Wholesale Banking Group Head
Executive Board Member -
Export Development Bank of
Egypt

With more than 30 years of banking experience, as he joined EBank since 1998 after seven years of experience in NBE, where he held several positions, including Finance Manager in the Corporate Banking Department, Head of Large Corporate and Syndicated Loans, then Wholesale Banking Group Head and was appointed as a member of the Board of Directors in 2022.

Mashaly is a member of various committees in the Bank such as (Executive Committee, Credit Committees, Assets and Liabilities Committee, Investment Committee, and others.) In addition to being a member of Egyptian Businessmen Association and member of the Egyptian Factoring Association.

He holds BSC in Accounting from Ain Shams University as well as many certificates and postgraduate studies in banking, investment and finance, and a Doctorate of Business Administration, as well as several training programs from a number of international institutions inside and outside Egypt in the fields of credit, risks and strategic planning.

Mr. Mohamed Abd-Elaal
National Investment Bank –
Representative

Currently occupying the position of the National Investment Bank (NIB)'s first undersecretary and Head of the Banking Operations and Payment Systems' Sector together with supervising the Information Technology Sector starting 8/12/2016 to date. In addition, he is the Head of Developing Information Technology Committee, which is responsible for directing the NIB towards full automation.

Over 35 years of experience in the banking and financial industry.
He started his career as an accountant in NIB, and then he moved to the Kingdom of Saudi Arabia where he worked as an Accountant in Saudi Public Transport Company "Saptco" starting October 1993 until 1997.

He then returned to Egypt with wide practical and administrative experiences that qualified him to occupy several positions starting with Head of the Documentary Credits Department in the Financial and Banking Operations Sector. Then he was promoted as the Manager of the Payment Systems Organizational Unit in the same sector. After that he became the General Manager of the General Department of SWIFT and Payment Systems in the Banking and Financial Operations Sector, NIB's Undersecretary for Technical Support of Investment in the Investment and Resources Sector, NIB's Undersecretary for Financial Operations in the Banking and Financial Operations Sector, NIB's First Undersecretary Chief of the General Secretariat Sector, and finally he occupied the position of NIB's First Undersecretary for the Banking Operations and Payment Systems Sector.

He assumed some positions beside his work in NIB, such as Vice Chairman at the Egyptian Saudi Co. for Industrial Investments, and Vice Chairman at the Industrial Development Company.
He took part in the Board of Directors' membership for many companies and banks including: the Egyptian Kuwaiti Investment Company, the Egyptian Linear Alkyl Benzene "Elab", the Egyptian Co. for Special Steel "Arcosteel", the Equipment Manufacturing Co. "Damco", Al Nasr Co. for Castings, and the Arab Investment Bank, Export Development Bank of Egypt, the Abu Qir Fertilizer Company, the Helwan Fertilizer Company, the Egytrans Transport Services Company, the Future Company for Urban Development.

He was the Head of the Supervising Committee on the Fixed Income Investment Fund "15/30" for NI Capital for Investment and Head of the Committee Supervising the Cash Investment Fund "Diamond" for the Arab African Company, Member of the Arab Investment Bank Funds Supervision Committee.

In addition, he is also the President of the Auditing and Governance Committee in several companies, such as the Egyptian Saudi Co. for Industrial Investments, Al Mostaqbal Company for Urban Development, Helwan Fertilizers Co., and the Industrial Development Company. Moreover, he is the Chief of the Auditing Committee and Member of the Risk Committee and the Governance Committee of the Export Development Bank of Egypt. He is a member of the Auditing and Governance Committee of Abu Qeer fertilizers Co. and the Egyptian Co. for Transport and Trade Services "Egytrans".

Mr. Abdul- Aal has a Diploma in Investment and Finance, the Faculty of Commerce, Ain Shams University (with a grade of very good) and BSc of Commerce with a major in Accounting, Faculty of Commerce, Ain Shams University (with a grade of very good).

Dr. Ahmed Kamaly
National Investment Bank – Representative

Deputy Minister - Ministry of Planning and Economic Development

Dr. Ahmed Kamaly graduated from the Department of Economics at the American University in Cairo 1991 and received a Master degree in Economics from the same university 1995 and then a PHD in Economics from the University of Maryland at College Park (2002). He has extensive experience in academic and international affairs and the private and public sectors. He served as a researcher at the International Food Policy Research Institute (IFPRI) in Washington, DC; Senior Economist at Business & Technical Consultants Inc.

(IBTCI); Research Coordinator at the Economic Research Forum in Egypt (ERF); Advisor to the World Bank in Washington DC, Chair of Department of Economics, American University in Cairo; the Economic Advisor to the General Authority for Investment and Free Zones of Egypt (GAFI); the Director of the Egyptian National Focal Point (OECD) in the Egyptian Ministry of Investment; and the Chief of the Economic Governance and Planning Section at the United Nations Economic and Social Commission for Western Asia (UN-ESCWA). Currently, he serves as Deputy Minister to the Minister of Planning, and Economic Development. His areas of research interests are Business Finance, Growth Theory, Applied Econometrics, Economic Development, and Monetary and Fiscal Policies.

Ms. Nihal Zaki
National Investment Bank – Representative

Non-Executive Board member in Baraka Retail Group, Souhoola Consumer Finance Company owned by Bank Misr and in eKhales a subsidiary of e-finance.

With more than 33 years of commercial experience in marketing, sales, retail, financial services and information technology in multinational and regional corporations, positively affecting the Egyptian market economy and the digital transformation.

Held several executive positions in different significant industries being the former Commercial Director in Vodafone Egypt, Regional Marketing Director for Magrabi Retail, Marketing Group Head of National Bank of Egypt and Marketing Manager in Microsoft Egypt.

Contributed in the development of the Commercial Strategy to support the financial inclusion initiative in Egypt, as the former Commercial advisor to the Egyptian Banks Company ‘EBC’ owned by the Central Bank of Egypt.

Holds a BA, Business Administration from Cairo University Faculty of Commerce.

Dr. Aliaa Soliman
Banque Misr – Representative

Managing Partner of AIT Consulting, Non-Executive Board Member in Export Development Bank of Egypt, representing Banque Misr, Non-Executive Board Member in Suez Canal Company for Technology Settling, representing Misr Life insurance, Member of the Board of Trustees of 6th of October University.

Started her professional career as a banker in Misr International Bank MIBank, where she worked in areas of corporate credit, retail banking, and trade finance. She then joined AIT Consulting as a partner where she participated and managed projects in areas related to Corporate Governance, MSME Finance and Women Business Leadership. She worked with the World Bank Group, KfW, and the EIB as well as the Egyptian Ministries of Finance, Planning and Trade & Industry.

Visiting Professor at Nile University, and a certified lecturer at the Egyptian Banking Institute, the Egyptian Institute of Directors on the subject of Finance and Corporate Governance and Women in Business & Leadership for the World Bank Group.

Earned both her B.A. in Political Science & Economics and Masters in Public Administration from the American University in Cairo, and her Doctoral Degree from Maastricht University, The Netherland. She has undergone several international training programs in areas of Corporate Governance, Women on Boards & Business Leadership, and MSME Finance and Development.

Mr. Hamed Hassouna
National Bank of Egypt – Representative

Member of the Board of Directors representing National Bank of Egypt, and the Regional Chief Representative of Union De Banques Arabes et Francaises – UBAF, former Board Member of Corporate Leasing Company "Corplease". With 36 years of experience in different international and local institutions.

He holds Masters of Finance & Banking from Maastricht School of Management – Netherlands and honored with "Best Performing Student". In addition to a B.A. from Faculty of Commerce – Ain Shams University as well as other specialized certificates during participation in different training courses and seminars in economics, corporate lending and treasury. He also participated in the preliminary studies for the establishment of Misr Bank – Europe, a subsidiary of MiBank and represented UBAF as the founder of Corplease.

He occupied several posts among different divisions at Chase National Bank (currently the Commercial International Bank), MiBank (currently QNB), and Credit Lyonnais Bank.

Hamed Hassouna is an Adjunct Faculty at the American University of Cairo and is a member of the American Chamber of Commerce and in the French Egyptian Business Council.

Mr. Abdel Aziz Hassouba
Private Sector – Representative

A lawyer before the Court of Cassation and the Supreme Constitutional Court.
He has been a member of the Board of Directors representing the private sector since 2015.

He occupied several posts including the Head of the Legal Sector at Export Development Bank of Egypt until May 2011, Legal Advisor to the Union National Bank, Legal Advisor to the Arab Land Bank, and the Legal Advisor to Abu Dhabi National Bank until Oct. 1997. Besides, he is a Member of the Board of Directors of the Egyptian Holding Co. for Airports and Air Aviation.

Abdel Aziz Hassouba has been a certified lecturer at the Egyptian Banking Institute for more than 26 years and the Founder of the Banking Lawyer Certificate at the Institute. Moreover, he is a visiting Lecturer at several centers and conferences related to legal aspects. He has several books on banking operations from a legal perspective, debt recovery, arbitration, and settling banking disputes, especially the global financial crisis and its repercussions on the Egyptian economy.

Abdel Aziz Hassouba enjoys an experience of 41 years in legal consultations among different banks.

Dr. Eng. Ahmed Samir El Sayyad
Independent Board Member

Dr. Eng. Ahmed Samir ElSayad is a specialized board member. He has thirty-one years of multidisciplinary experience. He is Chairman and CEO of a food industries company. Formerly, Dr. ElSayad was Chairman and CEO of Egypt's new countryside development company, implementing the mega national project of developing 1.5 million feddan. Dr. Ahmed ElSayad was Chairman and CEO of BiscoMisr one of the largest stock exchange listed food companies in Egypt. Dr. ElSayad was also General Manager of Kellogg Egypt.

He led the complex integration process of the local firm into the global systems of Kellogg, internationalization of operations and change management.

He has served governmentally at the macro level as senior Counsellor to the Egyptian government (GAFI chairman/Minister of Investment) on the development of Mega National Projects. He contributed as an official Egypt representative and national speaker in many joint committees, ministerial missions, conferences and panels, globally.

Ahmed ElSayad is a senior international consultant, councilor in the fields of industry, investment, innovation, and has conducted many long-term and short-term missions in the MENA region for several multi-lateral and government organizations. He has led the preparation of regional studies across several MED countries; led the implementation of turn-key industrial projects.

Dr. Ahmed ElSayad holds a BSc degree in Electrical-Communications Engineering (Cairo University), an MBA (American University in Cairo), and a Marketing Ph.D. on foreign investment (University of Strathclyde, Glasgow, UK). Academically, he is a Professor (A.) of international marketing and project management, and he has several internationally published research papers and articles.

His other activities include membership of the board of directors of The General Authority for Investment and Free Zones, Taamir Mortgage Finance Co., Istithmar Misr Development Company, Cairo Leasing Company; and other companies.

He is also a Member of the entrepreneurship and innovation sub-council of the Egyptian National competitiveness council, member of the Egyptian Quality Society; Egyptian Engineers Syndicate; Engineers Society; Chamber of Engineering Industries; German Arab Chamber of Commerce; American Chamber of Commerce.

Dr. Gehan Saleh
Independent Board Member

Egyptian Prime Minister Economic Advisory, Egyptian Cabinet of Ministers.

Prof. Gehan Saleh is the Economic Advisor for the Egyptian Prime Minister. She is a Board Member of the Egyptian Stock Market and a Board Member of Aydy Investment Holding Company. A board member of Egypt Capital Venture Company. She is Professor of Financial Economics and International Business. She is a former Dean of College of International Transport and Logistics at the Arab Academy of Science and Technology.

Former Board Member of the Egyptian Holding Company of Food Processing. Dr. Saleh also worked as an Economic Consultant for the Egyptian Federation of Chamber of Commerce, Consultant for the Ministry of Internal Trade and Supply Chain. Consultant for the Ministry of Transportation.

She has a P.D degree and a Master's degree in economics and finance from the University of Illinois at Chicago. She also holds a Masters of Arts in International and Development Economics from the American University in Cairo. She worked as an Economics Professor at Northwestern University and Loyola University in the United States. Worked for four years with AACSB for the accreditation of university programs.

She also worked with National Accreditation Quality of University Programs in Egypt. Prof. Saleh also worked as a researcher with the IMF, the World Bank and the Federal Reserve Bank in the United States. She has led and participated in various projects and research with the EU and USAID.

Over the years, she participated in a number of consultancy projects for the Middle East and the United States. She has also received various awards for her achievements in research and Education.

Board of Directors

The Bank's Board of Directors is the authority to make decisions that are considered important to achieve returns and realize the higher interest of all stakeholders, including shareholders, senior executive management, employees, clients, the business environment and the community in which the Bank operates, and following up on the implementation of those decisions.

The diverse experiences of the members and the proper structure of the board formation, which contains the executive, non-executive and independent members, in addition to enabling the IPOs to be represented in the board, achieves the principles of independence, objectivity and integrity in the board of directors and the principles of governance.

Some of the roles that the board plays to achieve the Bank's goals are as follows:-

- Setting the general policy and strategy of the Bank's activities.

- Develop regulations related to employees, their salaries, remunerations, benefits and allowances.

- Reviewing periodic follow-up reports on the Bank's activities.

- Preparing the financial statements, preparing the Board of Directors' report on the Bank's activities and proposing the planned budget.

Strengthening the Bank's corporate governance policy and ensuring its effectiveness through:

- Adopting the strategic and main objectives of the Bank, supervising the implementation and dissemination among the Bank's employees.

- Setting the organizational structure and defining the structure of authorities and responsibilities in the Bank.

- Selecting senior executives from members of the senior management, supervising them, following up their performance and holding them accountable, as all material and important information must be made available in a timely manner to the members of the Board.

- Hold periodical meetings with senior management and the internal audit sector to review and discuss the applicable policies and follow up on the implementation of the strategic objectives.

- Monitoring and supervising the Bank's operations.

- Monitoring and following up on any potential conflict in the interests of the Bank's management, members of the board of directors and shareholders, disclosing it in the appropriate mechanism.

- Adopting the Bank's policies, reviewing them periodically, and supervising the implementation, within the framework of the law and the regulatory instructions.

- Continuous periodic evaluation of the efficiency and effectiveness of the Bank's governance and internal control policy and practices.

- Work to achieve the interests of shareholders, employees, depositors and other stakeholders to avoid conflict of interests.

The number of Board Meetings held during 2022 is 10 meetings.

Board of Directors Committees

Audit Committee:

Representing the board in relation to internal auditors, external auditors, auditors of the Central Bank of Egypt, accountability state authority, internal control, compliance activities and all other control activities. The committee monitors the internal audit work of the Bank, reviews and discusses periodic reports, including the Bank's financial statements, auditors' reports, and reports on anti-money laundry and terrorist financing.

The number of meetings held during 2022 is 13 meetings.

Risk Committee:

The committee considers all issues related to the various risks in the Bank through reports issued by the risk departments group.

The number of meetings held during 2022 is 11 meetings.

Governance and Nominations Committee:

The committee ensures the implementation of the Bank's corporate governance standards and applications, and ensures compliance with the regulatory requirements of corporate governance.

Supervising the preparation and implementation of the governance policy, reviewing and updating the periodic evaluation of the Bank's corporate governance system, reviewing the internal charters and policies related to how to implement the rules of governance and considering the nominations submitted for membership of the Board of Directors.

The number of meetings held during 2022 is 6 meetings.

Strategy Committee:

The committee monitors the extent of commitment to the Bank's strategic plan, its implementation, updating and submitting its recommendations and proposals to the Board of Directors in light of global and local economic variables in order to improve the competitive position of the Bank and its branches network.

Playing a strategic role in supporting trade, maximizing the volume of exports in particular, assisting exporters in invading new markets providing new banking products.

The number of meetings held during 2022 is 3 meetings.

Payroll and Remuneration Committee:

Reviews the policies related to salaries and bonuses, and ensures that the Bank periodically reviews the bases for evaluating the performance of employees. In addition, analyzes the results, studies, follows up the salaries structure granted by the Bank, comparing them with other institutions to verify the Bank's ability to attract and retain the best elements and calibers. In addition to preparing clear and written policies regarding salaries and bonuses among the Bank, which are reviewed periodically and re-evaluated in line with the level of risk to which the Bank is exposed.

The number of meetings held during year 2022 is 7 meetings.

Credit Executive Committee:

Studying and making decisions regarding granting financing and credit facilities, approving a classification and reclassification of the finances provided by the Bank, approving the credit risk rate for clients, and checking periodically the adequacy of the provisions to the Bank's financing and investment portfolios. Taking decisions on new banking products and contributing to various investments.

The number of meetings held during year 2022 is 37 meetings.

Internal Executive Committee:

The Committee is competent to make all decisions on the following issues:

- Expressing opinion on amending the organizational and functional structure of the Bank also the bylaws and systems related to its workflow.

- Assessing the general situation and approving the declaration of a state of emergency in the Bank and assigning / delegating the Head of the Emergency Action Committee or whoever it deems appropriate to start work in accordance with the instructions issued in this regard.

- Approving the Emergency Action Plan proposed by the Emergency Management Committee and any amendments thereto to confront the crisis. Also approving the Emergency Management Plan budget, providing the support and resources necessary for business continuity in times of crisis and briefing the Board of Directors thereon.

- Following up the results of the Emergency Action Plan on an on-going basis and taking appropriate prompt decisions based on the general situation and the information presented to the Committee during and after the crisis. The Committee also continuously supervises and follows up the implementation of the adopted procedures, provided that the Committee shall evaluate all the indicators and decisions taken by the Emergency Management Committee and the reports it submits to ensure the adequacy and effectiveness of all measures undertaken.

- Studying and making decisions on issues related to institutional communication, Corporate Social Responsibility and Public Relations, in addition to the cases that the Board of Directors has the authority to approve and informing the Board thereof.

- Studying matters related to the medical treatment service, in terms of performance evaluation and selection of companies providing health care and consulting services.

- Reviewing the annual budget and recommending its submission to the Board of Directors.

- Reviewing the performance reports of the various Bank sectors and comparing the achievements with the plans (actually achieved against the target) on a regular basis (at least once every quarter).

- Examining the Information Systems and Technology Sector projects and the performance and achievement reports according to the action plans and the various implementation phases.

- Reviewing and approving the recommendations of the Banking Services Tariff Committee.

- Exercising all authorities stipulated in the Bank bylaws and systems related to the competencies of the Executive Committee, with the exception of the Higher Executive Credit Committee formation decision and the competencies of the Salaries and Remunerations Board Committees, stipulated therein.

- Examining the recommendations of the Human Resources Committee on the periodic employee performance review system, also the system for granting additional remuneration, promotions and training to employees, and taking the actions it deems appropriate in this regard in preparation for their submission to the Board of Directors for approval.

- Determining and developing a system for granting special allowances required by the nature of the work, workplace or the conditions of undertaking and completing the work.

- Determining and approving the system for granting additional remuneration to the employee who is assigned overtime work or work during the weekly rest days and official holidays.

- Developing, defining and approving the Bank employees' training system and the mechanisms of their travel on missions or scholarships, or their taking study leaves, whether with or without pay, inside or outside the country.

- Studying and approving the recommendations of the investigations that the Chairman deems necessary to be presented to the Committee and which may lead to the employee's dismissal or termination of the contractual relationship, or referral to the Central Bank of Egypt or other internal and supervisory authorities with respect to incidents that require thereof.

- Studying the disposal of the Bank assets by purchase or sale (related to the Bank's purposes), and submitting its recommendations to the Board of Directors for approval.

- Execution and follow-up of any other works assigned to the Committee by the Board of Directors.

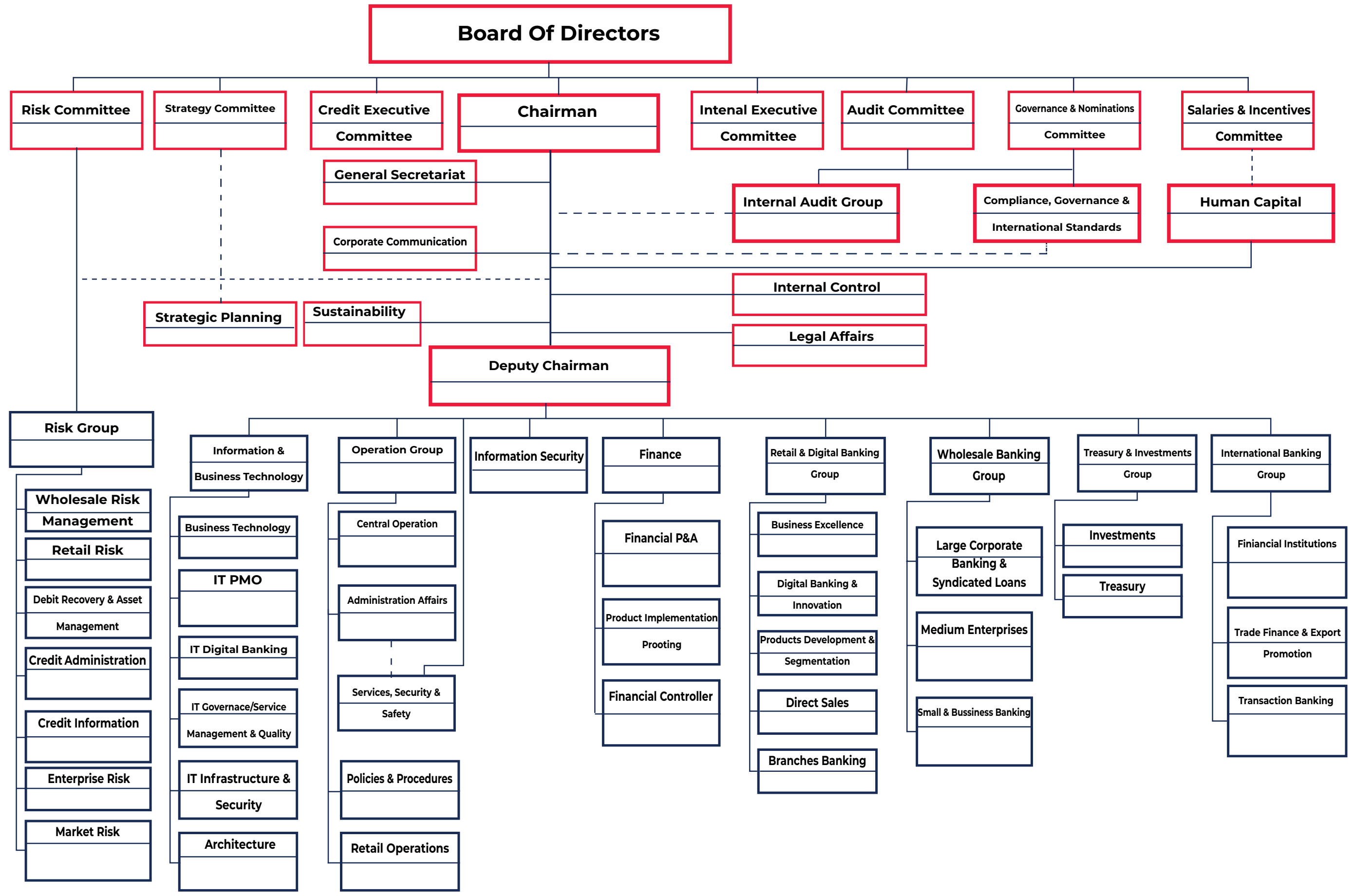
Thirty-two Committee sessions were convened during year 2022.

General Assembly

The Ordinary General Assembly was held 3 times during year 2022, while the Extraordinary General Assembly was held 2 times during 2022.

Board of Directors Annual Report 2022

Organization Chart



Economic Conditions

Global Economy

- Global growth is expected to fall from 3.4% in 2022 to 2.9% in 2023 then rise to 3.1% in 2024, according to estimates. The 2023 prediction is 0.2 percentage point higher than expected in October 2022, although below the historical average of 3.8% (2000-2019). The rise in central bank interest rates to fight inflation and Russia's war in Ukraine continue to weigh on economic activity. The rapid spread of COVID-19 in China weakened growth in 2022, but the recent reopening has paved the way for a faster-than-expected recovery. Global inflation is expected to fall from 8.8% in 2022 to 6.6% in 2023 and 4.3% in 2024.

- About 84% of countries are expected to have lower headline inflation (according to Consumer Price Index [CPI]) in 2023 and global inflation is expected to fall from 8.8% in 2022 (annual average) to 6.6% in 2023 and 4.3% in 2024. The expected disinflation is partly attributed to declining international fuel and nonfuel primary commodity prices due to weaker global demand and the tightening of the monetary policy with its easing effects on core inflation, which is expected to drop globally from 6.9% in the fourth quarter of 2022 to 4.5% by the fourth quarter of 2023.

Source: International Monetary Fund - January 2023

Local Economy

- The solid growth recovery prior to the outbreak of war in Ukraine supported an increase in economic growth to 6.6% in FY 2021/2022; double the growth pace of the previous year. However, economic activity has been adversely impacted by multiple global shocks, as captured by key indicators in recent months, particularly with the rising cost of domestic and imported production requirements. Headline urban and core inflation increased to 13.1% and 13.7% on average, respectively, during March-August 2022; exceeding the Central Bank's inflation target of 7% (±2%) due to global price dynamics, exchange rate depreciation and domestic supply chain bottlenecks. In response, the Central Bank of Egypt raised key interest rates in March and April 2022 cumulatively by 300 basis points, which allowed the exchange rate to depreciate.

- Despite the monetary policy adjustment, the war in Ukraine intensified pre-existing pressures on external transaction accounts. Official reserves and foreign currency assets recorded a sharp decrease; reaching USD 37.4 billion at the end of August 2022 (from USD 54.5 billion at the end of February 2022) despite the financial support from the Gulf Cooperation Council (GCC) countries as well as the successful issuance of Egypt's first Samurai bond. The budget deficit-to-GDP ratio continued to decline in FY 2021/2022, owing to the rise in tax and non-tax revenues, as well as the containment of expenditures. Nevertheless, the debt-to-GDP ratio increased mainly due to the adverse valuation effect arising from exchange rate depreciation.

- The government announced social protection packages to mitigate the effects of the shocks that include expanding coverage of the Takaful and Karama (Solidarity and Dignity) cash transfer programs, increasing retirement pensions and Public Sector workers' wages and tax exemption measures, among others, to alleviate the impact of rising prices. Moreover, Egypt requested the support of the International Monetary Fund (IMF) to implement a comprehensive economic program to address the repercussions of the global economic conditions and the war in Ukraine, restore the macroeconomic and fiscal stability and support the structural reform program.

- Generally, Egypt's macroeconomic environment is expected to be undermined during FY 2022/2023 by the concurrent shocks, before starting to improve over the medium-term. Creating fiscal space still remains crucial to advance human and physical capital for the Egyptian population, which exceeds 104 million. More importantly, continuing to pursue reforms (including enhancing and facilitating trade policy and improving broader business environment) can unleash the private sector's potential in higher value-added and export-oriented activities necessary for job-creation and better living standards.

Source: World Bank - 1 November 2022

Inflation

- Annual headline urban inflation increased to record 21.3% in December 2022 from 18.7% in November 2022. Accordingly, annual headline urban inflation recorded an average of 13.9% in 2022 compared to an average of 5.2% during 2021.

- Inflation rate in December 2022 was impacted by supply shocks due to the rise in international commodity prices and repercussions of USD to EGP exchange rate increase since March 2022 as well as higher local liquidity.

- The increase in annual headline inflation in December 2022 was driven by large-scale price increase across all categories, particularly food commodities.

- Annual food inflation increased to 37.2% in December 2022 from 29.9% in November 2022. Similarly, annual non-food inflation increased to record 14.3% in December 2022 from 13.8% in November 2022.

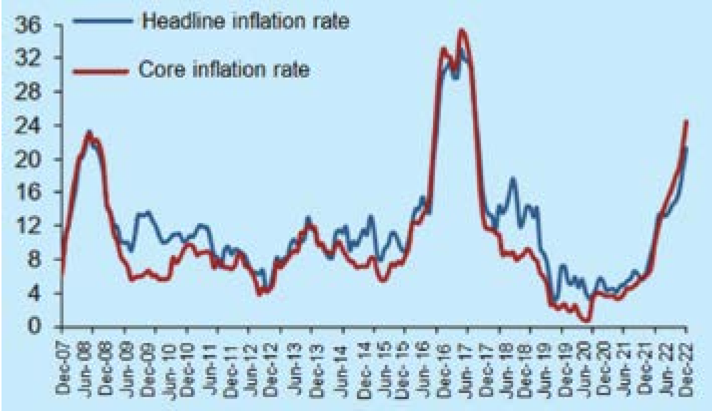
- Monthly headline inflation recorded 2.1% in December 2022 compared to negative 0.1% in December 2021; however, inflation decelerated slightly recording 2.3% in November 2022 (Month over month). Monthly headline urban inflation in December 2022 was mainly driven by a strong contribution from core food commodities. Additionally, fresh vegetables and fruits contributed to the rise of monthly inflation rate, against their seasonal pattern. The increase in monthly inflation was further driven by the higher contribution of consumer goods and services.

- In light of the large-scale increase in the above-mentioned annual contributions, the annual core inflation rate increased to record 24.4% in December 2022 compared to 21.5% in November 2022. Also the monthly core inflation recorded 6.2% in December 2022 compared to 2.0% in December 2021.

- Nationwide annual headline inflation increased to record 21.9% in December 2022 from 19.2% in November 2022. Also the annual headline rural inflation rate increased to record 22.5% in December 2022 up from 19.6% in November 2022.

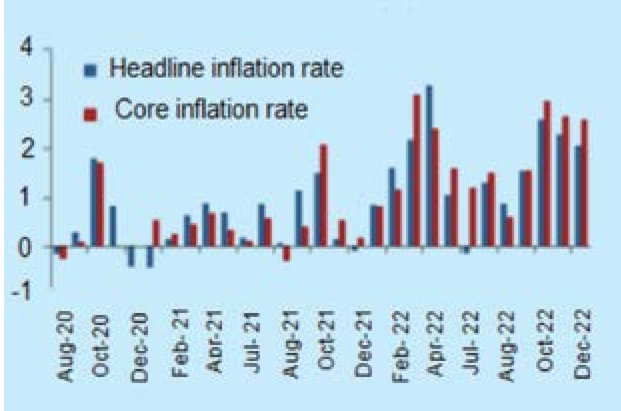
Headline and Core Inflation Rate 3/

Annual Change Rate (Percentage)



Source: Central Agency for Public Mobilization and Statistics and Central Bank of Egypt

Monthly Change Rate (Percentage)



Source: Central Agency for Public Mobilization and Statistics and Central Bank of Egypt

Business Strategy

Financial Institutions

FI Sector lies at the core of the International Banking Group acting as the focal point of contact for local and international financial institutions as well as donor agencies working with EBank. It builds, maintains and expands a solid base of foreign and local correspondents to fulfill EBank client's requirements. Moreover, it explores and identifies new quality bank relationships focusing on target markets as stipulated by the Bank's strategy for growth. It also uses its correspondents' network to expand its capabilities across countries beyond traditional payments and trade finance transactions.

FI provides an array of products and services including trade finance, funded and un-funded risk participation, bilateral loans and funding arrangements, syndicated loans, payments facilitation, tailored/structured solutions and more.

FI main objectives can be summarized as follows:

- Continue to build, expand and strengthen the network of external and local correspondents to meet all customer needs.

- Maximize the profitability of the Bank through its network of financial institutions by implementing traditional and non-conventional banking transactions.

- Expand the network of correspondents in the African continent as well as other new potential markets for exporters.

- Strengthen the Bank's financial resources through funds procurement at competitive prices and as required by the Bank's business units.

- Work on receiving technical assistance programs / grants from international financial institutions and donors to implement best practice and increase work efficiency across the Bank's business units.

Corporate Lending and Syndicated Loans

The achievements of the Corporate Lending and Syndicated Loans Sector in FY 2022 are associated with the Bank's five-year strategy 2022/2027 as an integral part of its six main pillars; particularly the business development axis which is closely linked with the exports development and exporters' support axis through assisting them by all available means, including financing, offering advisory, financial and marketing services or supporting their presence in international markets.

The following key achievements, resulting from the above, maximized in turn the business returns (uses and profitability) and led to the strong presence of EBank in the Banking Sector coupled with the rebranding of the Bank:

- Achieving the general budget of the sector at the level of direct or indirect uses alike, as the percentage of direct uses amounted to approx. EGP 33.1 billion at the end of 2022 compared to EGP 27.7 billion at the end of 2021, with a growth rate of 19.5%. Those uses were reflected on the commissions collected from customers amounting to almost EGP 255 million in 2022 compared to EGP 194 million in 2021, with a growth rate of 31%.

- The Sector's success in achieving the largest contribution to 25% of the micro, small and medium enterprises customers' requirements, out of the total credit portfolio of the Bank in accordance with the instructions of the Central Bank of Egypt and before the timeframe determined therefor, supported by financing more than 130 customers within this category.

- EBank had the most prominent role in the success of the fifth phase of the Exporters Support Initiative at the level of the banking sector, as the sector was at the forefront of organizing / defining and controlling procedures / implementing disbursement operations and offering a level of service that was appreciated by all parties concerned represented primarily by exporting customers and the Ministry of Finance.

- The continued quality of service offered to customers attained a high satisfaction rate primarily reflected in the unprecedented figures achieved this year, as EBank fulfilled the highest profitability ratio compared to that achieved during the past periods.

- An increase in the number of customers managed through the Sector reaching 551 customers in 2022 compared to 394 in 2021, with an increase rate of 40%.

Small and Medium Enterprises (SMEs)

SMEs are considered the veins of heavy industries as they are the main providers of raw materials required for the production process of large corporates (every large corporate needs at least 20 SMEs to work with) which lessens the burden put on large corporates concerning their needs of foreign currency required to import raw materials. SMEs gained their importance from their direct effect on GDP, average per-capita income and increase of job opportunities, which have a positive effect on the countries' economic growth. SMEs represent two third of countries' economic activities, 90% of the total operating companies in most of world economies. It is worth mentioning that all well-known international companies started as small enterprises then developed into large corporates over the years.

Due to the great importance of SMEs and their role in economic growth, all governmental institutions in Egypt and CBE have been concerned about the growth of such sector throughout the previous years which in turn encouraged banks to expand in financing this sector through the establishment of separate divisions specialized in financing this type of enterprises. In addition to that, the CBE set a unified definition for SMEs among all banks in order to provide an accurate and adequate database available for all banks which will support them to do their role in financing SMEs, in addition to launching initiatives to encourage Egyptian banks to provide funds to SMEs with lower interest rates to finance their working capital and capital expenditures.

Consequently, EBank had the leading position among other banks to tap SMEs sector through the establishment of a separate division specialized in financing SMEs. Thus, EBank signed an agreement in 2005 with the International Finance Corporation (IFC) and started the actual work in July 2005.

Furthermore, lately, EBank started offering credit facilities to microfinance institutions that finance micro enterprises in order to combat poverty and to provide them with financial services, which contribute to the economic and social development of the country. This is due to EBank belief and desire to support the country's current policies regarding micro, small and medium enterprises in order for the Bank to have an active role in society.

All of the above reflected positively on EBank's total portfolio, which is managed by Mid-Cap financing sector; as it reached an amount of EGP 5775 million as of 31 December 2022, distributed among various economic sectors.

Financing Small Projects and Micro Enterprises

Based on the State policy represented in the directives of the Central Bank of Egypt to expand in financing small and micro enterprises with the aim of creating an on-going financing cycle starting from the project's idea, supporting it since the establishment of the incubator to implement the entrepreneurs' ideas, offering suitable finance products until the idea turns into an actual large business to be financed. In order to activate this strategy, the Bank established the Small and Micro Enterprises Sector during 2019, which offers several financial and non-financial services, represented in:

- Small Enterprises Financing Department.

- Micro Enterprises and Business Banking Department.

- NilePreneur Department, which became affiliated to the Strategic Planning Sector in June 2022.

In this respect, the Bank undertook the following actions:

- Establishing an experienced and specialized work team to offer the best finance services to this sector owing to its importance, as this small-scale manufacturers' segment needs great care and sound guidance.

- Based on the Bank's belief in the importance of being close to the customers to offer the best finance services, the Bank established units affiliated to the sector in some governorates; in Sheikh Zayed, Minya and Assiut.

- The Bank also formed Credit Facilities Committees specialized in medium and small programs and projects to accelerate procedures and credit approvals for those projects.

- The sector, through NilePreneur Department, organized banking awareness seminars and lectures, offering non-financial services in many universities and participated in the "Decent Life" (Haha Kareema) initiative in several governorates.

- Several protocols were signed with the Executive Authority of Port Said Governorate, the Industrial Development Authority, the Chamber of Commerce in Beheira Governorate, the Tenth of Ramadan Authority as well as other government authorities to finance the purchase of factories for small-scale manufacturers, as the Bank believes in the importance of the cooperation of all State authorities to create an inclusive economic climate.

The volume of financing available from the Bank for small and micro projects amounts to EGP 931 million as of December 31, 2022, distributed over several economic sectors, namely industrial, agricultural, commercial, financial institutions and services, despite the recent economic and political changes that the country and the world as a whole went through.

The biggest and most difficult challenge was to achieve high-quality growth in the credit portfolio, especially in light of local or global negative economic and political changes.

The Sector was able to maintain the credit portfolio quality and support the customers who were impacted by those changes by offering consultancy, postponing maturity dates, scheduling or restructuring credit facilities and loans to enable those companies to continue their production cycle without interruption.

Signing a protocol with USAID to support small projects

Trade Finance and Export Promotion

The Trade Finance and Export promotion sector "TFEP" provides unique trade finance solutions aiming to attract new clients and increase the share of wallet for those existing in respect of trade finance generally and exports particularly, this is through providing non-financial services such as market research, consultancy, organizing workshops and trade finance training courses, aiming to enhance customer's awareness.

Moreover, the sector maximizes the benefit of information support by maintaining solid relationships with African and foreign embassies.

In addition, the sector works closely with the Egyptian Export Guarantee Company and all other export related parties to ensure increasing exports in addition to being present in international conferences aiming to achieve the Bank's competitive advantage and finest market place.

TFEP achievements / activities during the FY 2022:

- Increasing the Bank's customer database and increasing trade finance commission by more than 70%.

- Maintaining solid relations with clients and providing very high quality services despite the current circumstances and challenges that faced the banking sector specially trade finance.

- Introducing new product to provide credit lines for LCs in coordination with Credit Guarantee Co. "CGC" in accordance with CBE instructions.

- Signing an MOU with Trade Reform & Development in Egypt (TRADE) project, financed by USAID, aiming to improve Egyptian exports of SMEs, develop the trade and investment policy environment, and reduce barriers to trade.

- Participating in Import Substitute Initiative "ISI" under the supervision of CBE and prime minister which aims to boost Egyptian exports to reach USD 100bn by 2025.

- Organizing several trade finance workshops and lectures for members of export councils, clients and unions aiming to increase their trade finance knowledge.

- Participating and sponsoring exhibitions "GTR" which is considered one of the most important conferences worldwide in addition to others aiming to develop Egyptian exports.

- Participating in the Egyptian Banking System Model "EBSM" for university students.

- Participating in the Universities' Competition in cooperation with Enactus Egypt to provide innovative products that are exports ready, by providing lectures about trade finance, Export procedures and payment tools in addition to representing the Bank in the judging committees and panels.

- Participating in financial inclusion program in line with CBE initiatives and the direction of the country by providing lectures for students in different universities.

Payments, Cash Management and Global Transaction Banking

Launched Products:

1- New Corporate online banking with additional features and products.
2- Direct Debit on Corpay.
3- Loan onboarding for SMEs through the Bank website.
4- Launching Margin Trading.

Projects accomplished:

1- Core banking system upgrade.
2- Corporate Payment System (CPS).

Investment Activities

1- Equity Investments

At the end of the fiscal year 2022, net direct investments in stocks, private equity funds and sukuk amounted to EGP 1.8 billion. Some important highlights:

- Regarding strategic investments, EBank was one of the founding banks for "Misr for Investment and Export Development" with a 20% share of the paid-in capital. The company has an authorized capital of EGP 1 billion and was established in line with CBE's initiative (and the state direction) to boost Egyptian exports and support small and medium enterprises to export.

- Moreover, investment portfolio had two capital increases for two other strategic investments, with a total of EGP 173 million in total, namely, “AFREXIM Bank” and “EBE Factors”. EBE Factors is EBank’s subsidiary that provides integrated array of factoring programs including export factoring, import factoring, as well as domestic factoring with or without recourse.

- “Oberoi Sahl Hashish Hotel” - a renowned landmark owned by one of EBank’s subsidiaries - was ranked 2nd best hotel in the Middle East and Africa and among the top 25 hotels worldwide according to Trip Advisor - Travelers’ Choice Best of the Best Awards for Hotels 2022, due to finest level of service provided, distinct location and unique design.

2- Mutual Funds

A- Export Development Bank of Egypt -The First fund - Al khabeer:

A Listed Stocks mutual fund managed by “Azimut Egypt Asset Management” starting 1-10-2021. At the end of this fiscal year, the total number of outstanding certificates reached 106,441 certificates out of which the Bank holds 79191 certificates. Redemption value per certificate was EGP 161.53, compared to a nominal value in the prospectus of EGP 33.33.

B- Export Development Bank of Egypt -The Second fund - Money Market:

A Money Market mutual fund managed by “Azimut Egypt Asset Management”. At the end of this fiscal year, total number of outstanding certificates reached 774,316 certificates out of which the Bank holds 39,440 certificates. Redemption value per certificate amounted to EGP 479.0377 and the Bank’s commissions amounted to EGP 2 Million presented under “fee and commission income/other fees” caption in the income statement. Returns of this mutual fund are tax-exempt.

C- Export Development Bank of Egypt -The Third fund Konooz:

An Asset Allocator mutual fund managed by “Prime Investments”. At the end of this fiscal year, total number of outstanding certificates reached 51,676 certificates out of which the Bank holds 50000 certificates. Redemption value per certificate amounted to EGP 226.6609

For all three mutual funds, customers do not incur any expenses during purchase or redemption. They can easily monitor the certificate price and their balance, and can execute purchases and redemptions either electronically through Internet Banking or in person through any of our branches. Fund certificates are acceptable as collateral for borrowing in accordance with the Bank’s regulations.


Genie Participants and Performers


The Bank participation and representation in the Red Sea Maritime Transport and Logistics Conference


Rebranding ceremony

Treasury

- Government Securities of T-Bills & T-Bonds of the Bank's portfolio in all currencies reached EGP 27.02 billion in 31 December 2022 vs EGP 18.49 billion on 31 December 2021, with an increase of 46.13%.

- Due from banks in all currencies reached EGP 9.55 billion in 31 December 2022, vs EGP 7.76 billion on December 31, 2021, with a growth rate of 23.1%.

- Net trading income from securities trading activities in the secondary market reached EGP 48.6 million on 31 December 2022, vs EGP 38.84 million in the previous fiscal year, which represents an increase of 25% compared to the previous fiscal year and 87% on annual basis. Trading volume also increased dramatically to reach EGP 303.3 billion, vs EGP 267.1 billion in the previous fiscal year (18 months), with a growth rate of 14% compared to the last fiscal year (18 Months) and 70% on annual basis.

- Foreign exchange trading profits for the fiscal year ending 31 December 2022 recorded EGP 176.3 million, compared to EGP 217.7 million in the previous fiscal year on 31 December 2021 (18 months) with a decline of 19% compared to the previous fiscal year and a growth of 21% on annual basis.

- Treasury sector worked in cooperation with the Bank's branches to reduce the cost of customers' deposits as the cost of deposits in Egyptian pounds including reserve ratio reached an average of 8.93% on 31 December 2022 vs 8.54% during the previous year on 31 December 2021, with an increase of 0.39%. This represent a very modest increase taking into consideration that during 2022, CBE raised interest rates by 8% and raised reserve requirement by 4%.

- Maintaining the cost at that level affected the Bank's net interest margin positively to reach 3.22% on average during 2022, vs 2.79% during the previous fiscal year 2021.

Central Banking Operations

Export Documentary credits were advised to the Bank's clients with a total amount of EGP 13, 50 billion, part of which (EGP 3,30 billion represents 24.40%) has been confirmed.

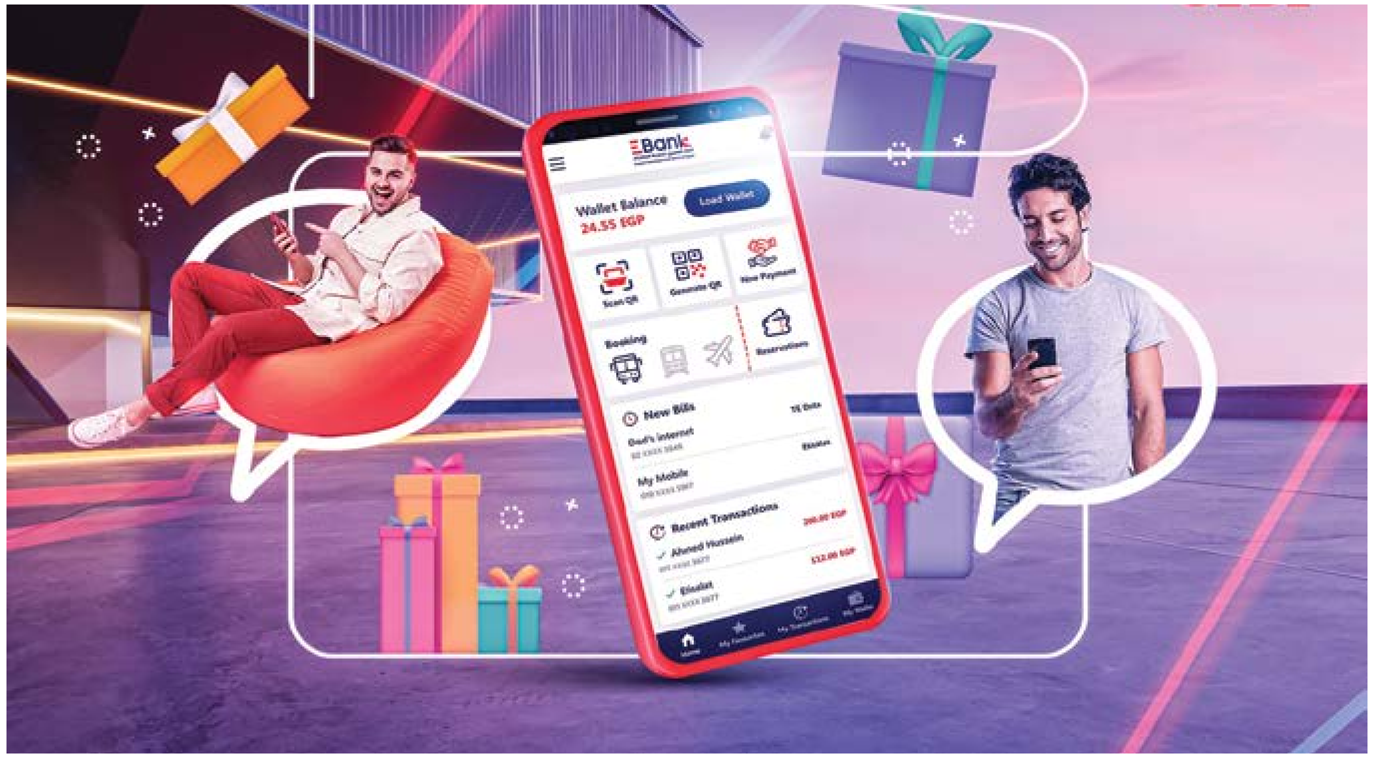
This ratio is one of the highest ratios in the level of Egyptian banks in confirming Export Documentary credits.

This reflects directly the ability of the Bank and existing competencies in the Central Banking Operations to bear responsibilities, and take the risk of non-payment of the shipping documents value to the Egyptian exporters for reasons related to documents and its compliance with terms and conditions of the documentary credit.

Export Shipping Documents has been negotiated through the Bank during this period with a total amount of EGP 66,75 billion.

The Bank discounted export shipping documents with a total amount of EGP 1,45 billion, paid to the exporters before maturity dates, in order to encourage exporters to get shipping documents value immediately after completion of the shipment process without waiting for the receipt of proceeds.

Improve the technical aspects for the foreign trade processes by joining staff of the Central Banking Operations to the multinational training courses (Certified Specialist Demand Guarantee - CSDG), which achieved 100% successes.



Retail & Digital Banking

Mission

Increasing the profitability achieved through all banking and technological transactions and facilitating the customer's financial needs by always investing in technology and human resources and focusing on low interest funds.

Customer Base

The Retail Banking Group achieved an increase in the number of customers from 98,757 customers in December 2021 to reach 109,335 customers in December 2023, with an increase of 10,559 customers, and a growth rate of 11%.

Liabilities

The Retail Banking Group increased the retail banking deposit portfolio by EGP 10.5 billion to reach EGP 50.7 billion In December 2022, with a growth rate of 26% compared to the previous year December 2021, with a balance of EGP 40 billion.

Assets

The loan portfolio was increased by EGP 1.5 billion to reach EGP 5.08 billion in December 2022, at a growth rate of 42% compared to the previous year ending December 2021, with a balance of EGP 3.6 billion.

Credit Cards

An increase in the number of credit cards by 3040 cards, bringing the number of cards to 16639 cards in December 2022, with a growth rate of 22% compared to the previous year December 2021, the number of cards was 13599 cards. This is in addition to an increase in the utilization ration of cards by 71% to reach EGP 65 million in December 2022 compared to the previous year ending December 2021, which was EGP 38 million.

Branches Network

The branches' network has been enlarged through the opening of a new branch (Mervat Sultan), bringing the total number of the branches to 44 branches.

With the addition of digital and electronic services to the branch, which will better meet the customer's financial needs.

Direct Sales Sector

The Direct Sales Sector, which is considered an essential component of the Retail Banking group, has achieved the following:

- An increase in the personal loan portfolio by EGP 362 million to reach EGP 564 million in December 2022, at a growth rate of 179% compared to the previous year December 2021, with a balance of EGP 202 million.

- Increasing the car loan portfolio by EGP 390 million to reach EGP 1.1 billion in December 2022, at a growth rate of 52% compared to the previous year ending December 2021, with a balance of EGP 753 million.

- Increasing the credit card portfolio to reach 6,922 cards in December 2022, with a total credit limit of EGP 95,991 Million, with a growth rate of 11.7% compared to the previous year ending December 2021, with a balance of 6,430 cards, and a total credit limit of EGP 85,949.

Products Development & Segmentation Sector

The sector played a key role in providing wide range of products and services to EBank customers, which enabled both Branch Network and Direct Sales sectors to attract new customer, and below is summary of the major achievements in 2022:

- The credit card reward points program was launched in June 2022 E2E

- Develop acquisition programs to increase the granted limits for credit cards to increase the portfolio.

- Increased contracts with many selected stores to increase the credit and debit cards portfolio and benefits.

- Launching promotional campaigns to increase acquisitions, in addition to the largest cashback campaign, Black Friday, to increase the use of credit cards.

- Launching the used car financing program (Auto Loan for used cars) to increase assets portfolio and meet the customer needs.

- Launching personal loan programs targeting new customer categories, Buy Out I score & Loan-to-Card Programs to increase assets portfolio and meet the customer needs.

- Modifying some of the existing retail banking programs to increase their competitive advantage in order to increase assets portfolio and meet the customer needs.

