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Mostafa Shawki

Translation of Limited Review Report

Originally Issued In Arabic

Accountaility State Authority

Central Administration For Financial Supervision of Banks

Limited Review Report
of The Separate Interim Financial Statement as of September 30,2024

To the Board of Directors of Export Development Bank of Egypt (S.A.E)

Introduction

We have performed a limited review for the accompanying separate interim financial statements of Export Development Bank of Egypt (S.A.E) which comprise of the separate financial position as of September 30,2024 and the related Separate statements of income,comprehensive income, changes in equity and cash flows for the nine months then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of these Separate interim financial statements in accordance with the Central Bank of Egypt's rules issued on December 16,2008.as amended by the regulations issued on February 26,2019 and circular dated December 14,2021 and the prevailing Egyptian Laws related to the preparation of the separate interim financial statements. our responsibility is to express a conclusion on these separate interim financial statements based on our limited review.

Scope of Limited Review

We conducted our limited review in accordance with Egyptian Standard on Review Engagements No. 2410, "Limited Review of Interim Financial Statements of an Entity Performed by its Independent Auditor." A limited review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters in the bank, and applying analytical and other limited review procedures. A limited review is substantially less in scope than an audit conducted in accordance with Egyptian Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on these separate interim financial statements.

Conclusion

Based on our limited review, nothing has come to our attention that causes us to believe that the accompanying separate interim financial statements do not present fairly, in all material respects, the separate financial position of Export Development Bank of Egypt (S.A.E) as of September 30,2024 and of its separate financial performance and its separate cash flows for the nine months then ended in accordance with the Central Bank of Egypt's rules issued on December 16,2008 as amended by the regulations issued on February 26,2019 and circular dated December 14,2021 and in the light of the prevailing Egyptian laws and regulations relating to the preparation of these separate interim financial statements.

Cairo, November 13,2024

Auditors

Mrs. Hoda Mostafa Shawki

Hoda Shawki

Forvis Mazars Mostafa Shawki

Mr. Mohamed Ahmed Mahmoud Awad

Undersecretary

Accountability State Authority

Export Development Bank of Egypt (S.A.E.)

Separate Interim Statement Of Financial Position for the Period ended Sep 30, 2024

EBank
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	Notes	Sep 30,2024 EGP Thousands	Dec 31,2023 EGP Thousands
Assets			
Cash and Balances with Central Bank of Egypt	(14)	7,967,251	9,184,743
Due from banks	(15)	57,130,640	20,717,789
Financial Assets at Fair value through P&L	(16)	322,059	259,027
Loans and advances to customers	(17)	64,842,329	52,357,371
Loans and advances to Banks	(17)	1,357,674	691,776
Financial Derivatives	(18)	1,606	4,211
Financial Investments:			
-Financial Assets at Fair value through OCI	A/(19)	25,191,244	21,435,744
- Financial Assets at Amortized Cost	B/(19)	7,974,847	6,834,661
Investments in subsidiaries and associated	(20)	773,039	773,039
Non-Current Assets held for sale	(21)	176,547	176,383
Intangible Assets	(22)	136,358	141,314
Other Assets	(23)	3,736,920	3,231,493
Fixed Assets	(24)	994,044	945,608
Investment Property	(25)	1,387	1,425
Total Assets		**170,605,945**	**116,754,584**
Liabilities and shareholders' equity			
Liabilities			
Due to banks	(27)	20,541,818	12,413,957
Repruchase agreement - Sale treasury bills	(28)	18,834	19,913
Customers' deposits	(29)	126,851,112	86,932,894
Other loans	(30)	2,453,715	1,335,747
Other liabilities	(31)	2,868,920	1,961,062
Other provisions	(32)	446,978	312,661
Deferred tax Liabilities	(26)	88,276	52,689
Total liabilities		**153,269,653**	**103,028,923**
Shareholders' equity			
Issued and paid up capital	(33)	9,896,668	6,600,960
Amounts paid under the capital increase account	(33)	-	840,144
Reserves	(33)	1,861,086	1,630,377
Retained Earnings	(33)	5,578,538	4,654,180
Total shareholders' equity		**17,336,292**	**13,725,661**
Total liabilities and shareholders' equity		**170,605,945**	**116,754,584**

*** The accompanying notes are an integral part of these financial statements.**
*** Limited Review Report attached**

Mohamed Fatouh Emam
Head Of Finance Group

Ahmed Mohamed Galal
Chairman

Auditors

Mrs. Hoda Mostafa Shawki
Hoda Shawki
FORVIS MAZARS Mostafa Shawki

Mohamed Ahmed Mahmoud Awad
Undersecretary
Accountability State Authority

Export Development Bank of Egypt (S.A.E.)

