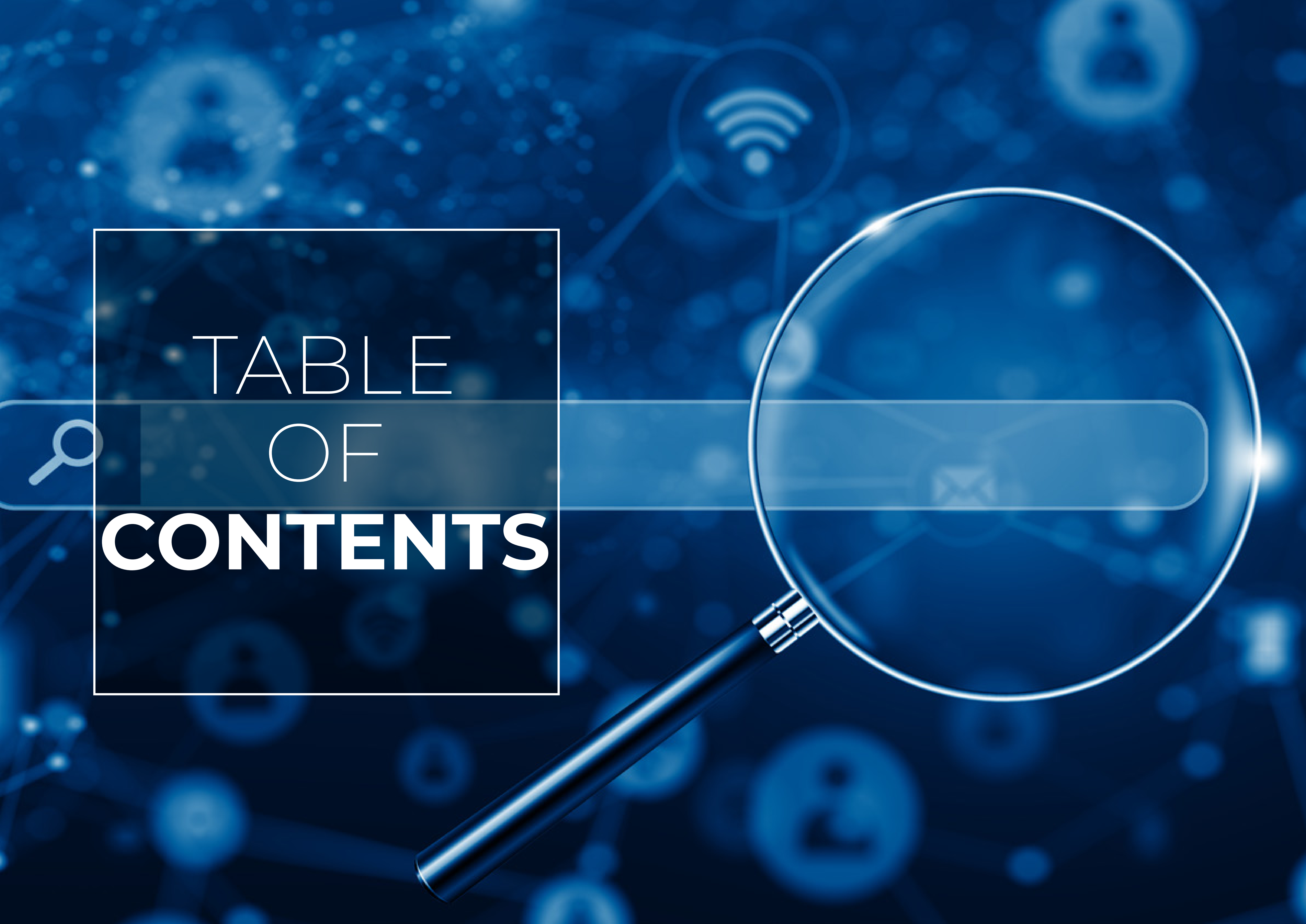
EBank

2023 ANNUAL REPORT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Executive Chairman's **Statement**

2023 A YEAR OF CHALLENGES AND ACHIEVEMENTS

I am honored to present in this report the business results, achievements, and activities of the Bank during fiscal year 2023, which we consider a year of achievements despite the challenges and circumstances that faced the economies worldwide. The global recovery from the corona virus pandemic and the Russian invasion of Ukraine remains slow and unbalanced, in spite of the economic strength witnessed at the beginning of 2023. Nevertheless, the economic activity is still below its pre-pandemic levels, especially in emerging market and developing economies. As for the Egyptian economy, it showed considerable resilience, regardless of the repercussions of the pandemic and the Russian-Ukrainian war, which contributed to disruptions in the supply chains, causing significant increases in global prices, especially in the prices of basic commodities and food.

The Bank achieved historical business indicators that reflect a new reality and great ambition. The Bank fulfilled the highest business results in its history, with profits exceeding EGP 3 billion, where the net profit after taxes reached EGP 3,120 million by the end of 2023, compared to EGP 1,229 million year-over-year, with a growth rate reaching 154% by the end of 2023. The net interest income also increased reaching EGP 5,419 million, with an increase of EGP 2,373 million and a growth rate of 78% 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.

Those profits were achieved through real banking operations, where the loan-to-deposit ratio (LDR) reached 63.7%, and the granted syndicated loans increased by EGP 790 million, of which the oil sector accounted for the largest share. Human resources training expenditure increased by 100%, and the focus was on digital transformation, e-banking and expansion in retail banking business.

In addition, the total assets increased by EGP 20 billion, reaching EGP 116,755 million, with a growth rate of 21% above that achieved as at December 31, 2022; and an increase of EGP 41 billion and a growth rate of 53% year-over-year. The net portfolio of loans and facilities also increased by EGP 9,804 million, reaching EGP 53,049 million, with a growth rate of 23% above that achieved as at December 31, 2022; and an increase of EGP 18,076 million and a growth rate of 52% year-over-year.

On the other hand, the deposits portfolio increased by EGP 14,079 million, reaching EGP 86,933 million, with a growth rate of 19% above that achieved as at December 31, 2022;

and an increase of EGP 22,552 million, and a growth rate of 35% year-over-year. The banking operations also witnessed massive progress, as the loan-to-deposit ratio (LDR) increased from 61.9% in 2022 to 63.7% in 2023.

Moreover, the total equity reached EGP 13,726 million, with an increase of EGP 4,036 million, and a growth rate of 42% above that achieved as at December 31, 2022, while the loan portfolio efficiency rate reached 2.36% compared to 3.60% year-over-year, and the coverage rate reached 166% compared to 106% as at December 31, 2022.

The return on average assets (ROAA) reached 3% compared to 1.5% year-over-year, whereas the return on average equity (ROAE) amounted to 38.7% compared to 18.5% as at December 31, 2022.

The indicators also reflected unprecedented progress in all Bank sectors as a result of using deposits to provide loans, which reflects the Management's balanced vision which helped overcame the challenges of a difficult year for everyone, at a time when the Bank management achieved investment spending in the training and infrastructure sectors to realize sustainable development. Investment spending on employee training was doubled, amounting to approx. EGP 31 million in 2023, against approx. EGP 16 million in 2022, while in 2023 the number of employees reached 1,658 against 1,580 in 2022.

As for technology and digital transformation, the Bank pays special attention to digital transformation and considers that the trend toward digital banking is the inevitable future, in an effort to keep pace with the latest developments in Artificial Intelligence and data management.

To achieve financial inclusion and geographical spread, the Bank aims to establish five new branches during this year. The Bank also focuses on expanding ATM deployment. The number of ATMs was 91 in 2022, and 18 new machines were added in 2023, bringing the total number of ATMs to 109.

The Bank takes great pride in receiving regional awards for its outstanding performance during the year, namely the Digital Banker's "Best Digital Transformation Program Award in Africa and the Middle East" and the "Banking Excellence and Achievement Award in Social Responsibility Initiatives" along with the "Banking Excellence and Achievement Award in Digital Banking Products" from the World Union of Arab Bankers (WUAB).

The Bank believes in the effective role of Corporate Social Responsibility (CSR) in providing support and assistance to build and serve the community while developing and influencing it, also in the necessity and importance of continuous, multiple, and

diverse contributions to the development of the surrounding environment, therefore CSR represents one of the main pillars of the Bank Strategy. Within this framework, the Bank has selected the two neediest sectors, namely education and health, to be the main recipients of the support, and accordingly the Bank directs its annual CSR budget to those two sectors.

In this context, the Bank has maintained, over several years, sustainability and continuity in supporting education through many non-profit institutions, either by sponsoring outstanding students in the form of scholarships, whether in technical or university education, or sponsoring community schools in partnership with various development institutions in those educational fields.

In the area of health, the Bank continues to support many health facilities, institutions and hospitals, by sponsoring various medical cases, and providing treatment or surgeries, or in the form of offering therapeutic or exploratory medical devices and prostheses. The Bank also supports several scientific research projects and a number of other areas related to education and health. This year, the Bank added a new scope of social responsibility, which is food supplies provision and distribution, in light of the economic conditions that the country is going through.

For several years, the Bank has been steadfastly committed to the various social responsibility and community development activities, and strives to increase the budget dedicated to this component every year to ensure sustainability and ongoing support for the entities it serves, and to add new institutions and activities to the existing ones to raise the living standard of all social groups.

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 teams for their continuous dedication and loyalty.

Dr. Ahmed Mohamed 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 structure

Export Development Bank of Egypt is an Egyptian joint stock company subject to the provisions of the Central Bank of Egypt and Banking System Law No. 194 of 2020 and the articles of association of the accredited bank published in the Investment Newspaper Issue No. 91134 on February 5, 2024 and in case of absence of a stipulation subject to the Law of Joint Stock Companies, Companies Limited by Shares, Limited Liability Companies and Single-Person Companies and its Executive Regulations No. 159 of 1981.

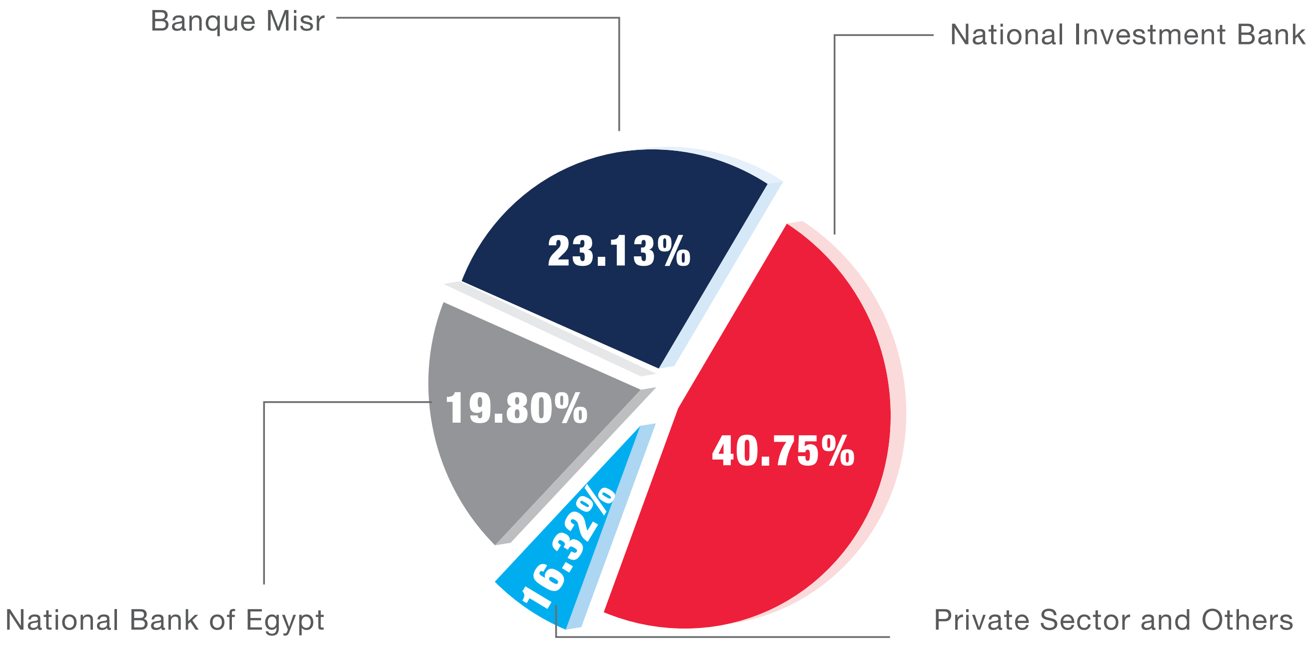
Capital and Shareholders

The authorized capital of the Bank is EGP 10 Billion, and the issued and paid-up capital amounts to EGP 6,600,960 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.

The capital structure of the Bank in 31 December 2023 is as follows:

National Investment Bank	40.75%
Banque Misr	23.13%
National Bank of Egypt	19.80%
Private Sector and Others	16.32%

(Free Trade on Egyptian Stock Exchange Market)



Vision

We anticipate Exporters' and Clients' 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

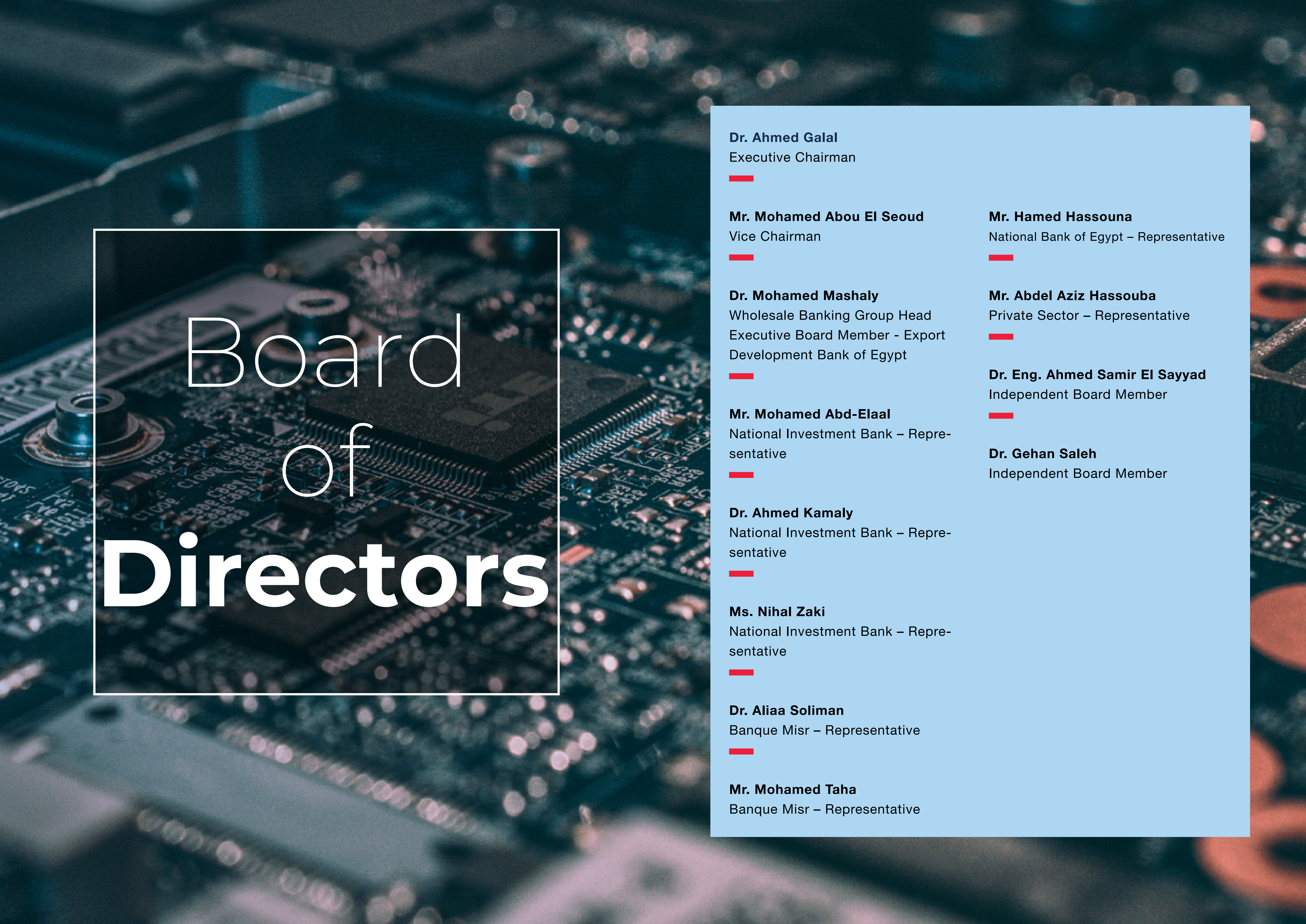
- Export Development

- Digitalization

- Human Capital

- Governance, Risk and Compliane

- Community



Board of Directors

Dr. Ahmed Galal
Executive Chairman

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. Ahmed Kamaly
National Investment Bank – Representative

Ms. Nihal Zaki
National Investment Bank – Representative

Dr. Aliaa Soliman
Banque Misr – Representative

Mr. Mohamed Taha
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

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 30 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.

Mr. Mohamed M. Abul Soud

Vice Chairman

Mohamed M. Abul-Soud was appointed as Deputy Chairperson in December 2022. Mohamed has extensive knowledge and well-diversified practices in Corporate Banking, Risk Management and Operations from a career spanning more than 26 years.

Abul Soud currently serves as Head of Business Functions, Branch, Information Technology and Financial Control.

He is also Chairperson of EBE Factoring, a subsidiary of EBank, engaged in the activity of factoring and in the process of adding "Financial Leasing" to the company's business to better serve the growing market needs.

Formerly, Mohamed held the position of Chief Risk officer and was Executive board Member between 2017 and 2022. He joined the Risk group as Consolidated Risk Management Group Head, and was responsible for reforming and restructuring for all support functions during the organizational development journey, which involved the diagnosis phase and Techno-Structural Interventions. Moreover, he managed Credit, Investigation, Debt Recovery & Assets Swap, Market, and Operational risk across EBank.

He was also selected as a board member in Export Credit guarantee Co. (EGE), which is deeply engaged in promoting exports and supporting exporters in global markets through partnering with both international institutions and governmental entities, aiming for increasing trade competitiveness and boosting the Egyptian exports through economic diversification and increasing investment opportunities.

Prior to joining EBank in 2017, Mohamed ascended in several operational, corporate and risk related positions with different banks starting in Banque Misr, and ending in The United Bank (TUB) where he served for eight years as a CRO and successfully enhanced the bank's credit portfolio.

He received his bachelor's degree from Ain-Shams University, and holds an MBA in Banking and Finance from Ain Shams University in co-operation 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 – EBank

With more than 31 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
Non–executive Board member in EBank

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 36 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 occupied 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 holds 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
Non–executive Board member in EBank

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 EBank.

‘e-finance’ Representative as non-executive board member in ‘e Khales’ one of leading electronic payment companies in Egypt.

Non-Executive Board member in Baraka Optical Retail Group.

Non-Executive Board member and Head of Audit committee in ‘Souhoola’ the Consumer Finance Company owned by Bank Misr.

As former Commercial Advisor to Egyptian Banks Company ‘EBC’ owned by the Central Bank of Egypt, she developed the National Payment System ‘NPS’ strategy supporting the financial inclusion to launch the first national prepaid card ‘meeza’ & ‘Instapay’ the instant mobile application that allows customers a direct access to their bank accounts, leading the digital payment system for E-Government initiatives.

Having over than 33 years of experience in Commercial, Marketing & Sales and Management in Egypt and the Middle East, she held the position of Vodafone Egypt’s Consumer Business Unit Director where her scope included, Consumer Marketing, Digital, Pricing, Planning, Brand and Communication, International and Roaming, Customer Insight, Customer Value Management, Retail, Distribution direct & In-direct Sales and the launch of ‘Vodafone Cash’ the leading telecom wallet in the market, in her role she successfully positioned the company as the market leader in the telecom industry in Egypt.

Nihal held the positions; Regional Marketing Director in Magrabi Retail covering 10 countries in MENA, and the Marketing Group Head of National Bank of Egypt “NBE”, re-launching NBE Brand with a new Corporate Identity along with full Product portfolio to the Egyptian market.

The early 10 years of her experience were built in the Information Technology field, where she held the position of Microsoft Egypt Marketing Manager as her last position before moving to the telecommunication industry in its launch phase in Egypt.

Holds a BA, Business Administration from Cairo University Faculty of Commerce, and a German school graduate with numerous certificates from local and international organizations in Leadership & Executive management and human resource assessments.

Dr. Aliaa Soliman

Banque Misr – Representative
Non–executive Board member in EBank.

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. Mohamed Taha

Banque Misr – Representative
Non–executive Board member in EBank.

A treasurer with 33 years of professional experience in positions of progressively increasing responsibilities at major joint–venture banks. Managed a fixed-income securities desk, trading Treasury bills, as well as government and corporate bonds.

Analyzed and managed investments,loans, and deposit liability portfolios. Experienced in market making in local and foreigncurrencies, hedging against risks associated with foreign exchange and interest rate exposure, and maintaining statutory, liquidity, and central bank reserve requirements.

He holds a B.A. in ECONOMICS, with a minor in MANAGEMENT from the American University in Cairo, and a HIGH SCHOOL AMERICAN DIPLOMA from ALABAMA, USA.

Formerly, Mohamed held several positions in many different institutions, such as a Board member in Egylease, a Board member of Egyptian Mortgage Refinance Company (EMRC), the Deputy Managing Director & Board Member at Bank ABC, Vice Chairman & Board Member at Banque Du Caire (B.C.), Senior General Manager and Treasury Head in Banque Du Caire (B.C.) and First Vice President & Treasury Group Head in Arab Banking Corporation (ABC).

Mohamed held the position of Executive Vice President and Treasurer in Egyptian American.

Bank (EAB), where he started as Deputy Treasurer until he became the General Manager & Treasurer at the same Bank.

He also worked in Petroleum Service Manager - Mosafco International Company in Egypt and USA, and as the Assistant Chief Dealer at the Islamic International Bank for Investment and Development (IIBID).

His special accomplishments were being a Board member of the Egyptian Dealers Association (ACI), the Chairman of the Steering Committee setting the foundation of Caibor (Cairo Inter-Bank Offer Rate), the Member of Personal Committee, the Member of Technology Committee, a Chairman of the steering committee for primary dealers, Board member of the Shooting Club Egypt, Active member of the American Chamber with annual participation in the “Door Knock” missions to the USA since 1996.

Mohamed participated in various trainings such as the job training in American Express New York, London, and Frankfurt, the Capital Market-Euro-Money, and many other workshops and conferences.

Mr. Hamed Hassouna

National Bank of Egypt – Representative
Non–executive Board member in EBank

Hamed's present executive position is the Regional Chief Director [Country & Regional Director] Egypt & GCC at Union De Banques Arabes Et Francaises – UBAF. He also holds Non-Executive Occupations being a Member of the Board of Directors – Non-Executive in Export Development Bank of Egypt "EBank". Chairperson of the Board Risk Committee, Member of the Board Audit Committee and Member of the Board Governance &Remuneration Committee.

He is also a Member of the Board of Directors – Non-Executive of Export Credit.

Guarantee of Egypt EGE, Chair of the Board Risk Committee, and Member of the Board Audit Committee.

Hamed is the Founding Member of the Board of Directors of Corporate Leasing Company "Corplease" DIFC, Dubai, UAE, the Chairperson of Corplease Board Credit Committee and the Member of the Corplease Board Audit Committee in Corporate Leasing Company "CORPLEASE Egypt" from 2006 till 2018.

He is the Adjunct Faculty – AUC Management Department – School of Business Applied Banking Course at The American University in Cairo.

His Career is the Head of Structured Trade & Project Finance & Financial Institutions

in Calyon Egypt – former Credit Lyonnais 1998 – 2003, the Manager Financial InstitutionsDivision Misr International Bank 1992 – 1998 and a Supervisor/trader Treasury Dept. at Misr International Bank during 1989 – 1992.

He worked from 1985 – 1988 in Chase National Bank [currently CIB] – Students contract Arab African International Bank – London branch - Students contract and National Bank of Egypt International London - Students contract.

He was awarded as The Best Performing Student in" the Banking & Finance Masters Program from Maastricht School of Management Board of Directors 2001.

He passed many training programs such as Credit Certified - Chase Model, the F.X. & Money Market Treasury Certificate – Bankers Trust London, the International Banking Training Certification. As well as the Chartered Institute of Bankers Certificate – Banking Institute and the Board membership certified – Institute of Directors, London – U.K.

His Business Associations are Members of the American Chamber of Commerce, Member of French Chamber of Commerce in Egypt CCFE, and Former Member of the Egyptian Junior Business Association EJB.

Hamed holds a B.A. in Commerce in 1989 from the Faculty of Commerce at Ain Shames University and a Master's in Business Administration / Finance & Banking in 2001 from Maastricht School.

of Management – Maastricht, Netherlands, with "Distinction - Best Performing Student 2001".

His Thesis topic is "The Asian Financial Crisis case application on Egypt."

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 42 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 2023 is 11 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 2023 is 15 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 2023 is 12 meetings.

Governance and Nominations Committee:

Governance and Nomination Committee's main functions are to evaluate periodically the Bank's governance framework, propose any necessary changes on the approved governance policies. As well as reviewing the Bank's annual report especially disclosure and governance related topics, submit proposals regarding the nomination of independent directors, appointing, renewing membership or excluding a board member, discussing CBE observations regarding the application of the governance rules and reviewing the corrective actions set by the Bank.

The number of meetings held during 2023 is 5 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 2023 is 2 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 2023 is 5 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 2023 is 48 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-nine Committee sessions were convened during year 2023.

General Assembly

The Ordinary General Assembly was held 2 times during year 2023, while the Extraordinary General Assembly was held only one time during 2023.

General Secretariat

- The role of the General Secretariat is no longer limited to the Board Secretariat functions, but its concept has changed and it now assumes a broader and more encompassing role. It is serving as rapporteurs for the Bank's internal committees, which reached six committees, namely: the Internal Executive Committee, the Supreme Executive Credit Committee, the Credit Committee, the Non-Performing Loans Committee, the Medium and Small Enterprises Credit Committee, and the Small and Micro Enterprises and Programs Committee. The General Secretariat undertakes as well the functions of the Board of Directors and General Assemblies of the Bank.

- Contribution was made mainly to increase the Bank capital, whether authorized, issued or paid-up, which amounted to more than seven increases from 2020 until the current year. The Financial Control and Legal Sectors participated and contributed to the necessary measures for the capital increase.

- An electronic record was created to save the sessions, committees, and issued decisions in a way that facilitates reference to them upon request. The expenses were reduced by more than 50%, and the files pertaining to the Board of Directors and General Assemblies' proceedings were saved in a manner leading to easy reference, to keep pace with the required speed of completion.

- The decisions issued by the Board of Directors, the General Assemblies and Credit Committees of all types were repeated, arranged and drafted and the decisions and minutes were prepared within a timeframe not exceeding 24 hours. Even, in most cases, the decisions are signed as soon as the Committee's work is completed, which are also activated and their implementation is followed up in light of the multiple committees. The Board of Directors holds at least eleven meetings annually, while during 2023, the Internal Executive Committee included about 35 committees, the Supreme Executive Credit Committee included about 45 committees, the Credit Committee, about 40 committees, the Non-Performing Loans Committee, 15 committees, the Medium and Small Enterprises Credit Committee, about 30 committees, and the Small and Micro Enterprises and Programs Committee, 20 committees.

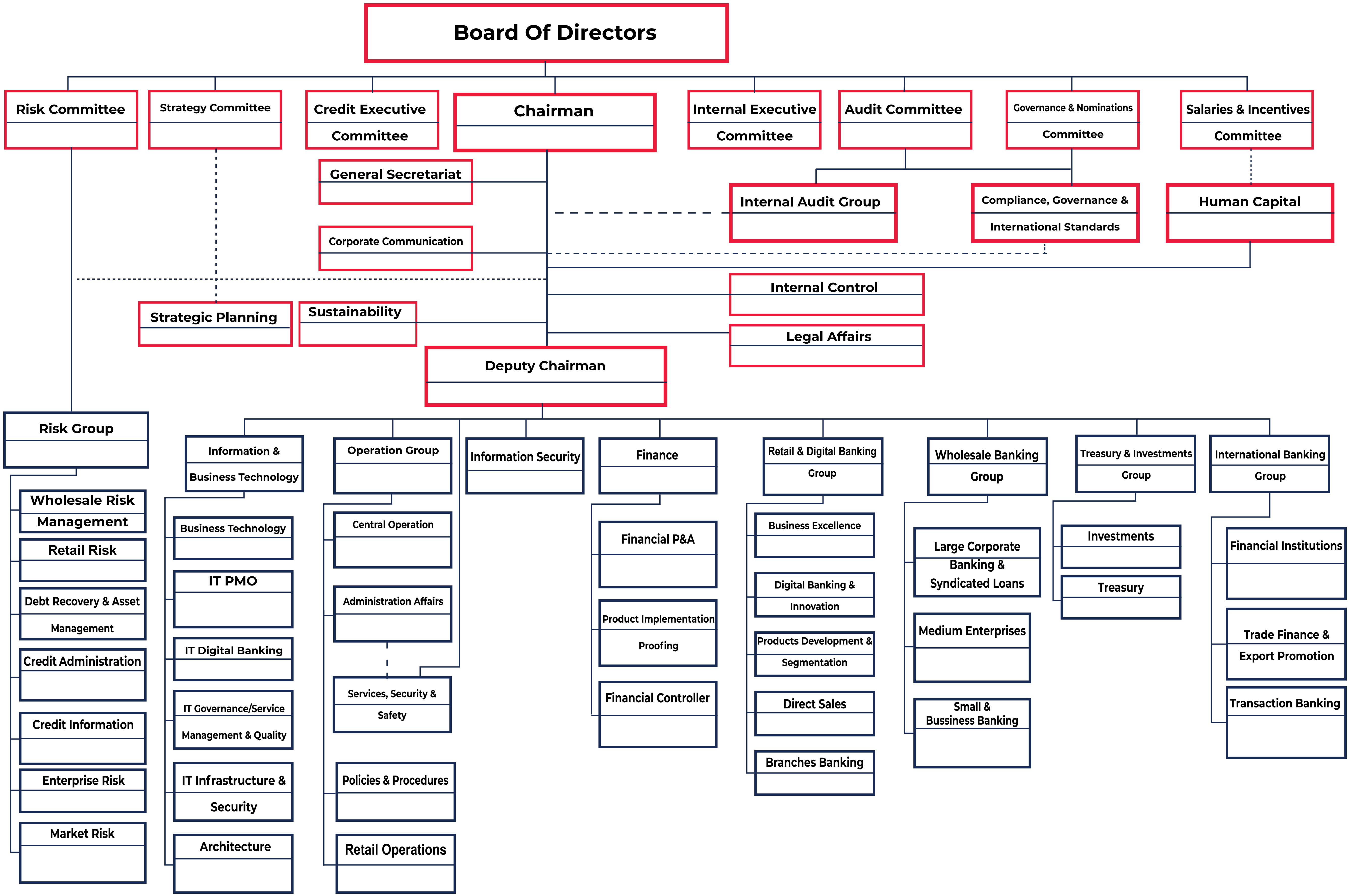
- Preparing for the general assemblies in terms of drafting the invitation, publishing it, obtaining approvals from relevant authorities, and disclosing essential resolutions issued by them (three general assemblies were convened during 2023).

- Board members' evaluation forms were prepared, the assessment was completed and formulated in its current form, and is updated periodically.

- Participation and contribution to the preparation and formulation of the new statute of the Bank.

- Opening multiple communication channels with relevant entities such as the Central Bank of Egypt, the Ministry of Trade and Industry, the Financial Regulatory Authority, the Egyptian Stock Exchange, and the Investment Authority, which contributed to the expedited completion of matters related to those entities.

Organization **Chart**


Board Of Directors
Risk Committee
Strategy Committee
Credit Executive Committee
Chairman
Internal Executive Committee
Audit Committee
Governance & Nominations Committee
Salaries & Incentives Committee
General Secretariat
Corporate Communication
Internal Audit Group
Compliance, Governance & International Standards
Human Capital
Internal Control
Legal Affairs
Strategic Planning
Sustainability
Deputy Chairman
Risk Group
Wholesale Risk Management
Retail Risk
Debt Recovery & Asset Management
Credit Administration
Credit Information
Enterprise Risk
Market Risk
Information & Business Technology
Business Technology
IT PMO
IT Digital Banking
IT Governance/Service Management & Quality
IT Infrastructure & Security
Architecture
Operation Group
Central Operation
Administration Affairs
Services, Security & Safety
Policies & Procedures
Retail Operations
Information Security
Finance
Financial P&A
Product Implementation Proofing
Financial Controller
Retail & Digital Banking Group
Business Excellence
Digital Banking & Innovation
Products Development & Segmentation
Direct Sales
Branches Banking
Wholesale Banking Group
Large Corporate Banking & Syndicated Loans
Medium Enterprises
Small & Bussiness Banking
Treasury & Investments Group
Investments
Treasury
International Banking Group
Financial Institutions
Trade Finance & Export Promotion
Transaction Banking

Economic **Conditions**

Global Economy

General Overview

- The global recovery from the COVID-19 pandemic and Russia's invasion of Ukraine remains slow and uneven. Despite economic resilience earlier this year, with a reopening rebound and progress in reducing inflation from last year's peaks, it is too soon to take comfort. Economic activity still falls short of its pre-pandemic path, especially in emerging market and developing economies, and there are widening divergences among regions. Several forces are holding back the recovery. Some reflect the long-term consequences of the pandemic, the war in Ukraine, and increasing geo-economics fragmentation. Others are more cyclical in nature, including the effects of monetary policy tightening necessary to reduce inflation, withdrawal of fiscal support amid high debt, and extreme weather events.

- Global growth is forecast to slow from 3.5 percent in 2022 to 3.0 percent in 2023 and 2.9 percent in 2024. The projections remain below the historical (2000–19) average of 3.8 percent, and the forecast for 2024 is down by 0.1 percentage, for advanced economies, the expected slowdown is from 2.6 percent in 2022 to 1.5 percent in 2023 and 1.4 percent in 2024, amid stronger-than-expected US momentum but weaker-than-expected growth in the euro area. Emerging market and developing economies are projected to have growth modestly decline, from 4.1 percent in 2022 to 4.0 percent in both 2023 and 2024, with a downward revision of 0.1 percentage point in 2024, reflecting the property sector crisis in China. Forecasts for global growth over the medium term, at 3.1 percent, are at their lowest in decades, and prospects for countries to catch up to higher living standards are weak.

- Global inflation is forecast to decline steadily, from 8.7 percent in 2022 to 6.9 percent in 2023 and 5.8 percent in 2024. But the forecasts for 2023 and 2024 are revised up by 0.1 percentage point and 0.6 percentage point, respectively, and inflation is not expected to return to target until 2025 in most cases.

Source: International Monetary Fund | October 2023.

Local Economy

General Overview

- The Egyptian economy has proven resilience despite external shocks from Covid-19, and the war Europe that contributed to disruption in supply chains and lead to dramatic increases in global commodity prices, of which strategic oil and food prices. The government and the Ministry of Finance have developed a coherent and integrated framework to support citizens and business community, and has focused on providing swift cash transfers, and ensured the supply of strategic commodities to meet people needs, and the adequacy of sufficient reserves. In this regard, social assistance package worth "EGP 130 billion" was allocated from the state reserves buffers, and which provided aid disbursements to around 9.1 million families of the most vulnerable groups for a period of 6 months, while adopting exceptional wage bonuses to public employees and pensionaries.

- The real growth rate of the gross domestic product during the fiscal year 2021/2022 was about 6.6%, about 3.9% during the second quarter of the fiscal year 2022/2023, and about 4.4% during the first quarter of the fiscal year 2022/2023 - according to estimates by the Ministry of Planning and Economic Development. Which helped the unemployment rate to decline to approach the pre-pandemic level, achieving 7.2% during the fourth quarter of the year 21/22, compared to 9.6% in the year 19/20, as the high economic growth achieved in the year 21/22 was driven by the boom in economic growth achieved in the first nine months of the year 21/22 were 7.8% - according to estimates by the Ministry of Planning and Economic Development - in light of the recovery of economic activity in most sectors and the return of production following the transition to the post-Covid-19 phase, while the negative impact of the war in Europe was limited mainly to economic growth indicators during the second quarter of 21/22, especially the implementation of economic tightening measures to confront inflationary pressures, as well as the slowdown in economic activity in China and Russia.