- Launching a promotional campaign in the first quarter of 2022, targeting both personal cash loans and auto loans to increase assets portfolio.

- Launching new products supporting the financial inclusion and CBE direction (example saving accounts ALKASIB).

- Launching new categories of saving certificates for individuals to keep pace with changes in the banking sector.

- The Bank has developed salary / payroll packages and various offers while providing a high level of service.

Digital Banking & Innovation Sector:

The Digital Banking and Innovation team worked during 2022 on developing digital products and services, as shown below:

First: GEBE E-Wallet

- Launched the new release of the electronic wallet (GEBE) to be in line with our new corporate identity.

- Availed electronic wallet (GEBE) transactions statement request.

Second: Internet Banking:

- A new release of the online banking platform was launched to make it more user-friendly and provide new features.

- The transfers' end-to-end cycle was automated, to speed up the execution within 20 minutes range through internet banking.

- Launch of token self-registration feature; to be used in high-risk transactions.

Third: ATMs

- The ATMs surrounds were rebranded to be in line with our new corporate identity.

- The total number of automated teller machines reached 91 ATMs in service (45 ATMs inside the Bank branches - 45 ATMs in external locations and 1 Drive thru ATM).

- ATM's banking services through the Braille language and the screen reader system was launched.

- Launched the payment services for credit card dues through ATMs.

Fourth: E-Statement

- The E-statement for different account types is launched.

Fifth: Digital Innovation

- EBank was enrolled in the instant payment network and subscribed in InstaPay application.
- The new release of the virtual platform is launched.
- The new release of the ChatBot, is installed.
- Availing cash deposit & withdrawals via EBank's debit and credit cards through FAWRY points of sale.

Sixth: the call center

• Launched the customer identification feature through the Bank's inter active voice response (IVR).

• Adding a call back service in case the customer wants to be contacted instead of waiting in queue.

Number of E-wallets until December 2022 is 6,163

Number of Internet banking subscription until December 2022 is 22,897

Business Excellence & Change Management Sector

The Sector plays a vital role among Retail Group sectors towards unifying processes in branches and enhancing operation by replacing manual processes by automated solutions, monitoring quality standards of doing business, contributing to cost reductions initiatives. Below are the achievements of the sector in 2022:

- Initiating Complaints Management Department in 2022 to manage customers' complaints and follow up their resolve during the specified SLA and according to CBE guidelines in this regard. Also analyzing complaints and handling root causes of repeated ones.

- Replacing conventional methods of doing business into digital and automated solutions, one of the major achievements here is the Go Live of RLOS (Retail Loan Originating System) by Change Management Department in 2022. The department is following up the conversion of many manual reports by CBE into automated reports, to be in line with the increasing and rapid changes in the regulatory environment.

- Through Business Planning & Analysis Department, the sector is managing retail portfolio and analyzing retail units and branches performance, providing the Bank's Top Management with information after analyzing data of all sectors figures to ensure taking the right decisions towards the Bank's strategic goals.

- Providing operations and directional support to branches to off-load them from many tasks to enable them provide the highest service standard to our customers.

Debt Recovery and Swap Assets

Strategy

The department adopts a clear strategy for managing impaired accounts, based on positive approach as a main pillar. The strategy includes providing consultancy and assistance to those clients to overcome their impairment and continue in their business.

This strategy also aims to secure the job opportunities provided by these impaired accounts, which goes along with CBE policies.

This strategy is demonstrated through:

- Suggesting and implementing settlements.

- Setting rescheduling programs to match the impaired client's repayment capacity and cash flow.

- Providing all forms of support to serious and committed impaired clients through financial consultancy, as well as new finance.

The department succeeded through the above strategy in decreasing the percentage of impaired accounts in 2022, to 3,6% of the total portfolio, versus 7.07 % in 2016.

During the same period (2016-2022), total collections reached LE 1592 million.

Achievements during 2022:

Settlements: Nine settlements were concluded for impaired clients, with net debt of EGP 333 million.

Collection: A total amount of EGP 723 million were collected during 2022 (including EGP 274 million from impaired clients, EGP 8 million right off and EGP 441 million from assets sales.

Credit and Investment Administration

- Participate and finalize Credit Admin requirements in Core Banking upgrade project

- Participate and finalize Credit Admin requirements in Daltex project to automate drawing power reflection for all credit facilities against checks and purchase orders.

- Automation of trust receipts creation on system internally with no cost (cost was estimated by Infosys by approximately $40K).

- Centralization of Alex purpose monitoring functions.

- Centralization of fully secured facilities function to be handled.

- Finalize CAD Documentation unit hiring and structure to ensure proper and accurate handling of legal documents.

- Automation of Customer Position Report and eliminate all manual adjustments done on customer position.

- Automation of stamp duty calculation to be on customer level instead of account level, which resulted in cost reduction of taxes payment.

- Finalize Credit Admin requirements in Financial Inclusion database.

- Finalize CBE new "eqrarat" project and coordinate with all the Bank's units to ensure accurate reconciliation of reports.

Risk Management

- We believe that the main role for risk management is to protect our customers, business, colleagues, shareholders and the communities that we serve, while ensuring we are able to support our strategy and provide sustainable growth.

- Maintain commitment to environmental sustainability, including effectively managing natural resource usage and reduce greenhouse gas emissions including Scope (1&2).

- Sustain strong risk and compliance culture focused on risk awareness, ownership and ethical behavior.

- Leveraging on our leading position as an expert development bank, we continue to support and create differential products tailored to exporters in line with our risk acceptance criteria.

- We have an exceptional view of ESG investment through collaboration with clients to establish market best practices and create innovative ESG solutions.

- Developed a recovery plan including risk measures, tolerance margin limits and corrective action plan.

Our risk appetite and approach

- Is expressed in both quantitative and qualitative terms and being applied across various business lines.

- Strength our capital, liquidity and balance sheet.

- Compliance with applicable laws and regulations.

- Effectiveness application of control to mitigate risk arises from different business lines.

Managing Credit Risk

- We assess the credit quality of all financial instruments that are subject to credit risk in line with the Bank's expansion plan while maintaining average PRR and impaired loans ratio relative to gross loans.

- We have successfully implemented expected credit loss model in collaboration with international rating agencies in an end-to-end process.

- We have put in place measures to assess different industries risk and assign rating to promote well-diversified clusters and exposures.

- We stress test portfolios regularly to identify sensitivity to loss under a range of scenarios, with management actions being taken to rebalance exposures and manage risk appetite where necessary, and as a result of Covid-19 outbreak and its global impact either on different economies or customers behavior or performance.

- Formulate and implement structured reporting process for risk monitoring and reporting to CEO, Risk Committee and EWS Committee.

Market Risk Management

It is the risk of loss resulting from unfavorable movements in the value of financial instruments arising from changes in the level and market volatility of interest rates, foreign exchange rates, equities, and other securities.

EBank maintains a consistent framework designed along with a set of policies and procedures, to ensure that all market risk exposures are considered, adequately reported and effectively managed. The Bank classifies sources of market risks into trading and non-trading portfolio risks, managed at various organizational levels.

EBank approach in managing market risk exposures relies on a reliable set of management processes that encompass risk identification, assessment, control and monitoring, to facilitate business growth and profits maximization within a controlled and transparent risk management framework, using robust measurement, limit setting, reporting and oversight, stress testing and scenario analysis.

EBank also complies with CBE's regulations regarding market risk as well as complying with the internal capital adequacy assessment process (ICAAP), which aims to ensure the Bank's ability to face any significant risks that may affect it.

MRM department checks, tracks any potential impact of market price movements on Banks' positions, portfolios and capital requirements and drives scenarios, assesses and reviews the effectiveness of and adherence to a set of risk limits.

EBank started also to monitor and analyze the risk appetite statement for all the risks the Bank is exposed to. The Bank measures the maximum and the acceptable various levels of risk types determined by the Banks Risk Appetite Statement (RAS), which was prepared with a future outlook and adopting the "Top Down approach" method, aiming to study the various business sectors, then determine the standard indicators for the various risks of the Bank, ending with statement preparation and limits approval, in order to achieve a balance between risks and the expected return with the availability of automated systems and periodic reports to monitor risks limits on an ongoing basis. The statement is reviewed and updated periodically in accordance within the risk management's framework requirements and the market conditions. Based on RAS, Market Risk Management Department monitors the current level of risk compared to the acceptable risk level on a regular basis, and is presented to the BOD risk committee on quarterly basis.

1. Market Risk

It is the risk of changes in financial market prices and rates that will reduce the value of a security or portfolio. Market risks arise from open positions of interest rates, currency rates and the equity instruments. Managing the market risk results from either trading or non-trading activities. The management of market risk resulted from trading and non-trading activities are centralized in the market risk department, providing ALCO and the board risk committee with regular reports on monthly and quarterly basis to measure performance.

- Market risk is managed and controlled through limits approved by the BOD, these limits are allocated across business areas where trading and non-trading market risks reside.

- We use a range of tools to monitor and limit market risk exposures including sensitivity analysis, VAR and stress testing.

Our models are predominantly based on historical simulation that incorporates the following features:

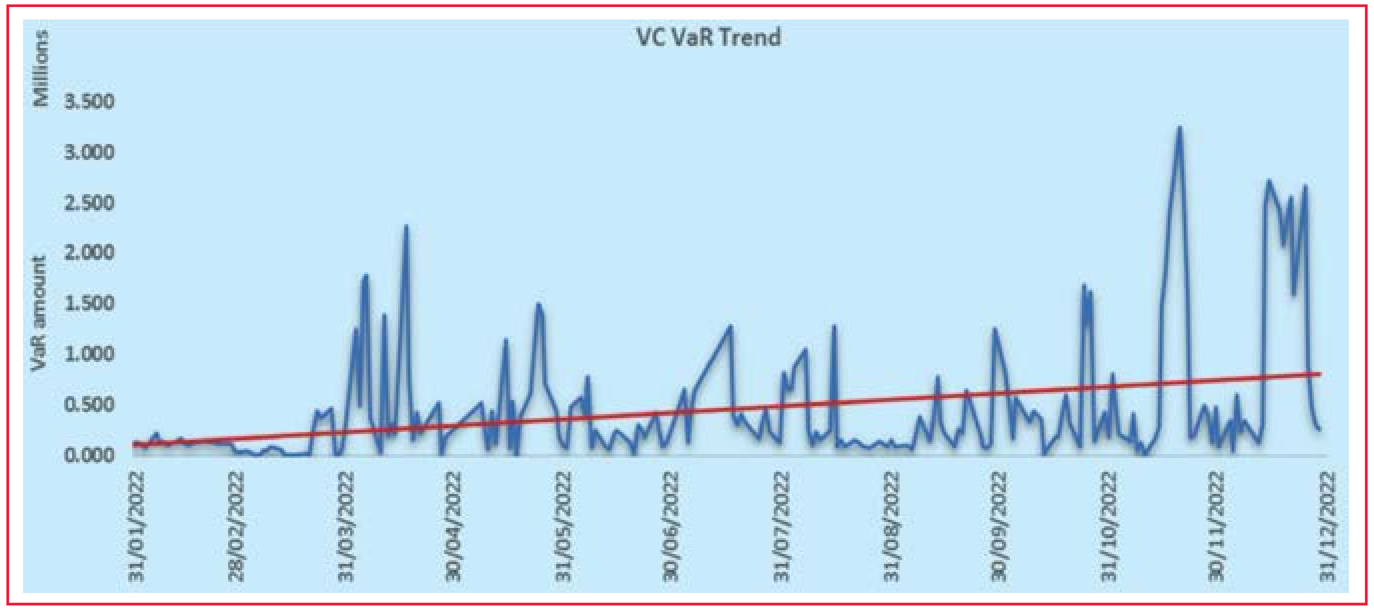
1) Historical market rates and prices, which are calculated with reference to foreign exchange rates, interest rates and the associated volatilities.

2) Potential market movements that are calculated with reference to data from the past.

3) Calculations to a 99% confidence level and using a one-day holding period.

2. Foreign exchange risk

Foreign exchange risk arises from open or imperfectly hedged positions, these positions may arise as a natural consequence of business operations. The board of directors have set limits for foreign exchange risk at the total value of positions at the end of the day and during the day when timely control exercised. Value at risk VaR limits have been set as the maximum potential losses that could result from the possibility of an unexpected change in FX rates over a specified period and at a specific level of confidence.



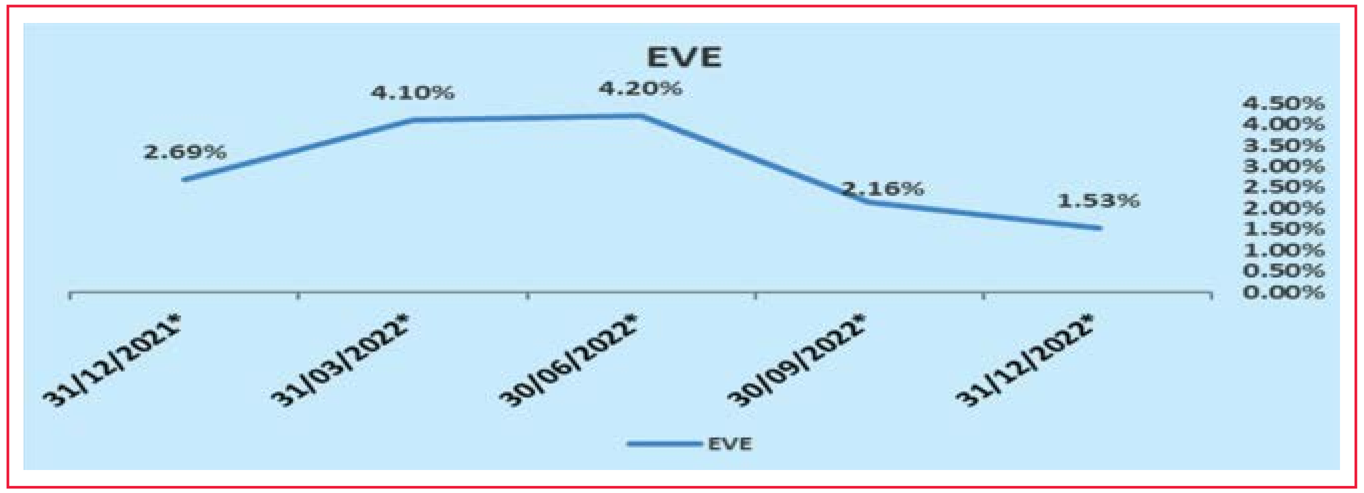
3. Interest rate risk

The Bank is exposed to impact of fluctuations in the levels of interest rates prevailing in the market.

The cash flow risk of interest rate represented in the volatility of future cash flow of a financial instrument due to change in the interest rates in the market.

The interest margin may rise due to these changes but still the profits may decrease if unexpected movements occur.

The Board of Directors have set limits for Earning at Risk (EaR) and Economic Value of Equity (EVE) to mitigate repricing gap risk resulting from unfavorable movements in interest - monitored periodically.



4. Price Risk

Price risk is the risk of a decline in the value of a security or an investment portfolio. The market price of stocks fluctuates all the time, depending on supply and demand. Investors can employ a number of tools and techniques to hedge price risk, ranging from relatively conservative decisions (e.g., buying put options) to strategies that are more aggressive (e.g., short selling).

5. Specific risks

Potential losses resulting from unfavorable changes in the values of certain securities that are due to factors related to the party issuing the security.

6. Settlement risk

They are potential losses as a result of failure to settle transactions related to financial instruments in the trading portfolio, such as debt instruments, stocks and derivatives (including currency derivatives), on the maturity date.

7. Liquidity Risk

Liquidity risk is the risk that the Bank would be unable to fund increases in assets and meet obligations as they come due, there are two types of liquidity risk “Market Liquidity Risk & Funding Liquidity Risk”.

- **Market Liquidity:** The Risk that an item cannot be sold to another market participant due to a lack of liquidity in the market.

- **Funding Liquidity:** The risk that liabilities cannot be met when they are due or can be met only at a cost that is a great disadvantage to the market participant.

The Board of Directors have set limits for the liquidity coverage ratio (LCR), which aims to ensure that the Bank maintains a sufficient level of high liquid assets that can be converted into cash to meet liquidity requirements within 30 days on the assumption of adverse conditions in the liquidity position.

As well as setting maximum limits for Net Stable Fund Ratio (NSFR) aims to help us structuring the sources of funds within the financial position and contingent liabilities, and to provide more stable sources of finance for each of the assets and our activities, which are monitored periodically.

- Liquidity Risk is managed by cash flow matching and maintaining sufficient cash resources, investing in high credit-quality investments with deep and liquid markets, monitoring investment concentrations and restricting them where appropriate.

- We consider some prudential limits to avoid any liquidity crises such as; minimum liquidity ratios coverage, maximum cumulative gaps limits, cap on interbank borrowings, and maximum durations for investments in government securities.

- Monitor liquidity risk including asset liability mismatch at a scheme and portfolio level vis-à-vis internally approved and defined liquidity model on a monthly basis.

- Contingency funding plan in place.

8. Recovery Plan

The recovery plan is a comprehensive and detailed plan that includes a set of assumptions for managing critical events (Recovery Scenarios), which may occur in the banking system, or on the Bank, that could affect its level of solvency (Capital and Leverage requirements), liquidity or profitability, and the corrective measures necessary to restore its financial soundness (Recovery Options) if any of these assumptions occurred.

Enterprise risk management

Starting 2022, EBank emphasized the importance of heading towards an Enterprise Risk Management framework, a holistic view, to address all non-financial risks that include operational, business disruption, fraud, technology and information systems, outsourcing, strategic and reputational risks.

The objective is to put in place a structured approach to manage strategic, business and operational risks, holistically, integrating the Bank strategy and risk appetite, identifying potential threats, pursuing risk strategies that supports the achievement of the Bank objectives.

That entails defining all necessary requirements to ensure that the IT infrastructure, controls, governance framework, business continuity and disaster recovery arrangements put in place are sufficiently robust and effective, along with the continuous monitoring of risks and early warning indicators and enhancement of reporting tools analytics to support business decisions.

During the year, the Enterprise Risk Sector identified the basic pillars for starting the initial phase of the framework. Operational risk and fraud risk departments were supported with robust risk systems to monitor and undertake the necessary assessment and reporting. In addition, the Bank reinforced the business continuity department with all needed resources. A specialized entity in BCM was contracted to provide technical support and lay scientific foundations for the enhancement of processes including the BIA, and governance structure in accordance with international standards.

1. Operational Risk Management:

Operational Risk is one of the main risk management functions of the Enterprise Risk group in EBank.

The Bank's Operational Risk Function was launched early 2010 by establishing and applying an Operational Risk Management Framework managed through a consistent framework of policies and procedures. The framework is designed based on transparency, management accountability and independent oversight, to enable the Bank to determine risk profiles, identify early warning signals, and key causes related to risks to promptly define mitigating measures and ensure the sufficiency and effectiveness of controls to mitigate risks.

EBank Operational risk comprehensive policies and procedures are subject to regular reviews to ensure effective controls' setup, deal and comply with regulatory changes, and tackle risks arising due to change management.

Operational Risk Management function is involved in the early stages for launching new products and services through pro-actively identifying and assessing risks related to new products and sufficient remediation sustaining good service for the Bank's customers.

The Operational Risk management function performs risk analysis based on a well-defined methodology emphasizing root causes, timely reporting of envisaged problems, regular assessment using RCSA, KRIs, incident reports, surveys, in addition to other supporting means to identify areas with high risk potential and determine appropriate risk mitigating measures and necessary controls. KRI trends of different activities are monitored and evaluated taking into consideration the acceptable risk limits of the Bank as set in accordance with the Internal Capital Assessment Adequacy Process (ICAAP)
The Bank maintains and implements a well-designed risk governance framework, in accordance with the CBE governance mandates.

The Board Risk Committee periodically oversees the Bank's overall operational risk profile and reviews Operational Risk Management reports, major risk exposures, control effectiveness and main KRIs trends.

2. Fraud Risk Management:

Fraud Risk Management is one of the main functions in the line of the strategy of the Bank, and it's endeavor to stand up against risks, which will contribute to protect our customers, brand, reputation and reduce impact of financial loss related to such kind of risks.

The Bank direction is proactive to ensure that sustaining the business growth with appropriate anti-fraud controls and applying all regulations and controls to reduce fraud risks and effectively monitoring it.

The Fraud Risk Management Department is responsible to develop fraud prevention, detection, and deterrence strategies for all the products to assist the business protecting their potential and current profitability. The department also advices the Bank on new fraud trends and suitable mitigation processes, it also enhances the awareness of fraud risk management role among the Bank’s employees.

The Fraud Risk Management Department expanded its functions during the financial year by adding the online monitoring of cards transactions; in addition to:

- Verifying the validity of logins to accounts through the internet,

- Checking the documents of outsourcing employees, as well as the Bank’s employees, in case of any suspicion about any document, as well as

- Participating in the examination of credit cases for small and medium industries and the cases of mortgage finance.

Ensuring” business continuity to achieve and support the operational flexibility of “banks

Keeping” things going when things “go wrong

3. Operational-Information Technology & Systems Risk:

In line with the Bank’s Information Systems Risk mandate, the Operational IT Risk department (OITRD) carries out a regular plan for the risk assessment and review of all implemented IT applications, programs and network. Accordingly, the OITRD reviewed CBE regulations to ensure and apply all necessary controls and enhance the setup for change management risk within the Bank.

4. Business Continuity Management - BCM-Enterprise Risk Management

a. Strategic Highlights

The Bank is committed to ensuring a continuous and reliable delivery of key services to its customers in the event of a significant business disruption, while upholding confidence levels of its clients and interested parties, by developing, implementing and maintaining an effective Business Continuity Management System “BCMS”.

Interested Parties
Internal
Board Members
EBank’s employees
EBank’s departments / sectors
External
Regulatory Bodies
Third-parties, vendors and suppliers
Customers / clients

b. BCMS Objectives

EBank's BCMS is designed to recover the business processes / services identified as critical.

Contingency measures are identified to safeguard its enablers (people, technical infrastructure, facilities and vital records) in an event of a business disruption that affects EBank's clients and interested parties.

Each department at EBank develops, periodically updates and regularly test business continuity plans, which are designed to achieve the following BCMS objectives:

i) To ensure safety of human resource in the event of a disaster.

ii) To ensure availability of critical services being provided to customers at their stated minimum acceptable levels.

iii) To detect and minimize the impact of a disaster in a timely manner.

iv) To minimize the probability of recurrence of disaster wherever applicable.

v) To comply with CBE regulations as well as aligning with the international standards ISO 22301 for BCMS / GPG 2018.

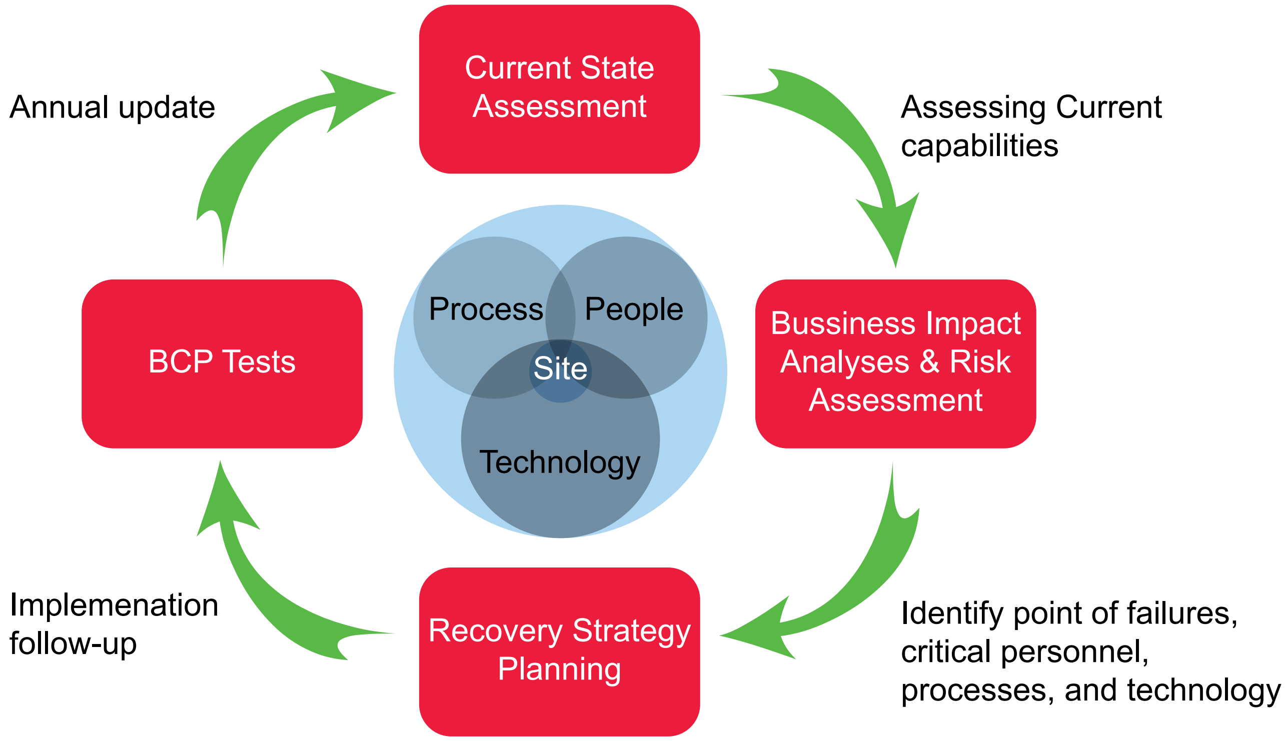
c. BCMS Framework

- An effective BCMS Framework is established with sufficient financial, organizational, technical and environmental resources to address the specific requirements for business continuity.

- The BCMS Framework is developed based on the applicable international standards, good practices for business continuity and aligned to the business requirements of EBank.

- The BCPs are developed to ensure recovery of all mission critical functions within the defined timeframe based on BIA.

- Any addition and / or update to existing infrastructure, processes or organizational model shall be updated in a timely manner to reflect the approved changes to consider the impact on business continuity arrangements made by EBank.



d- Business Impact Analysis (BIA) and Risk Assessment (RA)

- BIAs are conducted for major business departments to identify their critical processes and financial & non-financial impacts on EBank in an event of unavailability of the process;

- A BIA constitutes of identified critical processes, recovery priorities, interdependencies, and calculated recovery timelines-Recovery Time Objective (RTO) and Recovery Point Objective (RPO), for the processes, critical IT systems and applications.

- Process criticality is determined using a weighted impact assessment of loss or degradation of a process on E Bank and defined in the BIA & RA Procedure;

- All BCMS Champions carry out RA that consist of all risks / threats that could cause an adverse impact on EBank's infrastructure or information assets resulting in a disaster. These risks / threats shall be mitigated through implementation of appropriate controls (as approved by the BC & Emergency Committee) within agreed timelines.

e- BCM Recovery Strategies

The recovery strategies are developed with the following objectives:

i. **Reduce an impact of an event;**
ii. **Respond to an event;**
iii. **Recover from an event;**
iv. **Resume critical business Processes / Services after an event;**
v. **Restore the facility after an event;**
vi. **Return to normal operations.**

- BCM Strategies are developed in line with the BIA results taking into consideration recovery requirements for processes critical for recovery from the disaster;

- Appropriate alternative recovery sites are selected based on the nature and intensity of damage resulting from the disaster;

- BCM Recovery Strategies are updated in case of a major change at an organizational level.

f- Business Continuity Plans

- BCPs are developed for prioritized departments with identified critical processes (as per the approved BIA results) to ensure adequate recovery at the time of disaster / crisis;

- BCPs aligned with calculated RTO and RPO values (as per the approved BIA results), process requirements including all enablers - people, site, technology and vital records-identified interdependencies; and

- BCPs are reviewed and updated by the respective BCMS Champion annually, or more frequently, if required.

Retail Risk

Main Roles

- Mitigating all kinds of credit risks could appear whenever granting current or potential customer any unsecured facility through implementing and applying policies and procedures.

- Maximizing EBank's Financial Profits from retail portfolio through using all kinds of suitable tools to collect back the Banks' assets and push to decrease bad debts and minimize provisions.

- Monitoring Retail Portfolio through generating and analyzing different types of reports and ensure maintaining that all risk triggers are within the accepted and approved ratios. Studying and evaluating the existing retail products as well as the proposed new ones.

Retail Risk Main Objectives

Top achievements of the year 2022

- Increasing the portfolio as a main service function in a healthy and risk mitigated status.

- Approval to apply the Retail Loan Origination System "RLOS".

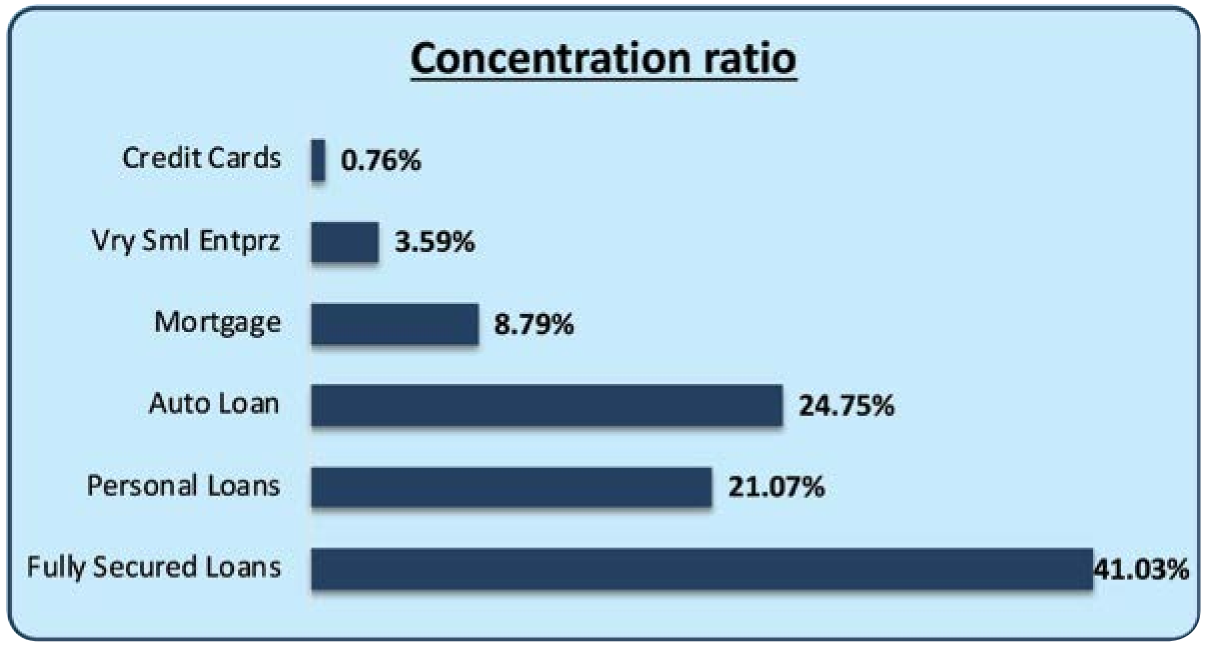
- Creating full package of MIS reports that serve the retail cycle all over the Bank.

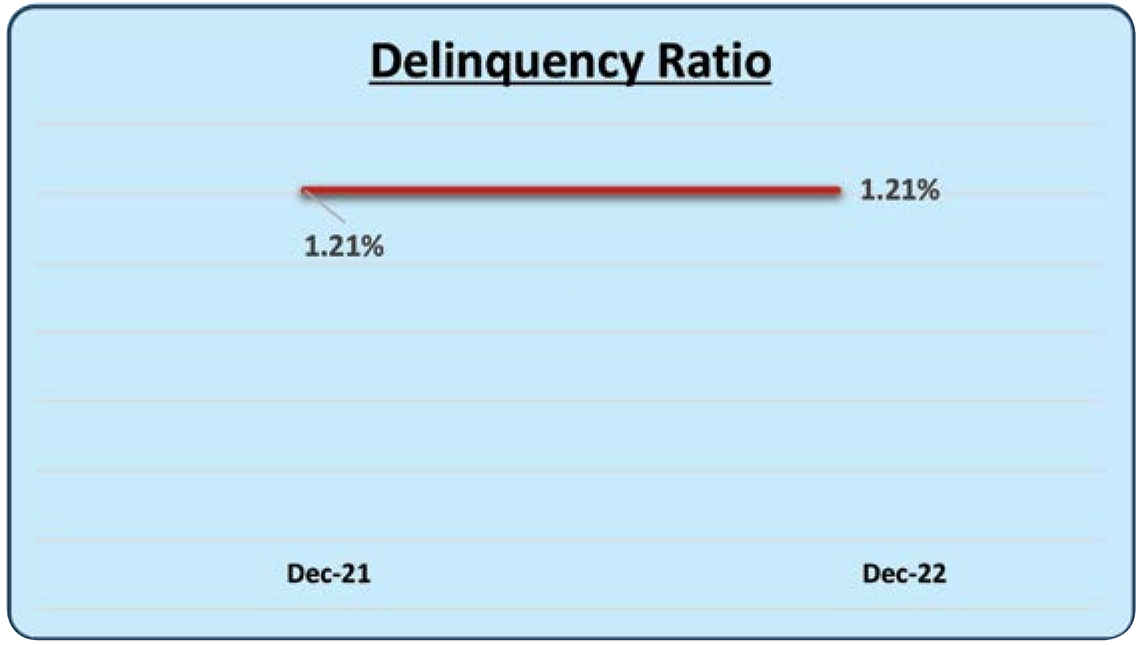
- Enhance Product Features to meet all segments and customer needs taking into consideration-mitigated risk.

- Dealing with new collection agencies to enhance collection effort.

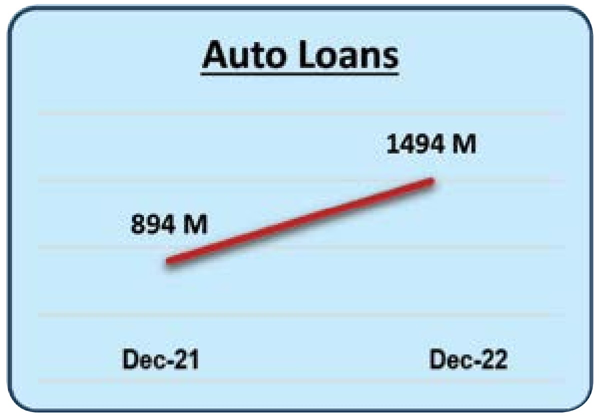
- Enhance the TAT for all types of retail products.

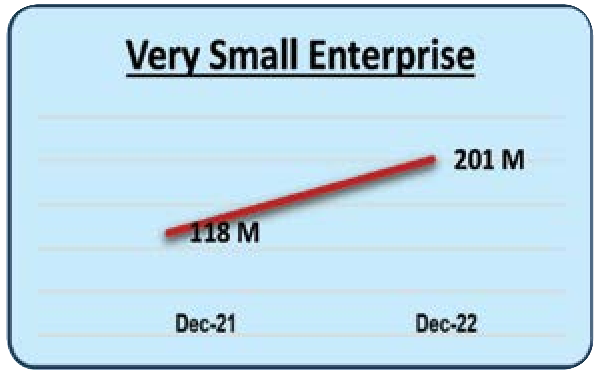
- Maintain the delinquency ratio at 1.21% in spite of the unstable economic status.

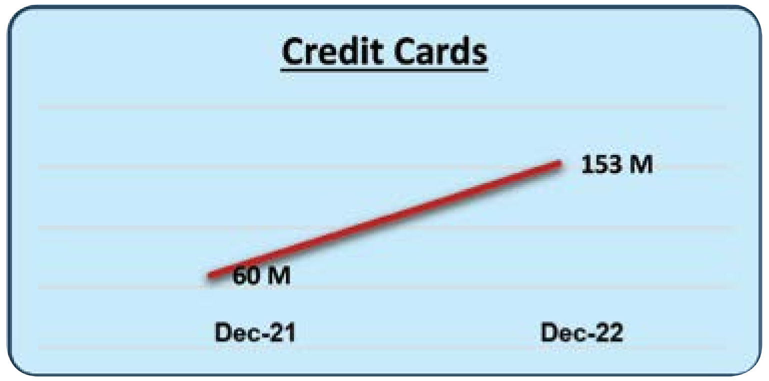




Retail Portfolio Gross







Governance, Compliance and International Standards

Corporate Governance, Compliance and International Standards Sector aims to protect the Bank from the risks of violation of both local and international laws and regulations, defined as legal and reputational risks, it is also responsible for the compliance framework and its implementation throughout the Bank and for promoting a high level of awareness of compliance requirements. It is monitoring the Bank's compliance with regulatory requirements through the following:

- Corporate Governance
- Customer Rights Protection
- Branches Monitoring and testing
- CBE Relations
- CBE Reporting Unit
- Compliance Monitoring and Testing for Central Departments and Head Office
- Financial Crime Compliance

Corporate Governance

Regarding the Corporate Governance, it is monitoring the Bank's compliance with regulatory requirements for the following:

- Ownership Structure.
- General Assembly.
- Board of Directors.
- Board's Committees.
- Responsibilities of senior management.
- Disclosure & Transparency.
- Corporate Social Responsibility.
- Auditors.

This in addition to:

1) Monitoring the Bank's compliance with Conflict of Interest Policy.

2) Ensuring that behavioral standards of conduct are properly met in the institution through the implementation of the Bank's Code of Ethics.

3) Whistleblowing on malpractices and protecting the whistleblower.

Customer Rights Protection

In the interest of the Bank to obtain customer satisfaction and enhance their confidence from the perspective of reducing their complaints and reducing the time spent in the solution, this department has been strengthened with banking experiences while monitoring all sectors and branches in the application of the principles of protecting customers' rights.

- The department monitors all complaints and supervises to solve them promptly; it also analyzes the root cause of the problems and recommends the needed action to ensure non–recurrence.

- Reviewing all the Bank products forms, contracts, all internal policies, procedures and marketing materials to provide opinion from customer rights protection perspective.

Branches Monitoring and Testing

Scope: Ensuring the branches commitment to all policies and procedures, regulator instructions in addition to audit committee comments and instructions through periodic visits to the branches and submitting reports on regular basis, showing to what extent their compliance and shortcomings. Finally submitting the results to Audit Committee to issue recommendation in this regard.

CBE Relations

Main Role

- Receiving CBE circulations and uploading them on the internal electronic portal, communicating with concerned parties insuring adherence to the circulated rules, and following up on execution of CBE circulations abiding to the required conditions.

- Following up on implementation of the approval's conditions before activating products insuring the establishments of the required conditions as well as obtaining the final approval for product launch from CBE.

- Obtaining approvals by various sectors and departments. In addition, responding to any inquiries related to those approvals or rejections.

- Responding to the branches' inquiries concerning CBE circulations / Instructions.

- Responding to the control and supervision sector inquiries and clarifying the extent to which the Bank is abiding to the supervisory instructions and following up with the executive departments in fulfilling the CBE's required reports.

- Assuring the coordination of the Bank's procedures with CBE verbally and drafted regulations, in order to prevent fines, whether financial, administrative or legal penalties.

- Revising the policies and SOPs of different departments to insure their abidance to CBE regulations.

- Review issues and topics to assure adherence to CBE regulations.

- Revising the new contracts, administrative and purchasing instructions, controlling the renewal and extension concerning technical and support services as well as maintenance, supply and installation contracts.

- Follow up on the latest developments of international laws to abide by their instructions to prevent being exposed to any violations or fines.

- Preparing FATCA reports by listing US individuals / entities, respond to branches' inquiries regarding FATCA requirements, and providing FATCA awareness.

CBE reporting unit

The unit is responsible for:

The management of the supervisory reports of the Central Bank of Egypt is one of the most important roles of the Bank's Compliance Department, as it expresses the extent of the Bank's commitment to the supervisory instructions regulating banking work and the point of contact between the Bank and the Central Bank of Egypt.

The Reports Department of the Central Bank of Egypt is concerned with counting and reviewing all reports that are sent, as well as the periodic follow-up of the requirements of the Central Bank of Egypt and other regulatory authorities regarding compliance reports.

Compliance Monitoring and Testing for Central Departments and Head Office

During the fiscal year 2022, Governance, Compliance and International Standards Sector further fortified the Bank's compliance system by establishing the new department: "Compliance Monitoring and Testing for Central Departments".

This department is responsible for evaluating the central departments' compliance to external regulatory requirements, testing internal controls for weaknesses from the compliance perspective, reporting necessary recommendations regarding these weaknesses – if any – to the Audit committee and / or the BOD, and finally, make sure that the corrective actions were properly implemented.

For each function within the scope of the new department, a combination of office analysis, internal and external audit reports analysis, and field examination is used to reach a comprehensive report and recommendations.

Financial Crime Compliance

EBank is committed to comply with all applicable laws and regulations relating to combating money laundering, terrorist financing and other financial crimes. EBank Management has a responsibility towards its shareholders / stakeholders to protect EBank's reputation by ensuring that appropriate policies, procedures, internal systems and controls are in place to mitigate the risk of EBank involvement in laundering criminal proceeds or terrorism financing and comply with all relevant regulatory requirements.

The AML / CFT Policy sets forth a clear risk mitigation policy in order to effectively manage the money laundering/terrorism financing risk during the conduct of EBank business.

Internal Audit Group

- Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve the Bank's operations. It helps the Bank accomplishes its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, compliance and governance processes.

- The scope of the internal audit work includes auditing, activities and processes for risk management, internal control systems, information systems and governance processes, through the periodic examination of a sample of operations. All activities, functions, departments and branches of the Bank are within the scope of the audit process.

- The standards and guidelines issued by the Institute of Internal Auditors are the primary reference and framework for the audit process.

- At the beginning of the financial year 2022, Group Internal Audit has prepared an annual Risk Based Audit Plan. The Audit Committee of the Board has reviewed and approved the annual Risk Based Audit Plan for adoption during the financial year.

- Internal Audit Group has adopted and executed the approved plan and performed audits of the Bank's various Sectors, Departments and Branches, which were selected for audits. Thereafter, the Internal Audit Group has issued its audit reports to respective departments' heads, Executive Management and Board Audit Committee.

- During the year, Board Audit Committee held (13) meetings, the minutes of those meetings were prepared and reported to the Board of Directors.

- During the year, Board Committees' held (4) Joint Meetings, the minutes of those meetings were prepared and reported to the Board of Directors.

- Internal Audit Group followed up on the Board Audit Committee's resolutions and recommendations. Results of these follow ups were periodically presented to the committee.

- Internal Audit Group has followed up on CBE Corrective Action Plan according to CBE's review report to the Bank as on 30/9/2021, in coordination with all EBank sectors and departments, and also, followed up with all relevant department on the status of the corrective action plan agreed with CBE, regularly, as per target dates.

- Internal Audit Group has coordinated with the External Auditors and provided them all their audit requirements.

- Internal Audit Group has coordinated with Accountability State Authority Auditors and provided them all their audit requirements.

- Internal Audit Group staff have participated in several technical training courses according to the Bank's Training & Professional Development plan.

Internal Control

Purpose

Internal Control Department was established with a main purpose to review, oversee and report on the control functions within the Bank by continuing assurance, supervision and reporting the effectiveness of such functions as it is considered one of the supporting governance pillars across the Bank. Internal Control function is the procedures that are authorized by top management and all the executive functions all over the Bank are accountable and responsible to such procedures.

The Head of Internal Control department reporting directly to the BOD's Chairman to conduct ongoing independent and objective reviews of the Bank's operations and procedures. Findings and recommendations are reported as appropriate.

The Internal Control Department uses Central Bank of Egypt Control Framework and its guidance as the basis for maintaining the internal control function.

Scope

The Internal Control Department shall review and inspect the reliability and integrity of the Bank's internal control functions, programs, processes, activities, measures and actions. The department is continually focusing on the operational processes along with considering the review of financial reporting controls. To this end, the internal control department shall prepare an annual plan that includes testing and remediation for the Bank's process units, branches, and departments and to be introduced to owners, managers, and executives after being approved by the BOD's Chairman.

Responsibilities and Authority

Internal Control Department is responsible to conduct independent and objective reviews of the Bank's operations and procedures and to provide continuous assurance on the internal controls effectiveness of EBank's branches operations, departments and programs, offer consulting guidelines on procedures and operational systems controls and to report findings and recommendations as appropriate.

The success of an internal control department depends upon the endorsement and ongoing support of senior management and the board of directors and its Chairman, as such; the head and staff of internal control department shall be granted unrestricted access to the Bank's premises, documents, systems and all other resources to enable surprise and ongoing reviews. All processes owners, managers, and employees are expected to fully cooperate and participate in the testing and review process. The Bank shall provide appropriate resources to the department in order to execute responsibilities.

Banking Investigation

The strategic objectives of the Credit Investigation Sector achieve support for the Bank's competitive advantage.

1- Providing quality, efficient outputs to provide them to the concerned sectors, departments and branches with data and information that help in making credit decisions efficiently and effectively, which reflects positively on the results of the Bank's business and reduces the possibility of the Bank being exposed to risks that may affect its ability to recover funds or some of them.

2- Working to meet the needs of the irregular debt recovery sector and the legal sector in investigations and required data at the specific time, which supports it in reclaiming the rights of the Bank.

3- Participation in creating the database of the Egyptian Credit bureau Company (I-Score).

4- Supporting and developing communication with the various sectors of inquiry operating in the banking and financial sectors in order to create a real-time information base that allows fast alerting in the event of emerging risks.

In addition, always works to achieve compliance with the regulatory instructions issued by the Central Bank of Egypt as well as the regulators. In addition to supporting the Bank's management in implementing the Central Bank of Egypt's instructions regarding financing small and micro industries, as well as real estate financing initiatives and other new instructions and initiatives to support the Egyptian economy.

Legal Affairs

The Legal Affairs Sector plays its fundamental and effective role in the Bank's business. To this end, it takes into account the agreement of the entire Bank's business in both formal and substantive terms with all laws, legislation, Central Bank of Egypt's decisions, regulations and the Bank's internal regulations. Taking into account the preservation of rights of the Bank's customers and its accidental customers and determining their respective obligations in order to fulfil their role in conformity with the various legal aspects and to reduce the risks to which the Bank is exposed to in all its fields.

In addition, hereby we state some of the Legal Department's achievements as follows:

- To initiate proceedings of disputes and pleadings before courts, arbitral tribunals, judicial investigative bodies and competent administrative bodies on behalf of the Bank, and to follow up on the implementation of judgements rendered in the Bank's favor, which the Bank obtained because of several judicial decisions in favor of the Bank, which avoided the Bank paying various financial obligations that affects profits and budgets.

The Bank also obtained judgements in favor of the Bank in bankruptcy cases pending before the courts in order to satisfy the Bank's indebtedness.

Also because of judicial pressure, the Legal Affairs has also been able to force a significant group of defaulted customers to apply for settlement of the outstanding debts owed to the Bank. Because of the Central Bank of Egypt's initiative, which has resulted in purification of the portfolio of struggling customers and response to the initiative issued by the Central Bank of Egypt. In addition, implementation actions taken on guarantees provided by clients or sponsors to uphold the Bank's rights, leading the Bank to deduct allocations affecting the budget and profits.

- Initiate procedures for the transfer of ownership of the Bank's assets as well as assets acquired by the Bank (real estate, land...) and taking the necessary action in the event of disputes or problems in the transfer of ownership.

- Conduct commercial and real estate mortgages received from the finance sectors in accordance with the terms of credit approvals.

- Demonstrate legal opinions (advisory – consulting - opinion) on matters referred to it by senior management, departments, sectors or branches of the Bank.

- Dealing with legal entities such as the commercial registry, the notary offices, the General Authority for Financial Control and the Investment Authority.

- Drafting all kinds of contracts.

- Mortgage financing contracts have been prepared for the Bank's clients, whether limited, middle-income or above average. These contracts was drafted in a way to safeguard the Bank's rights and to activate the real estate finance work system in line with the Central Bank of Egypt's initiative and in line with the competition between leading banks in this field.

- The sector has also drafted and prepared cooperation protocols with various entities inside and outside Egypt.

- Obtaining guarantees in order to guarantee the facilities and loans granted to customers, including guarantees in the form of commercial mortgages, real estate mortgages, maritime mortgages or other guarantees.

- The Bank took precedence in contracting with ISCORE to subscribe to the Electronic Warranties Register; an electronic record operates 24 hours a day. The Bank's guarantees activated and publicized with the Register of Transferred Guarantees. The historical data published from valid and documented commercial mortgages and all modern commercial mortgages dealt with.

- Conduct procedures for establishing companies in which the Bank contributes a governing quota and publicize them.

- Drafting internal regulations related to contracts, sanctions regulations and other decisions and regulatory orders. The legal review of all labor regulations and policies under which deals with all activities and services provided by the Bank, and some of the applicable forms of the Bank are amended to comply with the new laws, as well as attending the Bank's internal committees to demonstrate legal opinion.

- Conduct administrative investigations and examine complaints transmitted to them by the competent authority and by the supervisory authorities.

- Execution and circulation of administrative and legal seizures under the Bank's hand on the same date of receiving it by the legal department. as well as reports requested by Egyptian appeal court's order within the legal dates prescribed to avoid returning of the custodian authority on the Bank for full indebtedness (administrative entities such as Egyptian Taxes Authority / Judicial Seizures) on the Bank with the full amount of seizure.

- Above all that, the legal department acts as a legal consultant to all the affiliates and subsidiaries companies of the Bank, where the department is taking all the necessary actions to incorporate those companies as well as the authentication of the minutes of the general assembly and BODs records, as well as finalizing the procedures of increasing their capitals.

- The role of the Legal Affairs Sector did not depend on the foregoing, but also maintaining the proper legal framework of the Bank's business. As well as contributing to increased revenues, which underscores the effective and influential role in all aspects of the banking legal work.

Business Technology

New Services for the Bank Customers:

- Launch E-statement project Phase 2.

- Launch Electronic Hold-Mail service for customers' statements.

- Adding new services for special needs on (Digital Signage & Queue System) in the branches as per CBE requirements.

- Open new branch (Mervat Sultan).

- Rebranding Project.

- Support launching of new products, CBE Initiatives and new line of business:

  - Create New CAA (individual, Corporate) & SAA (individual) - Financial Inclusion Schemes (CBE mandate).

  - Variable CDs 3 Years "Motamayeza".

  - Adding copy when printing foreign currency withdrawal receipt to be one original receipt plus one copy to be used to support the Bank customers as an evidence of the source of fund.

  - Applying CBE new instructions for dormant accounts.

- Apply New CBE Requirements:

  - CBE Financial Inclusion Hub for Corporates Project (all three Phases).

- I-Score Reports:

  - Indirect facility "LC & LG & IMP & Bills under LC".

  - Direct and Indirect facility "LC & LG & IMP & Bills under LC" for Guarantors.

  - Mandate for customer legal codes.

  - Applying The Fifth Economic Activity Code as per CBE instructions.

  - Applying CBE mandate for (Cash In / Cash Out) for Credit & Debit Cards.

  - Applying ATM Cash Deposit for Credit and Direct Debit Cards.

New Services for the Bank's Users:

- Launch RLOS system for better control.

- Develop new plans to ensure business continuity through technical solutions overcome any emergency or crisis.

- Conference solution implementation (Microsoft Teams).

- Provide VPN solution.