EBank
البنك المصري لتنمية الصادرات

Separate Interim Income Statement For The Period Ended Sep 30, 2024

	Notes	Three Months Ended Sep 30,2024 EGP Thousands	The Period Ended Sep 30,2024 EGP Thousands	Three Months Ended Sep 30,2023 EGP Thousands	The Period Ended Sep 30,2023 EGP Thousands
Interest income & loans and similar income	(5)	6,663,449	17,416,969	3,604,088	9,630,183
Interest income & loans and similar expenses	(5)	(4,499,107)	(11,295,326)	(2,150,256)	(5,836,690)
Net Interest Income		**2,164,342**	**6,121,643**	**1,453,832**	**3,793,493**
Fees and commissions Income	(6)	517,554	1,467,651	416,423	1,178,683
Fees and commissions Expenses	(6)	(74,201)	(190,054)	(36,653)	(107,109)
Net fees & commissions income		**443,353**	**1,277,597**	**379,771**	**1,071,574**
Dividends Income	(7)	53,459	58,947	12,779	24,855
Net Trading Income	(8)	184,331	609,176	82,432	308,476
Profit (Losses) on Financial Investments	(19)	4,634	17,260	4,373	11,825
Change of expected credit losses charge	(11)	(42,961)	(350,683)	(85,759)	(419,963)
Administrative expenses	(9)	(728,061)	(2,308,584)	(528,877)	(1,616,931)
Other operating (expenses) income	(10)	60,872	(35)	35,285	(44,593)
Net profit before Tax		**2,139,969**	**5,425,321**	**1,353,836**	**3,128,736**
Income Tax	(12)	(575,881)	(1,549,726)	(401,954)	(977,967)
Deferred tax		1,608	6,604	3,773	4,989
Net profit for the financial Period		**1,565,696**	**3,882,199**	**955,655**	**2,155,758**
Earnings per share	(13)	1.89	4.48	1.53	3.45

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

Mohamed Fatouh Emam

Head Of Finance Group

Export Development Bank of Egypt (S.A.E.)

Separate Interim statement of other comprehensive income For The Period Ended Sep 30, 2024

	Three Months Ended Sep 30,2024 EGP Thousands	The Period Ended Sep 30,2024 EGP Thousands	Three Months Ended Sep 30,2023 EGP Thousands	The Period Ended Sep 30,2023 EGP Thousands
Net profit for the Period	**1,565,696**	**3,882,199**	**955,655**	**2,155,758**
Items that are not be reclassified through profit and loss				
Change in fair value of equity instruments measured at fair value through comprehensive income	(1,062)	15,964	13,537	10,316
Revaluation differences of mutual funds at fair value through OCI	7,319	17,236	3,592	10,710
Revaluation differences of foreign exchange rates for equity instruments at fair value through OCI	(2,342)	202,016	(65)	76,840
Income Taxes	7,025	(42,190)	(308)	304
Items reclassified through profit and loss				
Change in fair value of debt instruments measured at fair value through comprehensive income	(35,133)	(47,703)	(15,695)	(99,217)
Effect of ECL in fair value of debt instruments measured at fair value through comprehensive income	(40,574)	92,660	(11,373)	23,015
Total Other Comprehensive Income for the Period	**1,500,929**	**4,120,181**	**945,343**	**2,177,725**

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

Export Development Bank of Egypt (S.A.E.)

Separate Interim Changes in Shareholders' Equity Statement For The Period ended Sep 30, 2024