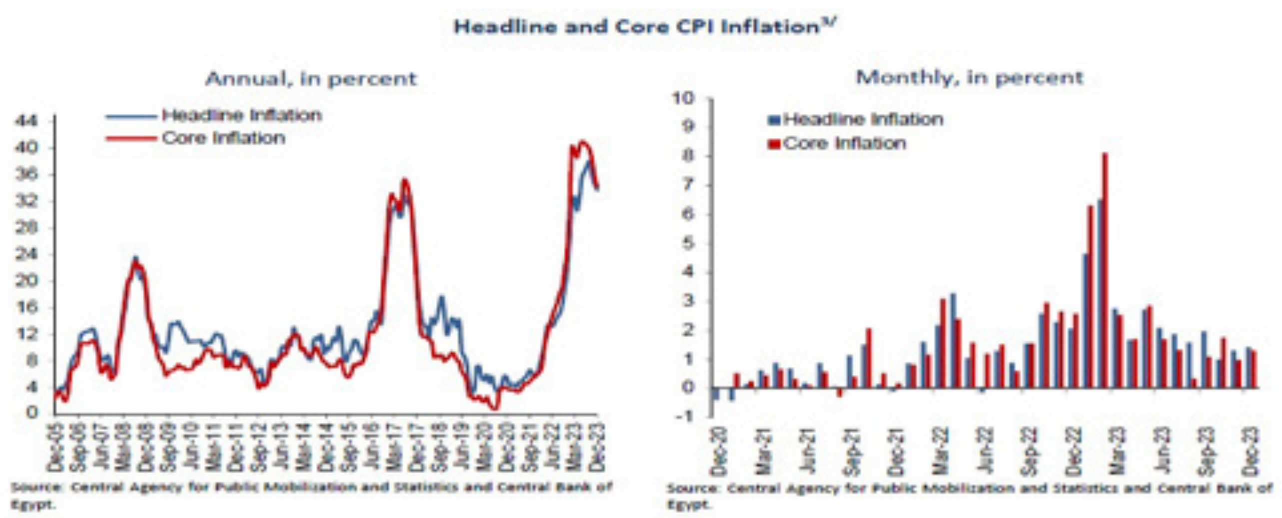
- Total Revenues increased by EGP 145 billion (31.3 percent growth) to record around EGP 609 billion during the period of study, compared to the same period of last year. Tax revenues constitute 84.7 percent of total revenues while non-tax revenues constitute 15.3 percent.

Source: The World Bank-Annual Report 2023.

Inflation

- Annual Urban Inflation recorded 38% in September 2023, compared to 37.4% during last month. Meanwhile, average annual inflation rate reached 37.3% during July- September FY23/24, compared to 14.4%during the same period of last year. Annual Core Inflation recorded 39.7% in September 2023, compared to 40.4% during last month.

- Annual core inflation witnessed a slowdown for the sixth consecutive month to record 34.2 percent in December 2023, down from 35.9 percent in November 2023 and from its recorded peak of 41.0 percent in June 2023. This comes in line with monthly core inflation recording 1.3 percent in December 2023,compared to 2.6 percent during the same month last year.



- Source: The Financial Monthly Bulletin –December 2023
- Source: CBE Report- December 2023

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 unfunded 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 Business Units.

Corporate Lending and Syndicated loans

The achievements of the Corporate Lending and syndicated loans for the financial year 2023 were closely tied to the Bank's strategy for the five years (2022/2027) period, as an integral part of its six key pillars, particularly the business development part, which is closely linked to the export development part and supporting exporters through various ways such as financing, financial and marketing advisory, and supporting their presence in foreign markets.

As a result, the following key accomplishments significantly enhanced business performance (utilization and profitability) and reinforced our bank's strong position among banking institutions, aligning with our bank's rebranding initiative:

1- Achieving the overall sector budget, both in terms of the direct and indirect utilization. The direct utilization reached approximately EGP 39.7 billion by the end of 2023, and these utilization figures reflected on the commissions collected from clients, which amounted to around EGP 514 million in 2023 compared to EGP 250 million in 2022, reflecting a growth rate of 105%.

2- The sector has succeeded in contributing the required 25% share of the total credit portfolio for the micro, small, and medium sized enterprise clients, as by the Central Bank of Egypt, was achieved ahead of the specified timeframe. This accomplishment was supported by serving over 130 clients within this category.

3- The Bank played a prominent role in the success of the fifth phase of the exporters support initiative among the banking sector. The sector excelled in organizing, defining and implementing disbursement procedures, delivering a level of service that impressed all parties involved, primarily exporters and The Ministry of Finance.

4- The continued high quality of service served to clients resulted in a high level of satisfaction, which directly contributed to the unprecedented achievements in terms of financial figures this year. Our Bank achieved its highest profitability point ever recorded in the past decades.

5- The number of customers managed by the sector reached 508 during the year 2023.

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 on 1/7/2005.

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's faith 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 the above reflected positively on EBANK's total portfolio which is managed by Mid-Cap financing sector; as it reached an amount of EGP 5849 million as of 31/12/2023 knowing that it is distributed among various economic sectors.

Small Enterprises and Business Banking, Small & Very Small Enterprises

Small and micro enterprises are considered one of the most important basic pillars in achieving the goals of economic and social development, which has received great attention from the state through the Central Bank of Egypt and launching the initiative to finance small projects at interest rate of 5%. It is working to facilitate the necessary procedures for those projects to carry out their activities easily. The importance of small and micro enterprises appears in being the main backbone of the economy of any country, whether developed or developing, due to their ability to provide many job opportunities. As well as their ability to employ semi-skilled and unskilled workers, which reflects positively on the growth of the gross domestic product and the diversification of the structure of the economy.

The Bank pays special attention to financing small and micro projects through the establishment of a finance sector specialized in financing those projects only, which have a turnover of up to EGP 50 million, and it is based on several axes as follows:

The first axis:

Providing appropriate financing programs and products for all categories, while working to update them continuously, in line with market changes and customer needs, as well as paying special attention to concluding more cooperation protocols with state bodies and industrial zone developers, in order to facilitate the process of reaching customers eligible for financing and facilitating financing procedures, in addition to preserving the rights of the Bank.

The second axis:

Paying attention to the human resources within the sector by providing the necessary training programs to develop their skills to meet work needs, as well as employees' sense of satisfaction and enhancing their loyalty to the organization.

The third axis:

Coordinating with the rest of the related sectors of the Bank by establishing service level agreements (SLAs) with the aim of facilitating and speeding up workflow with those sectors and implementing work effectively and efficiently.

This paid off, as the total portfolio of the sector by the end of 2023 amounted to EGP 1.4 billion, with an increase of EGP 500 million compared to 2022, and our strategy is based on continuing to pay attention to developing the lending portfolio by attracting more customers and providing all their financing needs.

Trade Finance and Export Promotion

Trade Finance and Export promotion “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, 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 2023:

- Increasing the Bank’s clientele base and increasing Trade Finance commission by more than 130% whereby TF income reached EGP 1BN for the very first time in the Bank’s history

- 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.

- Signing an MOU with Industrial Modernization Centre “IMC” to enhance the relation and provide unique financial and non-financial services for members.

- Signing an MOU with Trade Reform & Development in Egypt (TRADE) project financed by USAID (phase 2) aiming to improve Egyptian exports of SMEs and develop the trade and investment policy environment and reduce barriers to trade.

- Participating in the settlement of export subsidies initiative in cooperation with MOF.

- 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 Bankin.g 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 committee.

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

“Best Corporate Rebrand – 2022” Award Ceremony from GBO (Global Business Outlook)

Payments, Cash Management and Global Transaction Banking

In order for the Bank to keep pace with the banking sector and to meet the expectations of the Bank's corporate clients, due the urgent need for digitalization and automation, the Bank established the Cash Management Department in 2018, where the department began to provide some products & services that help the Bank's clients in facilitating their banking transactions and managing their working capital such as (Corpay - specially designed check printing service – cash pickup) then the Cash Management Department expanded in 2021 to become part of the banking transactions sector as an independent sector under the International Banking Group, where the sector is divided into:

1) Cash Management Department:

Over the past five years, it has contributed to attracting more customers, increasing the liquidity, and increasing net income from fees and commissions, which had a positive impact on the Bank's profits and reducing the cost of funds, through the following services in addition to the previous services:

- Launching the Internet Banking for corporate clients with continuous developing of the services offered, where the total number of customers on online banking for companies has reached 4,156 customers, despite the newness of Internet banking (a year ago).

- Providing training to our client on how to use our E channels through internet banking which will decrease the manual process and lead to accuracy and efficiency in processing transactions.

- Launching the government payments service for companies (CPS) (Unified Window, Tax, Insurance, etc) with a total number of transactions exceeded EGP 670 million during the year.

- Providing a new product of cash delivery from the Bank to clients' location.

- Direct Debit on Corpay

- Launching the worker remittances solution.

- Loan request onboarding for SMEs clients through the Bank website.

- Availing POS service to facilitate collections for our corporate clients.

Accordingly, the Cash Management Department contributed to increasing the Bank's profits, by achieving a prompt increase of the fees and commissions related to the services provided up to EGP 178 million in previous year, in addition to that the direct net profit from some products reaches EGP 55 million and the transactions volumes had reached EGP 31 Billion on all electronic channels for corporate clients.

The Cash Management Department is still constantly developing and innovating many new services and products that enhance the Bank's competitive positioning.

2) Margin Trading Department:

Based on the economic development and growth in the Egyptian Stock Exchange, the Bank, in 2022, established the Margin Trading Department, which aims to provide products and services that help in increase the purchasing power of customers and generate new funding in the Stock Exchange Market to revitalize the Egyptian Stock Exchange.

The department start business mid of 2023, with a total value of direct loans reaching EGP 57 million that lead in increasing the Bank's profits.

Volley Ball Tournament at the North Coast

Investment Activities

1- Equity Investments

At the end of the fiscal year 2023, net direct investments in stocks, private equity funds and securitization bonds amounted to EGP 2.5 billion with 41% increase in investments. Below are some important highlights:

- Regarding strategic investments, the Bank subscribed to the capital increase of EBE Factors Co. – EBank's subsidiary with 85.14% ownership – with an amount of EGP 57.8 million. The resulting issued and paid-in capital of EGP 200 million would sustain the planned business growth after adding leasing as a new line of business along with factoring.

Egyptian Tourism Development Company, EBank's subsidiary, completed its capital increase for its project in Sahl Hasheesh – Hurghada, and has successfully reached a beneficial reconciliation with the Tourism Development Authority after the recent state decisions regarding similar plots allocated to investors.

- Two subsidiaries concluded the sale transactions of real estate investments with a total amount of EGP 680 million.

- During 2023, the investment portfolio was further diversified and enhanced through subscribing to securitization bond issuances with remarkable returns for a total of EGP 762.9 mn., thus increasing the percentage of investments with periodical returns in the investment portfolio. Additionally, the percentage of indirect real estate investments strategically dropped with the conclusion of two successful sale contracts by two of our subsidiaries with a total of EGP 680 million.

2- Mutual Funds

The Mutual Funds established by the Bank achieved a substantial growth in IC prices, with a 68% increase in IC price of Knooz Fund (equity), a 65% increase for El-Khabeer Fund (equity) and a 17% increase for Money Market Fund. This growth led to an increase in value of the Bank's statutory shares by 66% over the budget.

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

A Listed Stocks mutual fund managed by "Azimut Egypt Asset Management" started since 1 October 2021. At the end of the fiscal year the total number of outstanding certificates reached 104,141 certificates out of which 79,191 certificates are held by the Bank, Redemption value per certificate was EGP 265.84, compared to its nominal value in the prospectus of EGP 33.33.

This fund provides several advantages to investors. They do not incur any expenses during purchase or redemption. They can easily monitor the certificate price and their balance. The fund also provides the ability to execute purchases and redemptions electronically through Internet Banking as well as through any of EBANK Branches. Fund's certificates are acceptable as collateral for borrowing in accordance with the Bank regulations.

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 the fiscal year, total number of outstanding certificates reached 1,134,923 certificates out of which 39,440 certificates are held by the Bank. Redemption value per certificate amounted to EGP 560.3949 and the Bank's commissions amounted to EGP 1.7 Million presented under "fee and commission income / other fees" caption in the income statement.

This fund provides several advantages to investors. They do not incur any expenses during purchase or redemption. Returns are tax exempted and investors can easily monitor the certificate price and their balance. The fund also provides the ability to execute purchases and redemptions electronically through Internet Banking as well as through any of EBANK branches. Fund's certificates are acceptable as collateral for borrowing in accordance with the Bank regulations.

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

An Asset Allocator mutual fund managed by "Prime Investments" At the end of the fiscal year, total number of outstanding certificates reached 52,401 certificates out of which 50000 certificates are held by the Bank. Redemption value per certificate amounted to EGP 380.8859

This fund provides several advantages to investors. They do not incur any expenses during purchase or redemption. They can easily monitor the certificate price and their balance. The fund also provides the ability to execute purchases and redemptions electronically through Internet Banking as well as through any of EBANK branches. Fund's certificates are acceptable as collateral for borrowing in accordance with the Bank regulations.

Ceremony of signing the protocol with Delta Foundation for Social Entrepreneurship

Treasury

- Foreign exchange trading profits for the fiscal year ending on 31 December 2023 recorded EGP 294 million, versus EGP 199.9 million in the previous fiscal year with a growth of 47.07%.

- Due from banks in all currencies recorded 20.7 billion (equivalent Egyptian pounds) in 31 December 2023, versus 9.9 billion (equivalent Egyptian pounds) on 31 December 2022, with a growth rate of 109.1%.

- EBank's portfolio of Government Debt instruments for all currencies (equivalent Egyptian pounds) reached EGP 27.019 billion by the end of 2023 versus 26.187 billion (equivalent Egyptian pounds) on 31 December 2022, with a growth rate of 3.2%.

- Fixed income trading profits for the fiscal year ending 31 December 2023 recorded EGP 29.20 million, with an increase of 4.3 % versus budget of EGP 28 Million, though CBE consecutive hikes, and its negative effect on secondary market activities.

- Due to current changes in the banking sector market, Treasury sector has initiated the issuance of a new CD's for individuals at a competitive rate of return of 20%, supporting retail deposit base and creating new opportunities to promote retail-banking products and enhance the competitiveness of the Bank.

- Net interest margin witnessed a considerable improvement of total currencies to reach, 5.01% by the end of December 2023 compared to 3.50% by the end of December 2022.

One of the gatherings between the Chairman and the employees

Central Banking Operations

Export Documentary credits were advised to the Bank's clients with a total amount of EGP 23,76 billion, part of which (EGP 10,76 billion represents 45,30%) 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 97,70 billion.

The Bank discounted export shipping documents with a total amount of EGP 2,40 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.


The Bank's contribution to Galala University's scholarships

Retail and Digital Banking

Strategy:

Increasing the Retail Banking Group Base, in order to anticipate our customers' various needs through providing the most flexible and efficient banking solutions, in order to become the best Bank of choice for customers, through diversified products and services matching all their financial needs. Along with an ongoing communication with customers to assure their satisfaction during their relation with EBank.

Vision:

To be one of the Top 10 Banks in Retail Sector in the Egyptian Market.

Mission:

Increasing achieved profitability by investing in technology and human resources to facilitate customer's banking deals and to satisfy their financial needs, with focus on low interest funds.

Customer Database:

Retail Banking Group achieved an increase in customer database from 109,639 customers in December 2022, to reach 133,137 customers in December 2023, with growth rate 21.4%.

Liabilities:

Retail Banking Group achieved an increase in TD Portfolio with EGP 14.1 Billon, to reach EGP 64.199 Billion in December 2023, with growth rate of 26.7% compared to December 2022 (EGP 50.7 Billion).

Assets:

An increase in Loans Portfolio was achieved with EGP 3.4 Billion, to reach EGP 8.6 Billion in December 2023, with a growth rate of 64.6% compared to December 2022 (EGP 5.2 Billion).

Credit Cards:

An increase in total Credit Cards portfolio with 658 cards to reach 16925 cards in December 2023, with 4% growth rate compared to December 2022 (16267 Cards).
Along with increasing the utilization ratio by EGP 317 Million, with a growth rate of 81% to reach EGP 709.2 Million in December 2023, compared to EGP 392 Million in December 2022.

In addition to increasing the average credit card limit from EGP 15 K to reach EGP 27 K. Along with achieving an unprecedented increase rate in credit cards utilization with 158.8% to reach EGP 170 Million in December 2023, compared to EGP 65.5 Million in Dec 2022.

Direct Sales:

Direct Sales Sector is a key player in Retail Banking Group to increase new customers' acquisition ratio and to avail our banking products to NTB customers, their major achievements in 2023 are as follows:

- Increasing Personal Loans Portfolio by EGP 456 Million, to reach EGP 1.0 Billion in December 2023, with a growth rate of 80.8% compared to EGP 564 Million in December 2022.

- Increasing Auto Loans Portfolio by EGP 1.15 Billion, to reach EGP 2.3 Billion in December 2023, with a growth rate of 101% compared to EGP 1.14 Billion in December 2022.

Products Development and Segmentation:

The sector accomplished many achievements during 2023, which enabled both Branches Network and Direct Sales sectors to increase the new customers' acquisition ratio as well as providing a wide range of outstanding products that meets the customers' needs, where their major achievements are:

First: Retail loans:

The Retail Loans targeted number of basic pillars during 2023 which in turn contributed

to increasing the total retail loans portfolio by 65% compared to 2022, and the growth rate of the retail loans portfolio has been accompanied by an increase in profitability ratio along with the diversification in the retail loans portfolio in terms of targeting various high-return programs sales.

In this regard, the Bank launched a number of new retail banking products that targeted various customer categories, enjoyed a competitive advantage, and had a wide resonance in the Egyptian market. In addition to making many amendments to the existing financing programs either personal loans or auto loans, which contributed to increasing the sales volume significantly this year.

The Bank also conducted promotional campaigns especially at the beginning of the summer, targeting personal loans, which provided unsecured personal loan customers, and an opportunity to obtain 25% cashback on the first installment.
Such Pillars had contributed to achieving the desired goals, which were:

- Increasing the Bank's market share in the Egyptian market.

- Adding a competitive edge to the Bank's products.

- Increasing the Bank's profitability and offering various retail banking loan products that are suitable for the different segments in the society.

Second: Cards Business:

The Product Development Department regarding credit cards focused on providing innovative and competitive retail products and services to our Bank's customers, working on consistent development path in order to benefit from the competitive advantage of our products, and conducting promotional campaigns to enhance the use of cards. Based on our Bank's strategy to expand its leading position in the banking market, we have achieved high growth rates with 172% in the credit card portfolio from the beginning of the year until the end of 2023.

Our card business initiatives, including new services and promotional campaigns, have targeted increasing cards spending, with a focus on being the best card in our customer's wallet, relying on it for daily purchases.

The Bank has introduced and launched new installment service programs on credit cards, which included the option to pay in equal monthly installments from (3) to (36) months, this includes installments of purchases. In addition to transferring cash from the credit card account to the debit card account and paying the amount in installments of up to 36 months at a special monthly interest rate.

The offers and services launched in 2023 include unique spending campaigns that aimed to:

- Having continuous seasonal offers on credit cards to stimulate purchases.

- Promoting the use of the Bank's cards in restaurants, consumer goods outlets and gas stations to enhance loyalty among customers, by providing rewards and special offers to customers when they use their cards.

- Encouraging our customers to use credit cards for seasonal purchases with relatively higher transaction volumes.

- Promoting the rewards points program by doubling the rewards points in seasonal offers, which is currently considered the highest compared to similar points programs in terms of points calculation and the cashback value corresponding to the points.

- Focusing on launching promotional offers that suits customers' uses during the summer period, with the possibility of paying schools' expenses and tuition fees in installments, in addition to vacation season expenses, and giving a competitive cash back advantage.

- Increase confidence in the Bank's cards and build loyalty to the Bank by customers.

Third: The Payroll and salary transfer service:

Regarding the service of transferring and disbursing the salaries of corporate employees, the department focused on providing integrated retail products and services to corporate employees from the existing Bank's clients, and working on an ongoing development path to benefit from the competitive advantage of our products in the Egyptian market, and carrying out promotional campaigns to enhance the use of the salary transfer service and then other products. Based on the Bank's strategy to expand its leading position in the banking market, we have achieved growth rates of 40% in the payroll portfolio since the beginning of the year until the end of 2023.

the Bank has launched and developed various packages of salary transfer services suitable for all categories of companies, which are studied and classified according to a set of indicators that are based on several determinants, most notably the size of the

company and the number of employees...etc., within the frame of providing an offer that suits each company individually by providing company employees with a complete set of convenient banking solutions in the workplace while providing a high level of service that matches our customers' expectations in an effort to put EBank in a leading position in the Egyptian banking sector and also serving the national economy with the support of branches, direct sales, and the contact center, capitalizing on the advanced digital services provided by the Bank, the most important of which are online and mobile banking transactions, and ATM machines.

The offers and services provided to companies include the following:

- EBank invested in the field of advanced digital technology by providing the company with specialized, secure software and providing technical support to download and run these programs on the company's digital platform itself , which are linked via internet to EBank, to enable it to transfer salaries without the need to send transfer paper requests to the Bank.

- Communication with the companies periodically, with the allocation of a customer relationship manager for large companies.

- The constant presence of one of the Bank's customer service team at corporate's headquarters to respond to inquiries and execute customer requests.

- Promoting the use of the Bank's services and products, such as internet banking, GEBE E-wallet, credit cards, personal finances, etc.

- Encouraging our corporate clients to use the Bank's services and products.

- Benefit from promotional campaigns that take place on other products, such as promoting the installment program, reward points, cashback on credit cards, and seasonal promotions of car financing programs...etc.

- Working on increasing the confidence in the Bank's services and products building the customers' loyalty to the Bank.

Digital Banking and Innovation:

The Digital Banking and Innovation team worked on developing the digital services that were developed and updated as follows:

First: E-wallets:

- Launching the new version of the E-wallet to comply with our new corporate identity.

- Enabling customers to request statement for the E-wallet.

- Enabling self-registration service for E-wallets subscription for our customers.

- Increasing the number of the available billers in bill payment service to meet the customers' needs.

Second: Internet banking:

- Launching the new version of the E-banking platform to make it more user-friendly and offer new digital services.

- Updating the ACH transfers service via internet banking to be instant during working days.

- Launching the TOKEN security code self-activation service to make it easier to customers.

- Launching self-registration service for Internet Banking subscription.

Third: ATMs:

- The external appearance of all ATMs has been changed and updated to comply with our new corporate identity.

- The total number of automated teller machines reached 108 ATMs in service distributed across most of the governorates.

- Relocating some of the ATMs in certain branches to meet the needs of people of determination.

- Launching banking services through ATMs in Braille language and screen reader system.

- Availability of payment service for credit cards' dues through our ATMs.

- Launching cash deposit service in current and saving accounts through our ATMs.

- Launching cash deposit and withdrawal services from E-wallets through our ATMs.

- Contracting with external service provider to manage our ATMs 24/7 to avoid malfunctions during holidays.

- Providing all EBank branches with ATMs that offers cash deposit service.

Fourth: E-Statement:

- Launching the electronic statement service for current, saving accounts and credit cards.

Fifth: Digital innovation:

- Launching transfers and bill payments services through the instant payment network (InstaPay) application.

- Launching EBank virtual platform.

- Launching the automated assistant service Chatbot.

- Availing cash deposit and withdrawal services from credit cards, debit cards and the prepaid cards (MEEZA) through FAWRY points of sale.

- Launching the Bank's WhatsApp service.

Sixth: Contact Center

- Launching the interactive voice service IVR.

- Automated execution and following the customers' requests.

- Introducing new means of communication (Video call – chat) and through social media.

- Conducting different surveys to evaluate our service level.

- Activating the customer identity recognition service in call center (the possibility of identifying the identity of calling customers by their registered phone number through IVR).

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

Business Excellence and Change Management:

This sector plays a vital and integral role across the different retail banking sectors to unify the branches' operations, look & feel and supporting the retail banking units as well as enhancing the processes through automation and digital solutions ensuring highest level of quality control and service excellence.

In addition, to the contribution in cost reduction and studying different initiatives from staff in this regard.

The major and latest achievements of the sector during 2023 are summarized below as follows:

1) Creating the Complaints unit which led to:

- Quick response to customer complaints.

- Increasing customer satisfaction.

- The availability to measure the customer satisfaction ratio on our service level.

2) Unification and simplification the Bank's documents and procedures related to customers' requests, which led to:

- Increasing the speed of the execution of our customers' requests.

- Developing the process and documents of the account opening.

- Developing the process and documents of creation and renewal of the certificate and time deposits.

- Creating the service level agreement with other sectors.

3) Offloading the branches from periodic reports, which led to:

- The Automation of the branches reports related to CBE.

- The execution of the branches reports through business excellence sector.

- Acquiring important information through analyzing the data and sales volumes of the different retail banking sectors and converting it to information that helps the managements in taking the needed decisions and directing business towards the Bank's strategy and vision through Business Planning & Analysis Department.

- Ease of communication between the different Bank sectors and the branches through Business Excellence Sector

- Supporting the branches to offer outstanding \ distinctive service levels.

- Offering the needed support to the branches through the Branches support & Control Department from the operational and the organizational perspectives as well as unifying working methods and offloading the branches from their pain points to provide the best service levels to customers.

4) The Automation of execution of the customers that led to quick and easy execution of their requests:

- RLOS
- RPA
- WORKFLOW

5) Implementing the Go Green initiative through:

- Replacing mailing customers with text messages.

- Customer data update to use E-statement.

6) Developing unique customer experience through the following:

- Developing the service quality card.

- Developing the customer experience unit.

- To be the voice of customer across all sectors.

One of the sports tournaments sponsored by EBank

Debt Recovery and Swap Assets

The department adopts a clear strategy for managing impaired accounts, based on positive approach as a main pillar.

The strategy also includes providing consultancy and assistance to these 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 2020, to 2.2% of the total portfolio, versus 7.07% in 2016.

During the same period (2016-2023), total collections reached EGP2.242 Billion.

Debt Recovery Department achievements:

Settlements: 14 settlements were concluded for impaired clients, with net debt of EGP 530 million.

Collection: A total amount of EGP 650 million were collected during 2023 (including EGP 612 million from impaired clients, EGP 14 million right off and EGP 24 million from assets sales).

Credit and Investment Administration

- Participate in Core Banking upgrade and implementation of Credit Admin requirements and ensure successful data migration of credit facilities and accounts.

- Participate in successful implementation of Daltex system and automation of drawing power for checks, purchase order and contracting.

- Automation of customer position report to be generated from core banking system to ensure data accuracy.

- Automation of stamp duty calculation to be on customer level instead of account level, which resulted in cost reduction of taxes payment, which resulted in tax reduction. Participate in Export Support Fund initiative and disbursement of EGP 13 Billion during the period from Oct 2020 until August 2023.

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.

- Despite the challenges of the market conditions; we delivered an outstanding performance with a resilient risk profile and improved asset quality.

- Responsible for the overall second line of defense to ensure risk and controls are effectively managed.

- 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 Bank in promoting exports, 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; scenario analysis and corrective action plan.

Our Risk Appetite & 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.

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 good quality within the average PRR.

- Overall, stage "3", impaired loans to gross loans decreased to 2% approximately while the Top 50 Exposures ratio enhanced to 47% 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 down turn market conditions and its 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

Market Risk 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 Bank's 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.

Market Risk 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:-

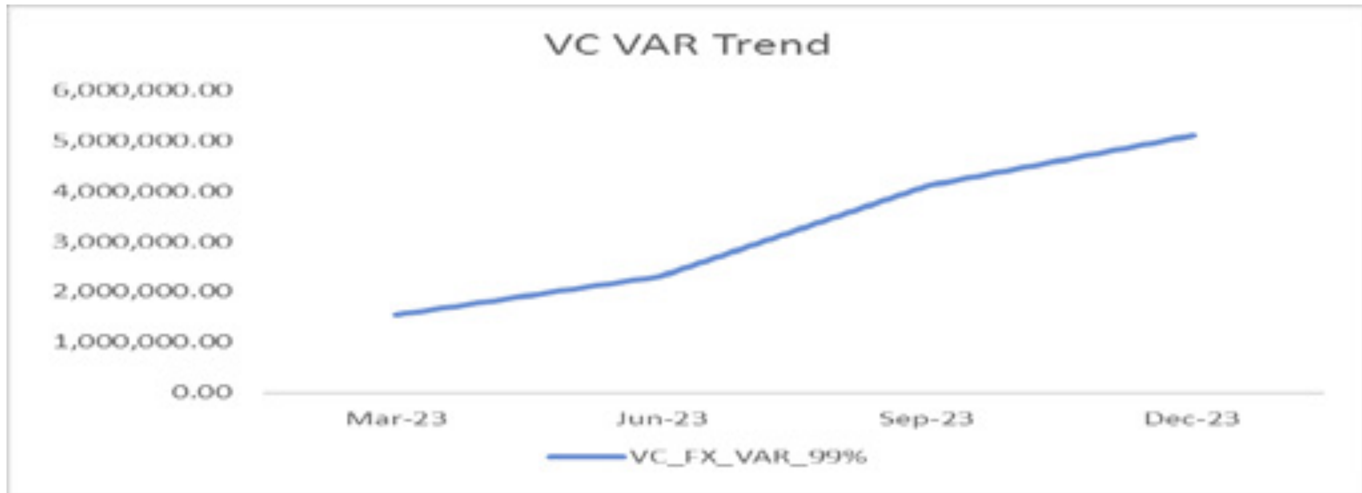
1) Historical market rates and prices, which are calculated with reference to foreign exchange rates, interest Rates and the associated volatilities.

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.

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 is 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.

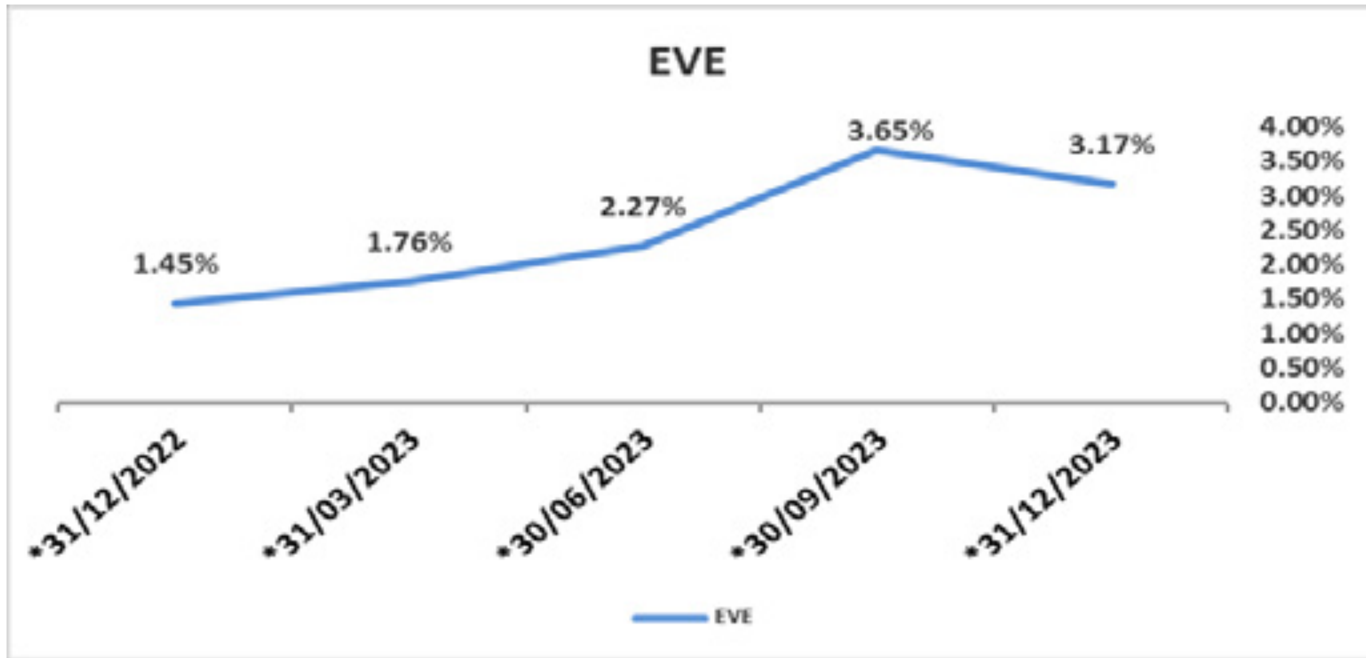


Interest rate risk

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.




Fun Day for EBank's employees

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 more aggressive strategies (e.g., short selling).

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.

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.

Liquidity Risk

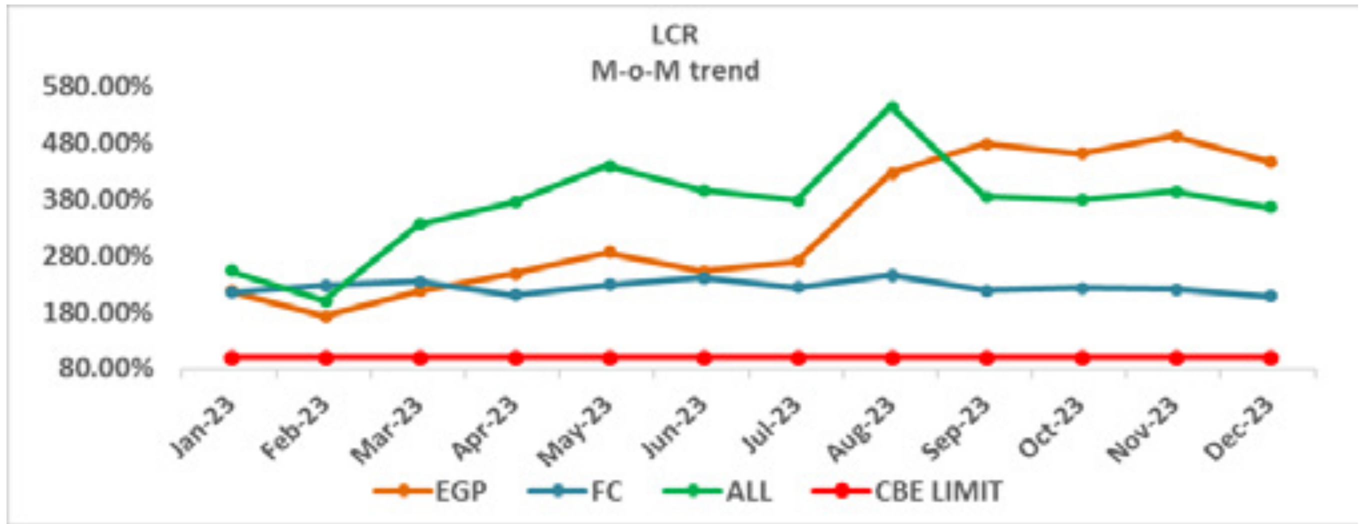
Liquidity risk is the risk that the Bank would be unable to fund increases in assets and meet obligations as they come due, there are two types of liquidity risk “Market Liquidity Risk & Funding Liquidity Risk”.

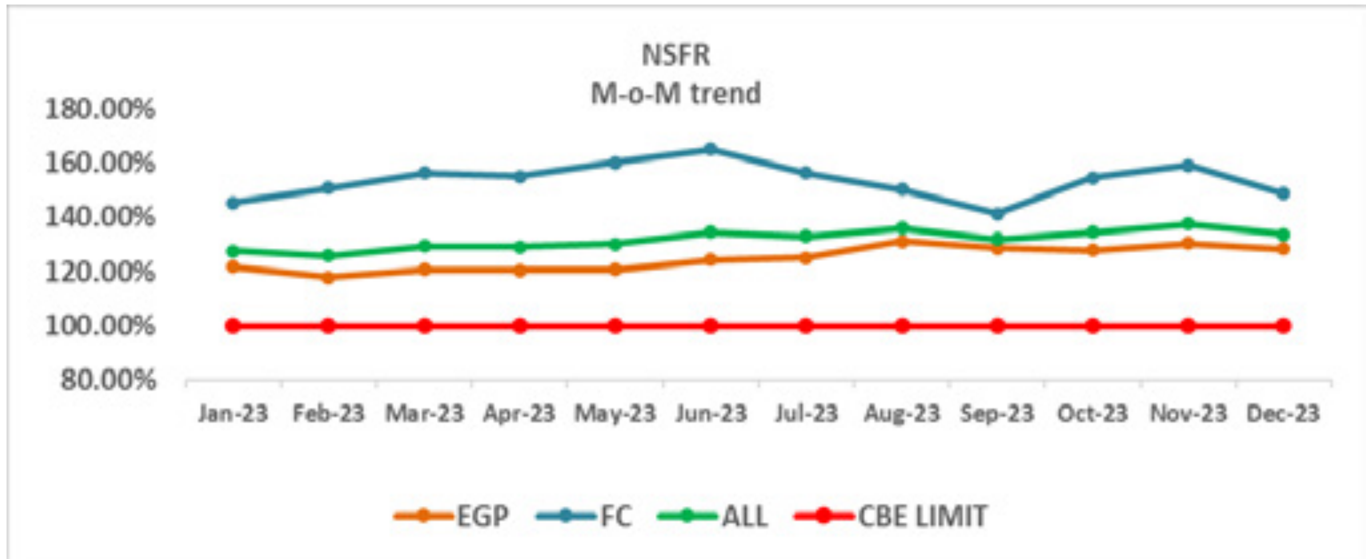
- Market Liquidity: The Risk that an item cannot be sold to another market participant due to a lack of liquidity in the market.