- Enhance users' mobility.

- Update current systems:

  - MS SharePoint (Internal & External Portal).

  - Veritas Enterprise Vault (Archiving mail service).

  - Skype for Business.

  - WebLogic Upgrade to latest version.

Regulations, Compliance and Security

- Complete desktop operating system upgrade project to the latest version.

- Upgrade End Point Protection (Trend Micro Apex one) implementation (Laptops, Desktops).

- Upgrade CBE applications certificates for all the Bank users.

- Applying New Password Policy on Oracle Human Resource and Oracle supported systems.

- Enhance the watch list in sanctions screening module to fulfill all compliance and security policy and procedure and CBE regulations.

- Updating the high-risk countries scenarios to be more updated and more accurate in an efficient and effective way.

- Adding new feature in anti-money laundry AML-SAS System for monitoring and screening Fawry and Meeza transactions occurred within the Bank and other banks.

IT Infrastructure and Security Investments

- Enhance branches' communication lines.

- Implement Network admission control solution (ISE) all over the Bank.

- Implement centralized surveillance project for branches.

- Renovate Cisco phones.

- Implement a new contact center.

- Upgrade critical databases to the latest version and migrate some databases from single instance to cluster environment (High Availability).

- Enhance Database Security.

- Implementing New Core Banking upgrade project infrastructure.

- Implement high reliable and high performance datacenter (servers, visualization, operating system, storage, backup, etc.) based on the latest technology, which supports the Bank in digital transformation process.

- Managing digital channels and rebranding projects in technical infrastructure requirements.

- Implementing Virtual Branch Platform.

- Upgrade the Bank's infrastructure PC'S, Laptops and Multifunction printers.

- Upgrade DB to 19C version.

- Implement security controls (External Domain Name System, File Content Security FX, Privilege Access Management, IPAM, RASP Security Application Shielding, and Antivirus).

Digital Banking Achievements

- **E-Business**

- **Enhancing and securing the Bank's ATM network by the following:**

- Deploy latest version of Interactive Teller Machine (ITM) with enhanced security and technologies.

- Activate ATMs' Cash Deposit for both Credit & Debit Cards.

- Launch Cash Withdrawal / Deposit via POS for all EBank's cards from any POS.

- Deploy Visually Impaired software to support people with Special Needs using EBank's ATMs.

- Refurbish 30 old ATMs via PC Cores replacement and upgrades.

- Expand EBank's ITM / ATM Network by acquiring three new ITM and three new ATM Machines with latest technologies.

- Launch latest ATMs' Monitoring Software (Aptravision).

- Enhancing internal processes by creating new automated workflows for:

- Domestic ACH Remittance requests for Foreign Currencies (USD/EUR).

- Compliance approvals for Account Opening process.

- Cards' Register in branches ensures keeping track of cards delivery / execution.

- Cards' related requests received by Call Center for execution by Card Center.

- CDs & TDs requests for all branches to Central Operations.

- Apply EBank rebranding on all ATMs and internal portal workflows.

- Full Compliance to SWIFT Security Control Framework for the 6th year respectively.

- GoAML upgrade and migration, achieving resiliency and compliance with CBE requirements.

- Enhancements and added-value features to SWIFT's AML application (Firco).

IT Digital Channels and Integration

- Completed Internet Banking upgrade project.

- Completed EBank website project.

- Enroll EBank in InstaPay service.

- ACH STP for USD & EUR Transfers.

- Completed virtual platform solution to provide the following services:

- In-House Call Center: Hotline Calls and Outbound Campaigns.

- Video and Audio Calls through website.

- Chat with call center agents through WhatsApp, Facebook Messenger and website.

- Chabot service through WhatsApp and Website.

- Contact Processing Management system CPM: Complaints & Requests Management system.

- Enhanced virtual service requests forms on EBank website.

IT Digital Automation and Payments

- Mobile Banking & ewallet rebranding.

- EBank enrollment to Instapay.

- ACH STP for USD & EUR.

- Launched E-Archiving project for 45 units.

- Upgraded RPA and FileNet to latest version.

- Wallet updated with latest market billers.

- RPA fully automation for 17 new processes (saving time, cost, offloading central units & branches, increasing customer satisfaction).

- NI EOD credit cards files transfer.

- Wallet on ATM transaction transfer to NI.

- ACH advices for new IB transactions.

- New IB offline request management.

- Special rate handling for current accounts and TDs single and multi-accounts.

- CDs / TDs creation.

- CDs / TDs amend & break.

- Credit Card linkage.

- Interest rate reconciliation.

- IPN Deemed Success reconciliation.

- IPN EOD Reconciliation Automation.

- Internet banking corporate transactions notification to central operation.

- Payroll account opening.

- Customer signature.

- Core upgrade migration files conversation.

- Core upgrade cheque clearing EGP & USD.

- ITM SMS.

IT Enterprise Architecture Achievements

- Build and Implement EA (IT Enterprise Architecture) Framework, processes as per international measurements to maximize the value of current and future IT assets.

- Introduce new concepts in service delivery such as Agile to secure achieving desired business objectives and improve service effectiveness.

- Promoting efficiency and productivity by applying innovative modernized ways for projects implementation.

  - Design new DR environment for the upgraded core banking system through new technologies, which was certified and adopted by "InfoSys".

IT Governance and Quality Assurance

IT-Service Management

- Launching Ivanti Patch Management Solution, running two patching cycles on Windows Servers, and started rolling out phase on workstations and Linux servers.

- Launching IT Asset Management Solution covering EBank Windows / Linux Servers as well as Workstations Inventory to comply with CBE Cyber Security Framework.

- Re-engineering for AppDynamics monitoring on Internet Banking, Mobile Banking and E-Wallet / Fawry and successfully monitored new Core Banking System and InstaPay Applications.

- Development of Automated Workflows for Non Information Technology departments.

  - Human Capital (Exit Clearance, Un-Paid Leaves, New Hires and Employee Internal Transfers) workflows.

  - EBank SOC and Information Security Departments on ITSM system allowing these departments to submit their issues and requests through an automated workflow.

IT Quality Assurance

- Capability Maturity Model Integration (CMMI) level 2 self-assessment across IT group.

- IT Services availability has increased up to 99.83%.

- All IT practices and SOPs has been built and under final approval and publication.

- Incidents' Data Quality has increased to 92% compared to previous Quality.

Information Security

In its continuous pursuit for excellence, EBank recognizes cyber security as strategic enabler to accomplish corporate mission and achieve business goals, and hence, treats cyber security as high priority.

Information security risk management relies on the use of methods, tools, procedures and adoption of international standards aimed to ensure the protection of information from internal and external risks. Moreover, to prevent access to information by unauthorized parties, to maintain the confidentiality, integrity and availability of information and the continuity of the related supporting systems, protecting EBank's data and reputation by providing a secured and resilient digital banking environment and security posture which is in compliance with international cybersecurity standards and CBE regulations".

The components of Cyber Security include the following

- Security Awareness program for staff and customers, which adopts multi-channel approach for awareness dispersion.

- Security Operations Centre (SOC), which continuously monitor and analyze the security posture of the Bank's critical assets and respond to any security incidents on a 24/7 basis, including cyber intelligence analysis of internal and external threats and alerting potentially suspicious security events and incidents.

- Information Security constantly identifies new / existing threats and vulnerabilities developing appropriate controls to mitigate them.

- EBank ensures the protection / confidentiality of customers' information, through acquiring and applying state of art security measures.

Human Capital & Resources

Human Capital

- The HC Function is playing a key role in helping EBank deliver against its strategic goals for growth and long-term success. We are responsible for shaping a clear and coherent people strategy; it is up to us to make sure that EBank always has the right people in the right jobs at the right time.

- Saying this is easy enough; achieving that result depends on focused, professional contributions from across the HC employee lifecycle, from attraction, engagement, growth and reward, to development and retention. We must also stand as an example for the rest of the business in our roles, creating structured career paths and developing better tools for professional development.

- ‘One HC’ will improve our operational efficiency, extend our strategic contribution and build a strong identity for the HC function across EBank.


Employees Engagement Function


A career coaching session for undergraduates

HC Operations

- Enhance HR system “Oracle” capabilities.

- Automated checklist for internal transfers.

- Revamping HC procedures & SLA.

- HC risk controls self-assessment.

- Database unifying (New corporate titles, new organization charts, and active directory).

- Medical activity wellness Day.

- Digitalizing medical claims workflow.


Health awareness day


A medical check-up day


Special medical check-up day


Medical Services Orientation sessions

HC L&D

- Structure talent development plan.

- Development of work well culture.

- Support developing youth.

- Implement development comprehensive platform.

- Shape human capital manual.

- On boarding – shape welcome booklet.

- EBank Academy – Retail & Wholesale Banking.

Employees engagements different events

HC Talent Acquisition

- Branding, partnerships and career coaching.

- Digitalizing external recruitment processes.

- Outsourced performance appraisals, promotions and career progression.

- Recruitment process enhancement, delegation of authorities' matrix and retention matrix.

Employment Fair

HC Organization Development

- Engagement survey and action plan.
- 360 Degree Feedback.
- Revisiting and enhancing organization charts.
- Job evaluation.
- EBank Competency Framework.
- Spiral Career Path.
- EBank Objectives Library.
- Succession Planning.
- Talent Management process.

HC Compensation & Benefits

- Adjusting salary brackets.
- Market benchmarking.
- Adjust starting salary to match the market.
- Change annual increases methodology to include internal and external equity.
- Salaries restructure.
- Introducing our pay strategy.
- Changing profit share distribution methodology.
- Process reengineering for staff account security.
- Enhance control environment for all financial payments.
- Conduct market survey and analyze results to ensure market competitiveness.

Strategic Planning

Strategic Planning Sector was established as an inevitable procedure after the Bank prepared its general strategic plan for 2017/2022, in light of the vision of the top managment by introducing new departments to support the business process.

Strategic Planning Sector is specialized in several tasks; the main objective is to prepare the Bank's strategic plan, measure the performance, the extent of commitment to the Bank's strategic goals. In addition, raising the efficiency of employees in general, also to be in line with the Bank's direction in terms of increasing profitability, as well as reducing the cost through its affiliated departments, which is represented in the following:

Strategic Planning Implementation:

Specialized in preparation of the Bank's strategy and the follow up on the implementation of its objectives whether political or sub goals for each sector separately. As well as the necessary analysis to measure the extent commitment of the Bank's sectors / departments towards achieving the assigned objectives using multiple measurement methods. In addition to the renewal of the strategic plan in line within the amendments of the country's politics, the Bank policies, or market variables.

Achievements during 2022:

- Renewal of the Bank strategic plan, preparing for the Bank strategic plan for 2022/2027.

- Providing necessary market studies and research, in addition to supporting top management decisions regarding studying the possibility of performing new activities or entering specific markets, also renewal of the Bank's position in the banking market.

- Preparing and using the necessary standards to measure the performance of various Bank's sectors to ensure the sectors' commitment of the assigned objectives.

- Follow up procedure for the assigned tasks of various Banks' departments to ensure the implementation at the specific times in advance to avoid any deviations.

Business support:

The need to create business support unit is to face and implement emergency businesses with strategic importance, which requires individuals with outstanding skills for its implementation. The department provides the necessary support to various Banks' departments due to the diversity of experience of the departments' members who can carry the assigned business in a distinctive way.

Achievements during 2022:

- Coordination with project management for issuing electronic customer statement accounts.

- Participation in central electronic archiving for customer documents.

- Participation in implementation of CBE instructions regarding additional data to be updated for the Bank's corporate customers.

- Participation in banking awareness seminars under the financial inclusion umbrella.

Financial Inclusion

Role, scope and Objectives:

- Compile business case and business plan for new financial inclusion initiatives.

- Work with the Bank's partners and stakeholders on business development activities.

- Strategically manage the relationship with CBE and lead the common initiatives.

- Work with internal stakeholders for opening new sales opportunities and increase New-To-Bank customers.

- Monitor and control financial inclusion projects progress, taking corrective actions to ensure projects are meeting business objectives using project management best practice.

- Prepare strategic presentation and reports to be presented to the senior management.

KPIs:

• Awareness and Digital Literacy
Number of Financial literacy sessions attendees.
Number of On-ground and in-house sessions.

• Productivity
Number FI NTB.
NTB accounts with focus on youth between 16-21 years old, women and entrepreneurs.

• Strategic Alliances:
Promote strategic alliances.
Optimize gains from existing and new partnerships.

• Increase customers penetration:
Making best outcome from current partnerships to optimize our market share of wallets, Meeza and internet banking.

• Bundling:
Enhancing on hand products.
Innovate new products.
Smart bundling during CBE's six annual initiatives.

• Usage & Quality Assurance:
Products utilization reports i.e. NPS.
Sustainable development reports.
Periodical CBE and the Bank's progress reports.

Activities and achievements during 2022:

- Worked on a concise new financial inclusion strategy for EBank with structured business plan.

- Reporting to CBE financial inclusion department periodically and upon initiatives is done on time and in full.

- Initiated new products to serve department's strategy namely Tawfeera and Elkassib.

- Collaborating with various Bank's departments and 16 branches to promote for financial inclusion raising awareness.

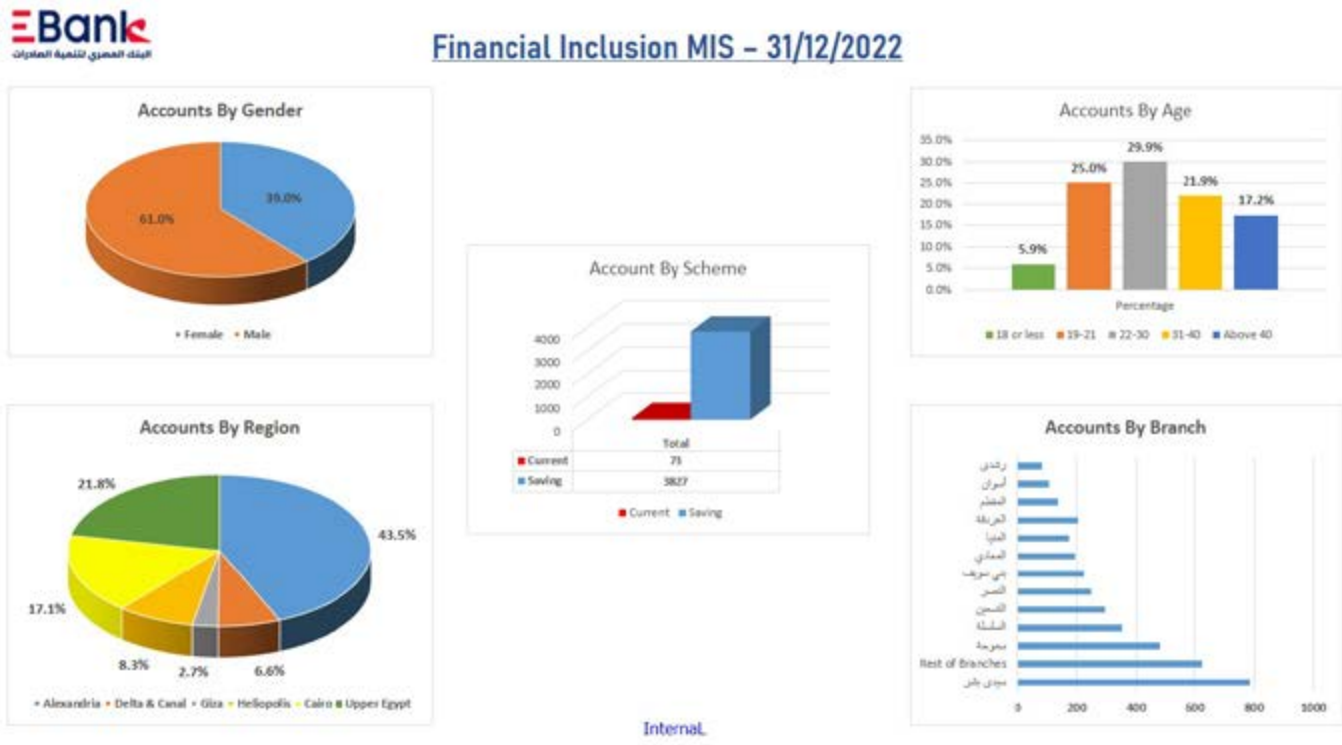
- Conducted 78 financial literacy sessions covering 4,000 attendees.

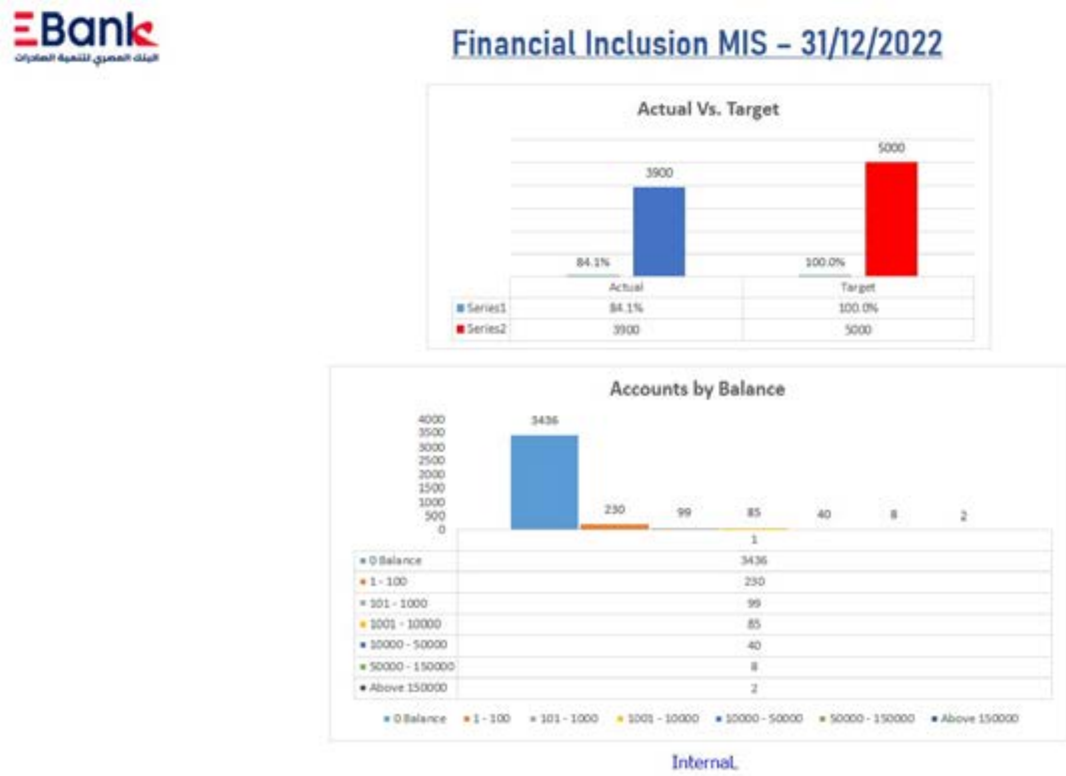
- Widespread financial inclusion awareness across 10 governorates.

- Managing 14 existing and new partnerships: universities, developmental organizations, student unions, incubators.

- Opened 5,387 financial inclusion accounts during sessions and CBE initiatives since August 2021 until date, issuing wallets and meeza cards.

• On CBE mandates projects:
- Dormant accounts project completed on time and in full.
- Simplified KYC products completed on time and in full.
- Special needs project – in progress and on track.
- Financial inclusion hub for companies - in progress and on track.





Corporate Communication

The Bank has been concerned for many years with expanding its customer base and branch network along with increasing its business volume. A Retail Banking Sector was established, requiring media outreach which was undertaken by the Corporate Communication Sector.

The following results were achieved during the year at the level of corporate and marketing communications, the most significant being:

- The Corporate Communication Sector carried out a major project, which is the Bank rebranding and launch of a new corporate identity. The Bank reintroduced itself in a modern and younger persona aligned with the current trend towards technology transformation. This project required many studies, research and various experiments to decide on the final form. EBank's new identity and logo are inspired by the Bank's long history along with its current agility to align with the recent market needs in a modern and developed manner that keeps pace with the State's current phase and strategy represented in strength, trust and security.

- Two TV commercials were created and produced using the latest technology. They were displayed and broadcast on TV screens and various satellite channels, in parallel with the change of the Bank's corporate identity.

- To launch the new identity, the Sector held a big event in Abdeen Palace, which was attended by the Minister of Trade and Industry, the Governor of the Central Bank of Egypt, as well as many banks' CEOs, public figures and a large number of VIP customers.

- The Bank won the award for "Best Corporate Rebranding in Egypt – 2022" from GBO (Global Business Outlook) International.

- The Sector was in charge of running many promotional, advertising and marketing campaigns on the Bank's various products and services, which have been widely posted in major Egyptian and international newspapers and magazines, also on the internet and various social media platforms. Also extensive campaigns were run to promote retail and corporate banking products and services such as saving certificates, credit cards, direct debit cards, car loans, personal loans, internet banking, e-wallet, etc... Those products were also promoted through billboards, directional signs and signboards on many roads in several vital regions and different governorates nationwide. Those products and services were also promoted in marketing pavilions at several exhibitions and forums, major shopping centers and shops, universities, social and sports clubs, where brochures and

booklets containing information about the Bank, its branches, services and various products and some promotional giveaway were distributed.

- The Sector organized a big business dinner for VIP customers and dignitaries, coinciding with the World Cup finals, during which the attendees watched the qualifying matches in a friendly atmosphere. The Sector was also present during the summer months at the North Coast toll station, distributing some promotional gifts to holidaymakers.

- The Sector constantly uses the Bank's official electronic platforms and various social media networking sites (Facebook - Instagram - LinkedIn - YouTube) to post all new information about its various products and services. The Sector also offers promotions during the different activities and events it organizes by posting press releases, news and photos of the events on those sites and platforms, hence allowing for easy communication with customers, fast outreach and interaction, as well as forming a new customer base.

- A new slogan for this phase "Pioneers of a new era" was unveiled and is now being used in all marketing communications, such as social networking sites, web pages and billboards nationwide, also in print media, including local and foreign newspapers and magazines.

- The Sector is always creating and producing animated presentations in an innovative and interesting manner about the different Bank products and services. The Sector constantly updates, develops, changes and posts those presentations on social networking sites and web pages and also displays them on the screens installed in all EBank branches.

- The Sector supervises and follows up the continuous development and updating of the Bank's official website, in terms of design, general form and content, internal content and data to allow for ease of search, display and online interaction.

- The Sector unified and standardized the general design of publications, also marketing, advertising and promotional materials and banners, while ensuring that branches and departments are provided with various types of promotional materials in the form of posters, brochures, flyers highlighting products and services, etc...

- The Sector always participates in conferences, forums, exhibitions, specialized seminars, as well as local and international workshops, by sponsoring, attending and representing EBank through marketing pavilions to present and introduce all its services and products to the customers.

- The Sector organizes special branch opening events, which positively reflect on the customers of those branches along with periodic meetings between employees and senior management, which open channels of communication and create interaction, understanding and friendly relations between them.

- Constantly creating channels of communication with all print, audio, visual and electronic media. Also expanding those channels to facilitate the dissemination of Bank news and press interviews, while continuously getting media coverage for the various Bank activities.

- The Sector has developed and updated the illustrated monthly magazine that it publishes covering the Bank activities and news in all fields, by posting photos of those activities along with some information and competitions, which are sent internally via e-mail to all employees.

- In an effort to create a friendly atmosphere among employees, the Sector organized some internal employee events this year, at the Bank headquarters on a number of occasions, such as Gregorian New Year's Day, Mother's Day, Fun Day, Hot Chocolate and Cocoa Day, etc..., during which some simple giveaways related to the occasion were distributed, along with organizing outdoors sports days. The Sector also distributed Mouled sweets on the occasion of the Prophet's birthday, kahk on Eid El-Fetr and gifts for the winter season to create a joyful atmosphere and a sense of belonging among employees in the workplace.

Corporate Social Responsibility (CSR)

Strategy:

- Social responsibility is one of the main pillars of the Bank Strategy based on the Bank's belief in the effective role of CSR in providing support and assistance to build, serve, develop and impact the community. The Bank also believes in the necessity and importance of continuous, multiple and diverse contributions to the development of the environment that surrounds us.

- Whereas CSR involves diverse activities, the Bank has chosen the education and health sectors, as they are among the sectors most in need, to be the two main recipients of the Bank support. Accordingly, the Bank directs its annual CSR budget to support those two sectors. In this context, the Bank has maintained, for several years, sustainable and continuous education support by helping many nonprofit organizations, either by sponsoring outstanding students in the form of scholarships, whether in technical or university education, sponsoring community schools or through partnership with different developmental institutions in those educational domains.

- In the field of health, the Bank continues to support many health facilities, institutions and hospitals, by sponsoring many medical cases, providing treatment or therapeutic / diagnostic devices and prostheses.

- The Bank also supports several scientific and many other research projects related to education and health.

- EBank continues to apply its social responsibility and community development strategy for many years. The Bank also increases the budget allocated to CSR annually to guarantee sustainability and continuity of the assistance offered to the entities supported by the Bank. Meanwhile the Bank adds many new institutions and fields that support education and health to those currently supported, as education and health are the most important pillars of progress, development and growth of the society as a whole, meanwhile the standard of living of the most vulnerable and less fortunate social groups is raised.


Tree Initiative


Rally Champion

Digital Competition Prizes

Distribution of gifts at the gates of the coast during the summer holidays

Mothers' Day Celebration


Hot Chocolate Day

Padel Tournament

First: Education

Based on its belief in the sustainability of social responsibility, the Bank continues for the fifth year in a row to offer financial support to five community schools in the villages of Esna District in Luxor Governorate. The Bank covers all operating and educational expenses of the students of those schools; including stationery, textbooks, curricula, cultural, sports, artistic and recreational activities and awareness programs. The Bank had previously established, developed and equipped those schools, and this year it covered the operating expenses of three additional schools as a continuation of the cooperation with Misr El-Kheir Foundation, seeking to exert more effort, based on its belief in education, which is the basis of the progress and development of society. In addition, a group from the Bank's management visited those schools.

The Bank covered the operating expenses of a community school in Fayoum Governorate in cooperation with Mervat Sultan Charity Foundation.

Additionally, continued its financial contribution to Zewail City of Science and Technology, in the form of scholarships, by bearing all educational and study expenses and costs of six outstanding university students, from the most vulnerable groups to help them complete their studies in various scientific disciplines at the university, such as Nanotechnology, Nano-electronics, Space Engineering, Physics of the Earth and Universe, Communications and Information at the Faculties of Engineering and Science. The Bank also covered the costs of partial supplementary scholarships for fifteen university students who had defaulted on paying the university fees, seeking to exert more effort, and based on its belief in scientific research and its role in the revival of the society as a whole.

The Bank also continued to sponsor the costs of scholarships for eight outstanding students, from the most vulnerable groups, at Nile University in various faculties such as Engineering, Computer & Information Systems and Business Administration. Partial scholarship costs were also covered for nine students who, due to some circumstances, defaulted on paying the tuition fees.

Moreover, EBank also continued offering scholarships for the third consecutive academic year to sixteen students from the most vulnerable groups in technical education at Don Bosco Institute, along with fourteen university students in the faculties of Dentistry and Pharmacy at the Arab Academy for Science, Technology and Maritime Transport, the Russian University, and Faculty of Medicine at Misr University for Science and Technology, the Modern University for Technology and Information, also the Faculty of Mass Communication at Misr International University (MIU), and the Faculty of Physiotherapy at Badr University, in cooperation with Misr El-Kheir Foundation.

In the field of scholarships, the Bank also provided partial scholarships to thirty-five outstanding students whose circumstances prevented them from full payment of tuition and educational fees, in various faculties at Galala University.

The Bank also offered sixty-six scholarships in technical education at ElSewedy Technical Academy (STA) in several disciplines.

Moreover, the Bank donated a modern color photocopier, a regular photocopier, a projector and two printers to the Faculty of Science, Helwan University, as a contribution to the educational and study requirements for the laboratories and scientific research.

In addition, as a continuation of the cooperation with Giza Foundation for Educational Systems, another community education school that the Bank sponsors in Esna - Luxor was converted to a technology education school. This is an addition to another school that was converted in the previous year, in an effort to employ technology in the development of the Egyptian society and to focus resources and efforts towards fulfilling the sustainable development goals (SDGs). Meanwhile, marginalized communities' inequalities were reduced using technology applications available in the Foundation's projects to reach solutions that support the target groups in achieving social and financial inclusion coupled with technology education to create job opportunities and project ideas that achieve economic growth for all groups.

In a new initiative, and in cooperation with the Egyptian Food Bank, 25,000 healthy, balanced school meals were provided to the schools of Sohag Governorate villages.

In the field of training, skills development and enhancement of people with disabilities, thirty beneficiaries were trained through Asdaa Association for Sophisticating the Deaf & Hard of Hearing. In addition, one hundred fifty blind trainees participated in Braille courses to empower and integrate them into the larger community in cooperation with Al-Akhbar Institution. Additionally twenty people of determination in Assiut Governorate were trained on establishing small projects to achieve economic empowerment and financial inclusion, in partnership with Misr El-Kheir Foundation.

The Bank contributed to a competition to present the best Egyptian product for export, among Egyptian public, private, international and community universities, in partnership and cooperation with Enactus Egypt Program, which is a nonprofit organization located in 37 countries and including 1730 universities worldwide, representing a partnership between university students, leaders and businessmen, with the aim of narrowing the gap between university education and labor market.

This year, the Bank subscribed to the Egyptian Sports Support Fund, in an effort to sponsor distinguished youth in sports and improve the level of Egyptian sports.

Accordingly, the total amount spent on education during 2022 amounted to EGP 10,152,000.


Visit Nile University


Zewail University cheque


Signing a technical education protocol with the El Sewedi Foundation


signing the protocol with El Galala University


Hosting technical education students


Hosting Zewail City students

Second: Health Sector

The Bank carried out several community development activities to achieve sustainability. The Bank covered the treatment costs of thirty-one breast cancer cases treated in Baheya Hospital for Early Detection and Treatment of Breast Cancer, as well as the cost of establishing two ICUs in Baheya Sheikh Zayed Branch within the framework of the protocol signed with the Foundation. A team of the Bank employees visits the hospital periodically to provide the patients with psychological and moral support.

The Bank also offered support to Al Nas Children's Hospital to perform ten pediatric heart surgeries for children on waiting lists.

The Bank also donated to the Diabetes Research Unit, Kidney and Urology Center, Mansoura University Hospital, to conduct a number of scientific researches in stem cell therapy.

In addition, this year, the Bank took the initiative to cover the expenses of performing ten cardiac catheterization operations and four open-heart surgeries at Magdi Yacoub Global Heart Disease and Research Center in Aswan, in addition to chemotherapy and radiotherapy for sixty children with cancer at Shefaa Al-Orman Children's Cancer Hospital in Luxor.

The Bank also donated to Ibrahim Badran Charitable Foundation (IBF) to organize four free medical / healthcare convoys, which were delivered to some villages of Sharkia Governorate, where 3,740 patients were examined as part of the Egyptian Health Initiative.

The Bank employees are keen to participate in those convoys, which provide healthcare and primary checkups along with medical and health awareness sessions through IBF mobile clinics, including a medical team of doctors specialized in different medical disciplines, including internal medicine, orthopedics, ENT, ophthalmic, dermatology and pediatrics. Free treatment and medicines were provided to those patients through the convoys, in addition to the fixed clinics in Beni Suef and Edfu governorates, which provided almost 2,800 patients with free checkups and treatment. The Bank was involved in this initiative under the Cooperation Protocol concluded between the Bank and IBF to serve patients in need of medical help in several Egyptian governorates.

The Bank also covered the cost of chemotherapy for 473 children with cancer at the Children›s Cancer Hospital Egypt 57357 (CCHE) in cooperation with the Association of Friends of the National Cancer-Free Initiative (AFNCI). A team from the Bank visited those children and the various departments of the hospital.

Additionally the Bank supplied a number of balloon catheters for the Critical Care Unit at Kasr Al-Ainy Hospital, Cairo University, along with a number of therapeutic and exploratory medical supplies.

The Bank also made an in-kind donation by purchasing and supplying all the requirements for equipping a sensory therapy room "psychomotor" for the Intellectual Education Foundation for Girls in Old Cairo affiliated to the National Foundation for Women and Society Development, which sponsors and provides all means of comfort and security to sixty five incapacitated girls with special needs.

The Bank also equipped a hospital room in Ahl Masr Hospital for Burns, which the Bank had previously contributed to its establishment during the construction phase of the hospital.

This year, the Bank covered the cost of providing fourteen prostheses, fourteen hearing aids and two wheelchairs in addition to the cost of three tonsils & adenoids operations and some heart surgeries in cooperation with the Egyptian Cure Bank. The Bank also contributed to medical checkups performed through a medical convoy that was organized in cooperation with the Misr El-Kheir Foundation in Assiut for people with special needs, by providing prostheses according to the need.

The Bank also donated to the Association of Liver Patients Care (ALPC) in Dakahlia, for scientific research, checkups, and treatment for nearly 50,000 patients. Some medical supplies and surgical tools were provided to Nuba Hospital to serve 8,305 patients from Nuba and Aswan.

Accordingly, the total amount spent on health during 2022 amounted to EGP 9,718,000.

One of the convoys in Sharkeya

Visiting the Liver Hospital in Dakahlia

Visiting Ahl Masr Hospital

Visiting El Nas Hospital

Visiting Baheia Hospital

signing IBF protocol

Visiting 57357 Hospital

Business community support

To support the business community, the Bank believes in the importance of continuous engagement and contribution to the activities of the various chambers of commerce & industry and businesspersons associations through participation in, and attendance of many events, such as exhibitions, seminars, conferences and forums. The Bank achieves this support either through sponsorship or through regular attendance of various local and international events as well as in the form of annual subscriptions to ensure continuous interaction with those communities. The Bank is keen on learning about the latest global and local developments in foreign trade, international transactions and global economy.

The Bank always endeavors to coordinate and cooperate with the Ministry of Trade and Industry and some specialized hubs to promote relations with businesspersons and exporters. The Bank directs massive attention to identifying and integrating in local and international business communities to open new markets and boost trade exchange through joint meetings organized by chambers of commerce. The Bank also subscribes to business associations, which include but are not limited to the Federation of Egyptian Banks, the Egyptian Banking Institute, the Union of Arab Banks, the Arab Investors Union, the American Chamber of Commerce, the Egyptian Businessmen Association, the British Egyptian Business Association (BEBA) and the Arab Federation of Capital Markets.

In line with the Bank's strategy to improve its competitive position, double its market share and increase the volume of its activity and business through internal growth and external expansion, also in line with its policy to provide and offer its financing services and financial and banking products to many segments of retail and corporate customers, especially the exporters community, this year, the Bank participated, whether by sponsoring or attending the most important global and local economic events, the most important of which being, for example but not limited to:

Red Sea Maritime Transport and Logistics Conference (RSMTL), EXPORT SMART in cooperation with USAID, 30 June Revolution Day Celebration, the Marketing Conference, auto racing event, Environment and Development Conference, Road to Climate Conference, Arkania Development and Construction Conference, SMEs Summit, the National Initiative for Smart Green Projects Conference under the auspices of Ministry of Planning and Economic Development, the British Egyptian Business Association (BEBA) Election and Dinner Event, People and Banks Conference organized by the Arab Media Center, the Annual Conference of the Egyptian Businesswomen Association, and otherwise.

Business Strategy Annual Report 2022

The Bank concluded several cooperation protocols, the most significant being for example but not limited to:

- The Trade and Export Development Project in Egypt funded by the United States Agency for International Development (USAID) to support SMEs.
- First Design Transaction.
- The European Bank for Reconstruction and Development (EBRD).

Career Coaching Day for selected Universities

Financial Indicators

Auditors' Report

Export Development Bank of Egypt
On the Separate financial statements as at Dec 31, 2022

To the shareholders of Export Development Bank of Egypt

Report on the separate financial statements

We have audited the accompanying separate financial statements of Export Development Bank of Egypt (S.A.E.), which comprise the separate balance sheet as at Dec 31, 2022 and the separate statements of income and other comprehensive income, changes in equity and cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the separate Financial Statements

These separate financial statements are the responsibility of Bank's management.

Management is responsible for the preparation and fair presentation of these separate financial statements in accordance with central bank of Egypt's rules, pertaining to the preparation and presentation & the financial statements issued on December 16, 2008 which is amended by instructions issued on 26 Feb 2019 and in light of the prevailing Egyptian laws, management responsibility includes, designing , implementing internal control relevant to the preparation and fair presentation of separate financial statements that are free from material misstatements, whether due to fraud or error, management responsibility also includes selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the separate financial statements, referred to above, present fairly, in all material respects, the separate financial position of the Export Development Bank of Egypt (S.A.E) as of Dec 31, 2022 and of its financial performance and its cash flows for the financial period ending on that date (12 Months) in accordance with Central Bank of Egypt's rules pertaining to the preparation and presentation of financial statements issued on December 16,2008 which is amended by instructions issued on 26 Feb 2019 and the Egyptian laws and regulations relating to the preparation of these separate financial statements.

Pay attention

Without considering this as a conservatism, and as shown in Note No. (39) of separate financial statements, supplementing notes, in light of the change of the bank's financial year to start with the Gregorian year and end with its end &in order to comply with the Central Bank Of Egypt new law, separate statements of income, Separate statement of other comprehensive income, &changes in equity and cash flows statements have been presented for (Twelve months) for the period started from Jan 1, 2022 to Dec 31, 2022 in compare with the financial period started from Jul 1,2020 to Dec 30,2021 (Eighteen months) and therefore the comparative figures for the financial statements are not comparable at all , In order for the profits and losses for the financial period ending on Dec 31, 2022 (Twelve months) to be comparable, a third statement for the period from Jan 1, 2021 to Dec 31, 2021 (Twelve months) has been added to the income statement, based on paragraphs 38C and 38D of Egyptian Accounting Standard No. 1 Presentation of financial statements.

Report On Other Legal and Regulatory Requirements

The Bank maintains proper books of accounting, which include all that is required by the law and by the statutes of the Bank; the separate financial statements are in agreement thereto.

The separate financial information included in the Board of Director's report, prepared in accordance with Law No. 159 of 1981 and its executive regulations, is in agreement with the Bank's books of account.

Bank's Auditors

DR. Ahmed Moustafa Shawki
MAZARS Moustafa Shawki

Salwa Younis Saied
Sector Head
Central Auditing Organization

Cairo, February 27, 2023

Separate Balance Sheet for the year ended 31 December 2022

	Notes	Dec 31,2022	Dec 31,2021
Assets:			
Cash and due from Central Bank of Egypt	(14)	9,820,895	7,103,754
Due from banks	(15)	9,923,629	7,923,835
"Financial Assets at Fair value through P&L"	(16)	312,041	558,257
Loans and advances to customers	(17)	42,977,284	34,900,873
Loans and advances to Banks	(17)	268,321	72,127
Financial Investments:			
-Financial Assets at Fair value through OCI	(18)/A	15,793,908	17,543,755
-Amortized cost	(18)/B	11,119,181	910,574
Financial investments in subsidiaries and associated co	(19)	891,644	816,644
Intangible assets	(20)	42,047	49,232
Other assets	(21)	4,657,044	5,502,916
Fixed assets	(22)	916,785	818,188
Investment property	(23)	1,475	1,525
Total Assets		**96,724,254**	**76,201,680**
Liabilities and shareholders' equity			
Liabilities			
Due to banks	(25)	6,834,631	2,543,697
Repos	(26)	4,172,818	22,069
Customers' deposits	(27)	72,853,919	64,380,777
Other loans	(28)	1,578,902	1,515,073
Other liabilities	(29)	1,396,541	846,265
Other provisions	(30)	202,589	154,634
Deferred tax	(24)	25,176	5,227
Retirement benefit obligations	(31)	-	44,831
Total Liabilities		**87,064,576**	**69,512,573**
Shareholders' equity			
Paid up capital	(32)	5,273,600	3,273,600
Amounts paid under the capital increase account	(32)	327,360	-
Reserves	(32)	1,233,493	1,112,861
Retained Earnings	(32)	2,825,225	2,302,646
Total shareholders' equity		**9,659,678**	**6,689,107**
Total liabilities and shareholders' equity		**96,724,254**	**76,201,680**

The accompanying notes are an integral part of these financial statements
.Auditor's report attached

Separate Income Statement For The year Ended 31 December 2022

	Notes	Three Months Ended Dec 31,2022	The Year Ended Dec 31,2022 (12 Months)	Three Months Ended Dec 31,2021	The Period Ended Dec 31,2021 (18 Months)	Twelve months from 1 Jan 2021 to (12 Months)
		EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands
Interest and similar income	(5)	2,439,828	8,061,314	1,584,160	8,231,997	5,832,656
Deposits and similar expenses	(5)	(1,473,580)	(5,015,459)	(1,096,008)	(5,550,285)	(3,993,732)
Net Interest Income		966,248	3,045,855	488,152	2,681,712	1,838,924
Fees and commissions Income	(6)	219,669	704,746	130,200	652,052	455,632
Fees and commissions Expenses	(6)	(36,253)	(185,940)	(31,631)	(124,017)	(99,866)
Net income from fees & commissions		183,416	518,806	98,569	528,035	355,766
Dividends Income	(7)	96	12,915	-	13,120	9,731
Net Trading Income	(8)	91,807	351,138	63,331	326,044	234,081
Profit (Loss) from Financial Investments	(18)	8,399	13,884	1,337	8,698	7,178
Impairment of credit losses	(11)	(252,453)	(349,776)	(60,072)	(265,107)	(264,458)
Administrative expenses	(9)	(440,332)	(1,642,662)	(346,589)	(1,865,799)	(1,297,406)
Other operating income (expense)	(10)	(95,321)	12,695	3,025	34,864	21,632
Net profit before Tax		**461,860**	**1,962,855**	**247,753**	**1,461,567**	**905,448**
Income Tax	(12)	(177,387)	(737,349)	(94,419)	(586,087)	(400,264)
Deferred tax		758	3,387	(2,955)	(4,563)	(3,803)
Net profit for the year		**285,231**	**1,228,893**	**150,379**	**870,917**	**501,381**
Earnings per share	(13)	0.72	2.01	0.46	2.42	1.55

The accompanying notes are an integral part of these financial statements.

Separate Changes in Shareholders' Equity Statement For The Year ended 31 December 2022

Dec 31,2021 (18 Months)	Capital	Amounts paid under the capital increase account	Legal Reserve	General Reserve	Special Reserves	Capital Reserves	General Banking Risk Reserve	General Banking Risk Reserve Acquired Assets	"Reserve of revaluation at Fair value through OCI"	Retained Earnings	Total
	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands
The balance at the beginning of the year	2,728,000	-	332,570	172,517	22,441	195,312	909	16,394	236,186	2,303,194	6,007,522
The effect of amending accounting policies	-	-	-	-	-	-	-	-	9,578	-	9,578
The balance after adjustment	2,728,000	-	332,570	172,517	22,441	195,312	909	16,394	245,764	2,303,194	6,017,101
Amounts paid under the capital increase account	545,600	-	-	-	-	-	-	-	-	(545,600)	-
Transferred to Capital Reserve	-	-	-	-	-	119	-	-	-	(119)	-
Transferred to legal reserve	-	-	101,359	-	-	-	-	-	-	(101,359)	-
Transferred to Banking Risk Reserve	-	-	-	-	-	-	122,348	-	-	(122,348)	-
Transferred to Banking Risk Reserve-Assets acquired	-	-	-	-	-	-	-	(16,394)	-	16,394	-
Net change in Fair value through OCI	-	-	-	-	-	-	-	-	(83,060)	-	(83,060)
"Deferred tax - fair value differences of Fair value through OCI"	-	-	-	-	-	-	-	-	2,117	-	2,117
Transferred to retained earnings	-	-	-	-	-	-	-	-	466	16,166	16,632
Dividends paid	-	-	-	-	-	-	-	-	-	(134,600)	(134,600)
Net profit for the Period	-	-	-	-	-	-	-	-	-	870,917	870,917
Balance at the end of the Period	**3,273,600**	**-**	**433,929**	**172,517**	**22,441**	**195,431**	**123,257**	**-**	**165,287**	**2,302,645**	**6,689,107**

Dec 31,2022 (12 Months)											
Balance at the beginning of the year - as issued	3,273,600	-	433,929	172,517	22,441	195,431	123,257	-	160,199	2,301,459	6,682,832
The effect of amending accounting policies	-	-	-	-	-	-	-	-	5,088	1,185	6,273
The balance after adjustment	3,273,600	-	433,929	172,517	22,441	195,431	123,257	-	165,287	2,302,644	6,689,106
Increasing the issued and paid-up capital through cash subscription	2,000,000	-	-	-	-	-	-	-	-	-	2,000,000
Amounts paid under the capital increase account	-	327,360	-	-	-	-	-	-	-	(327,360)	-
Transferred to legal reserve	-	-	86,973	-	-	-	-	-	-	(86,973)	-
Transferred to Banking Risk Reserve	-	-	-	-	-	-	108,075	-	-	(108,075)	-
Transferred to Banking Risk Reserve-Assets acquired	-	-	-	-	-	-	-	1,913	-	(1,913)	-
Net change in Fair value through OCI	-	-	-	-	-	-	-	-	(48,365)	-	(48,365)
"Deferred tax - fair value differences of Fair value through OCI"	-	-	-	-	-	-	-	-	(23,337)	-	(23,337)
Transferred to retained earnings	-	-	-	-	-	-	-	-	(4,627)	4,627	-
Dividends paid	-	-	-	-	-	-	-	-	-	(186,619)	(186,619)
Net profit for the year	-	-	-	-	-	-	-	-	-	1,228,893	1,228,893
Balance at the end of the Year	**5,273,600**	**327,360**	**520,902**	**172,517**	**22,441**	**195,431**	**231,332**	**1,913**	**88,958**	**2,825,225**	**9,659,678**

The accompanying notes are an integral part of these financial statements.

Separate Cash flows Statement For The Year Ended 31 December 2022

Cash flows from operating activities	Notes	Dec 31,2022 (12 Months) EGP Thousands	Dec 31,2021 (18 Months) EGP Thousands
Net profit before income tax		1,962,855	1,461,567
Adjustments to reconcile net profit to cash provided from operating activities:			
Fixed Assets Depreciation	(22)	124,350	163,332
Intangible Assets Amortization	(20)	38,194	55,046
Investment property Depreciation	(23)	50	75
Expected of Credit losses for Loans and overdrafts for customers	(11)	349,771	296,391
Expected of Credit losses for Treasury bills	(11)	(3,590)	(20,986)
Expected of Credit losses for Treasury Bonds	(11)	(1,815)	(1,738)
Expected of Credit losses for Loans and overdrafts for Banks	(11)	29	(420)
Expected of Credit losses for Due from banks	(11)	566	(10,087)
Expected of Credit losses for Corporate Bonds	(11)	(236)	1,946
Expected of Credit losses for Accrued revenues	(11)	5,052	-
Reversal - Expected of Credit losses		74,382	60,032
Profit (Loss) Reserve Acquired Assets		(100,409)	(8,059)
Capital Profits		(2,816)	-
revaluation differences of Financial Investments at fair value through OCI foreign exchange	(18)/A	(516,359)	27,147
Impairment of Retirement benefit obligations	(31)	(41,063)	18,718
"Foreign currencies revaluation differences of provisions (other than loans provision)"		23,341	(1,626)
Dividends Income	(7)	(12,915)	(13,120)
amortization for Discount and premium for Financial Investments	(18)	(9,561)	(16,216)
Operating profit before changes in assets and liabilities used in operating activities		**1,889,825**	**2,012,003**
Net decrease (increase) in Assets & Liabilities			
Due from banks	(14)	(2,642,333)	(3,123,647)
Treasury bills and other governmental notes		(6,240,999)	837,314
Financial Assets at Fair value through P&L	(16)	(100,000)	-
Loans and advances to customers & Banks	(17)	(8,643,054)	(3,961,953)
Financial Derivatives (Net)		-	(205)
Other assets	(21)	367,666	(3,871,131)
Due to banks	(25)	4,290,934	(1,387,694)
Repos	(26)	4,150,749	(837)
Customers' deposits	(27)	8,473,142	20,130,299
Other liabilities	(29)	292,329	196,017
Income tax paid		(479,403)	(530,129)
Other provisions	(30)	(32,141)	(120,118)
Retirement benefit obligations	(31)	(3,784)	(7,880)
Net cash flows provided from operating activities		**1,322,932**	**10,172,040**
Cash flows from investing activities			
Purchase of fixed assets and branches improvements	(22)	(63,670)	(234,501)
Capital gain		2,816	-
Purchase of intangible assets	(20)	(31,019)	(66,635)
Proceeds from sale of Acquired Assets		440,200	26,430
Purchases of Financial investments through OCI	(18)/A	(412,725)	(7,426,305)
Proceeds from redemption of OCI Financial investments	(18)/A	10,185,774	696,933
purchases of Financial investments by Amortized cost	(18)/B	(11,195,006)	(369,603)
Proceeds from redemption of Financial investments by Amortized cost	(18)/B	1,158,777	552,207
Dividends Income		12,915	13,120
Financial investments in subsidiaries and associated co.	(19)	(75,000)	(7,500)
Net cash flows provided from (used in) investing activities		**23,062**	**(6,815,853)**

Separate Cash flows Statement For The Year Ended 31 December 2022

Cash flows from financing activities	Notes	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Cash flows from financing activities			
Increasing the issued and paid-up capital through cash subscription		2,000,000	-
Net proceeds (repayments) from debt instruments & other loans	(30)	63,829	(197,765)
Dividends Paid		(186,619)	(134,600)
Net cash flows provided from (used in) financing activities		**1,877,210**	**(332,365)**
Net increase in cash and cash equivalents during the year		**3,223,202**	**3,023,822**
Cash and cash equivalents at the beginning of the year		8,411,235	5,387,414
Cash and cash equivalents at the end of the year	**(34)**	**11,634,437**	**8,411,235**
Cash and cash equivalents are represented in:			
Cash and due from Central Bank of Egypt	(14)	9,820,895	7,103,754
Due from banks	(15)	9,923,629	7,923,835
Treasury bills and other governmental notes		14,278,021	6,871,650
Balances with Central bank of Egypt (Mandatory reserve)	(14)	(9,426,437)	(6,781,954)
"Treasury bills and other governmental notes with maturities more than three months"		(12,961,671)	(6,706,050)
Cash and cash equivalents at the end of the year		**11,634,437**	**8,411,235**

Non-Cash transactions

* EGP 159,461 thousands value of fixed asset additions transferred from other assets to fixed assets during the Period, the impact of which has been cancelled from the change in debit balances, fixed assets and intangible assets.

* EGP 76,329 thousands value of the revaluation of financial investments at Fair value through OCI has been cancelled from the change Equity Reserve and financial investments at Fair value through OCI and financial investments by amortized cost , deferred tax and retained earnings.

* EGP 20,755 thousands value of Acquired assets additions transferred from Loans and advances to customers to other assets during the Period, the impact of which has been cancelled from the change in debit balances, Loans and advances to customers and other assets.

The accompanying notes are an integral part of these financial statements.