			Reserves								
Sep 30,2023	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 Period	**5,273,600**	**327,360**	**520,902**	**172,517**	**22,441**	**195,432**	**231,333**	**1,913**	**118,913**	**2,825,225**	**9,689,635**
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	-	-	-	-	-	-	-	-	23,015	-	**23,015**
Net change in Fair value through OCI	-	-	-	-	-	-	-	-	(1,350)	-	**(1,350)**
Deferred tax - fair value differences of Fair value through OCI	-	-	-	-	-	-	-	-	304	-	**304**
Transferred to retained earnings	-	-	-	-	-	-	-	-	-	-	-
Dividends paid according to the decision of the general assembly	-	-	-	-	-	-	-	-	-	(238,448)	**(238,448)**
Net profit for the financial Period	-	-	-	-	-	-	-	-	-	2,155,758	**2,155,758**
Balance at the end of the Period	**5,600,960**	**840,144**	**643,510**	**172,517**	**22,441**	**198,248**	**316,495**	**3,870**	**140,881**	**3,689,848**	**11,628,913**
Sep 30,2024											
Balance at the beginning of the Period - as issued	**6,600,960**	**840,144**	**643,510**	**172,517**	**22,440**	**198,248**	**316,495**	**3,870**	**273,297**	**4,654,179**	**13,725,660**
Increasing the issued and paid-up capital through Cash Subscription	840,144	(840,144)	-	-	-	-	-	-	-	-	-
Increasing the issued and paid-up capital through Free shares	2,455,564	-	-	-	-	-	-	-	-	(2,455,564)	-
Amounts paid under capital increase account	-	-	-	-	-	192	-	-	-	(192)	-
Transferred to Capital Reserve	-	-	311,990	-	-	-	-	-	-	(311,990)	-
Transferred to Legal Reserve	-	-	-	-	-	-	(315,585)	-	-	315,585	-
Transferred to Banking Risk Reserve	-	-	-	-	-	-	-	1,710	-	(1,710)	-
Transferred to Banking Risk Reserve-Assets acquired	-	-	-	-	-	-	-	(5,580)	-	5,580	-
Net change in expected credit losses on debt instruments at Fair value through OCI	-	-	-	-	-	-	-	-	92,660	-	**92,660**
Net change in Fair value through OCI	-	-	-	-	-	-	-	-	187,513	5,516	**193,029**
Deferred tax - fair value differences of Fair value through OCI	-	-	-	-	-	-	-	-	(42,190)	-	**(42,190)**
Dividends paid according to the decision of the general assembly	-	-	-	-	-	-	-	-	-	(515,066)	**(515,066)**
Net profit for the financial Period	-	-	-	-	-	-	-	-	-	3,882,199	**3,882,199**
Balance at the end of the Period	**9,896,668**	**-**	**955,500**	**172,517**	**22,440**	**198,440**	**910**	**-**	**511,280**	**5,578,538**	**17,336,292**

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

Export Development Bank of Egypt (S.A.E.)

Separate Interim Cash flows Statement For The Period Ended Sep 30, 2024

	Notes	Sep 30,2024 EGP Thousands	Sep 30,2023 EGP Thousands
Cash flows from operating activities			
Net profit before income tax		5,425,321	3,128,736
Adjustments to reconcile net profit to cash provided from operating activities:			
Fixed Assets Depreciation	(24)	94,415	91,216
Intangible Assets Amortization	(22)	89,547	63,160
Investment property Depreciation	(25)	37	37
Expected of Credit losses for Loans and overdrafts for customers	(11)	258,746	379,377
Expected of Credit losses for Treasury bills	(11)	46,495	17,322
Expected of Credit losses for Treasury Bonds	(11)	25,439	(1,224)
Expected of Credit losses for Loans and overdrafts for Banks	(11)	(50,128)	19,891
Expected of Credit losses for Due from banks	(11)	67,661	2,965
Expected of Credit losses for Corporate Bonds	(11)	(5)	1,338
Expected of Credit losses for Accrued revenues	(11)	2,475	294
Reversal - Expected of Credit losses		137,363	76,371
Profit (Loss) Reserve Acquired Assets		(22,270)	(961)
Capital Profits		-	(192)
revaluation differences of Financial Investments at fair value through OCI foreign exchange	A/(19)	(1,566,442)	(422,696)
Foreign currencies revaluation differences of provisions (other than loans provision)		70,939	12,838
Dividends Income	(7)	(58,947)	(24,855)
Amortization for Discount and premium for Financial Investments	(19)	(72,484)	(29,674)
Operating profit before changes in assets and liabilities used in operating activities		**4,448,162**	**3,313,943**
Net decrease (increase) in Assets & Liabilities			
Due from banks	(15)	(1,442,345)	780,348
Treasury bills and other governmental notes		(11,200,206)	462,396
Financial Assets at Fair value through P&L	(16)	(43,650)	(5,971)
Loans and advances to customers & Banks	(17)	(13,497,252)	(10,389,665)
Other assets	(23)	(474,309)	1,266,753
Due to banks	(27)	8,127,861	832,629
Repruchase agreement - Sale treasury bills	(28)	(1,079)	(4,152,623)
Customers' deposits	(29)	39,918,218	13,323,405
Other liabilities	(31)	520,897	1,254,886
Income tax paid		(1,167,764)	(699,325)
Other provisions	(32)	(17,370)	(7,549)
Net cash flows provided from operating activities		**25,173,769**	**5,979,226**
Cash flows from investing activities			
payment for Purchase of fixed assets and branches improvements	(24)	(127,042)	(54,940)
Capital gain		-	192
Purchase of intangible assets	(22)	(77,435)	(95,731)
Proceeds from sale of Acquired Assets		107,500	21,952
payment for Purchases of Financial investments through OCI	A/(19)	(568,094)	(48,500)
Proceeds from redemption of OCI Financial investments	A/(19)	617,814	380,344
payment for purchases of Financial investments by Amortized cost	B/(19)	(2,461,952)	(801,655)
Proceeds from redemption of Financial investments by Amortized cost	B/(19)	2,526,903	4,216,495
Dividends Income		58,947	24,855
Financial investments in subsidiaries and associated co.	(20)	(164)	-
Net cash flows provided from investing activities		**76,477**	**3,643,012**