- 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.

Recovery Plan

The recovery plan is a comprehensive and detailed plan that includes a set of assumptions for managing critical events (Recovery Scenarios), that 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.

Operational Risk

- The primary responsibility for managing operational risk rests with the business and functional units.

- The Operational Risk Framework describes the methodologies and supporting tools used to identify, analyze, monitor, control and mitigate operational risk by business units.

- Risk Control and Self-Assessment, Key Risk Indicators (KRI) and loss data are the primary tools used by EBank team to identify, assess, monitor and report operational risks.

- Key Risk Indicators are metrics the Bank uses to track operational risks and their development over time. KRIs are defined for identified operational risks and reported to management on a regular basis.

Staff “Iftar”

Enterprise Risk Management

The Enterprise risk sector is entrusted with developing the Bank ERM framework, pursuing an integrated approach conforming to regulatory requirements, in consistency with relevant international standards and governance related frameworks, using key risk strategies to minimize unexpected earnings volatility and support the achievement of the bank objectives, further to maximizing shareholder value.

ERM focus during 2023 mostly was on the following pivots:

- Increasing operational resilience and realizing cost efficiencies

- Expanding the culture of risk and response strategies

- Fostering essential controls to mitigate potential risks

- Examining and identifying the pillars necessary for data and risk systems and analytics, technologies infrastructure and capabilities.

Over the year, in alignment with its risk-awareness enhancement objectives, E Bank launched e-learning programs to all staff incorporating enterprise level Fraud risk, digital banking and associated risks, cyber security risks and risk responses, financial governance and compliance risks, and operational risk, etc.

1) Fraud Risk Management department

Fraud Risk Management (FRM), one of the key functions of the Enterprise Risk Sector, managed over the past years to set and develop the rules, strategies and groundwork to effectively combating potential fraud risk, supporting the digital transformation plan.
In alignment with the Bank strategic objectives, in 2023 the FRM took the initiative to apply the Enterprise Fraud Risk system, a further step to enhance the monitoring and risk assessment activities, as well as fostering its detective and preventive controls following international standards , the COSO – ACFE FRM guide.

The FRM Department keeps abreast with global fraud trends, lessons learnt and adopted strategies and related requirements. By doing so, the team communicates early warning signals (EWS) and advices for required mitigation actions and reporting means to be prepared for any possible scenarios.

The FRM team, every year, manages different training programs and workshops to enhance risk awareness across all bank sectors.

The Fraud Risk Management Department key activities in 2023:

1- Cards & digital banking fraud monitoring unit

A- Real time monitoring of cards transactions24/7.

B- Verifying the validity of logins to accounts through the internet banking.

C- Initiating the implementation of the first phase of Enterprise fraud system (monitoring digital channels activities).

D- Enhancing customer’s awareness of the importance of protecting their confidential data through social media messages.

2- Applications & business banking Fraud unit

A- Participating in the examination of credit cases for small and medium industries and the retail cases (personal loans, mortgage, and credit cards).

B- Checking the documents of outsourcing employees, as well as the Bank’s employees, in case of any suspicion about any document, as well as conducting background checks for the new hires.

C- Studying new products/ services from fraud risk perspective & setting controls to mitigate the risk of potential fraud.

D- Conducting fraud awareness sessions for sales & bank staff.

2) Operational Risk Management

Operational Risk Management function is one of the key departments within Enterprise Risk Management.

Operational Risk Management framework includes policies and procedures that works in line with Bank strategic objectives.

The framework designed based on transparency, management accountability and independent oversight to support EBank on timely risk identification within any new business line or change exposure. It supports risk monitoring for early warning signs, monitoring active risk indicators in addition to regular plans for Risk and Control Assessment for Bank activities to determine risk profiles and monitor alignment with Bank appetite and tolerance.

The Bank implements effective solutions for risk management, which aligns all the Bank and integrated GRC functions within a respectable framework of solid dynamics of risk identification, analysis, mitigation and reporting.

Operational Risk management is involved in the early stages for launching new products and services through an ORAP process to define operational risk mitigation supporting the new product or service to limit any potential losses and sustain client satisfaction.

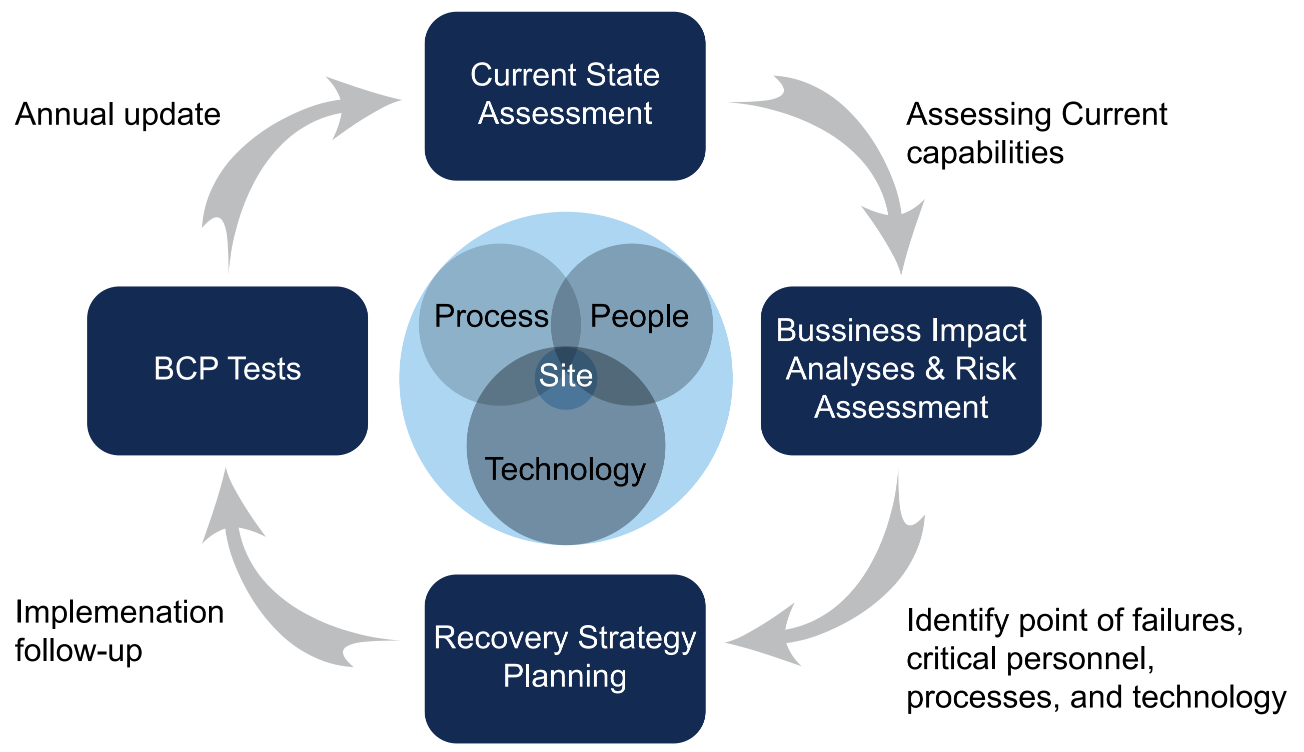
EBank operational risk reviews policies and procedures to ensure effective controls set up tackling any risk issues arising from change management.

3) Business Continuity Management (BCM)

BCM, as one of the ERM key departments, is adopting a practical and integrated approach to achieve operational resilience, and enhance the bank's ability to continue providing key products & services to its customers in the event of a significant business disruption; while upholding confidence levels of its clients and shareholders, by developing, implementing and maintaining an effective Business Continuity Management System ("BCMS") which is aligned with E-bank Vision to anticipate Exporters & Clients `s divergent needs & to provide the most Agile & efficient Solutions.

An effective Business Continuity Management (BCM) framework has been put in place with sufficient financial, organizational, technical and environmental resources to meet the specific requirements of business continuity.

The BCM framework was developed based on international standards and good practices which aligned with the Bank's business requirements



BCM Objectives

E-Bank's BCMS is designed to recover its business processes/services identified as critical. Contingency measures shall be identified to safeguard its enablers (people, technical infrastructure, facilities and vital records) in addition to taking into consideration the BC plans and recovery strategies of third party service providers in an event of a business disruption that affects E-Bank's clients and interested parties. Each department at E-Bank shall develop, periodically update and regularly test business continuity plans, which are designed to achieve the following BCM objectives:

a) Top priority: ensure safety of human resource in the event of a disaster;

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

c) To detect & minimize the impact of a disaster in a timely manner;

d) To minimize the probability of recurrence of disaster wherever applicable by applying preventive & corrective controls.

e) To comply with regulatory instructions and international standards of business continuity management ISO22301/2019.

Business impact analysis

- BIAs are conducted & identified the financial & Non-financial impacts on E-Bank in an event of unavailability of a process,

The business impact analysis has been conducted for (21) departments of the bank, for instances, but not limited to:

- Digital banking & innovation
- Treasury
- Central Operations
- Branches Network
- Information security
- Financial control

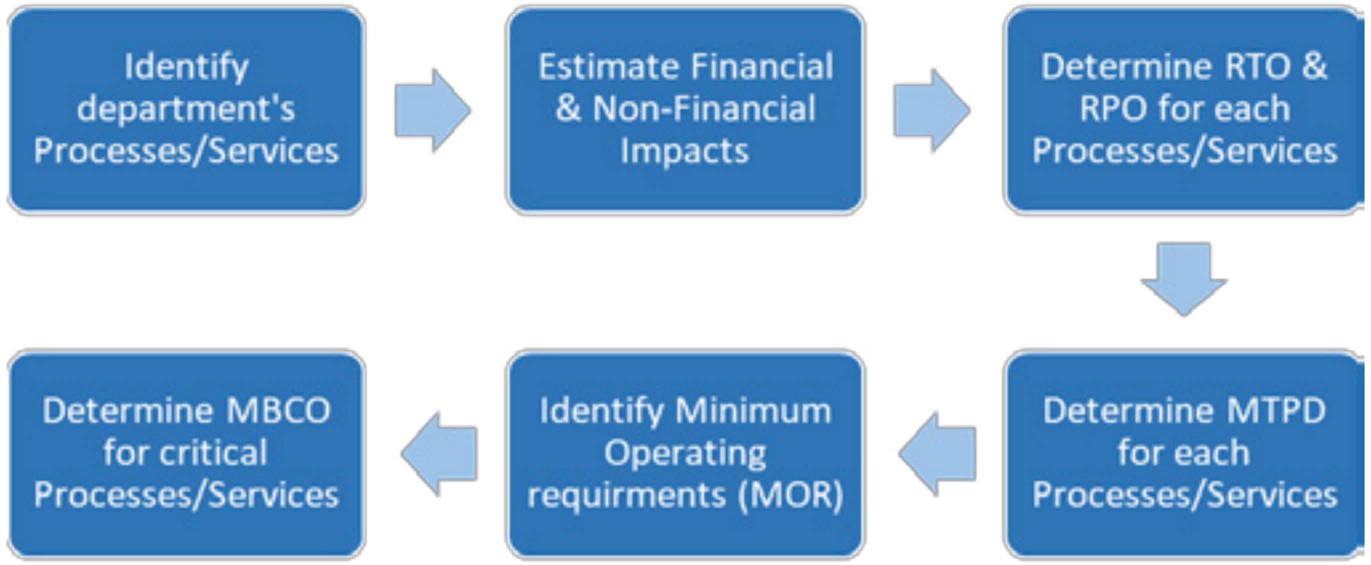
Business impact analysis helps in:

- Identifying Minimum Business Continuity Objective (MBCO): the minimum level of services and products that is acceptable to the bank to achieve its business objectives during an incident, emergency or disaster.

- Calculated recovery timelines: Recovery Time Objective "RTO" and Recovery Point Objective "RPO",

- Maximum tolerable period of disruption ("MTPD")

- Minimum operating requirements (MOR)



Continuity Risk assessment

The Continuity Risk Assessment (CRA) is conducted to identify Business Continuity threats and related risk treatment plans.
Following are the activities that form part of Continuity Risk Assessment:

- Activity 1: Threat Assessment

Various categories of threats are evaluated in this assessment and top Business Continuity Threats are identified. The threat categories included are Environmental, Man-made, IT System related, Assurance of Information Security etc.

- Activity 2: Site Risk Assessment

Physical controls of facilities are evaluated through this assessment.

- Activity 3: Third-Party Capability Assessment

The Third-Party Capability Assessment is carried to determine whether critical third-parties and vendors have the ability to support E-Bank's critical processes / services in case of emergencies or service interruption to ensure business continuity

- These risks/threats should be mitigated by implementing appropriate controls (as approved by the Business Continuity Committee) within the established timelines.

Recovery strategies

- Recovery Strategies are developed for the following failure scenarios:

- Facility unavailable

- Technology unavailable

- People unavailable

- Recovery Strategies for business continuity risks are developed in line with:

-The results of business impact analysis taking into account the requirements of recovery critical processes

- Choose appropriate alternative recovery sites based on the nature and severity of the damage caused by the event.
-Update recovery strategies in the event of a major change at the organizational level.

For the following objectives:

a) Reduce an impact of an event;

b) Respond to an event;

c) Recover from an event;

d) Resume critical business Processes/Services after an event;

e) Restore the facility after an event;

f) Return to normal operations.

Business continuity plans

- BCPs are developed for departments with identified critical processes, needed requirements including all enablers -people, site, technology and vital records; and interdependencies, critical IT systems/ applications (as per the approved BIA results) in line with calculated RTO and RPO values to ensure adequate recovery at the time of disaster/crisis;

- Business continuity plans should be aligned with Recovery time objective resulting from the business impact analysis including all key elements (people, infrastructure, IT, critical records/documents).

- BCPs are reviewed and updated annually, or more frequently; after a major change.

Testing & Exercising

- BCMS Testing/Exercising program is conducted in a various methods as a validation of recovery plan which enables business to review the effectiveness and efficiency of Business Continuity Plans "BCP".

- It is necessary to test business continuity plans in order to respond to incidents, emergencies and threats with minimal disruption to critical processes.

- The BCMS plans and activities shall be exercised at the specified intervals to ensure that all the critical processes/service recovery procedures outlined in the BCP are functioning as per pre-determined norms.

- This builds an element of confidence within The Export Development of Egypt ("E-Bank") and provides a level of assurance to E-Bank internal/external interested parties that the bank can continue to perform critical business operations with minimal interruption and can deliver the services to the end customer.

Interested Parties	
Internal	• Board Members
	• E-Bank's employees
	• E-bank's departments /sectors
External	• Regulatory Bodies
	• Third-parties, vendors and suppliers
	• Customers/clients

Tests have been conducted in various ways to verify the validity, efficiency and effectiveness of recovery plans For example,:

-Testing the communications plan .

-Testing the readiness of alternative sites.

Training & Awareness

The BCMS Training and Awareness sessions are conducted throughout E-Bank to ensure that all employees are aware of their respective roles and responsibilities for the following audience;

-BCM Champions

-All employees' awareness by sharing some tips through email

-Emergency response team

-E-Bank's New hires

BCMS Performance evaluation

Managing Business Continuity capabilities by evaluating its performance against the defined BCMS objectives Performance Evaluation: KPIs.

BCMS Objectives	Objectives to be measured by	BCMS Compliance
To ensure safety of human resource in the event of a disaster	Call tree testing success	√
	Employee training coverage	√
	Role based training score	√
To ensure availability of critical services being provided to customers at their stated minimum acceptable levels	BCP Testing & Exercising report	√
To detect and minimize the impact of a disaster in a timely manner	Site evacuation drills	√
	BCP Testing & Exercising report	√
To minimize the probability of recurrence of disaster wherever applicable	Business Continuity Risk Assessment	√
To comply with legal& regulatory requirements	Compliance with CBE requirements	√
To comply with best practices and international standards for BCM	Internal and External Audit reports	√

4) Information Systems Risk:

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

Retail Risk

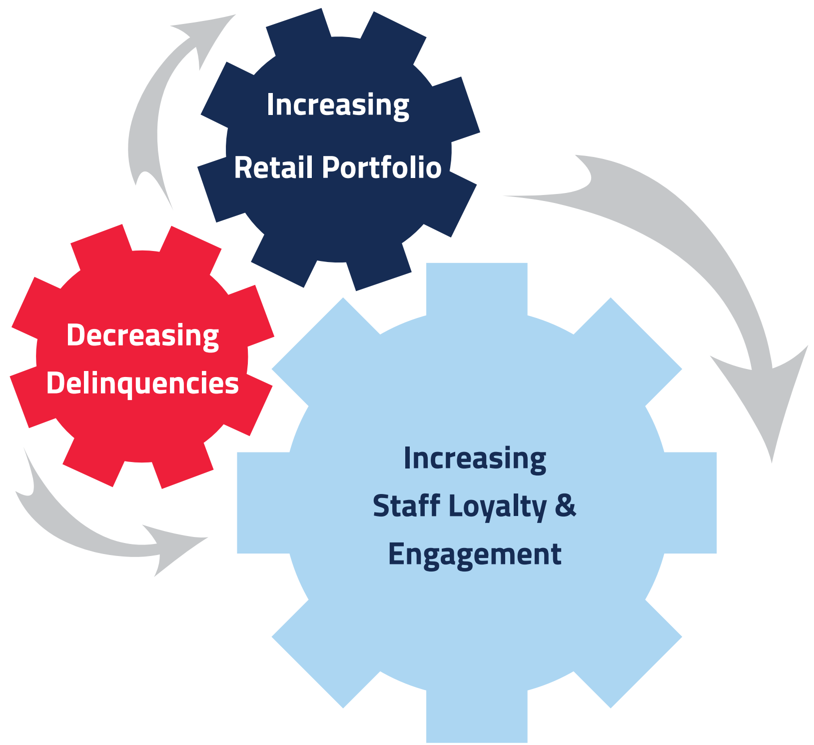
Main Roles:

- **Mitigating all kinds of credit risks** that 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 & analyzing different types of reports and also ensure maintaining that all risk triggers are within the accepted & approved ratios. Studying & evaluating the existing retail products as well as the proposed new ones.

Retail Risk Main Objectives



Top Achievements of the year 2023

Increasing the Bank Retail Portfolio as a main service function in a healthy and risk mitigated status.

Retail Credit Department:

- Launching of the Margin Trade Program in April 2023 with TIA 29 cases with total approved limits EGP 91,600,000.

- Establishing of the Prescreening Unit to provide proper handling and efficiency of filtration of customer applications & documentation

- Assessment of conventional mortgage cases with TIA 15 cases with approved amounts 76,000,000 EGP.

- Establishing of the Prescreening Unit to provide proper handling and efficiency of filtration of customer applications & documentation.

Collection Department:

- Maintaining the Delinquency Ratio among the Retail products in spite of the unstable economic & financial status.

- Total delinquent amounts collected through Collection Department team till Nov. 2023 is EGP 822 M.

Portfolio Monitoring Department:

- Developing different types of MIS Reports related to Retail portfolio.

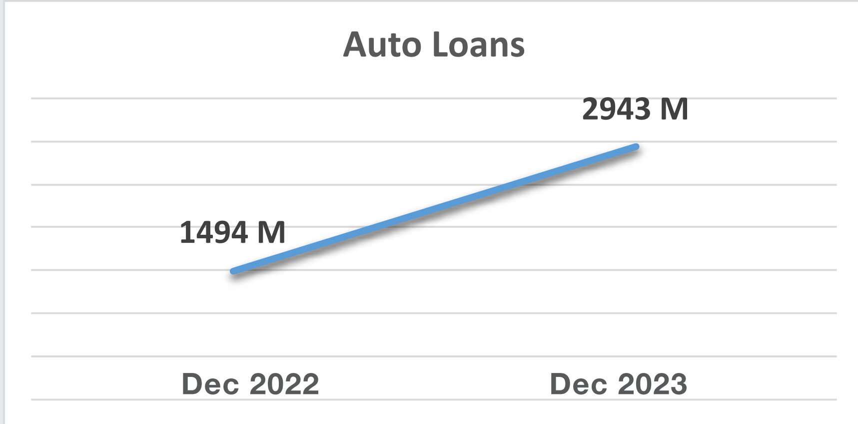
- Enhancing reports & replacing some manual ones with others automated.

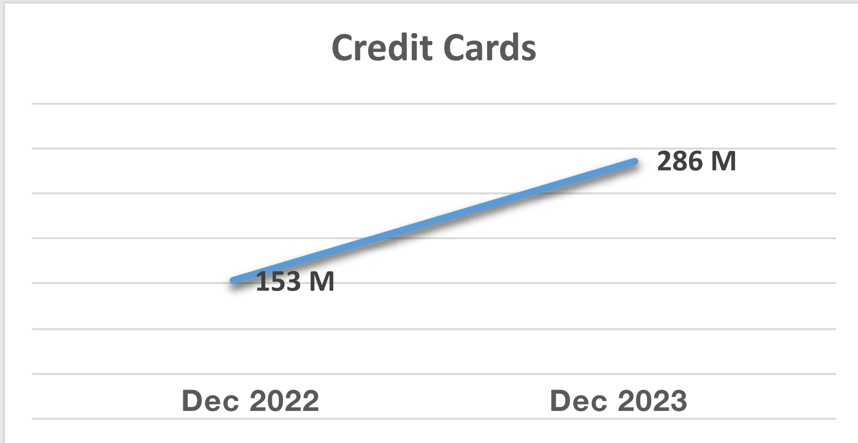
- Studying & evaluating the new products proposed by Business Department & launched in 2023 as (Iscore Program – Loan to Deposit Program).

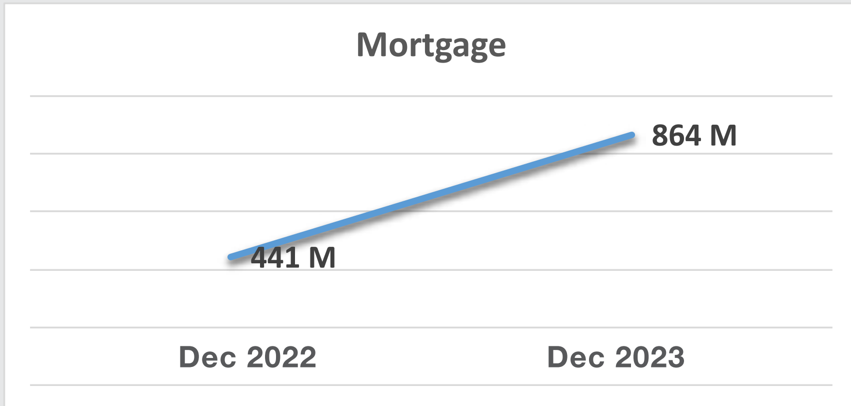
- Enhancing product Specifications for the Existing products as (Secured plus Program/ Conventional Mortgage/ VIP Card).

- Updating the Imputed Income methodology for Income Surrogates programs as part of the Retail Credit policy.

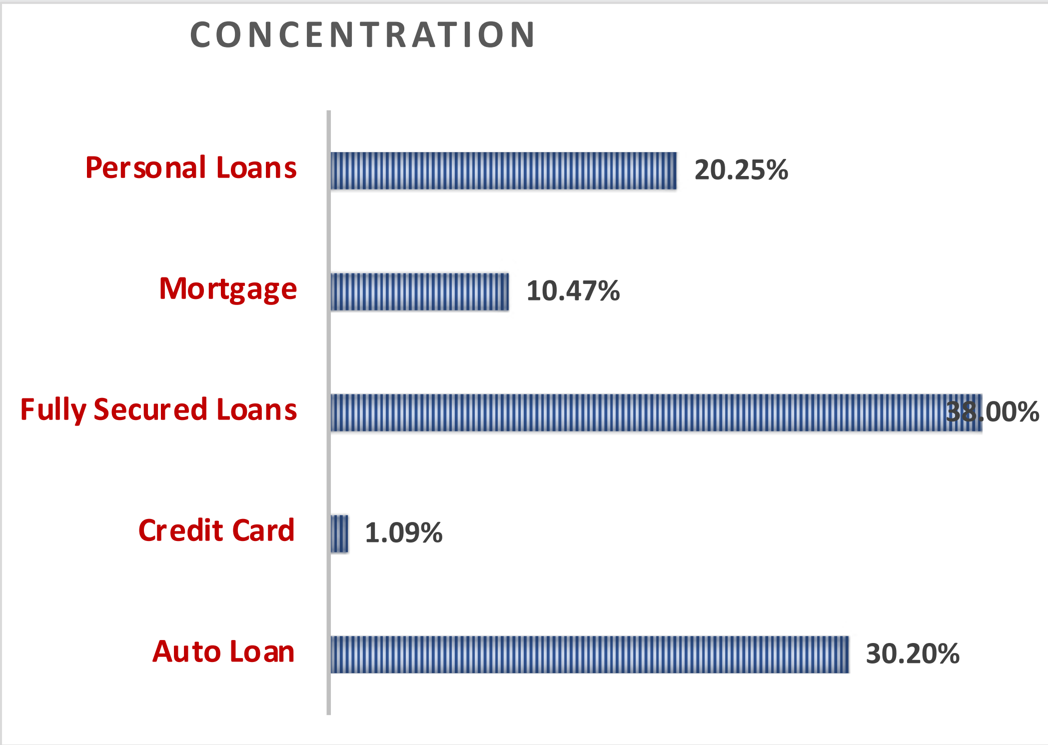
Retail Portfolio Growth 2022 Vs. 2023

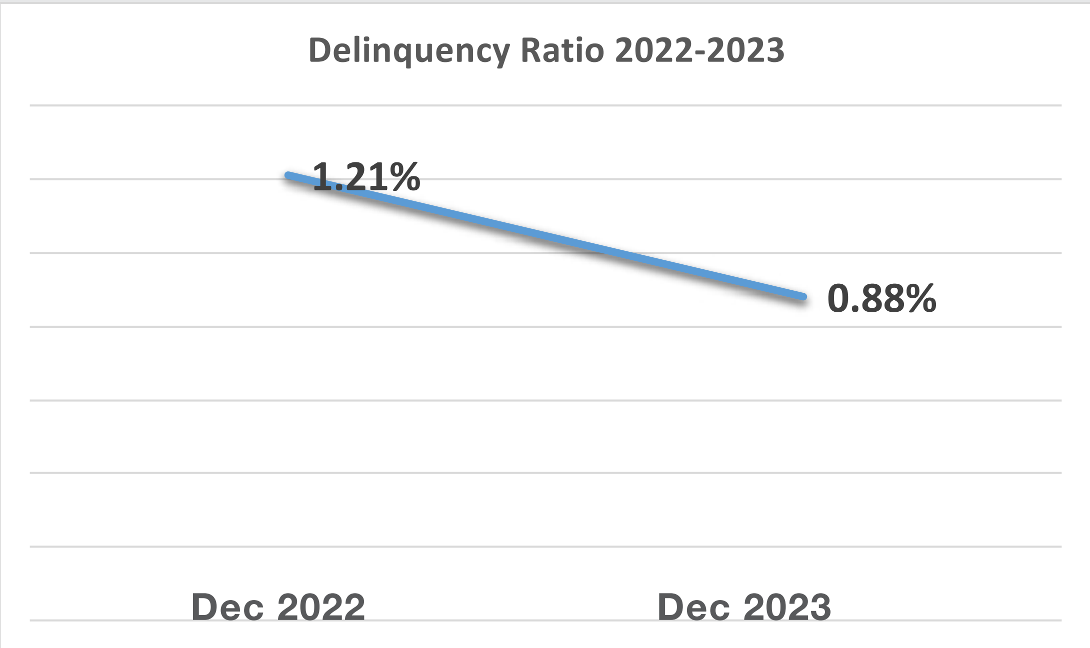




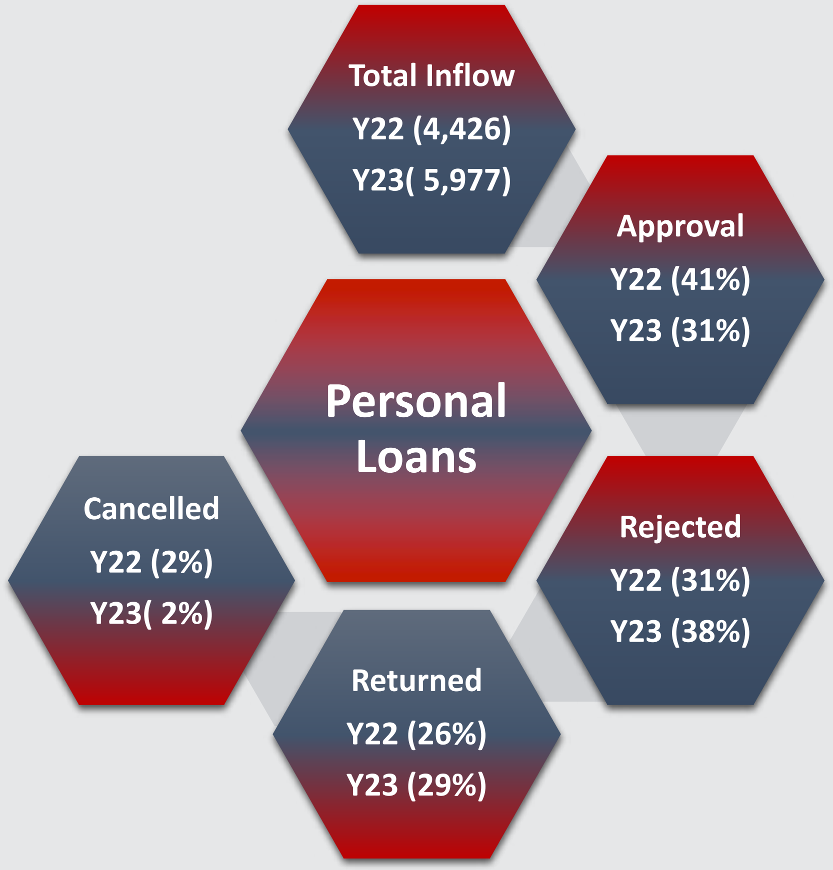


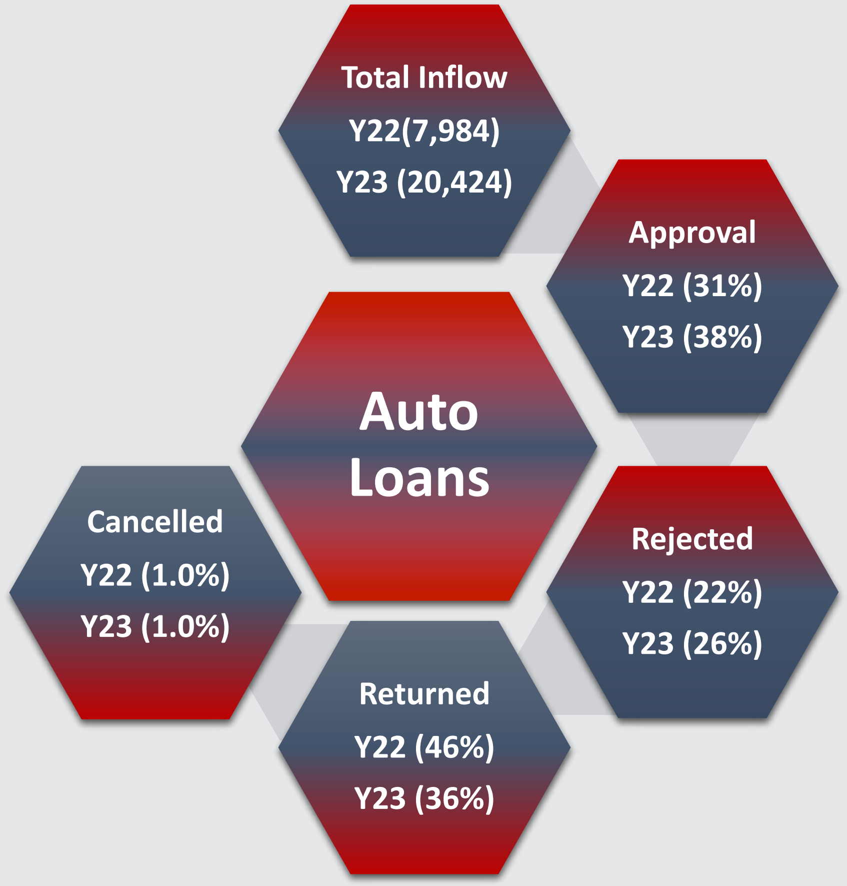
Retail Portfolio Concentration & Delinquency Ratios 2023