Separate statement of other comprehensive income For The year Ended 31 December 2022

	Three Months Ended Dec 31,2022 EGP Thousands	The Year Ended Dec 31,2022 (12 Months) EGP Thousands	Three Months Ended Dec 31,2021 EGP Thousands	The Period Ended Dec 31,2021 (18 Months) EGP Thousands
Net profit for the Period	**285,231**	**1,228,893**	**150,379**	**870,917**
Revaluation differences of equity instruments at fair value through OCI	24,213	(24,860)	(7,641)	(30,745)
Revaluation differences of debt instruments at fair value through OCI	83,301	(137,677)	(15,062)	(48,367)
Revaluation differences of mutual funds at fair value through OCI	7,689	5,827	2,974	5,926
Revaluation differences of foreign exchange rates for equity instruments at fair value through OCI	64,791	103,718	(758)	(9,409)
Income Taxes	(14,578)	(23,337)	170	2,117
Total other comprehensive income for the year	**450,647**	**1,152,564**	**130,062**	**790,440**

The accompanying notes are an integral part of these financial statements.

Separate Profit Appropriation statement (Approved) For The year Ended 31 December 2022

	Dec 31,2022 EGP Thousands	Dec 31,2021 As Issued EGP Thousands
Net profit for the year	1,228,893	869,731
Add / Deduct		
profit from selling fixed assets transferred to capital reserve	(2,816)	-
Release : General Banking Risk Reserve Acquired Assets	-	18,270
Increase : General Banking Risk Reserve Acquired Assets	(1,957)	(1,913)
Transferred from Reserve of revaluation at Fair value through OCI	5,812	16,166
General Banking Risk Reserve - On the basis of obligor risk rating	(85,162)	(108,075)
Net profit for the year – available for appropriation	1,144,770	794,179
Add		
Accumulated profit at the beginning of the Period / Year	1,590,517	1,397,292
Total	**2,735,287**	**2,191,471**
Distributed as follows :		
Fees for support and development of the banking system	11,448	7,942
Legal Reserve	122,608	86,973
Dividends to the shareholders*	840,144	327,360
Employees' profit share	194,000	152,660
Board of directors' remuneration	33,000	26,019
Accumulated profit at the end of the year	1,534,807	1,590,517
Total	**2,735,288**	**2,191,471**

shareholders dividends: it's free shares

Notes to the Separate Financial Statements For the Year ended 31 December 2022

1- General information

Export Development Bank of Egypt (Egyptian Joint Stock Company) was established on July 30, 1983 under Law No. 95 of 1983 and its articles of association in the Arab republic of Egypt, the head office located in New Cairo at 78, south teseen, the bank is listed in the Egyptian stock exchange (EGX). The objective of the Bank is to encourage, develop Egyptian export activities, and assist in developing agricultural, industrial, and commercial and service exporting sectors, also to provide all banking services in local and foreign currencies through its head office and forty-four branches and the number of employees has reached 1580 employee on the date of financial statement.
The Extraordinary General Assembly of the Bank, held on 28/2/2021, approved the amendment of Article (48) of the Bank's Articles of Association so that the Bank's fiscal year begins at the beginning of the calendar year on January 1 and ends on December 31.

These Financial statements have been approved by board of directors in 27 February 2023.

2- Summary of significant 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 the years presented, unless otherwise stated.

2.1- Basis of preparation of the financial statements

These Separate financial statements have been prepared in accordance with the instructions of the Central Bank of Egypt approved by the Board of Directors on December 16, 2008, as well as in accordance with the instructions for preparing financial statements for banks in accordance with the requirements of International Financial Reporting Standard (9) "Financial Instruments" issued by the Central Bank of Egypt on February 26, 2019.

The bank also prepared consolidated financial statements of the Bank and its subsidiaries in accordance with Egyptian Accounting Standards, the subsidiaries companies are entirely included in the consolidated financial statements and these companies are the companies that the bank which - directly or indirectly – has more than half of the voting rights or has the ability to control the financial and operating policies of an enterprise, regardless of the type of activity, the consolidated financial statements of the Bank can be obtained from the Bank's management. The investments in subsidiaries and associate Companies are disclosed in the standalone financial statements of the Bank and its accounting treatment is at cost after deducting the impairment losses from it.

The separate financial statements of the Bank should be read with its consolidated financial statements, for the year ended on Dec 31, 2022 to get complete information on the Bank's financial position, results of operations, cash flows and changes in ownership rights.

2.2- Subsidiaries and associates Subsidiaries

Subsidiaries are all entities over which the Bank has owned directly or indirectly the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Bank has the ability to control the entity.

The Accounting for subsidiaries and associates in the unconsolidated financial statements are recorded by cost method, investments are recognized by the cost of acquisition including any good

will, deducting impairment losses in value, and recording the dividends in the income statement in the adoption of the distribution of these profits and evidence of the bank right to collect it.

2.3- Segment reporting

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

2.4- Foreign currency translation

(a) Functional and presentation currency

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

(b) Transactions and balances in foreign currencies

- The bank hold accounts in Egyptian pounds and prove transactions in other currencies during the financial year on the basis of prevailing exchange rates at the date of the transaction, and re-evaluation of balances of assets and liabilities of other monetary currencies at the end of the financial period on the basis of prevailing exchange rates at that date, and is recognized in the list Gains and losses resulting from the settlement of such transactions and the differences resulting from the assessment within the following items:

- Net trading income or net income from financial instruments classified at fair value through profit and loss of assets / liabilities held for trading or those classified at fair value through profit and loss according to type.

- Shareholders' equity of financial derivatives which are eligible qualified hedge for cash flows or eligible for qualified hedge for net investment.

- Other operating revenues (expenses) for the rest of the items.

- Changes in the fair value of monetary financial instruments denominated in foreign currencies and classified as Financial Investments at Fair value through OCI (debt instruments) are analyzed into valuation differences resulting from changes in amortized cost of the instrument, translation differences arising from changes in foreign exchange rates and differences resulting from changes in the fair value of the instrument. Valuation differences are recognized in profit or loss to the extent they relate to changes in amortized cost and changes in exchange rates which are reported in the income statement under the line items 'revenues from loans and similar activities' and 'other operating revenues (expenses)' respectively. The remaining differences resulting from changes in fair value of the instrument are carried to 'reserve for cumulative change in fair value of Financial Investments at Fair value through OCI in the equity section.

- Valuation differences resulting from measuring the non-monetary financial instruments at fair value include gains and losses resulting from changes in fair value of those items. Revaluation differences arising from the measurement of equity instruments classified as at fair value through profit or loss are recognized in the income statement, whereas the revaluation differences arising from the measurement of equity instruments classified as available for sale financial investments are carried to 'reserve for cumulative change in fair value of Financial Investments at Fair value through OCI investments' in treasury bills section.

2.5- Financial assets

The Bank classifies its financial assets in the following categories:
Financial assets classified as at fair value through profits or loss, loans and receivables, Financial Investments by Amortized cost, and Financial Investments at Fair value through OCI. The Bank's classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.
Management determines the classification of its investments at initial recognition.

Financial assets and liabilities

1- Initial Recognition

All "regular" purchases and sales of financial assets are recognized on the trade date, the date on which the bank commits to purchase or sell the asset. Regular purchases and sales are the purchases and sales of financial assets that require delivery of assets within the time frame generally provided by law or by market norms.

Financial assets or liabilities are measured initially at fair value plus, in the case of an item not carried at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue.

2- Measurement and Classification

On initial recognition, financial assets are classified as measured at cost, carried at fair value through other comprehensive income or at fair value through profit or loss. Financial assets are measured at amortized cost when each of the following conditions are met and is not classified as at fair value through profit or loss:

- Assets are retained in a business model that is intended to hold assets in order to collect contractual cash flows;

- The contractual terms of the financial assets on specific dates result in cash flows which are only payments on the original amount and interest on the original amount outstanding.

financial assets are measured at fair value through other comprehensive income only when both of the following conditions are met and are not classified as at fair value through profit or loss:

Assets are retained in the business model, which is intended to achieve both the collection of contractual cash flows and the sale of financial assets. The contractual terms of the financial assets on specific dates result in cash flows that are only payments on the original amount and interest on the original amount outstanding.

Upon initial recognition of equity investments that are not held for trading, the Bank may elect irrevocably to present changes in fair value in other comprehensive income. This choice is made on an investment-by-investment basis.

Expected credit losses (ECL)

The requirements in IFRS 9 represent a material change from the requirements of EAS number 26 Financial Instruments: Recognition and Measurement. The new standard leads to fundamental changes in the accounting of financial assets and some aspects of accounting of financial liabilities.

- The Bank applies a three-stage approach to measure expected credit losses for financial assets carried at amortized cost and debt instruments classified as at fair value through other comprehensive income. Assets are transferred through the following three stages on the basis of changes in the quality of credit ratings since the initial recognition of these assets:

Stage 1: expected credit losses over 12 months
For exposures where there has been no significant increase in credit risk since initial recognition, the portion of expected long-term credit losses associated with the probability of default over the next 12 months is recognized.

Stage 2: credit losses over life - non-credit impaired For credit exposures where there has been a significant increase in credit risk since initial recognition, but not credit default, expected credit losses are recognized over the life of the asset.

The Corporate Credit Customer Classification Form includes the assessment of customers based on quantitative and other qualitative criteria with different relative weights, leading to the customer's final evaluation, corresponding to probability of default at the level of the different classification categories, including the future outlook, which depends on the most important macroeconomic indicators to reflect the economic conditions, which in turn affect the customer's classification in the future, noting that credit customers are classified on an individual basis (individual) . With regard to the retail banking portfolio, asset purchase receivables and loans granted to small projects through different products with similar characteristics, they are evaluated and the expected credit losses are calculated on a consolidated basis (collective) and based on the data in the market.

When calculating the expected credit losses, the credit rating model contracted with is based on the following equation:

(probability of default rate X loss given default X Exposure at default) It is measured on an individual or collective basis and includes the corporate and small and medium-sized enterprise credit classification model to prepare a final evaluation of the customer corresponding to probability of default at the level of the different classification categories, including the outlook, which is based on the most important macroeconomic indicators to reflect the economic conditions that In turn, affects the customer's classification in the future with the calculation of the loss given default of each facility, in addition to the loss given default (LGD) representing the loss in the exposed portion after excluding the expected recovery rate (the present value of what can be recovered from the investment value in the financial asset, whether from guarantees Or cash flows divided by the value at default 1- The recovery rate, and this rate is calculated for each facility individually) and the basis for the calculation is based on the main axes explained as follows:

- Cash flow
- Corresponding collateral to facilitate
- Financial leverage
- Any obligations on the facility with priority in paying for our bank debt

Exposure at default (E.A.D) is represented in the balance used on the date of preparing the position in addition to the amounts that may be used in the future by the client.

The criteria of classifying credit customers in 3 stages:

It includes the basis of classification for the portfolio of credit customers according to the quantitative and qualitative standards specified by the Central Bank and based on the experience of those in charge of management and accordingly, all customers have been classified according to the following criteria:

Stage 1:

Includes all customers who are regular in payment with payment arrears and those customers do not meet any of the criteria mentioned in the second and third stages. For large companies and medium enterprises credit customers, customers classified as risky are listed (1-6).

Stage 2:

This stage includes customers who have witnessed a significant increase in credit risk. The classification is done in this stage based on the following criteria:

Info.	Quantitative standards	Quality standards
Large and medium-corporate loansw	-If the borrower delays in paying his contractual obligations from 30 to 90 days From the due date. -All clients who have a credit score 7 (risks need special attention). -A decrease in the creditworthiness of the borrower by three degrees compared to the degree of creditworthiness of the customer at the beginning of dealing with our bank	-A significant increase in the interest rate, which may negatively affect the borrower's activity and lead to an increase in credit risk. -Negative material changes in the activity and financial or economic conditions in which the borrower operates. -Scheduling request due to difficulties facing the borrower. -Negative material changes in actual or expected operating results or cash flows. -Negative future economic changes that affect the borrower's future cash flows -Early signs of cash flow problems such as delays in servicing creditors, business loans
Small and micro enterprise loans, retail bank loans and real estate loans	The borrower's behavior exhibited a usual delay in repayment beyond the permissible time limit for repayment and with delay periods, up to a maximum of 30 days. -Previous arrears are frequent during the previous 12 months.	Negative future economic changes that affect the borrower's future cash flows

- It decreases at a rate of 10 days annually to become 30 days in 3 years.

Stage 3:

This stage includes loans and facilities that have experienced a decline in their value (NPL clients) Which requires calculating the expected credit loss over the life of the asset on the basis of the difference between the book value and the present value of the expected future cash flows and is classified based on the following criteria:

Info	Quantitative standards	Quality standards
Large and medium-corporate loans	-grades of credit rating 8,9,10. -and, or Delayed borrower more than 90 days in the payment of contractual installments	-The borrower has defaulted financially. - The disappearance of the active market for the financial asset or one of the borrower's financial instruments due to financial difficulties. - The possibility that the borrower will enter the stage of bankruptcy and restructuring due to financial difficulties. - If the financial assets of the borrower are purchased at a significant discount that reflects the credit losses incurred.
Small, Micro and infinitesimal Enterprise Loans	- Delayed borrower more than 90 days in the payment of contractual installments become in default case.	
Retail bank loans and real estate loans	- Delayed borrower more than 90 days in the payment of contractual installments become in default case.	Death or disability of the borrower

It was amended based on the Central Bank's circular to become 180 days.

Where the decision of the Board of Directors of the Central Bank of Egypt was issued at its meeting held on December 7, 2021, which stated:

First: For small and medium companies:

1. Customers are included within the third stage in the event of non-compliance with the contractual terms, in the event that there are dues equal to or more than 180 continuous days (instead of 90 days according to the current instructions).

2. For customers who were previously listed in the third stage for having dues equal to or more than (90) days, they will be upgraded to the second stage if the dues are less than 180 days, while continuing to retain the expected credit losses calculated for these customers.

Second: For small and medium companies - who are regular in payments according to the center on December 31, 2019 - and their default came as a result of the repercussions of the current crisis:

These customers must be upgraded from the third stage to the second stage, with an emphasis on continuing to calculate the expected credit losses on the basis of the third stage, until the customers fulfill all the conditions for promotion in accordance with the amendments mentioned in the first item above, so that the expected credit losses can be calculated on the basis of the second stage.

Third: All of the above are applied for a period of 18 months starting from December 14, 2021

Defining the concept of default and amending the customer's classification and moving it to the third stage is an integral part of the risk management role, which includes quantitative criteria and other qualitative indicators, in accordance with the international standard for preparing financial statements No. 9 in paragraph No. (B5, 5, 37).

(3) Expected credit losses of NPL (non performing loans):

Any of the following principles are followed to compute the loss given default (LGD) rate in order to calculate the expected credit losses (ECL) for irregular customers:

-The present value of future cash flows according to the programmed settlement and scheduling agreements

-The present value of the list guarantee after excluding judicial expenses related to implementation

-Historical failure rates

1- Business model

The Bank assesses the objective of the business model in which the asset is maintained at the business portfolio level. This method better reflects how business is managed and how information is presented to management. The following information is taken into consideration

Specific policies and objectives of the business portfolio and practical application of these policies. In particular, whether the management strategy focuses on the achievement of contractual interest income and the realization of cash flows through the sale or retention of assets for liquidity purposes:

- The risks that affect the performance of the business model (and the financial assets that are retained within that business model), how these risks are managed; the frequency, value and timing of the sales in prior periods, the reasons for such sales, as well as their forecast for future sales activities. Information on sales activities cannot be taken into account alone from the rest of the activities. Rather, they are part of a comprehensive assessment of how the Bank achieves the objectives of managing the financial assets as well as how to achieve cash flows.

Financial assets held for trading or managed, whose performance is measured at fair value, are measured at fair value through profit or loss where they are not held to collect contractual cash flows and are not held for the purpose of collecting cash flows And the sale of financial assets.

Assess whether contractual cash flows are only payments of the original amount and interest on the original amount outstanding:

For the purposes of this valuation, the original amount is determined on the basis of the fair value of financial assets at initial recognition. Interest is determined on the basis of the time value of the money and the credit risk associated with the original principal over a given period of time or other basic lending risk and costs (eg liquidity risk and administrative costs), as well as profit margin.

The Bank applies the following approved business models in the management of its debt instrument to achieve its goals and objectives.

Business Models	Primary objective
Hold to collect	Hold to collect contractual cash flows
Hold to collect and Sell	Hold to collect and sell financial assets
Others	Hold for trading and/or manage on a fair value basis

Reclassification

Financial assets are not recognized after initial recognition, unless the Bank changes the business model to manage financial assets

2- Disposal

Financial assets

The Bank derecognizes the financial assets at the end of the contractual rights of the cash flows from the financial asset or transfers its rights to receive the contractual cash flows in accordance with the transactions in which all significant risks and rewards of ownership relating to the transferred financial asset are transferred or when the Bank has not transferred or retained all the risks The fundamental benefits of ownership and did not retain control of financial assets.

When the financial asset is derecognized, the difference between the carrying amount of the financial asset (or the carrying amount allocated to the financial asset excluded) and the total of the consideration received (including any new acquired asset) In other comprehensive income is recognized in profit or loss.

Effective July 1, 2019, any gain / loss recognized in other comprehensive income in respect of investment securities in equity securities is not recognized in profit or loss on disposal of such securities.

If the terms of the financial assets are modified, the Bank assesses whether the cash flows of the financial assets are substantially different. If there are significant differences in cash flows, the contractual rights to the cash flows from the original financial assets are past due. In this case, the original financial assets are derecognized and the new financial assets are recognized at fair value.

The financial asset (in whole or in part) is derecognized when:

- Expiration of rights to receive cash flows from the original

The Bank has transferred substantially all the risks and rewards of the asset or has not transferred or retained All the material risks and benefits of the assets but transferred control over the assets.

- The financial liability is excluded when the liability has been incorporated or cancel or its tribute

2.6- Offsetting financial instruments

Financial assets and liabilities are offset if there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to receive the asset and settle the liability simultaneously.

2.7- Derivative financial instruments and hedge accounting

- Derivatives are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at their fair value. Fair values are obtained from quoted market prices in active markets, including recent market transactions, and valuation techniques, including discounted cash flow models and options pricing models, as appropriate. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative.

- Embedded derivatives, such as the conversion option in a convertible bond, are treated as separate derivatives when their economic characteristics and risks are not closely related to those of the host contract, provided that the host contract is not classified as at fair value through profit or loss as part of “net trading income”. Embedded derivatives are not split if the Bank chooses to designate the entire hybrid contact as at fair value through profit or loss.

- The accounting treatment used to recognize changes in fair value of derivatives depends on whether or not the derivative is designated as a hedging instrument under hedge accounting rules and on the nature of the hedged item. The Bank designates certain derivatives as either:

- Hedges of the fair value of recognized assets or liabilities or firm commitments (fair value hedge);
- Hedging relating to future cash flows attributable to a recognized asset or liability or a highly probable forecast transaction (cash flow hedge).

- Hedging for net investment in foreign operations relating to future cash flows attributable to a recognized (net investment hedge).

Hedge accounting is used for derivatives designated in a hedging relationship when the criteria are met.

- The Bank documents, at the inception of the transaction, the relationship between hedged items and hedging instruments, as well as its risk management objective and strategy for undertaking various hedge transactions. The Bank also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair value of hedged items.

2.7.1- Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognized in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.
The effective portion of changes in the fair value of the interest rate swaps and the changes in the fair value of the hedged item attributable to the hedged risk are recognized in the ‘net interest income’. The effective portion of changes in the fair value of the currency swaps are recognized in the ‘net trading income’. Any ineffectiveness is recognized in profit or loss in ‘net trading income’.
When the hedging instrument no longer qualified for hedge accounting, the adjustment to the book value of a hedged item is amortized which are accounted for using the amortized cost method, by charging to the profit and loss to the maturity. The adjustments made to the book value of the hedged equity instrument remains in the equity section until being excluded.

2.7.2 - Cash flow hedge

The effective portion of changes in the fair value of derivatives designated and effective for cash flow hedge shall be recognized in equity while changes in fair value relating to the ineffective portion shall be recognized in the income statement in “net trading income”.

Amounts accumulated in equity are transferred to income statement in the relevant periods when the hedged item affects the income statement. The effective portion of changes in fair value of interest rate swaps and options are reported in "net trading income".

When a hedged item becomes due or is sold or if hedging instrument no longer qualifies for hedge accounting requirements, gains or losses that have been previously accumulated in equity remain in equity and shall only be recognized in profit or loss when the forecast transaction ultimately occurs. If the forecast transaction is no longer expected to occur any related cumulative gain or loss on the hedging instrument that has been recognized in equity shall be reclassified immediately to income statement. If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item that is measured at amortized cost is amortized to profit or loss over the period to maturity.

2.7.3 Net investment hedge

Accounting for net investment hedge is the same for cash flows hedge. Profit or loss from hedging instrument related to the effective portion of the hedge to be recognized in Equity, while it is recognized in the income statement directly for hedging instrument not related to the effective portion. Accumulated profit or loss in equity to be transferred to the income statement upon disposal of foreign transactions.

2.7.4- Derivatives that do not qualify for hedge accounting

Interest on and changes in fair value of any derivative instrument that does not qualify for hedge accounting is recognized immediately in the income statement in "net trading income" line item. However, gains or losses arising from changes in the fair value of derivatives that are managed in conjunction with designated financial assets or financial liabilities are included in "net income from financial instruments designated at fair value through profit or loss".

2.8- Interest income and expense

Interest income and expense for all interest-bearing financial instruments, except for those classified as held for trading or designated as at fair value through profit or loss, are recognized within 'interest income' and 'interest expense' in the income statement using the effective interest rate method. The effective interest rate method is a method of calculating the amortized cost of a financial asset or a financial liability and of allocating

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

When loans or debts are classified as non-performing or impaired, related interest income are not recognized but rather, are carried off balance sheet in statistical records and are recognized as revenues on the cash basis as follows:

1- When collected and after recovery of all arrears for retail loans, personal loans, real estate loans for personal housing and loans to small business.

2- For corporate loans, interest income is also recognized on the cash basis, according to which interest earned during the periods subsequent to reschedule agreements does not start to accrete on the loan principal until the Bank collects 25% of the rescheduled installments and after payments of the installments continue to be regular for at least one year. if the customer is always paying at his due dates the interest calculated is added to the loan balance which makes revenues (interest on rescheduling without deficits) without interests aside before rescheduling which is avoiding revenues except after paying all the loan balance in the balance sheet before rescheduling.

2.9- Fees and commissions income

Fees and commissions charged by the Bank for servicing a loan are recognized as revenue as the services are provided. Recognition of such fees and commission in profit or loss ceases when a loan becomes non-performing or is impaired in which case fees and commission income is rather marginalized and carried off the balance sheet. Recognition of such fees and commissions as revenues continues on the cash basis when the relevant interest income on the financial instrument is recognized since they are generally treated as an adjustment to the effective interest rate on the financial asset.

If it is probable that the Bank will enter into a specific lending arrangement, the commitment fee received is regarded as compensation for an ongoing involvement with the acquisition of a financial instrument and, together with the related transaction costs, is deferred and recognized as an adjustment to the effective interest rate. If the commitment expires without the Bank making the loan, the fee is recognized as revenue on expiry.

A syndication fee received by the Bank that arranges a loan and retains no part of the loan package for itself (or retains a part at the same effective interest rate for comparable risk as other participants) is compensation for the service of syndication. Such a fee is recognized as revenue when the syndication has been completed.

Fees and commissions resulting from direct negotiations or participation in such negotiations for the benefit of or on behalf of another party, such as those earned on the allotment of shares or other financial assets to a client or acquisition or disposal of entities for a client, are recognized as revenue when the specific transaction has been completed. Administrative and other services fees are recognized as income on a time proportionate basis over the lifetime of the service.

Fees charged for financial planning services and custodian services provided over long periods are recognized as income over the period during which the service is rendered.

2.10- Dividend income

Dividends are recognized in the income statement when the bank's right to receive payment is established.

2.11- Purchase and resale agreements, sale and repurchase agreements

The financial instruments sold, subject to repurchase agreements, are reported as additions to the balance of treasury bills and other governmental notes in the assets side at the balance sheet, whereas the liability (purchase and resale agreement) is reported in the balance sheet as a deduction therefrom. Difference between the sale price and repurchase price is recognized as a return throughout the period of the arrangement using the effective interest rate method.

2.12- Impairment of financial assets

(a) Assets carried at amortized cost

The Bank assesses at each balance sheet date whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can

be reliably estimated. The criteria that the Bank uses to determine that there is objective evidence of an impairment loss include:

• Cash flow difficulties experienced by the borrower (for example, equity ratio, net income percentage of sales);

• Breach of loan covenants or conditions;

• Initiation of bankruptcy proceedings;

• Deterioration of the borrower's competitive position;

• The Bank for reasons of economic or legal financial difficulties of the borrower by granting concessions may not agree with the Bank granted in normal circumstances;

• Deterioration in the value of collateral; and

• Downgrading below investment grade level.

The objective evidence of impairment loss for group of financial assets is the clear data indicate to a decline can be measured in future cash flows expected from this group since its initial recognition, although not possible to determine the decrease of each asset separately, for example increasing the number of failures in payment for One of the banking products.

The estimated period between a losses occurring and its identification is determined by local management for each identified portfolio. In general, the periods used vary between three months and 12 months.

The Bank first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant and in this field the following are considered.

- If the Bank determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment according to historical default ratios.

- Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognized are not included in a collective assessment of impairment.

- If no impairment losses result from the previous assessment of impairment in this case the asset included in a collective assessment of impairment.

The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognized in the income statement.

If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract when there is objective evidence for asset impairment. As a practical expedient, the Bank may measure impairment on the basis of an instrument's fair value using an observable market price. The calculation of the present value of the estimated future cash flows of a collateralized financial asset reflects the cash flows that may result from foreclosure less costs for obtaining and selling the collateral, whether or not foreclosure is probable.

For the purposes of a collective evaluation of impairment, financial assets are grouped on the basis of similar credit risk characteristics (i.e., on the basis of the Group's grading process that considers asset type, industry, geographical location, collateral type, past-due status and other relevant factors). Those characteristics are relevant to the estimation of future cash flows for groups of such assets by being indicative of the debtors' ability to pay all amounts due according to the contractual terms of the assets being evaluated.

For the purposes of evaluation of impairment for a group of a financial assets according to historical default ratios future cash flows in a group of financial assets that are collectively evaluated for impairment are estimated on the basis of the contractual cash flows of the assets in the Bank and historical loss experience for assets with credit risk characteristics similar to those in the Bank. Historical loss experience is adjusted on the basis of current observable data to reflect the effects of current conditions that did not affect the period on which the historical loss experience is based and to remove the effects of conditions in the historical period that do not currently exist.

Estimates of changes in future cash flows for groups of assets should reflect and be directionally consistent with changes in related observable data from period to period (for example, changes in unemployment rates, property prices, payment status, or other factors indicative of changes in the probability of losses in the Bank and their magnitude). The methodology and assumptions used for estimating future cash flows are reviewed regularly by the Bank.

The Bank assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets classify at Fair value through OCI or by

Amortized cost is impaired. In the case of equity investments classified at Fair value through OCI, a significant or prolonged decline in the fair value of the security below its cost is considered in determining whether the assets are impaired.

2.13- Real Estate Investments

The real estate investments represent lands and buildings owned by the Bank In order to obtain rental returns or capital gains and therefore does not include real estate assets which the bank exercised its work through or those that have owned by the bank as settlement of debts. The accounting treatment is the same used with fixed assets.

2.14- Intangible assets

2.14.1- Software

Expenditure on upgrade and maintenance of computer programs is recognized as an expense in the income Statement in the period in which it is incurred. Expenditures directly incurred in connection with specific software are recognized as intangible assets if they are controlled by the bank and when it is probable that they will generate future economic benefits that exceed its cost within more than one year. Direct costs include the will generate future economic benefits that exceed its cost within more than one year. Direct costs include the cost of the staff involved in upgrading the software in addition to a reasonable portion of relative overheads. Upgrade costs are recognized and added to the original cost of the software when it is likely that such costs will increase the efficiency or enhance the performance of the computers software beyond its original specification Cost of computer software recognized as an asset shall be amortized over the period of expected benefits which shall not exceed three years.

2.14.2- Other intangible assets

Other intangible assets represent intangible assets other than software programs (they include but not limited to trademark, licenses, and benefits of rental contracts). The other intangible assets are recorded at their acquisition cost and are amortized on the straight-line method or based on economic benefits expected from these assets over their estimated useful life (ranging from 33.33% to 100%) Concerning the assets which do not have a finite useful life, they are not subject to amortization they are annually assessed for impairment, while value of impairment (if any) is charged to the income statement.

2.15- Fixed Assets

Lands and buildings are mainly represented in head office, branches and offices premises. All fixed assets are disclosed at historical cost less accumulated depreciation and impairment losses. The historical cost includes expenditures that are directly attributable to the acquisitions of the fixed assets' items.

Subsequent costs are included in the assets carrying amount or recognized separately, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Bank and the cost of the item can be measured reliably. Repairs and maintenance expenses are recognized in profit or loss within "other operating costs" line item during the financial period in which they are incurred.

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

Premises and constructions	40 years
Fixtures and air conditions	5-10 years
Safes	20 years
Copiers and fax	8 years
Vehicles and means of transportation	5 years
Electric appliances	10 years
Mobile phones	3 years
Computers	3 years
Furniture	10 years

The residual value and useful lives of the fixed assets are reviewed on the each balance sheet date and they are adjusted whenever it is necessary. Depreciated assets are reviewed for purposes of determining extent of impairment when an event or change in conditions occurs suggesting that the book value may not be recovered. Consequently, the book value of the asset is reduced immediately to the asset's net realizable value in case increasing the book value over the net realizable value.

The net realizable value represents the net selling value of the asset or its utilization value whichever is greater. Gains and losses from the disposal of fixed assets are determined by comparing the net proceeds at book value. Gains (losses) are included within other operating income (expenses) in the income statement.

2.16- Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2.17- Leases

(a) Being lessee

Lease payments made under operating leases, net of any discounts received from the lessor, are recognized in profit or loss on a straight-line basis over the term of the contract.

(b) Being lesser

Assets leased out under operating lease contracts are reported as part of the fixed assets in the balance sheet and are depreciated over the expected useful lives of the assets, on the same basis as other property assets. Lease rental income is recognized net of any discounts granted to the lessee, using the straight line method over the contract term.

2.18- Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise balances with less than three months' maturity from the date of acquisition, They include cash and balances due from Central Bank of Egypt (other than those under the mandatory reserve), balances due from banks, treasury bills and other governmental notes.

2.19- Other Provisions

Provisions for restructuring costs and legal claims are recognized when: the Bank has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. Provisions which negated the purpose of wholly or partly repaid within the item other operating income (expense).

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation which become due after one year from the financial statement date using appropriate rate for the due date (without being affected by effective tax rate) which reflect time value of money, and if the due date is less than one year we calculate the estimated value of obligation but if it have significant impact then it calculated using the present value.

2.20- Financial Guarantees

A financial guarantee contract is a contract issued by the bank as security for loans or debit current accounts due from its clients to other entities that requires the bank to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. These financial guarantees are presented to the banks, corporations and other entities on behalf of the bank's clients. When a financial guarantee is recognized initially, the Bank shall measure it at its fair value that is directly attributable to the issue of such financial guarantee.

The amount initially recognized less, when appropriate, cumulative amortization of security fees recognized in the income statement using the straight-line method over the term of the guarantee and The best estimate for the payments required to settle any financial obligation resulting from the financial guarantee at the balance sheet date Such estimates are made based on experience in similar transactions and historical losses as supported by management judgment. Any increase in the obligations resulting from the financial guarantee, shall be recognized within other operating income (costs) in the income statement.

2.21- Employees' benefits

2.21.1- Pension obligations

The bank has employees insurance fund, it was founded at the first of July 2000 under the law of 54 for the year 1975 and its executive regulations for the purpose of granting insurance and compensation benefits for the members. This fund rules and modifications are applied to all the bank staff in the head office and its branches in Arab Republic of Egypt.

The Bank is committed to lead to the fund monthly and annual subscriptions in accordance with the Rules of the Fund and its amendments, and there are no obligations to the bank following the payment of additional contributions. Contributions are recognized in expenses of employee benefits when due. The recognition of contributions paid in advance as an asset to the extent that its payment to the reduction of future payments or cash refund.

2.21.2- Post-employment benefits – Health Care

The bank provides health care benefits to retirees after the end of service, and the entitlement to these benefits is usually conditional on the worker remaining in service until retirement age and completion of a minimum service period. The health care commitment is accounted for as defined contribution schemes.

2.22- Income taxes

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

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

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

Deferred tax assets of the Bank recognized when there is likely to be possible to achieve profits subject to tax in the future to be possible through to use that asset, and is reducing the value of deferred tax assets with part of that will not come from tax benefit expected during the following years, that in the case of expected high benefit tax, deferred tax assets will increase within the limits of the above reduced.

2.23- Borrowing

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

2.24- Capital

2.24.1- Capital issuance cost

Cost of issuance of new shares, issuance of shares to effect an acquisition, or issue of share options, net of tax benefits, are reported a deduction from equity.

2.24.2- Dividends

Dividends are recognized when the general assembly of shareholders approves them. Dividends include the employees' profit share and the board of directors' remuneration as prescribed by the Bank's articles of association and the corporate law.

2.24.3- Treasury shares

in case of purchasing treasury stocks the purchased amount is deducted from shareholders' equity till its cancellation and in case of selling or reissuing these stocks all collected amounts will be added to shareholders' equity.

2.25- Trust activities

The bank practices trust activities that result in ownerships or management of assets on behalf of individuals, trusts, and retirement benefit plans. These assets and related income are excluded from the bank's separate financial statements, as they are assets not owned by the bank.

2.26- Comparatives figures

Comparative figures are reclassified, where necessary, to conform with changes in the current year presentation.

3- Financial risk management

The Bank's activities expose it to a variety of financial risks and those activities involve the analysis, evaluation, acceptance and management of some degree of risk or combination of risks. Taking risk is core to the financial business, and the operational risks are an inevitable consequence of being in business. The Bank's aim is therefore to achieve an appropriate balance between risk and return and minimize potential adverse effects

on the Bank's financial performance. And the most important types of financial risks are credit risk, market risk, liquidity risk and other operating risks. Also market risk includes exchange rate risk, rate of return risk and other prices risks.

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

Risk management is carried out by a risk department under policies approved by the Board of Directors. Bank Treasury identifies, evaluates and hedges financial risks in close co-operation with the Bank's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments. In addition, credit risk management is responsible for the independent review of risk management and the control environment.

3.1- Credit risk

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

3.1.1- Credit risk measurement

(a) Loans and advances to banks and customers

To measure credit risk related to loans and advances extended to banks and customers, the bank examines the following three components:

- Probability of default of the customer or others in fulfilling their contractual obligations.

- The current position and the likely expected future development from which the bank can conclude the balance exposed to default (Exposure at default).

- Loss given default.

The daily activities of the bank's business involves of measurement for credit risk which reflect the expected loss (The Expected Loss Model) required by the Basel Committee on Banking Supervision. The operating measures may interfere with the impairment charge according to the Egyptian Accounting Standard no. (26), which depends on losses realized at the balance sheet's date (realized losses models) and not on expected losses.

The Bank assesses the probability of default of individual counterparties using internal rating tools tailored to the various categories of counterparty. They have been developed internally and combine statistical analysis with credit officer judgment and are validated, where appropriate.

Clients of the Bank are segmented into four rating classes.
The Bank's rating scale, which is shown below, reflects the range of default probabilities defined for each rating class. This means that, in principle, exposures migrate between classes as the assessment of their probability of default changes. The rating tools are kept under review and upgraded as necessary. The Bank regularly validates the performance of the rating and their predictive power with regard to default events.

Bank's internal ratings scale:

Bank's internal ratings scale	Bank's rating Description of the grade
1	Performing loans
2	Regular watching
3	Watch list
4	Nonperforming loans

And the loans expose to default depend on the banks expectation for the outstanding amounts when default occur.

example, as for a loan position is the nominal value while for commitments the bank enlists all already drawn amounts besides these amounts expected to be withdrawn until the date of default, if it happens.

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

(b) Debt instruments and treasury bills and other governmental notes

For debt instruments and treasury bills and other governmental notes, external rating and if this rating is not available, then other ways similar to those used with the credit customers are uses. The investments in those securities and bills are viewed as a way to gain a better credit quality mapping and maintain a readily available source to meet the funding requirement at the same time.

3.1.2- Risk limit control and mitigation policies

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

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

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

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

Some other specific control and mitigation measures are outlined below:

(a) Collateral

The bank employs a range of policies and practices to mitigate credit risk. The most traditional of these is the taking of security for funds advances, which is common practice.

The bank implements guidelines on the acceptability of specific classes of collateral or credit risk mitigation. The principal collateral types for loans and advances are:

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

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

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

(b) Derivatives

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

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

(c) Master netting arrangements

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

(d) Credit-related commitments

The primary purpose of these instruments is to ensure that funds are available to a customer as required.

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

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

3.1.3- Impairment and provisioning policies

The internal rating systems described in Note 3.1.1 focus more on credit-quality mapping from the inception of the lending and investment activities.

In contrast, impairment provisions are recognized for financial reporting purposes only for losses that have been incurred at the balance sheet date based on objective evidence of impairment Due to the different methodologies applied, the amount of incurred credit losses provided for in the financial statements are usually lower than the amount determined from the expected loss model that is used for internal operational management and CBE regulation purposes.

The impairment provision shown in the balance sheet at the year-end is derived from each of the four internal rating grades. However, the majority of the impairment provision comes from the bottom two grads. The table below shows the percentage of the Bank's in balance sheet items relating to loans and advances and the associated impairment provision for each of the Bank's internal rating categories:

Bank's rating	Dec 31,2022		Dec 31,2021	
	Loans and advances	ECL provisions	Loans and advances	ECL provisions
Performing loans	80.23%	14.64%	78.33%	13.66%
Regular watching	15.09%	19.25%	15.09%	10.03%
watch list	1.10%	6.98%	3.30%	21.45%
Non-performing loans	3.59%	59.13%	3.28%	54.86%
	100%	**100%**	**100%**	**100%**

The internal rating tools assists management to determine whether objective evidence of impairment exists under EAS 26, based on the following criteria set out by the Bank:
- Cash flow difficulties experienced by the borrower
- Breach of loan covenants or conditions
- Initiation of bankruptcy proceedings
- Deterioration of the borrower's competitive position
- Bank granted concessions may not be approved under normal circumstances, for economic, legal reasons, or financial difficulties facing the borrower
- Deterioration in the value of collateral
- Deterioration in the credit situation

The Bank's policy requires the review of all financial assets that are above materiality thresholds at least annually or more regularly when individual circumstances require. Impairment allowances on individually assessed accounts are determined by an evaluation of the incurred loss at balance-sheet date on a case-by-case basis, and are applied to all individually significant accounts. The assessment normally encompasses collateral held (including re-confirmation of its enforceability) and the anticipated receipts for that individual account.

Collectively assessed impairment allowances are provided portfolios of homogenous assets by using the available historical experience, experienced judgment and statistical techniques.

3.1.4- Pattern of measuring the general banking risk

In addition to the four categories of measuring credit worthiness discussed in disclosure 3.1.1.a the management makes small groups more detailed according to the CBE rules. Assets facing credit risk are classified to detailed conditions relying greatly on customer's information, activities, financial position and his regular payments to his debts.

The bank calculates the provisions needed for assets impairment in addition to credit regulations according to special percentages determined by CBE.

In the case of increase of impairment loss provision needed according to CBE than that for purposes of making the financial statements according to the EAS, the general banking risk reserve is included in owners' equity deducted from the retained earning with this increase, this reserve is modified with periodic basis with the increase and decrease, which equals the increase in provisions and this reserve is not distributed.

And this are categories of worthiness according to internal ratings compared with CBE ratings and rates of provisions needed for assets impairment related to credit risk.

First: institutional worthiness:

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

Second: Classification of small loans according to economic activities:

Terms of classification	Performing loans	Non-performing loans		
		Substandard	Doubtful	Bad Debt
Delayed payment period	-------------	6Months	9Months	12Months
Provision	3%	20%	50%	100%

3.1.5 Maximum exposure to credit risk before collateral held

Balance sheet items exposed to credit risks

	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Cash and due from Central Bank of Egypt	9,825,159	7,105,903
Less: Expected Credit losses	(4,265)	(2,149)
Due from banks	9,923,629	7,923,835
Financial Assets at Fair value through P&L : Debt instruments	212,041	558,257
Gross loans and advances to customers		
Individual:		
Overdraft	263,273	287,689
Credit cards	65,272	38,088
Personal loans	3,780,771	2,706,892
Mortgages	425,765	164,128
Corporate:		
Overdraft	24,508,220	19,326,720
Direct loans	9,033,511	8,025,704
Syndicated loans	6,740,017	5,801,262
Less: interest in suspense	(134,342)	(120,939)
Less: Expected Credit losses	(1,705,202)	(1,328,672)
Loans and advances to Banks	268,528	72,227
Less: Expected Credit losses	(207)	(99)
Financial Investments: at Fair value through OCI & Amortized cost	26,415,072	18,129,721
Less: Expected Credit losses	(35,220)	(24,826)
Other assets (Accrued income)	1,018,523	737,410
Total	**90,600,545**	**69,401,152**

The previous table represents the maximum exposure on Dec 31, 2022, Dec 31, 2021, without taking into consideration any guarantees for balance sheet items, the amounts included are based on the total book value presented in balance sheet.

As shown in the previous table, 47.73% of the maximum credit risk is the result of loans and facilities to banks and customers, compared to 50.39% as at Dec 31, 2022, while investments in debt instruments represent 29.35% compared to 26.89% at Dec 31, 2021.

The Management is confident in its ability to continue to control and maintain the minimum credit risk resulting from both the loans & facilities portfolio, and debt instruments based on:

- 95.32% of the loans and facilities portfolio is ranked in the top two internal comared to 93.42 % at Dec 31, 2021

- 95.74%of the loans and facilities portfolio has no arrears or impairment indicators compared to 95.97% as of Dec 31, 2021

- Loans and facilities singly assessed amounting to 1,610 million Egyptian pounds compared to 1,194 million Egyptian pounds as of Dec 31, 2021

Off Balance sheet items exposed to credit risk

	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Letter of guarantee	9,674,031	7,342,014
Letter of Credit (Import)	2,785,219	1,886,101
Letters of credit (Export-confirmed)	1,029,013	608,135
Shipping documents (Export)	512,400	597,309
Less : Cash cover	(3,800,119)	(728,345)
Net	**10,200,543**	**9,705,214**
Irrevocable commitments to loans and credit facilities	3,060,805	2,671,184
Total	**13,261,349**	**12,376,399**

3.1.6- Loans and advances

	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Neither have arrears nor impaired	42,908,762	34,886,961
Have arrears but not impaired	297,778	269,215
subject to impairment	1,610,289	1,194,307
Total	**44,816,829**	**36,350,483**
Less: interest in suspense	(134,342)	(120,938)
Less: Expected Credit losses	(1,705,202)	(1,328,672)
Net	**42,977,285**	**34,900,873**

Total balances of loans and facilities divided by stages

Dec 31,2022	Stage 1	Stage 2	Stage 3	Total
	Expected credit losses over 12 months	Expected credit losses Over a lifetime that is not creditworthy	Expected credit losses Over a lifetime Credit default	
Retail	4,408,754	62,057	64,036	4,534,847
Corporate	36,368,176	2,367,553	1,546,253	40,281,982
Total	**40,776,931**	**2,429,610**	**1,610,289**	**44,816,829**

ECL of loans and facilities divided by stages

Dec 31,2022	Stage 1	Stage 2	Stage 3	Total
	Expected credit losses over 12 months	Expected credit losses Over a lifetime that is not creditworthy	Expected credit losses Over a lifetime Credit default	
Retail	78,476	8,105	14,484	101,065
Corporate	219,627	390,678	993,832	1,604,137
Total	**298,103**	**398,783**	**1,008,316**	**1,705,202**

ECL for impairment losses divided by internal classification

Dec 31,2022	Stage 1	Stage 2	Stage 3	Total
Corporate	**Expected credit losses over 12 months**	**"Expected credit losses Over a lifetime that is not creditworthy"**	**Expected credit losses Over a lifetime Credit default**	
(1-5) Performing loans	162,314	815	-	163,129
(6) Regular watching	57,313	270,888	-	328,201
(7) Watch list	-	118,975	-	118,975
(8-10) Non-performing loans	-	-	993,832	993,832
Total	**219,627**	**390,678**	**993,832**	**1,604,137**

Dec 31,2022	Stage 1	Stage 2	Stage 3	Total
Retail	Expected credit losses over 12 months	"Expected credit losses Over a lifetime that is not creditworthy"	Expected credit losses Over a lifetime Credit default	
Performing loans	78,476	8,105	-	86,581
Non-performing loans	-	-	14,484	14,484
Total	**78,476**	**8,105**	**14,484**	**101,065**

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

Dec 31,2022	Stage 1	Stage 2	Stage 3	Total
Corporate	**Expected credit losses over 12 months**	**"Expected credit losses Over a lifetime that is not creditworthy"**	**Expected credit losses Over a lifetime Credit default**	
(1-5) Performing loans	31,418,923	64,116	-	31,483,039
(6) Regular watching	4,949,253	1,812,403	-	6,761,656
(7) Watch list	-	491,033	-	491,033
(8-10) Non-performing loans	-	-	1,546,253	1,546,253
Total	**36,368,176**	**2,367,553**	**1,546,253**	**40,281,982**

Dec 31,2022	Stage 1	Stage 2	Stage 3	Total
Retail	**Expected credit losses over 12 months**	**"Expected credit losses Over a lifetime that is not creditworthy"**	**Expected credit losses Over a lifetime Credit default**	
Performing loans	4,408,754	62,057	-	4,470,811
Non-performing loans	-	-	64,036	64,036
Total	**4,408,754**	**62,057**	**64,036**	**4,534,847**

The following table summarizes information on asset quality and changes in expected credit losses

Cash and due from Central Bank of Egypt

Dec 31,2022	Stage 1	Stage 2	Stage 3	Total
	12 Months EGP Thousands	Life time EGP Thousands	Life time EGP Thousands	EGP Thousands
Performing loans	9,825,159	-	-	9,825,159
Regular watching	-	-	-	-
watching list	-	-	-	-
Non-Performing loans	-	-	-	-
Balance at the end of the Year	**9,825,159**	**-**	**-**	**9,825,159**
Expected Credit losses	(4,265)	-	-	(4,265)
NET	**9,820,895**	**-**	**-**	**9,820,895**

Treasury bills and other governmental notes at Fair value through OCI

Dec 31,2022	Stage 1	Stage 2	Stage 3	Total
	12 Months EGP Thousands	Life time EGP Thousands	Life time EGP Thousands	EGP Thousands
Performing loans	14,038,117	-	-	14,038,117
Regular watching	-	-	-	-
watching list	-	-	-	-
Non-Performing loans	-	-	-	-
Balance at the end of the Year	**14,038,117**	**-**	**-**	**14,038,117**
Expected Credit losses	(21,127)	-	-	(21,127)
NET	**14,016,989**	**-**	**-**	**14,016,989**

Loans and advances to customers

Dec 31,2022	Stage 1	Stage 2	Stage 3	Total
Corporate	**Expected credit losses over 12 months**	**"Expected credit losses Over a lifetime that is not creditworthy"**	**Expected credit losses Over a lifetime Credit default**	
Performing loans	31,418,923	64,116	-	31,483,039
Regular watching	4,949,253	1,812,403	-	6,761,656
Watch list	-	491,033	-	491,033
Non-performing loans	-	-	1,546,253	1,546,253
Balance at the end of the Year	36,368,176	2,367,553	1,546,253	40,281,982
Expected Credit losses	(219,627)	(390,678)	(993,832)	(1,604,137)
NET	**36,148,549**	**1,976,874**	**552,420**	**38,677,844**

Dec 31,2022	Stage 1	Stage 2	Stage 3	Total
Retail	**Expected credit losses over 12 months**	**"Expected credit losses Over a lifetime that is not creditworthy"**	**Expected credit losses Over a lifetime Credit default**	
Performing loans	4,408,754	62,057	-	4,470,811
Non-performing loans	-	-	64,036	64,036
Balance at the end of the Year	4,408,754	62,057	64,036	4,534,847
Expected Credit losses	(78,476)	(8,105)	(14,484)	(101,065)
NET	**4,330,278**	**53,952**	**49,552**	**4,433,782**

Loans and advances to Banks

Dec 31,2022	Stage 1	Stage 2	Stage 3	Total
	12 Months EGP Thousands	Life time EGP Thousands	Life time EGP Thousands	EGP Thousands
Performing loans (1-5)	-	268,528	-	268,528
Regular watching (6)	-	-	-	-
Watching list (7)	-	-	-	-
Non-Performing loans (8-10)	-	-	-	-
Balance at the end of the Year	**-**	**268,528**	**-**	**268,528**
Expected credit losses	-	(207)	-	(207)
NET	**-**	**268,321**	**-**	**268,321**

ECL of credit losses For Treasury bills at Fair value through OCI

Dec 31,2022	Stage 1	Stage 2	Stage 3	Total
	12 Months EGP Thousands	Life time EGP Thousands	Life time EGP Thousands	EGP Thousands
The Balance at 1 Jan 2022	13,681	-	-	13,681
Expected credit losses	(3,590)	-	-	(3,590)
Cumulative foreign currencies translation differences	11,036	-	-	11,036
Balance at the end of the Year	**21,127**	**-**	**-**	**21,127**

ECL of credit losses For Financial Investments at Fair value through OCI& by Amortized cost

Dec 31,2022	Stage 1	Stage 2	Stage 3	Total
	12 Months EGP Thousands	Life time EGP Thousands	Life time EGP Thousands	EGP Thousands
The Balance at 1 Jan 2022	11,145	-	-	11,145
Expected credit losses	(2,052)	-	-	(2,052)
Cumulative foreign currencies translation differences	4,999	-	-	4,999
Balance at the end of the Year	**14,092**	**-**	**-**	**14,092**

ECL of credit losses For Cash and due from Central Bank of Egypt & Due from banks

Dec 31,2022	Stage 1	Stage 2	Stage 3	Total
	12 Months EGP Thousands	Life time EGP Thousands	Life time EGP Thousands	EGP Thousands
The Balance at 1 Jan 2022	2,149	-	-	2,149
Expected credit losses	566	-	-	566
Cumulative foreign currencies translation differences	1,550	-	-	1,550
Balance at the end of the Year	**4,265**	**-**	**-**	**4,265**

Loans and advances neither have arrears nor impaired

The credit quality of loans and Advances that do not have arrears and which are not subject to impairment is assessed by reference to the bank's internal rating.