	Notes	Sep 30,2024 EGP Thousands	Sep 30,2023 EGP Thousands
Cash flows from financing activities			
Net proceeds (repayments) from debt instruments & other loans	(30)	1,117,968	(98,692)
Dividends Paid		(515,066)	(238,448)
Net cash flows provided from (used in) financing activities		**602,902**	**(337,140)**
Net increase in cash and cash equivalents during the Period		25,853,148	9,285,097
Beginning balance of cash and cash equivalent		30,719,670	11,634,437
Cash and cash equivalents at the end of the Period	(33)	**56,572,819**	**20,919,534**
Cash and cash equivalent comprise:			
Cash and due from Central Bank of Egypt	(14)	7,967,251	9,139,664
Due from banks	(15)	57,198,177	15,670,739
Treasury bills and other governmental notes		22,511,185	17,273,128
Obligatory reserve balance with CBE	(14)	(7,392,409)	(8,643,593)
Due from banks with maturities more than three months		(2,849,376)	-
Treasury bills and other governmental notes with maturity more than three months		(20,862,010)	(12,520,404)
Cash and cash equivalents at the end of the Period		**56,572,819**	**20,919,534**

Non-Cash transactions

* EGP 22,964 thousands value of fixed asset additions transferred from debit balances to fixed assets during the Period, the impact of which has been cancelled from the change in debit balances, fixed assets and intangible assets.

* EGP 237,983 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 137,245 thousands value of acquired assets transferred from Loans and other debit balances during the Period, 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.

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 fifty-four branches and the number of employees has reached 1669 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 13 November 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 Period ended on September 30, 2024 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 and Liabilities

(a) 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.

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.

The above can be summarized as follows:

Financial Asset	Business Model	Primary Characteristics
Financial assets at amortized cost.	**Business model of financial assets of contractual cash flows.**	**−The objective of the business model is to hold financial assets to collect contractual cash flows for the principal investment amount and returns.** **−A sale is an exceptional incidental event in relation to the objective of this model and under the conditions set out in the standard that there is a deterioration in the credit capacity of the issuer of the financial instrument or the sale will not result in material changes in the future cash flows of the financial asset, or the sale to manage the risk of credit concentration.** **−Lowest sales in terms of periodicity and value.**
Financial assets at fair value through other	**Business model of financial assets held for contractual cash flow collection and sale.**	**−Both contractual cash flow collection and sale complement to achieve the model's objective.** **−Relatively high sales (in terms of periodicity and value) compared to a business model of the financial**

comprehensive income.		**asset held for the collection of contractual cash flows.**
Financial assets at fair value through profit and loss.	**Other business models include (trading – managing financial assets based on fair value – maximizing cash flows through sale).**	**–The objective of the business model is not to hold the financial asset to collect contractual cash flows or to hold it to collect contractual cash flows and sell.** **– Contractual cash flow collection is an incidental event relative to the model's objective.** **– Management of financial assets by management on the basis of fair value through profit and loss to avoid accounting inconsistencies (composite financial instruments).** **– Conditions for classifying financial assets at fair value through profit and 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 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

(b) Financial Liabilities

-Financial liabilities are generally recorded and measured at amortized cost.