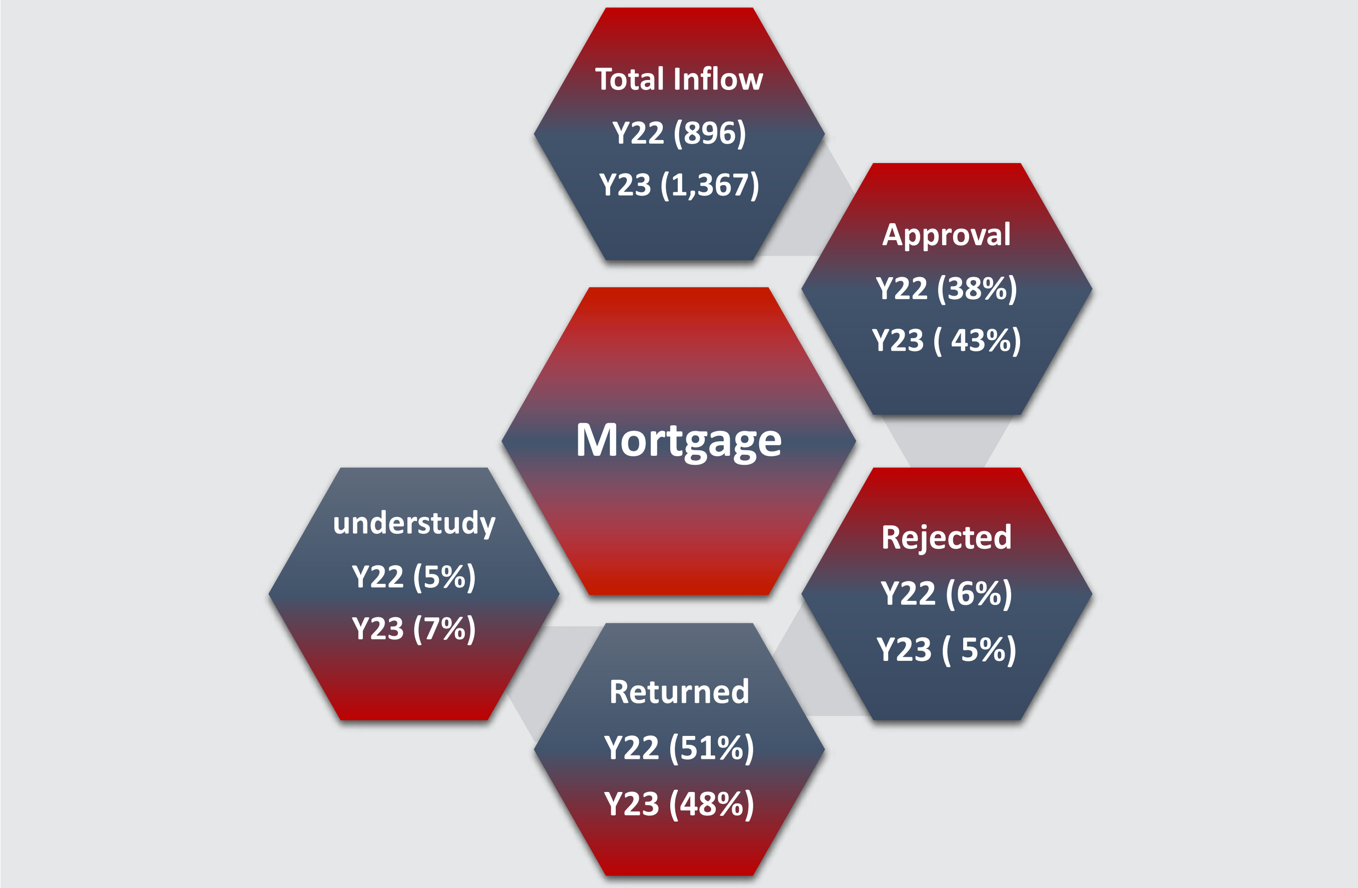


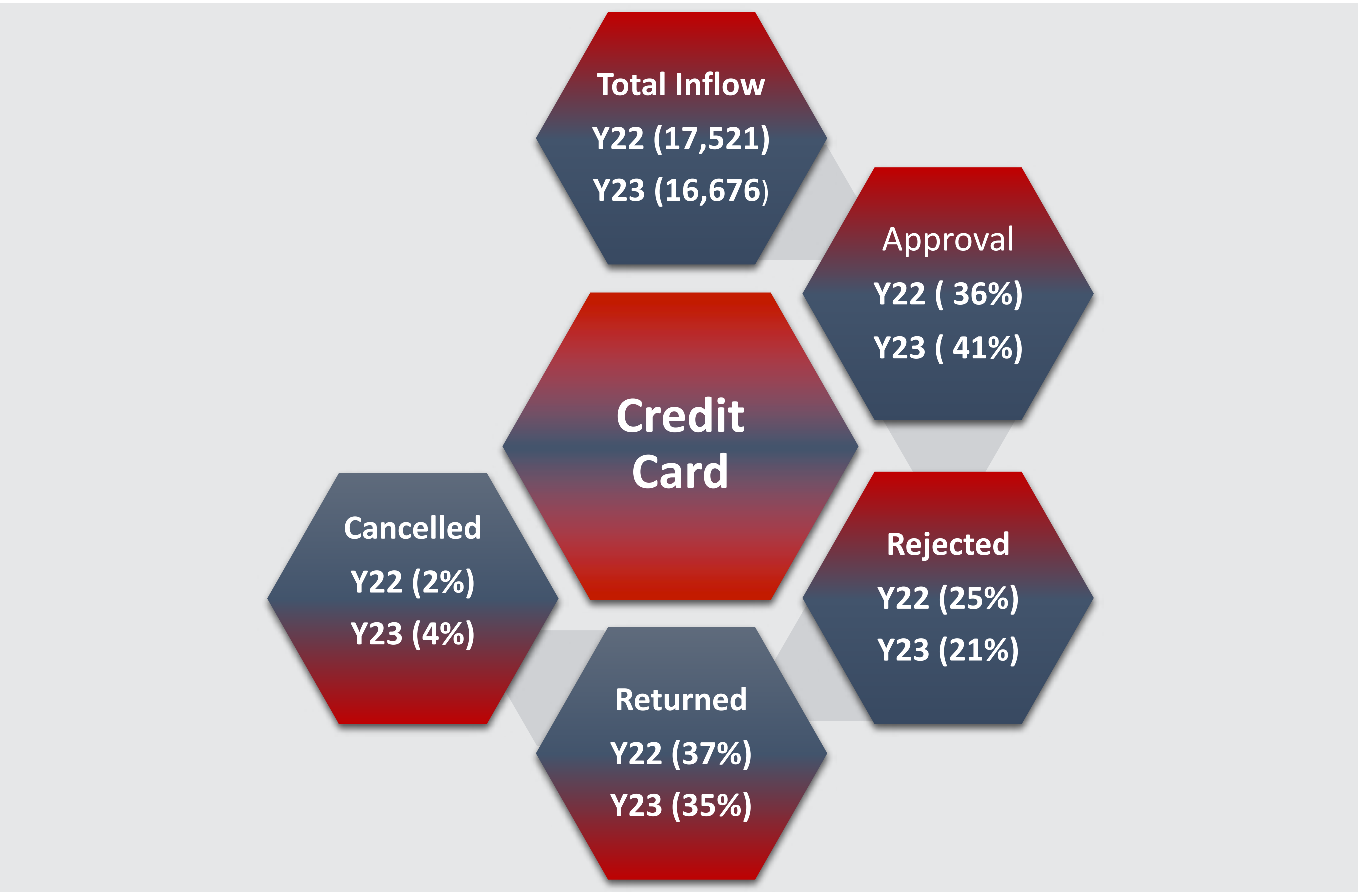
Products TIA & Approval Rates 2022-2023



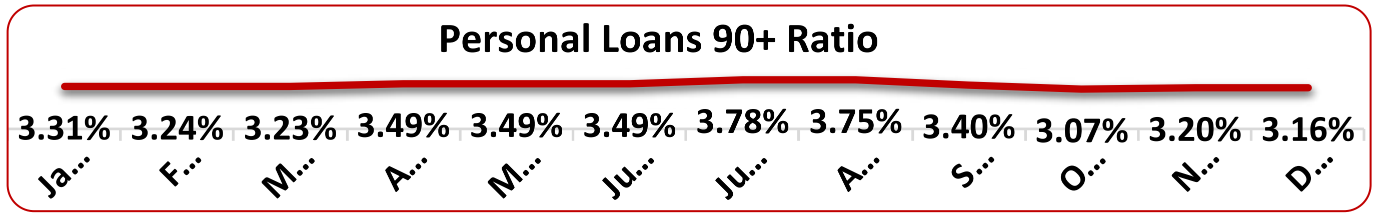


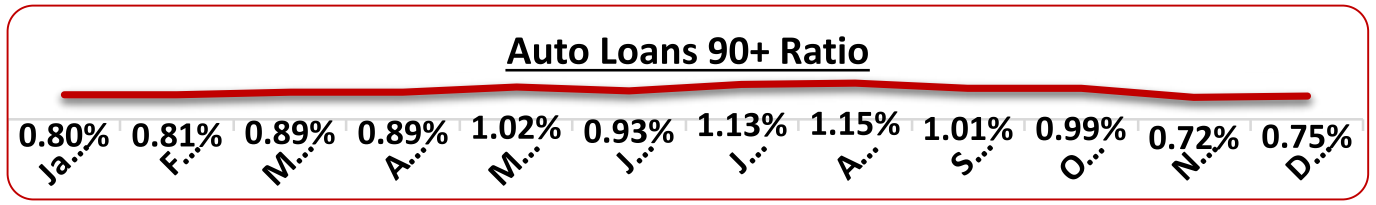
Products TIA & Approval Rates 2022 - 2023

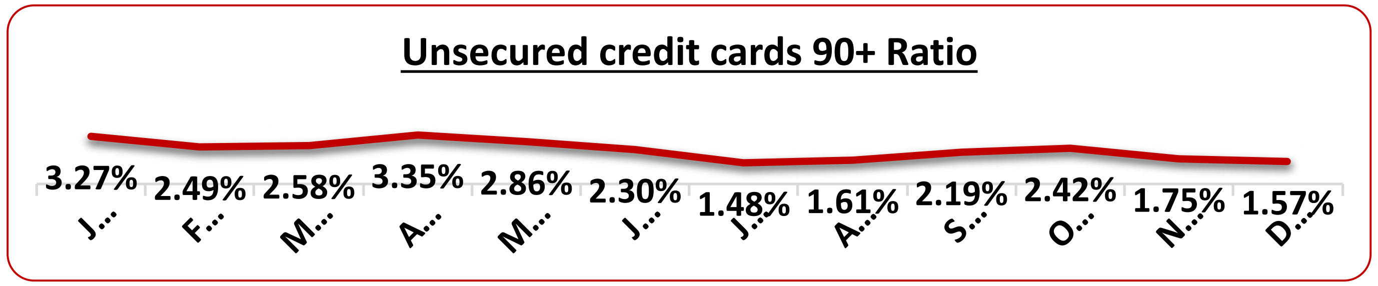




Delinquency Ratios During 2023







A sports day for staff

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 & testing

Scope: ensuring the branches commitment to all policies & 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

Compliance Monitoring and Testing for Central Departments 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, ensure that the corrective actions were properly implemented.

The periodic review of the Bank's compliance with external and internal regulatory controls during the fiscal year 2023 revealed no critical observations or violations that require disclosure in this part of the report.

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.

All EBank's staff have a responsibility towards its shareholders to protect the Bank's reputation by ensuring that appropriate policies, procedures, internal systems and controls are in place to mitigate the risk of the Bank's involvement in money laundering or terrorist financing and adheres to 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

Internal audit 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 2023, the Internal Audit Group 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.

The Internal Audit 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, Internal Audit has issued its audit reports to respective departments' heads, Executive Management and Board Audit Committee.

During the year, Board Audit Committee held (15) meetings and minutes of those meetings were prepared and reported to the Board of Directors.
During the year, Board Committees' held (2) Joint Meetings while the minutes of those meetings were prepared and reported to the Board of Directors.

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

The 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 followed up with all relevant department on the status of the corrective action plan agreed with CBE, as per target dates, regularly.

The Internal Audit Group has coordinated with all EBank sectors and departments to meet the requirements of the CBE audit of the Bank, as on 31/3/2023:

- Review of the Operation & Finance
- Review of the Market Risk
- Review of the Large Corporate Credit Portfolio
- Review of the SME,S Credit Portfolio
- Review of the Retail Banking Portfolio
- Cyber Security

Coordinated with EBank's Business and Support Functions and followed up on the corrective actions taken in view of EBank's committed Target Dates sent to CBE in the Corrective Action Plan.

Monthly consolidation and status updates to EBank Executive Management and CBE on the status of CBE observations and action taken.
The Internal Audit has coordinated with the External Auditors and provided them all their audit requirements.

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

The group's staff have participated in several technical training courses according to the Bank's Training & Professional Development Plan.

A visit to Nile University to contribute in students' scholarships

Internal Control

Purpose

Internal Control Department was established with main purpose to review, oversee and report on the internal control systems within the Bank by continuing assurance, supervision and reporting the effectiveness of such functions. It is considered one of the supporting governance pillars across the Bank.

Head of Internal Control Department reports directly to the Chairman, this is to ensure an ongoing independent and objective review 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.

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 and departments.

Internal Control Team competency is one of the main elements and factors for the department to achieve the Bank's goals. Therefore, continuous trainings are vital for employees in order to be updated with the new standards locally and internationally. Another element is hiring new calibers within the department in order to achieve the Bank's goals.

In addition to this, part of ongoing improvement is improving the quality of work presented across the Bank's sectors such as:

- Evaluate and improve the quality of the IC Reports.

- Contribute efficiently in designing and implementing controls, standards and procedures in the Policies and SOPs of the Bank's sectors.

- Change the IC methodology by activating the consulting role for the Internal Control Department by opening various channels to respond to any inquiries received from the different sectors across the Bank.

- Performance monitoring of sectors across the Bank via daily reports analysed and monitored by the Internal Control Central Review Unit.

- Contribute in preparing the annual COSO Report as part of the CBE instructions to evaluate the internal control environment of the Bank.

- Provide workshops for operational levels to improve the internal control environment in the Bank and to overcome any obstacles while performing their duties.

Performance during 2023

- Internal Control Department performed (93) review missions on branches / departments.

- Performed (9) review and awareness missions for branches' employees.

- Contributed in the update of the Policies and SOPs of the Bank's sectors (Total 38).

- Contributed in evaluating the Bank's Internal Controls based on COSO Framework.

Award of the Top 100

Banking Investigation

The strategic objectives of the credit banking investigation, which achieve support for the Bank's competitive advantage:

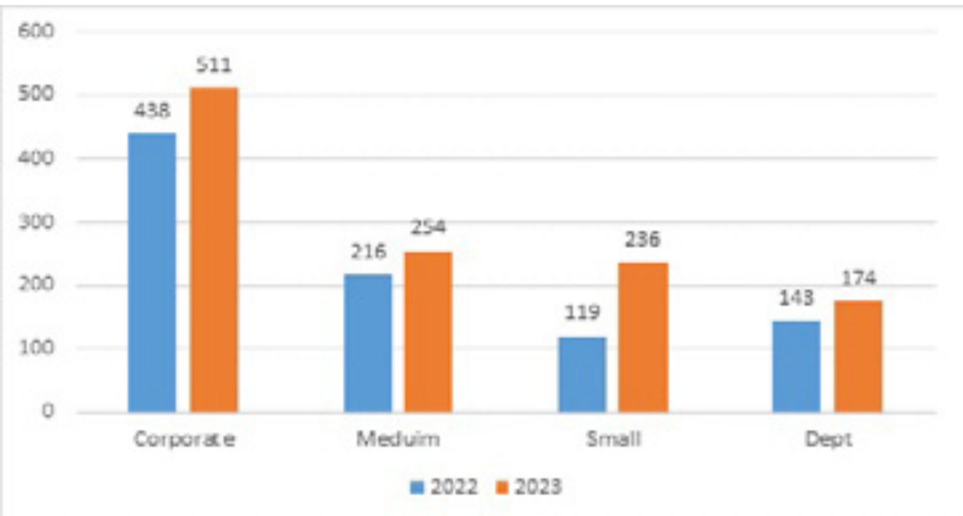
1- Providing quality, efficient outputs to provide them to the concerned sectors, departments and branches with data and information that help in making credit decisions efficiently and effectively, which reflects positively on the results of the Bank's business and reduces the possibility of the Bank 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- Communicate with external investigation company to preparing investigation reports for mortgage clients (1334 reports have been done in 2023) , in addition to external evaluation companies to conduct an evaluation study of the units to be financed.

4- Supporting and developing communication with the various investigation departments operating in the other banks and financial institutions, which provides information that allows fast alerting in the event of emerging risks.

Comparing for clients portfolio number through 2022, 2023:



In addition, always working 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'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 sector plays a vital and pivotal role in securing the Bank's environment in light of the diversity of laws and the multiplicity of legislation. It is mandated to legalize the entire Bank's business, documents and procedures, control its legal activity, protect it from irregularities, codify all its procedures and establish the proper general legal framework for working inside and outside the Bank. As well as regulating its legal relations with other institutions and agencies within the State.

The legal sector has a leading position in which it can play an important role in the conduct and facilitation of the Bank's business. In conformity with the laws and legislation relating to banking work, as well as the regulations and decisions issued thereon and the applicable internal working regulations of the Bank. The aim of this is, to strike a balance in terms of preserving the rights of the Bank and its clients, identifying their respective obligations in order to achieve the correct application of the legal texts in keeping the Bank from being exposed to legal risks and limiting other risks to which the Bank may be exposed in all its fields. It is also aimed to increase the Bank's growth rates and profitability.

The legal sector is mindful of the fact that, while in the performance of its mission and role in the Bank, all banking transactions, products and banking services are carried out in accordance with the law. This is in the light of the matters referred to the legal sector from the senior management of the Bank, the entire Bank's branches and sectors in the matters implemented by the Bank and the legal procedures conducted by the Bank and in which the legal opinion is requested. Briefly, hereunder examples, as follows:

I- Regarding the requirements of the Bank's top management:

The legal sector takes the necessary action from legal perspective upon the request of the top management and their placement in the proper legal framework, as well as on the observance of the Bank's articles of association, policies and procedures.

II - The relationship between the legal sector and the Bank's various sectors:

This is summarized in the fact that the legal sector has an active role with all major and important sectors of the Bank. It includes the Large Corporate Finance sector and Syndicated Loans, Finance Sector for Medium and Small Enterprises, Microfinance Sector, Human Resources Sector, Financial Sector, Debt Recovery, Investment, Audit, Compliance and all the other sectors of the Bank.

The legal sector ensures the legal environment for the implementation of the activities of those sectors and controls their products and businesses from a legal point of view, such as the proper legal framework for the implementation of credit approvals.

The decisions of granting funds issued by the competent authority of the Bank are translated into contracts with clients that include the agreed terms of granting in order to safeguard the rights of the Bank. This is through the appropriate legal drafting in the form of a valid legal contract in accordance with the law. Moreover, to achieve the principle of nodal justice between the Bank and its clients, preserving customer's rights, which results in the achievement of the Bank's objectives and the growth of its profitability.

III- The relationship between the legal sector and the branches:

The number of branches are multiplying and evolving. This requires that the legal sector have a permanent, continuous and flexible relationship with them. It is a daily and even 24/7 relationship. It has many aspects of legal advices and legal inquiries in matters related to the daily dealings of the Bank's customers on its diversity. (Opening and dealing with accounts, various cheques issues, distribution of inheritance left behind by deceased customers, etc.). In addition, other services provided by the Bank through its branches.

The legal sector has a crucial role to play in the preparation of loan contracts, credit facilities, guarantees and the registration, renewal of mortgages of all kinds to preserve the rights and assets of the Bank with the continuation of the Bank's various guarantees. The Bank had the lead in contracting with ISCORE to subscribe to the Electronic Warranties Registry. It is an electronic registry operating 24 hours a day. The Bank's guarantees have been activated and published in the register of immovable guarantees. Historical data were published from valid and documented commercial mortgages and all modern commercial mortgages dealt with.

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

In accordance with the Central Bank of Egypt's initiative in this regard, the sector has implemented and activated contracts for settlement and scheduling of distressed customers.

In addition to the important role of the legal sector in being the legal advisor of all the companies that the Bank co-founds. The sector carries out all the procedures required for the establishment of these companies. After this stage, it approves the minutes of meetings of associations and boards of directors and the procedures for increasing the capital of these companies.

Within the framework of the important and fundamental role of the legal sector, during the past year, it has achieved important results at all levels of progress, including litigation, where it has been able to obtain many judgements in favor of the Bank, which avoided payment of obligations affecting profits and budgets. The Bank also receives judgments in its favor in the bankruptcy proceedings pending before the courts and the credit of the Bank.

Because of judicial pressure, the legal sector has also been able to force a significant group of insolvent customers to apply to the Bank for settlement of outstanding debts owed to the Bank.
Moreover, in line with the Central Bank of Egypt's initiative, which has resulted in purification of the portfolio of insolvent customers and responding to the initiative issued by the Central Bank of Egypt.

The legal sector has undertaken to draft important adjustments for the Bank customers, which together with the Bank has deducted allocations affecting the budget and profits.

As well as the role of the legal sector in obtaining guarantees by securing and guaranteeing, the facilities and loans granted to customers. The guarantees are in the form of a commercial mortgage, mortgages, marine mortgage or other guarantees. It can be asserted that over the past year the legal sector has formulated contracts, guarantees, pledges and mortgages.

On the other hand, real estate finance contracts have been prepared for the Bank's customers, whether limited or low income, middle-income or above-average income. These contracts were drafted to safeguard the Bank's rights. The real estate finance department's SOP has also been drafted and reviewed 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 undertaken a legal review of all the Bank's policies and procedures under which all activities and services provided by the Bank are dealt with. The sector also modified some of the applicable forms of the Bank to comply with laws, as well as attendance at the Bank's internal committees to express legal opinion.

Implementation and circulation of bookings under the Bank's control on the date of receipt of the legal sector, as well as reports, including the legal dates prescribed to avoid the return of the barriers (administrative bodies such as taxes / judicial bookings) to the Bank for amounts booked.

The role of the legal sector has not depended solely on the fact that it is a cooperative sector, but on its work as a revenue-producing sector, which has been achieved through the provision of legal service to affiliates or the obtaining of fees from clients because of the release of contracts with them.

Measures have been taken to establish a new statute for the Bank. On 16 January 2024, the extraordinary General Assembly of the Bank approved the adoption of the Bank's statute, in the light of the promulgation of Act No. 170 of 2023 repealing certain laws concerning the establishment of certain banks, which included the repeal of Act No. 95 of 1983 establishing the Export Development Bank of Egypt.

A special run for 57357 Hospital

Business Technology

Role & Scope

Implement, Manage, and maintain Banking Applications such as Core-Banking System. This includes installing and configuring applications, monitoring performance, and troubleshooting any issues that arise. Develop and maintain all business / regulatory reports, and develop custom software applications. Balance keeping the Bank's applications up and operational, while driving the change needed to embrace innovative methods and technologies.

Drive the Business Change Management and Business Relationship; translate business needs into effective and improved processes and/or technical solutions or services. Provide technical support to employees.

Achievements

New Services for Bank Customers:

- Implementing the programs for the Bank's capital increase project.
- Support launching of new products, such as MOF 11%.
- Implementation of Bank Customer Segmentation project.

New Services for Bank User's:

- Core banking application's upgrade.
- Launch UCS services for cheque payment clearing system with the CBE.
- Launching RLOS.
- Launch IFRS-AVRA system.
- Launch IFRS-SME system.
- Launch programs to calculate the instalment schedule and account statements for all clients of the Ministry of Finance.

Regulations, Compliance and Security:

- Applying Central Bank of Egypt standards in applying limits and monitoring daily withdrawals in different currencies.

- Applying the updated Customers / Countries risk rating factors according to CBE instructions.

Infrastructure and Security

Role & Scope

Design, Build, Setup, Manage, Optimize Infrastructure and maintain IT environment in a secured and stable manner.

Managing access to systems and equipment, monitoring the performance, capacity, availability, serviceability and recoverability of installed systems.

Implementing Security systems to protect bank Infrastructure and applications.

Achievements

Network

- Enhance Data Center – Disaster Recovery site replication service.

- Enhance Branches' communication lines.

- Enhance centralized surveillance project for Branches.

- Upgrade Network devices for main & Disaster Recovery Data Centers.

- Apply Security & Safety policies on Bank's Communication lines.

- Prepare the new branches with Infrastructure devices required.

- Renovate Cisco phones as per strategic plan.

- Implement call-recording system for direct sales & Branches network.

- Replace Noor ISP by Vodafone in Head Office and all branches.

- Prepare & implement new EBank Call Center in its new location.

Database

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

- Upgrade HR system to the latest version.

- Enhance Database Security.

Data Center

- Enhancing & Implementing New Core Banking upgrade project Infrastructure.

- Enhance & Upgrade Data Center capabilities to be more high reliable and high performance based on the latest technology, which supports the Bank in digital transformation process. (Servers, Virtualization, Operating system, Storage, Backup, etc.)

- Managing digital channels by availing technical Infrastructure requirements.

Security

- Implement security systems and controls as an example:

1- Application Security unit:

- Implementing BOT and DDOS on application level: Providing additional layer of security on published services.

- Implementing HSM solutions: Securing cryptographic keys lifecycle for infrastructure systems.

- Implementing Key Management Solution: Handling cryptographic key exchange between tape library and key management solutions, which provides data encryption on tape library, mitigate the risk of storing unencrypted data and reduce the risk of exploiting diff attacks ex: Ransomware.

- Implement Data Classification Reporter: Enhance the data classification logs and reports, which collect logs from endpoints and ensures policy compliance.

2- Endpoint Security unit:

- Implementing Deep Security: Securing all servers' against known & zero day attacks.

- Implementing new MDM: Providing remote access for Email from personal devices with adding security layers against data leakage, sniffing attacks and unauthorized access for emails.

- Implementing new modules in Antivirus: Securing endpoints from zero day vulnerabilities, providing extra firewall layer to prevent accessing malicious ports, whitelisting only approved applications to run.

- Implementing Arabic Regex for DLP: Adding extra-secured control in order to prevent data leakage and ensure higher level of confidentiality.

3- Network Security unit:

- Implementing New Bluecoat: Providing secured monitored access to internet and eliminate all internet throttle and assure traffic shaping and bandwidth allocations.

- Adding DDOS advanced threat protection profiles on Infoblox DNS: customized with defined threat protection rules to detect and mitigate raised DDOS threats.

- Enhancing Email Security posture: on mail Flow (Fortimail, EX-Sandbox) according to D-phish recommendations.

- Adding Riskware Rules and adding additional Intrusion prevention layer on NX thus providing additional layer of security and visibility to Security operation center

- Enhance Incident Response timing.

Digital Banking Achievements

Role & Scope

Deliver, Implement, Initiate, Analyze Business requirements Regarding E-Bank Digital initiatives, either directly impacting Bank customers or internal processes.
Supports production Digital Solutions to quarantine Systems availability as per SAL & Issues resolving.

Achievements

- E-Business

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

- Avail Cardless Cash Deposit via ATMs to Accounts and Cards.

- Create a new separate Domain to centrally manage and control ATMs that will lead to a highly secured and controlled ATM environment.

- Create a new Configuration Manager (SCCM) server to patch, update and Monitor ATMs OS centrally and effectively.

- Compliance to CBE mandates related to transactions via ATMs, Cards and Cardless.

- Enhancing internal processes by creating new automated workflows for:

- Clients' F/X requests, approval cycle, and its related CBE reporting.

- Adding Cash on Phone service for Credit Card clients.

- Adding a new service supporting Corporate Payment solution (CPS) on Call Center workflow.

- Full Compliance to SWIFT Security Control Framework for the 7th year respectively.

- Launch new Sanction detection system "Firco for Non-SWIFT" to initially serve Workers remittance service then other services can be added.

- Enhance Sanction filtering on incoming and outgoing Swift messages by decreasing false-positive hits that lead to better customer experience.

- IT Digital Channels and Integration

- Enhancing Internet Banking Channel with the Following Updates:

- Foreign Currency ACH transfer for Other Bank Beneficiary (Corporate and Retail).

- Activate dormant account (Corporate and Retail).
- IBAN automatic bank identification.

- Display Semi-Masked beneficiary name retrieved from Core application in case of Add Beneficiary/AdHoc “Within Bank“payments (Corporate and Retail).

- Download transactional receipts (Only PDF) in payment summary screen (Retail/Corporate).
- Loan transaction history and demand list (Corporate and Retail).

- Display start date for the list of deposits (Corporate Only).

- New filter to search beneficiary list upon the following search criteria (Name, Nickname, Transaction type, Bank name and Account number) (Retail Only).

- Subscribe for E-Statement (Retail Only).

- Bulk Salary Payments within Bank in USD (Corporates Only).

- Bulk Salary Payments outside EBank in EGP (Corporates Only).

- Bulk Salary Payments outside EBank in USD (Corporates Only).

- Consolidated dashboard and transactional statements download (Corporates Only).

- Other local bank account length validation.

- Integrate with Fawry payment service and adding “Delete registered biller” feature.

- Accounts listing screen arranged in following manner EGP, USD, EUR and GBP then ordered by alphabetical currencies, afterwards descending sub-order based on available amount.

- Configuring digital applications to work with the upgraded core banking application.

- Piloting the new mobile banking that will have all the transactional features available on the internet banking.

- Enhancing and expanding the role of the CPM (Contact Process Management System) in handling the end to end flow for customers’ requests:

- Sending SMS notifications for customer requests on creation and completion phases.

- Onboarding the balance building team and their requests on CPM to handle all credit card installments requests end to end over the CPM.

- Handling new CBE requirements for credit card activation abroad end to end on the CPM including receiving and handling customer emails from the CPM.

- Adding some Card Center Requests including Card Dispute Requests and Account Opening Center as well as E-Banking Requests to be handled on CPM rather than emails for contact center reforming.

- Integration

- Allow Minor customers to join Instapay.

- Integrate OpenShift with LDAP to be accessible by Domain users.

- Integrating a new service for Exchange rates.

- Migrating Instapay ISO service to HTTP.

- Deploying IPN-PreAuth services.

- Migrating SMS gateway to integrate with CEQUENS instead of Victory Link.

- Migrating ACH ISO services to HTTP.

- Adding fees logic to ACH inward Credit Transactions.

- Allow TOD transfer on ACH outward credit.

- Deploying new service for RPA (Add Card Details, Modify Rate).

- Enhance ACH inward credit rejection transactions:

- Suspend any transaction failed due to technical reason.

- Send email notification to Business excellence for all rejected transactions more than 1 million.

- IT Digital Automation and Payments

- E-Archiving Go Live with 45 out of 46 Function.

- Upgraded RPA and FileNet to latest version.

- Finalize E-Wallet CBE Mandate.

- Apply Fees on E-Wallet.

- Update E-Wallet Limits.

- Update E-Wallet Systems TMS and DWP to close information security gaps.

- Wallet updated with latest market billers.

- Enhance InstaPay Services to Adhere with EBC bulletins and to enrich the customer experience.

- Enhance ACH Service and add new Notifications for rejected and suspended transactions.

- Upgrade Finacle Payment to Latest Version.

- Avail new E-Wallet Reports to enhance the reconciliation process.

- Start BPM Project.

- RPA Fully automation for 12 new processes (saving time , cost , offloading central units & branches , increasing customer satisfaction):

- Digital On Boarding for New Customers (Create IB account, Debit Card, Mobile Wallet and E-Statement Subscription).

- Special Rate Process revamping.

- Avail new Special Function on TDs to be applied by Rate in addition to Table.

- MetLife Insurance debit file handling.

- Fawry Loan Collection file handling.
- Credit Card Linkage Revamping.

- Interest Rate reconciliation.

- Payroll Accounts Creation (Create CIF with Signature and Debit Card Issuance).

- Automate ACH on Facility customers (TOD).

- Reset Finacle Password.

- Send E-statement Password.

- RPA – Master Payment (Revamping).

IT Enterprise Architecture Achievements

Role & Scope

- Provide technical leadership and architectural design for best in class implementation across different infrastructure components (with up to date vision to newer technologies).

- Provide in depth expertise about infrastructure, network and security principles and ensuring controls are included as technical requirements:

- Advise peer architects and technologists on approved security patterns and best practices.

- Review and challenge defined IT security related internal standards for the ongoing improvement of EBank's policies and procedures.

- Review security architecture of operational changes, enhancements, and other releases related to production systems considering remediating security gaps.

- Must ensure secure deployments, considering technology roadmap, capacity / scale, licensing strategies and ensure proper E2E solution creation.

- Lead the adoption of modern software development methodologies, with emphasis on software and hardware architecture, infrastructure design and development provide technical guidance to management team.

- Ensure that all architectural and design documents, diagrams, non-functional requirements, standards, and best practices are followed and done on time and with high quality.

Achievements

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

- Designing an efficient and highly available solution for the upgrade of our mailing system "Exchange 2019".

- Creating a centralized patch management system to comply with the latest CBE framework.

- Designing a challenged sizing solution for SAS portfolio, which resulted in cost savings in SW licenses and hardware resources and certified by SAS.

- Creating an ongoing enhancement plan for core banking and reporting databases.

- Contributing to design 2023 live projects (Core banking Upgrade, PAM, Mobile Banking, Cheque Truncation, E-Archiving, ATM domain and SCCM, IBM Connect Direct, Bluering Risk Rating upgrade, Share-point modelling).

- 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 the vendor "InfoSys".

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IT Governance and Quality Assurance

Role & Scope

IT Governance is a formal framework that provides a structure for the organization to ensure that IT investments support business objectives; it is a subset discipline of corporate governance, focuses on information and technology and its performance and risk management

Achievements

- IT-Service Management:

- Implement IT Service Portfolio to enhance and automate the current IT Service Catalog and will consolidate current/new business services in addition to retired services in one document with all service aspects such as (Service SLA, dependencies, components, service owners, etc.).

- Implement Contract, Assets and Financial Management new processes to help Business Technology department in their daily operations.

- Enhance and Control CRs Deployment on production and ensure proper testing/sign-off is in place prior deployment on production leading to increased systems availability, stability and QoS (Quality of Service).

- Started new service observability monitoring solution (IBM Instana) where we successfully finalized the POC and currently in assessment phase with technical teams to start our implementation on production for critical services and digital channels. In addition, this solution will help to automate some OS/Application activities based on triggers.

- Successfully implemented Operation Orchestration Solution automating some workflows and actions that consume time and effort to perform repetitive actions such as and not limited to; Resetting Active Directory Passwords and moving sensitive files from different locations.

- Launched Patch Management solution, which facilitates the patching process for Windows and Linux Servers to IT teams and helps them to remediate security vulnerabilities and comply to CBE Cyber Security framework.

- Launched Configuration and IT Asset Management solution that aims to have one single repository for EBank assets as per CBE cyber security requirements.

- IT Quality:

- Implement and manage centralized repository and version control tool (SVN) which comply with CMMI closing previous audit points. In addition to covering all related points in cyber security framework.

- Conduct CMMI (Capability Maturity Model Integration) assessment/gap analysis, which helps in measuring maturity level, and identify gaps along with action plan opting for delivering the anticipated quality.

- Conduct quality review on critical projects such as Core Banking upgrade, Mobile Banking, Storage & RPA etc. following CMMI in order to ensure achieving the desired quality.

- Raised incidents data quality in terms of meeting SLA (89%), resolution (94%) and root cause (92%) details, which helps address underlying issues, preventing recurrence-ensuring services' performance, stability and availability as well as having a knowledge base for IT.

- Develop/ Build SOPs & practices and IT policies according to international IT governance, quality frameworks and standards in alignment with Bank policy, control functions and external regulations requirements.

- Working proactive by improving DR Testing plan to comply with CBE requirements optimizing Failover and Failback.

- Conducted DR tests quarterly and tested operating from DR for one week without issues reported.

- Track vendor DRs to ensure continuous availability of provided services.

- Continuous enhancement in IT Dashboard (ex: adding SWIFT trends, IPN) providing end to end visibility on:

- IT productivity.

- Services' availability.

- Automation trends (RPA workflows, IPN, Swift, Archiving, etc.).

- IT Audit and Risk status including CBE and other regulations.

- Monthly achievements.

- IT Risk Management:

- Manage CBE Cyber Security framework IT points from initiating until closure.

- Manage regular vulnerability assessment (Internal and reported CBE vulnerabilities) and action plans until closure.

- Manage and track pen-testing results with concerned technical team.

- Manage IT Internal & External Audit missions and monitor & track provided action plan until closure.

- Conduct risk assessment to identify potential risks (Exchange 2019 & Core)

- Manage IT Risk Register and RCSA.

Information Security

Our strategy recognizes the significance of Information Security in establishing and maintaining a trust

Relationship with our customers and stakeholders through acquiring and applying state of art security measure:

- Cyber security strategies and Programs were developed based on international standards and best practice of Information Security.

- Enabling proactive threat management by continuously improving the Security Operations Centre (SOC) to ensure round-the clock monitoring through the incorporation of new technologies such as SOAR and TIP and enhancing existing processes.

- Determined efforts were made to align and comply with the released CBE Cyber Security Framework, which serves as the foundational guidance for cyber [1] security capability development within the banking sector. Additionally, to a comprehensive audits were conducted to meticulously fine-tune our system to align with the stringent requirements of ISO 27001:2022, as well as full compliance with SWIFT Customer Security Program requirements.

- Enhancements have also been introduced to the Bank's Data Protection program to ensure the confidentiality, integrity, and availability of both the Bank's and customers' data. These enhancements aim to prevent unauthorised access or disclosure across various channels.

- Numerous awareness campaigns were launched using a multi-channel approach to disperse awareness among all EBank employees and customers.

A visit to Zewail University to contribute in students' scholarships

Human Capital

- Year 2023 have witnessed remarkable advancements in the realm of EBank 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.

- 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 an environment conducive to professional growth.

- 'One HC' will improve our operational efficiency, extend our strategic contribution and continue nurturing and building a strong identity for the HC function across EBank.

HC Operations

- Digitalization of the probation period.
- Digitizing & Optimizing Hiring Process.
- Database Unifying.
- Replacing Card attendance with fingerprint.
- E-Archiving System.
- Access Card Matrix.
- Medical activity wellness day.
- BUPA Checkups.
- Operation Cycle and Saving.
- Monthly Medical Tips.
- The comprehensive medical insurance.

Learning & Development

- Launching Retail Academy.
- Young and Middle Management tracks.

- Bottom Up approach in the Training Needs Analysis.
- International Trainings (FTP –IFRS9).
- Senior Management Leadership Track Board Game Simulation based on Competencies.
- Ms. Mervat Award Launching.
- Employee Engagement Activities.
- Team Building (Middle Management – Human Capital – Large Corporate – Central operations- Core Banking champions – Information Technology).
- Shout out Boards.
- Instant Photos.
- Thank You Cards.
- Strategy Activation.
- Strategy Infographic Video.
- Values Cards.
- Agilo QR Code.

Organization Development

- Engagement Survey 2023.
- Engagement Action Plan for 2023.
- 360 Degree Action Plan 2023.
- 360 Degree Evaluation 2023.
- EBank Job Descriptions 2023.
- Revisiting & Enhancing Organization Charts.
- Review Job Evaluation.
- EBank Competency Framework.
- Spiral Career Path.
- EBank Objectives Library.
- Approved Succession Planning.
- Talent Management Event.

HC Talent Acquisition

- Employee Development and Talent Development:
- Talent Management Event
- Employment Branding and making EBank employer of choice:

- MIU Employment Fair.
- Financial Career Employment Fair.
- HR Visits and Branches Roadshows.
- Summer Internship Sessions (Career Day).
- Exit Cycle Digitalization.
- Exit Process Enhancement.
- Reference Check Process Enhancement.

HC Compensation & Benefits

- Applying a competitive salary increase and adjustments, enabling the organization to attract and retain high performing employees.

- Revising and adjusting the allowances structure to maintain a competitive and equitable compensation framework.