Dec 31,2022	EGP Thousands							
	Retail				Corporate			
Rating	Overdrafts	Credit cards	Personal loans	Mortgage	Overdrafts	Direct loans	Syndicated loans	Total loans and advances to customers
Performing loans	263,273	54,711	3,523,182	420,148	20,509,849	6,794,388	4,178,803	35,744,354
Regular watching	-	-	-	-	2,936,633	1,694,548	2,533,229	7,164,410
Total	**263,273**	**54,711**	**3,523,182**	**420,148**	**23,446,482**	**8,488,936**	**6,712,031**	**42,908,762**

Dec 31,2021	EGP Thousands							
	Retail				Corporate			
Rating	Overdrafts	Credit cards	Personal loans	Mortgage	Overdrafts	Direct loans	Syndicated loans	Total loans and advances to customers
Performing loans	287,689	34,453	2,569,701	159,927	15,600,039	6,051,168	3,645,166	28,348,144
Regular watching	-	-	-	-	3,086,620	1,585,685	1,866,513	6,538,817
Total	**287,689**	**34,453**	**2,569,701**	**159,927**	**18,686,658**	**7,636,853**	**5,511,678**	**34,886,961**

Loans and advances have arrears but are not subject to impairment

These are loans and facilities with past-due installments but are not subject to impairment, unless Information has otherwise indicated. Loans and facilities to customers which have arrears but are not subject to impairment are analyzed below:

Dec 31,2022	EGP Thousands					
	Retail				Corporate	
Rating	Credit cards	Personal loan	Mortgage	Direct loan	Syndicatedloan	"Total loans and advances to customers "
Arrears up to 30 days	7,496	135,689	4,256	56,930	27,985	232,356
Arrears from 31 to 90 days	2,080	58,615	1,362	3,364	-	65,422
Total	**9,576**	**194,305**	**5,617**	**60,294**	**27,985**	**297,778**

Dec 31,2021	EGP Thousands					
	Retail				Corporate	
Rating	Credit cards	Personal loan	Mortgage	Direct loan	Syndicatedloan	"Total loans and advances to customers "
Arrears up to 30 days	3,058	68,449	3,176	54,657	37,066	166,406
Arrears from 30 to 60 days	391	10,441	-	16,758	291	27,883
Arrears from 60 to 90 days	**81**	**38,440**	**1,025**	**67**	**35,311**	**74,926**
Total	**3,530**	**117,331**	**4,201**	**71,483**	**72,668**	**269,215**

Loans and Advances which are individually impaired

Loans and advances individually assessed without taking into consideration cash flows from guarantees are totaled EGP Thousands 1,610,289 on Dec 31,2022 compared to EGP Thousands 1,194,307 on Dec 31,2022 and total fair value of guarantees is 277,219

The breakdown of the gross amount of individually impaired loans and advances held by the Bank, are as follows:

Dec 31,2022	EGP Thousands					
	Retail				Corporate	
Rating	Credit cards	Personal loan	Overdrafts	Direct loan	Syndicatedloan	"Total loans and advances to customers "
Loans which are individually impaired	985	63,285	1,061,739	484,280	-	1,610,289
Total	**985**	**63,285**	**1,061,739**	**484,280**	**-**	**1,610,289**

Dec 31,2021	EGP Thousands					
	Retail				Corporate	
Rating	Credit cards	Personal loan	Overdrafts	Direct loan	Syndicatedloan	"Total loans and advances to customers "
Loans which are individually impaired	88	19,860	640,061	317,382	216,916	1,194,307
Total	**88**	**19,860**	**640,061**	**317,382**	**216,916**	**1,194,307**

Restructured loans and Advances:

Restructuring activities include rescheduling arrangements, obligatory management programs, modification 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, indicate that payment will most likely continue

Restructuring is commonly applied to term loans, especially customer loans. Renegotiated loans totaled at the end of the Period

Renegotiated loans totaled at the end of Dec 31,2022:

"Loans and advances to customers corporates "	Dec 31,2022 EGP Thousands
Direct loans	**207,000**

3.1.7- Government debt instruments, treasury bills and other governmental notes

The table below presents an analysis of Debt instruments, treasury bills and other governmental notes by rating agency at the end of the financial Period :

	EGP Thousands	
Financial investments	**Dec 31,2022 EGP Thousands**	**Dec 31,2021 EGP Thousands**
Financial investments	**Financial Investments**	**Treasury bills and**
	Debt instruments	other Gov. notes
Rating B	26,503,949	18,410,757
Total	**26,503,949**	**18,410,757**

3.1.8- Concentration of risks of financial assets exposed to credit risks

3.1.8.1- Industry Segments

	EGP Thousands				
	Government Sector	Private Sector	External Sector	individuals and other activities Sector	Total
Cash and due from Central Bank of Egypt	9,825,159	-	-	-	9,825,159
Less: Expected Credit losses	(4,265)	-	-	-	(4,265)
Due from banks	7,177,522	248,683	2,497,423	-	9,923,629
Financial Assets at Fair value through P&L:Debt instruments	212,041	-	-	-	212,041
loans and advances to customers					
Individual					
Overdraft	-	-	-	263,273	263,273
Credit cards	-	-	-	65,272	65,272
Personal loans	-	-	-	3,780,771	3,780,771
Mortgages	-	-	-	425,765	425,765
Corporate					
Overdraft	709,865	22,582,981	-	1,215,375	24,508,220
Direct loans	-	8,545,679	-	487,831	9,033,511
Syndicated loans	3,341,527	3,398,490	-	-	6,740,017
Less: interest in suspense	-	(134,342)	-	-	(134,342)
Less: Expected Credit losses	(53,965)	(1,643,743)	-	(7,495)	(1,705,202)
Loans and advances to Banks	-	-	268,528	-	268,528
Less: Expected Credit losses	-	-	(207)	-	(207)
Financial Investments: at Fair value through OCI					
Debt instruments	14,932,912	224,613	-	-	15,157,526
Less: Expected Credit losses	(30,104)	(1,710)	-	-	(31,814)
Debt instruments	11,257,546	-	-	-	11,257,546
Less: Expected Credit losses	(3,406)	-	-	-	(3,406)
Other assets (Accrued income)	-	9,084	-	1,009,439	1,018,523
Total	**47,364,834**	**33,229,736**	**2,765,745**	**7,240,232**	**90,600,545**

3.1.8.2 - Geographical segments

The following table provides a breakdown of the gross amount of the most significant credit risk limits to which the bank is exposed at the end of the current reporting period

The gross amount of all financial assets is segmented into the geographical regions of the bank's clients:

	EGP Thousands			
	Cairo	Alex and Delta and Sinai	Upper Egypt	Total
Cash and due from Central Bank of Egypt	9,654,174	139,017	31,969	9,825,159
Less: Expected Credit losses	(4,265)	-	-	(4,265)
Due from banks	9,923,629	-	-	9,923,629
Financial Assets at Fair value through P&L:Debt instruments	212,041	-	-	212,041
loans and advances to customers				
Individual				
Overdraft	137,553	111,766	13,954	263,273
Credit cards	47,545	13,887	3,841	65,272
Personal loans	2,315,631	1,178,587	286,554	3,780,771
Mortgages	326,798	88,252	10,715	425,765
Corporate				
Overdraft	19,540,555	4,622,698	344,967	24,508,220
Direct loans	7,131,305	1,420,539	481,666	9,033,511
Syndicated loans	6,401,197	172,375	166,444	6,740,017
Less: interest in suspense	(131,022)	(3,320)	-	(134,342)
Less: Expected Credit losses	(1,252,791)	(434,520)	(17,891)	(1,705,202)
Loans and advances to Banks	136,112	132,416	-	268,528
Less: Expected Credit losses	(122)	(84)	-	(207)
Financial Investments: at Fair value through OCI				
Debt instruments	15,157,526	-	-	15,157,526
Less: Expected Credit losses	(31,814)	-	-	(31,814)
Financial Investments: Amortized cost				
Debt instruments	11,257,546	-	-	11,257,546
Less: Expected Credit losses	(3,406)	-	-	(3,406)
Other assets (Accrued income)	999,896	14,492	4,135	1,018,523
Total	**81,818,089**	**7,456,103**	**1,326,353**	**90,600,545**

3.2- Market Risks

The bank is exposed to market risk represented in volatility in fair value or future cash flows resulted from changes in market prices. Market risk arise from the open positions of interest rates, currency rates and the equity instruments, the management of market risk resulted from trading, non-trading activities are centralized in the market risk department in the bank.

3.2.1- Foreign exchange rate volatility risk

The Bank is exposed to foreign exchange rate volatility risk in terms of the financial position and cash flows. The board of directors set limits for foreign exchange risk at the total value of positions at the end of the day and during the day when timely control is exercised.

The following table summarizes the bank's exposure to the risks of fluctuations in foreign exchange rates at the end of the reporting period. This table includes the carrying amounts of the financial instruments in terms of their relevant currencies and in EGP equivalent.

Employees' Engagment Day

Dec 31,2022 Financial Assets	EGP Thousands					
	LE	USD	EUR	GBP	Other currencies	Total
Cash and due from Central Bank of Egypt	7,513,605	2,252,273	47,128	5,355	2,534	9,820,895
Due from banks	4,034,666	4,970,130	664,964	171,570	82,299	9,923,629
Financial Assets at Fair value through P&L	312,041	-	-	-	-	312,041
Loans and advances to customers	34,186,331	7,996,018	773,850	21,080	5	42,977,284
Loans and advances to Banks	-	268,321	-	-	-	268,321
Financial Investments: at Fair value through OCI	9,460,320	5,623,073	710,514	-	-	15,793,908
Financial Investments: Amortized cost	10,680,504	417,248	21,429	-	-	11,119,181
Financial investments in subsidiaries and associated co	891,644	-	-	-	-	891,644
Other financial assets	905,848	104,915	7,679	70	10	1,018,523
Total financial assets	**67,984,960**	**21,631,979**	**2,225,565**	**198,075**	**84,847**	**92,125,425**
Financial Liabilities						
Due to banks	5,350,027	1,484,604	-	-	-	6,834,631
Customers deposits	51,780,569	18,583,891	2,209,678	194,929	84,852	72,853,919
Other loans	108,134	1,470,768	-	-	-	1,578,902
Other financial liabilities	436,708	69,187	12	9	-	505,916
Total financial liabilities	**57,675,438**	**21,608,451**	**2,209,690**	**194,937**	**84,852**	**81,773,368**
Net balance	**10,309,522**	**23,527**	**15,875**	**3,138**	**(6)**	**10,352,057**

3.2.2 - Interest rate risk

The bank is exposed to impact of fluctuations in the levels of interest rates prevailing in the market that is the cash flow risk of interest rate represented in the volatility of future cash flow of a financial instrument due to change in the interest rate of the mentioned instrument. Whereas the interest rate is fair value risk is the risk of fluctuations in the value of the financial instrument due to changes in interest rates in the market

The interest margin may rise due to these changes but still the profits may decrease if unexpected movements occur The board of directors sets limits for the level of difference in the re-pricing of interest rate that the bank can maintain and Risk department in the bank daily monitors this

The following table summarizes the extent of the bank's exposure to the risk of fluctuations in interest rates that includes the book value of financial instruments divided based on the price of re-pricing dates or maturity dates whichever is sooner :

Honoring the highest performing employees

Dec 31,2022 Financial Assets	EGP Thousands					
	Up to 1 month	More than 1 month up to 3 months	More than 3 months up to 1 year	More than 1 year up to 3 years	More than 3 years	Total
Financial assets						
Cash and due from central banks	6,200	4,577,405	-	-	-	4,583,605
Due from banks	7,599,085	-	-	-	-	7,599,085
Other financial investments & Bonds	3,628,815	5,710,842	10,939,357	5,473,180	1,819,948	27,572,141
Loans and advances to customers and banks	28,535,212	7,961,010	3,713,309	2,739,678	3,862,381	46,811,590
Other financial assets	71,839	378,865	1,378,758	556,654	30,687	2,416,803
Total financial assets	**39,841,151**	**18,628,122**	**16,031,424**	**8,769,511**	**5,713,016**	**88,983,224**
derivatives For trading						13,991,674
Total interest sensitive assets-derivatives other than trading	**39,841,151**	**18,628,122**	**16,031,424**	**8,769,511**	**5,713,016**	**88,983,224**
Financial liabilities						
Due to banks	7,422,897	545,034	3,131,758	2,446	17,620	11,119,755
Customers deposits	31,056,759	13,071,834	13,409,374	13,121,231	2,612,257	73,271,454
Other loans	468,493	648,007	434,849	38,674	251	1,590,274
Other financial liabilities	2,179,895	-	-	-	-	2,179,895
Total financial liabilities	**41,128,044**	**14,264,874**	**16,975,981**	**13,162,351**	**2,630,128**	**88,161,378**
Total interest non sensitive liabilities						12,524,735
Total interest sensitive liabilities-derivatives other than trading	**41,128,044**	**14,264,874**	**16,975,981**	**13,162,351**	**2,630,128**	**88,161,378**
Repricing Gap	**(1,286,893)**	**4,363,248**	**(944,556)**	**(4,392,840)**	**3,082,888**	**821,846**

3.3- Liquidity Risk

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

Liquidity Risk Management Process

The processes of liquidity risk control carried by Assets and Liabilities management department in the bank include the following:

- The daily funding is managed by monitoring and controlling The future cash flows to ensure The ability to fulfill all obligations and requirements. This includes replenishment of funds AS they mature or is borrowed by customers.

The bank maintains an active presence in The global money markets to ensure achievement of This target.

-Monitoring liquidity ratios compared to the internal requirements of the bank and the Central Bank of Egypt's requirements

-Management of concentration and profile the debt maturities

Monitoring and reporting take the form of cash flow measurement and projections for the next day, week, and month respectively. The starting point for these projections is represented in the analysis of the contractual maturities of financial liabilities and expected collection dates of financial assets.

Assets and Liabilities management department controls the unmatched medium term assets management, the level and type of the unutilized portion of loans' commitments, the extent of utilizing debit current accounts advances and the impact of contingent liabilities such as letters of guarantees and letters of credit.

Financing approach

Liquidity resources are reviewed by a separate team from treasury department of the bank to provide a wide variety of currencies, geographical regions, resources, products, and maturities

Assets available to meet all liabilities and cover loan commitments include cash, balances with central Banks, balances due from Banks, treasury bills and other governmental notes, and loans and facilities to Banks and clients. Maturity term of percentage of loans to clients that are maturing within a year is extended in the normal course of the Bank's business. Moreover, some debt instruments, treasury bills and other governmental notes are pledged to cover liabilities. The Bank has the ability to meet unexpected net cash flows through selling securities, and finding other financing sources.

3.4- Fair value of financial assets and liabilities

The following table summarizes the carrying amount and fair value of financial assets and liabilities that are not stated in the balance sheet at fair value:-

Dec 31,2022	Book value	Fair value
Financial Assets	**EGP Thousands**	**EGP Thousands**
Due from banks	9,923,629	9,923,629
Loans and advances to customers	42,977,284	42,977,284
Loans and advances to Banks	268,321	268,321
Financial investments:		
Amortized cost	11,119,181	10,798,066
Financial liabilities		
Due to banks	6,834,631	6,834,631
Customer's deposits	72,853,919	72,853,919
Other loans	1,578,902	1,578,902

Due from Banks:

The fair value of floating rate placements and overnight deposits is their carrying amount. The estimated fair value of fixed 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.

Loans and advances to banks:

Loans and advances to banks are represented in loans other than deposits with banks. The expected fair value for loans and advances represents the discounted value of future cash flows expected to be collected. Cash flows are discounted by adopting the current market rate to determine the fair value.

Loans and advances to customers

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

Financial Investments:

Investments in financial securities in the previous table include only held to maturity bearing assets. Available for sale assets are assessed at fair value with the exception of equity instruments which the bank has been unable to evaluate their fair value to a reliable extent. The fair value of financial assets held to maturity is determined based on market rates or prices obtained from brokers. If these data are unavailable then the fair value is assessed by applying the financial markets' rates for negotiable financial securities with similar credit features, maturity dates as well as similar rates.

Due to other banks and customers:

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

3.5- Capital Management

The Bank's objectives when managing capital, which consists of another items in addition of owner's equity stated in balance sheet are:

- To comply with the capital requirements in Egypt.

- To safeguard the Bank's ability to continue as an ongoing concern so that it can continue to provide returns for shareholders and stakeholders

- To maintain a strong capital base to support the development of its business.

- Capital adequacy and the use of regulatory capital are monitored daily by the Bank's management, employing techniques based on the guidelines developed by the Basel Committee as implemented by the Central bank Of Egypt, for supervisory purposes. The required information is filed with the Authority on a quarterly basis

Central bank Of Egypt requires the following:

- Maintaining an amount of LE 5 billion in accordance with the Central Bank Law No. 194 of 2020 issued on September 15, 2020, and the Central Bank granted banks a period not exceeding one year for those addressed to it to reconcile their positions in accordance with its provisions, and the Central Bank permitted an extension of this period for another period or periods not exceeding two years

- Maintaining a percentage between capital elements and asset and contingent liabilities elements weighted by risk equals to or exceeds 12.50 %. The numerator of the capital adequacy ratio consists of the following two tiers:

Tier One:

Represented in basic capital which consists of paid-in-capital (after deducting the book value of treasury shares), retained profits and reserves from profit appropriation with the exception of general banking risk reserve less any goodwill previously recognized or any carried over losses and 40% of intangible assets and deferred taxes.

The Conservative buffer is formed from the bank's annual profits as an additional independent pillar of the continuing base capital within the first tranche of the bank's capital

base and thus to the total standard, and the Conservative buffer is originally configured from annual profits but is allowed to be configured if Components with the base capital meet this.

Tier Two:

Supplementary Capital consists of equivalent of the general risks provision related to creditworthiness bases issued by the Central Bank Of Egypt and not exceeding 1.25% of the total risk weighted assets and contingent liabilities, subordinated loans / deposits' term which exceed 5 years(with amortization of 20%of their value each year of the last five years of their term) and 45% of the increase between fair value and book value of financial investments available for sale, held to maturity and associates and subsidiaries

When calculating the total numerator of the capital adequacy ratio it should be taken into consideration that the supplementary capital does not exceed in any way the basic capital and that subordinated loans (deposits) do not exceed half of the basic capital.

Asset at risk are weighted ranging from zero up to 100% classified in accordance with the nature of the debit side of each asset, to reflect the related credit risks, while taking into consideration cash collaterals. Same treatment is applied on off- balance amounts after making adjustments to reflect the contingent nature and probable losses of these amounts.

The bank has complied with all local capital requirements at Dec 31,2022 the following table summarizes the components of basic and supplementary capital and capital adequacy ratios as at Dec 31,2022

New Year Celebration

According to Basel II:	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Capital	9,597,175	6,732,766
Tier one (Basic capital)		
Paid up capital	5,600,960	3,273,600
Reserves	894,791	807,801
Retained Earnings	1,636,135	1,474,833
Total balance of accumulated OCI items after regulatory adjustments	110,144	164,952
Interim Profits	944,601	711,641
Un controllable interest	18,686	12,504
Total deductions from tier one	(110,933)	(93,619)
Total basic capital	**9,094,385**	**6,351,712**
Tier two (Supplementary capital)		
45%of special reserve	10,098	10,098
Impairment provision for loans and regular contingent liabilities	492,692	370,956
Total teir two	**502,790**	**381,054**
Risk weighted assets and contingent liabilities		
Total credit risk	55,876,777	43,463,370
Total market risk	208,573	43,613
Total operational risk	4,072,889	4,107,231
Total	**60,158,239**	**47,614,214**
Capital adequacy ratio (%) *Taking into consideration the effect of Top 50 Customers	15.95%	14.14%

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

The decision of the Central Bank of Egypt has been implemented to take into consideration the impact of 50 largest clients on the capital adequacy ratio starting from January 2017.

3.6- Leverage Ratio

The measurement of financial leverage that supports the measurement of capital adequacy standard associated with the risk scale, simple and straightforward according does not account for the risk weights attributed its effectiveness to its ability to reduce the pressure on the banking system and indicate the leverage ratio to measure the adequacy of the first of its basic capital slide compared with total assets Bank, which is not less than 3%

The following table summarizes the components of leverage ratios as at Dec 31,2022 :

Tier one (Basic capital):	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Paid up capital	5,600,960	3,273,600
Reserves	894,791	807,801
"Total balance of accumulated OCI items after regulatory adjustments "	110,144	164,952
Retained profits	1,636,135	1,474,833
Interim Profits	944,601	711,641
Un controllable interest	18,686	12,504
Total deductions from basic capital	(110,933)	(93,619)
Total basic capital	**9,094,385**	**6,351,712**
Assets and contingent liabilities :		
Assets	101,623,375	76,756,077
contingent liabilities	10,590,019	8,284,780
Total Assets and contingent liabilitie	**112,213,394**	**85,040,857**
Leverage ratio (%)	**8.10%**	**7.47%**

4 - The significant accounting estimates and assumptions

The bank applies estimates and assumptions, which affect the amounts of assets and liabilities to be disclosed within the following financial year. Estimates and assumptions are continuously assessed based on historical experience and other factors as well, including the expectations of future events, which are considered reasonable in the light of available information and surrounding circumstances.

(A) The fair value of derivatives

The fair values of financial instruments, which are not listed in active markets, is identified by applying valuation methods. When such methods are used to identify fair value, they are tested and reviewed periodically by qualified personnel who are independent of the body that prepared them.

(B) Income taxes

The bank records the liabilities of the expected results of tax examination according to estimates of the probability of the emergence of additional taxes. When there is, a variance between the final result of taxes and the amounts previously recorded then these variances will affect the income tax and deferred tax provision for the year in which the variance has been identified.

Enactus Closing and Final Competition

(C) Analysis by Geographical Segment

Dec 31,2022	EGP Thousands			
	CAIRO	Alex,Delta & Sinai	Upper Egypt	Total
Revenue according to geographical segment	7,635,356	1,369,181	190,654	9,195,191
Expenses according to geographical segment	(6,233,376)	(828,246)	(170,713)	(7,232,336)
Profit befor tax	**1,401,980**	**540,934**	**19,941**	**1,962,855**
Tax	(524,236)	(202,269)	(7,456)	(733,962)
Profit for the Period	**877,744**	**338,665**	**12,485**	**1,228,893**
Dec 31,2021				
Revenue according to geographical segment	7,675,106	1,501,729	173,511	9,350,346
Expenses according to geographical segment	(6,601,722)	(1,115,845)	(171,212)	(7,888,778)
Profit befor tax	**1,073,384**	**385,884**	**2,299**	**1,461,567**
Tax	(433,650)	(156,071)	(930)	(590,650)
Profit for the Period	**639,734**	**229,814**	**1,369**	**870,917**

Assets & liabilities by Geographical Segment

Dec 31,2022	EGP Thousands			
	CAIRO	Alex,Delta & Sinai	Upper Egypt	Total
Assets by Geographical Segment	94,391,192	1,865,926	467,136	96,724,254
Total Assets	**94,391,192**	**1,865,926**	**467,136**	**96,724,254**
liabilities by Geographical Segment	79,002,126	15,798,704	1,923,423	96,724,254
Total liabilities	**79,002,126**	**15,798,704**	**1,923,423**	**96,724,254**
Dec 31,2021				
Assets by Geographical Segment	74,418,956	1,493,024	289,700	76,201,680
Total Assets	**74,418,956**	**1,493,024**	**289,700**	**76,201,680**
liabilities by Geographical Segment	61,689,731	12,835,790	1,676,160	76,201,680
Total liabilities	**61,689,731**	**12,835,790**	**1,676,160**	**76,201,680**

5- Net Interest Income

	Three Months Ended Dec 31,2022 EGP Thousands	The Year Ended Dec 31,2022 (12 Months) EGP Thousands	Three Months Ended Dec 31,2021 EGP Thousands	The Period Ended Dec 31,2021 (18 Months) EGP Thousands	Twelve months from 1 Jan 2021 to Dec 31,2021 (12 Months) EGP Thousands
Interest From Loans and Similar Income:					
Loans and Facilities for Customers	1,508,541	5,008,771	970,452	5,430,415	3,762,405
Treasury Bills	354,036	964,865	139,346	784,809	507,456
Treasury Bonds	413,730	1,589,533	396,298	1,750,319	1,337,048
Corporate Bonds	8,651	28,181	6,528	30,664	27,290
Deposits and Current Accounts	154,869	469,964	71,535	235,790	198,456
Total	**2,439,828**	**8,061,314**	**1,584,160**	**8,231,997**	**5,832,656**
Cost of Deposit and Similar Costs:					
Deposits and Current Accounts:					
Banks	(124,776)	(355,798)	(45,026)	(372,613)	(235,476)
Customers	(1,227,753)	(4,419,624)	(1,035,101)	(5,096,999)	(3,708,943)
Other loans	(22,885)	(59,626)	(8,951)	(61,001)	(37,369)
REPO	(98,166)	(180,411)	(6,930)	(19,672)	(11,942)
Total	**(1,473,580)**	**(5,015,459)**	**(1,096,008)**	**(5,550,285)**	**(3,993,732)**
Net	**966,248**	**3,045,855**	**488,152**	**2,681,712**	**1,838,924**

6- Net Income from Fees and Commissions

	Three Months Ended Dec 31,2022 EGP Thousands	The Year Ended Dec 31,2022 (12 Months) EGP Thousands	Three Months Ended Dec 31,2021 EGP Thousands	The Period Ended Dec 31,2021 (18 Months) EGP Thousands	Twelve months from 1 Jan 2021 to Dec 31,2021 (12 Months) EGP Thousands
Fees and commissions income:					
Fees and commission related to credit and operational	204,539	650,097	119,252	596,009	413,180
Custody Fees	302	2,536	315	2,462	2,055
Other Fees	14,828	52,113	10,633	53,581	40,397
Total	**219,669**	**704,746**	**130,200**	**652,052**	**455,632**
Fees and Commissions Expenses:					
Other fees paid	(36,253)	(185,940)	(31,631)	(124,017)	(99,866)
Total	**(36,253)**	**(185,940)**	**(31,631)**	**(124,017)**	**(99,866)**
Net	**183,416**	**518,806**	**98,569**	**528,035**	**355,766**

7- Dividend Income

	Three Months Ended Dec 31,2022 EGP Thousands	The Year Ended Dec 31,2022 (12 Months) EGP Thousands	Three Months Ended Dec 31,2021 EGP Thousands	The Period Ended Dec 31,2021 (18 Months) EGP Thousands	Twelve months from 1 Jan 2021 to Dec 31,2021 (12 Months) EGP Thousands
Financial Investments: at Fair value through OCI	96	12,915	0	9, 942	9,731
Associates and Subsidiary companies	-	-	-	3,178	-
Total	**96**	**12,915**	**0**	**13,120**	**9,731**

8- Net Trading Income

	Three Months Ended Dec 31,2022 EGP Thousands	The Year Ended Dec 31,2022 (12 Months) EGP Thousands	Three Months Ended Dec 31,2021 EGP Thousands	The Period Ended Dec 31,2021 (18 Months) EGP Thousands	Twelve months from 1 Jan 2021 to Dec 31,2021 (12 Months) EGP Thousands
Profit (losses) from foreign exchange	79,585	199,864	31,521	203,693	134,407
Profit (losses) from currencies swap contracts	-	-	-	205	-
Profit arising from sale of trading investments	846	65,977	4,207	31,646	23,388
Valuation differences of trading investments	5,332	45,282	19,092	45,133	42,883
:Debt instruments for trading investments	6,044	40,014	8,511	45,367	33,404
Total	**91,807**	**351,138**	**63,331**	**326,044**	**234,081**

9- Administrative expenses

	Three Months Ended Dec 31,2022 EGP Thousands	The Year Ended Dec 31,2022 (12 Months) EGP Thousands	Three Months Ended Dec 31,2021 EGP Thousands	The Period Ended Dec 31,2021 (18 Months) EGP Thousands	Twelve months from 1 Jan 2021 to Dec 31,2021 (12 Months) EGP Thousands
Staff Costs					
-Salaries and Wages	(197,381)	(730,018)	(155,032)	(826,377)	(564,082)
-Social insurance	(7,911)	(30,750)	(6,415)	(36,341)	(25,341)
Pension costs					
-Defined contribution scheme	(8,856)	(35,391)	(8,364)	(49,093)	(33,585)
-Defined benefits scheme	(13,073)	(57,866)	(13,537)	(77,795)	(48,639)
Other Administrative expenses					
-Operations expenses	(46,410)	(158,212)	(31,234)	(200,815)	(131,158)
-Communications expenses	(14,123)	(38,378)	(8,913)	(37,548)	(30,476)
-Business expenses	(17,280)	(125,916)	(13,820)	(110,784)	(82,249)
-Stationary expenses	(2,891)	(11,287)	(1,836)	(11,118)	(7,887)
-Service expenses	(89,686)	(292,298)	(66,903)	(297,547)	(218,557)
-Depreciation expenses	(42,723)	(162,544)	(40,534)	(218,379)	(155,430)
Total	**(440,332)**	**(1,642,662)**	**(346,589)**	**(1,865,799)**	**(1,297,406)**

Average monthly total salaries of highest 20 employees For the Year ended Dec 31, 2022 were EGP 4,888 thousands

10- Other operating income (expenses)

	Three Months Ended Dec 31,2022 EGP Thousands	The Year Ended Dec 31,2022 (12 Months) EGP Thousands	Three Months Ended Dec 31,2021 EGP Thousands	The Period Ended Dec 31,2021 (18 Months) EGP Thousands	Twelve months from 1 Jan 2021 to Dec 31,2021 (12 Months) EGP Thousands
Profit (loss) resulting from revaluation of foreign currency balances of assets and liabilities of monetary nature other than those held for trading or originally classified at fair value through profit and loss	(91,729)	(128,387)	(270)	13,475	1,457
Collected Telex, Swift, Postage, Printed matters & Photocopy	14,782	53,255	13,349	79,289	53,883
Legal service income	62	118	56	220	115
(Charges) release of other provisions	(29,361)	(74,382)	(16,630)	(60,032)	(42,946)
(Charges) release of Retirement benefit obligations	-	41,063	5,820	(18,718)	(6,632)
Capital profits	40	2,816	(0)	8,059	8,059
Profit (Loss) Acquired assets	(75)	100,409	-	-	-
Miscellaneous income	10,921	22,603	2,597	17,391	11,830
Miscellaneous expenses	39	(4,800)	(1,897)	(4,821)	(4,135)
Total	**(95,321)**	**12,695**	**3,025**	**34,864**	**21,632**

11- Impairment (charge) release for credit losses

	Three Months Ended Dec 31,2022 EGP Thousands	The Year Ended Dec 31,2022 (12 Months) EGP Thousands	Three Months Ended Dec 31,2021 EGP Thousands	The Period Ended Dec 31,2021 (18 Months) EGP Thousands	Twelve months from 1 Jan 2021 to Dec 31,2021 (12 Months) EGP Thousands
Expected of Credit losses for Loans and overdrafts for customers	(261,174)	(349,771)	(67,833)	(296,391)	(265,325)
Expected of Credit losses for Treasury bills	9,917	3,590	6,446	20,986	(417)
Expected of Credit losses for Treasury Bonds	687	1,815	883	1,738	2,225
Expected of Credit losses for Loans and overdrafts for Banks	5	(29)	159	420	(59)
Expected of Credit losses for Due from banks	499	(566)	249	10,087	49
Expected of Credit losses for Corporate Bonds	(1,581)	236	24	(1,946)	(928)
Expected of Credit losses for Accrued revenues	(806)	(5,052)	-	-	(3)
	(252,453)	**(349,776)**	**(60,072)**	**(265,107)**	**(264,458)**

12- Income Tax expense

	Three Months Ended Dec 31,2022 EGP Thousands	The Year Ended Dec 31,2022 (12 Months) EGP Thousands	Three Months Ended Dec 31,2021 EGP Thousands	The Period Ended Dec 31,2021 (18 Months) EGP Thousands	Twelve months from 1 Jan 2021 to Dec 31,2021 (12 Months) EGP Thousands
Income tax	(177,387)	(737,349)	(94,419)	(586,087)	(400,264)
Deferred tax	758	3,387	(2,955)	(4,563)	(3,803)
Total	**(176,629)**	**(733,962)**	**(97,375)**	**(590,650)**	**(404,068)**

Adjustments for calculating effective tax rate

	The Year Ended Dec 31,2022 (12 Months)	The Period Ended Dec 31,2021 (18 Months)
Accounting profite before tax	1,962,855	1,461,568
tax rate	22.5%	22.5%
income tax calculated on accounting profit	441,642	328,853
Non-deducted expenses	393,457	375,428
tax exemption	(621,364)	(601,551)
impact of provision	33,410	16,880
impact of depreciations	8,444	(1,757)
income tax	255,589	117,853
tax on bills & Bonds on income statement	733,962	590,650
Effective tax rate (including teasury bills and bonds)	**37.39%**	**40.41%**

13- Earnings Per Share

	Three Months Ended Dec 31,2022 EGP Thousands	The Year Ended Dec 31,2022 (12 Months) EGP Thousands	Three Months Ended Dec 31,2021 EGP Thousands	The Period Ended Dec 31,2021 (18 Months) EGP Thousands	Twelve months from 1 Jan 2021 to Dec 31,2021 (12 Months) EGP Thousands
Net profit for the period	285,231	1,228,893	150,379	870,917	501,381
Board member's bonus	5,705	33,000	3,008	26,019	10,028
Staff Profit Sharing	28,523	194,000	15,038	152,660	50,138
Shareholder's Share in Profit	251,004	840,144	132,333	692,238	441,215
Average number of shares	349,582	418,579	286,440	286,440	284,924
Earnings Per Share	**0.72**	**2.01**	**0.46**	**2.42**	**1.55**

14- Cash and due from central bank of Egypt

	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Cash on hand	394,458	321,801
Due from Central Bank of Egypt (mandatory reserve)	9,430,702	6,784,103
Less: Expected of Credit losses	(4,265)	(2,149)
Total	**9,820,895**	**7,103,754**
Fixed bearing balances	2,104,406	1,047,443
Non- interest bearing balances	7,716,488	6,056,310
	9,820,895	**7,103,754**

* Balances with the Central Bank of Egypt includes the dollar deposit under the reserve ratio (10%), which is settled on maturity 22 Feb 2023

15- Due from banks

	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Current accounts	370,385	156,103
Deposits	9,553,244	7,767,732
Total	**9,923,629**	**7,923,835**
Central Bank (other than obligatory resrve)	4,031,000	6,800,000
Local banks	3,395,206	93,905
Foreign banks	2,497,423	1,029,930
Total	**9,923,629**	**7,923,835**
Non - interest bearing balances	370,385	156,103
Fixed bearing balances	9,553,244	7,767,732
Total	**9,923,629**	**7,923,835**
Current Balances	9,923,629	7,923,835

16- Financial Assets at Fair value through P&L

	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Financial investment portfolios managed by others	100,000	-
Treasury bills and other governmental notes at Fair value through P&L	219,845	608,385
Unearned income	(7,804)	(50,129)
Total	**312,041**	**558,257**

* Treasury bills were listed in business model since June 30,2022.

17- Loans and overdrafts for customers

	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Individual		
Overdraft	263,273	287,689
Credit cards	65,272	38,088
Personal loans	3,780,771	2,706,892
Mortgages	425,765	164,128
Corporate		
Overdraft	24,508,220	19,326,720
Direct loans	9,033,511	8,025,704
Syndicated loans	6,740,017	5,801,262
Total	**44,816,829**	**36,350,484**
Less: interest in suspense	(134,342)	(120,939)
Less: Expected Credit losses	(1,705,202)	(1,328,672)
Net	**42,977,285**	**34,900,873**

Loans and overdrafts for Banks

	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Discounted documents	268,528	72,227
Total	268,528	72,227
Less: Expected Credit losses	(207)	(99)
Net	268,321	72,127

Loans Provisions Analysis for custmers

losses between the beginning and end of the period as aresult of these factors

	Dec 31,2022			
	Stage 1 12 months	Stage 2 Life time	Stage 3 Life time	Total
	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands
Balance at the beginning of the year	235,293	364,506	728,872	1,328,672
Expected Credit losses	45,252	4,755	299,764	349,771
Used Provision during the year	-	-	(152,564)	(152,564)
Collections from loans previously written-off	4,662	-	-	4,662
Cumulative foreign currencies translation differences	12,897	29,521	132,244	174,662
Balance at the end of the Year	**298,103**	**398,782**	**1,008,317**	**1,705,202**

Loans Provisions Analysis for banks

losses between the beginning and end of the period as aresult of these factors

	Dec 31,2022			
	Stage 1 12 months	Stage 2 Life time	Stage 3 Life time	Total
	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands
Balance at the beginning of the year	-	99	-	99
Expected Credit losses	-	29	-	29
Cumulative foreign currencies translation differences	-	78	-	78
Balance at the end of the Year	**-**	**207**	**-**	**207**

	Dec 31,2021			
	Stage 1 12 months	Stage 2 Life time	Stage 3 Life time	Total
	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands
Balance at the beginning of the year	240,013	183,990	620,071	1,044,075
Expected Credit losses	-	181,557	137,451	319,008
transfer ferom stage 1 to stage 2	-	-	-	-
transfer ferom stage 2 to stage 3	-	-	-	-
Used Provision during the Period	-	-	(17,656)	(17,656)
Collections from loans previously written-off	18,836	-	-	18,836
Release of Expected Credit losses	(22,616)	-	-	(22,616)
Cumulative foreign currencies translation differences	(940)	(1,041)	(10,994)	(12,975)
Balance at the end of the Period	**235,293**	**364,506**	**728,872**	**1,328,672**

	Dec 31,2021			
	Stage 1 12 months	Stage 2 Life time	Stage 3 Life time	Total
	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands
Balance at the beginning of the year	-	534	-	534
Expected Credit losses	-	(420)	-	(420)
Cumulative foreign currencies translation differences	-	(15)	-	(15)
Balance at the end of the Period	**-**	**99**	**-**	**99**

18- Financial Investment

18/A- Financial Assets at Fair value through OCI

	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Debt instruments-fair value		
Listed in stock market	1,254,368	11,055,255
Unearned income	-	(193,031)
Less: Expected Credit losses	(10,686)	(9,637)
NET	**1,243,682**	**10,852,587**
Treasury bills and other governmental notes at Fair value through OCI	14,550,733	6,518,251
Unearned income	(512,616)	(162,835)
Less: Expected Credit losses	(21,127)	(13,681)
NET	**14,016,989**	**6,341,735**
Equity instruments-fair value		
Certificates of mutual funds issued according to determined percentages	43,018	37,191
Unlisted in stock market	490,218	312,243
Total Financial Assets at Fair value through OCI (1)	**15,793,908**	**17,543,755**

18/B- Amortized cost investment

	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Debt instruments at amortized cost		
listed in stock market	11,257,546	916,521
Unearned income	(134,959)	(4,439)
Less: Expected Credit losses	(3,406)	(1,508)
Total Amortized cost investment (2)	**11,119,181**	**910,574**
Total Financial Investments (1+2)	**26,913,088**	**18,454,329**
Current balances	26,422,870	18,142,086
Non-current balances	490,218	312,243
	26,913,088	**18,454,329**
Fixed interest debt instruments	12,274,919	11,510,769
Variable interest debt instruments	222,904	256,830
	12,497,822	**11,767,599**

* On 2016 Bank reclassified debt instruments government bonds from financial investment at ,Fair value through OCI to Amortized cost investment , as bank has the ability & intension to keep it till maturity date

The value of the bonds on the date of listing (outstanding on Dec 31, 2022) Amounted to 395,308,738.4 EGP

* On 2022 Bank reclassified debt instruments government bonds from financial investment at Fair value through OCI to Amortized cost investment , as bank has the ability & intension to keep it till maturity date , The value of the bonds on the date of listing (outstanding on Dec 31, 2022) Amounted to 6,713,376,875.12 EGP

The following table shows book value & fair value as at 31 Dec 2022 for reclassified government bonds

	Book Value	Fair Value
Government Bonds	**7,331,835**	**7,010,720**

The fair value that would have been recognized in equity gains if government bonds had not been reclassified amount of 321,115 Thousands EGP

At a job fair

	EGP Thousands		
	Financial investment at Fair value through OCI	Financial investment Amortized cost	Total
The balance after Adjasment at 1 july 2020	**4,567,500**	**1,087,740**	**5,655,240**
Additions	7,616,230	374,042	7,990,271
Deductions (selling-redemptions)	(696,933)	(552,207)	(1,249,140)
Changes in Zero copoun bonds' unearned income	(189,925)	(4,439)	(194,364)
Foreign Exchange revaluation differences	(27,208)	60	(27,147)
Profit (loss) from change in fair value	(82,768)	4,198	(78,570)
amortization for Discount and premium	13,529	2,688	16,216
Expected Credit losses	1,596	(1,508)	88
Ending balance at 31 Dec 2021	**11,202,021**	**910,574**	**12,112,594**
Treasury bills and other governmental notes at Fair value through OCI	**7,901,649**	**-**	**7,901,649**
Net change in Treasury bills and other governmental notes at Fair value through OCI	(1,690,589)	-	(1,690,589)
Profit (loss) from change in fair value	5,088	-	5,088
The change in Unearned income	103,794	-	103,794
Expected Credit losses	21,794	-	21,794
Ending balance at 31 Dec 2021	**17,543,756**	**910,574**	**18,454,329**
Additions	219,694	11,325,527	11,545,221
Deductions (selling-redemptions)	(10,185,774)	(1,158,777)	(11,344,551)
Changes in Zero copoun bonds' unearned income	193,031	(130,521)	62,510
Foreign Exchange revaluation differences	355,438	160,921	516,359
Profit (loss) from change in fair value	(12,978)	10,329	(2,649)
amortization for Discount and premium	6,536	3,025	9,561
Expected Credit losses	(1,049)	(1,898)	(2,947)
Ending balance	**8,118,654**	**11,119,181**	**19,237,835**
Net change in Treasury bills and other governmental notes at Fair value through OCI	8,032,481	-	8,032,481
The change in Unearned income	(349,781)	-	(349,781)
Expected Credit losses	(7,447)	-	(7,447)
Ending balance at 31 Dec 2022	**15,793,908**	**11,119,181**	**26,913,088**

Treasury bills and other governmental notes at Fair value through OCI

	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Represented in:		
91 days Maturity	1,130,000	165,600
182 days Maturity	2,854,925	454,675
273 days Maturity	2,640,000	1,012,075
364 days Maturity	7,974,643	4,880,813
Total	**14,599,568**	**6,513,163**
Unearned income	(512,616)	(162,835)
Total	**14,086,952**	**6,350,328**
Profit (loss) from change in fair value	(40,627)	5,088
Foreign exchange differences	(8,209)	-
Less: Expected Credit losses	(21,127)	(13,681)
Total	**14,016,989**	**6,341,735**

* Treasury bills were listed in business model since June 30,2022.
Within the item of treasury bills amount 22,500 EGP thousands owed to the Central Bank of Egypt against mortgage finance and amount 113,950 EGP thousands of small & medium enterprises 7% As of 31 Dec 2022

Profit (losses) from financial investment

	Three Months Ended Dec 31,2022 EGP Thousands	The Year Ended Dec 31,2022 (12 Months) EGP Thousands	Three Months Ended Dec 31,2021 EGP Thousands	The Period Ended Dec 31,2021 (18 Months) EGP Thousands	Twelve months from 1 Jan 2021 to Dec 31,2021 (12 Months) EGP Thousands
Profit from selling Financial Investments at Fair value through OCI	-	-	-	4,971	4,971
Profit from selling treasury bills	8,381	14,637	1,065	3,456	1,935
Profit from selling treasury bonds	17	(753)	272	272	272
Total	**8,399**	**13,884**	**1,337**	**8,698**	**7,178**

19- Financial investment in subsidiaries and associated companies

a) Participations in subsidiaries companies' capital	Dec 31,2022 EGP Thousands	%	Dec 31,2021 EGP Thousands	%
Egypt capital holding company	410,979	99.995	410,979	99.995
The international holding for financial investments	5,000	99.990	5,000	99.990
BETA Financial holding	106,989	99.990	106,989	99.990
Egyptian company for exports guarantee	176,383	70.553	176,383	70.553
Egyptian company for real estate	11,850	39.500	11,850	39.500
A BETA for real estate investment	67,940	39.500	67,940	39.500
EBE Factors Companies	112,500	83.333	37,500	75.000
EGYPT CAPITAL FOR REAL ESTATE	3	0.050	3	0.050
Total	**891,644**		**816,644**	

Financial information's about subsidiaries companies' as at Dec 31, 2022 :

	Total assets	Total liabilities excluding equity	Net profit before Tax for 12 Months	Net income for 12 Months
Egypt capital holding company	500,194	28,463	29,331	27,775
The international holding for financial investments	29,492	111	764	524
BETA Financial holding	109,362	32	218	104
Egyptian company for exports guarantee	801,702	285,891	78,321	58,771
Egyptian company for real estate	750,000	428,982	21,423	17,002
A BETA for real estate investment	438,235	217,713	22,404	17,720
Egyptian Tourism Development Company	247,011	21,568	(4,970)	(5,838)
EGYPT CAPITAL FOR REAL ESTATE	9,221	116	758	598
The tourism investment company in Sahl Hashish	175,767	18,025	21,361	16,804
EBE Factors Companies	754,959	642,764	(5,387)	(5,315)

Financial information's about subsidiaries companies' as at Dec 31, 2021

	Total assets	Total liabilities excluding equity	Net profit before Tax	Net income
Egypt capital holding company	458,256	13,925	771	318
The international holding for financial investments	28,986	113	1,235	904
BETA Financial holding	109,314	88	314	237
Egyptian company for exports guarantee	682,466	215,290	143,171	108,776
Egyptian company for real estate	724,662	420,646	57,970	45,668
A BETA for real estate investment	395,815	193,012	26,195	20,476
Egyptian Tourism Development Company	244,506	13,226	(4,569)	(4,590)
EGYPT CAPITAL FOR REAL ESTATE	8,680	173	1,093	831
The tourism investment company in Sahl Hashish	175,837	14,745	15,387	14,131
EBE Factors Companies	150,832	118,321	(17,109)	(17,489)

* The financial statements have been Consolidated according to the last approved financial statements for subsidiaries companies as of Dec 31,2022

20- Intangible assets

	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Net book value at the beginning of the year	168,527	101,892
Additions	31,019	66,635
Deductions	(9)	-
Net book value at the end of the year	**199,537**	**168,527**
Accumulated depreciation at the beginning of the year	119,295	64,249
Amortization expense	38,194	55,046
Deductions Accumulative Amortization	-	-
Accumulated depreciation at the end of the year	**157,489**	**119,295**
Net intangible assets at the end of the year	**42,047**	**49,232**

21- Other Assets

	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Accrued revenues*	1,023,658	737,410
Prepaid expenses	114,997	72,600
Advances for purchase of fixed assets	878,747	668,323
Acquired assets (Net)*	41,464	358,630
Insurances and trusts	10,520	10,860
Suspense assets	219,008	109,242
Purchase of financial rights	2,373,785	3,545,852
Total	**4,662,179**	**5,502,916**
Less: Expected Credit losses	(5,135)	-
NET	**4,657,044**	**5,502,916**

	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Accrued income for medium term loans	423,361	201,435
Accrued income for due from banks	87,439	31,398
Accrued income for financial investments	512,859	504,577
Total	**1,023,658**	**737,410**
Less: Expected Credit losses	(5,135)	-
NET	**1,018,523**	**737,410**

* The assets whose ownership has devolved to the bank in settlement of debts are proven at the value at which they were transferred to the bank, which is represented in the value of the debts that the bank management decided to waive in exchange for these assets. In the event that there is objective evidence of the occurrence of impairment losses in the value of these assets at a date subsequent to the transition, then the value of the loss is measured for each asset separately by the difference between the book value of the asset and its net selling value or the present value of future cash flows estimated from the use of the asset and discounted at the current market rate for similar assets, whichever is higher. The book value of the asset is reduced through the use of an impairment account and the recognition of the value of the loss in the income statement under the item "other operating income (expenses)". If the impairment loss decreases in any subsequent period, and that decrease can be linked objectively to an event that occurred after the impairment loss was recognized, then the previously recognized impairment loss is returned to the income statement, provided that this response does not result in an asset value exceeding the value that was previously recognized. It would have been possible for the asset to reach it if these impairment losses had not been recognized, provided that the disposal of these assets is taken into account within the time period specified in accordance with the provisions of the law. And if these assets are not disposed of within the specified period in accordance with Law No. 194 of 2020, the general bank risk reserve is reinforced by the equivalent of 10% of the value of these assets annually. Under "other operating income (expenses).