-If the objective of the bank's business model is to recognize financial obligations at fair value through profit and loss, then this type of financial obligation is measured at fair value and subsequent changes in fair value are recorded in the profit and loss statement, while changes resulting from credit risk associated with the bank itself with those liabilities are recognized in other comprehensive income and are not re-carried back to the profit and loss statement even if those amounts are realized or the obligations are disposed of.

In all cases, financial liabilities cannot be reclassified.

2. 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 years, 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 years 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 year. 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 year to year (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.

The bank revalues treasury bills and bonds (held for the purpose of trading / available for sale) in local currency on a daily basis, where pricing is carried out according to the closing prices prevailing in the secondary market at the end of each working day, where the financial instruments that are traded in the secondary market are priced according to the closing price (Market to Market) and in the event that there is insufficient data on market prices, a pricing model (Mark to Model) is used in accordance with the determinants and conditions contained in the instructions of the Central Bank of Egypt in this regard. As well as the work system and policy of the market risk sector, financial instruments in foreign currency (held for the purpose of trading / available for sale) are revalued in the same forms mentioned above at the end of each quarter.

N. Investment Property

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 year 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.

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.

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 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.

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:

	Sep 30,2024		Dec 31,2023	
Bank's rating	**Loans and advances**	**ECL provisions**	**Bank's rating**	**Loans and advances**
loans Performing	83.73%	17.56%	82.75%	22.68%
Regular watching	12.22%	21.75%	14.54%	28.10%
list watch	1.20%	11.30%	0.35%	3.34%

loans Non-performing	2.85%	49.39%	2.36%	45.88%
	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. <u>Pattern of measuring the general banking risk</u>

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.

<u>First: institutional worthiness:</u>

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

<u>Second: Classification of small loans according to economic activities:</u>

Terms of classification	Performing loans	Non-performing loans		
		Substandard	Doubtful	Bad Debt
payment period Delayed	—	6Months	9Months	12Months
Provision	%3	%20	%50	%100

5.1.3 Maximum exposure to credit risk before collateral held

- **Balance sheet items exposed to credit risks**

	Sep 30,2024 EGP Thousands	Dec 31,2023 EGP Thousands
Cash and due from Central Bank of Egypt	7,990,286	9,199,230
Less: Expected Credit losses	(23,034)	(14,487)
Due from banks	57,198,177	20,717,789
Less: Expected Credit losses	(67,537)	-
Financial Assets at Fair value through P&L : Debt instruments	210,777	156,155
Gross loans and advances to customers		
Individual:		
Overdraft	243,877	374,017
Credit cards	235,288	169,734
Personal loans	8,784,771	6,332,254
Mortgages	1,068,109	837,564
Corporate:		
Overdraft	35,702,058	29,566,745
Direct loans	11,999,598	9,807,001
Syndicated loans	9,297,781	7,529,938
Less: interest in suspense	(101,501)	(151,582)
Less: Expected Credit losses	(2,387,653)	(2,108,301)
Loans and advances to Banks	1,370,998	732,630
Less: Expected Credit losses	(13,324)	(40,854)
Financial Drivatives	1,606	4,211
Financial Investments: at Fair value through OCI & Amortized cost	32,340,730	27,638,607
Less: Expected Credit losses	(48,548)	(13,390)
Other Assets (Accrued Revenue)	1,367,056	821,519
Total	**165,169,515**	**111,558,781**

- The previous table represents the maximum exposure on Sep 30, 2024 and Dec 31, 2023 , 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, 40.08% of the maximum credit risk is the result of loans and facilities to banks and customers, compared to 47.55% as at Dec 31, 2023, while investments in debt instruments represent 19.68% compared to 24.90% at Dec 31, 2023.

- The Management is confident in its ability to continue to control and maintain the minimum credit risk resulting from both the loans & facilities portfolio, and debt instruments based on:

- 95.96%of the loans and facilities portfolio is ranked in the top two internal ratings compared to 97.29% at Dec 31, 2023

- 96.14%of the loans and facilities portfolio has no arrears or impairment indicators compared to 96.67% as of Dec 31, 2023

- Loans and facilities singly assessed amounting to 1,918 million Egyptian pounds compared to 1,290 million Egyptian pounds as of Dec 2023 ,31