- Adjusting the starting salary to match the market as a strategic step to strengthen our talent acquisition efforts.

- Updating the policies and procedures of the C&B to achieve process enhancement and employee satisfaction, which demonstrates our commitment to maintain fairness, effectiveness and agility..

- Going live in the Core Banking Upgrade Project – HR Module.

- New taxes platform introduced, maintaining smooth and successful phasing.

- Revising and updating the Direct Sales Incentive Scheme.

- Transforming the paper based archives into a centralized electronic system by implementing the E-Archiving system to comply with ESG Goals.

- Conducting market survey and analyzing results to identify the most convenient approach to react to the unforeseen circumstances that occurred in 2023 and to ensure that our compensation packages remain competitive in the market.

Strategic Planning

The strategic planning department is responsible for several tasks in line with the realization of the Bank's vision "to be the Bank of choice" and boosting efficiency and agility. The department is chiefly concerned with monitoring the Bank's direction in such a manner that increases profitability, reduces costs and exhibits the Bank values of Agility, Accountability, Grace, Innovative, Leader and Engaged through its affiliated sectors, which are:

1) Strategic Implementation

The Strategic Implementation Department is tasked with preparing the general Bank's strategy and updating it as required taking into account political and market changes. The Department is also tasked with collaboration with all Bank's departments and sectors to ensure the implementation of the goals of the Bank's strategy and ensuring the alignment towards realizing the strategic mission, vision, pillars and values. Additionally, the department encourages innovation and agility through Genie Project, which allows employees to present their ideas and suggestion regarding new products or processes that enhance profitability, efficiency and sustainability in the Bank.

2) Cross Function Support Unit

The Cross Function Support Unit reports to the Strategic Planning Department, where it provides the necessary support to implement the urgent and strategic tasks as outlined by the Process Re-engineering Department. This demands the availability and allocation of personnel with particular and diverse skills so that they may undertake the assigned tasks efficiently and diligently given that the unit supports different departments within the Bank and their varying needs.

Important achievement in 2023:

Strategic Implementation

- Issuing the Bank's second Strategy 2022/2027, which is a continuation of the first Bank strategy 2017/2022. The Strategy aims to developing the Bank to become a smarter, more agile bank through digitalization, and boosting efficiency to achieve higher levels of excellence, profitability and growth.

- Circulating awareness campaigns to all employee levels to cement the Bank's strategic vision, mission, goals, pillars and values.

- Translating the Bank's values into actionable tasks and distributing them to all employee levels through the "Values in Action" campaign. As well as engagement competitions and awards to encourage employees to learn the Bank's values and each one's role in living them.

- Coordinating with Bank's sectors to realize the strategic plan for small and medium-sized companies to reach 25% of the loan portfolio in accordance with the Central Bank's requirement.

- Cooperating with various Bank's departments in preparing their sub-strategic plans and initiating the development of the Financial Inclusion Strategy and Sustainability Strategy.

- Encouraging innovation and new ideas generated by employees through the establishment and management of the Genie Project, where more than 280 ideas were presented related to boosting profitability, efficiency, and sustainability. It achieved an increase in revenue of approximately EGP 7 million, and a cost reduction of approximately EGP 6 million; as well as increasing business efficiency and achieving sustainability principles by saving paper and electricity.

- Providing periodic training courses to over 100 Bank's employees through external specialists to encourage and train them to think in a systematic way and how to apply those ideas.

- Providing the necessary research briefs to senior management to assist in decision-making.

Cross Function Support Unit

- Supporting in amending the unified code for the Bank's corporate clients.
- Supporting central deposits and certificates management.
- Supporting communication with the Bank's customers to update their information.
- Monitoring the cycle of implementing and activating credit cards.
- Electronic archiving of account opening documents for clients.
- Automating credit card statement.
- Participating in the management and organization of the Genie Project.

Corporate Communications

The year 2023 witnessed notable achievements in the Corporate Communications Sector, in its four departments:

1. External Communications and Marketing
2. Internal Communications
3. Digital Marketing
4. Corporate Social Responsibility and Public Relations

In the following paragraphs, we will outline the key accomplishments of each department:

External Communications and Marketing:

The most significant accomplishment of the External Communications and Marketing Department in the past year was the successful execution of five cost-effective advertising campaigns comparing to the prices in the market. These campaigns, namely "Cards Campaign – Mesh Mehtag Tehawar" (No need for going around), "Cards Campaign – Ehna Ala Tool Sawa" (we are always together), the "Digital Products Campaign" "Father's Day Campaign" and "Mother's Day Campaign" demonstrated remarkable success considering their minimal expenditure.

Furthermore, the department excelled in sponsorship and participation in 35 diverse events, including both local and regional conferences, as well as support for athletes and activities that positively influenced customer acquisition for the Bank.

Internal Communications:

The Internal Communications Department organized four events throughout the year, with a frequency of one event every three months, aimed at fostering camaraderie among the Bank's employees, enhancing teamwork, and strengthening their affiliation with the Bank's brand.

Additionally, the Internal Communications Department initiated six instances of meaningful symbolic gifts to break away from traditional work environments and foster a sense of appreciation among colleagues.

The Department actively participated in successful internal projects, notably obtaining ISO certification and organizing an accolade ceremony for colleagues, in collaboration with the Human Capital sector and the Retail Banking Group. Furthermore, several employee-management meetings were orchestrated to facilitate mutual understanding and exchange of perspectives.

Digital Marketing:

The Digital Marketing department achieved significant milestones in 2023 by effectively translating the initiatives of other departments into quantifiable metrics on social media platforms. The Bank's social media pages garnered a total of 65,857,036.00 video views across the five campaigns.

Moreover, the department successfully enhanced the performance of social media pages, achieving a growth rate of approximately 43% on LinkedIn, nearly 41% on Instagram, and approximately 5% on Facebook.

In parallel, the department successfully undertook the restructuring of the Bank's official website, streamlining its interface and optimizing its content.

Award for supporting sports athletes

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 affect the community. The Bank also believes in the necessity and importance of continuous, multiple and diverse contributions to the development of the surrounding environment.

- 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 academic 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 several medical cases, providing treatment or therapeutic / diagnostic devices and prostheses.

- The Bank also supports various scientific and many other research projects related to both 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, every year, 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, reflecting on the standard of living of the most vulnerable and less fortunate social groups.

First: Education

Based on its belief in the sustainability of social responsibility, the Bank continues for the sixth year in a row to offer financial support to eight community schools in the villages of Esna District in Luxor Governorate. The Bank covers all operating and educational expenses of 250 students of those schools; including stationery, textbooks, curricula, cultural, sports, artistic and recreational activities as well as awareness programs. The Bank had previously established, developed and equipped those schools. This contribution is 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 the whole society. In addition, a group from the Bank's management visits those schools annually.

Additionally, EBank continued, this year, its financial contribution to Zewail City of Science and Technology, in the form of full and partial scholarships, by bearing the educational, study expenses, tuition fees and costs of 21 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 & Science. This is seeking to exert more effort based on its belief in scientific research and its role in the revival of the society as a whole.

The Bank also continued to cover the costs of full and partial scholarships for 17 outstanding students, from the most vulnerable groups, at Nile University in various faculties such as Engineering, Computer & Information Systems and Business Administration.

Moreover, EBank also continued offering scholarships for the fourth consecutive academic year to 30 students from the most vulnerable groups some of them in technical education, along with some other university students in different faculties, this is in cooperation with Misr El-Kheir Foundation.

Additionally, in the same field of scholarships, the Bank provided partial scholarships to 65 outstanding students whose conditions prevented them from full payment of tuition and educational fees, in various faculties at Galala University.

The Bank continued this year in offering 66 scholarships in technical education at ElSewedy Technical Academy (STA) in several disciplines.

In addition, as a continuation of the cooperation with Giza Foundation for Educational Systems, an additional community school of 25 students and 2 teachers that the Bank

sponsors in Esna – Luxor, was converted to a technology education school. This is 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.

Continuing the cooperation with the Egyptian Food Bank, 25,000 healthy, balanced school meals were provided to the schools in the villages of Menya Governorate.

Sustaining the skills development and enhancement of people with disabilities, 24 beneficiaries were trained through Asdaa Association for Sophisticating the Deaf & Hard of Hearing. In addition, 175 blind trainees participated in Braille courses to empower and integrate them into the larger community in cooperation with Al-Akhbar Institution. Additionally 20 people of determination in Qena and Ismailia Governorates were trained on establishing small projects to achieve economic empowerment and financial inclusion, in partnership with Misr El-Kheir Foundation.

In a new initiative and in line with encouraging entrepreneurship, this year, EBank collaborated with Delta Foundation for establishing and running Fayoum Innovation Living Lab for Medicinal and Aromatic Plants.

This year, EBank continued to contribute to the yearly competition for presenting 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, representing a partnership between university students, leaders and businessmen, with the aim of narrowing the gap between university education and labor market.

Accordingly, the total amount spent on education during 2023 amounted to EGP 10,425,000.

Second: Health Sector

In order to achieve sustainability, the Bank carried out several community development activities, such as covering the chemotherapy and radiology treatment costs of 25 breast cancer cases treated in Baheya Hospital for Early Detection and Treatment of Breast Cancer, within the framework of the protocol signed with the Foundation. A team of the Bank's management and employees visits the hospital periodically to provide the patients with psychological and moral support.

The Bank continued to offer support to Al Nas Children's Hospital to perform 9 pediatric heart surgeries for children on waiting lists.

For several years, EBank also continued its donation to the Diabetes Research Unit, Kidney and Urology Center, Mansoura University Hospital, to conduct various scientific researches in stem cell therapy.

Additionally, this year, the Bank covered the expenses of performing 12 cardiac surgeries at Magdi Yacoub Global Heart Disease and Research Center in Aswan, in addition to chemotherapy and radiotherapy for 58 children with cancer at Shefaa Al-Orman Children's Cancer Hospital in Luxor.

As part of the MOU signed between the Bank and Ibrahim Badran Charitable Foundation (IBF), EBank covered the cost of organizing 4 free medical / healthcare convoys, which were delivered to some villages of Beheira Governorate, where 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 Aswan governorates, which provided free of charge checkups and treatment, where around a total around of 5200 patients in need of medical help were served.

Moreover, the Bank this year covered the cost of chemotherapy for 50 child 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 of the Bank management and staff visited those children as well as the various sections of the hospital.

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

For several years, EBank continues to make an in-kind donation, this year, by constructing ceilings for 6 rooms 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 65 incapacitated girls with special needs.

The Bank also equipped Ahl Masr Hospital for Burns a Monitor Bedside Critical Care Unit, as the Bank has been contributing to its establishment during the construction phases of the hospital.

This year, the Bank covered the cost of providing treatments, prostheses and surgeries to 53 patients in Menya and Beni Sweif Governorates in cooperation with the Egyptian Cure Bank. In addition to medical checkups performed through a medical convoy organized in cooperation with Misr El-Kheir Foundation for around 500 patient with special needs in Qena, providing prostheses according to the need.

It is worth mentioning that EBank this year purchased and provided the new Cancer Institute in Sheikh Zayed (500500) with 70 electric chair for chemotherapy sessions, which will serve around 780 patients. Not only but also, the Bank also donated to the Association of Liver Patients Care (ALPC) in Dakahlia, for scientific researches, checkups, and treatments for nearly 1,000 virus B patients. In addition, some medical supplies, equipment and surgical tools were provided to Nuba Hospital to serve 1500 patients from Nuba and Aswan.

This year, the Bank supported Abul Reesh Hospital for children, and El Demerdash Hospital covering the cost of some medical supplies, surgical tools and equipment. Additionally, some special ophthalmology convoys to Fayoum governorate were covered by the Bank and organized in cooperation with Mervat Soltan Foundation.

Accordingly, the total amount spent on health during 2023 amounted to EGP 13,740,000.

Sustainability

The Bank has committed to adopting the guidelines for sustainable finance, which were previously issued by the Central Bank of Egypt on July 18, 2021, in order to promote the concept of sustainability and sustainable finance. Therefore, a Sustainability Committee was formed, as one of the permanent committees, and an independent sustainability department was established that report directly to the Chairman in early 2023. Since then the department played a proactive role in cooperating with various departments and accomplishing the following:

- Agree on the main pillars of the sustainability strategy and start preparing the action plan that includes objectives and performance indicators.

- Training and building capacity of workers in the field of sustainability and sustainable finance in cooperation with the human resources sector, so that the percentage of trainees reaches 20% of the Bank's employees for the year 2023.

- Cooperating with Wholesale Group and Risk Group in adopting a sustainable financing policy and working to finalize its procedures.

- Initiating the establishment of an environmental and social risk assessment system in cooperation with the Bank Risk Sector.

- Launch of the first green auto loan to finance the purchase of new and used electric cars at preferential interest rates with the cooperation with Retail & Digital Banking Group.

- Launching internal electronic campaigns to join paperless initiatives and introduce sustainability principles and their positive impact on the Bank's internal activities.

- Issuing the carbon footprint measurement report for the Head Office for year 2021, and in the process of measuring carbon footprint for all EBank premises for year 2023.

- Establishing a waste management and recycling system in cooperation with a certified company by the Ministry of Environment.

- Work on issuing the first sustainability report in accordance with national and global standards and frameworks such as GRI, SASB, TCFD, Egypt's vision 2030 UN SDGs.

- Collaboration with local and international consultancy and training bodies and multilateral banks to provide technical support in the fields of sustainability and sustainable finance.

- Adoption of the de carbonization plan in cooperation with the concerned sectors.

- The beginning of the evaluation of the Bank's buildings to adopt locally and internationally certified environmental standards to obtain green building certificates.

- Reclassify the Bank's credit portfolio to identify sustainable environmental and social finance activities.

Business Community Support

Within the framework of supporting the business community, the Bank has been greatly concerned this year with continuing its participation and contribution to the activities of various chambers of commerce and industry and businessmen's associations. The Bank's participation and contribution are manifested through attending and engaging in many events such as fairs, seminars, conferences and forums, whether in the form of on-going sponsorship or attendance of many local and international events, or annual subscriptions in order to continuously interact with those communities, in view of the Bank's keenness to learn about the latest global and local developments in foreign trade, international transactions, and global economy.

The Bank constantly coordinates and cooperates with many specialized centers and institutions to develop its relations with businessmen and exporters, and pays great attention to identifying and integrating into local and international business communities to open new markets and trade opportunities through joint meetings organized by the chambers of commerce. The Bank also partners with major businessmen's 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's Association, the British Egyptian Business Association, the Canada Egypt Business Council, and the Arab Federation of Capital Markets.

This year the Bank has been keen to participate in the most important global and local economic events, whether through sponsorship or attendance in view of its strategy to improve its competitive position, double its market share, and increase the volume of its activities and business through internal growth and external expansion. Moreover, the Bank Policy aims to provide and offer its financing services, financial and banking products to many customer segments; including retail and corporate customers, especially the export community, as well as expansion of its customer base. The most relevant economic events include, but are not limited to:

The Annual Income Tax Conference, Nahda University Economic Forum in Cairo, Global Trade Review (GTR) Conference, Destination Africa Ready-to-Wear Fair, Risk Management Department Heads Conference organized by and under the supervision of the Union of Arab Banks, the Egyptian-Canadian Businessmen's Association Conference, People and Banks Conference. As well as the Top 50 Egyptian Personalities Conference, Top 100 Egyptian Institutions Conference, the Social Insurance Conference, the British Egyptian Business Association's (Iftar), attended by the Minister of Tourism, the International Union of Arab Bankers Event in Turkey. In addition to the Commemoration of Sixth of October Victory at Al Massa Hotel, October Celebrations in association with the Central Bank of Egypt, the Canadian Universities Business Incubator, Sohur for people with special needs, sponsoring some distinguished sports champions; such as the speedball world champion and the junior squash world champion. In addition to Rose Island Club Championship in Mansoura, Al-Ahly vs. Pyramids match in the Premier League, and Al-Ahly vs. St. George match in the African Champions League, along with sponsoring the Businesswomen of Egypt 21 (BWE 21) events.

Moreover, the Bank has concluded several co-operation protocols, the most prominent of which include, but are not limited to:

- Loan Agreement with GV Company.
- Syndicated Loan for Abdel Salam Sons Company.

One of the ceremonies of awards


57357 Cancer Hospital visit


A sports tournament sponsored by the Bank

Financial Indicators

Auditors' Report

Export Development Bank of Egypt
On the Separate financial statements as at Dec 31, 2023

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, 2023 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, 2023 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.

Report On Other Legal and Regulatory Requirements

The Company maintains proper accounting records that comply with the laws and the Company's articles of association and the financial statements agree with the Company's records.

The financial information included in the General Manager’s Report, prepared in accordance with Law No. 159 of 1981 and its executive regulation, is in agreement with the books of the Company insofar as such information is recorded therein.

Cairo: 22 February 2024

Auditors

Dr.Farid Fawzy
10197A.S.A
Fellow Of Egyptian Society
Of Accountants And Auditors
Egyptian Financial Regulatory Authority
Register Number “130”

Mr. Mohamed Ahmed Mahmoud Awad
Undersecretary
Accountability State Authority

Separate Statement Of Financial Position for the year ended December 31, 2023

	Notes	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Assets			
Cash and Balances with Central Bank of Egypt	(14)	9,184,743	9,820,895
Due from banks	(15)	20,717,789	9,923,629
Financial Assets at Fair value through P&L	(16)	259,027	312,041
Loans and advances to customers	(17)	52,357,371	42,977,284
Loans and advances to Banks	(17)	691,776	268,321
Financial Derivatives	(18)	4,211	-
Financial Investments:			
- Financial Assets at Fair value through OCI	(19)/A	21,435,744	15,825,721
- Financial Assets at Amortized Cost	(19)/B	6,834,661	11,119,181
Investments in subsidiaries and associated	(20)	773,039	891,644
Non-Current Assets held for sale	(21)	176,383	-
Intangible Assets	(22)	141,314	42,047
Other Assets	(23)	3,231,493	4,657,045
Fixed Assets	(24)	945,608	916,785
Investment Property	(25)	1,425	1,475
Total Assets		116,754,584	96,756,068
Liabilities and shareholders' equity			
Liabilities			
Due to banks	(27)	12,413,957	6,834,631
Repruchase agreement - Sale treasury bills	(28)	19,913	4,172,818
Customers' deposits	(29)	86,932,894	72,853,919
Other loans	(30)	1,335,747	1,578,902
Other liabilities	(31)	1,961,062	1,396,541
Other provisions	(32)	312,661	202,589
Deferred tax Liabilities	(26)	52,689	27,033
Total liabilities		**103,028,923**	**87,066,433**
Shareholders' equity			
Issued and paid up capital	(33)	6,600,960	5,273,600
Amounts paid under the capital increase account	(33)	840,144	327,360
Reserves	(33)	1,630,377	1,263,450
Retained Earnings	(33)	4,654,180	2,825,225
Total shareholders' equity		**13,725,661**	**9,689,635**
Total liabilities and shareholders' equity		**116,754,584**	**96,756,068**

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

Separate Income Statement For The Year Ended December 31, 2023

	Notes	The Year Ended Dec 31,2023 EGP Thousands	The Year Ended Dec 31,2022 EGP Thousands
Interest income & loans and similar income	(5)	13,683,263	8,061,314
Interest income & loans and similar expenses	(5)	(8,264,215)	(5,015,459)
Net Interest Income		**5,419,048**	**3,045,855**
Fees and commissions Income	(6)	1,598,449	704,746
Fees and commissions Expenses	(6)	(157,316)	(185,940)
Net fees & commissions income		1,441,133	518,806
Dividends Income	(7)	24,855	12,915
Net Trading Income	(8)	392,427	351,138
Profit (Losses) on Financial Investments	(19)	16,406	13,884
Change of expected credit losses charge	(11)	(638,839)	(349,776)
Administrative expenses	(9)	(2,175,257)	(1,642,662)
Other operating (expenses) income	(10)	(48,227)	12,695
Net profit before Tax		**4,431,546**	**1,962,855**
Income Tax	(12)	(1,316,091)	(737,349)
Deferred tax		4,634	3,387
Net profit for the financial year		**3,120,089**	**1,228,893**
Earnings per share	(13)	4.32	2.01

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

Separate Changes in Shareholders' Equity Statement For The year ended December 31, 2023

			Reserves								
Dec 31,2022	Issued & Paid up capital	Amounts paid under the capital increase account	Legal Reserve	General Reserve	Special Reserves	Capital Reserves	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	**3,273,600**	**-**	**433,929**	**172,517**	**22,441**	**195,431**	**123,257**	**-**	**183,517**	**2,301,459**	**6,706,150**
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	-	188,605	2,302,644	6,712,424
Increasing the issued and paid-up capital through Cash Subscription	2,000,000	-	-	-	-	-	-	-	-	-	2,000,000
Amounts paid under 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 expected credit losses on debt instruments at Fair value through OCI	-	-	-	-	-	-	-	-	8,495	-	8,495
Net change in Fair value through OCI	-	-	-	-	-	-	-	-	(48,365)	-	(48,365)
Deferred tax - fair value differences of Fair value through OCI	-	-	-	-	-	-	-	-	(25,194)	-	(25,194)
Transferred to retained earnings	-	-	-	-	-	-	-	-	(4,627)	4,627	-
Dividends paid according to the decision of the general assembly	-	-	-	-	-	-	-	-	-	(186,619)	(186,619)
Net profit for the financial 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**	**118,914**	**2,825,225**	**9,689,635**

Dec 31,2023											
Balance at the beginning of the year - as issued	**5,273,600**	**327,360**	**520,902**	**172,517**	**22,441**	**195,432**	**231,333**	**1,913**	**118,914**	**2,825,225**	**9,689,637**
Increasing the issued and paid-up capital through Cash Subscription	1,000,000	-	-	-	-	-	-	-	-	-	1,000,000
Increasing the issued and paid-up capital through Free shares	327,360	(327,360)	-	-	-	-	-	-	-	-	-
Amounts paid under capital increase account	-	840,144	-	-	-	-	-	-	-	(840,144)	-
Transferred to Capital Reserve	-	-	-	-	-	2,816	-	-	-	(2,816)	-
Transferred to Legal Reserve	-	-	122,608	-	-	-	-	-	-	(122,608)	-
Transferred to Banking Risk Reserve	-	-	-	-	-	-	85,162	-	-	(85,162)	-
Transferred to Banking Risk Reserve-Assets acquired	-	-	-	-	-	-	-	1,957	-	(1,957)	-
Net change in expected credit losses on debt instruments at Fair value through OCI	-	-	-	-	-	-	-	-	50,052	-	50,052
Net change in Fair value through OCI	-	-	-	-	-	-	-	-	134,622	-	134,622
"Deferred tax - fair value differences of Fair value through OCI	-	-	-	-	-	-	-	-	(30,290)	-	(30,290)
Dividends paid according to the decision of the general assembly	-	-	-	-	-	-	-	-	-	(238,448)	(238,448)
Net profit for the financial year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**3,120,089**	**3,120,089**
Balance at the end of the year	**6,600,960**	**840,144**	**643,510**	**172,517**	**22,441**	**198,248**	**316,495**	**3,870**	**273,298**	**4,654,179**	**13,725,661**

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

Separate Cash flows Statement For The year Ended December 31, 2023

Cash flows from operating activities	Notes	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Net profit before income tax		4,431,546	1,962,855
Adjustments to reconcile net profit to cash provided from operating activities:			
Fixed Assets Depreciation	(24)	122,482	124,350
Intangible Assets Amortization	(22)	92,169	38,194
Investment property Depreciation	(25)	50	50
Expected of Credit losses for Loans and overdrafts for customers	(11)	536,876	349,771
Expected of Credit losses for Treasury bills	(11)	38,372	(3,590)
Expected of Credit losses for Treasury Bonds	(11)	14,434	(1,815)
Expected of Credit losses for Loans and overdrafts for Banks	(11)	40,596	29
Expected of Credit losses for Due from banks	(11)	9,164	566
Expected of Credit losses for Corporate Bonds	(11)	(1,648)	(236)
Expected of Credit losses for Accrued revenues	(11)	1,045	5,052
Reversal - Expected of Credit losses		114,488	74,382
Profit (Loss) Reserve Acquired Assets		(1,869)	(100,409)
Capital Profits		(192)	(2,816)
revaluation differences of Financial Investments at fair value through OCI foreign exchange	(19)/A	(411,247)	(516,359)
Impairment of Retirement benefit obligations		-	(41,063)
Foreign currencies revaluation differences of provisions (other than loans provision)"		11,312	23,341
Dividends Income	(7)	(24,855)	(12,915)
Amortization for Discount and premium for Financial Investments	(19)	(45,711)	(9,561)
Operating profit before changes in assets and liabilities used in operating activities		**4,927,012**	**1,889,825**

Net decrease (increase) in Assets & Liabilities			
Due from banks	(15)	608,227	(2,642,333)
Treasury bills and other governmental notes		3,320,994	(6,240,999)
Financial Assets at Fair value through P&L	(16)	(2,871)	(100,000)
Loans and advances to customers & Banks	(17)	(10,812,742)	(8,643,054)
Other assets	(23)	1,774,691	367,666
Due to banks	(27)	5,579,326	4,290,934
Repruchase agreement - Sale treasury bills	(28)	(4,152,905)	4,150,749
Customers' deposits	(29)	14,078,974	8,473,142
Other liabilities	(31)	153,413	292,329
Income tax paid		(904,983)	(479,403)
Other provisions	(32)	(7,775)	(32,141)
Retirement benefit obligations		-	(3,784)
Net cash flows provided from operating activities		**14,561,363**	**1,322,932**
Cash flows from investing activities			
payment for Purchase of fixed assets and branches improvements	(24)	(133,911)	(63,670)
Capital gain		192	2,816
Purchase of intangible assets	(22)	(147,857)	(31,019)
Proceeds from sale of Acquired Assets		22,625	440,200
payment for Purchases of Financial investments through OCI	(19)/A	(830,260)	(412,725)
Proceeds from redemption of OCI Financial investments	(19)/A	660,804	10,185,774
payment for purchases of Financial investments by Amortized cost	(19)/B	(824,919)	(11,195,006)
Proceeds from redemption of Financial investments by Amortized cost	(19)/B	5,291,722	1,158,777
Dividends Income		24,855	12,915
Financial investments in subsidiaries and associated co.	(20)	(57,779)	(75,000)
Net cash flows provided from investing activities		**4,005,473**	**23,062**

Separate Cash flows Statement For The year Ended December 31, 2023

	Notes	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Cash flows from financing activities			
Increasing the issued and paid-up capital through cash subscription		1,000,000	2,000,000
Net proceeds (repayments) from debt instruments & other loans	(30)	(243,156)	63,829
Dividends Paid		(238,448)	(186,619)
Net cash flows provided from financing activities		**518,396**	**1,877,210**
Net increase in cash and cash equivalents during the year		19,085,231	3,223,202
Beginning balance of cash and cash equivalent		11,634,437	8,411,235
Cash and cash equivalents at the end of the year	**(34)**	**30,719,668**	**11,634,437**
Cash and cash equivalent comprise:			
Cash and due from Central Bank of Egypt	(14)	9,184,743	9,820,895
Due from banks	(15)	20,717,789	9,923,629
Treasury bills and other governmental notes		19,286,929	14,278,021
Obligatory reserve balance with CBE	(14)	(8,807,988)	(9,426,437)
"Treasury bills and other governmental notes with maturity more than three months"		(9,661,805)	(12,961,671)
Cash and cash equivalents at the end of the year		**30,719,668**	**11,634,437**

Non-Cash transactions

* EGP 61,088 thousands value of fixed asset additions transferred from debit balances to fixed assets during the year, the impact of which has been cancelled from the change in debit balances, fixed assets and intangible assets.

* EGP 154,385 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 432,726 thousands value of acquired assets transferred from Loans and other debit balances during the year, the impact of which has been cancelled from the change in debit balances and Loans and advances to customers.

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

Separate statement of other comprehensive income For The year Ended December 31, 2023

	The Year Ended Dec 31,2023 EGP Thousands	The Year Ended Dec 31,2022 EGP Thousands
Net profit for the year	**3,120,089**	**1,228,893**
Items that are not be reclassified through profit and loss		
Change in fair value of equity instruments measured at fair value through comprehensive income	9,777	(24,860)
Revaluation differences of mutual funds at fair value through OCI	19,180	5,827
Revaluation differences of foreign exchange rates for equity instruments at fair value through OCI	76,868	103,718
Items reclassified through profit and loss		
Change in fair value of debt instruments measured at fair value through comprehensive income"	28,798	(137,677)
Effect of ECL in fair value of debt instruments measured at fair value through comprehensive income	50,053	8,496
Income Taxes	(30,290)	(25,194)
Total Other Comprehensive Income for the year	**3,274,474**	**1,159,203**

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

Separate Profit Appropriation statement (Approved) For The year Ended Dec 31,2023

	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Net profit for the year	**3,120,089**	**1,228,893**
Add / Deduct		
sale profit of fixed assets	(192)	(2,816)
Change of general banking risk reserve (assets reverted to the bank)	(1,710)	(1,957)
Transferred from Reserve of revaluation at Fair value through OCI	-	5,812
Change in general banking risk reserve	315,585	(85,162)
Net profit for the year – available for appropriation	3,433,772	1,144,770
Add		
Beginning balance of retained earnings	1,534,087	1,590,517
Total	**4,967,859**	**2,735,287**
Distributed as follows :		
Banking system support and development fund	34,338	11,448
Statutory Reserve	311,990	122,608
Shareholders 'Dividends	2,455,564	840,144
Employees' profit share	412,053	194,000
Remuneration for board members	68,675	33,000
Retained earnings carried forward	1,685,240	1,534,087
Total	**4,967,859**	**2,735,287**

shareholders dividends: Free shares

Notes to the Separate Financial Statements For the Year ended 31 December 2023

1- General information

Export Development Bank of Egypt (Egyptian Joint Stock Company) was established on July 30, 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 1658 employee on the date of financial statement.

The bank's fiscal year begins on 1st January and ends on 31st December.

Financial Statements have been approved by Board of Directors on 22 February 2024

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.

A- 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. Reference is made to what was not mentioned in the instructions of the Central Bank of Egypt to the Egyptian Accounting Standards. The separate and consolidated financial statements of the Bank and its subsidiaries have been prepared in accordance with the Central Bank of Egypt regulations approved by the Board of Directors on December 16, 2008, also according to the instructions for applying the International Standard for Financial Reports (9) issued by the Central Bank of Egypt on February 26, 2019 and amended on December 14, 2021.

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 December 31, 2023 to get complete information on the Bank's financial position, results of operations, cash flows and changes in ownership rights.

B- 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 acquisition method of accounting is used to account for the acquisition of subsidiaries, and the cost of acquisition is measured at the fair value or the consideration provided by the bank of assets for purchase and/or equity instruments issued and/or obligations incurred by the bank and/or obligations accepted on behalf of the entity, and that On the date of exchange, in addition to any costs directly attributable to the acquisition process, and the net assets, including identifiable potential liabilities acquired, are measured at their fair value on the date of acquisition, regardless of the existence of any non-controlling interest. Net goodwill and if the cost of acquisition is less than the fair value of the net referred to, the difference is recorded directly in the income statement under the terms of other operating income (expenses).

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 goodwill, 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.

C- 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.

D- Foreign currency translation

D/1- Functional and presentation currency

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

D/2- 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.

E- Treasury Bills

Treasury Bills are recognized at their acquisition cost and appear in the statement of financial position at fair value excluding the balance of unearned returns.

F- 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

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.

- Loans and receivables represent non-derivative financial assets with a fixed or determinable amount that are not traded in an active market, except for:

- The assets that the bank intends to sell immediately or in a short term, are classified in this case under the assets held for sale, or that were classified upon their nature at fair value through profits and losses.

- Assets classified as held for sale upon initial recognition by the bank.

- Assets in which the bank will not be able to substantially recover the value of its original investment in it for reasons other than the deterioration of credit capacity.

All other financial assets are classified as at fair value through profit or loss.

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 main accounting policies resulting from the adoption of International Financial Reporting Standard No. 9:

- 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 without 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

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.

3- Customers are upgraded from the third stage to the second stage in the event that all the quantitative and qualitative elements of the second stage are met, the due returns set aside / marginalized are paid, and the payment is regular for a period of 90 days.

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 has 3 business models represented in the business model of financial assets contractual cash flow and the business model of financial assets contractual cash flow and sale and other business models that include (trading - managing financial assets on the basis of fair value - maximizing cash flow by selling).

Reclassification

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

3. 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. Any interest is proven in the transferred financial assets that qualify for disposal is created or retained by the Bank as a separate asset or liability.

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 asset

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.

Financial Liabilities

- The financial liability is excluded when the liability has been incorporated or cancelled.

G- 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.

H- 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.
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.

H/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.

H/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.

H/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.

H/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”.

H/5 Recognition of deferred profit & loss

For instruments measured at fair value, the evidence of the fair value of the instrument on the date of the transaction is the transaction price (i.e. the fair value of the given or received consideration), unless the inference of the fair value of the instrument on the date of that transaction is based on published prices for transactions in the markets or by using evaluation forms. And when the bank enters into transactions, some of which are due after long periods, the fair value of them is determined using Valuation models whose inputs may not all be based on declared market prices or rates. Therefore, those financial instruments are first recognized at the fair value obtained from the evaluation model, which may differ from the transaction price.

In this case, the difference between the transaction price and the amount resulting from the model is not immediately recognized in the profits or losses (known as the “first day profits and losses), but the losses are included in other assets and profits in other liabilities. The timing of the recognition of the deferred profit and loss is determined for each case separately. This is either by amortizing it over the life of the financial instrument acquired if it has a fixed maturity date, or by postponing its recognition in profits or losses until the facility is able to determine the fair value of the instrument using declared market inputs, or when the transaction is settled, and when published prices for the

instrument appear later at that time. They are measured at fair value, and subsequent changes in fair value are immediately recognized in the income statement.

I- 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, 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.

J- Fees and commissions income

Fees and commissions 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.

K- Dividend income

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

L- 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). 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.

M- Impairment of financial assets

M/1 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

- 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.

It is also taken into account that the bank relies on one of the technical methods in measuring the fair value of investments that do not have a market price.

N- 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.

O- Intangible assets

O/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 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.

O/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.

P- 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.

Q- Other assets

This item includes other assets that were not classified under specific assets in the statement of financial position, such as accrued revenues, advance expenses, including taxes paid in excess (excluding tax liabilities), advance payments under the purchase account of fixed assets, and the deferred balance for the losses of the first day that were not It is depreciated after, the current and non-current assets that devolved to the bank in settlement of debts (after deducting the allowance for impairment losses), insurances, gold bars, commemorative coins, and accounts under settlement debit.

Most of the other assets are measured at cost, and if there is objective evidence of impairment losses in the value of those assets, then the value of the loss is measured for each asset separately by the higher of the asset’s book value and its net selling value or the present value of the estimated future cash flows discounted at the current market rate for similar assets. The book value of the asset is reduced directly and the value of the loss is recognized in the income statement within the item of 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 cancellation does not result in a book value of the asset at the date of recovering the impairment losses that exceeds the value that the asset would have reached had the impairment loss not been recognized.

R- 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.

S- Leases

S/1 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.

S/2 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.

T- 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.

U- 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 has significant impact then it calculated using the present value.

V- 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.

W- Employees' benefits

W/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.

W/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.

X- 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.

Y- 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.

Z- Capital

Z/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.

Z/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.

Z/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.

AA- 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.

BB- Comparatives figures

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

2. 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.

A. 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.

A/1 Credit risk measurement

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 bank's 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.

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.

A/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:

Collateral

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

- Mortgages over residential properties;

- Mortgage business assets such as premises, and inventory;

- Mortgage financial instruments such as debt securities and equities.

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

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

Derivatives

The bank maintains strict control limits on net open derivative positions (i.e., the difference between purchase and sale contracts), by both amount and term. At any one time, the amount subject to credit risk is limited to the current fair value of instruments that are favorable to the bank (i.e., assets 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.

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.

(a) 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.