22- FIXED ASSETS (NET)

	Land	Premises	Computers	Vehicles	Fixture and improvements	Equipment	Furniture	Others	Total
Cost at the beginning of the year	33,828	586,792	206,935	12,938	421,473	39,922	30,907	11,437	1,344,232
Additions during the year	118,911	31,378	22,773	3,400	42,456	1,132	2,133	947	223,131
Disposals during the year	-	-	(18,321)	-	(4,814)	(1,022)	(322)	(72)	(24,551)
(Cost at the end of the year (1	**152,740**	**618,171**	**211,387**	**16,338**	**459,115**	**40,032**	**32,718**	**12,312**	**1,542,812**
Accumulated depreciation at the beginning of the year	-	69,131	151,685	8,660	266,260	15,213	12,913	2,182	526,044
Depreciation charged for the year	-	15,174	36,049	1,541	64,681	3,620	2,854	430	124,350
Accumulated depreciation for disposals	-	-	(18,228)	-	(4,814)	(937)	(321)	(67)	(24,367)
(Accumulated depreciation at the end of the year (2	-	84,305	169,506	10,201	326,128	17,897	15,447	2,545	626,027
(Net book value at the end of the year (1-2	**152,740**	**533,866**	**41,881**	**6,137**	**132,988**	**22,136**	**17,271**	**9,767**	**916,785**
Net book value at the beginning of the year	**33,828**	**517,662**	**55,249**	**4,278**	**155,213**	**24,709**	**17,994**	**9,255**	**818,188**

* Reclassification of 23.56 million pounds from lands to buildings from cost balances at the beginning of the fiscal year

* The useful life of fixture and improvements been re-estimated to 10 years instead of 5 years as of Jan 1,2022

* Fixed assets include assets that have not been registered under the name of the bank in the amount of 94,873 Thousand Egyptian pound

23- Investment property

	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Book value at the beginning of the year	3,369	3,369
Book value at the end of the year	3,369	3,369
Accumulated depreciation at the beginning of the year	1,845	1,770
Depreciation	50	75
Accumulated depreciation (at reclassification from fixed assets to investment property)	-	-
Accumulated depreciation at the end of the year	1,895	1,845
Net book value at the end of the year	**1,475**	**1,525**

24- Deferred Tax Assets

Deferred income tax was calculated based on the deferred tax differences according to the liability method using an effective tax rate for the current fiscal year. Deferred tax assets resulting from carried forward tax losses shall not be recognized unless future taxable profits, through which carried forward taxable losses can be utilized, are likely to be proven. Clearing between deferred tax assets and liabilities is made in case of there is a legal justification for Offsetting between current tax on assets and liabilities and also when deferred income tax belong to the same tax authority, the following table represents deferred tax assets and liabilities:

	Deferred Tax Assets		Deferred Tax liabilities	
	Dec 31,2022	Dec 31,2021	Dec 31,2022	Dec 31,2021
	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands
Deferred tax – other provisions	1,546	1,347	-	-
Tax effect of the difference between accounting depreciation and tax depreciation	-	-	3,292	6,480
Deferred Taxes - fair value differences resulting from the evaluation of financial investments aat Fair value through OCI in foreign currencies	-	-	23,430	93
Total Deferred Tax (Asset-Liabilitie)	1,546	1,347	26,722	6,573
Net Deferred Tax			**25,176**	**5,227**

	Deferred Tax Assets		Deferred Tax liabilities	
	Dec 31,2022	Dec 31,2021	Dec 31,2022	Dec 31,2021
	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands
The beginning of the year	1,347	1,807	6,573	4,587
Additions during the year	199	-	23,337	4,103
Disposals during the year	-	(460)	(3,188)	(2,117)
The Ending balance	**1,546**	**1,347**	**26,722**	**6,573**

25- Due to banks

	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Current accounts	27	61,849
Deposits	6,834,604	2,481,848
	6,834,631	**2,543,697**
Local banks	5,721,178	2,486,983
Foreign banks	1,113,453	56,714
	6,834,631	**2,543,697**
Non - interest bearing balances	27	61,849
Fixed bearing balances	6,834,604	2,481,848
	6,834,631	**2,543,697**
Current Balances	6,834,631	2,543,697
	6,834,631	**2,543,697**

26- Repos

	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Sale of Treasury Bills with a repurchase obligation	4,172,818	22,069
	4,172,818	**22,069**

27- Customers Deposits

	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Demand Deposits	29,711,049	28,520,710
Time Deposits	30,420,543	24,978,194
Saving deposits and certificates of deposit	10,540,462	9,795,014
Other Deposits	2,181,866	1,086,859
Total	**72,853,919**	**64,380,777**
Retail Deposits	13,185,034	12,799,200
Corporate Deposits	59,668,885	51,581,577
Total	**72,853,919**	**64,380,777**
Non-interest bearing balances	12,298,188	7,027,940
Fixed interest bearing balances	60,214,343	56,840,741
Floating interest bearing balances	341,387	512,096
Total	**72,853,919**	**64,380,777**
Current balances	31,892,915	29,607,569
Non-current balances	40,961,004	34,773,208
Total	**72,853,919**	**64,380,777**

Sponsorship of attending the World Cup finals

28- Other loans

	Maturity date	Rate %	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Arab Trade Financing Program	Feb 13,2023	4.48%	59,227	471,501
Agricultural Sector Development Program (ADP)	Mar 21,2023	4.00%	8,000	26,111
European Investment Bank loan	Sep 15,2023	4.49%	92,428	147,230
The environmental commitment agreement under the management of the National Bank of Egypt	Feb 09,2026	1.75%	10,620	14,765
Green for growth fund	June 15,2026	7.27%	499,688	357,198
Sanad	Jan 5,2026	5.82%	448,273	335,766
CBE for small & medium projects 7%	July 1,2025	3.00%	87,157	159,288
projects Development Authority	Oct 1,2026	11.00%	2,357	3,214
European Bank for Reconstruction and Development	May 18,2025	6.73%	371,151	-
Total			**1,578,902**	**1,515,073**
Current Balances			159,656	497,612
Non-current Balances			1,419,247	1,017,461
Total			**1,578,902**	**1,515,073**

29- Other liabilities

	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Accrued Interest	505,916	243,668
Prepaid Revenues	30,150	18,886
Accrued Expenses	206,137	160,853
Accrued Taxes and Insurances	78,829	47,690
Suspense assets	575,509	375,168
Total	**1,396,541**	**846,265**

Mervat Soltan's branch opening ceremony

30- Other Provisions

Dec 31,2022	Balance at the beginning of the Year	Charges during the Year	Foreign currencies revaluation differences	Release (charge) Provisions no longer required	Provision used during the Year	Balance at the end of the Year
	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands
Provision for claims (Taxs)	33,359	34,228	-	-	(32,080)	35,507
Provision for legal claims	5,987	1,934	630	(1,619)	(61)	6,871
Provision for contingent liabilities-Stage 1	31,337	23,146	5,084	(17,001)	-	42,566
Provision for contingent liabilities-Stage 2	51	466	-	(20)	-	497
Provision for contingent liabilities-Stage 3	2,972	-	-	(2,189)	-	783
Provision for Commitment -Stage 1	77,113	38,227	-	(5,506)	-	109,834
Provision for Commitment -Stage 2	3,813	25,847	-	(23,129)	-	6,531
Total	**154,634**	**123,821**	**5,714**	**(49,438)**	**(32,141)**	**202,589**

Dec 31,2021	Balance at the beginning of the Year	Charges during the Year	Foreign currencies revaluation differences	Release (charge) Provisions no longer required	Provision used during the Year	Balance at the end of the Year
	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands
Provision for claims (Taxs)	101,207	49,300	-	-	(117,148)	33,359
Provision for legal claims	8,035	1,323	(36)	(365)	(2,970)	5,987
Provision for contingent liabilities-Stage 1	18,762	18,603	(175)	(5,853)	-	31,337
Provision for contingent liabilities-Stage 2	162	3,474	6	(3,591)	-	51
Provision for contingent liabilities-Stage 3	2,594	987	-	(609)	-	2,972
Provision for Commitment -Stage 1	83,009	16,555	-	(22,451)	-	77,113
Provision for Commitment -Stage 2	1,163	6,915	-	(4,265)	-	3,813
Total	**214,933**	**97,157**	**(205)**	**(37,134)**	**(120,118)**	**154,634**

A provision for contingent liabilities includes indirect contingent liabilities
Other provisions are reviewed in the financial position date and adjusted when necessary to show the best estimate of the situation

31- Retirement benefit obligations

Obligations on balance sheet:	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Pension Benefits	-	44,831

Amounts recognized on income statement	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Pension Benefits	(41,063)	18,718

The movement on liabilities during the year is as follows:	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Estimating liabilities at the beginning of the year	44,831	33,991
Actuarial losses	-	10,861
Cost of investment	-	7,859
benefits Paid	(3,784)	(7,880)
Provisions for no purpose	(41,047)	-
Estimated liabilities at the end of the year	-	44,831
Balance sheet adjustment		
Balance sheet obligations	**44,831**	**33,991**
Actuarial losses	-	10,861
Calculating recognized retirement benefits in the profit and loss account	(41,047)	7,859
benefits Paid	(3,784)	(7,880)
Estimating liabilities at the end of the year	**-**	**44,831**

The bank has re-evaluated the medical treatment system provided by the bank to the post-retirement workers, by assigning a specialized actuarial expert to determine the extent of the bank's actuarial commitment to create a provision for retirement obligations. There is no actuarial obligation on the bank towards the treatment system applied in accordance with the provisions of paragraphs 49 to 54 of the Standard for Retirement Benefits Obligations

32- Capital and Reserves

32.1- Capital

- "The authorized capital amounted to LE. 10,000,000,000.

The issued and paid up capital amounted to LE 5,273,600,000 as of Dec 31, 2022, distributed over 527,360,000 common shares with a par value of EGP 10 each"

- The bank was established in 1983 and paid up capital amounted to 50 Million pounds

- On January 19, 1988, the General Assembly agreed to increase the capital by an amount of 7.5 million pounds.

- On December 30, 1991, the General Assembly agreed to increase the capital by 11.5 million pounds.

- On May 16, 1996, the General Assembly agreed to increase the capital by an amount of 181 million pounds.

- On January 20, 2002, the General Assembly agreed to increase the capital by 250 million pounds .

- On September 29, 2003, the General Assembly agreed to increase the capital by 100 million pounds.

- Board of Directors Decision No. 8 of 2006 dated September 12, 2006 to increase the capital by 200 million pounds.

- Board of Directors Decision No. 18 of 2007 dated December 17, 2007 to increase the capital by 200 million pounds.

- On September 23, 2008 the General Assembly agreed to increase the capital by 200 million pounds.

- September 29, 2010, the General Assembly agreed to increase the capital by 240 million pounds.

- On April 27, 2017, the General Assembly agreed to increase the capital by 288 million pounds

- On April 3, 2018, the General Assembly agreed to increase the capital by 1,000 million pounds.

- On Feb 28 2021, the General Assembly agreed to increase the capital by 545.6 million pounds.

- On Feb 6,2022 The General Assembly agreed to increase the capital by an amount of 2000 million pounds cash was noted in the investment newspaper on August 17, 2022

- On October 25,2022 The General Assembly agreed to distribute 327 million egyptian pound free shares.

32.2- Reserves

	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
(1) General banking risk reserve	231,333	123,259
(2) Banking risk reserve – acquired assets	1,913	-
(3) Legal reserve	520,902	433,929
General reserve	172,517	172,517
(4) Reserve for financial assets at fair value through OCI	112,386	165,378
Deferred Taxes fair value differences resulting from the evaluation of financial assets at fair value through OCI in foreign currencies	(23,430)	(93)
Special reserve	22,440	22,440
(5) Capital reserve	195,432	195,432
Total	**1,233,493**	**1,112,861**

1- General bank risk reserve

It represents the increase in the provisions calculated according to creditworthiness principles over the provision for impairment in accordance with the instructions of the Central Bank of Egypt issued on February 26, 2019 regarding the requirements for applying the IFRS9 standard, in addition to the remainder of the impact of the application of IFRS9 where the balance of the general banking risk reserve, IFRS9 reserve and the credit reserve were merged The largest part of this reserve was used to offset expected credit losses upon the initial application of the international standard (1 July 2019)

2- Banking risk reserve - acquired assets

If the assets acquired by the Bank are not disposed of in accordance with the provisions of Article 60 of Law 88 of 2003 the general bank risk reserve shall be increased by 10% of the value of these assets annually during the period of retention by the Bank

3- Legal reserve

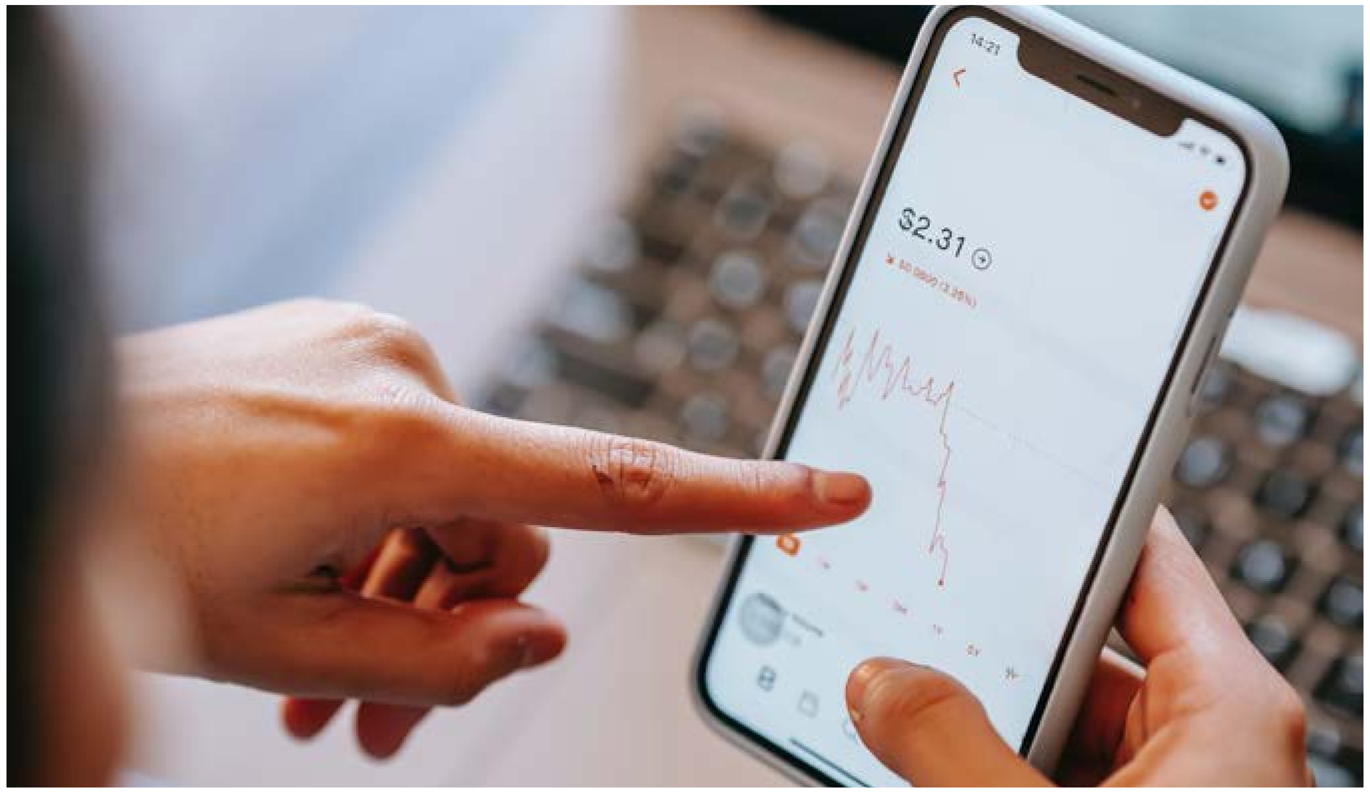
In accordance with the Bank's Articles of Association, an amount equal to 10% of the profits shall be deducted annually to form the statutory reserve. The General Assembly may stop this deduction when the reserve total equals 50% of the issued capital of the Bank.

4- Fair value reserve - at Fair value through OCI

Represents revaluation differences arising from changes in the fair value of financial investments available for sale

5- Capital reserve

Representing the Profit sale of fixed assets



	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
A - General banking risk reserve		
Beginning balance	123,259	909
Transferred To retained earnings	108,075	122,348
the balance after Adjasment	**231,333**	**123,259**
Ending balance	**231,333**	**123,259**
B - Banking risk reserve – acquired assets		
Beginning balance	-	16,394
Transferred to banking risk reserve – acquired assets	-	1,876
Transferred to Retained earnings	1,913	(18,270)
Ending balance	**1,913**	**-**
C - Legal reserve		
Beginning balance	433,929	332,570
Transferred from retained earnings	86,973	101,359
Ending balance	**520,902**	**433,929**
D – General reserve		
Beginning balance	172,517	172,517
Ending balance	**172,517**	**172,517**
E - Special reserve		
Beginning balance	22,440	22,440
the balance after Adjasment	**22,440**	**22,440**
Ending balance	**22,440**	**22,440**
F - Capital reserve		
Beginning balance	195,432	195,312
Strengthening to capital reserve	-	119
Ending balance	**195,432**	**195,432**
G - Fair value reserve - financial assets at through OCI		
Beginning balance	165,285	236,186
Effect of applying IFRS 9	-	5,088
the balance after Adjasment	**165,285**	**241,274**

Net change in fair value	(48,365)	(78,570)
Deffered Tax -Fair value differncies for financial assets through OCI in foreign currncies	(23,337)	2,117
Transferred to retained earnings	(4,627)	466
Ending balance	**88,956**	**165,285**
Total reserves at the end of the Year	**1,233,493**	**1,112,861**
H- Retained earnings		
Beginning balance	2,302,645	2,303,194
The effect of amending accounting policies	-	1,185
Net profit for the Period	1,228,893	869,731
Previous year dividends	(513,979)	(680,200)
Transferred to reserves	(84,259)	(68,918)
Transferred to General banking risk reserve	(108,075)	(122,348)
Ending balance	**2,825,226**	**2,302,645**

33- Shareholders' Dividends

Dividends are recognized when the general assembly of shareholders approves them. Dividends include the Employees' profit share and the board of directors' remuneration by deducting from the retained earnings about the end of the current fiscal year.

34- Cash and cash equivalent

For the purpose of presenting the cash flow statement, cash and cash equivalents include the following balances maturing within less than 3 months from the date of acquisition

	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Cash and due from central bank of Egypt	394,458	321,800
Due from banks	9,923,629	7,923,835
Treasury bills and other governmental notes	1,316,350	165,600
	11,634,437	**8,411,235**

35- Contingent liabilities and commitments

(A) Legal claims

There are a number of existing cases filed against the bank in 31 Dec 2022 and provision has been made for some of them and no provision has been made for certain cases as no losses are expected

(B) Capital commitments

The capital commitments for the financial investment reached on the date of financial position 879,460 thousands as follows

	Investment value	Paid	Remaining
Financial assets at fair value through OCI	1,162,488	723,177	439,311
Fixed asset capital Commitment	-	-	410,125
Total	**1,162,488**	**723,177**	**849,436**

(B)/2- Commitment for operating leases

The total non-cancellable minimum operating leasespayment are as follows :

	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Not more than one year	1,072	552
More than a year and less than five years	-	-
More than five years	28,953	31,546
Total	**30,024**	**32,098**

(C)- Loans, facilities and guarantees commit-ments

	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Letter of guarantee	9,674,031	7,342,014
Letter of Credit (Import)	2,785,219	1,886,101
Letters of credit (Export-confirmed)	1,029,013	608,135
Shipping documents (Export)	512,400	597,309
Less : Cash cover	(3,800,119)	(728,345)
Net	**10,200,543**	**9,705,214**
Irrevocable commitments to loans and credit facilities	3,060,805	2,671,184
Total	**13,261,349**	**12,376,399**

36- Related party transactions

A number of Banking transactions are entered into with related parties in the normal course of business. These include loans, deposits, and foreign currency transactions

Related party transactions are represented as follows

(A) Subsidiary Companies:

	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Assets		
Loans and advances to customers	196,123	40,437

	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Liabilities		
Customers' deposits	172,480	78,629

(B) Shareholders:

	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Assets:		
Due from banks	3,140,635	264,328
Liabilities		
Due to banks	-	1,500,000
Repo	4,151,804	-
Customers' deposits	378,508	4,521,888

(C) Board of directors benefits:

	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Wages and short term benefits	**74,610**	**82,999**

37- Tax status

- Corporate income Tax.

•The beginning of the years till 2007.

Tax examination and internal committees was done also ended the dispute with of the tax authority.

• 2007-2011 years

Tax examination done, the file has been transferred to appeal committees, the bank appeal on committee's decision and currently the file is under inspection by the court.

• 2012-2016 years.

Tax examination and internal committees done and pay all tax due.

• 2017-2019 years

Tax examination done and pay all tax due.

• 2020-2021 years

The bank submits the annual tax return on legal deadline and pay any tax due.

- Stamp Taxes

• The beginning of the years till 30/06/2019

Tax examination done and pay any tax due.

• 2020-2021 years

The bank submits the quarter tax return on legal deadline and pay any tax due.

- Salaries tax

• The beginning of the years till 31/12/2019

Tax examination done and pay any tax due.

• 2020-2021 year

The bank submits the tax returns on legal deadline and pay any tax due.

* The bank submits tax returns on a regular basis and on the scheduled dates in accordance with the Unified Tax Procedures Law No. 206 of 2020

38- Mutual Funds

A. Export Development Bank of Egypt first mutual fund (The Expert fund).

The fund is one of the authorized banking activities under the capital market law No. 95 for the year 1992 and its executive regulations, HC for securities and investment is managing this fund, the fund certificates reached 1million certificate at foundation worth of L.E.100 million, out of these, 50 thousand of the certificates were allocated to the bank to undertake the funds' activity (with EGP 100 nominal value).

The number of the outstanding certificates on the date of balance sheet was 106,441 certificates as the number of owned certificates by the bank reached 79191certificates. The redemption value per certificate as of Dec 31, 2022 amounted to EGP 161.53 and according to the funds' management contract and its prospectus, the bank shall obtain fee and commission for supervision on the fund and other managerial services rendered by the bank, total commissions as at Dec 31,2022 amounted to EGP 111.9 thousands presented under the item of "fees and commission income/other fees" in the income statement.

B. Export Development Bank of Egypt Fund -The Second - The Monetary:

The fund is one of the authorized banking activities under the capital market law No. 95 for the year 1992 and its executive regulations, Azimut for funds and securities portfolios management is managing this fund, the fund certificates Reached 2,867,466 certificates at foundation worth of EGP 286,746,600 out of these 143,400 of the certificates were allocated to the bank to undertake the funds' activity (with L.E. 100 nominal value). The number of the outstanding certificates on the date of balance sheet was 774,316 as the number of owned certificates by the bank reached 39,440 certificates. The redemption value per certificate as of Dec 31,2022 amounted to EGP 479.0377 total commissions amounted to EGP 2 millions as at Dec 31,2022 Presented under the item of "fees and commission income/other fees" in the income statement.

C. Export Development Bank of Egypt Fund - The Third - Fixed Income Instruments:

The fund is one of the authorized banking activities under the capital market law No. 95 for the year 1992 and its executive regulations; Prime Investments Asset Management is managing this fund, the fund certificates Reached 612,501 certificates at foundation worth of EGP 61,250,100 out of these 50,000 of the certificates were allocated to the bank to undertake the funds' activity (with L.E. 100 nominal value). The number of the outstanding certificates at the date of balance sheet was 51,676 certificates as the number of owned certificates by the bank reached 50,000 certificates. The redemption value per certificate as of Dec 31,2022 amounted to EGP 226,6609 total commissions amounted to EGP 45 thousands as of Dec 31,2022 Presented under the item of "fees and commission income/other fees" caption in the income statement.

39- Comparative figures

• Some comparative figures have been reclassified to conform to the current year's financial presentation.

• In light of the change of the bank's financial year to start with the Gregorian year and end with its end in order to comply with the new Central Bank law, the Separate income statement and the related clarifications were presented, as well as the Separate comprehensive income statement and the Separate cash flow statement for a Year of from Jan 1, 2022 to Dec30, 2022 compared to For the previous Period (Eighteen months) from July 1, 2020 to Dec30, 2021, the comparative figures for the financial statements are not comparable at all.

• In order for the profits and losses for the financial year ending on Dec30, 2022 (Twelve months) to be comparable, a third statement for the period from January 1, 2021 to Dec30, 2021 (Twelve months) has been added to the income statement, based on paragraphs 38C and 38D of Egyptian Accounting Standard No. 1 Presentation of financial statements.

• The comparative figures have been modified as a result of the inclusion of treasury bills and government papers within the business models, where the reserve balances were adjusted by an amount of 5,088 thousand pounds, the value of valuation of treasury bills and government papers through other comprehensive income and the balances of retained earnings at an amount of 1,185 thousand pounds, the value of valuation of treasury bills and government papers through profits and losses .

• Comparative numbers have been adjusted as a result of including the item of selling treasury bills with a commitment to repurchase as a separate item within the financial liabilities at an amount of 22,069 thousand pounds.

40- Subsequent events:

• The Export Development Bank of Egypt follows the developments of the crisis in Russia and Ukraine and the extent of its impact on the Egyptian economy and the reflection of that crisis on the bank's clients in various activities and economic sectors. Accordingly, the bank continues to implement internal protection measures by monitoring and reviewing the level of provisions as well as the portfolio coverage ratio to mitigate the severity of the impact. on the loan portfolio.

• The Central Bank's Policy Committee, to confront inflationary pressures and preserve the macroeconomy, raised the lending and discount rates by 600 points during the year 2022, and this increase had a positive impact on the interest margin and, in turn, on the net income from the return.

• The Central Bank has adopted policies that serve the flexibility of foreign exchange rates in a way that helps attract foreign investments, noting that the rises in exchange rates had an impact on the items of assets and liabilities of a monetary nature, as well as the income statement and the evaluation of currency positions, as shown in Notes 10 and 8.

• Despite the receding of the corona virus pandemic ("COVID-19"), the bank continues to monitor the situation through the business continuity plan and risk management practices.

• The Bank continues to deal with market variables through the application of flexible policies, taking into account that the economic situation is an estimated and uncertain matter, and the management will continue to regularly evaluate the current situation and its effects.

Auditors' Report

Export Development Bank of Egypt
On the Consolidated financial statements as at Dec 31, 2022

To the shareholders of Export Development Bank of Egypt

Report on the consolidated financial statements

We have audited the accompanying consolidated financial statements of Export Development Bank of Egypt (S.A.E.), which comprise the consolidated balance sheet as at Dec 31, 2022 and the consolidated statements of income and other comprehensive income, changes in equity and cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the consolidated Financial Statements

These consolidated financial statements are the responsibility of Bank's management.

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with central bank of Egypt's rules, pertaining to the preparation and presentation & the financial statements issued on December 16, 2008 which is amended by instructions issued on 26 Feb 2019 and in light of the prevailing Egyptian laws, management responsibility includes, designing , implementing internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatements, whether due to fraud or error, management responsibility also includes selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements, referred to above, present fairly, in all material respects, the consolidated financial position of the Export Development Bank of Egypt (S.A.E) as of Dec 31, 2022 and of its financial performance and its cash flows for the financial period ending on that date (12 Months) in accordance with Central Bank of Egypt's rules pertaining to the preparation and presentation of financial statements issued on December 16,2008 which is amended by instructions issued on 26 Feb 2019 and the Egyptian laws and regulations relating to the preparation of these consolidated financial statements.

Pay attention

Without considering this as a conservatism, and as shown in Note No. (37) of consolidated financial statements, supplementing notes, in light of the change of the bank's financial year to start with the Gregorian year and end with its end &in order to comply with the Central Bank Of Egypt new law, consolidated statements of income, Consolidated statement of other comprehensive income, &changes in equity and cash flows statements have been presented for (Twelve months) for the period started from Jan 1, 2022 to Dec 31, 2022 in compare with the financial period started from Jul 1,2020 to Dec 30,2021 (Eighteen months) and therefore the comparative figures for the financial statements are not comparable at all , In order for the profits and losses for the financial period ending on Dec 31, 2022 (Twelve months) to be comparable, a third statement for the period from Jan 1, 2021 to Dec 31, 2021 (Twelve months) has been added to the income statement, based on paragraphs 38C and 38D of Egyptian Accounting Standard No. 1 Presentation of financial statements.

Financial Indicators Annual Report 2022

Report On Other Legal and Regulatory Requirements

The Bank maintains proper books of accounting, which include all that is required by the law and by the statutes of the Bank; the consolidated financial statements are in agreement thereto.

The consolidated financial information included in the Board of Director's report, prepared in accordance with Law No. 159 of 1981 and its executive regulations, is in agreement with the Bank's books of account.

Bank's Auditors

DR. Ahmed Moustafa Shawki MAZARS Moustafa Shawki	Salwa Younis Saied Sector Head Central Auditing Organization

Cairo, February 27, 2023

Consolidated Balance Sheet financial 31 December 2022

	Notes	Dec 31,2022	Dec 31,2021
Assets			
Cash and due from Central Bank of Egypt	(12)	9,820,895	7,103,754
Due from banks	(13)	9,928,474	7,924,085
"Financial Assets at Fair value through P&L"	(14)	380,694	597,159
Loans and advances to customers	(15)	42,852,477	34,903,930
Loans and advances to Banks	(15)	268,321	72,127
Financial Investments:			
-Financial Assets at Fair value through OCI	(16)/A	15,836,246	17,726,905
-Amortized cost	(16)/B	12,103,366	1,651,841
Financial investments in associated co.	(17)	6,875	6,875
Intangible assets	(18)	42,478	49,646
Other assets	(19)	5,675,174	5,948,352
Fixed assets	(20)	1,086,415	982,165
Inventory	(21)	302,387	302,387
Deferred tax	(22)	152	103
Total Assets		**98,303,954**	**77,269,329**
Liabilities and shareholders' equity			
Liabilities			
Due to banks	(23)	6,834,631	2,543,697
Repos	(24)	4,172,818	22,069
Customers' deposits	(25)	72,681,439	64,302,148
Debt Instruments	(26)	50,000	50,000
Other loans	(27)	1,988,286	1,577,518
Other liabilities	(28)	2,325,559	1,641,454
Other provisions	(29)	249,036	194,632
Deferred tax	(22)	37,867	6,696
Retirement benefit obligations	(30)	-	44,831
Total liabilities		**88,339,636**	**70,383,045**
Shareholders' equity			
Paid up capital		5,273,600	3,273,600
Amounts paid under the capital increase account	(31)	327,360	-
Reserves	(31)	1,107,837	978,236
Retained Earnings	(31)	3,065,510	2,455,358
Non-Controlling interests		190,011	179,090
Total shareholders' equity		**9,964,318**	**6,886,284**
Total liabilities and shareholders' equity		**98,303,954**	**77,269,329**

The accompanying notes are an integral part of these financial statements
.Auditor's report attached

Consolidated Income Statement For The Year Ended 31 December 2022

	Notes	Three Months Ended Dec 31,2022	The Year Ended Dec 31,2022 (12 Months)	Three Months Ended Dec 31,2021	The Period Ended Dec 31,2021 (18 Months)	Twelve months from 1 Jan 2021 toDec 31,2021 (12Months)
		EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands
Interest and similar income	(5)	2,521,656	8,208,491	1,637,234	8,427,586	5,992,152
Deposits and similar expenses	(5)	(1,471,740)	(5,012,971)	(1,084,654)	(5,535,985)	(3,998,692)
Net Interest Income		**1,049,916**	**3,195,520**	**552,580**	**2,891,601**	**1,993,460**
Fees and commissions Income	(6)	278,001	811,231	175,485	762,112	541,210
Fees and commissions Expenses	(6)	(66,473)	(227,401)	(35,752)	(132,599)	(105,489)
Net income from fees & commissions		**211,528**	**583,830**	**139,733**	**629,513**	**435,721**
Dividends Income	(7)	96	12,915	-	9,942	9,732
Net Trading Income	(8)	93,435	354,098	63,719	330,025	236,265
Profit (Loss) from Financial Investments	(16)	8,399	13,884	1,337	8,698	7,178
Impairment of credit losses	(9)	(262,423)	(360,587)	(61,173)	(266,208)	(265,559)
Administrative expenses	(10)	(473,995)	(1,711,323)	(377,911)	(1,952,958)	(1,369,034)
Other operating income (expense)	(11)	(84,885)	20,897	(16,474)	32,234	22,481
Net profit before Tax		**542,071**	**2,109,234**	**301,811**	**1,682,847**	**1,070,244**
Income Tax		(196,515)	(772,269)	(105,827)	(639,540)	(445,944)
Deferred tax		109	2,231	(9,190)	(6,306)	2,840
Net profit for the year		**345,665**	**1,339,196**	**186,794**	**1,037,001**	**627,140**
Represented in:						
Bank's shareholders		335,880	1,320,883	182,668	1,016,301	610,934
Non-Controlling interests		9,785	18,313	4,126	20,700	16,206
		345,665	**1,339,196**	**186,794**	**1,037,001**	**627,140**

The accompanying notes are an integral part of these financial statements.

Consolidated Changes in Shareholders’ Equity Statement For The Year 31 December 2022

Dec 31,2021 (18 Months)	Capital	Amounts paid under the capital increase account	Legal Reserve	General Reserve	Special Reserves	Capital Reserves	General Banking Risk Reserve	General Banking Risk Reserve Acquired Assets	"Reserve of revaluation at Fair value through OCI"	Retained Earnings	Non-controllable Interests	Total
	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands
Balance at the beginning of the year	2,728,000	-	319,438	24,998	25,766	195,312	909	16,394	236,186	2,374,153	130,903	6,052,059
The effect of amending accounting policies									9,578			9,578
The balance after adjustment	**2,728,000**	**-**	**319,438**	**24,998**	**25,766**	**195,312**	**909**	**16,394**	**245,764**	**2,374,153**	**130,903**	**6,061,637**
Amounts paid under the capital increase account	545,600	-	-	-	-	-	-	-	-	(545,600)	-	-
Transferred to Capital Reserve	-	-	-	-	-	119	-	-	-	(119)	-	-
Transferred to General Reserve	-	-	-	4,232	-	-	-	-	-	(6,000)	1,768	-
Transferred to legal reserve	-	-	116,710	-	-	-	-	-	-	(120,563)	3,853	(0)
Transferred to General Banking Risk Reserve	-	-	-	-	-	-	122,350	-	-	(122,350)	-	-
Transferred to Banking Risk Reserve-Assets acquired	-	-	-	-	-	-	-	(16,394)	-	16,394	-	-
Net change in Fair value through OCI	-	-	-	-	-	-	-	-	(82,722)	-	-	(82,722)
Deferred tax - fair value differences of Fair value through OCI	-	-	-	-	-	-	-	-	2,117	-	-	2,117
Net change in Special Reserves	-	-	-	-	2,778	-	-	-	-	(5,103)	-	(2,325)
Non-controllable interests for EBE Factor	-	-	-	-	-	-	-	-	-	-	12,500	12,500
Transferred to retained earnings	-	-	-	-	-	-	-	-	466	9,390	9,367	19,223
Dividends paid	-	-	-	-	-	-	-	-	-	(161,147)	-	(161,147)
Net profit for the Period	-	-	-	-	-	-	-	-	-	1,016,300	20,700	1,037,000
Balance at the end of the Period	**3,273,600**	**-**	**436,148**	**29,230**	**28,544**	**195,431**	**123,259**	**-**	**165,625**	**2,455,356**	**179,090**	**6,886,284**

Dec 31,2022 (12 Months)												
Balance at the beginning of the Period	3,273,600	-	436,148	29,230	28,544	195,431	123,259	-	160,539	2,454,171	179,090	6,880,012
The effect of amending accounting policies	-	-	-	-	-	-	-	-	5,088	1,185	-	6,273
The balance after adjustment	**3,273,600**	**-**	**436,148**	**29,230**	**28,544**	**195,431**	**123,259**	**-**	**165,627**	**2,455,356**	**179,090**	**6,886,285**
Increasing the issued and paid-up capital through cash subscription	2,000,000	-	-	-	-	-	-	-	-	-	10,000	2,010,000
Amounts paid under the capital increase account	-	327,360	-	-	-	-	-	-	-	(327,360)	-	-
Transferred to General Reserve	-	-	-	2,117	-	-	-	-	-	(3,000)	884	-
Transferred to legal reserve	-	-	89,846	-	-	-	-	-	-	(90,431)	585	-
Transferred to General Banking Risk Reserve	-	-	-	-	-	-	108,075	-	-	(108,075)	-	-
Transferred to Banking Risk Reserve-Assets acquired	-	-	-	-	-	-	-	1,913	-	(1,913)	-	-
Net change in Fair value through OCI	-	-	-	-	-	-	-	-	(48,684)	-	-	(48,684)
Deferred tax - fair value differences of Fair value through OCI	-	-	-	-	-	-	-	-	(23,337)	-	-	(23,337)
Net change in Special Reserves	-	-	-	-	4,298	-	-	-	-	-	4,342	8,640
Transferred to retained earnings	-	-	-	-	-	-	-	-	(4,627)	29,817	(23,203)	1,986
Dividends paid	-	-	-	-	-	-	-	-	-	(209,767)	-	(209,767)
Net profit for the Year	-	-	-	-	-	-	-	-	-	1,320,883	18,313	1,339,196
Balance at the end of the Year	**5,273,600**	**327,360**	**525,994**	**31,347**	**32,842**	**195,431**	**231,334**	**1,913**	**88,979**	**3,065,510**	**190,011**	**9,964,318**
The accompanying notes are an integral part of these financial statements.												

Consolidated Cash flows Statement For The Year Ended 31 December 2022

Cash flows from operating activities	Notes	Dec 31,2022 (12 Months) EGP Thousands	Dec 31,2021 (18 Months) EGP Thousands
Net profit before income tax		2,109,234	1,682,847
Adjustments to reconcile net profit to cash provided from operating activities:			
Fixed Assets Depreciation	(20)	132,576	175,100
Intangible Assets Amortization	(18)	38,264	55,062
Expected of Credit losses for Loans and overdrafts for customers	(9)	349,957	296,391
Expected of Credit losses for Treasury bills	(9)	(3,538)	(20,986)
Expected of Credit losses for Treasury Bonds	(9)	(1,815)	(1,738)
Expected of Credit losses for Loans and overdrafts for Banks	(9)	63	(420)
Expected of Credit losses for Due from banks	(9)	566	(10,087)
Expected of Credit losses for Corporate Bonds	(9)	(236)	1,946
Expected of Credit losses for Accrued revenues	(9)	15,589	1,098
Reversal - Expected of Credit losses for other Provisions	(29)	74,983	62,138
Profit (Loss) Reserve Acquired Assets	(11)	(100,409)	(8,059)
Capital Profits		(2,816)	-
revaluation differences of Financial Investments at fair value through OCI FX		(516,359)	27,147
Retirement benefit obligations	(30)	(41,063)	18,718
"Foreign currencies revaluation differences of provisions (other than provision for loans)"	(29)	23,341	(1,626)
Dividends Income		(12,915)	(9,942)
amortization for Discount and premium for Financial Investments		(9,561)	(16,216)
Operating profit before changes in assets and liabilities used in operating activities		**2,055,862**	**2,251,374**
Net decrease (increase) in Assets & Liabilities			
Due from banks	(12)	(2,642,333)	(3,123,647)
Treasury bills and other governmental notes		(6,457,984)	616,311
Financial Assets at Fair value through P&L	(14)	(129,752)	(2,871)
Loans and advances to customers and banks	(15)	(8,515,560)	(3,928,488)
Financial Derivatives (Net)		-	(205)
Other assets	(19)	(205,028)	(4,059,821)
Due to banks	(23)	4,290,934	(1,387,670)
Repos	(24)	4,150,749	(837)
Customers' deposits	(25)	8,379,292	20,355,106
Other liabilities	(28)	426,159	342,974
Income tax paid		(514,323)	(583,582)
Other provisions	(29)	(26,293)	(121,247)
Retirement benefit obligations	(30)	(3,784)	(7,880)
Net cash flows provided from operating activities		**807,940**	**10,349,517**
Cash flows from investing activities			
Purchase of fixed assets and branches improvements	(20)	(77,577)	(268,658)
Proceeds from sale of Acquired Assets		440,200	26,430
Capital Profits		2,816	-
Purchase of intangible assets	(18)	(31,106)	(67,037)
Purchases of Financial investments through OCI	(16)/A	(412,725)	(7,609,194)
Proceeds from redemption of OCI Financial investments	(16)/A	10,326,265	696,933
purchases of Financial investments by Amortized cost	(16)/B	(11,195,006)	(369,603)
Proceeds from redemption of Financial investments by Amortized cost	(16)/B	1,158,777	552,207
Dividends Income		12,915	9,942
Net cash flows provided from (used in) investing activities		**224,559**	**(7,028,980)**

Consolidated Cash flows Statement For The Year Ended 31 December 2022

Cash flows from financing activities	Notes	Dec 31,2022 (12 Months) EGP Thousands	Dec 31,2021 (18 Months) EGP Thousands
Cash flows from financing activities			
Net proceeds (repayments) from debt instruments & other loans	(27)	410,768	(135,320)
Increasing the issued and paid-up capital through cash subscription		2,010,000	-
Paid Dividends		(209,767)	(161,147)
Change in retained earnings-Shareholders' Equity		10,623	-
Net cash flows provided from (used in) financing activities		**2,221,624**	**(296,467)**
Net increase in cash and cash equivalents during the year		3,254,122	3,024,070
Cash and cash equivalents at the beginning of the year	(33)	8,411,235	5,387,415
Cash and cash equivalents at the end of the year		**11,665,357**	**8,411,485**
Cash and cash equivalents are represented in:			
Cash and due from Central Bank of Egypt		9,820,895	7,103,754
Due from banks	(12)	9,928,474	7,924,085
Treasury bills and other governmental notes	(13)	15,213,357	7,612,917
Balances with Central bank of Egypt (Mandatory reserve)		(9,426,437)	(6,781,954)
Treasury bills and other governmental notes with maturities more than three months	(13)	(13,870,932)	(7,447,317)
Cash and cash equivalents at the end of the year		**11,665,357**	**8,411,485**

Non-Cash transactions

* EGP 159,461 thousands value of fixed asset additions transferred from other assets to fixed assets during the Period, the impact of which has been cancelled from the change in debit balances, fixed assets and intangible assets. * EGP 76,329 thousands value of* * the revaluation of financial investments at Fair value through OCI has been cancelled

from the change Equity Reserve and financial investments at Fair value through OCI and financial investments by amortized cost , deferred tax and retained earnings.

* EGP 20,755 thousands value of Acquired assets additions transferred from Loans and advances to customers to other assets during the Period, the impact of which has been cancelled from the change in debit balances, Loans and advances to customers and other assets.

The accompanying notes are an integral part of these financial statements.

Consolidated statement of other comprehensive income For The Year Ended 31 December 2022

	Three Months Ended Dec 31,2022 EGP Thousands	The Year Ended Dec 31,2022 (12 Months) EGP Thousands	Three Months Ended Dec 31,2021 EGP Thousands	The Period Ended Dec 31,2021 (18 Months) EGP Thousands
Net profit for the year	345,665	1,339,196	186,794	1,037,001
Revaluation differences of equity instruments at fair value through OCI	25,462	(25,179)	(6,926)	(30,406)
Revaluation differences of debt instruments at fair value through OCI	83,301	(137,677)	(15,062)	(48,367)
Revaluation differences of mutual funds at fair value through OCI	7,689	5,827	2,974	5,926
Revaluation differences of foreign exchange rates for equity instruments at fair value through OCI	64,791	103,718	(758)	(9,409)
Income Taxes	(14,578)	(23,337)	170	2,117
Total other comprehensive income for the year	**512,330**	**1,262,548**	**167,191**	**956,862**

The accompanying notes are an integral part of these financial statements.

Notes to the Consolidated Financial Statements For the Year ended 31 December 2022

1- General information

Export Development Bank of Egypt (Egyptian Joint Stock Company) was established on July 30, 1983 under Law No. 95 of 1983 and its articles of association in the Arab republic of Egypt, the head office located in New Cairo at 78, south teseen, the bank is listed in the Egyptian stock exchange (EGX). The objective of the Bank is to encourage, develop Egyptian export activities, and assist in developing agricultural, industrial, and commercial and service exporting sectors, also to provide all banking services in local and foreign currencies through its head office and forty-four branches and the number of employees has reached 1580 employee on the date of financial statement.

The Extraordinary General Assembly of the Bank, held on 28/2/2021, approved the amendment of Article (48) of the Bank's Articles of Association so that the Bank's fiscal year begins at the beginning of the calendar year on January 1 and ends on December 31.

These Financial statements have been approved by board of directors in 27 February 2023.

2- Summary of significant accounting policies

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

2.1- Basis of preparation of the consolidated financial statements

These consolidated financial statements have been prepared in accordance with the instructions of the Central Bank of Egypt approved by the Board of Directors on December 16, 2008, as well as in accordance with the instructions for preparing financial statements for banks in accordance with the requirements of International Financial Reporting

Standard (9) "Financial Instruments" issued by the Central Bank of Egypt on February 26, 2019, and Reference is made to Egyptian accounting standards in matters not specifically provided for in these rules and instructions.

The Bank has prepared the consolidated financial statements of the Bank and its subsidiaries in accordance with Egyptian accounting standards. The subsidiaries have been entirely grouped in the consolidated financial statements, and they are the companies in which the Bank has, directly and indirectly, more than half of the voting rights or has the ability to control the financial and operational policies of the subsidiary by paying Regardless of the type of activity, the bank's consolidated financial statements can be obtained from the bank's management. Investments in subsidiaries and sister companies are presented in the Bank's separate financial statements and accounted for at cost less impairment losses.

The financial statements of the companies have been compiled according to the latest financial statements of the subsidiaries on Dec 31, 2022

2.2- Basis of consolidation

(a) Subsidiaries

- Subsidiaries are all entities over which the bank has owned directly or indirectly the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the bank has the ability to control the entity.

- The group fully consolidates its subsidiaries from the effective date in which control is obtained till such control ceases to exist.

- The subsidiary companies which have been owned indirectly have been consolidated from June 30, 2013.

- Subsidiaries companies consolidated by the bank (The holding co.) represented in the following as at Dec 31,2022:

	Dec 31,2022 EGP Thousands	%	Dec 31,2021 EGP Thousands	%
Egypt Capital Holding Company	410,979	99.99	410,979	99.99
International holding for financial investments	5,000	99.99	5,000	99.99
BETA Financial holding	106,989	99.99	106,989	99.99
Export Credit Guarantee Company of Egypt	176,383	70.55	176,383	70.55
Egyptian company for real estate investments	11,850	39.5	11,850	39.5
A BETA for real estate investment	67,940	39.5	67,940	39.5
Egypt Capital for real estate investments	3	0.05	3	0.05
EBE FACTORS Company	112,500	83.33	37,500	75.00

The Touristic Investment Company (Sahl Hashish) & Egyptian Tourism Development Company represents an indirect investment that has been consolidated.

A brief description of the activities of the Group:

- Egypt Capital Holding Company:

Is an Egyptian joint stock company in accordance with the provisions of Law No. 95 of 1992 and its executive regulations (holding companies) of the Egyptian Export Development Bank. The purpose of the company is to participate in establishing companies that issue their securities and increase their capital.

- International holding for Development and Financial Investments:

Is an Egyptian joint stock company in accordance with the provisions of Law No. 95 of 1992 and its executive regulations (holding companies) of the Egyptian Export Development Bank. The purpose of the company is to participate in the establishment of companies that issue their securities and increase their capital.

Beta Financial Holding Company:

Is an Egyptian joint stock company pursuant to the provisions of Law No. 95 of 1992 and its executive regulations (Holding Companies) of the Egyptian Export Development Bank. The purpose of the company is to participate in the establishment of companies that issue their securities and increase their capital.

Export Credit Guarantee Company of Egypt:

The Export Development Bank of Egypt stated that it is one of its main purposes to "develop and implement a system to secure the exporters of national goods against commercial and non-commercial risks which may be exposed to them for reasons not due to the exporter's fault, whether arising before the delivery of goods contracted for export or After the delivery, in accordance with the rules set by the Board of Directors of the bank. "The bank created this task to establish the Egyptian Company for Export Guarantee in 1992 an Egyptian joint stock company.

Egyptian company for real estate investments.:

Is an Egyptian joint stock company in accordance with the provisions of Law No. 159 of 1981 and its executive regulations are subordinate to the Egyptian Export Development Bank. The purpose of the company is to engage in real estate investment activity of all types throughout the Arab Republic of Egypt.

- ABeta Company for Real Estate Investments:

Is an Egyptian joint stock company in accordance with the provisions of Law No. 159 of 1981 and its executive regulations are subordinate to the Egyptian Export Development Bank. The purpose of the company is to engage in real estate investment activity of all types throughout the Arab Republic of Egypt.

Egypt Capital Real Estate Investment Company:

Is an Egyptian joint stock company in accordance with the provisions of Law No. 159 of 1981 and its executive regulations are subordinate to the Egyptian Export Development Bank. The purpose of the company is to engage in real estate investment activity of all types throughout the Arab Republic of Egypt.

Egyptian Tourism Development Company:

Is an Egyptian joint stock company in accordance with the provisions of Law No. 159 of 1981 and its executive regulations are subordinate to the Egyptian Export Development Bank. The purpose of the company is to establish various tourism projects and establishments such as tourist villages, hotels, motels, establishment and ownership of floating hotel establishments already existing, issuing licenses and restaurants, exploiting, managing, selling and leasing these units in whole or in part and providing all necessary and complementary services To these establishments and to direct all the tourism activities mentioned above both inside and outside the Arab Republic of Egypt and may have an interest or participate in any way with companies and other establishments that carry out works similar to their work or which may have cooperated to achieve their purpose in Egypt And abroad.

Tourism Investment Company in Sahl Hashish:

The Tourism Investments Company was established in Sahl Hashish, “Oberoi Hurghada - Previously - Egyptian Joint Stock Company” in accordance with the provisions of Law No. 230 of 1989 on the approval of the General Authority for Investment on 19 September 1994 under the Egyptian Export Development Bank. The purpose of the company is to establish a five-star tourist village.

EBE FACTORS Company:

The EBE Factors Company was established in accordance with Law 159 of 1981 and is subject to the capital market law and has been registered in the commercial registry and obtained a license to practice the activity form financial supervisory authority.

(b) Associates

Associates are all entities over which the Bank has significant influence directly or indirectly but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights.

The Accounting for subsidiaries and associates in the unconsolidated financial statements are recorded by cost method, investments are recognized by the cost of acquisition including any good will, deducting impairment losses in value.

2.3- Segment reporting

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

2.4- Foreign currency translation

(a) Functional and presentation currency

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

(b) Transactions and balances in foreign currencies

- The bank hold accounts in Egyptian pounds and prove transactions in other currencies during the financial year on the basis of prevailing exchange rates at the date of the transaction, and re-evaluation of balances of assets and liabilities of other monetary currencies at the end of the financial period on the basis of prevailing exchange rates at that date, and is recognized in the list Gains and losses resulting from the settlement of such transactions and the differences resulting from the assessment within the following items:

• Net trading income or net income from financial instruments classified at fair value through profit and loss of assets / liabilities held for trading or those classified at fair value through profit and loss according to type.

• Shareholders’ equity of financial derivatives which are eligible qualified hedge for cash flows or eligible for qualified hedge for net investment.

• Other operating revenues (expenses) for the rest of the items.

- Changes in the fair value of monetary financial instruments denominated in foreign currencies and classified as Financial Investments at Fair value through OCI (debt instruments) are analyzed into valuation differences resulting from changes in amortized cost of the instrument, translation differences arising from changes in foreign exchange rates and differences resulting from changes in the fair value of the instrument. Valuation differences are recognized in profit or loss to the extent they relate to changes in amortized cost and changes in exchange rates which are reported in the income statement under the line items 'revenues from loans and similar activities' and 'other operating revenues (expenses)' respectively. The remaining differences resulting from changes in fair value of the instrument are carried to 'reserve for cumulative change in fair value of Financial Investments at Fair value through OCI in the equity section.

- Valuation differences resulting from measuring the non-monetary financial instruments at fair value include gains and losses resulting from changes in fair value of those items. Revaluation differences arising from the measurement of equity instruments classified as at fair value through profit or loss are recognized in the income statement, whereas the revaluation differences arising from the measurement of equity instruments classified as available for sale financial investments are carried to 'reserve for cumulative change in fair value of Financial Investments at Fair value through OCI investments' in treasury bills section.

2.5- Financial assets

The Bank classifies its financial assets in the following categories:

Financial assets classified as at fair value through profits or loss, loans and receivables, Financial Investments by Amortized cost, and Financial Investments at Fair value through OCI. The Bank's classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Management determines the classification of its investments at initial recognition.
Financial assets and liabilities

1. Initial Recognition

All "regular" purchases and sales of financial assets are recognized on the trade date, the date on which the bank commits to purchase or sell the asset. Regular purchases and sales are the purchases and sales of financial assets that require delivery of assets within the time frame generally provided by law or by market norms.
Financial assets or liabilities are measured initially at fair value plus, in the case of an item not carried at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue.

2. Measurement and Classification

On initial recognition, financial assets are classified as measured at cost, carried at fair

value through other comprehensive income or at fair value through profit or loss. Financial assets are measured at amortized cost when each of the following conditions are met and is not classified as at fair value through profit or loss:

- Assets are retained in a business model that is intended to hold assets in order to collect contractual cash flows;

- The contractual terms of the financial assets on specific dates result in cash flows which are only payments on the original amount and interest on the original amount outstanding.

financial assets are measured at fair value through other comprehensive income only when both of the following conditions are met and are not classified as at fair value through profit or loss:

Assets are retained in the business model, which is intended to achieve both the collection of contractual cash flows and the sale of financial assets. The contractual terms of the financial assets on specific dates result in cash flows that are only payments on the original amount and interest on the original amount outstanding.

Upon initial recognition of equity investments that are not held for trading, the Bank may elect irrevocably to present changes in fair value in other comprehensive income. This choice is made on an investment-by-investment basis.