Off Balance sheet items exposed to credit risk

	Sep 30,2024	Dec 31,2023
	EGP Thousands	**EGP Thousands**
Letter of guarantee	17,078,691	14,595,795
Letter of Credit (Import)	4,485,994	2,670,651
Letters of credit (Export-confirmed)	3,023,884	2,767,794
Shipping documents (Export)	873,586	967,846
Less : Cash cover	(4,986,203)	(4,038,375)
Net	**20,475,953**	**16,963,712**
Irrevocable commitments to loans and credit facilities	3,831,681	2,821,794
Total	**24,307,634**	**19,785,506**

3.1.6 Loans and advances

	Sep 30,2024 EGP Thousands	Dec 31,2023 EGP Thousands
Neither have arrears nor impaired	64,731,735	52,799,169
Have arrears but not impaired	681,599	527,812
subject to impairment	1,918,148	1,290,273
Total	**67,331,482**	**54,617,254**
Less: interest in suspense	(101,501)	(151,582)
Less: Expected Credit losses	(2,387,653)	(2,108,301)
Net	**64,842,329**	**52,357,371**

Total balances of loans and facilities divided by stages

Sep 30,2024	Stage 1 Expected credit losses over 12 months	Stage 2 Expected credit losses Over a lifetime that is not creditworthy	Stage 3 Expected credit losses Over a lifetime Credit default	Total
Retail	9,965,677	233,481	132,887	**10,332,045**
Corporate	50,959,243	4,254,933	1,785,261	**56,999,437**
Total	**60,924,920**	**4,488,414**	**1,918,148**	**67,331,482**

ECL of loans and facilities divided by stages

Sep 30,2024	Stage 1 Expected credit losses over 12 months	Stage 2 Expected credit losses Over a lifetime that is not creditworthy	Stage 3 Expected credit losses Over a lifetime Credit default	Total
Retail	29,192	3,222	81,958	**114,371**
Corporate	424,825	749,185	1,099,270	**2,273,281**
Total	**454,017**	**752,406**	**1,181,228**	**2,387,653**

ECL for impairment losses divided by internal classification

Sep 30,2024 Corporate	Stage 1 Expected credit losses over 12 months	Stage 2 Expected credit losses Over a lifetime that is not creditworthy	Stage 3 Expected credit losses Over a lifetime Credit default	Total
Performing loans (1-5)	361,029	25,061	-	**386,091**
Regular watching (6)	63,796	454,687	-	**518,483**
Watch list (7)	-	269,437	-	**269,437**
Non-performing loans (8-10)	-	-	1,099,270	**1,099,270**
Total	**424,825**	**749,185**	**1,099,270**	**2,273,281**

Sep 30,2024 Retail	Stage 1 Expected credit losses over 12 months	Stage 2 Expected credit losses Over a lifetime that is not creditworthy	Stage 3 Expected credit losses Over a lifetime Credit default	Total
Performing loans	29,192	3,222	-	**32,414**
Non-performing loans	-	-	81,958	**81,958**
Total	**29,192**	**3,222**	**81,958**	**114,371**

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

Sep 30,2024 Corporate	Stage 1 Expected credit losses over 12 months	Stage 2 Expected credit losses Over a lifetime that is not creditworthy	Stage 3 Expected credit losses Over a lifetime Credit default	Total
Performing loans (1-5)	45,542,736	635,064	-	**46,177,801**
Regular watching (6)	5,416,506	2,815,040	-	**8,231,546**
Watch list (7)	-	804,829	-	**804,829**
Non-performing loans (8-10)	-	-	1,785,261	**1,785,261**
Total	**50,959,243**	**4,254,933**	**1,785,261**	**56,999,437**

Sep 30,2024 Retail	Stage 1 Expected credit losses over 12 months	Stage 2 Expected credit losses Over a lifetime that is not creditworthy	Stage 3 Expected credit losses Over a lifetime Credit default	Total
Performing loans	9,965,677	233,481	-	**10,199,158**
Non-performing loans	-	-	132,887	**132,887**
Total	**9,965,677**	**233,481**	**132,887**	**10,332,045**

The following table summarizes information on asset quality and changes in expected credit losses
Cash and Balances with Central Bank of Egypt

Sep 30,2024	Stage 1	Stage 2	Stage 3	Total
	Months 12	Life time	Life time	
	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands
Performing loans	7,990,286	-	-	7,990,286
Regular watching	-	-	-	-
Watch list	-	-	-	-
Non-performing loans	-	-	-	-
Balance at the end of the Period	7,990,286	-	-	7,990,286
Expected Credit losses	(23,034)	-	-	(23,034)
NET	7,967,251	-	-	7,967,251