A/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 31,2023		Dec 31,2022	
	Loans and advances	ECL provisions	Loans and advances	ECL provisions
Loans Performing	82.75%	22.68%	80.23%	14.64%
Regular watching	14.54%	28.10%	15.09%	19.25%
List watch	0.35%	3.34%	1.10%	6.98%
Non-performing Loans	2.36%	45.88%	3.59%	59.13%
	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.

i- 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 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Cash and due from Central Bank of Egypt	9,199,230	9,825,159
Less: Expected Credit losses	(14,487)	(4,265)
Due from banks	20,717,789	9,923,629
Financial Assets at Fair value through P&L : Debt instruments	156,155	212,041
Gross loans and advances to customers		
Individual:		
Overdraft	374,017	263,273
Credit cards	169,734	65,272
Personal loans	6,332,254	3,780,771
Mortgages	837,564	425,765
Corporate:		
Overdraft	29,566,745	24,508,220
Direct loans	9,807,001	9,033,511
Syndicated loans	7,529,938	6,740,017
Less: interest in suspense	(151,582)	(134,342)
Less: Expected Credit losses	(2,108,301)	(1,705,202)
Loans and advances to Banks	732,630	268,528
Less: Expected Credit losses	(40,854)	(207)
Financial Drivatives	4,211	-
Financial Investments: at Fair value through OCI & Amortized cost	27,638,607	26,415,072
Less: Expected Credit losses	(13,390)	(3,406)
Other Assets (Accrued Revenue)	821,519	1,018,523
Total	**111,558,781**	**90,632,359**

The previous table represents the maximum exposure on December 31, 2023 and Dec 31, 2022 , 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, 47.55% of the maximum credit risk is the result of loans and facilities to banks and customers, compared to 47.72% as at Dec 31, 2022, while investments in debt instruments represent 24.90% compared to 29.38% at Dec 31, 2022.

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:

97.29%of the loans and facilities portfolio is ranked in the top two internal ratings compared to 95.32% at Dec 31, 2022.

96.67%of the loans and facilities portfolio has no arrears or impairment indicators compared to 95.74% as of Dec 31, 2022.

Loans and facilities singly assessed amounting to 1,290 million Egyptian pounds compared to 1,610 million Egyptian pounds as of Dec 31, 2022.

Off Balance sheet items exposed to credit risk

	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Letter of guarantee	14,595,795	9,674,031
Letter of Credit (Import)	2,670,651	2,785,219
Letters of credit (Export-confirmed)	2,767,794	1,029,013
Shipping documents (Export)	967,846	512,400
Less : Cash cover	(4,038,375)	(3,800,119)
Net	**16,963,712**	**10,200,543**
Irrevocable commitments to loans and credit facilities	2,821,794	3,060,805
Total	**19,785,506**	**13,261,349**

3.1.6- Loans and advances

	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Neither have arrears nor impaired	52,799,169	42,908,762
Have arrears but not impaired	527,812	297,778
subject to impairment	1,290,273	1,610,289
Total	**54,617,254**	**44,816,829**
Less: interest in suspense	(151,582)	(134,342)
Less: Expected Credit losses	(2,108,301)	(1,705,202)
Net	**52,357,371**	**42,977,285**

Total balances of loans and facilities divided by stages

Dec 31,2023	Stage 1	Stage 2	Stage 3	
	Expected credit losses over 12 months	Expected credit losses Over a lifetime that is not creditworthy	Expected credit losses Over a lifetime Credit default	Total
Retail	7,492,710	111,142	109,718	7,713,569
Corporate	41,868,595	3,854,535	1,180,555	46,903,684
Total	**49,361,304**	**3,965,676**	**1,290,273**	**54,617,254**

ECL of loans and facilities divided by stages

Dec 31,2023	Stage 1	Stage 2	Stage 3	
	Expected credit losses over 12 months	Expected credit losses Over a lifetime that is not creditworthy	Expected credit losses Over a lifetime Credit default	Total
Retail	143,814	14,515	31,879	190,208
Corporate	372,963	609,554	935,576	1,918,093
Total	**516,776**	**624,069**	**967,455**	**2,108,301**

ECL for impairment losses divided by internal classification

Dec 31,2023	Stage 1	Stage 2	Stage 3	
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	Total
(1-5) Performing loans	314,281	5,566	-	319,847
(6) Regular watching	58,682	533,675	-	592,357
(7) Watch list	-	70,313	-	70,313
(8-10) Non-performing loans	-	-	935,576	935,576
Total	**372,963**	**609,554**	**935,576**	**1,918,093**

Dec 31,2023	Stage 1	Stage 2	Stage 3	
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	Total
Performing loans	143,814	14,515	-	158,329
Non-performing loans	-	-	31,879	31,879
Total	**143,814**	**14,515**	**31,879**	**190,208**

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

Dec 31,2023	Stage 1	Stage 2	Stage 3	
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	Total
(1-5) Performing loans	37,424,612	167,279	-	37,591,891
(6) Regular watching	4,443,983	3,497,526	-	7,941,508
(7) Watch list	-	189,730	-	189,730
(8-10) Non-performing loans	-	-	1,180,555	1,180,555
Total	**41,868,595**	**3,854,535**	**1,180,555**	**46,903,684**

Dec 31,2023	Stage 1	Stage 2	Stage 3	
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	Total
Performing loans	7,492,710	111,142	-	7,603,852
Non-performing loans	-	-	109,718	109,718
Total	**7,492,710**	**111,142**	**109,718**	**7,713,569**

The following table summarizes information on asset quality and changes in expected credit losses

Cash and Balances with Central Bank of Egypt

Dec 31,2023	Stage 1	Stage 2	Stage 3	Total
	12 Months EGP Thousands	Life time EGP Thousands	Life time EGP Thousands	EGP Thousands
Performing loans	9,199,230	-	-	9,199,230
Regular watching	-	-	-	-
watching list	-	-	-	-
Non-Performing loans	-	-	-	-
Balance at the end of the Year	**9,199,230**	**-**	**-**	**9,199,230**
Expected Credit losses	(14,487)	-	-	(14,487)
NET	**9,184,743**	**-**	**-**	**9,184,743**

Treasury bills and other governmental notes at Fair value through OCI

Dec 31,2023	Stage 1	Stage 2	Stage 3	Total
	12 Months EGP Thousands	Life time EGP Thousands	Life time EGP Thousands	EGP Thousands
Performing loans	19,132,136	-	-	19,132,136
Regular watching	-	-	-	-
watching list	-	-	-	-
Non-Performing loans	-	-	-	-
Balance at the end of the Year	**19,132,136**	**-**	**-**	**19,132,136**
Expected Credit losses	-	-	-	-
NET	**19,132,136**	**-**	**-**	**19,132,136**

Loans and advances to customers

Dec 31,2023	Stage 1	Stage 2	Stage 3	Total
Corporate	Expected credit losses over 12 months EGP Thousands	Expected credit losses Over a lifetime that is not creditworthy EGP Thousands	Expected credit losses Over a lifetime Credit default EGP Thousands	EGP Thousands
Performing Loans (1-5)	37,424,612	167,279	-	37,591,891
Regular watching (6)	4,443,983	3,497,526	-	7,941,508
Watch list (7)	-	189,730	-	189,730
Non-performing loans (8-10)	-	-	1,180,555	1,180,555
Balance at the end of the Year	**41,868,595**	**3,854,535**	**1,180,555**	**46,903,684**
Expected Credit losses	(372,963)	(609,554)	(935,576)	(1,918,093)
NET	**41,495,632**	**3,244,980**	**244,979**	**44,985,591**

Dec 31,2023	Stage 1	Stage 2	Stage 3	Total
Retail	Expected credit losses over 12 months EGP Thousands	Expected credit losses Over a lifetime that is not creditworthy EGP Thousands	Expected credit losses Over a lifetime Credit default EGP Thousands	EGP Thousands
Performing loans	7,492,710	111,142	-	7,603,852
Non-performing loans	-	-	109,718	109,718
Balance at the end of the Year	7,492,710	111,142	109,718	7,713,569
Expected Credit losses	(143,814)	(14,515)	(31,879)	(190,208)
NET	**7,348,896**	**96,627**	**77,839**	**7,523,361**

Loans and advances to Banks

Dec 31,2023	Stage 1	Stage 2	Stage 3	Total
	12 Months EGP Thousands	Life time EGP Thousands	Life time EGP Thousands	EGP Thousands
(1-5) Performing loans	-	732,630	-	732,630
(6) Regular watching	-	-	-	-
(7) Watch list	-	-	-	-
(8-10) Non-performing loans	-	-	-	-
Balance at the end of the Year	**-**	**732,630**	**-**	**732,630**
Expected credit losses	-	(40,854)	-	(40,854)
NET	**-**	**691,776**	**-**	**691,776**

ECL of credit losses For Treasury bills at Fair value through OCI

Dec 31,2023	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 2023	21,127	-	-	21,127
Expected credit losses	38,372	-	-	38,372
Cumulative foreign currencies translation differences	5,717	-	-	5,717
Balance at the end of the Year	**65,216**	**-**	**-**	**65,216**

ECL of credit losses For Financial Investments at Fair value through OCI& by Amortized cost

Dec 31,2023	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 2023	14,092	-	-	14,092
Expected credit losses	12,786	-	-	12,786
Cumulative foreign currencies translation differences	3,162	-	-	3,162
Balance at the end of the Year	**30,040**	**-**	**-**	**30,040**

ECL of credit losses For Cash and due from Central Bank of Egypt & Due from banks

Dec 31,2023	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 2023	4,265	-	-	4,265
Expected credit losses	9,164	-	-	9,164
Cumulative foreign currencies translation differences	1,058	-	-	1,058
Balance at the end of the Year	**14,487**	**-**	**-**	**14,487**

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 31,2023	EGP Thousands							
	Retail				Corporate			
Rating	Overdrafts	Credit cards	Personal loans	Mortgage	Overdrafts	Direct loans	Syndicated loans	Total loans and advances to customers
Performing loans	374,017	145,756	5,909,082	822,902	25,362,953	7,537,532	4,691,406	44,843,648
Regular watching	-	-	-	-	3,243,658	1,898,355	2,813,509	7,955,522
Total	**374,017**	**145,756**	**5,909,082**	**822,902**	**28,606,611**	**9,435,888**	**7,504,914**	**52,799,169**

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	35,744,353
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**

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 31,2023	EGP Thousands					
	Retail			Corporate		
Rating	Credit cards	Personal loan	Mortgage	Direct loan	Syndicatedloan	Total loans and advances to customers
Arrears up to 30 days	15,252	218,467	7,235	24,344	6,884	272,181
Arrears from 31 to 90 days	5,951	97,840	7,350	126,349	18,139	255,630
Total	**21,203**	**316,307**	**14,585**	**150,693**	**25,023**	**527,812**

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**

Loans and Advances which are individually impaired

Loans and advances individually assessed without taking into consideration cash flows from guarantees are totaled EGP Thousands 1,290,273 on December 31, 2023 compared to EGP Thousands 1,610,289 on Dec 31,2022 and total fair value of guarantees is EGP Thousands 174,801.

The breakdown of the gross amount of individually impaired loans and advances held by the Bank, is as follows:

Dec 31,2023	EGP Thousands					
	Retail				Corporate	
Rating	Credit cards	Personal loan	Overdrafts	Direct loan	Syndicatedloan	Total loans and advances to customers
Loans which are individually impaired	2,775	106,865	960,135	220,420	-	1,290,273
Total	**2,775**	**106,865**	**960,135**	**220,420**	**-**	**1,290,273**

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**	**0**	**1,610,289**

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 year.

Renegotiated loans totaled at the end of December 31,2023.

Loans and advances to customers corporates	Dec 31,2023 EGP Thousands
Direct loans	**502,219**

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 year :

EGP Thousands		
	Dec 31,2023	Dec 31,2022
	Financial Investments Debt instruments	Treasury bills and other Gov. notes
Rating B-	27,018,484	26,399,094
Total	**27,018,484**	**26,399,094**

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 year.
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	9,027,045	147,422	24,763	9,199,230
Less: Expected Credit losses	(14,487)	-	-	(14,487)
Due from banks	20,717,789	-	-	20,717,789
Less: Expected Credit losses	-	-	-	-
Financial Assets at Fair value through P&L:Debt instruments	156,155	-	-	156,155
loans and advances to customers:				
Individual :				
Overdraft	222,625	134,721	16,671	374,017
Credit cards	110,182	49,109	10,444	169,734
Personal loans	4,227,065	1,667,828	437,360	6,332,254
Mortgages	580,313	141,042	116,209	837,564
Corporate:				
Overdraft	23,558,024	5,758,969	249,752	29,566,745
Direct loans	7,751,524	1,554,998	500,479	9,807,001
Syndicated loans	6,975,617	392,473	161,849	7,529,938
Less: interest in suspense	(150,590)	(992)	-	(151,582)
Less: Expected Credit losses	(1,441,088)	(568,009)	(99,204)	(2,108,301)
Loans and advances to Banks	700,779	31,851	-	732,630
Less: Expected Credit losses	(40,853)	(1)	-	(40,854)
Financial Drivatives	4,211	-	-	4,211
Financial Investments: at Fair value through OCI				
Debt instruments	20,790,556	-	-	20,790,556
Less: Expected Credit losses	-	-	-	-
Financial Investments: Amortized cost				
Debt instruments	6,848,051	-	-	6,848,051
Less: Expected Credit losses	(13,390)	-	-	(13,390)
Other Assets (Accrued Revenue)	790,068	20,373	11,079	821,518
Total	**100,799,595**	**9,329,785**	**1,429,402**	**111,558,781**

3.1.8.2- Industry Segments

EGP Thousands					
	Government Sector	Private Sector	External and International transactions Sector	individuals and other activities Sector	Total
Cash and due from Central Bank of Egypt	9,199,230	-	-	-	9,199,230
Less: Expected Credit losses	(14,487)	-	-	-	(14,487)
Due from banks	16,381,895	507,042	3,828,852	-	20,717,789
Less: Impairment of Credit losses	-	-	-	-	-
Financial Assets at Fair value through P&L:Debt instruments	156,155	-	-	-	156,155
loans and advances to customers					
Individual					
Overdraft	-	-	-	374,017	374,017
Credit cards	1	-	-	169,734	169,734
Personal loans	357	-	-	6,331,897	6,332,254
Mortgages	-	-	-	837,564	837,564
Corporate					
Overdraft	1,164,965	27,790,679	-	611,101	29,566,745
Direct loans	-	9,331,165	-	475,837	9,807,001
Syndicated loans	3,897,064	3,632,874	-	-	7,529,938
Less: interest in suspense	-	(151,582)	-	-	(151,582)
Less: Expected Credit losses	(6,870)	(2,088,072)	-	(13,359)	(2,108,301)
Loans and advances to Banks	696,975	-	35,655	-	732,630
Less: Expected Credit losses	(20,100)	-	(20,754)	-	(40,854)
Financial Drivatives	4,211	-	-	-	4,211
Financial Investments: at Fair value through OCI					
Debt instruments	20,027,668	762,888	-	-	20,790,556
Less: Expected Credit losses	-	-	-	-	-
Financial Investments: Amortized cost					
Debt instruments	6,848,051	-	-	-	6,848,051
Less: Expected Credit losses	(13,390)	-	-	-	(13,390)
Other Assets (Accrued Revenue)	338,052	12,559	-	470,908	821,518
Total	**58,659,776**	**39,797,554**	**3,843,753**	**9,257,698**	**111,558,781**

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 year. This table includes the carrying amounts of the financial instruments in terms of their relevant currencies and in EGP equivalent.


A movie night for staff

Dec 31,2023	EGP Thousands					
	LE	USD	EUR	GBP	Other currencies	Total
Cash and due from Central Bank of Egypt	6,086,654	3,021,797	62,437	12,433	1,423	9,184,743
Due from banks	11,360,597	7,648,127	1,416,459	230,804	61,801	20,717,789
Financial Assets at Fair value through P&L	259,027	-	-	-	-	259,027
Loans and advances to customers	38,403,819	11,925,424	1,997,746	30,382	0	52,357,371
Loans and advances to Banks	3,783	687,993	-	-	-	691,776
Financial derivatives	4,211	-	-	-	-	4,211
Financial Investments: at Fair value through OCI	13,627,381	6,888,811	919,552	-	-	21,435,744
Financial Investments: Amortized cost	6,357,576	448,202	28,883	-	-	6,834,661
Financial investments in subsidiaries and associated co	773,039	-	-	-	-	773,039
Non-Current Assets held for sale	176,383	-	-	-	-	176,383
Other financial assets	697,234	113,781	10,378	109	17	821,519
Total financial assets	**77,749,704**	**30,734,135**	**4,435,456**	**273,727**	**63,241**	**113,256,262**
Financial Liabilities						
Due to banks	9,850,046	1,723,835	840,077	-	-	12,413,957
Repurchase agreement - sale of treasury bills	19,913	-	-	-	-	19,913
Customers deposits	55,736,194	27,333,803	3,545,244	252,001	65,652	86,932,894
Other loans	251,278	1,084,469	-	-	-	1,335,747
Other financial liabilities	320,707	101,197	1,120	74	-	423,099
Total financial liabilities	**66,178,138**	**30,243,303**	**4,386,441**	**252,075**	**65,652**	**101,125,609**
Net balance	**11,571,566**	**490,830**	**49,016**	**21,652**	**(2,411)**	**12,130,654**

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 Core Banking Upgrade Team celebrating its success

Dec 31,2023	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	9,930	2,973,927	-	-	-	2,983,857
Due from banks	20,774,058	-	-	-	-	20,774,058
Other financial investments & Bonds	6,880,346	12,357,895	4,922,344	3,521,877	1,309,821	28,992,283
Loans and advances to customers and banks	42,694,998	10,512,798	2,861,708	3,781,027	3,548,048	63,398,579
Other financial assets	88,665	144,517	385,883	42,092	42,562	703,719
Total financial assets	**70,447,997**	**25,989,137**	**8,169,936**	**7,344,996**	**4,900,431**	**116,852,497**
derivatives For trading						12,968,421
derivatives For non-trading	4,211	-	-	-	-	4,211
Total interest sensitive assets-derivatives other than trading	**70,452,208**	**25,989,137**	**8,169,936**	**7,344,996**	**4,900,431**	**116,856,708**
Financial liabilities						
Due to banks	12,422,195	-	852	2,485	16,436	12,441,968
Customers deposits	45,092,780	10,576,294	17,774,363	16,117,576	3,004,637	92,565,651
Other loans	824,158	290,914	186,605	40,942	1,586	1,344,205
Other financial liabilities	2,517,916	-	-	-	-	2,517,916
Total financial liabilities	60,857,048	10,867,208	17,961,820	16,161,003	3,022,659	108,869,739
Total interest non sensitive liabilities						**15,923,613**
Total interest sensitive liabilities-derivatives other than trading	60,857,048	10,867,208	17,961,820	16,161,003	3,022,659	108,869,739
Repricing Gap	**9,595,160**	**15,121,928**	**(9,791,885)**	**(8,816,007)**	**1,877,772**	**7,986,968**

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.

Liquidity's nominator ratio contains Cash , Surplus of reserve amounts due from CBE, Purchased Checks , Treasury Bills , Treasury Bonds , Discounted Checks due within 3 months and subtracting encumbered assets , denominatior ratio contains Checks, Remittances , Due LCs , Due to local banks (Net) , Customers Deposits and 50% of non-covered authorized LGs deducted from covered liability in local currency.

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 31,2023	Book value	Fair value
Financial Assets	**EGP Thousands**	**EGP Thousands**
Due from banks	20,717,789	20,717,789
Loans and advances to customers	52,357,371	52,357,371
Loans and advances to Banks	691,776	691,776
Financial investments:		
Amortized cost	6,834,661	6,552,158
Financial liabilities		
Due to banks	12,413,957	12,413,957
Customer's deposits	86,932,894	86,932,894
Other loans	1,335,747	1,335,747

- 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 cotinue 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 year 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 year for another year or years 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.

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 December 31,2023:


Staff's Breakfast with the CEO

According to Basel II:	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Capital	13,138,661	9,597,175
Tier one (Basic capital)		
Paid up capital	7,441,104	5,600,960
Reserves	1,021,635	894,791
Retained Earnings	1,595,242	1,636,135
Total balance of accumulated OCI items after regulatory adjustments	204,159	110,144
Interim Profits	2,209,221	944,601
Un controllable interest	27,114	18,686
Total deductions from tier one	(214,641)	(110,933)
Total basic capital	**12,283,833**	**9,094,385**
Tier two (Supplementary capital)		
45%of special reserve	10,098	10,098
Impairment provision for loans and regular contingent liabilities	844,730	492,692
Total teir two	**854,828**	**502,790**
Risk weighted assets and contingent liabilities		
Total credit risk	73,413,103	55,876,777
Total market risk	572,329	208,573
Total operational risk	4,072,889	4,072,889
Total	**78,058,322**	**60,158,239**
Capital adequacy ratio (%) *Taking into consideration the effect of Top 50 Customers	16.83%	15.95%

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 December 31, 2023:

Tier one (Basic capital):	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Paid up capital	7,441,104	5,600,960
Reserves	1,021,635	894,791
Total balance of accumulated OCI items after regulatory adjustments	204,159	110,144
Retained profits	1,595,242	1,636,135
Interim Profits	2,209,221	944,601
Un controllable interest	27,114	18,686
Total deductions from basic capital	(214,641)	(110,933)
Total basic capital	**12,283,833**	**9,094,385**
Assets and contingent liabilities:		
Assets	117,114,289	101,623,375
contingent liabilities	14,098,809	10,590,019
Total Assets and contingent liabilitie	**131,213,098**	**112,213,394**
Leverage ratio (%)	**9.36%**	**8.10%**

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 yearically 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.

Awarding the talented staff

(C) Analysis by Geographical Segment

Dec 31,2023	EGP Thousands			
	CAIRO	Alex,Delta & Sinai	Upper Egypt	Total
Revenue according to geographical segment	12,443,059	3,001,963	302,991	15,748,013
Expenses according to geographical segment	(9,426,968)	(1,597,482)	(280,421)	(11,304,871)
Profit befor tax	**3,016,091**	**1,404,481**	**22,569**	**4,443,141**
Tax	(1,001,964)	(316,008)	(5,078)	(1,323,051)
Profit for the year end	**2,014,127**	**1,088,473**	**17,491**	**3,120,089**
Dec 31,2022				
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 year end	**877,744**	**338,665**	**12,485**	**1,228,893**

Assets & liabilities by Geographical Segment

Dec 31,2023	EGP Thousands			
	CAIRO	Alex,Delta & Sinai	Upper Egypt	Total
Assets by Geographical Segment	113,846,985	2,251,279	656,320	116,754,584
Total Assets	**113,846,985**	**2,251,279**	**656,320**	**116,754,584**
liabilities by Geographical Segment	90,327,088	23,710,236	2,717,261	116,754,584
Total liabilities	**90,327,088**	**23,710,236**	**2,717,261**	**116,754,584**
Dec 31,2022				
Assets by Geographical Segment	94,423,006	1,865,926	467,136	96,756,068
Total Assets	**94,423,006**	**1,865,926**	**467,136**	**96,756,068**
liabilities by Geographical Segment	79,033,940	15,798,704	1,923,423	96,756,068
Total liabilities	**79,033,940**	**15,798,704**	**1,923,423**	**96,756,068**

5- Net Interest Income

	The Year Ended Dec 31,2023 EGP Thousands	The Year Ended Dec 31,2022 EGP Thousands
Interest From Loans and Similar Income:		
Loans and Facilities for Customers	8,567,218	5,008,771
Treasury Bills	2,159,912	964,865
Treasury Bonds	1,343,713	1,589,533
Corporate Bonds	39,111	28,181
Deposits and Current Accounts	1,573,308	469,964
Total	**13,683,263**	**8,061,314**
Cost of Deposit and Similar Costs:		
Deposits and Current Accounts:		
Banks	(1,161,794)	(355,798)
Customers	(6,821,477)	(4,419,624)
Other loans	(115,893)	(59,626)
REPO	(165,051)	(180,411)
Total	**(8,264,215)**	**(5,015,459)**
Net	**5,419,048**	**3,045,855**

6- Net Income from Fees and Commissions

	The Year Ended Dec 31,2023 EGP Thousands	The Year Ended Dec 31,2022 EGP Thousands
Fees and commissions income:		
Fees and commission related to credit and operational	1,492,738	650,097
Custody Fees	2,103	2,536
Other Fees	103,608	52,113
Total	**1,598,449**	**704,746**
Fees and Commissions Expenses:		
Other fees paid	(157,316)	(185,940)
Total	**(157,316)**	**(185,940)**
Net	**1,441,133**	**518,806**

7- Dividend Income

	The Year Ended Dec 31,2023 EGP Thousands	The Year Ended Dec 31,2022 EGP Thousands
Financial Investments: at Fair value through OCI	20,905	12,915
Associates and Subsidiary companies	3,950	-
Total	**24,855**	**12,915**

8- Net Trading Income

	The Year Ended Dec 31,2023 EGP Thousands	The Year Ended Dec 31,2022 EGP Thousands
Profit (losses) from foreign exchange	293,822	199,864
Profit (losses) on revaluation of curremcies spot contracts	4,111	-
Profit arising from sale of trading investments	38,310	65,977
Profit (Loss) from forward Contract	100	-
Valuation differences of trading investments	4,033	45,282
Debt instruments for trading investments	52,051	40,014
Total	**392,427**	**351,138**

9- Administrative expenses

	The Year Ended Dec 31,2023 EGP Thousands	The Year Ended Dec 31,2022 EGP Thousands
Staff Costs		
Salaries and Wages	(962,442)	(730,018)
Social insurance	(38,196)	(30,750)
Pension costs		
Defined contribution scheme	(37,884)	(35,391)
Defined benefits scheme	(73,345)	(57,866)
Other Administrative expenses		
Operations expenses	(205,230)	(158,212)
Communications expenses	(48,674)	(38,378)
Business expenses	(130,459)	(125,917)
Stationary Expenses	(17,004)	(11,287)
Service expenses	(447,372)	(292,298)
Depreciation expenses	(214,652)	(162,544)
Total	**(2,175,257)**	**(1,642,662)**

* Average monthly total salaries of highest 20 employees For the year ended December 31, 2023 was EGP 6,812 thousands.

10- Other operating income (expenses):

	The Year Ended Dec 31,2023 EGP Thousands	The Year Ended Dec 31,2022 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	(68,162)	(128,387)
Collected Telex, Swift, Postage, Printed matters & Photocopy	88,275	53,255
Legal service income	155	118
(Charges) release of other provisions	(114,488)	(74,382)
(Charges) release of Retirement benefit obligations	-	41,063
Capital profits	192	2,816
Profit (Loss) Acquired assets	770	100,409
Miscellaneous income	51,948	22,603
Miscellaneous expenses	(6,917)	(4,800)
Total	**(48,227)**	**12,695**

11- Impairment (charge) release for credit losses

	The Year Ended Dec 31,2023 EGP Thousands	The Year Ended Dec 31,2022 EGP Thousands
Expected of Credit losses for Loans and overdrafts for customers	(536,876)	(349,771)
Expected of Credit losses for Treasury bills	(38,372)	3,590
Expected of Credit losses for Treasury Bonds	(14,434)	1,815
Expected of Credit losses for Loans and overdrafts for Banks	(40,596)	(29)
Expected of Credit losses for Due from banks	(9,164)	(566)
Expected of Credit losses for Corporate Bonds	1,648	236
Expected of Credit losses for Accrued revenues	(1,045)	(5,052)
	(638,839)	**(349,776)**

12- Income Tax expense

	The Year Ended Dec 31,2023 EGP Thousands	The Year Ended Dec 31,2022 EGP Thousands
Income tax	(1,316,091)	(737,349)
Deferred tax	4,634	3,387
Total	**(1,311,457)**	**(733,962)**

Adjustments for calculating effective tax rate

	The Year Ended Dec 31,2023 EGP Thousands	The Year Ended Dec 31,2022 EGP Thousands
Accounting profit before tax	4,431,546	1,962,855
tax rate	22.5%	22.5%
income tax calculated on accounting profit	997,098	441,642
Add / Deduct		
Non-deducted expenses	472,493	393,457
tax exemption	864,142	(621,364)
impact of provision	67,874	33,410
impact of depreciations	10,301	8,444
tax on bills & Bonds on income statement	1,311,457	733,962
Effective tax rate (including teasury bills and bonds)	**29.59%**	**37.39%**

13- Earnings Per Share

	The Year Ended Dec 31,2023 EGP Thousands	The Year Ended Dec 31,2022 EGP Thousands
Net profit for the year	3,120,089	1,228,893
Board member's bonus	68,675	33,000
Staff Profit Sharing	412,053	194,000
Shareholder's Share in Profit	2,455,564	840,144
Average number of shares	568,579	418,579
Earnings Per Share	**4.32**	**2.01**

14- Cash and balances with central bank of Egypt

	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Cash on hand	376,756	394,458
Due from Central Bank of Egypt (mandatory reserve)	8,822,474	9,430,702
Less: Expected of Credit losses	(14,487)	(4,265)
Total	**9,184,743**	**9,820,895**
Fixed bearing balances	2,918,071	2,104,406
Non- interest bearing balances	6,266,672	7,716,488
	9,184,743	9,820,895

* Balances with the Central Bank of Egypt includes the dollar deposit under the reserve ratio (10%), which is settled on maturity 22 February 2024

15- Due from banks

	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Current accounts	747,862	370,385
Deposits	19,969,927	9,553,244
Total	**20,717,789**	**9,923,629**
Central Bank (other than obligatory resrve)	11,352,381	4,031,000
Local banks	5,536,556	3,395,206
Foreign banks	3,828,852	2,497,423
Total	**20,717,789**	**9,923,629**
Non - interest bearing balances	747,862	370,385
Fixed bearing balances	19,969,927	9,553,244
Total	**20,717,789**	**9,923,629**
Current Balances	20,717,789	9,923,629

16- Financial Assets at Fair value through P&L

	Dec 31,2023	Dec 31,2022
Debt instruments	**EGP Thousands**	**EGP Thousands**
Financial investment portfolios managed by others	102,871	100,000
Treasury bills and other governmental notes at Fair value through P&L	157,217	219,845
Unearned income	(1,061)	(7,804)
Total	**259,027**	**312,041**

17-Loans and advances to customers

	Dec 31,2023	Dec 31,2022
Individual	**EGP Thousands**	**EGP Thousands**
Overdraft	374,017	263,273
Credit cards	169,734	65,272
Personal loans	6,332,254	3,780,771
Mortgages	837,564	425,765
Corporate		
Overdraft	29,566,745	24,508,220
Direct loans	9,807,001	9,033,511
Syndicated loans	7,529,938	6,740,017
Total	**54,617,254**	**44,816,829**
Less: interest in suspense	(151,582)	(134,342)
Less: Expected Credit losses	(2,108,301)	(1,705,202)
Net	**52,357,371**	**42,977,284**

Loans and advances for Banks

	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Discounted documents	732,630	268,528
Total	**732,630**	**268,528**
Less: Expected Credit losses	(40,854)	(207)
Net	**691,776**	**268,321**

Loans Provisions Analysis for custmers

losses between the beginning and end of the year as a result of these factors

	Dec 31,2023			
	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	298,103	398,782	1,008,317	1,705,202
Expected Credit losses	187,327	206,887	142,618	536,833
Used Provision during the year	-	-	(262,297)	(262,297)
Collections from loans previously written-off	18,568	-	-	18,568
Cumulative foreign currencies translation differences	12,779	18,399	78,817	109,995
Balance at the end of the Year	**516,777**	**624,069**	**967,455**	**2,108,301**

Loans Provisions Analysis for banks

losses between the beginning and end of the year as aresult of these factors

	Dec 31,2023			
	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	-	207	-	207
Expected Credit losses	-	40,596	-	40,596
Cumulative foreign currencies translation differences	-	52	-	52
Balance at the end of the Year	**-**	**40,855**	**-**	**40,855**

	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**

	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**

18- Drivatives

Swap contract represent commitments to exchange on set of cash flows for another. These contracts result in the exchange of currencies or rates of return at fixed rate at a variable rate (for Example) or all of that with any exchange contracts of returns and currencies. the actual exchange of contractual amount takes place only in some swap contract, and the bank's credit risk is represented in the potential cost of replacing the swap contracts if the other parties fail to achieve their performance.

the risk is monitored on an ongoing basis compared to the fair value and a percentage of the contractual amounts and the existing credit risk control. The bank evaluates other parties using the same methods used in activities lending.

Currency Swap / yield contracts represent commitments to exchange a range of cash flows.These contracts result in currency exchange or rates (Fixed rate with variable rate, for example) or (all with swap contracts and currencies).

The actual exchange of contract amounts is only in certain currency swap contracts. The Bank's credit risk is the potential cost of replacing the swap contracts if the other parties fail to perform their obligations.

This risk is monitored on an ongoing basis in comparison to the fair value and by contractual amount, and for credit risk control The Bank evaluates the counterparty using the same techniques used in the lending activities.

	Dec 31,2023		Dec 31,2022	
	Assets EGP Thousands	Liabilities EGP Thousands	Assets EGP Thousands	Liabilities EGP Thousands
Spot Contract	27,606	27,505	-	-
Forward Contract	68,781	64,671		
Total Assets (Liabilities) Drivatives	**4,211**	**-**	**-**	**-**

19- Financial Investment

19/A Financial Assets at Fair value through OCI

	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Debt instruments-fair value		
Listed in stock market	1,658,420	1,254,368
NET	**1,658,420**	**1,254,368**
Treasury bills and other governmental notes at Fair value through OCI	19,610,853	14,550,733
Unearned income	(478,717)	(512,616)
NET	**19,132,136**	**14,038,117**
Equity instruments-fair value		
Certificates of mutual funds issued according to determined percentages	62,198	43,018
Unlisted in stock market	582,990	490,218
Total Financial Assets at Fair value through OCI (1)	**21,435,744**	**15,825,721**

19/B Amortized cost investment

	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Debt instruments at amortized cost		
listed in stock market	6,862,470	11,257,546
Unearned income	(14,419)	(134,959)
Less: Expected Credit losses	(13,390)	(3,406)
Total Amortized cost investment (2)	**6,834,661**	**11,119,181**
Total Financial Investments (1+2)	**28,270,405**	**26,944,902**
Current balances	27,687,415	26,454,684
Non-current balances	582,990	490,218
	28,270,405	**26,944,902**
Fixed interest debt instruments	26,862,329	26,187,053
Variable interest debt instruments	762,888	224,613
	27,625,217	**26,411,666**

* The 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, 2023) Amounted to 4,301,909 thousand EGP.

The following table shows book value & fair value as at 31 Dec 2023 for reclassified government bonds:

	Book Value	Fair Value
Government Bonds	**4,301,909**	**4,019,405**

The fair value that would have been recognized in equity gains if government bonds had not been reclassified amount of 282,503 Thousands EGP.

EGP Thousands			
	Financial investment at Fair value through OCI	Financial investment Amortized cost	Total
The balance after Adjasment at 1 jan 2022	**17,553,393**	**910,574**	**18,463,967**
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	-	(1,898)	(1,898)
Ending balance at 31 Dec 2022	**8,129,340**	**11,119,181**	**19,248,521**
Treasury bills and other governmental notes at Fair value through OCI	8,046,162	-	8,046,162
The change in Unearned income	(349,781)	-	(349,781)
Begining balance at 1 jan 2023	**15,825,722**	**11,119,181**	**26,944,903**
Additions	830,260	704,379	1,534,639
Deductions (selling-redemptions)	(660,804)	(5,291,722)	(5,952,526)
Changes in Zero copoun bonds' unearned income	-	120,540	120,540
Foreign Exchange revaluation differences	255,598	155,649	411,247
Profit (loss) from change in fair value	86,251	(4,394)	81,857
amortization for Discount and premium	4,699	41,012	45,711
Expected Credit losses	-	(9,984)	(9,984)
Ending balance	**16,341,726**	**6,834,661**	**23,176,387**
Net change in Treasury bills and other governmental notes at Fair value through OCI	5,060,121	-	5,060,121
The change in Unearned income	33,898	-	33,898
Ending balance at 31 Dec 2023	**21,435,744**	**6,834,661**	**28,270,406**

Treasury bills and other governmental notes at Fair value through OCI

	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Represented in:		
91 days Maturity	9,607,125	1,130,000
182 days Maturity	2,330,225	2,854,925
273 days Maturity	402,300	2,640,000
364 days Maturity	7,269,833	7,974,643
Total	**19,609,483**	**14,599,568**
Unearned income	(478,717)	(512,616)
Total	**19,130,766**	**14,086,952**
Profit (loss) from change in fair value	12,137	(40,627)
Foreign exchange differences	(10,767)	(8,209)
Total	**19,132,136**	**14,038,116**

Within the item of treasury bills amount 22,000 EGP thousands owed to the Central Bank of Egypt against mortgage finance and amount 53,975 EGP thousands of small & medium enterprises 7% As of 31 December 2023.