Expected credit losses (ECL)

The requirements in IFRS 9 represent a material change from the requirements of EAS number 26 Financial Instruments: Recognition and Measurement. The new standard leads to fundamental changes in the accounting of financial assets and some aspects of accounting of financial liabilities.

• The Bank applies a three-stage approach to measure expected credit losses for financial assets carried at amortized cost and debt instruments classified as at fair value through other comprehensive income. Assets are transferred through the following three stages on the basis of changes in the quality of credit ratings since the initial recognition of these assets:

Stage 1:

Expected credit losses over 12 months
For exposures where there has been no significant increase in credit risk since initial recognition, the portion of expected long-term credit losses associated with the probability of default over the next 12 months is recognized.

Stage 2:

Credit losses over life - non-credit impaired For credit exposures where there has been a significant increase in credit risk since initial recognition, but not credit default, expected credit losses are recognized over the life of the asset.

The Corporate Credit Customer Classification Form includes the assessment of customers based on quantitative and other qualitative criteria with different relative weights, leading to the customer's final evaluation, corresponding to probability of default at the level of the different classification categories, including the future outlook, which depends on the most important macroeconomic indicators to reflect the economic conditions, which in turn affect the customer's classification in the future, noting that credit customers are classified on an individual basis (individual) . With regard to the retail banking portfolio, asset purchase receivables and loans granted to small projects through different products with similar characteristics, they are evaluated and the expected credit losses are calculated on a consolidated basis (collective) and based on the data in the market.

When calculating the expected credit losses, the credit rating model contracted with is based on the following equation:

(probability of default rate X loss given default X Exposure at default) It is measured on an individual or collective basis and includes the corporate and small and medium-sized enterprise credit classification model to prepare a final evaluation of the customer corresponding to probability of default at the level of the different classification categories, including the outlook, which is based on the most important macroeconomic indicators to reflect the economic conditions that In turn, affects the customer's classification in the future with the calculation of the loss given default of each facility, in addition to the loss given default (LGD) representing the loss in the exposed portion after excluding the expected recovery rate (the present value of what can be recovered from the investment value in the financial asset, whether from guarantees Or cash flows divided by the value at default 1- The recovery rate, and this rate is calculated for each facility individually) and the basis for the calculation is based on the main axes explained as follows:

• Cash flow
• Corresponding collateral to facilitate
• Financial leverage
• Any obligations on the facility with priority in paying for our bank debt

Exposure at default (E.A.D) is represented in the balance used on the date of preparing the position in addition to the amounts that may be used in the future by the client.

The criteria of classifying credit customers in 3 stages:

It includes the basis of classification for the portfolio of credit customers according to the quantitative and qualitative standards specified by the Central Bank and based on the experience of those in charge of management and accordingly, all customers have been classified according to the following criteria:

Stage 1:

Includes all customers who are regular in payment with payment arrears and those customers do not meet any of the criteria mentioned in the second and third stages. For large companies and medium enterprises credit customers, customers classified as risky are listed (1-6).

Stage 2:

This stage includes customers who have witnessed a significant increase in credit risk. The classification is done in this stage based on the following criteria:

Info	Quantitative standards	Quality standards
- Large and medium corporate loans	-If the borrower delays in paying his contractual obligations from 30 to 90 days From the due date. -All clients who have a credit score 7 (risks need special attention). -A decrease in the creditworthiness of the borrower by three degrees compared to the degree of creditworthiness of the customer at the beginning of dealing with our bank	-A significant increase in the interest rate, which may negatively affect the borrower's activity and lead to an increase in credit risk. -Negative material changes in the activity and financial or economic conditions in which the borrower operates. -Scheduling request due to difficulties facing the borrower. -Negative material changes in actual or expected operating results or cash flows. -Negative future economic changes that affect the borrower's future cash flows -Early signs of cash flow problems such as delays in servicing creditors, business loans
Small and micro enterprise loans, retail bank loans and real estate loans	-The borrower's behavior exhibited a usual delay in repayment beyond the permissible time limit for repayment and with delay periods, up to a maximum of 30 days. -Previous arrears are frequent during the previous 12 months.	Negative future economic changes that affect the borrower's future cash flows

• **It decreases at a rate of 10 days annually to become 30 days in 3 years.**

This stage includes loans and facilities that have experienced a decline in their value (NPL clients)

Which requires calculating the expected credit loss over the life of the asset on the basis of the difference between the book value and the present value of the expected future cash flows and is classified based on the following criteria:

Info	Quantitative standards	Quality standards
Large and medium-corporate loans	-grades of credit rating 8,9,10. -and, or Delayed borrower more than 90 days in the payment of contractual installments	-The borrower has defaulted financially. - The disappearance of the active market for the financial asset or one of the borrower's financial instruments due to financial difficulties. - The possibility that the borrower will enter the stage of bankruptcy and restructuring due to financial difficulties. - If the financial assets of the borrower are purchased at a significant discount that reflects the credit losses incurred.
Small, Micro and infinitesimal Enterprise Loans	- Delayed borrower more than 90 days in the payment of contractual installments become in default case.	
Retail bank loans and real estate loans	- Delayed borrower more than 90 days in the payment of contractual installments become in default case.	Death or disability of the borrower

It was amended based on the Central Bank's circular to become 180 days.

Where the decision of the Board of Directors of the Central Bank of Egypt was issued at its meeting held on December 7, 2021, which stated:

First: For small and medium companies:

1. Customers are included within the third stage in the event of non-compliance with the contractual terms, in the event that there are dues equal to or more than 180 continuous days (instead of 90 days according to the current instructions).

2. For customers who were previously listed in the third stage for having dues equal to or more than (90) days, they will be upgraded to the second stage if the dues are less than 180 days, while continuing to retain the expected credit losses calculated for these customers.

Second: For small and medium companies - who are regular in payments according to the center on December 31, 2019 - and their default came as a result of the repercussions of the current crisis:
These customers must be upgraded from the third stage to the second stage, with an emphasis on continuing to calculate the expected credit losses on the basis of the third stage, until the customers fulfill all the conditions for promotion in accordance with the amendments mentioned in the first item above, so that the expected credit losses can be calculated on the basis of the second stage.

Third: All of the above are applied for a period of 18 months starting from December 14, 2021

Defining the concept of default and amending the customer's classification and moving it to the third stage is an integral part of the risk management role, which includes quantitative criteria and other qualitative indicators, in accordance with the international standard for preparing financial statements No. 9 in paragraph No. (B5, 5, 37).

3. Expected credit losses of NPL (non performing loans):

Any of the following principles are followed to compute the loss given default (LGD) rate in order to calculate the expected credit losses (ECL) for irregular customers:

-The present value of future cash flows according to the programmed settlement and scheduling agreements

-The present value of the list guarantee after excluding judicial expenses related to implementation

-Historical failure rates

1. Business model

The Bank assesses the objective of the business model in which the asset is maintained at the business portfolio level. This method better reflects how business is managed and how information is presented to management. The following information is taken into consideration

Specific policies and objectives of the business portfolio and practical application of these policies. In particular, whether the management strategy focuses on the achievement of contractual interest income and the realization of cash flows through the sale or retention of assets for liquidity purposes:

- The risks that affect the performance of the business model (and the financial assets that are retained within that business model), how these risks are managed; the frequency, value and timing of the sales in prior periods, the reasons for such sales, as well as their forecast for future sales activities. Information on sales activities cannot be taken into account alone from the rest of the activities. Rather, they are part of a comprehensive assessment of how the Bank achieves the objectives of managing the financial assets as well as how to achieve cash flows.

Financial assets held for trading or managed, whose performance is measured at fair value, are measured at fair value through profit or loss where they are not held to collect contractual cash flows and are not held for the purpose of collecting cash flows And the sale of financial assets.

Assess whether contractual cash flows are only payments of the original amount and interest on the original amount outstanding:

For the purposes of this valuation, the original amount is determined on the basis of the fair value of financial assets at initial recognition. Interest is determined on the basis of the time value of the money and the credit risk associated with the original principal over a given period of time or other basic lending risk and costs (eg liquidity risk and administrative costs), as well as profit margin.

The Bank applies the following approved business models in the management of its debt instrument to achieve its goals and objectives.

Business Models	Primary objective
Hold to collect	Hold to collect contractual cash flows
Hold to collect and Sell	Hold to collect and sell financial assets
Others	Hold for trading and/or manage on a fair value basis

Reclassification

Financial assets are not recognized after initial recognition, unless the Bank changes the business model to manage financial assets

2. Disposal

Financial assets

The Bank derecognizes the financial assets at the end of the contractual rights of the cash flows from the financial asset or transfers its rights to receive the contractual cash flows in accordance with the transactions in which all significant risks and rewards of ownership relating to the transferred financial asset are transferred or when the Bank has not transferred or retained all the risks The fundamental benefits of ownership and did not retain control of financial assets.

When the financial asset is derecognized, the difference between the carrying amount of the financial asset (or the carrying amount allocated to the financial asset excluded) and the total of the consideration received (including any new acquired asset) In other comprehensive income is recognized in profit or loss.

Effective July 1, 2019, any gain / loss recognized in other comprehensive income in respect of investment securities in equity securities is not recognized in profit or loss on disposal of such securities.

If the terms of the financial assets are modified, the Bank assesses whether the cash flows of the financial assets are substantially different. If there are significant differences in cash flows, the contractual rights to the cash flows from the original financial assets are past due. In this case, the original financial assets are derecognized and the new financial assets are recognized at fair value.

The financial asset (in whole or in part) is derecognized when:

- Expiration of rights to receive cash flows from the original

The Bank has transferred substantially all the risks and rewards of the asset or has not transferred or retained All the material risks and benefits of the assets but transferred control over the assets.

- The financial liability is excluded when the liability has been incorporated or cancel or its tribute

2.6- Offsetting financial instruments

Financial assets and liabilities are offset if there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to receive the asset and settle the liability simultaneously.

2.7- Derivative financial instruments and hedge accounting

- Derivatives are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at their fair value. Fair values are obtained from quoted market prices in active markets, including recent market transactions, and valuation techniques, including discounted cash flow models and options pricing models, as appropriate. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative.

- Embedded derivatives, such as the conversion option in a convertible bond, are treated as separate derivatives when their economic characteristics and risks are not closely related to those of the host contract, provided that the host contract is not classified as at fair value through profit or loss as part of “net trading income”. Embedded derivatives are not split if the Bank chooses to designate the entire hybrid contact as at fair value through profit or loss.

- The accounting treatment used to recognize changes in fair value of derivatives depends on whether or not the derivative is designated as a hedging instrument under hedge accounting rules and on the nature of the hedged item. The Bank designates certain derivatives as either:

- Hedges of the fair value of recognized assets or liabilities or firm commitments (fair value hedge);

- Hedging relating to future cash flows attributable to a recognized asset or liability or a highly probable forecast transaction (cash flow hedge).

- Hedging for net investment in foreign operations relating to future cash flows attributable to a recognized (net investment hedge).

Hedge accounting is used for derivatives designated in a hedging relationship when the criteria are met.

- The Bank documents, at the inception of the transaction, the relationship between hedged items and hedging instruments, as well as its risk management objective and strategy for undertaking various hedge transactions. The Bank also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair value of hedged items.

2.7.1- Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognized in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

The effective portion of changes in the fair value of the interest rate swaps and the changes in the fair value of the hedged item attributable to the hedged risk are recognized in the ‘net interest income’. The effective portion of changes in the fair value of the currency swaps are recognized in the ‘net trading income’. Any ineffectiveness is recognized in profit or loss in ‘net trading income’.

When the hedging instrument no longer qualified for hedge accounting, the adjustment to the book value of a hedged item is amortized which are accounted for using the amortized cost method, by charging to the profit and loss to the maturity. The adjustments made to the book value of the hedged equity instrument remains in the equity section until being excluded.

2.7.2- Cash flow hedge

The effective portion of changes in the fair value of derivatives designated and effective for cash flow hedge shall be recognized in equity while changes in fair value relating to the ineffective portion shall be recognized in the income statement in “net trading income”.

Amounts accumulated in equity are transferred to income statement in the relevant periods when the hedged item affects the income statement. The effective portion of changes in fair value of interest rate swaps and options are reported in “net trading income”.
When a hedged item becomes due or is sold or if hedging instrument no longer qualifies for hedge accounting requirements, gains or losses that have been previously accumulated in equity remain in equity and shall only be recognized in profit or loss when the forecast transaction ultimately occurs. If the forecast transaction is no longer expected to occur any related cumulative gain or loss on the hedging instrument that has been recognized in equity shall be reclassified immediately to income statement. If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item that is measured at amortized cost is amortized to profit or loss over the period to maturity.

2.7.3- Net investment hedge

Accounting for net investment hedge is the same for cash flows hedge. Profit or loss from hedging instrument related to the effective portion of the hedge to be recognized in Equity, while it is recognized in the income statement directly for hedging instrument not related to the effective portion. Accumulated profit or loss in equity to be transferred to the income statement upon disposal of foreign transactions.

2.7.4- Derivatives that do not qualify for hedge accounting

Interest on and changes in fair value of any derivative instrument that does not qualify for hedge accounting is recognized immediately in the income statement in “net trading income” line item. However, gains or losses arising from changes in the fair value of derivatives that are managed in conjunction with designated financial assets or financial liabilities are included in “net income from financial instruments designated at fair value through profit or loss”.

2.8- Interest income and expense

Interest income and expense for all interest-bearing financial instruments, except for those classified as held for trading or designated as at fair value through profit or loss, are recognized within ‘interest income’ and ‘interest expense’ in the income statement using the effective interest rate method. The effective interest rate method is a method of calculating the amortized cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Bank estimates cash flows considering all contractual terms of the financial instrument (for example, prepayment options) but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

When loans or debts are classified as non-performing or impaired, related interest income are not recognized but rather, are carried off balance sheet in statistical records and are recognized as revenues on the cash basis as follows:
1- When collected and after recovery of all arrears for retail loans, personal loans, real estate loans for personal housing and loans to small business.

2- For corporate loans, interest income is also recognized on the cash basis, according to which interest earned during the periods subsequent to reschedule agreements does not start to accrete on the loan principal until the Bank collects 25% of the rescheduled installments and after payments of the installments continue to be regular for at least one year. if the customer is always paying at his due dates the interest calculated is added to the loan balance which makes revenues (interest on rescheduling without deficits) without interests aside before rescheduling which is avoiding revenues except after paying all the loan balance in the balance sheet before rescheduling.

2.9- Fees and commissions income

Fees and commissions charged by the Bank for servicing a loan are recognized as revenue as the services are provided. Recognition of such fees and commission in profit or loss ceases when a loan becomes non-performing or is impaired in which case fees and commission income is rather marginalized and carried off the balance sheet. Recognition of such fees and commissions as revenues continues on the cash basis when the relevant interest income on the financial instrument is recognized since they are generally treated as an adjustment to the effective interest rate on the financial asset.

If it is probable that the Bank will enter into a specific lending arrangement, the commitment fee received is regarded as compensation for an ongoing involvement with the acquisition of a financial instrument and, together with the related transaction costs, is deferred and recognized as an adjustment to the effective interest rate. If the commitment expires without the Bank making the loan, the fee is recognized as revenue on expiry.

A syndication fee received by the Bank that arranges a loan and retains no part of the loan package for itself (or retains a part at the same effective interest rate for comparable risk as other participants) is compensation for the service of syndication. Such a fee is recognized as revenue when the syndication has been completed.

Fees and commissions resulting from direct negotiations or participation in such negotiations for the benefit of or on behalf of another party, such as those earned on the allotment of shares or other financial assets to a client or acquisition or disposal of entities for a client, are recognized as revenue when the specific transaction has been completed.
Administrative and other services fees are recognized as income on a time proportionate basis over the lifetime of the service.

Fees charged for financial planning services and custodian services provided over long periods are recognized as income over the period during which the service is rendered.

2.10- Dividend income

Dividends are recognized in the income statement when the bank's right to receive payment is established.

2.11- Purchase and resale agreements, sale and repurchase agreements

The financial instruments sold, subject to repurchase agreements, are reported as additions to the balance of treasury bills and other governmental notes in the assets side at the balance sheet, whereas the liability (purchase and resale agreement) is reported in the balance sheet as a deduction therefrom. Difference between the sale price and repurchase price is recognized as a return throughout the period of the arrangement using the effective interest rate method.

2.12- Impairment of financial assets

(a) Assets carried at amortized cost

The Bank assesses at each balance sheet date whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. The criteria that the Bank uses to determine that there is objective evidence of an impairment loss include:

• Cash flow difficulties experienced by the borrower (for example, equity ratio, net income percentage of sales);

• Breach of loan covenants or conditions;

• Initiation of bankruptcy proceedings;

• Deterioration of the borrower's competitive position;

• The Bank for reasons of economic or legal financial difficulties of the borrower by granting concessions may not agree with the Bank granted in normal circumstances;

• Deterioration in the value of collateral; and

• Downgrading below investment grade level.

The objective evidence of impairment loss for group of financial assets is the clear data indicate to a decline can be measured in future cash flows expected from this group since its initial recognition, although not possible to determine the decrease of each asset separately, for example increasing the number of failures in payment for One of the banking products.

The estimated period between a losses occurring and its identification is determined by local management for each identified portfolio. In general, the periods used vary between three months and 12 months.

The Bank first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant and in this field the following are considered.

- If the Bank determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment according to historical default ratios.

- Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognized are not included in a collective assessment of impairment.

- If no impairment losses result from the previous assessment of impairment in this case the asset included in a collective assessment of impairment.

The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognized in the income statement.

If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract when there is objective evidence for asset impairment. As a practical expedient, the Bank may measure impairment on the basis of an instrument's fair value using an observable market price. The calculation of the present value of the estimated future cash flows of a collateralized financial asset reflects the cash flows that may result from foreclosure less costs for obtaining and selling the collateral, whether or not foreclosure is probable.

For the purposes of a collective evaluation of impairment, financial assets are grouped on the basis of similar credit risk characteristics (i.e., on the basis of the Group's grading

process that considers asset type, industry, geographical location, collateral type, past-due status and other relevant factors). Those characteristics are relevant to the estimation of future cash flows for groups of such assets by being indicative of the debtors' ability to pay all amounts due according to the contractual terms of the assets being evaluated.

For the purposes of evaluation of impairment for a group of a financial assets according to historical default ratios future cash flows in a group of financial assets that are collectively evaluated for impairment are estimated on the basis of the contractual cash flows of the assets in the Bank and historical loss experience for assets with credit risk characteristics similar to those in the Bank. Historical loss experience is adjusted on the basis of current observable data to reflect the effects of current conditions that did not affect the period on which the historical loss experience is based and to remove the effects of conditions in the historical period that do not currently exist.

Estimates of changes in future cash flows for groups of assets should reflect and be directionally consistent with changes in related observable data from period to period (for example, changes in unemployment rates, property prices, payment status, or other factors indicative of changes in the probability of losses in the Bank and their magnitude). The methodology and assumptions used for estimating future cash flows are reviewed regularly by the Bank.

The Bank assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets classify at Fair value through OCI or by Amortized cost is impaired. In the case of equity investments classified at Fair value through OCI, a significant or prolonged decline in the fair value of the security below its cost is considered in determining whether the assets are impaired.

2.13- Real Estate Investments

The real estate investments represent lands and buildings owned by the Bank In order to obtain rental returns or capital gains and therefore does not include real estate assets which the bank exercised its work through or those that have owned by the bank as settlement of debts. The accounting treatment is the same used with fixed assets.

2.14- Intangible assets

2.14.1- Software

Expenditure on upgrade and maintenance of computer programs is recognized as an expense in the income Statement in the period in which it is incurred. Expenditures directly incurred in connection with specific software are recognized as intangible assets if they are controlled by the bank and when it is probable that they will generate future economic benefits that exceed its cost within more than one year. Direct costs include the will generate future economic benefits that exceed its cost within more than one year. Direct costs include the cost of the staff involved in upgrading the software in addition to a reasonable portion of relative overheads. Upgrade costs are recognized and added to the original cost of the software when it is likely that such costs will increase the efficiency or enhance the performance of the computers software beyond its original specification Cost of computer software recognized as an asset shall be amortized over the period of expected benefits which shall not exceed three years.

2.14.2 - Other intangible assets

Other intangible assets represent intangible assets other than software programs (they include but not limited to trademark, licenses, and benefits of rental contracts). The other intangible assets are recorded at their acquisition cost and are amortized on the straight-line method or based on economic benefits expected from these assets over their estimated useful life (ranging from 33.33% to 100%) Concerning the assets which do not have a finite useful life, they are not subject to amortization they are annually assessed for impairment, while value of impairment (if any) is charged to the income statement.

2.15- Fixed Assets

Lands and buildings are mainly represented in head office, branches and offices premises. All fixed assets are disclosed at historical cost less accumulated depreciation and impairment losses. The historical cost includes expenditures that are directly attributable to the acquisitions of the fixed assets' items.

Subsequent costs are included in the assets carrying amount or recognized separately, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Bank and the cost of the item can be measured reliably. Repairs and maintenance expenses are recognized in profit or loss within "other operating costs" line item during the financial period in which they are incurred.

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

Premises and constructions	40 years
Fixtures and air conditions	5-10 years
Safes	20 years
Copiers and fax	8 years
Vehicles and means of transportation	5 years
Electric appliances	10 years
Mobile phones	3 years
Computers	3 years
Furniture	10 years

The residual value and useful lives of the fixed assets are reviewed on the each balance sheet date and they are adjusted whenever it is necessary. Depreciated assets are reviewed for purposes of determining extent of impairment when an event or change in conditions occurs suggesting that the book value may not be recovered. Consequently, the book value of the asset is reduced immediately to the asset's net realizable value in case increasing the book value over the net realizable value.

The net realizable value represents the net selling value of the asset or its utilization value whichever is greater. Gains and losses from the disposal of fixed assets are determined by comparing the net proceeds at book value. Gains (losses) are included within other operating income (expenses) in the income statement.

2.16- Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2.17- Leases

(a) Being lessee

Lease payments made under operating leases, net of any discounts received from the lessor, are recognized in profit or loss on a straight-line basis over the term of the contract.

(b) Being lesser

Assets leased out under operating lease contracts are reported as part of the fixed assets in the balance sheet and are depreciated over the expected useful lives of the assets, on the same basis as other property assets. Lease rental income is recognized net of any discounts granted to the lessee, using the straight line method over the contract term.

2.18- Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise balances with less than three months' maturity from the date of acquisition, They include cash and balances due from Central Bank of Egypt (other than those under the mandatory reserve), balances due from banks, treasury bills and other governmental notes.

2.19- Other Provisions

Provisions for restructuring costs and legal claims are recognized when: the Bank has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. Provisions which negated the purpose of wholly or partly repaid within the item other operating income (expense).

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation which become due after one year from the financial statement date using appropriate rate for the due date (without being affected by effective tax rate) which reflect time value of money, and if the due date is less than one year we calculate the estimated value of obligation but if it have significant impact then it calculated using the present value.

2.20- Financial Guarantees

A financial guarantee contract is a contract issued by the bank as security for loans or debit current accounts due from its clients to other entities that requires the bank to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. These financial guarantees are presented to the banks, corporations and other entities on behalf of the bank's clients. When a financial guarantee is recognized initially, the Bank shall measure it at its fair value that is directly attributable to the issue of such financial guarantee.
The amount initially recognized less, when appropriate, cumulative amortization of security fees recognized in the income statement using the straight-line method over the term of the guarantee and The best estimate for the payments required to settle any financial obligation resulting from the financial guarantee at the balance sheet date Such estimates are made based on experience in similar transactions and historical losses as supported by management judgment. Any increase in the obligations resulting from the financial guarantee, shall be recognized within other operating income (costs) in the income statement.

2.21- Employees' benefits

2.21.1- Pension obligations

The bank has employees insurance fund, it was founded at the first of July 2000 under the law of 54 for the year 1975 and its executive regulations for the purpose of granting insurance and compensation benefits for the members. This fund rules and modifications are applied to all the bank staff in the head office and its branches in Arab Republic of Egypt.

The Bank is committed to lead to the fund monthly and annual subscriptions in accordance with the Rules of the Fund and its amendments, and there are no obligations to the bank following the payment of additional contributions. Contributions are recognized in expenses of employee benefits when due. The recognition of contributions paid in advance as an asset to the extent that its payment to the reduction of future payments or cash refund.

2.21.2 Post-employment benefits – Health Care

The bank provides health care benefits to retirees after the end of service, and the entitlement to these benefits is usually conditional on the worker remaining in service until retirement age and completion of a minimum service period. The health care commitment is accounted for as defined contribution schemes.

2.22- Income taxes

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

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

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

Deferred tax assets of the Bank recognized when there is likely to be possible to achieve profits subject to tax in the future to be possible through to use that asset, and is reducing the value of deferred tax assets with part of that will not come from tax benefit expected during the following years, that in the case of expected high benefit tax, deferred tax assets will increase within the limits of the above reduced.

2.23- Borrowing

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

2.24- Capital

2.24.1- Capital issuance cost

Cost of issuance of new shares, issuance of shares to effect an acquisition, or issue of share options, net of tax benefits, are reported a deduction from equity.

2.24.2- Dividends

Dividends are recognized when the general assembly of shareholders approves them. Dividends include the employees' profit share and the board of directors' remuneration as prescribed by the Bank's articles of association and the corporate law.

2.24.3- Treasury shares

in case of purchasing treasury stocks the purchased amount is deducted from shareholders' equity till its cancellation and in case of selling or reissuing these stocks all collected amounts will be added to shareholders' equity.

2.25- Trust activities

The bank practices trust activities that result in ownerships or management of assets on behalf of individuals, trusts, and retirement benefit plans. These assets and related income are excluded from the bank's separate financial statements, as they are assets not owned by the bank.

2.26- Comparatives figures

Comparative figures are reclassified, where necessary, to conform with changes in the current year presentation.

3- Financial risk management

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

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

Risk management is carried out by a risk department under policies approved by the Board of Directors. Bank Treasury identifies, evaluates and hedges financial risks in close co-operation with the Bank's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments. In addition, credit risk management is responsible for the independent review of risk management and the control environment.

3.1- Credit risk

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

3.1.1- Credit risk measurement

(a) Loans and advances to banks and customers

To measure credit risk related to loans and advances extended to banks and customers, the bank examines the following three components:

- Probability of default of the customer or others in fulfilling their contractual obligations.

- The current position and the likely expected future development from which the bank can conclude the balance exposed to default (Exposure at default).

- Loss given default.

The daily activities of the bank's business involves of measurement for credit risk which reflect the expected loss (The Expected Loss Model) required by the Basel Committee on Banking Supervision. The operating measures may interfere with the impairment charge according to the Egyptian Accounting Standard no. (26), which depends on losses realized at the balance sheet's date (realized losses models) and not on expected losses.

The Bank assesses the probability of default of individual counterparties using internal rating tools tailored to the various categories of counterparty. They have been developed internally and combine statistical analysis with credit officer judgment and are validated, where appropriate.

Clients of the Bank are segmented into four rating classes.

The Bank's rating scale, which is shown below, reflects the range of default probabilities defined for each rating class. This means that, in principle, exposures migrate between classes as the assessment of their probability of default changes. The rating tools are

kept under review and upgraded as necessary. The Bank regularly validates the performance of the rating and their predictive power with regard to default events.

Bank's internal ratings scale:

Bank's internal ratings scale	Bank's rating Description of the grade
1	Performing loans
2	Regular watching
3	Watch list
4	Nonperforming loans

And the loans expose to default depend on the banks expectation for the outstanding amounts when default occur.

example, as for a loan position is the nominal value while for commitments the bank enlists all already drawn amounts besides these amounts expected to be withdrawn until the date of default, if it happens.

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

(b) Debt instruments and treasury and other governmental notes

For debt instruments and treasury bills and other governmental notes, external rating and if this rating is not available, then other ways similar to those used with the credit customers are uses. The investments in those securities and bills are viewed as a way to gain a better credit quality mapping and maintain a readily available source to meet the funding requirement at the same time.

3.1.2- Risk limit control and mitigation policies

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

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

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

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

Some other specific control and mitigation measures are outlined below:

(a) Collateral

The bank employs a range of policies and practices to mitigate credit risk. The most traditional of these is the taking of security for funds advances, which is common practice. The bank implements guidelines on the acceptability of specific classes of collateral or credit risk mitigation. The principal collateral types for loans and advances are:
- Mortgages over residential properties;
- Mortgage business assets such as premises, And inventory;
- Mortgage financial instruments such as debt securities and equities.

Longer-term finance and lending to corporate entities are generally secured; revolving individual credit facilities are generally unsecured. In addition, in order to minimize the credit loss the bank will seek additional collateral from the counterparty as soon as impairment indicators are noticed for the relevant individual loans and advances.
Collateral held as security for financial assets other than loans and advances is determined by the nature of the instrument. Debt securities, treasury and other governmental securities are generally unsecured, with the exception of asset-backed securities and similar instruments, which are secured by portfolios of financial instruments.

(b) Derivatives

The bank maintains strict control limits on net open derivative positions (i.e., the difference between purchase and sale contracts), by both amount and term. At any one time, the amount subject to credit risk is limited to the current fair value of instruments that are favorable to the bank (i.e., assets where their fair value is positive), which in relation to derivatives is only a small fraction of the contract, or notional values used to express

the volume of instruments outstanding. This credit risk exposure is managed as part of the overall lending limits with customers, together with potential exposures from market movements. Collateral or other security is not usually obtained for credit risk exposures on these instruments, except where the bank requires margin deposits from counterparties.

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

(c) Master netting arrangements

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

(d) Credit-related commitments

The primary purpose of these instruments is to ensure that funds are available to a customer as required.

Guarantees and standby letters of credit carry the same credit risk as loans. Documentary and commercial letters of credit – which are written undertakings by the Bank on behalf of a customer authorizing a third party to draw drafts on the Bank up to a stipulated amount under specific terms and conditions – are collateralized by the underlying shipments of goods to which they relate and therefore carry less risk than a direct loan.
Commitments to extend credit represent unused portions of authorizations to extend credit in the form of loans, guarantees or letters of credit. With respect to credit risk on commitments to extend credit, the Bank is potentially exposed to loss in an amount equal to the total unused commitments. However, the likely amount of loss is less than the total unused commitments, as most commitments to extend credit are contingent upon customers maintaining specific credit standards. The Bank monitors the term to maturity of credit commitments because longer-term commitments generally have a greater degree of credit risk than shorter-term commitments.

3.1.3- Impairment and provisioning policies

The internal rating systems described in Note 3.1.1 focus more on credit-quality mapping from the inception of the lending and investment activities.

In contrast, impairment provisions are recognized for financial reporting purposes only for losses that have been incurred at the balance sheet date based on objective evidence of impairment Due to the different methodologies applied, the amount of incurred credit losses provided for in the financial statements are usually lower than the amount determined from the expected loss model that is used for internal operational management and CBE regulation purposes.

The impairment provision shown in the balance sheet at the year-end is derived from each of the four internal rating grades. However, the majority of the impairment provision comes from the bottom two grads. The table below shows the percentage of the Bank's in balance sheet items relating to loans and advances and the associated impairment provision for each of the Bank's internal rating categories:

Bank's rating	Dec 31,2022		Dec 31,2021	
	Loans and advances	ECL provisions	Loans and advances	ECL provisions
Performing loans	80.23%	14.64%	78.33%	13.66%
Regular watching	15.09%	19.25%	15.09%	10.03%
watch list	1.10%	6.98%	3.30%	21.45%
Non-performing loans	3.59%	59.13%	3.28%	54.86%
	100%	**100%**	**100%**	**100%**

The internal rating tools assists management to determine whether objective evidence of impairment exists under EAS 26, based on the following criteria set out by the Bank:

- Cash flow difficulties experienced by the borrower

- Breach of loan covenants or conditions

- Initiation of bankruptcy proceedings

- Deterioration of the borrower's competitive position

- Bank granted concessions may not be approved under normal circumstances, for economic, legal reasons, or financial difficulties facing the borrower

- Deterioration in the value of collateral

- Deterioration in the credit situation

The Bank's policy requires the review of all financial assets that are above materiality thresholds at least annually or more regularly when individual circumstances require. Impairment allowances on individually assessed accounts are determined by an evaluation of the incurred loss at balance-sheet date on a case-by-case basis, and are applied to all individually significant accounts. The assessment normally encompasses collateral held (including re-confirmation of its enforceability) and the anticipated receipts for that individual account.

Collectively assessed impairment allowances are provided portfolios of homogenous assets by using the available historical experience, experienced judgment and statistical techniques.

3.1.4- Pattern of measuring the general banking risk

In addition to the four categories of measuring credit worthiness discussed in disclosure 3.1.1.a the management makes small groups more detailed according to the CBE rules. Assets facing credit risk are classified to detailed conditions relying greatly on customer's information, activities, financial position and his regular payments to his debts.

The bank calculates the provisions needed for assets impairment in addition to credit regulations according to special percentages determined by CBE.

In the case of increase of impairment loss provision needed according to CBE than that for purposes of making the financial statements according to the EAS, the general banking risk reserve is included in owners' equity deducted from the retained earning with this increase, this reserve is modified with periodic basis with the increase and decrease, which equals the increase in provisions and this reserve is not distributed.

And this are categories of worthiness according to internal ratings compared with CBE ratings and rates of provisions needed for assets impairment related to credit risk.

First: institutional worthiness:

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

Second: Classification of small loans according to economic activities:

Terms of classification	Performing loans	Non-performing loans		
		Substandard	Doubtful	Bad Debt
Delayed payment period	-------------	6Months	9Months	12Months
Provision	3%	20%	50%	100%

5.1.3- Maximum exposure to credit risk before collateral held

Balance sheet items exposed to credit risks

	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Cash and due from Central Bank of Egypt	9,825,159	7,105,903
Less:Expected Credit losses	(4,265)	(2,149)
Due from banks	9,928,509	7,924,085
Less:Expected Credit losses	(35)	-
Financial Assets at Fair value through P&L : Debt instruments	212,041	558,257
loans and advances to customers:		
Individual:		
Overdraft	263,273	287,689
Credit cards	65,272	38,088
Personal loans	3,780,771	2,706,892
Mortgages	425,765	164,128
Corporate:		
Overdraft	24,508,220	19,329,777
Direct loans	8,909,176	8,025,704
Syndicated loans	6,740,017	5,801,262
Less:interest in suspense	(134,342)	(120,938)
Less:Expected Credit losses	(1,705,675)	(1,328,672)
Loans and advances to Banks	268,528	72,226
Less:Expected Credit losses	(207)	(99)
Financial Investments: at Fair value through OCI & Amortized cost	27,441,476	19,031,808
Less:Expected Credit losses	(35,361)	(24,826)
Other assets (Accrued income)	1,085,668	779,701
Total	**91,573,992**	**70,348,838**

Off Balance sheet items exposed to credit risk

	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Letter of guarantee	9,674,031	7,342,014
Letter of Credit (Import)	2,785,219	1,886,101
Letters of credit (Export-confirmed)	1,029,013	608,135
Shipping documents (Export)	512,400	597,309
Less : Cash cover	(3,800,119)	(728,345)
Net	**10,200,543**	**9,705,214**
Irrevocable commitments to loans and credit facilities	3,060,805	2,671,184
Total	**13,261,349**	**12,376,399**

3.1.6 - Loans and advances

	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Neither have arrears nor impaired	42,784,428	34,890,018
Have arrears but not impaired	297,778	269,215
subject to impairment	1,610,289	1,194,307
Total	**44,692,494**	**36,353,540**
Less: interest in suspense	(134,342)	(120,938)
Less: Expected Credit losses	(1,705,675)	(1,328,672)
Net	**42,852,477**	**34,903,930**

Loans and advances neither have arrears nor impaired

The credit quality of loans and Advances that do not have arrears and which are not subject to impairment is assessed by reference to the bank's internal rating.

Dec 31,2022	EGP Thousands							
	Retail				Corporate			
Rating	Overdrafts	Credit cards	Personal loans	Mortgage	Overdrafts	Direct loans	Syndicated loans	Total loans and advances to customers
Performing loans	263,273	54,711	3,523,182	420,148	20,385,515	6,794,388	4,178,803	35,620,018
Regular watching	-	-	-	-	2,936,633	1,694,548	2,533,229	7,164,410
Total	**263,273**	**54,711**	**3,523,182**	**420,148**	**23,322,147**	**8,488,936**	**6,712,031**	**42,784,428**

Dec 31,2021	EGP Thousands							
	Retail				Corporate			
Rating	Overdrafts	Credit cards	Personal loans	Mortgage	Overdrafts	Direct loans	Syndicated loans	Total loans and advances to customers
Performing loans	287,689	34,453	2,569,701	159,927	15,603,096	6,051,168	3,645,166	28,351,201
Regular watching	-	-	-	-	3,086,620	1,585,685	1,866,513	6,538,817
Total	**287,689**	**34,453**	**2,569,701**	**159,927**	**18,689,716**	**7,636,853**	**5,511,678**	**34,890,018**

Loans and advances have arrears but are not subject to impairment

These are loans and facilities with past-due installments but are not subject to impairment, unless Information has otherwise indicated. Loans and facilities to customers which have arrears but are not subject to impairment are analyzed below:

Dec 31,2022	EGP Thousands					
	Retail				Corporate	
Rating	Credit cards	Personal loan	Mortgage	Direct loan	Syndicatedloan	"Total loans and advances to customers"
Arrears up to 30 days	7,496	135,689	4,256	56,930	27,985	232,356
Arrears from 31 to 90 days	2,080	58,615	1,362	3,364	-	65,422
Total	**9,576**	**194,305**	**5,617**	**60,294**	**27,985**	**297,778**

Dec 31,2021	EGP Thousands					
	Retail				Corporate	
Rating	Credit cards	Personal loan	Mortgage	Direct loan	Syndicated loan	"Total loans and advances to customers "
Arrears up to 30 days	3,058	68,449	3,176	54,657	37,066	166,406
Arrears from 30 to 60 days	391	10,441	-	16,758	291	27,883
Arrears from 60 to 90 days	**81**	**38,440**	**1,025**	**67**	**35,311**	**74,926**
Total	**3,530**	**117,331**	**4,201**	**71,483**	**72,668**	**269,215**

Loans and Advances which are individually impaired

Loans and advances individually assessed without taking into consideration cash flows from guarantees are totaled EGP Thousands 1,610,289 on Dec 31,2022 compared to EGP Thousands 1,194,307 on Dec 31,2022 and total fair value of guarantees is 277,219

The breakdown of the gross amount of individually impaired loans and advances held by the Bank, are as follows:

Dec 31,2022	EGP Thousands					
	Retail				Corporate	
Rating	Credit cards	Personal loan	Overdrafts	Direct loan	Syndicatedloan	"Total loans and advances to customers "
Loans which are individually impaired	985	63,285	1,061,739	484,280	-	1,610,289
Total	**985**	**63,285**	**1,061,739**	**484,280**	**-**	**1,610,289**

Dec 31,2021	EGP Thousands					
	Retail				Corporate	
Rating	Credit cards	Personal loan	Overdrafts	Direct loan	Syndicatedloan	"Total loans and advances to customers "
Loans which are individually impaired	88	19,860	640,061	317,382	216,916	1,194,307
Total	**88**	**19,860**	**640,061**	**317,382**	**216,916**	**1,194,307**

Restructured loans and Advances:

Restructuring activities include rescheduling arrangements, obligatory management programs, modification 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, indicate that payment will most likely continue

Restructuring is commonly applied to term loans, especially customer loans. Renegotiated loans totaled at the end of the Period

Renegotiated loans totaled at the end of Dec 31,2022:

"Loans and advances to customers corporates"	Dec 31,2022 EGP Thousands
Direct loans	**207,000**

3.1.7- Government debt instruments, treasury bills and other governmental notes

The table below presents an analysis of Debt instruments, treasury bills and other governmental notes by rating agency at the end of the financial Period :

	EGP Thousands	
	Dec 31,2022	Dec 31, 2021
Financial investments	Financial Investments	Financial Investments
	Debt instruments	Debt instruments
Rating B	27,395,253	19,308,408
Total	**27,395,253**	**19,308,408**

3.1.8- Concentration of risks of financial assets exposed to credit risks

3.1.8.1- Geographical segments

The following table provides a breakdown of the gross amount of the most significant credit risk limits to which the bank is exposed at the end of the current reporting period

The gross amount of all financial assets is segmented into the geographical regions of the bank's clients:

	EGP Thousands			
	Cairo	Alex and Delta and Sinai	Upper Egypt	Total
Cash and due from Central Bank of Egypt	9,654,174	139,017	31,969	9,825,159
Less:Expected Credit losses	(4,265)	-	-	(4,265)
Due from banks	9,928,509	-	-	9,928,509
Less:Expected Credit losses	(35)	-	-	(35)
Financial Assets at Fair value through P&L:Debt instruments	212,041	-	-	212,041
loans and advances to customers:				
Individual				
Overdraft	137,553	111,766	13,954	263,273
Credit Cards	47,545	13,887	3,841	65,272
Personal loans	2,315,631	1,178,587	286,554	3,780,771
Mortgages	326,798	88,252	10,715	425,765
Corporate				
Overdraft	19,540,555	4,622,698	344,967	24,508,220
Direct loans	7,006,971	1,420,539	481,666	8,909,176
Syndicated loans	6,401,197	172,375	166,444	6,740,017
Less:interest in suspense	(131,022)	(3,320)	-	(134,342)
Less:Expected Credit losses	(1,253,264)	(434,520)	(17,891)	(1,705,675)
Loans and advances to Banks	136,112	132,416	-	268,528
Less:Expected Credit losses	(122)	(84)	-	(207)
Financial Investments: at Fair value through OCI				
Debt instruments	15,334,563	-	-	15,334,563
Less:Expected Credit losses	(31,814)	-	-	(31,814)
Financial Investments: Amortized cost				
Debt instruments	12,106,913	-	-	12,106,913
Less: Expected Credit losses	(3,547)	-	-	(3,547)
Other assets (Accrued income)	1,067,041	14,492	4,135	1,085,668
Total	**82,791,536**	**7,456,103**	**1,326,353**	**91,573,992**

3.1.8.2- Industry Segments

	EGP Thousands				
	Government Sector	Private Sector	External Sector	individuals and other activities Sector	Total
Cash and due from Central Bank of Egypt	9,825,159	-	-	-	9,825,159
Less:Expected Credit losses	(4,265)	-	-	-	(4,265)
Due from banks	7,177,522	253,563	2,497,423	-	9,928,509
Less:Expected Credit losses	(35)	-	-	-	(35)
Financial Assets at Fair value through P&L:Debt instruments	212,041	-	-	-	212,041
loans and advances to customers:					
Individual:					
Overdraft	-	-	-	263,273	263,273
Credit Cards	-	-	-	65,272	65,272
Personal loans	-	-	-	3,780,771	3,780,771
Mortgages	-	-	-	425,765	425,765
Corporate					
Overdraft	709,865	22,582,981	-	1,215,375	24,508,220
Direct loans	-	8,421,345	-	487,831	8,909,176
Syndicated loans	3,341,527	3,398,490	-	-	6,740,017
Less:interest in suspense	-	(134,342)	-	-	(134,342)
Less:Expected Credit losses	(54,437)	(1,643,743)	-	(7,495)	(1,705,675)
Loans and advances to Banks	-	-	268,528	-	268,528
Less:Expected Credit losses	-	-	(207)	-	(207)
Financial Investments: at Fair value through OCI					
Debt instruments	15,109,950	224,613	-	-	15,334,563
Less:Expected Credit losses	(30,104)	(1,710)	-	-	(31,814)
Financial Investments: Amortized cost					
Debt instruments	12,106,913	-	-	-	12,106,913
Less: Expected Credit losses	(3,547)	-	-	-	(3,547)
Other assets (Accrued income)	-	9,084	-	1,076,584	1,085,668
Total	**48,390,589**	**33,110,281**	**2,765,745**	**7,307,377**	**91,573,992**

3.2 - Market Risks

The bank is exposed to market risk represented in volatility in fair value or future cash flows resulted from changes in market prices. Market risk arise from the open positions of interest rates, currency rates and the equity instruments, the management of market risk resulted from trading, non-trading activities are centralized in the market risk department in the bank.

3.2.1- Foreign exchange rate volatility risk

The Bank is exposed to foreign exchange rate volatility risk in terms of the financial position and cash flows. The board of directors set limits for foreign exchange risk at the total value of positions at the end of the day and during the day when timely control is exercised.

3.2.2- Interest rate risk

The bank is exposed to impact of fluctuations in the levels of interest rates prevailing in the market that is the cash flow risk of interest rate represented in the volatility of future cash flow of a financial instrument due to change in the interest rate of the mentioned instrument. Whereas the interest rate is fair value risk is the risk of fluctuations in the value of the financial instrument due to changes in interest rates in the market

The interest margin may rise due to these changes but still the profits may decrease if unexpected movements occur The board of directors sets limits for the level of difference in the re-pricing of interest rate that the bank can maintain and Risk department in the bank daily monitors this

The following table summarizes the extent of the bank's exposure to the risk of fluctuations in interest rates that includes the book value of financial instruments divided based on the price of re-pricing dates or maturity dates whichever is sooner :

Liquidity Risk Management Process

The processes of liquidity risk control carried by Assets and Liabilities management department in the bank include the following:

" The daily funding is managed by monitoring and controlling The future cash flows to ensure The ability to fulfill all obligations and requirements. This includes replenishment of funds AS they mature or is borrowed by customers. The bank maintains an active presence in The global money markets to ensure achievement of This target."

“Monitoring liquidity ratios compared to the internal requirements of the bank and the Central Bank of Egypt’s requirements”

Management of concentration and profile the debt maturities
Monitoring and reporting take the form of cash flow measurement and projections for the next day, week, and month respectively. The starting point for these projections is represented in the analysis of the contractual maturities of financial liabilities and expected collection dates of financial assets.

Assets and Liabilities management department controls the unmatched medium term assets management, the level and type of the unutilized portion of loans’ commitments, the extent of utilizing debit current accounts advances and the impact of contingent liabilities such as letters of guarantees and letters of credit.

Financing approach

Liquidity resources are reviewed by a separate team from treasury department of the bank to provide a wide variety of currencies, geographical regions, resources, products, and maturities

Assets available to meet all liabilities and cover loan commitments include cash, balances with central Banks, balances due from Banks, treasury bills and other governmental notes, and loans and facilities to Banks and clients. Maturity term of percentage of loans to clients that are maturing within a year is extended in the normal course of the Bank’s business. Moreover, some debt instruments, treasury bills and other governmental notes are pledged to cover liabilities. The Bank has the ability to meet unexpected net cash flows through selling securities, and finding other financing sources.

Due from Banks:

The fair value of floating rate placements and overnight deposits is their carrying amount. The estimated fair value of fixed 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.

Loans and advances to banks:

“Loans and advances to banks are represented in loans other than deposits with banks. The expected fair value for loans and advances represents the discounted value of future cash flows expected to be collected. Cash flows are discounted by adopting the current market rate to determine the fair value.“

Loans and advances to customers

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

Financial Investments:

Investments in financial securities in the previous table include only held to maturity bearing assets. Available for sale assets are assessed at fair value with the exception of equity instruments which the bank has been unable to evaluate their fair value to a reliable extent. The fair value of financial assets held to maturity is determined based on market rates or prices obtained from brokers. If these data are unavailable then the fair value is assessed by applying the financial markets’ rates for negotiable financial securities with similar credit features, maturity dates as well as similar rates.

Due to other banks and customers:

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

Capital Management

The Bank’s objectives when managing capital, which consists of another items in addition of owner’s equity stated in balance sheet are:

To comply with the capital requirements in Egypt.

To safeguard the Bank’s ability to continue as an ongoing concern so that it can continue to provide returns for shareholders and stakeholders

To maintain a strong capital base to support the development of its business.
Capital adequacy and the use of regulatory capital are monitored daily by the Bank’s management, employing techniques based on the guidelines developed by the Basel Committee as implemented by the Central bank Of Egypt, for supervisory purposes. The required information is filed with the Authority on a quarterly basis

Central bank Of Egypt requires the following:

Maintaining an amount of LE 5 billion in accordance with the Central Bank Law No. 194 of 2020 issued on September 15, 2020, and the Central Bank granted banks a period not exceeding one year for those addressed to it to reconcile their positions in accordance with its provisions, and the Central Bank permitted an extension of this period for another period or periods not exceeding two years
Maintaining a percentage between capital elements and asset and contingent liabilities elements weighted by risk equals to or exceeds 12.50 %. The numerator of the capital adequacy ratio consists of the following two tiers:

Tier One:

Represented in basic capital which consists of paid-in-capital (after deducting the book value of treasury shares), retained profits and reserves from profit appropriation with the exception of general banking risk reserve less any goodwill previously recognized or any carried over losses and 40% of intangible assets and deferred taxes.

The Conservative buffer is formed from the bank's annual profits as an additional independent pillar of the continuing base capital within the first tranche of the bank's capital base and thus to the total standard, and the Conservative buffer is originally configured from annual profits but is allowed to be configured if Components with the base capital meet this.

Tier Two:

Supplementary Capital consists of equivalent of the general risks provision related to creditworthiness bases issued by the Central Bank Of Egypt and not exceeding 1.25% of the total risk weighted assets and contingent liabilities, subordinated loans / deposits' term which exceed 5 years(with amortization of 20%of their value each year of the last five years of their term) and 45% of the increase between fair value and book value of financial investments available for sale, held to maturity and associates and subsidiaries

When calculating the total numerator of the capital adequacy ratio it should be taken into consideration that the supplementary capital does not exceed in any way the basic capital and that subordinated loans (deposits) do not exceed half of the basic capital.

Asset at risk are weighted ranging from zero up to 100% classified in accordance with the nature of the debit side of each asset, to reflect the related credit risks, while taking into consideration cash collaterals. Same treatment is applied on off- balance amounts after making adjustments to reflect the contingent nature and probable losses of these amounts.

the following table summarizes the components of basic and supplementary capital and capital adequacy ratios as at Dec 31, 2022.

According to Basel II:	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Capital	9,597,175	6,732,766
Tier one (Basic capital)		
Paid up capital	5,600,960	3,273,600
Reserves	894,791	807,801
Retained Earnings	1,636,135	1,474,833
Total balance of accumulated OCI items after regulatory adjustments	110,144	164,952
Interim Profits	944,601	711,641
Un controllable interest	18,686	12,504
Total deductions from tier one	(110,933)	(93,619)
Total basic capital	**9,094,385**	**6,351,712**
Tier two (Supplementary capital)		
45%of special reserve	10,098	10,098
Impairment provision for loans and regular contingent liabilities	492,692	370,956
Total teir two	**502,790**	**381,054**
Risk weighted assets and contingent liabilities		
Total credit risk	55,876,777	43,463,370
Total market risk	208,573	43,613
Total operational risk	4,072,889	4,107,231
Total	**60,158,239**	**47,614,214**
Capital adequacy ratio (%) *Taking into consideration the effect of Top 50 Customers	15.95%	14.14%

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

The decision of the Central Bank of Egypt has been implemented to take into consideration the impact of 50 largest clients on the capital adequacy ratio starting from January 2017

3.6- Leverage Ratio

The measurement of financial leverage that supports the measurement of capital adequacy standard associated with the risk scale, simple and straightforward according does not account for the risk weights attributed its effectiveness to its ability to reduce the pressure on the banking system and indicate the leverage ratio to measure the adequacy of the first of its basic capital slide compared with total assets Bank, which is not less than 3%

The following table summarizes the components of leverage ratios as at Dec 31,2022 :

Tier one (Basic capital):	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Paid up capital	5,600,960	3,273,600
Reserves	894,791	807,801
"Total balance of accumulated OCI items after regulatory adjustments "	110,144	164,952
Retained profits	1,636,135	1,474,833
Interim Profits	944,601	711,641
Un controllable interest	18,686	12,504
Total deductions from basic capital	(110,933)	(93,619)
Total basic capital	**9,094,385**	**6,351,712**
Assets and contingent liabilities :		
Assets	101,623,375	76,756,077
contingent liabilities	10,590,019	8,284,780
Total Assets and contingent liabilitie	**112,213,394**	**85,040,857**
Leverage ratio (%)	**8.10%**	**7.47%**

4- The significant accounting estimates and assumptions

The bank applies estimates and assumptions, which affect the amounts of assets and liabilities to be disclosed within the following financial year. Estimates and assumptions are continuously assessed based on historical experience and other factors as well, including the expectations of future events, which are considered reasonable in the light of available information and surrounding circumstances.