Debt instruments at Fair value through OCI

Sep 30,2024	Stage 1	Stage 2	Stage 3	Total
	12 Months	Life time	Life time	
	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands
Performing loans	24,317,334	-	-	24,317,334
Regular watching	-	-	-	-
Watch list	-	-	-	-
Non-performing loans	-	-	-	-
Balance at the end of the Period	24,317,334	-	-	24,317,334
Expected Credit losses	(174,526)	-	-	(174,526)

Loans and advances to customers

Sep 30,2024	Stage 1	Stage 2	Stage 3	Total
Corporate	Expected credit losses over 12 months	Expected credit losses Over a lifetime that is not creditworthy	Expected credit losses Over a lifetime Credit default	
	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands
Performing Loans (1-5)	45,542,736	635,064	-	46,177,801
Regular watching (6)	5,416,506	2,815,040	-	8,231,546
Watch list (7)	-	804,829	-	804,829
Non-performing loans (8-10)	-	-	1,785,261	1,785,261
Balance at the end of the Period	50,959,243	4,254,933	1,785,261	56,999,437
Expected Credit losses	(424,825)	(749,185)	(1,099,270)	(2,273,281)
NET	50,534,417	3,505,748	685,991	54,726,156

Sep 30,2024	Stage 1	Stage 2	Stage 3	Total
Retail	Expected credit losses over 12 months	Expected credit losses Over a lifetime that is not creditworthy	Expected credit losses Over a lifetime Credit default	
	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands
Performing loans	9,965,677	233,481	-	10,199,158
Non-performing loans	-	-	132,887	132,887
Balance at the end of the Period	9,965,677	233,481	132,887	10,332,045
Expected Credit losses	(29,192)	(3,222)	(81,958)	(114,371)
NET	9,936,485	230,259	50,929	10,217,674

Loans and advances to Banks

Sep 30,2024	Stage 1 Months 12 EGP Thousands	Stage 2 Life time EGP Thousands	Stage 3 Life time EGP Thousands	Total EGP Thousands
Performing loans (1-5)	-	1,370,998	-	**1,370,998**
Regular watching (6)	-	-	-	-
Watch list (7)	-	-	-	-
Non-performing loans (8-10)	-	-	-	-
Balance at the end of the Period	-	**1,370,998**	-	**1,370,998**
Expected credit losses	-	(13,324)	-	(13,324)
NET	-	**1,357,674**	-	**1,357,674**

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

Sep 30,2024	Stage 1 Months 12 EGP Thousands	Stage 2 Life time EGP Thousands	Stage 3 Life time EGP Thousands	Total EGP Thousands
The Balance at 1 Jan 2024	65,216	-	-	65,216
Expected credit losses	46,495	-	-	46,495
Cumulative foreign currencies translation differences	38,705	-	-	38,705
Balance at the end of the Period	150,417	-	-	150,417

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

Sep 30,2024	Stage 1 Months 12 EGP Thousands	Stage 2 Life time EGP Thousands	Stage 3 Life time EGP Thousands	Total EGP Thousands
The Balance at 1 Jan 2024	30,040	-	-	30,040
Expected credit losses	25,434	-	-	25,434
Cumulative foreign currencies translation differences	17,184	-	-	17,184
Balance at the end of the Period	72,657	-	-	72,657

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

Sep 30,2024	Stage 1 Months 12 EGP Thousands	Stage 2 Life time EGP Thousands	Stage 3 Life time EGP Thousands	Total EGP Thousands
The Balance at 1 Jan 2024	14,487	-	-	14,487
Expected credit losses	67,661	-	-	67,661
Cumulative foreign currencies translation differences	8,422	-	-	8,422
Balance at the end of the Period	90,571	-	-	90,571

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.