Profit (losses) from financial investment

	The Year Ended Dec 31,2023 EGP Thousands	The Year Ended Dec 31,2022 EGP Thousands
Profit from selling Financial Investments at Fair value through OCI	696	-
Profit from selling treasury bills	5,161	14,637
Profit from selling treasury bonds	10,549	(753)
Total	**16,406**	**13,884**

20- Financial investment in subsidiaries and associated companies

	Dec 31,2023	%	Dec 31,2022	%
a) Participations in subsidiaries companies' capital	**EGP Thousands**		**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
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	170,279	85.139	112,500	83.333
EGYPT CAPITAL FOR REAL ESTATE	3	0.050	3	0.050
Total	**773,039**		**891,644**	

Companies that the bank own's indirectly have the ability to control their financial and operational policies and the existence and impact of future voting rights that can be exercised or transferred at the present time is taken into account when assessing whether the bank has the ability to control subsidaries.

the bank contributes to both the Egyptian tourism development company and sahl hasheesh company indirectly through Egyptian capital Holding Company, where the bank has the ability to control its financial and operational policies.

Decrease in financial investments in subsidiaries is due to the issuance of Law No. 178 of 2023 on the Egyptian Export and Investment Guarantee Agency, according to which the law regulating the company's business No. 21 of 1992 was canceled, as the new law granted a period not exceeding 3 months from the date of entry into force of the new law (10/11/2023) to complete the acquisition of the Central Bank of Egypt on all its shares. Consequently, the company has been classified into non-current assets held for sale.

Financial information's about subsidiaries companies' as at December 31, 2023

	Total assets	Total liabilities excluding equity	Net profit before Tax for 12 Months	Net income for 12 Months
Egypt capital holding company	542,791	22,754	55,439	48,672
The international holding for financial investments	30,438	49	1,517	1,131
BETA Financial holding	116,073	1,297	6,880	5,445
Egyptian company for real estate	378,230	12,066	58,119	45,147
A BETA for real estate investment	315,115	20,040	108,211	84,553
Egyptian Tourism Development Company	495,525	82,559	9,094	5,917
EGYPT CAPITAL FOR REAL ESTATE	9,996	55	1,270	836
The tourism investment company in Sahl Hashish	197,698	25,196	52,229	40,479
EBE Factors Companies	1,057,041	867,378	13,673	12,468

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	757	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)

* The financial statements have been Consolidated according to the last approved financial statements for subsidiaries companies as of December 31,2023.

21- Non-Current Assets held for sale

	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
	176,383	-
	176,383	**-**

* Law No. 178 of 2023 on the Egyptian Export and Investment Guarantee Agency was issued, according to which the law regulating the company's business No. 21 of 1992 was canceled, as the new law granted a period not exceeding 3 months from the date of entry into force of the new law (10/11/2023) to complete the acquisition of the Central Bank of Egypt in its entire shares, and therefore the company was classified among Non-Current Assets held for sale.

22- Intangible assets

	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Net book value at the beginning of the	199,537	168,527
Additions	191,435	31,019
Deductions	-	(9)
Net book value at the end of the year	**390,972**	**199,537**
Accumulated depreciation at the beginning of the year	157,489	119,295
Amortization expense	92,169	38,194
Deductions Accumulative Amortization	-	-
Accumulated depreciation at the end of the year	249,658	157,489
Net intangible assets at the end of the year	**141,314**	**42,047**

23- Other Assets

	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Accrued revenues*	827,812	1,023,658
Prepaid expenses	217,529	114,997
Advances for purchase of fixed assets	902,157	878,747
Acquired assets (Net)*	468,824	41,464
Insurances and trusts	13,115	10,520
Suspense assets	226,524	219,008
Purchase of financial rights	581,825	2,373,785
Total	**3,237,786**	**4,662,179**
Less: Expected Credit losses	(6,293)	(5,135)
NET	**3,231,493**	**4,657,044**

	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Accrued income for medium term loans	400,794	423,361
Accrued income for due from banks	76,407	87,439
Accrued income for financial investments	350,611	512,859
Total	**827,812**	**1,023,658**
Less: Expected Credit losses	(6,293)	(5,135)
NET	**821,519**	**1,018,523**

* 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 year, 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 year specified in accordance with the provisions of the law. And if these assets are not disposed of within the specified year 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).

24- FIXED ASSETS (NET)

	EGP Thousands								
	Land	Premises	Computers	Vehicles	Fixture and improvements	Equipment	Furniture	Others	Total
Cost at the beginning of the year	152,740	618,171	211,387	16,338	459,115	40,032	32,718	12,312	1,542,812
Additions during the year	-	-	74,428	-	62,451	7,872	5,602	954	151,306
Disposals during the year	-	-	(36)	(318)	-	-	-	-	(354)
Cost at the end of the year (1)	**152,740**	**618,171**	**285,779**	**16,020**	**521,566**	**47,904**	**38,320**	**13,265**	**1,693,764**
Accumulated depreciation at the beginning of the year	-	84,305	169,506	10,201	326,128	17,897	15,447	2,545	626,027
Depreciation charged for the year	-	15,454	44,286	2,082	53,072	3,975	3,122	490	122,482
Accumulated depreciation for disposals	-	-	(36)	(318)	-	-	-	-	(354)
Accumulated depreciation at the end of the year (2)	**-**	**99,759**	**213,756**	**11,965**	**379,200**	**21,872**	**18,569**	**3,035**	**748,156**
Net book value at the end of the year (1-2)	**152,740**	**518,412**	**72,022**	**4,055**	**142,366**	**26,033**	**19,751**	**10,231**	**945,608**
Net book value at the beginning of the year	**152,740**	**533,866**	**41,881**	**6,137**	**132,988**	**22,136**	**17,271**	**9,767**	**916,785**

* Fixed assets include assets that have not been registered under the name of the bank in the amount of 84,169 Thousand Egyptian pound (Before Depreciation)

25- Investment property

	Dec 31,2023 EGP Thousands	Dec 31,2022 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	**1,895**	**1,845**
Depreciation	50	50
Accumulated depreciation (at reclassification from fixed assets to investment property)	-	-
Accumulated depreciation at the end of the year	1,945	1,895
Net book value at the end of the year	**1,425**	**1,475**

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26- 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 31,2023	Dec 31,2022	Dec 31,2023	Dec 31,2022
	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands
Deferred tax – other provisions	3,039	1,546	-	-
Tax effect of the difference between accounting depreciation and tax depreciation	-	-	151	3,292
Deferred Taxes - fair value differences resulting from the evaluation of financial investments aat Fair value through OCI in foreign currencies	-	-	55,577	25,287
Total Deferred Tax (Asset-Liabilitie)	3,039	1,546	55,728	28,579
Net Deferred Tax			**52,689**	**27,033**

	Deferred Tax Assets		Deferred Tax liabilities	
	Dec 31,2023	Dec 31,2022	Dec 31,2023	Dec 31,2022
	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands
The beginning of the year	**1,546**	**1,546**	**28,579**	**28,579**
Additions during the year	1,493	-	30,290	-
Disposals during the year	-	-	(3,141)	-
The Ending balance	**3,039**	**1,546**	**55,728**	**28,579**

27- Due to banks

	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Current accounts	5,131	27
Deposits	12,408,826	6,834,604
	12,413,957	**6,834,631**
Local banks	10,187,677	5,721,178
Foreign banks	2,226,280	1,113,453
	12,413,957	**6,834,631**
Non - interest bearing balances	5,131	27
Fixed bearing balances	12,408,826	6,834,604
	12,413,957	**6,834,631**
Current Balances	12,413,957	6,834,631
	12,413,957	**6,834,631**

28- Repruchase agreement - Sale treasury bills

	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Repruchase agreement - Sale treasury bills	19,913	4,172,818
	19,913	**4,172,818**

29- Customers Deposits

	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Demand Deposits	38,320,809	29,711,049
Time Deposits	34,365,875	30,420,543
Saving deposits and certificates of deposit	11,724,135	10,540,462
Other Deposits	2,522,074	2,181,866
Total	**86,932,894**	**72,853,919**
Retail Deposits	15,441,208	13,185,034
Corporate Deposits	71,491,686	59,668,885
Total	**86,932,894**	**72,853,919**
Current balances	40,842,883	31,892,915
Non-current balances	46,090,010	40,961,004
Total	**86,932,894**	**72,853,919**

30- Other loans

	Maturity date	Rate %	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Arab Trade Financing Program	Feb 13,2023	4.48%	0	59,227
Agricultural Sector Development Program (ADP)	Sep 14,2026	2.27%	199,925	8,000
European Investment Bank loan	Sep 15,2023	4.49%	0	92,428
Management of the National Bank of Egypt	Oct 24,2027	1.75%	12,570	10,620
Green for growth fund	June 15,2026	8.59%	435,312	499,688
Sanad fund	Jan 5,2026	8.66%	371,119	448,273
CBE for small & medium projects 7%	July 1,2025	3.00%	37,284	87,157
projects Development Authority	Oct 1,2026	11.00%	1,500	2,357
European Bank for Reconstruction and Development	May 18,2025	7.43%	278,038	371,151
Total			**1,335,747**	**1,578,902**
Current Balances			0	159,656
Non-current Balances			1,335,747	1,419,247
Total			**1,335,747**	**1,578,902**

31- Other liabilities

	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Accrued Interest	423,099	505,916
Prepaid Revenues	103,662	30,150
Accrued Expenses	328,552	206,137
Accrued Taxes and Insurances	20,056	78,829
Suspense assets	1,085,693	575,509
Total	**1,961,062**	**1,396,541**

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32- Other Provisions

Dec 31,2023	Balance at the beginning of the year	Charges during the Year	Foreign currencies revaluation differences	Reclassification between provisions	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	EGP Thousands
Provision for claims (Taxs)	35,507	20,000	-	-	-	(7,756)	47,751
Provision for legal claims	6,871	6,400	354	-	(101)	(19)	13,505
Provision for contingent liabilities-Stage 1	42,566	74,496	3,005	-	(28,733)	-	91,333
Provision for contingent liabilities-Stage 2	497	5,157	-	-	(2,219)	-	3,436
Provision for contingent liabilities-Stage 3	783	163	-	-	(611)	-	335
Provision for Commitment -Stage 1	109,834	22,783	-	-	(9,029)	-	123,588
Provision for Commitment -Stage 2	6,531	54,598	-	-	(28,415)	-	32,713
Total	**202,589**	**183,597**	**3,359**	**-**	**(69,108)**	**(7,775)**	**312,661**

Dec 31,2022	Balance at the beginning of the year	Charges during the Year	Foreign currencies revaluation differences	Reclassification between provisions	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	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**	**123,848**	**5,714**	**-**	**(49,466)**	**(32,141)**	**202,589**

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

33- Capital and Reserves

33.1- Capital

- The authorized capital amounted to LE. 10,000,000,000. The issued and paid up capital amounted to LE 6,600,960,000 as of December 31, 2023, distributed over 660,096,000 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.

- On March 30,2023 the General Assembly approved the distribution of 840 million pounds as free shares distribution.

- On October 25, 2022, the General Assembly agreed to increase the capital by 1,000 million pounds.

33.2- Reserves

- Reserves on Dec 31,2023 represented in the following

	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
General banking risk reserve	316,495	231,333
Banking risk reserve – acquired assets	3,870	1,913
Legal reserve	643,510	520,902
General reserve	172,517	172,517
Reserve for financial assets at fair value through OCI	247,008	112,386
Deferred Taxes fair value differences resulting from the evaluation of financial assets at fair value through OCI in foreign currencies	(55,577)	(25,287)
Expected credit losses for debt instruments at fair value through OCI	81,866	31,814
Special reserve	22,440	22,440
Capital reserve	198,248	195,432
Total	**1,630,377**	**1,263,450**

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 year 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 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
A - General banking risk reserve		
Beginning balance	231,334	123,259
Transferred To retained earnings	85,162	108,075
the balance after Adjusment	316,496	231,334
Ending balance	**316,496**	**231,334**
B - Banking risk reserve – acquired assets		
Beginning balance	1,913	-
Transferred to Retained earnings	1,957	1,913
Ending balance	**3,870**	**1,913**
C - Legal reserve		
Beginning balance	520,902	433,929
Transferred from retained earnings	122,608	86,973
Ending balance	**643,510**	**520,902**
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	195,432
Strengthening to capital reserve	2,816	-
Ending balance	**198,248**	**195,432**
G - Fair value reserve - financial assets at through OCI		
Beginning balance	118,913	188,603
the balance after Adjasment	118,913	188,603
Net change in fair value	**134,622**	**(48,365)**
Deffered Tax -Fair value differncies for financial assets through OCI in foreign currncies	(30,290)	(25,194)
Expected credit losses for debt instruments at fair value through OCI	50,052	8,496
Transferred to retained earnings	-	(4,627)
Ending balance	**273,297**	**118,913**
Total reserves at the end of the year	**1,630,377**	**1,263,450**
H- Retained earnings		
Beginning balance	2,825,225	2,302,645
Net profit for the year	3,120,089	1,228,893
Previous year dividends	(1,078,592)	(513,979)
Transferred to reserves	(127,381)	(84,259)
Transferred to General banking risk reserve	(85,162)	(108,075)
Ending balance	**4,654,180**	**2,825,225**

34- 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.

35- 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 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Cash and due from central bank of Egypt	376,755	394,458
Due from banks	20,717,789	9,923,629
Treasury bills and other governmental notes	9,625,124	1,316,350
	30,719,668	**11,634,437**

36- Contingent liabilities and commitments

(A) Legal claims

There are a number of existing cases filed against the bank in 31 December 2023 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 1,141,213 thousands as follows

	Investment value	Paid	Remaining
Financial assets at fair value through OCI	1,423,538	893,726	529,812
Fixed asset capital Commitment	-	-	392,047
Total	**1,423,538**	**893,726**	**921,859**

(B)/2- Commitment for operating leases

The total non-cancellable minimum operating leasespayment are as follows:

	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Not more than one year	1,295	1,072
More than a year and less than five years	-	-
More than five years	218,058	28,953
Total	**219,354**	**30,024**

(C) Loans, facilities and guarantees commitments

	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Letter of guarantee	14,595,795	9,674,031
Letter of Credit (Import)	2,670,651	2,785,219
Letters of credit (Export-confirmed)	2,767,794	1,029,013
Shipping documents (Export)	967,846	512,400
Less : Cash cover	(4,038,375)	(3,800,119)
Net	**16,963,712**	**10,200,543**
Irrevocable commitments to loans and credit facilities	2,821,794	3,060,805
Total	**19,785,506**	**13,261,349**

37- 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 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Assets:		
Loans and advances to customers	292,914	196,123

	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Liabilities:		
Customers' deposits	225,510	172,480

(B) Shareholders:

	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Assets:		
Due from banks	5,014,909	3,140,635
Liabilities:		
Due to banks	2,000,000	-
Repruchase agreement - Sale treasury bills	-	4,151,804
Customers' deposits	419,064	378,508

(C) Board of directors benefits

	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Wages and short term benefits	110,836	74,610

37- Tax status

- Corporate income Tax.

• The beginning of the years till 30/06/2019.

Tax Inspections done and pay all tax due.

• 2019-2022 years

The bank submits the annual tax return on legal deadline and pay any tax due.

- Stamp Taxes

• The beginning of the years till 30/06/2020

Tax Inspections done and pay any tax due.

• 2020-2022 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 Inspections done and pay any tax due.

• 2020-2022 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

	Export Development Bank of Egypt first mutual fund (The Expert fund)	Export Development Bank of Egypt Fund -The Second - The Monetary	Export Development Bank of Egypt Fund - The Third - Fixed Income Instruments
Law	the capital market law No. 95 for the year 1992	the capital market law No. 95 for the year 1992	the capital market law No. 95 for the year 1992
Company	Azimut for funds and securities portfolios management	Azimut for funds and securities portfolios management	Prime Investments Asset Management
No. of certificates at foundation	1,000,000	2,867,466	612,501
No of certificates were allocated to the bank	50,000	143,400	50,000
Nominal value	33.33	100	100
The number of the outstanding certificates on the date of balance sheet	79,191	39,440	50,000
The Bank percentage from total no. of certificates	76.04%	3.48%	95.42%
The redemption value per certificate as of Sept. 30, 2023	265.84	560.3949	380.8859
Fees and commission income/other fees collected as of 30 Sept. 2023	167.5 Thousands	1,681.5 Thousands	76.4 Thouands

39- Comparative figures

- Some comparative figures have been reclassified to conform to the current year's financial presentation.

- Comparative numbers have been adjusted as a result of including the item of expected credit losses on debt instruments at Fair value through OCI as a separate item within the statement of other comprehensive income at an amount of 31813 thousand pounds.

- Comparative figures have been adjusted for Deferred Tax Liabilities and Reserves by EGP 1,857 thousand.

40- Subsequent Events

- On January 24, 2024, the Central Bank Of Egypt approved the new draft articles of association of the bank, in implementation of Law No. 170 of 2023 issued on August 23, 2023 and implemented since August 24, 2023, which stipulated the repeal of Law No. 95 of 1983, and the bank's subordination to the Central Bank Of Egypt and Banking System Law.

Nile University awarding the Bank for its CSR role supporting their students' scholarships

Auditors' Report

Export Development Bank of Egypt On the Consolidated financial statements as at Dec 31, 2023

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, 2023 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, 2023 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.

Report On Other Legal and Regulatory Requirements

The Company maintains proper accounting records that comply with the laws and the Company's articles of association and the financial statements agree with the Company's records.

The financial information included in the General Manager’s Report, prepared in accordance with Law No. 159 of 1981 and its executive regulation, is in agreement with the books of the Company insofar as such information is recorded therein.

Cairo: 22 February 2024

Auditors

Dr.Farid Fawzy
10197A.S.A
Fellow Of Egyptian Society
Of Accountants And Auditors
Egyptian Financial Regulatory Authority
Register Number “130”

Mr. Mohamed Ahmed Mahmoud Awad
Undersecretary
Accountability State Authority

Consolidated Statement Of Financial Position For The year Ended December 31, 2023

	Notes	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Assets			
Cash and Balances with Central Bank of Egypt	(12)	9,184,743	9,820,895
Due from banks	(13)	20,722,864	9,928,474
Financial Assets at Fair value through P&L	(14)	524,342	380,694
Loans and advances to customers	(15)	52,133,245	42,852,477
Loans and advances to Banks	(15)	691,776	268,321
Financial Derivatives	(16)	4,211	-
Financial Investments:			
-Financial Assets at Fair value through OCI	(17)/A	21,436,004	15,868,060
-Financial Assets at Amortized Cost	(17)/B	7,934,115	12,103,366
Financial investments in associated	(18)	6,875	6,875
Intangible assets	(19)	146,070	42,478
Other assets	(20)	4,422,805	5,675,174
Fixed assets	(21)	1,220,543	1,078,021
Inventory	(22)	-	302,387
Deferred tax Assets	(23)	247	154
Total Assets		**118,427,840**	**98,327,375**
Liabilities and shareholders' equity			
Liabilities			
Due to banks	(24)	12,413,957	6,834,631
Repruchase agreement - Sale treasury bills	(25)	19,913	4,172,818
Customers' deposits	(26)	86,707,383	72,681,439
Debt Instruments	(27)	50,000	50,000
Other loans	(28)	1,839,965	1,988,286
Other liabilities	(29)	2,344,675	2,325,559
Other provisions	(30)	381,741	249,036
Deferred tax Liabilities	(23)	69,026	39,721
Total liabilities		**103,826,660**	**88,341,490**
Shareholders' equity			
Paid up capital	(31)	6,600,960	5,273,600
Amounts paid under the capital increase account	(31)	840,144	327,360
Reserves	(31)	1,747,230	1,137,797
Retained Earnings		5,193,697	3,057,117
Non-Controlling interests		219,149	190,011
Total shareholders' equity		**14,601,180**	**9,985,885**
Total liabilities and shareholders' equity		**118,427,840**	**98,327,375**

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

Consolidated Income Statement For The Year Ended December 31, 2023

	Notes	The Year Ended Dec 31,2023 EGP Thousands	The Year Ended Dec 31,2022 EGP Thousands
Interest income & loans and similar income	(5)	13,967,600	8,208,491
Interest income & loans and similar expenses	(5)	(8,248,482)	(5,012,971)
Net Interest Income		**5,719,118**	**3,195,520**
Fees and commissions Income	(6)	1,823,346	811,231
Fees and commissions Expenses	(6)	(297,765)	(227,401)
Net fees & commissions income		**1,525,581**	**583,830**
Dividends Income	(7)	20,905	12,915
Net Trading Income	(8)	435,383	354,098
Profit (Losses) from Financial Investments	(17)	16,406	13,884
Change of expected credit losses charge	(9)	(651,203)	(360,587)
Administrative expenses	(10)	(2,261,543)	(1,711,323)
Other operating income (expense)	(11)	(781)	20,897
Net profit before Tax		**4,803,866**	**2,109,234**
Income Tax		(1,402,320)	(772,269)
Deferred tax		927	2,231
Net profit for the financial year		**3,402,473**	**1,339,196**
Represented in:			
Bank's shareholders		3,375,334	1,320,883
Non-Controlling interests		27,138	18,313
		3,402,473	**1,339,196**

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

Financial Indicators Annual Report 2023

Consolidated Changes in Shareholders' Equity Statement For The year Ended December 31, 2023

			Reserves									
Dec. 31,2022	Issued & Paid up capital	Amounts paid under the capital increase account	Legal Reserve	General Reserve	Special Reserves	Capital Reserves	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	**3,273,600**	**-**	**436,148**	**29,230**	**28,544**	**195,431**	**123,259**	**-**	**183,857**	**2,454,171**	**179,090**	**6,903,330**
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**	**-**	**188,945**	**2,455,356**	**179,090**	**6,909,603**
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 expected credit losses on debt instruments at Fair value through OCI	-	-	-	-	-	-	-	-	8,495	-	-	8,495
Net change in Fair value through OCI	-	-	-	-	-	-	-	-	(48,684)	-	-	(48,684)
Deferred tax - fair value differences of Fair value through OCI	-	-	-	-	-	-	-	-	(25,194)	-	-	(25,194)
Net change in Special Reserves	-	-	-	-	4,298	-	-	-	-	-	4,342	8,640
Transferred to retained earnings	-	-	-	-	-	-	-	-	(4,627)	21,424	(23,203)	(6,406)
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**	**118,936**	**3,057,117**	**190,011**	**9,985,885**

Dec. 31,2023												
Balance at the beginning of the Year	**5,273,600**	**327,360**	**525,994**	**31,347**	**32,842**	**195,431**	**231,334**	**1,913**	**118,936**	**3,057,117**	**190,011**	**9,985,885**
Increasing the issued and paid-up capital through cash	1,000,000	-	-	-	-	-	-	-	-	-	7,221	1,007,221
Increasing the issued and paid-up capital through Free shares	327,360	(327,360)	-	-	-	-	-	-	-	-	-	-
Amounts paid under the capital increase account	-	840,144	-	-	-	-	-	-	-	(840,144)	-	-
Transferred to General Reserve	-	-	-	174,634	-	-	-	-	-	(3,000)	884	172,517
Transferred to legal reserve	-	-	190,318	-	-	-	-	-	-	(132,501)	1,825	59,643
Transferred to capital reserve	-	-	-	-	-	3,000	-	-	-	(3,022)	22	0
Transferred to General Banking Risk Reserve	-	-	-	-	-	-	85,162	-	-	(85,162)	-	-
Transferred to Banking Risk Reserve-Assets acquired	-	-	-	-	-	-	-	1,957	-	(1,957)	-	-
Effect of ECL in fair value of debt instruments measured at fair value through OCI	-	-	-	-	-	-	-	-	50,053	-	-	50,053
Net change in Fair value through OCI	-	-	-	-	-	-	-	-	134,600	-	-	134,600
Deferred tax - fair value differences of Fair value through OCI	-	-	-	-	-	-	-	-	(30,289)	-	-	(30,289)
Transferred to retained earnings	-	-	-	-	-	-	-	-	-	101,268	(7,952)	93,316
Dividends paid	-	-	-	-	-	-	-	-	-	(274,234)	-	(274,234)
Net profit for the financial Year	-	-	-	-	-	-	-	-	-	3,375,333	27,138	3,402,472
Balance at the end of the Year	**6,600,960**	**840,144**	**716,311**	**205,981**	**32,842**	**198,432**	**316,495**	**3,870**	**273,299**	**5,193,699**	**219,149**	**14,601,180**

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

Consolidated Cash flows Statement For The year Ended December 31, 2023

Cash flows from operating activities	Notes	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Net profit before income tax		4,803,866	2,109,234
Adjustments to reconcile net profit to cash provided from operating activities:			
Fixed Assets Depreciation	(21)	132,653	132,576
Intangible Assets Amortization	(19)	93,077	38,264
Expected of Credit losses for Loans and overdrafts for customers	(9)	536,677	349,957
Expected of Credit losses for Treasury bills	(9)	38,161	(3,538)
Expected of Credit losses for Treasury Bonds	(9)	14,434	(1,815)
Expected of Credit losses for Loans and overdrafts for Banks	(9)	40,681	63
Expected of Credit losses for Due from banks	(9)	9,163	566
Expected of Credit losses for Corporate Bonds	(9)	(1,648)	(236)
Expected of Credit losses for Accrued revenues	(9)	13,736	15,589
Reversal - Expected of Credit losses for other Provisions	(30)	137,949	74,983
Profit (Loss) Reserve Acquired Assets	(11)	(1,869)	(100,409)
Capital Profits		(192)	(2,816)
revaluation differences of Financial Investments at fair value through OCI FX		(411,247)	(516,359)
Retirement benefit obligations		-	(41,063)
Foreign currencies revaluation differences of provisions (other than provision for loans)	(30)	11,312	23,341
Dividends Income		(20,905)	(12,915)
amortization for Discount and premium for Financial Investments		(45,711)	(9,561)
Operating profit before changes in assets and liabilities used in operating activities		**5,350,135**	**2,055,862**
Net decrease (increase) in Assets & Liabilities			
Due from banks	(13)	608,227	(2,642,333)
Treasury bills and other governmental notes		3,337,175	(6,457,984)
Financial Assets at Fair value through P&L	(14)	(136,515)	(129,752)
Loans and advances to customers and banks	(15)	(10,711,715)	(8,515,560)
Inventory		302,387	-
Other assets	(20)	1,602,766	(205,028)
Due to banks	(24)	5,579,326	4,290,934
Repruchase agreement - Sale treasury bills	(25)	(4,152,905)	4,150,749
Customers' deposits	(26)	14,025,944	8,379,292
Other liabilities	(29)	(391,993)	426,159
Income tax paid		(991,212)	(514,323)
Other provisions	(30)	(8,602)	(26,293)
Retirement benefit obligations		-	(3,784)
Net cash flows provided from Operation activities		**14,413,018**	**807,940**
Cash flows from investing activities			
Purchase of fixed assets and branches improvements	(21)	(268,252)	(77,577)
Proceeds from sale of Acquired Assets		22,625	440,200
Capital Profits		192	2,816
Purchase of intangible assets	(19)	(151,028)	(31,106)
Purchases of Financial investments through OCI	(17)/A	(830,260)	(412,725)
Proceeds from redemption of OCI Financial investments	(17)/A	702,861	10,326,265
purchases of Financial investments by Amortized cost	(17)/B	(824,919)	(11,195,006)
Proceeds from redemption of Financial investments by Amortized cost	(17)/B	5,291,722	1,158,777
Dividends Income		20,905	12,915
Net cash flows provided from investing activities		**3,963,846**	**224,559**

Consolidated Cash flows Statement For The year Ended December 31, 2023

	Notes	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Cash flows from financing activities			
Net proceeds (repayments) from debt instruments & other loans	(28)	(148,321)	410,768
Increasing the issued and paid-up capital through cash subscription		1,000,000	2,010,000
Paid Dividends		(274,234)	(209,767)
Change in retained earnings-Shareholders' Equity		325,475	10,626
Net cash flows Provided from financing activities		**902,920**	**2,221,627**
Net increase in cash and cash equivalents during the Year	(33)	19,279,785	3,254,126
Cash and cash equivalents at the beginning of the Year		11,665,357	8,411,235
Cash and cash equivalents at the end of the Year		**30,945,143**	**11,665,360**
Cash and cash equivalents are represented in:			
Cash and due from Central Bank of Egypt	(12)	9,184,743	9,820,895
Due from banks	(13)	20,722,864	9,928,474
Treasury bills and other governmental notes		20,449,401	15,213,357
Balances with Central bank of Egypt (Mandatory reserve)	(12)	(8,807,988)	(9,426,437)
Treasury bills and other governmental notes with maturities more than three months		(10,603,876)	(13,870,932)
Cash and cash equivalents at the end of the Year		**30,945,143**	**11,665,357**

Non-Cash Transaction

* EGP 61,088 thousands value of fixed asset additions transferred from debit balances to fixed assets during the year, the impact of which has been cancelled from the change in debit balances, fixed assets and intangible assets.

* EGP 154,363 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 432,726 thousands value of acquired assets transferred from Loans and other debit balances during the year, the impact of which has been cancelled from the change in debit balances and Loans and advances to customers.

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

Consolidated of other comprehensive income For The year Ended December 31, 2023

	The Year Ended Dec 31,2023 EGP Thousands	The Year Ended Dec 31,2022 EGP Thousands
Net profit for the Year	**3,402,473**	**1,339,196**
Items that are not be reclassified through profit and loss		
Change in fair value of equity instruments measured at fair value through comprehensive income	9,755	(25,179)
Revaluation differences of mutual funds at fair value through OCI	19,180	5,827
Revaluation differences of foreign exchange rates for equity instruments at fair value through OCI	76,868	103,718
Items reclassified through profit and loss		
Change in fair value of debt instruments measured at fair value through comprehensive income"	28,798	(137,677)
Effect of ECL in fair value of debt instruments measured at fair value through comprehensive income	50,053	8,496
Income Taxes	(30,290)	(25,194)
Total other comprehensive income for the Year	**3,556,835**	**1,269,187**

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

Notes to the Consolidated Financial Statements For the Year ended 31 December 2023

1- General information

Export Development Bank of Egypt (Egyptian Joint Stock Company) was established on July 30, 1983 in the Arab republic of Egypt, the head office located in New Cairo at 78, south teseen, New Cairo, 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 1658 employee on the date of financial statement.

The bank's fiscal year begins on 1st January and ends on 31st December.

Financial Statements have been approved by Board of Directors on 22 February 2024

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 December 31, 2023.

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 December 31, 2023:

	Dec 31,2023 EGP Thousands	%	Dec 31,2022 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	39.50	11,850	39.5
A BETA for real estate investment	67,940	39.50	67,940	39.5
Egypt Capital for real estate investments	3	0.05	3	0.05
EBE FACTORS Company	170,279	85.139	112,500	83.33

The Touristic Investment Company (Sahl Hashish)& Egyptian Tourism Development Company (one of Egypt's Capital Holding Company's subsidiaries) represent 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 performed this task by establishing 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.

- A Beta 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 to participate in any way with companies and other establishments that carry out activities similar to their activities 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 has obtained a license to practice the activity from financial supervisory authority.
The purchase method is used to account for the Group’s acquisitions of companies. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued and liabilities incurred or accepted at the date of exchange, plus any direct costs attributable to the acquisition. Specified assets acquired and liabilities and contingent liabilities accepted are measured at their fair value at the acquisition date, regardless of the existence of any non-controlling interest. The excess of the acquisition cost over the fair value of the group’s share in the net assets, including Specified assets and contingent liabilities acquired, is recorded as goodwill, and if the acquisition cost is less than the fair value of that net, the difference is recorded directly in the income statement.

B/2- Transactions excluded when compiling the financial statements

When consolidating, transactions, balances and unrealized profits arising from transactions between group companies are excluded, and unrealized losses are excluded unless they provide evidence of impairment in the value of the transferred asset. The accounting policies of the subsidiaries are changed whenever necessary so as to ensure that uniform policies are applied to the group and the financial statements of the subsidiaries are compiled according to the latest approved balance sheet.

B/3- Transactions with Non-Controlling interest holders

The group considers transactions with non-controlling interest as transactions with parties outside the group, and profits and losses resulting from the sale to non-controlling interest are recognized in the income statement, and purchases from non-controlling interest result in goodwill, which represents the difference between the consideration paid for the acquired shares and the book value of net assets to the subsidiaries company.

(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 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 different 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 holds accounts in Egyptian pounds and proves 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.

(c) Treasury bills

Treasury bills are recognized at their acquisition cost and appear in the statement of financial position at fair value excluding the balance of unearned returns.

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

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.

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- Other assets

This item includes other assets that were not classified under specific assets in the statement of financial position, such as accrued revenues, advance expenses, including taxes paid in excess (excluding tax liabilities), advance payments under the purchase account of fixed assets, and the deferred balance for the losses of the first day that were not It is depreciated after, the current and non-current assets that devolved to the bank in settlement of debts (after deducting the allowance for impairment losses), insurances, trusts, gold bars, commemorative coins, and accounts under settlement debit.

Most of the other assets are measured at cost, and if there is objective evidence of impairment losses in the value of those assets, then the value of the loss is measured for each asset separately by the difference between the asset's book value and its net selling value or the present value of the estimated future cash flows discounted at the current market rate for similar assets. Whichever is higher. The book value of the asset is reduced directly and the value of the loss is recognized in the income statement within the item of 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 cancellation does not result in a book value of the asset at the date of recovering the impairment losses that exceeds the value that the asset would have reached had the impairment loss not been recognized.

2.17- 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.

2.18- 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.

2.19- 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.

2.20- 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.

2.21- Financial Guarantees Contracts

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.

2.22- 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.

2.23- 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.

2.24- 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.

2.25- Capital

2.25.1- 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.

2.25.2- 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.

2.25.3- 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.

2.26- 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.

2.27- 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 31,2023		Dec 31,2022	
	Loans and advances	ECL provisions	Loans and advances	ECL provisions
Loans Performing	82.75%	22.68%	80.23%	14.64%
Regular watching	14.54%	28.10%	15.09%	19.25%
List watch	0.35%	3.34%	1.10%	6.98%
Loans Non-performing	2.36%	45.88%	3.59%	59.13%
	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.