(A) The fair value of derivatives

The fair values of financial instruments, which are not listed in active markets, is identified by applying valuation methods. When such methods are used to identify fair value, they are tested and reviewed periodically by qualified personnel who are independent of the body that prepared them.

(B) Income taxes

The bank records the liabilities of the expected results of tax examination according to estimates of the probability of the emergence of additional taxes. When there is, a variance between the final result of taxes and the amounts previously recorded then these variances will affect the income tax and deferred tax provision for the year in which the variance has been identified.

5- Net Interest Income

	Three Months Ended Dec 31,2022 EGP Thousands	The Year Ended Dec 31,2022 (12 Months) EGP Thousands	Three Months Ended Dec 31,2021 EGP Thousands	The Period Ended Dec 31,2021 (18 Months) EGP Thousands	Twelve months from 1 Jan 2021 to Dec 31,2021 (12 Months) EGP Thousands
Interest From Loans and Similar Income:					
Loans and Facilities for Customers	1,512,267	5,012,890	971,125	5,434,266	3,766,894
Treasury Bills	412,335	1,070,184	157,805	898,300	580,074
Treasury Bonds	419,264	1,604,009	412,310	1,780,616	1,367,344
Corporate Bonds	8,651	28,181	6,528	30,664	27,290
Deposits and Current Accounts	154,869	469,964	71,535	235,790	198,456
Other	14,270	23,263	17,930	47,950	52,094
Total	**2,521,656**	**8,208,491**	**1,637,234**	**8,427,586**	**5,992,152**
Cost of Deposit and Similar Costs:					
Deposits and Current Accounts:					
Banks	(124,776)	(355,798)	(45,026)	(372,613)	(235,476)
Customers	(1,224,663)	(4,414,636)	(1,024,802)	(5,077,782)	(3,710,720)
Other loans	(24,135)	(62,126)	(8,941)	(64,751)	(39,387)
REPO	(98,166)	(180,411)	(6,930)	(19,672)	(11,942)
Other		-	1,044	(1,167)	(1,167)
Total	**(1,471,740)**	**(5,012,971)**	**(1,084,654)**	**(5,535,985)**	**(3,998,692)**
Net	**1,049,916**	**3,195,520**	**552,580**	**2,891,601**	**1,993,460**

6- Net Income from Fees and Commissions

	Three Months Ended Dec 31,2022 EGP Thousands	The Year Ended Dec 31,2022 (12 Months) EGP Thousands	Three Months Ended Dec 31,2021 EGP Thousands	The Period Ended Dec 31,2021 (18 Months) EGP Thousands	Twelve months from 1 Jan 2021 to Dec 31,2021 (12 Months) EGP Thousands
Fees and commissions income:					
Fees and commission related to credit and operational	204,539	650,097	119,252	596,009	413,180
Custody Fees	302	2,536	315	2,462	2,055
Other Fees	73,160	158,598	55,918	163,642	125,975
Total	**278,001**	**811,231**	**175,485**	**762,112**	**541,210**
Fees and Commissions Expenses:					
Other fees paid	(66,473)	(227,401)	(35,752)	(132,599)	(105,489)
Total	**(66,473)**	**(227,401)**	**(35,752)**	**(132,599)**	**(105,489)**
Net	**211,528**	**583,830**	**139,733**	**629,513**	**435,721**

7- Dividend Income

	Three Months Ended Dec 31,2022 EGP Thousands	The Year Ended Dec 31,2022 (12 Months) EGP Thousands	Three Months Ended Dec 31,2021 EGP Thousands	The Period Ended Dec 31,2021 (18 Months) EGP Thousands	Twelve months from 1 Jan 2021 to Dec 31,2021 (12 Months) EGP Thousands
Financial Investments: at Fair value through OCI	96	12,915	0	9, 942	9,731
Total	**96**	**12,915**	**0**	**13,120**	**9,731**

8- Net Trading Income

	Three Months Ended Dec 31,2022 EGP Thousands	The Year Ended Dec 31,2022 (12 Months) EGP Thousands	Three Months Ended Dec 31,2021 EGP Thousands	The Period Ended Dec 31,2021 (18 Months) EGP Thousands	Twelve months from 1 Jan 2021 to Dec 31,2021 (12 Months) EGP Thousands
Profit (losses) from foreign exchange	79,585	199,864	31,521	203,693	134,407
Profit (losses) from currencies swap contracts	-	-	-	205	-
Profit arising from sale of trading investments	1,975	67,704	4,853	32,665	24,288
Valuation differences of trading investments	5,831	46,515	18,834	48,095	44,167
Debt instruments for trading investments	6,044	40,014	8,511	45,367	33,404
Total	**93,435**	**354,098**	**63,719**	**330,025**	**236,265**

9- Impairment (charge) release for credit losses

	Three Months Ended Dec 31,2022 EGP Thousands	The Year Ended Dec 31,2022 (12 Months) EGP Thousands	Three Months Ended Dec 31,2021 EGP Thousands	The Period Ended Dec 31,2021 (18 Months) EGP Thousands	Twelve months from 1 Jan 2021 to Dec 31,2021 (12 Months) EGP Thousands
Expected of Credit losses for Loans and overdrafts for customers	(261,361)	(349,957)	(67,833)	(296,391)	(265,325)
Expected of Credit losses for Treasury bills	9,865	3,538	6,446	20,986	(417)
Expected of Credit losses for Treasury Bonds	687	1,815	883	1,738	2,225
Expected of Credit losses for Loans and overdrafts for Banks	737	(63)	159	420	(59)
Expected of Credit losses for Due from banks	(267)	(566)	249	10,084	46
Expected of Credit losses for Corporate Bonds	(1,581)	236	24	(1,946)	(928)
Expected of Credit losses for Accrued revenues	(10,503)	(15,589)	(1,101)	(1,098)	(1,101)
	(262,423)	**(360,587)**	**(61,173)**	**(266,208)**	**(265,559)**

10- Administrative expenses

	Three Months Ended Dec 31,2022 EGP Thousands	The Year Ended Dec 31,2022 (12 Months) EGP Thousands	Three Months Ended Dec 31,2021 EGP Thousands	The Period Ended Dec 31,2021 (18 Months) EGP Thousands	Twelve months from 1 Jan 2021 to Dec 31,2021 (12 Months) EGP Thousands
Staff Costs					
-Salaries and Wages	(215,357)	(765,807)	(170,488)	(871,691)	(601,091)
-Social insurance	(8,267)	(31,560)	(6,731)	(37,221)	(26,155)
Pension costs					
-Defined contribution scheme	(9,530)	(36,652)	(8,167)	(50,276)	(33,742)
-Defined benefits scheme	(14,370)	(61,054)	(14,769)	(82,094)	(51,696)
Other Administrative expenses					
-Operations expenses	(49,841)	(164,526)	(34,027)	(207,714)	(138,236)
-Communications expenses	(14,158)	(38,444)	(8,920)	(37,651)	(30,539)
-Business expenses	(20,074)	(133,340)	(20,221)	(118,628)	(89,927)
-Stationary expenses	(3,070)	(11,535)	(1,820)	(11,255)	(7,944)
-Service expenses	(91,999)	(297,563)	(69,573)	(306,265)	(225,930)
-Depreciation expenses	(47,329)	(170,840)	(43,194)	(230,162)	(163,774)
Total	**(473,995)**	**(1,711,323)**	**(377,911)**	**(1,952,958)**	**(1,369,034)**

Average monthly total salaries of highest 20 employees For the Year ended Dec 31, 2022 were EGP 4,888 thousands

11- Other operating income (expenses) :

	Three Months Ended Dec 31,2022 EGP Thousands	The Year Ended Dec 31,2022 (12 Months) EGP Thousands	Three Months Ended Dec 31,2021 EGP Thousands	The Period Ended Dec 31,2021 (18 Months) EGP Thousands	Twelve months from 1 Jan 2021 to Dec 31,2021 (12 Months) EGP Thousands
Profit (loss) resulting from revaluation of foreign currency balances of assets and liabilities of monetary nature other than those held for trading or originally classified at fair value through profit and loss	(87,449)	(117,037)	604	14,179	3,715
Collected Telex, Swift, Postage, Printed matters & Photocopy	14,782	53,255	13,349	79,289	53,883
Legal service income	62	118	56	220	115
(Charges) release of other provisions	(25,107)	(74,983)	(35,540)	(62,138)	(44,881)
(Charges) release of Retirement benefit obligations	-	41,063	5,820	(18,718)	(6,632)
Capital profits	208	3,024	(0)	8,976	8,976
Profit (Loss) Acquired assets	(75)	100,409	-	-	-
Miscellaneous income	11,529	23,850	1,796	19,109	13,418
Miscellaneous expenses	1,166	(8,800)	(2,559)	(8,683)	(6,113)
Total	**(84,885)**	**20,897**	**(16,474)**	**32,234**	**22,481**

12- Cash and due from central bank of Egypt

	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Cash on hand	394,458	321,800
Due from Central Bank of Egypt (mandatory reserve)	9,430,702	6,784,103
Less: Expected of Credit losses	(4,265)	(2,149)
Total	**9,820,895**	**7,103,754**
Fixed bearing balances	2,104,406	1,047,443
Non- interest bearing balances	7,716,488	6,056,310
	9,820,895	**7,103,754**

* Balances with the Central Bank of Egypt includes the dollar deposit under the reserve ratio (10%), which is settled on maturity 22 Feb 2023

13- Due from banks

	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Current accounts	375,265	156,103
Deposits	9,553,244	7,767,982
Less:Expected Credit losses	(35)	-
Total	**9,928,474**	**7,924,085**
Central Bank (other than obligatory resrve)	4,031,000	6,800,000
Local banks	3,400,086	94,155
Foreign banks	2,497,423	1,029,930
Less:Impairment provision	(35)	-
Total	**9,928,474**	**7,924,085**
Non - interest bearing balances	375,265	156,103
Fixed bearing balances	9,553,210	7,767,982
Total	**9,928,474**	**7,924,085**
Current Balances	9,928,474	7,924,085

14- Financial Assets at Fair value through P&L

Debt instruments	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Treasury bills and other governmental notes at Fair value through P&L	219,845	608,385
Unearned income	(7,804)	(50,129)
Financial investment portfolios managed by others	100,000	-
Mutual Funds		
Export Development Bank of Egypt Fund -The Second - The Monetary	68,654	38,902
Total	**380,694**	**597,159**

* Treasury bills were listed in business model since June 30,2022.

15- Loans and overdrafts for customers

	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Individual		
Overdraft	263,273	287,689
Credit cards	65,272	38,088
Personal loans	3,780,771	2,706,892
Mortgages	425,765	164,128
Corporate		
Overdraft	24,508,220	19,329,777
Direct loans	8,909,176	8,025,704
Syndicated loans	6,740,017	5,801,262
Less: interest in suspense	(134,343)	(120,940)
Less: Expected Credit losses	(1,705,675)	(1,328,671)
Net	**42,852,477**	**34,903,930**

Loans and overdrafts for Banks

	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Discounted documents	268,528	72,227
Total	**268,528**	**72,227**
Less: Expected Credit losses	(207)	(99)
Net	**268,321**	**72,127**

Loans Provisions Analysis for custmers

losses between the beginning and end of the period as aresult of these factors

	Dec 31,2022			
	Stage 1 12 months	Stage 2 Life time	Stage 3 Life time	Total
	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands
Balance at the beginning of the year	235,293	364,506	728,872	1,328,672
Expected Credit losses	45,725	4,755	299,764	350,244
Used Provision during the year	-	-	(152,564)	(152,564)
Collections from loans previously written-off	4,662	-	-	4,662
Cumulative foreign currencies translation differences	12,897	29,521	132,244	174,662
Balance at the end of the Year	**298,576**	**398,782**	**1,008,317**	**1,705,675**

Loans Provisions Analysis for banks

losses between the beginning and end of the period as aresult of these factors

	Dec 31,2022			
	Stage 1 12 months	Stage 2 Life time	Stage 3 Life time	Total
	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands
Balance at the beginning of the year	-	99	-	99
Expected Credit losses	-	29	-	29
Cumulative foreign currencies translation differences	-	78	-	78
Balance at the end of the Year	**-**	**207**	**-**	**207**

	Dec 31,2021			
	Stage 1 12 months	Stage 2 Life time	Stage 3 Life time	Total
	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands
Balance at the beginning of the year	240,013	183,990	620,071	1,044,075
Expected Credit losses	-	181,557	137,451	319,008
Used Provision during the Period	-	-	(17,656)	(17,656)
Collections from loans previously written-off	18,836	-	-	18,836
Release of Expected Credit losses	(22,616)	-	-	(22,616)
Cumulative foreign currencies translation differences	(940)	(1,041)	(10,994)	(12,975)
Balance at the end of the Period	**235,293**	**364,507**	**728,872**	**1,328,672**

	Dec 31,2021			
	Stage 1 12 months	Stage 2 Life time	Stage 3 Life time	Total
	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands
Balance at the beginning of the year	-	534	-	534
Expected Credit losses	-	(420)	-	(420)
Cumulative foreign currencies translation differences	-	(15)	-	(15)
Balance at the end of the Period	**-**	**99**	**-**	**99**

16- Financial Investment

16/A- Financial Assets at Fair value through OCI

	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Debt instruments-fair value		
Listed in stock market	1,296,446	11,238,143
Unearned income	-	(193,031)
Less: Expected Credit losses	(10,686)	(9,637)
NET	**1,285,760**	**11,035,475**
Treasury bills and other governmental notes at Fair value through OCI	14,550,733	6,518,251
REPOS	-	-
Unearned income	(512,616)	(162,835)
Less: Expected Credit losses	(21,127)	(13,681)
NET	**14,016,989**	**6,341,735**
Equity instruments-fair value		
Certificates of mutual funds issued according to determined percentages	43,018	37,191
Unlisted in stock market	490,479	312,504
Total Financial Assets at Fair value through OCI (1)	**15,836,246**	**17,726,904**

16/B- Amortized cost investment

	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Debt instruments at amortized cost		
Listed in stock market	11,122,587	916,521
Unearned income	-	(4,439)
Less: Expected Credit losses	(3,406)	(1,508)
NET	**11,119,181**	**910,574**
Treasury bills and other governmental notes by Amortized cost	1,036,575	769,200
REPOS	-	-
Unearned income	(52,248)	(27,933)
Less: Expected Credit losses	(141)	-
NET	**984,185**	**741,267**
Total Amortized cost investment (2)	**12,103,366**	**1,651,841**
Total Financial Investments (1+2)	**27,939,612**	**19,378,745**
Current balances	27,449,134	19,066,241
Non-current balances	490,479	312,504
	27,939,612	**19,378,745**
Fixed interest debt instruments	27,183,353	18,772,221
Variable interest debt instruments	222,904	256,830
	27,406,257	**19,029,051**

* On 2016 Bank reclassified debt instruments government bonds from financial investment at ,Fair value through OCI to Amortized cost investment , as bank has the ability & intension to keep it till maturity date The value of the bonds on the date of listing (outstanding on Dec 31, 2022) Amounted to 395,308,738.4 EGP

* On 2022 Bank reclassified debt instruments government bonds from financial investment at Fair value through OCI to Amortized cost investment , as bank has the ability & intension to keep it till maturity date, The value of the bonds on the date of listing
(outstanding on Dec 31, 2022) Amounted to 6,713,376,875.12 EGP

The following table shows book value & fair value as at 31 Dec 2022 for reclassified government bonds

	Book Value	Fair Value
Government Bonds	**7,331,835**	**7,010,720**

The fair value that would have been recognized in equity gains if government bonds had not been reclassified amount of 321,115 Thousands EGP

	EGP Thousands		
	Financial investment at Fair value through OCI	Financial investment Amortized cost	Total
The balance after Adjasment at 1 july 2020	**4,567,761**	**1,087,740**	**5,655,501**
Additions	7,799,119	374,042	8,173,161
Deductions (selling-redemptions)	(696,933)	(552,207)	(1,249,140)
Changes in Zero copoun bonds' unearned income	(189,925)	(4,439)	(194,364)
Foreign Exchange revaluation differences	(27,208)	60	(27,147)
Profit (loss) from change in fair value	(82,768)	4,198	(78,570)
amortization for Discount and premium	13,529	2,688	16,216
Expected Credit losses	1,596	(1,508)	88
Ending balance at 31 Dec 2021	**11,385,170**	**910,574**	**12,295,745**
Treasury bills and other governmental notes at Fair value through OCI	**7,901,649**	**520,262**	**8,421,910**
Net change in Treasury bills and other governmental notes at Fair value through OCI	(1,690,589)	219,375	(1,471,214)
Profit (loss) from change in fair value	5,088	-	5,088
Net change in Treasury Bills (REPO)	-	-	-
The change in Unearned income	103,794	1,631	105,424
Expected Credit losses	21,794	-	21,794
Ending balance at 31 Dec 2021	**17,726,906**	**1,651,841**	**19,378,747**
Additions	219,694	11,325,527	11,545,221
Deductions (selling-redemptions)	(10,326,265)	(1,158,777)	(11,485,042)
Changes in Zero copoun bonds' unearned income	193,031	(130,521)	62,510
Foreign Exchange revaluation differences	355,438	160,921	516,359
Profit (loss) from change in fair value	(13,297)	10,329	(2,967)
amortization for Discount and premium	6,536	3,025	9,561
Expected Credit losses	(1,049)	(1,898)	(2,948)
Ending balance	**8,160,993**	**11,860,449**	**20,021,441**
Net change in Treasury bills and other governmental notes at Fair value through OCI	8,032,481	267,375	8,299,856
Net change in Treasury Bills (REPO)	-	-	-
The change in Unearned income	(349,781)	(24,316)	(374,096)
Expected Credit losses	(7,447)	(141)	(7,588)
Ending balance at 31 Dec 2022	**15,836,246**	**12,103,367**	**27,939,613**

Treasury bills and other governmental notes at Fair value through OCI

	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Represented in:		
91 days Maturity	1,130,000	165,600
182 days Maturity	2,854,925	454,675
273 days Maturity	2,640,000	1,012,075
364 days Maturity	7,974,643	4,880,813
Total	**14,599,568**	**6,513,163**
Unearned income	(512,616)	(162,835)
Total	**14,086,952**	**6,350,328**
Profit (loss) from change in fair value	(40,627)	5,088
Foreign exchange differences	(8,209)	-
Less:Expected Credit losses	(21,127)	(13,681)
Total	**14,016,989**	**6,341,735**

*Treasury bills were listed in business model since June 30,2022.

Within the item of treasury bills amount 22,500 EGP thousands owed to the Central Bank of Egypt against mortgage finance and amount 113,950 EGP thousands of small & medium enterprises 7% As of 31 Dec 2022

Profit (losses) from financial investment

	Three Months Ended Dec 31,2022 EGP Thousands	The Year Ended Dec 31,2022 (12 Months) EGP Thousands	Three Months Ended Dec 31,2021 EGP Thousands	The Period Ended Dec 31,2021 (18 Months) EGP Thousands	Twelve months from 1 Jan 2021 to Dec 31,2021 (12 Months) EGP Thousands
Profit from selling Financial Investments at Fair value through OCI	-	-	-	4,971	4,971
Profit from selling treasury bills	8,381	14,637	1,064	3,455	1,935
Profit from selling treasury bonds	17	(753)	273	272	272
Total	**8,399**	**13,884**	**1,337**	**8,698**	**7,178**

17- Financial investment in subsidiaries and associated co

	Dec 31,2022 EGP Thousands	Ratio %	Dec 31,2021 EGP Thousands	Ratio %
Philae Cruisers company	6,875	28.94%	6,875	28.94%
	6,875	**28.94%**	**6,875**	**28.94%**

Philae Cruisers company is one of the associates of Egypt Capital holding Company, and it is not consolidated due to the lack of control of the bank over it in any way required by the bases of consolidating basis

18- Intangible assets

	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Net book value at the beginning of the year	168,956	101,919
Additions	31,106	67,037
Deductions	(9)	-
Net book value at the end of the year	**200,053**	**168,956**
Accumulated depreciation at the beginning of the year	119,311	64,249
Amortization expense	38,264	55,062
Accumulated depreciation at the end of the year	157,575	119,311
Net intangible assets at the end of the year	**42,478**	**49,646**

19- Other Assets

	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Accrued revenues*	1,090,803	779,701
Prepaid expenses	115,989	73,296
Advances for purchase of fixed assets	1,025,368	809,477
Acquired assets (Net)*	41,464	358,630
Insurances and trusts	11,368	11,345
Suspense assets	1,021,532	370,052
Purchase of financial rights	2,373,785	3,545,852
Total	**5,680,309**	**5,948,352**
Less: Expected Credit losses	(5,135)	-
NET	**5,675,174**	**5,948,352**

	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Accrued income for medium term loans	490,506	243,718
Accrued income for due from banks	87,439	38,520
Accrued income for financial investments	512,859	497,463
Total	**1,090,803**	**779,701**
Less: Expected Credit losses	(5,135)	-
NET	**1,085,668**	**779,701**

Advances for purchase of fixed assets is as follows

	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Book value at the Year of the Year	809,477	835,187
Additions during the year	255,452	169,019
Transferred to fixed assets	(39,561)	(194,729)
Balance at the End of the year	**1,025,368**	**809,477**

* The assets whose ownership has devolved to the bank in settlement of debts are proven at the value at which they were transferred to the bank, which is represented in the value of the debts that the bank management decided to waive in exchange for these assets. In the event that there is objective evidence of the occurrence of impairment losses in the

value of these assets at a date subsequent to the transition, then the value of the loss is measured for each asset separately by the difference between the book value of the asset and its net selling value or the present value of future cash flows estimated from the use of the asset and discounted at the current market rate for similar assets, whichever is higher. The book value of the asset is reduced through the use of an impairment account and the recognition of the value of the loss in the income statement under the item "other operating income (expenses)". If the impairment loss decreases in any subsequent period, and that decrease can be linked objectively to an event that occurred after the impairment loss was recognized, then the previously recognized impairment loss is returned to the income statement, provided that this response does not result in an asset value exceeding the value that was previously recognized. It would have been possible for the asset to reach it if these impairment losses had not been recognized, provided that the disposal of these assets is taken into account within the time period specified in accordance with the provisions of the law. And if these assets are not disposed of within the specified period in accordance with Law No. 194 of 2020, the general bank risk reserve is reinforced by the equivalent of 10% of the value of these assets annually. Under "other operating income (expenses).

20- FIXED ASSETS (NET)

	Land	Premises	Computers	Vehicles	Fixture and improvements	Equipment	Furniture	Others	Total
Cost at the beginning of the year	133,812	656,667	211,292	19,840	425,652	79,385	52,995	45,935	1,625,578
Additions during the year	118,911	33,913	23,577	4,399	43,195	6,499	4,189	2,355	237,038
Disposals during the year	-	-	(18,321)	(143)	(4,819)	(1,463)	(1,159)	(75)	(25,980)
(Cost at the end of the year (1	252,724	690,580	216,548	24,096	464,028	84,420	56,025	48,215	1,836,635
Accumulated depreciation at the beginning of the year	-	103,831	154,388	12,046	269,009	45,213	27,652	31,273	643,413
Depreciation charged for the year	-	17,044	36,533	2,485	65,382	5,932	4,272	925	132,573
Accumulated depreciation for disposals	-	(1)	(18,228)	(144)	(4,819)	(1,360)	(1,143)	(70)	(25,764)
(Accumulated depreciation at the end of the year (2	-	120,874	172,694	14,387	329,572	49,785	30,782	32,128	750,221
(Net book value at the end of the year (1-2	252,724	569,706	43,854	9,709	134,456	34,636	25,244	16,087	1,086,415
Net book value at the beginning of the year	**133,812**	**552,836**	**56,903**	**7,794**	**156,642**	**34,172**	**25,343**	**14,662**	**982,165**

- Reclassification of 23.56 million pounds from lands to buildings from cost balances at the beginning of the fiscal year

- The useful life of fixture and improvements been re-estimated to 10 years instead of 5 years as of Jan 1,2022

- Fixed assets include assets that have not been registered under the name of the bank in the amount of 94,873 Thousand Egyptian pound

21- Inventory

	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Book value at the beginning of the Year	302,387	302,387
Book value at the end of the Year	302,387	302,387
Accumulated depreciation at the beginning of the Year	-	-
Accumulated depreciation at the end of the Year	-	-
Net book value at the end of the Year	**302,387**	**302,387**

The value of the land owned by Al-Masry Real Estate investments company, one of the subsidiary companies of the bank in Nozha Street

which was transferred from real estate investments to inventory item, based on was stated in Egyptian Accounting standards in standard No.34 for real estate investment paragraph No.57B

The value of the land owned by A BETA for real estate investment company, one of the subsidiary companies of the bank In Ismailia Governorate

which was transferred from real estate investments to inventory item, based on was stated in Egyptian Accounting standards in standard No.34 for real estate investment paragraph No.57B

22- Deferred Tax Assets / Liabilitie

Deferred income tax was calculated based on the deferred tax differences according to the liability method using an effective tax rate for the current fiscal year. Deferred tax assets resulting from carried forward tax losses shall not be recognized unless future taxable profits, through which carried forward taxable losses can be utilized, are likely to be proven. Clearing between deferred tax assets and liabilities is made in case of there is a legal justification for Offsetting between current tax on assets and liabilities and also when deferred income tax belong to the same tax authority, the following table represents deferred tax assets and liabilities :

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	Deferred Tax Assets		Deferred Tax liabilities	
	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Deferred tax – other provisions	1,546	1,347	-	-
Tax effect of the difference between accounting depreciation and tax depreciation	-	-	3,292	6,480
Deferred Taxes - fair value differences resulting from the evaluation of financial investments aat Fair value through OCI in foreign currencies	-	-	23,430	93
Total Deferred Tax (Asset-Liabilitie)	1,546	1,347	26,722	6,573
Net Deferred Tax			**25,176**	**5,227**

Companies				
Deferred Tax Assets / Liabilities	152	103	12,691	1,469
Net Tax	**152**	**103**	**37,867**	**6,696**

	Deferred Tax Assets		Deferred Tax liabilities	
	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
The beginning of the year	1,347	1,807	6,573	4,587
Additions during the year	199	-	23,337	4,103
Disposals during the year	-	(460)	(3,188)	(2,117)
The Ending balance	**1,546**	**1,347**	**26,722**	**6,574**

23- Due to banks

	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Current accounts	27	9,591
Deposits	6,834,604	2,534,105
Total	**6,834,631**	**2,543,697**
Local banks	5,721,178	2,486,983
Foreign banks	1,113,453	56,714
Total	**6,834,631**	**2,543,697**
Non - interest bearing balances	27	61,849
Fixed bearing balances	6,834,604	2,481,848
Total	**6,834,631**	**2,543,697**
Current Balances	6,834,631	2,543,697

24- Repos

	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Sale of Treasury Bills with a repurchase obligation	4,172,818	22,069
	4,172,818	**22,069**

25- Customers Deposits

	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Demand Deposits	29,623,059	28,502,262
Time Deposits	30,336,053	24,918,012
Saving deposits and certificates of deposit	10,540,462	9,795,014
Other Deposits	2,181,866	1,086,859
Total	**72,681,439**	**64,302,148**
Retail Deposits	13,185,034	12,799,200
Corporate Deposits	59,496,405	51,502,948
Total	**72,681,439**	**64,302,148**
Non-interest bearing balances	12,210,198	7,009,493
Fixed interest bearing balances	60,129,854	56,780,559
Floating interest bearing balances	341,387	512,096
Total	**72,681,439**	**64,302,148**

26- Debt Instruments

Export Credit Guarantee Company of Egypt issued Bonds by EGP 50 million with 5% annually interest rate, and this bonds will be amortized at the end of the company

27- Other loans

	Maturity date	Rate %	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Arab Trade Financing Program	Feb 13,2023	4.48%	59,227	471,501
Agricultural Sector Development Program (ADP)	Mar 21,2023	4.00%	8,000	26,111
European Investment Bank loan	Sep 15,2023	4.49%	92,428	147,230
The environmental commitment agreement under the management of the National Bank of Egypt	Feb 09,2026	1.75%	10,620	14,765
Green for growth fund	June 15,2026	7.27%	499,688	357,198
Sanad fund	Jan 5,2026	5.82%	448,273	335,766
CBE for small & medium projects 7%	July 1,2025	3.00%	87,157	159,288
projects Development Authority	Oct 1,2026	11.00%	2,357	3,214
EBE Factory Loan			409,384	62,445
European Bank for Reconstruction and Development	May 18,2025	6.73%	371,151	-
Total			**1,988,286**	**1,577,518**
Current Balances			159,656	497,612
Non-current Balances			1,828,631	1,079,906
Total			**1,988,286**	**1,577,518**

28- Other liabilities

	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Accrued Interest	576,504	294,373
Prepaid Revenues	61,814	22,126
Accrued Expenses	210,741	161,137
Accrued Taxes and Insurances	80,700	47,690
Sundry Credit Balances	100	250
Suspense assets	1,395,701	1,115,878
Total	**2,325,559**	**1,641,454**

29- Other Provisions

Dec 31,2022	Balance at the beginning of the Year	Charges during the Year	Foreign currencies revaluation differences	Release (charge) Provisions no longer required	Transferred from(to) other sources	Provision used during the Year	Balance at the end of the Year
	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands
Provision for claims (Taxs)	37,193	36,418	-	-	67	(33,380)	40,298
Provision for legal claims	5,825	2,053	630	(5,742)	-	(61)	2,705
Provision for contingent liabilities-Stage 1	31,499	23,146	5,084	(17,001)	5,026	-	47,754
Provision for contingent liabilities-Stage 2	51	466	-	(20)	-	-	497
Provision for contingent liabilities-Stage 3	2,972	-	-	(2,189)	-	-	783
Provision for Commitment -Stage 1	77,113	38,227	-	(5,479)	-	-	109,862
Provision for Commitment -Stage 2	3,812	25,820	-	(23,129)	-	-	6,503
Technical provisions for property and casualty insurance	36,163	53,037	13,964	(64,586)	2,055	-	40,633
Total	**194,632**	**179,167**	**19,678**	**(118,147)**	**7,148**	**(33,441)**	**249,036**

Dec 31,2021	Balance at the beginning of the Year	Charges during the Year	Foreign currencies revaluation differences	Release (charge) Provisions no longer required	Transferred from(to) other sources	Provision used during the Year	Balance at the end of the Year
	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands
Provision for claims (Taxs)	104,479	51,528	-	(2,037)	1,500	(118,277)	37,193
Provision for legal claims	7,873	1,323	(36)	(365)	-	(2,970)	5,825
Provision for contingent liabilities-Stage 1	18,924	18,603	(175)	(5,853)	-	-	31,499
Provision for contingent liabilities-Stage 2	162	3,474	6	(3,591)	-	-	51
Provision for contingent liabilities-Stage 3	2,594	987	-	(609)	-	-	2,972
Provision for Commitment -Stage 1	83,009	16,555	-	(22,451)	-	-	77,113
Provision for Commitment -Stage 2	1,162	6,915	-	(4,265)	-	-	3,812
Technical provisions for property and casualty insurance	35,749	55,042	-	(54,628)	-	-	36,163
Total	**253,953**	**154,427**	**(205)**	**(93,799)**	**1,500**	**(121,247)**	**194,632**

A provision for contingent liabilities includes indirect contingent liabilities
Other provisions are reviewed in the financial position date and adjusted when necessary to show the best estimate of the situation

30- Retirement benefit obligations

Obligations on balance sheet:	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Pension Benefits	-	44,831
Amounts recognized on income statement	**Dec 31,2022 EGP Thousands**	**Dec 31,2021 EGP Thousands**
Pension Benefits	(41,063)	18,718
The movement on liabilities during the year is as follows:	**Dec 31,2022 EGP Thousands**	**Dec 31,2021 EGP Thousands**
Estimating liabilities at the beginning of the year	44,831	33,991
Actuarial losses	-	10,861
Cost of investment	0	7,859
benefits Paid	(3,784)	(7,880)
Provisions for no purpose	(41,047)	-
Estimated liabilities at the end of the Period	**-**	**44,831**
Balance sheet obligations	44,831	33,991
Actuarial losses	-	10,861
Calculating recognized retirement benefits in the profit and loss account	(41,047)	7,859
benefits Paid	(3,784)	(7,880)
Estimating liabilities at the end of the Year	**-**	**44,831**

The bank has re-evaluated the medical treatment system provided by the bank to the post-retirement workers, by assigning a specialized actuarial expert to determine the extent of the bank's actuarial commitment to create a provision for retirement obligations. There is no actuarial obligation on the bank towards the treatment system applied in accordance with the provisions of paragraphs 49 to 54 of the Standard for Retirement Benefits Obligations

31- Capital and Reserves

31.1- Capital

The authorized capital amounted to LE. 10,000,000,000. The issued and paid up capital amounted to LE 5,273,600,000 as of Dec 31, 2022, distributed over 527,360,000 common shares with a par value of EGP 10 each.

- The bank was established in 1983 and paid up capital amounted to 50 Million pounds
- On January 9, 1988, the General Assembly agreed to increase the capital by an amount of 7.5 million pounds
- On December 30, 1991, the General Assembly agreed to increase the capital by 11.5 million pounds
- On May 16, 1996, the General Assembly agreed to increase the capital by an amount of 181 million pounds
- On January 20, 2002, the General Assembly agreed to increase the capital by 250 million pounds
- On September 29, 2003, the General Assembly agreed to increase the capital by 100 million pounds
- Board of Directors Decision No. 8 of 2006 dated September 12, 2006 to increase the capital by 200 million pounds
- Board of Directors Decision No. 18 of 2007 dated December 17, 2007 to increase the capital by 200 million pounds
- On September 23, 2008 the General Assembly agreed to increase the capital by 200 million pounds
- September 29, 2010, the General Assembly agreed to increase the capital by 240 million pounds
- On April 27, 2017, the General Assembly agreed to increase the capital by 288 million pounds
- On April 3, 2018, the General Assembly agreed to increase the capital by 1,000 million pounds
- On Feb 28 2021, the General Assembly agreed to increase the capital by 545.6 million pounds
- On Feb 6,2022 The General Assembly agreed to increase the capital by an amount of 2000 million pounds cash was noted in the investment newspaper on August 17, 2022
- On October 25,2022 The General Assembly agreed to distribute 327 million egyptian pound free shares

31.2- Reserves

	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
General banking risk reserve	231,333	123,259
Banking risk reserve – acquired assets	1,913	-
Legal reserve	525,993	436,148
General reserve	31,347	29,231
Reserve for financial assets at fair value through OCI	112,407	165,716
Deferred Taxes fair value differences resulting from the evaluation of financial assets at fair value through OCI in foreign currencies	(23,430)	(93)
Special reserve	32,842	28,543
Capital reserve	195,432	195,432
Total	**1,107,837**	**978,236**

1- General bank risk reserve

It represents the increase in the provisions calculated according to creditworthiness principles over the provision for impairment in accordance with the instructions of the Central Bank of Egypt issued on February 26, 2019 regarding the requirements for applying the IFRS9 standard, in addition to the remainder of the impact of the application of IFRS9 where the balance of the general banking risk reserve, IFRS9 reserve and the credit reserve were merged The largest part of this reserve was used to offset expected credit losses upon the initial application of the international standard (1 July 2019).

2- Banking risk reserve - acquired assets

If the assets acquired by the Bank are not disposed of in accordance with the provisions of Article 60 of Law 88 of 2003 the general bank risk reserve shall be increased by 10% of the value of these assets annually during the period of retention by the Bank.

3- Legal reserve

In accordance with the Bank's Articles of Association, an amount equal to 10% of the profits shall be deducted annually to form the statutory reserve. The General Assembly may stop this deduction when the reserve total equals 50% of the issued capital of the Bank.

4- Fair value reserve - at Fair value through OCI

Represents revaluation differences arising from changes in the fair value of financial investments available for sale

5- Capital reserve

Representing the Profit sale of fixed assets

32- Shareholders' Dividends

Dividends are recognized when the general assembly of shareholders approves them. Dividends include the Employees' profit share and the board of directors' remuneration by deducting from the retained earnings about the end of the current fiscal year

33- Cash and cash equivalent

For the purpose of presenting the cash flow statement, cash and cash equivalents include the following balances maturing within less than 3 months from the date of acquisition

	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Cash and due from central bank of Egypt	394,458	321,800
Due from banks	9,928,474	7,924,085
Treasury bills and other governmental notes	1,342,425	165,600
	11,665,357	**8,411,485**

34- Contingent liabilities and commitments

(A) Legal claims

There are a number of existing cases filed against the bank in 31 Dec 2022 and provision has been made for some of them and no provision has been made for certain cases as no losses are expected

(B) Capital commitments

The capital commitments for the financial investment reached on the date of financial position 879,460 thousands as follows

	Investment value	Paid	Remaining
Financial assets at fair value through OCI	1,162,488	723,177	439,311
Fixed asset capital Commitment	-	-	410,125
Total	**1,162,488**	**723,177**	**849,436**

(B)/2- Commitment for operating leases

The total non-cancellable minimum operating leasespayment are as follows :

	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Not more than one year	1,072	552
More than a year and less than five years	-	-
More than five years	28,953	31,546
Total	**30,024**	**32,098**

(C) Loans, facilities and guarantees commitments

	Dec 31,2022 EGP Thousands	Dec 31,2021 EGP Thousands
Letter of guarantee	9,674,031	7,342,014
Letter of Credit (Import)	2,785,219	1,886,101
Letters of credit (Export-confirmed)	1,029,013	608,135
Shipping documents (Export)	512,400	597,309
Less : Cash cover	(3,800,119)	(728,345)
Net	**10,200,543**	**9,705,214**
Irrevocable commitments to loans and credit facilities	3,060,805	2,671,184
Total	**13,261,349**	**12,376,399**

35- Tax status

- Corporate income Tax.

- **The beginning of the years till 2007.**

Tax examination and internal committees was done also ended the dispute with of the tax authority.

- **2007-2011 years**

Tax examination done, the file has been transferred to appeal committees, the bank appeal on committee's decision and currently the file is under inspection by the court.

- **2012-2016 years.**

Tax examination and internal committees done and pay all tax due.

- **2017-2019 years**

Tax examination done and pay all tax due.

- **2020-2021 years**

The bank submits the annual tax return on legal deadline and pay any tax due.

- Stamp Taxes

- **The beginning of the years till 30/06/2019**

Tax examination done and pay any tax due.

- **2020-2021 years**

The bank submits the quarter tax return on legal deadline and pay any tax due.

- Salaries tax

- **The beginning of the years till 31/12/2019**

Tax examination done and pay any tax due.

• **2020-2021 year**

The bank submits the tax returns on legal deadline and pay any tax due.

* The bank submits tax returns on a regular basis and on the scheduled dates in accordance with the Unified Tax Procedures Law No. 206 of 2020

- Export credit guarantee company tax status:

• Salaries tax has been examined and paid for the years 2010-2011 according to the claim, and the years 2012-2021 are being examined.

• Stamp tax was examined and paid till 2006

• Corporate income tax was examined and paid till 2011.

• Real estate tax has been paid till 31/12/2021, according to appeal committee decision.

• The company has submitted the tax return and paid the due tax for the FY 2021 on April 2022

• Regarding the years from 1994/1995 till 1998/1999 the judgment of appeal was issued for the company at 15/3/2009 and the claim was issued by the tax authority based on the appeal ruling and the due taxes have been paid

- Egypt Capital Holding company tax status:

- Corporate income Tax:

• **Years from 2010/2014**

The company appeal for the tax examination, the file transferred to the specialized internal committees, and the legal affairs sector assigned to take all measures towards filling a lawsuit and indeed a lawsuit number 35756 filed and the due taxes has been paid.

- Salaries tax

• **Years from 2010/2017**

Tax examination done and pay any tax due.

• **Years from 2018/2020**

Tax examination in progress.

- Stamp tax

• **Years from 2010/2020**

Tax examination done and pay the tax due.

- Withholding tax

Form no. 41 submitted regularly, and the due tax paid, knowing that the last date of paying was 12/2022 and we were not notify of any notification by the tax authority.

- Egyptian Tourism Development Company tax status:

- Corporate income Tax

• **1999/2004 years**

Tax examination done and pay the tax due.

• **2005/2009 years**

The company was not included in the examination sample for the 2005/2009 years and the tax returns approved in accordance to the law number 91 for 2005

• **2010/2012**

Examination done and the file transferred to internal committees, the decision was made that there are no tax to be paid.

• **2013/2014**

Examination done and the file transferred to internal committees, no date has been set yet

• **2015**

The company received a 9-tax form, where the estimated tax on the company amounted to 889.2 thousand pounds and the appeal submitted on March 21, 2021, and a session has not been set to date.

• **2016/2021**

The company submitted the annual tax return on a regular basis for the years 2016/2021 according to law number 91, 2005 and its executive regulations

- Salaries tax

• From the beginning of the activity till 2019

Tax examination done and pay the tax due.

- Stamp tax

• From the beginning of activity until 31 December 2020

Tax examination done and pay the tax due.

- Al-Masri company for real estate investments tax status:

- Corporate income Tax

- The company submitted tax return in a regular basis according to law number 91 2005.

- The company has been examined (estimated) for the period from 2013/2014 and the tax amount is EGP 582 thousand, and the company paid with the declaration 377 thousand EGP, as well as the 2015/2016 has been examined (estimated). The actual examination was requested and awaiting it.

- A claim was received to the company on 11/4/2021 for (estimated) examination of the company for the year 2015 and the tax amount is EGP 5,785,506 and the appeal was submitted within the legal deadlines.

A claim was received to the company for (estimated) examination of the company for the year 2017 and the tax amount is EGP 8,731,121 and the appeal was submitted within the legal deadlines.

- Salaries tax

• **2012/2019**

Tax examination done and the tax due have been determined.

- Stamp tax

• **2012/2019**

Tax examination done and pay the tax due.

- A BETA for real estate investment tax status:

- Corporate income Tax

The company submitted tax return in a regular basis according to law number 91 2005.

The actual examination done until 2018 and pay the tax due.

- Salaries tax

A claim received to the company on 25/2/2021 for the company's estimation (estimated examination) for the years 2013/2019.
The appeal submitted on the legal dates and the actual examination requested, and all the requested documents submitted for that.

- Stamp tax

•**2013/2019**

The actual examination done and pay the tax due.

- Egypt Capital for real estate investments tax status:

- Corporate income Tax

The company submitted tax return in a regular basis according to law number 91 2005 and the last one submitted on 31 Dec 2021.

The company received Form 19 from the Tax Authority amounted to 63 million for the years 2013-2014. The company appealed that form on the legal dates, and the company is being re-examined for those years
The company received Form 31 to prepare the company's examination for the years 2015 to 2017
The company received form 19 for the year 2015 and the company appealed that form on the legal dates.

- Salaries tax

The tax authority was examined (estimated) tax for the years 2012 to 2019, and the company appealed that form on the legal dates and the examination is in progress.

- Stamp tax

- The tax authority was examined (estimated) tax for the years 2012 to 2019, and the company appealed that form on the legal dates.

- Withholding tax

Form no. 41 submitted regularly, and the due tax was paid, moreover we did not receive any notification by the tax authority.

- Beta Financial Holding's tax status:

- Corporate income Tax

- The company submitted tax return in a regular basis according to law number 91 2005.

- The tax authority was examined (estimated) tax for year 2017 amounted to EGP 85,217, and the company appealed that form on the legal dates.

- The actual examination for year 2020 is requested, and all the requested documents submitted for that.

- Salaries tax

• **2013-2020**

Tax examination done and pay the tax due.

- Stamp tax

• **2013-2019**

Tax examination done and pay the tax due.

- The International Holding Company for Development and Financial Investments tax status:

- Corporate income Tax

The company submitted tax return in a regular basis according to law number 91 2005.

The company was examined (estimated) for the years 2013,2017 and 2019 and no official letter was received regarding this, and the actual examination requested, and all the requested documents submitted for that.

- Salaries tax

• **2012-2019**

Tax examination done and the tax due have been determined.

- Stamp tax

• **2012-2020**

Tax examination done and pay the tax due.

- The tourism investment company in Sahl Hashish tax status:

- Corporate income Tax:

The company enjoys a tax exemption for hotel activity until 31 December 2011

• The beginning of the activity until 31 December 2008

Tax examination done and the differences were paid.

• **2009**

The company file was examined and notified about tax differences also got appealed on legal dates

• **2010-2018**

Examination done and waiting for the result

- Salaries tax

The beginning of the activity until 31 December 2016

Tax examination done and the differences were paid.

• **2017-2020**

The company examined and appeal on the result submitted on the legal dates

- Stamp tax

The beginning of the activity until 2020

Tax examination done and the differences were paid.

- Real Estate

The company pay the tax from 2013-2020, the company obtained a payment clearance

- The EBE Factor tax status:

- Corporate income Tax:

The beginning of the activity until 31 December 2022

- The company has not been examine from the beginning of the activity.
- The company submitted tax returns on the legal dates.

- Salaries tax

The beginning of the activity until 31 December 2021

- The company has not been examine from the beginning of the activity.
- The company submitted tax returns on the legal dates.

- Stamp tax

The beginning of the activity until 31 December 2021

The company has not been examine from the beginning of the activity and the due tax paid on the legal dates.

- Withholding tax

Form no. 41 submitted regularly, and the due tax paid on the legal dates.

36- Mutual Funds

A. Export Development Bank of Egypt first mutual fund (The Expert fund).

The fund is one of the authorized banking activities under the capital market law No. 95 for the year 1992 and its executive regulations, HC for securities and investment is managing this fund, the fund certificates reached 1million certificate at foundation worth of L.E.100 million, out of these, 50 thousand of the certificates were allocated to the bank to undertake the funds' activity (with EGP 100 nominal value).

The number of the outstanding certificates on the date of balance sheet was 106,441 certificates as the number of owned certificates by the bank reached 79191certificates. The redemption value per certificate as of Dec 31, 2022 amounted to EGP 161.53 and according to the funds' management contract and its prospectus, the bank shall obtain fee and commission for supervision on the fund and other managerial services rendered by the bank, total commissions as at Dec 31,2022 amounted to EGP 111.9 thousands presented under the item of "fees and commission income/other fees" in the income statement.

B. Export Development Bank of Egypt Fund -The Second - The Monetary:

The fund is one of the authorized banking activities under the capital market law No. 95 for the year 1992 and its executive regulations, Azimut for funds and securities portfolios management is managing this fund, the fund certificates Reached 2,867,466 certificates at foundation worth of EGP 286,746,600 out of these 143,400 of the certificates were allocated to the bank to undertake the funds' activity (with L.E. 100 nominal value). The number of the outstanding certificates on the date of balance sheet was 774,316 as the number of owned certificates by the bank reached 39,440 certificates. The redemption value per certificate as of Dec 31,2022 amounted to EGP 479.0377 total commissions amounted to EGP 2 millions as at Dec 31,2022 Presented under the item of "fees and commission income/other fees" in the income statement.

C. Export Development Bank of Egypt Fund - The Third - Fixed Income Instruments:

The fund is one of the authorized banking activities under the capital market law No. 95 for the year 1992 and its executive regulations; Prime Investments Asset Management is managing this fund, the fund certificates Reached 612,501 certificates at foundation worth of EGP 61,250,100 out of these 50,000 of the certificates were allocated to the bank to undertake the funds' activity (with L.E. 100 nominal value). The number of the outstanding certificates at the date of balance sheet was 51,676 certificates as the number of owned certificates by the bank reached 50,000 certificates. The redemption value per certificate as of Dec 31,2022 amounted to EGP 226,6609 total commissions amounted to EGP 45 thousands as of Dec 31,2022 Presented under the item of "fees and commission income/other fees" caption in the income statement.

37- Comparative figures

Some comparative figures have been reclassified to conform to the current year's financial presentation.

• In light of the change of the bank's financial year to start with the Gregorian year and end with its end in order to comply with the new Central Bank law, the Separate income statement and the related clarifications were presented, as well as the Separate comprehensive income statement and the Separate cash flow statement for a Year of from Jan 1, 2022 to Dec30, 2022 compared to For the previous Period (Eighteen months) from July 1, 2020 to Dec30, 2021, the comparative figures for the financial statements are not comparable at all.

• In order for the profits and losses for the financial year ending on Dec30, 2022 (Twelve months) to be comparable, a third statement for the period from January 1, 2021 to Dec30, 2021 (Twelve months) has been added to the income statement, based on paragraphs 38C and 38D of Egyptian Accounting Standard No. 1 Presentation of financial statements.

• The comparative figures have been modified as a result of the inclusion of treasury bills and government papers within the business models, where the reserve balances were adjusted by an amount of 5,088 thousand pounds, the value of valuation of treasury bills and government papers through other comprehensive income and the balances of retained earnings at an amount of 1,185 thousand pounds, the value of valuation of treasury bills and government papers through profits and losses .

• Comparative numbers have been adjusted as a result of including the item of selling treasury bills with a commitment to repurchase as a separate item within the financial liabilities at an amount of 22,069 thousand pounds.

38- Subsequent events:

• The Export Development Bank of Egypt follows the developments of the crisis in Russia and Ukraine and the extent of its impact on the Egyptian economy and the reflection of that crisis on the bank's clients in various activities and economic sectors. Accordingly, the bank continues to implement internal protection measures by monitoring and reviewing the level of provisions as well as the portfolio coverage ratio to mitigate the severity of the impact. on the loan portfolio.

• The Central Bank's Policy Committee, to confront inflationary pressures and preserve the macro economy, raised the lending and discount rates by 600 points during the year

2022, and this increase had a positive impact on the interest margin and, in turn, on the net income from the return.

• Despite the receding of the corona virus pandemic ("COVID-19"), the bank continues to monitor the situation through the business continuity plan and risk management practices.

• The Central Bank has adopted policies that serve the flexibility of foreign exchange rates in a way that helps attract foreign investments, noting that the rises in exchange rates had an impact on the items of assets and liabilities of a monetary nature, as well as the income statement and the evaluation of currency positions, as shown in Notes 10 and 8.

• The Bank continues to deal with market variables through the application of flexible policies, taking into account that the economic situation is an estimated and uncertain matter, and the management will continue to regularly evaluate the current situation and its effects.

EBank