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

First: institutional worthiness:

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 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Cash and due from Central Bank of Egypt	9,199,230	9,825,159
Less:Expected Credit losses	(14,487)	(4,265)
Due from banks	20,723,019	9,928,509
Less:Expected Credit losses	(156)	(35)
Financial Assets at Fair value through P&L : Debt instruments	156,155	212,041
loans and advances to customers:		
Individual:		
Overdraft	374,017	263,273
Credit cards	169,734	65,272
Personal loans	6,332,254	3,780,771
Mortgages	837,564	425,765
Corporate:		
Overdraft	29,566,745	24,508,220
Direct loans	9,583,148	8,909,176
Syndicated loans	7,529,938	6,740,017
Less:interest in suspense	(151,582)	(134,342)
Less:Expected Credit losses	(2,108,574)	(1,705,675)
Loans and advances to Banks	732,630	268,528
Less:Expected Credit losses	(40,854)	(207)
Drivatives	4,211	-
Financial Investments: at Fair value through OCI & Amortized cost	28,738,061	27,441,476
Less:Expected Credit losses	(13,390)	(3,547)
Other assets (Accrued Revenue)	872,244	1,085,668
Total	**112,489,908**	**91,605,806**

Off Balance sheet items exposed to credit risk

	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Letter of guarantee	14,595,795	9,674,031
Letter of Credit (Import)	2,670,651	2,785,219
Letters of credit (Export-confirmed)	2,767,794	1,029,013
Shipping documents (Export)	967,846	512,400
Less : Cash cover	(4,038,375)	(3,800,119)
Net	**16,963,712**	**10,200,543**
Irrevocable commitments to loans and credit facilities	2,821,794	3,060,805
Total	**19,785,506**	**13,261,349**

3.1.6- Loans and advances

	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Neither have arrears nor impaired	52,575,316	42,784,428
Have arrears but not impaired	527,812	297,778
subject to impairment	1,290,273	1,610,289
Total	**54,393,400**	**44,692,494**
Less: interest in suspense	(151,582)	(134,342)
Less: Expected Credit losses	(2,108,574)	(1,705,675)
Net	**52,133,245**	**42,852,477**

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 31,2023	EGP Thousands							
	Retail				Corporate			
Rating	Overdrafts	Credit cards	Personal loans	Mortgage	Overdrafts	Direct loans	Syndicated loans	Total loans and advances to customers
Performing loans	374,017	145,756	5,909,082	822,902	25,139,099	7,537,532	4,691,406	44,619,794
Regular watching	-	-	-	-	3,243,658	1,898,355	2,813,509	7,955,522
Total	**374,017**	**145,756**	**5,909,082**	**822,902**	**28,382,757**	**9,435,888**	**7,504,914**	**52,575,316**

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

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 31,2023	EGP Thousands					
	Retail				Corporate	
Rating	Credit cards	Personal loan	Mortgage	Direct loan	Syndicatedloan	Total loans and advances to customers
Arrears up to 30 days	15,252	218,467	7,235	24,344	6,884	272,181
Arrears from 31 to 90 days	5,951	97,840	7,350	126,349	18,139	255,630
Total	**21,203**	**316,307**	**14,585**	**150,693**	**25,023**	**527,812**

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**

Loans and Advances which are individually impaired

Loans and advances individually assessed without taking into consideration cash flows from guarantees are totaled EGP Thousands 1,290,273 on DEC. 31,2023 compared to EGP Thousands 1,610,289 on Dec 31,2022 and total fair value of guarantees is 174,801

The breakdown of the gross amount of individually impaired loans and advances held by the Bank, are as follows:

Dec 31,2023	EGP Thousands				
	Retail				Corporate
Rating	Credit cards	Personal loan	Overdrafts	Direct loan	Total loans and advances to customers
Loans which are individually impaired	2,775	106,865	960,135	220,420	1,290,273
Total	**2,775**	**106,865**	**960,135**	**220,420**	**1,290,273**

Dec 31,2022	EGP Thousands				
	Retail				Corporate
Rating	Credit cards	Personal loan	Overdrafts	Direct loan	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**

Restructured loans and Advances:

Restructuring activities include rescheduling arrangements, obligatory management pro grams, 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 contiue

Restructuring is commonly applied to term loans, especially customer loans. Renegotiated loans totaled at the end of the Year

Renegotiated loans totaled at the end of December 31,2023:

Loans and advances to customers corporates	Dec 31,2023 EGP Thousands
Direct loans	**502,219**

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 Year:

EGP Thousands		
	Dec 31,2023	Dec 31,2022
Financial investments	Financial Investments	Financial Investments
	Debt instruments	Debt instruments
Rating B -	28,117,938	27,425,357
Total	**28,117,938**	**27,425,357**

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 Year

	EGP Thousands			
	Cairo	Alex and Delta and Sinai	Upper Egypt	Total
Cash and due from Central Bank of Egypt	9,027,045	147,422	24,763	9,199,230
Less:Expected Credit losses	(14,487)	-	-	(14,487)
Due from banks	20,723,019	-	-	20,723,019
Less:Expected Credit losses	(156)	-	-	(156)
Financial Assets at Fair value through P&L	156,155	-	-	156,155
loans and advances to customers:				
Individual				
Overdraft	222,625	134,721	16,671	374,017
Credit Cards	110,182	49,109	10,444	169,734
Personal loans	4,227,065	1,667,828	437,360	6,332,254
Mortgages	580,313	141,042	116,209	837,564
Corporate				
Overdraft	23,558,024	5,758,969	249,752	29,566,745
Direct loans	7,527,670	1,554,998	500,479	9,583,148
Syndicated loans	6,975,617	392,473	161,849	7,529,938
Less:interest in suspense	(150,590)	(992)	-	(151,582)
Less:Expected Credit losses	(1,441,361)	(568,009)	(99,204)	(2,108,574)
Loans and advances to Banks	700,779	31,851	-	732,630
Less:Expected Credit losses	(40,853)	(1)	-	(40,854)
Financial Drivatives	4,211	-	-	4,211
Financial Investments: at Fair value through OCI				
Debt instruments	20,790,556	-	-	20,790,556
Financial Investments: Amortized cost				
Debt instruments	7,947,506	-	-	7,947,506
Less: Expected Credit losses	(13,390)	-	-	(13,390)
Other assets (Accrued Revenue)	840,792	20,373	11,079	872,244
Total	**101,730,722**	**9,329,784**	**1,429,402**	**112,489,908**

3.1.8.2- Industry Segments

	EGP Thousands				
	Government Sector	Private Sector	External and International transactions Sector	individuals and other activities Sector	Total
Cash and due from Central Bank of Egypt	9,199,230	-	-	-	9,199,230
Less:Expected Credit losses	(14,487)	-	-	-	(14,487)
Due from banks	16,381,895	512,272	3,828,852	-	20,723,019
Less:Expected Credit losses	(156)	-	-	-	(156)
Financial Assets at Fair value through P&L:Debt instruments	156,155	-	-	-	156,155
loans and advances to customers:					
Individual					
Overdraft	-	-	-	374,017	374,017
Credit Cards	1	-	-	169,734	169,734
Personal loans	357	-	-	6,331,897	6,332,254
Mortgages	-	-	-	837,564	837,564
Corporate					
Overdraft	1,164,965	27,790,679	-	611,101	29,566,745
Direct loans	-	9,107,311	-	475,837	9,583,148
Syndicated loans	3,897,064	3,632,874	-	-	7,529,938
Less:interest in suspense	-	(151,582)	-	-	(151,582)
Less:Expected Credit losses	(7,143)	(2,088,072)	-	(13,359)	(2,108,574)
Loans and advances to Banks	696,975	-	35,655	-	732,630
Less:Expected Credit losses	(20,100)	-	(20,754)	-	(40,854)
Financial Drivatives	4,211	-	-	-	4,211
Financial Investments: at Fair value through OCI					
Debt instruments	20,027,668	762,888	-	-	20,790,556
Less:Expected Credit losses	-	-	-	-	-
Financial Investments: Amortized cost					
Debt instruments	7,947,506	-	-	-	7,947,506
Less: Expected Credit losses	(13,390)	-	-	-	(13,390)
Other assets (Accrued Revenue)	338,052	12,559	-	521,795	872,244
Total	**59,758,802**	**39,578,930**	**3,843,753**	**9,308,424**	**112,489,908**

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'srequirements.

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 period 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.

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 period 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 periods

- 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 periods(with amortization of 20%of their value each period of the last five periods 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.

Sponsoring a sports tournament

the following table summarizes the components of basic and supplementary capital and capital adequacy ratios as at December 31, 2023.

According to Basel II:	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Capital	13,138,661	9,597,175
Tier one (Basic capital)		
Paid up capital	7,441,104	5,600,960
Reserves	1,021,635	894,791
Retained Earnings	1,595,242	1,636,135
Total balance of accumulated OCI items after regulatory adjustments	204,159	110,144
Interim Profits	2,209,221	944,601
Un controllable interest	27,114	18,686
Total deductions from basic capital	(214,641)	(110,933)
Total basic capital	**12,283,833**	**9,094,385**
Tier two (Supplementary capital)		
45%of special reserve	10,098	10,098
Expected Credit losses for loans and regular contingent liabilities	844,730	492,692
Total supplementary capital	**854,828**	**502,790**
Risk weighted assets and contingent liabilities		
Total credit risk	73,413,103	55,876,777
Total market risk	572,329	208,573
Total operational risk	4,072,889	4,072,889
Total	**78,058,322**	**60,158,239**
Capital adequacy ratio (%) *Taking into consideration the effect of Top 50 Customers	16.83%	15.95%

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 December 31,2023:

Tier one (Basic capital):	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Paid up capital	7,441,104	5,600,960
Reserves	1,021,635	894,791
Total balance of accumulated OCI items after regulatory adjustments	204,159	110,144
Retained profits	1,595,242	1,636,135
Interim Profits	2,209,221	944,601
Un controllable interest	27,114	18,686
Total deductions from basic capital	(214,641)	(110,933)
Total basic capital	**12,283,833**	**9,094,385**
Assets and contingent liabilities:		
Assets	117,114,289	101,623,375
contingent liabilities	14,098,809	10,590,019
Total Assets and contingent liabilitie	**131,213,098**	**112,213,394**
Leverage ratio (%)	**9.36%**	**8.10%**

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 Yearically 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.

A fun day for staff

5- Interest income & loans and similar income

Interest From Loans and Similar Income:	The year Ended Dec 31,2023 EGP Thousands	The year Ended Dec 31,2022 EGP Thousands
Loans and Facilities for Customers	8,590,242	5,012,890
Treasury Bills	2,339,310	1,070,184
Treasury Bonds	1,346,111	1,604,009
Corporate Bonds	39,111	28,181
Deposits and Current Accounts	1,573,308	469,964
Other	79,518	23,263
Total	**13,967,600**	**8,208,491**
Interest income & loans and similar expenses		
Deposits and Current Accounts:		
Banks	(1,161,794)	(355,798)
Customers	(6,795,013)	(4,414,636)
Other loans	(126,389)	(62,126)
Repruchase agreement - Sale treasury bills	(165,051)	(180,411)
Other	(235)	-
Total	**(8,248,482)**	**(5,012,971)**
Net	**5,719,118**	**3,195,520**

6- Net Income from Fees and Commissions

	The year Ended Dec 31,2023 EGP Thousands	The year Ended Dec 31,2022 EGP Thousands
Fees and commissions income:		
Fees and commission related to credit and operational	1,492,738	650,097
Custody Fees	2,103	2,536
Other Fees	328,505	158,598
Total	**1,823,346**	**811,231**
Fees and Commissions Expenses:		
Other fees paid	(297,765)	(227,401)
Total	**(297,765)**	**(227,401)**
Net	**1,525,581**	**583,830**

7- Dividend

	The year Ended Dec 31,2023 EGP Thousands	The year Ended Dec 31,2022 EGP Thousands
Financial Investments: at Fair value through OCI	20,905	12,915
Associates and Subsidiary companies	-	0
Total	20,905	12,915

8- Net Trading Income

	The year Ended Dec 31,2023 EGP Thousands	The year Ended Dec 31,2022 EGP Thousands
Profit (losses) on revaluation of currencies spot contracts		
Profit (losses) from foreign exchange	293,823	199,864
Profit (losses) from forward contracts	4,111	-
Profit (losses) on revaluation of currencies spot contracts	100	-
Profit arising from sale of trading investments	62,495	67,704
Valuation differences of trading investments	22,803	46,515
Debt instruments for trading investments	52,051	40,014
Total	**435,383**	**354,098**

9- Impairment (charge) release for credit losses

	The year Ended Dec 31,2023 EGP Thousands	The year Ended Dec 31,2022 EGP Thousands
Expected of Credit losses for Loans and overdrafts for customers	(536,677)	(349,957)
Expected of Credit losses for Treasury bills	(38,161)	3,538
Expected of Credit losses for Treasury Bonds	(14,434)	1,815
Expected of Credit losses for Loans and overdrafts for Banks	(40,681)	(63)
Expected of Credit losses for Due from banks	(9,163)	(566)
Expected of Credit losses for Corporate Bonds	1,648	236
Expected of Credit losses for Accrued revenues	(13,736)	(15,589)
	(651,203)	**(360,587)**

10- Administrative expenses

	The year Ended Dec 31,2023 EGP Thousands	The year Ended Dec 31,2022 EGP Thousands
Staff Costs		
Salaries and Wages	(1,007,427)	(765,807)
Social insurance	(39,041)	(31,560)
Pension costs		
Defined contribution scheme	(39,891)	(36,652)
Defined benefits scheme	(83,031)	(61,054)
Other Administrative expenses		
Operations expenses	(213,488)	(164,526)
Communications expenses	(48,726)	(38,444)
Business expenses	(134,700)	(133,340)
stationery expenses	(17,119)	(11,535)
Service expenses	(452,390)	(297,563)
Depreciation expenses	(225,729)	(170,840)
Total	**(2,261,543)**	**(1,711,323)**

Average monthly total salaries of highest 20 employees For the year ended December 31, 2023 was EGP 6,812 thousands.

11- Other operating income (expenses):

	The year Ended Dec 31,2023 EGP Thousands	The year Ended Dec 31,2022 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	(55,970)	(117,037)
Collected Telex, Swift, Postage, Printed matters & Photocopy	88,275	53,255
Legal service income	155	118
(Charges) release of other provisions	(137,949)	(74,983)
(Charges) release of Retirement benefit obligations	-	41,063
Capital profits	60,373	3,024
Profit (Loss) Acquired assets	770	100,409
Miscellaneous income	62,150	23,850
Miscellaneous expenses	(18,584)	(8,800)
Total	**(781)**	**20,897**

12- Cash and balances with central bank of Egypt

	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Cash on hand	376,756	394,458
Due from Central Bank of Egypt (Reserve Ratio)	8,822,474	9,430,702
Less: Expected Credit losses	(14,487)	(4,265)
Total	**9,184,743**	**9,820,895**
Fixed bearing balances	2,918,071	2,104,406
Non- interest bearing balances	6,266,672	7,716,488
	9,184,743	**9,820,895**

* Balances with the Central Bank of Egypt includes the dollar deposit under the reserve ratio (10%), which is settled on maturity 22 February 2024

13- Due from banks

	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Current accounts	753,092	375,265
Deposits	19,969,927	9,553,244
Less: Expected Credit Loss provision	(156)	(35)
Total	**20,722,864**	**9,928,474**
Central Bank (other than obligatory resrve)	11,352,381	4,031,000
Local banks	5,541,786	3,400,086
Foreign banks	3,828,852	2,497,423
Less: Expected Credit Loss	(156)	(35)
Total	**20,722,864**	**9,928,474**
Non - interest bearing balances	753,092	375,265
Fixed bearing balances	19,969,771	9,553,210
Total	**20,722,864**	**9,928,474**
Current Balances	20,722,864	9,928,474

14- Financial Assets at Fair value through P&L

	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Debt instruments		
Treasury bills and other governmental notes at Fair value through P&L	222,217	219,845
Unearned income	(3,044)	(7,804)
Financial investment portfolios managed by others	102,871	100,000
Mutual Funds		
Export Development Bank of Egypt Fund -The Second - The Monetary	202,298	68,654
Total	**524,342**	**380,694**

15- Loans and advances to customers

	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Individual		
Overdraft	374,017	263,273
Credit cards	169,734	65,272
Personal loans	6,332,254	3,780,771
Mortgages	837,564	425,765
Corporate		
Overdraft	29,566,745	24,508,220
Direct loans	9,583,148	8,909,176
Syndicated loans	7,529,938	6,740,017
Less:interest in suspense	(151,582)	(134,343)
Less:Expected Credit losses	(2,108,574)	(1,705,675)
Net	**52,133,245**	**42,852,477**

Loans and advances to Banks

	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Discounted documents	732,630	268,528
Total	**732,630**	**268,528**
Less:Expected Credit losses	(40,854)	(207)
Net	**691,776**	**268,321**

Loans Provisions Analysis for custmoers

losses between the beginning and end of the Year as aresult of these factors

	Dec 31,2023			
	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	**298,576**	**398,782**	**1,008,317**	**1,705,675**
Expected Credit losses	187,127	206,887	142,618	536,633
Used Provision during the Year	-	-	(262,297)	(262,297)
Collections from loans previously written-off	18,568	-	-	18,568
Cumulative foreign currencies translation differences	12,779	18,399	78,817	109,995
Balance at the end of the Year	**517,049**	**624,069**	**967,455**	**2,108,574**

Loans Provisions Analysis for Banks

losses between the beginning and end of the Year as aresult of these factors

	Dec 31,2023			
	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	**-**	**207**	**-**	**207**
Expected Credit losses	-	40,596	-	40,596
Cumulative foreign currencies translation differences	-	52	-	52
Balance at the end of the Year	**-**	**40,855**	**-**	**40,855**

	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**

	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**

16- Drivatives

Currency Swap / yield contracts represent commitments to exchange a range of cash flows.These contracts result in currency exchange or rates (Fixed rate with variable rate, for example) or (all with swap contracts and currencies).

The actual exchange of contract amounts is only in certain currency swap contracts.

The Bank's credit risk is the potential cost of replacing the swap contracts if the other parties fail to perform their obligations.

This risk is monitored on an ongoing basis in comparison to the fair value and by contractual amount, and for credit risk control The Bank evaluates the counterparty using the same techniques used in the lending activities.

	Dec. 31,2023		Dec 31,2022	
	Fair Value		Fair Value	
	Assets	Liabilities	Assets	Liabilities
	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands
Swap Contract	27,606	27,505	-	-
Forward contract	68,781	64,671	-	-
Total Assets (Liabilities) Drivatives	**4,211**	**-**	**-**	**-**

17- Financial Investment

17/A- Financial Assets at Fair value through OCI

	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Debt instruments-fair value		
Listed in stock market	1,658,420	1,296,446
NET	**1,658,420**	**1,296,446**
Treasury bills and other governmental notes at Fair value through OCI	19,610,853	14,550,733
Unearned income	(478,717)	(512,616)
NET	**19,132,136**	**14,038,117**
Equity instruments-fair value		
Certificates of mutual funds issued according to determined percentages	62,198	43,018
Unlisted in stock market	583,250	490,479
Total Financial Assets at Fair value through OCI (1)	**21,436,004**	**15,868,060**


Staff padel tournament

17/B- Amortized cost investment

	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Debt instruments at amortized cost		
Listed in stock market	6,848,051	11,122,587
Less: Expected Credit losses	(13,390)	(3,406)
NET	**6,834,661**	**11,119,181**
Treasury bills and other governmental notes by Amortized cost	1,156,375	1,036,575
Unearned income	(56,921)	(52,248)
Less: Expected Credit losses	-	(141)
NET	**1,099,454**	**984,186**
Total Amortized cost investment (2)	**7,934,115**	**12,103,367**
Total Financial Investments (1+2)	**29,370,119**	**27,971,426**
Current balances	28,786,869	27,480,948
Non-current balances	583,250	490,479
	29,370,119	**27,971,426**
Fixed interest debt instruments	27,961,783	27,183,353
Variable interest debt instruments	762,888	224,613
	28,724,671	**27,407,967**

* At 2022, instrument between government bonds have been reclassified from the item of financial investments through OCI to the item of financial investments at amortized cost , bank has the intention and ability to keep them until the maturity date, and the amount of the bonds on the date of classification (Dec. 31, 2023) is 4,301,909 thousand EGP.

The following table shows book value & fair value as at 31 Dec 2023 for reclassified government bonds:

	Book Value	Fair Value
Government Bonds	**4,301,909**	**4,019,405**

* the rest of the fair value that would have been recognized in equity had the government bonds not been reclassified amount to 282,503 Thousand EGP.

	EGP Thousands		
	Financial investment at Fair value through OCI	Financial investment Amortized cost	Total
The balance after Adjasment at 1 jan 2022	**17,736,543**	**1,651,841**	**19,388,384**
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 (losses) 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	-	(1,898)	(1,899)
Ending balance at 31 Dec 2022	**8,171,680**	**11,860,449**	**20,032,127**
Net change in Treasury bills and other governmental notes at Fair value through OCI	8,046,162	267,375	8,313,537
Profit (loss) from change in fair value	-		-
The change in Unearned income	(349,781)	(24,316)	(374,096)
Expected Credit losses	-	(141)	(141)
beginning balance at 1 Jan 2023	**15,868,061**	**12,103,367**	**27,971,428**
Additions	830,260	704,379	1,534,639
Deductions (selling-redemptions)	(702,861)	(5,291,722)	(5,994,583)
Changes in Zero copoun bonds' unearned income	-	120,540	120,540
Foreign Exchange revaluation differences	255,598	155,649	411,247
Profit (loss) from change in fair value	86,229	(4,394)	81,836
amortization for Discount and premium	4,699	41,012	45,711
Expected Credit losses	-	(9,984)	(9,985)
Ending balance	**16,341,984**	**7,818,847**	**24,160,830**
Net change in Treasury bills and other governmental notes	5,060,121	119,800	5,179,921
The change in Unearned income	33,898	(4,672)	29,226
Expected Credit losses	-	141	141
Ending balance at 31 December 2023	**21,436,004**	**7,934,116**	**29,370,120**

Treasury bills and other governmental notes at Fair value through OCI

	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Represented in:		
91 days Maturity	9,607,125	1,130,000
182 days Maturity	2,330,225	2,854,925
273 days Maturity	402,300	2,640,000
364 days Maturity	7,269,833	7,974,643
Total	**19,609,483**	**14,599,568**
Unearned income	(478,717)	(512,616)
Total	**19,130,766**	**14,086,952**
Profit (loss) from change in fair value	12,137	(40,627)
Repurchase agreement - sale treasury bills	(10,767)	(8,209)
Total	**19,132,136**	**14,038,115**

Within the item of treasury bills amount 22,000 EGP thousands owed to the Central Bank of Egypt against mortgage finance and amount 53,975 EGP thousands of small & medium enterprises 7% As of 31 December 2023.

Profit (Losses) from Financial Investments

	The year Ended Dec 31,2023 EGP Thousands	The year Ended Dec 31,2022 EGP Thousands
Profit from selling Financial Investments at Fair value through OCI	696	-
Profit from selling treasury bills	5,161	14,637
Profit from selling treasury bonds	10,549	(753)
Total	**16,406**	**13,884**

18- Financial investment in subsidiaries and associated co.

	Dec 31,2023 EGP Thousands	Ratio %	Dec 31,2022 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.

19- Intangible assets

	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Net book value at the beginning of the year	**200,053**	**168,956**
Additions	196,669	31,106
Deductions	-	(9)
Net book value at the end of the year (1)	**396,722**	**200,053**
Accumulated depreciation at the beginning of the year	157,575	119,311
Amortization expense	93,077	38,264
Accumulated depreciation at the end of the year (2)	250,652	157,575
Net intangible assets at the end of the year (1 - 2)	**146,070**	**42,478**

20- Other Assets

	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Accrued revenues*	878,537	1,090,803
Prepaid expenses	218,837	115,989
Advances for purchase of fixed assets	1,053,785	1,025,368
Acquired assets (Net)	468,824	41,464
Insurances and trusts	14,103	11,368
Suspense assets	1,213,348	1,033,171
Purchase of financial rights	581,825	2,373,785
Total	**4,429,260**	**5,691,948**
Less: Expected Credit losses	(6,454)	(16,774)
NET	**4,422,805**	**5,675,174**

	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Accrued income for medium term loans	451,519	490,506
Accrued income for due from banks	76,407	87,439
Accrued income for financial investments	350,611	512,859
Total	**878,537**	**1,090,803**
Less: Expected Credit losses	(6,293)	(5,135)
NET	**872,244**	**1,085,668**

Work in process is as follows	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Book value at the year of the year	1,025,368	809,477
Additions during the year	89,505	255,452
Transferred to fixed assets	(61,088)	(39,561)
Balance at the End of the year	**1,053,785**	**1,025,368**

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 year specified in accordance with the provisions of the law. And if these assets are not disposed of within the specified year 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).

21- FIXED ASSETS (NET)

EGP Thousands

	Land	Premises	Computers	Vehicles	Fixture and improvements	Equipment	Furniture	Others	Total
Cost at the beginning of the year	210,084	730,345	216,548	24,035	464,026	81,183	56,353	47,289	1,829,863
Additions during the year	113,644	1,309	76,885	93	63,263	12,228	6,763	1,097	275,282
Disposals during the year	-	(103)	(352)	(318)	(144)	(365)	(192)	-	(1,475)
(Cost at the end of the year (1)	**323,727**	**731,551**	**293,080**	**23,810**	**527,145**	**93,046**	**62,925**	**48,386**	**2,103,670**
Accumulated depreciation at the beginning of the year	-	126,485	172,725	14,329	329,539	46,048	31,565	31,151	751,842
Depreciation charged for the year	-	17,878	45,066	3,230	53,891	6,681	4,940	966	132,653
Accumulated depreciation for disposals	-	(9)	(352)	(318)	(138)	(359)	(190)	-	(1,367)
(Accumulated depreciation at the end of the year (2)	**-**	**144,354**	**217,438**	**17,242**	**383,293**	**52,370**	**36,314**	**32,118**	**883,128**
(Net book value at the end of the year (1-2)	**323,727**	**587,197**	**75,643**	**6,568**	**143,852**	**40,677**	**26,610**	**16,269**	**1,220,543**
Net book value at the beginning of the year	**210,084**	**603,860**	**43,823**	**9,706**	**134,487**	**35,135**	**24,789**	**16,138**	**1,078,021**

* Fixed assets include assets that have not been registered under the name of the bank in the amount of 84,169 Thousand Egyptian pound (Before Depreciation)

22- Inventory

	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Book value at the beginning of the year	0	302,387
Book value at the end of the year	0	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	**0**	**302,387**

23- 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:

	Deferred Tax Assets		Deferred Tax liabilities	
	Dec. 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands	Dec. 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Deferred tax – other provisions	3,039	1,546	-	-
Tax effect of the difference between accounting depreciation and tax depreciation	-	-	151	3,292
Deferred Taxes - fair value differences resulting from the evaluation of financial investments aat Fair value through OCI in foreign currencies	-	-	55,577	25,284
Total Deferred Tax (Asset-Liabilitie)	3,039	1,546	55,728	28,576
Net Deferred Tax			**52,689**	**27,030**
Companies				
Deferred Tax Assets / Liabilities	247	153	16,337	12,691
Net Tax	**247**	**153**	**69,026**	**39,721**

	Deferred Tax Assets		Deferred Tax liabilities	
	Dec. 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands	Dec. 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
The beginning of the year	1,546	1,347	28,579	6,573
Additions during the year	1,493	199	30,290	25,191
Disposals during the year	-	-	(3,141)	(3,188)
The Ending balance	**3,039**	**1,546**	**55,728**	**28,576**

24- Due to banks

	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Current accounts	5,131	27
Deposits	12,408,826	6,834,604
	12,413,957	**6,834,631**
Local banks	10,187,677	5,721,178
Foreign banks	2,226,280	1,113,453
	12,413,957	**6,834,631**
Non - interest bearing balances	5,131	27
Fixed bearing balances	12,408,826	6,834,604
	12,413,957	**6,834,631**
Current Balances	12,413,957	6,834,631

25- Reprechase agreement - Sale treasury bills

	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Sale of Treasury Bills with a repurchase obligation	19,913	4,172,818

26- Customers Deposits

	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Demand Deposits	38,232,534	29,623,059
Time Deposits	34,228,639	30,336,053
Saving deposits and certificates of deposit	11,724,135	10,540,462
Other Deposits	2,522,074	2,181,866
Total	**86,707,383**	**72,681,439**
Retail Deposits	15,441,208	13,185,034
Corporate Deposits	71,266,175	59,496,405
Total	**86,707,383**	**72,681,439**

27- 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.

28- Other loans

	Maturity date	Rate %	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Arab Trade Financing Program	Feb 13,2023	4.48%	0	59,227
Agricultural Sector Development Program (ADP)	Sep 14,2026	2.27%	199,925	8,000
European Investment Bank loan	Sep 15,2023	4.49%	0	92,428
management of the National Bank of Egypt	Oct 24,2027	1.75%	12,570	10,620
Green for growth fund	June 15,2026	8.59%	435,312	499,688
Sanad fund	Jan 5,2026	8.66%	371,119	448,273
CBE for small & medium projects 7%	July 1,2025	3.00%	37,284	87,157
projects Development Authority	Oct 1,2026	11.00%	1,500	2,357
EBE Factory Loan			504,218	409,384
European Bank for Reconstruction and Development	May 18,2025	7.43%	278,038	371,151
Total			**1,839,965**	**1,988,286**
Current Balances			0	159,656
Non-current Balances			1,839,965	1,828,631
Total			**1,839,965**	**1,988,286**

29- Other liabilities

	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Accrued Interest	441,190	576,504
Prepaid Revenues	162,471	61,814
Accrued Expenses	330,917	210,741
Accrued Taxes and Insurances	33,454	80,700
Sundry Credit Balances	100	100
Suspense assets	1,376,543	1,395,701
Total	**2,344,675**	**2,325,559**

30- Other Provisions

Dec 31,2023	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)	40,298	21,562	-	-	-	(8,583)	53,276
Provision for legal claims	2,705	23,265	354	(101)	-	(19)	26,204
Provision for contingent liabilities-Stage 1	47,754	75,676	3,005	(30,410)	-	-	96,025
Provision for contingent liabilities-Stage 2	498	5,157	-	(2,219)	-	-	3,436
Provision for contingent liabilities-Stage 3	783	163	-	(611)	-	-	335
Provision for Commitment - Stage 1	109,862	22,783	-	(9,029)	-	-	123,616
Provision for Commitment - Stage 2	6,503	54,598	-	(28,415)	-	-	32,686
Technical provisions for property and casualty insurance	40,633	31,617	6,829	(32,916)	-	-	46,163
Total	**249,036**	**234,820**	**10,188**	**(103,701)**	**-**	**(8,602)**	**381,741**

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)	-	-	498
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**

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- 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 6,600,960,000 as of December 31 , 2023 distributed over 660,096,000 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.

- On March30,2023 the General Assembly approved the distribution of 840 million pounds as free shares distribution.

-On October 25, 2022, the General Assembly agreed to increase the capital by 1,000 million pounds.

31.2- Reserves

- Reserves on December 31,2023 represented in the following

	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
General banking risk reserve	316,495	231,333
Banking risk reserve – acquired assets	3,870	1,913
Legal reserve	716,313	525,993
General reserve	205,981	31,347
Reserve for financial assets at fair value through OCI	247,008	112,407
Deferred Taxes fair value differences resulting from the evaluation of financial assets at fair value through OCI in foreign currencies	(55,577)	(25,284)
Expected credit losses for debt instruments at fair value through OC	81,866	31,814
Special reserve	32,842	32,842
Capital reserve	198,432	195,432
Total	**1,747,230**	**1,137,797**

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 year 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 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Cash and due from central bank of Egypt	376,755	394,458
Due from banks	20,722,864	9,928,474
Treasury bills and other governmental notes	9,845,525	1,342,425
	30,945,143	**11,665,357**

34- Contingent liabilities and commitments

A) Legal claims

There are a number of existing cases filed against the bank in 31 December 2023 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 1,141,213 thousands as follows

	Investment value	Paid	Remaining
Financial assets at fair value through OCI	1,423,538	893,726	529,812
Fixed asset capital Commitment	-	-	392,047
	1,423,538	**893,726**	**921,859**

(B)/2- Commitment for operating leases

The total non-cancellable minimum operating leasespayment are as follows:

	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Not more than one year	1,295	1,072
More than a year and less than five years	-	-
More than five years	218,058	28,953
Total	**219,354**	**30,025**

(C) Loans, facilities and guarantees commitments

	Dec 31,2023 EGP Thousands	Dec 31,2022 EGP Thousands
Letter of guarantee	14,595,795	9,674,031
Letter of Credit (Import)	2,670,651	2,785,219
Letters of credit (Export-confirmed)	2,767,794	1,029,013
Shipping documents (Export)	967,846	512,400
Less : Cash cover	(4,038,375)	(3,800,119)
Net	**16,963,712**	**10,200,543**
Irrevocable commitments for credit facilities	2,821,794	3,060,805
Total	**19,785,506**	**13,261,349**

35- Tax status

- Corporate income Tax.

- The beginning of the years till 30/06/2019.

Tax Inspections done and pay all tax due.

- 2019-2022 years

The bank submits the annual tax return on legal deadline and pay any tax due.

- Stamp Taxes

- The beginning of the years till 30/06/2020

Tax Inspections done and pay any tax due.

- 2020-2022 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 Inspections done and pay any tax due.

- 2020-2022 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

- Salaries tax has been inspected and paid for the years 2010-2019 according to the claims,
- Years 2020-2021 has been inspected and will be paid.

- Corporate income Tax

- Corporate income tax was examined and paid till 2011, and the appeal was submitted on forms (19) within the legal deadlines for the years 2015/2017.

- 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 2022 on April 2023.

- 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.

- Stamp Taxes

- Stamp tax was inspected and paid till 2006.

- Real estate Taxes

- Tax has been paid till the year 2023.

- Egypt Capital Holding company tax status:

- Corporate income Tax:

- Years from 2010/2014

The company appeal for the tax inspection, 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 inspection done and pay any tax due.

- Years from 2018/2020

Tax inspection in progress.

- Stamp tax

- Years from 2010/2020

Tax inspection 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 07/2023 and we were not notify of any notification by the tax authority.

- Egyptian Tourism Development Company tax status:

- Corporate income Tax

- 1999/2003 years

Tax inspection done and pay the tax due.

- 2004 year

Inspection done and appeal submitted on forms (19), the file transferred to the internal committees, and the due taxes paid, and 35% of the delay penalties has been paid according to Law No. (153) for year 2022.

- 2005/2009 years

The company was not included in the inspection sample for the 2005/2009 years and the tax returns approved in accordance to the law number 91 for 2005.

- 2010/2012

Inspection done and the file transferred to internal committees, the decision was made that there are no tax to be paid.

- 2013/2014

Inspection done and the file transferred to internal committees, no date has been set yet.

- 2015

The company received a 19-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 returns 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 inspection done and pay the tax due.

- Stamp tax

- From the beginning of activity until 31 December 2020

Tax inspection done and pay the tax due.

- Al-Masri company for real estate investments tax status:

- Corporate income Tax

- The company submits tax returns on a regular basis and on the scheduled dates in accordance with the Unified Tax Procedures Law No. 206.

- The company has been inspected (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 has been examined (estimated). The actual inspection was requested and awaiting it.

- A claim received to the company on 11/4/2021 for (estimated) inspection of the company for the year 2015 and the tax amount is EGP 5,785,506 and the appeal submitted within the legal deadlines.

A claim received to the company for (estimated) examination of the company for the year 2017, the tax amount is EGP 8,731,121, and the appeal submitted within the legal deadlines.

The appeals submitted within the legal deadlines and awaiting the actual inspections from the tax authority.

- Salaries tax

- 2012/2019

Tax inspection done and the tax due have been determined.

- Stamp tax

- 2012/2019

Tax inspection done and pay the tax due.

- A BETA for real estate investment tax status:

- Corporate income Tax

The company submits tax returns on a regular basis and on the scheduled dates in accordance with the Unified Tax Procedures Law No. 206 of 2020.

The actual inspection done until 2017 and pay the tax due.

- Salaries tax

A claim received to the company for (estimated) examination of the company for the years 2013/2019, and the appeal submitted within the legal deadlines. The appeal submitted on the legal dates and the actual examination requested.

- Stamp tax

- 2013/2019

The actual inspection done and pay the tax due.

- Egypt Capital for real estate investments tax status:

- Corporate income Tax

The company submitted tax return in the legal dates and the last one submitted for the year ended in 31 Dec 2022.

-Tax inspection done for years 2013-2020 and pay the tax due and the final settlement is in process.

- Salaries tax

The tax authority was inspected (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

- Tax inspection done for the years 2012 to 2021 and the tax due have been determined and paid.

- 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 the legal dates.

- 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 inspection for year 2020 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 in the legal dates.

The company was inspected (estimated) for the years 2013,2017 and no official letter was received regarding this, and the actual examination requested for the years 2013,2017 and 2019, and all the requested documents submitted for that.

- Salaries tax

- 2012-2019

Tax inspection done and the tax due have been determined.

- Stamp tax

- 2012-2020

Tax inspection 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

Tax inspection done till 2021 and the differences were paid.

- Salaries tax

The beginning of the activity until 31 December 2016

Tax inspection done and the differences were paid.

- 2017-2020

The company inspected and appeal on the result submitted on the legal dates and the resulted tax differences amounted to 55k EGP were paid.

- 2021-2022

All required documents submitted and the results are awaiting.

- Stamp tax

The beginning of the activity until 2020

Tax inspection done and the differences were paid.

- Real Estate

The company pay the tax for the years 2013-2023, 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 inspected 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 2022

- The company has not been inspect 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 2022
The company has not been inspect 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

	Export Development Bank of Egypt first mutual fund (The Expert fund)	Export Development Bank of Egypt Fund -The Second - The Monetary	Export Development Bank of Egypt Fund - The Third - Fixed Income Instruments
Law	the capital market law No. 95 for the year 1992	the capital market law No. 95 for the year 1992	the capital market law No. 95 for the year 1992
Company	Azimut for funds and securities portfolios management	Azimut for funds and securities portfolios management	Prime Investments Asset Management
No. of certificates at foundation	1,000,000	2,867,466	612,501
No of certificates were allocated to the bank	50,000	143,400	50,000
Nominal value	33.33	100	100
The number of the outstanding certificates on the date of balance sheet	79,191	39,440	50,000
The Bank percentage from total no. of certificates	76.04%	3.48%	95.42%
The redemption value per certificate as of Sept. 30, 2023	265.84	560.3949	380.8859
Fees and commission income/other fees collected as of 30 Sept. 2023	167.5 Thousands	1,681.5 Thousands	76.4 Thouands

37- Comparative figures

- Some comparative figures have been reclassified to conform to the current year's financial presentation.

- Comparative numbers have been adjusted as a result of including the item of expected credit losses on debt instruments at Fair value through OCI as a separate item within the statement of other comprehensive income at an amount of 31813 thousand pounds.

- Comparative figures have been adjusted for Deferred Tax Liabilities and Reserves by EGP 1,857 thousand.

38- Subsequent Events

- On January 24, 2024, the Central Bank Of Egypt approved the new draft articles of association of the bank, in implementation of Law No. 170 of 2023 issued on August 23, 2023 and implemented since August 24, 2023, which stipulated the repeal of Law No. 95 of 1983, and the bank's subordination to the Central Bank Of Egypt and Banking System Law.