Sep 30,2024 — **EGP Thousands**

Rating	Retail				Corporate			
	Overdrafts	Credit cards	Personal loan	Mortgage	Overdrafts	Direct loan	Syndicatedloan	Total loans and advances to customers
Performing loans	243,877	203,640	8,172,086	1,060,239	30,291,476	9,725,768	6,160,556	**55,857,641**
Regular watching	-	-	-	-	4,244,774	2,039,313	2,590,006	**8,874,092**
Total	**243,877**	**203,640**	**8,172,086**	**1,060,239**	**34,536,251**	**11,765,082**	**8,750,562**	**64,731,735**

EGP Thousands

Dec 31,2023

Rating	Retail				Corporate			
	Overdrafts	Credit cards	Personal loan	Mortgage	Overdrafts	Direct loan	Syndicatedloan	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	**44,843,649**
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**

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:

Sep 30,2024 — EGP Thousands

	Retail			Corporate		
Rating	**Credit cards**	**Personal loan**	**Mortgage**	**Direct loan**	**Syndicatedloan**	**Total loans and advances to customers**
Arrears up to 30 days	20,890	264,946	-	73,685	60,878	**420,398**
Arrears from 31 to 90 days	8,662	217,263	7,556	14,243	13,475	**261,200**
Total	**29,552**	**482,209**	**7,556**	**87,928**	**74,353**	**681,599**

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**

Loans and Advances which are individually impaired

Loans and advances individually assessed without taking into consideration cash flows from guarantees are totaled EGP Thousands 1,918,148 on Sep 30, 2024 compared to EGP Thousands 1,290,273 on Dec 31,2023, The total fair value of the guarantees amounted to 1,191,451 thousand pounds

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

Sep 30,2024

EGP Thousands

	Retail				Corporate		
Rating	Credit cards	Personal loan	Mortgage	Overdrafts	Direct loan	Syndicatedloan	Total loans and advances to customers
Loans which are individually impaired	2,097	130,476	314	1,165,807	146,588	472,866	1,918,148
Total	2,097	130,476	314	1,165,807	146,588	472,866	1,918,148

Dec 31,2023

EGP Thousands

	Retail				Corporate		
Rating	Credit cards	Personal loan	Mortgage	Overdrafts	Direct loan	Syndicatedloan	Total loans and advances to customers
Loans which are individually impaired	2,775	106,865	77	960,135	220,420	-	1,290,273
Total	2,775	106,865	77	960,135	220,420	0	1,290,273

Restructured loans and Advances:

Restructuring activities include rescheduling arrangements, obligatory management programs, modification and deferral of payments. The application of restructuring policies are based on indicators or criteria of credit performance of the borrower that is based on the personal judgment of the management, indicate that payment will most likely continue

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

Renegotiated loans totaled at the end of Sep 30,2024

Loans and advances to customers corporates	Sep 30,2024 EGP Thousands
Direct loans	413,240

3.1.7 Government debt instruments, treasury bills and other governmental notes

The table below presents an analysis of Debt instruments, treasury bills and other governmental notes by rating agency at the end of the financial Period :

	EGP Thousands	
	Sep 30,2024	Dec 31,2023
Financial investments	**Financial Investments Debt instruments**	**Treasury bills and other Gov. notes**
Rating B-	31,852,179	27,018,484
Total	**31,852,179**	**27,018,484**

3.1.8 Concentration of risks of financial assets exposed to credit risks

3.1.8.1 Geographical segments

The following table provides a breakdown of the gross amount of the most significant credit risk limits to which the bank is exposed at the end of the current reporting Period

The gross amount of all financial assets is segmented into the geographical regions of the bank's clients:

EGP Thousands

	Cairo	Alex and Delta Sinai	Upper Egypt	Total
Cash and due from Central Bank of Egypt	7,775,044	161,739	53,503	**7,990,286**
Less: Expected Credit losses	(23,034)	-	-	**(23,034)**
Due from banks	57,198,177	-	-	**57,198,177**
Less: Expected Credit losses	(67,537)	-	-	**(67,537)**
Financial Assets at Fair value through P&L:Debt instruments	210,777	-	-	**210,777**
loans and advances to customers:				
Individual :				
Overdraft	172,375	49,770	21,732	**243,877**
Credit cards	159,392	61,064	14,832	**235,288**
Personal loans	5,901,798	2,278,246	604,727	**8,784,771**
Mortgages	693,339	199,143	175,627	**1,068,109**
Corporate:				
Overdraft	29,756,730	5,646,774	298,553	**35,702,058**
Direct loans	8,322,839	3,180,251	496,509	**11,999,598**
Syndicated loans	8,685,439	281,565	330,776	**9,297,781**
Less: interest in suspense	(100,509)	(992)	-	**(101,501)**
Less: Expected Credit losses	(1,708,461)	(556,944)	(122,248)	**(2,387,653)**
Loans and advances to Banks	1,229,284	141,714	-	**1,370,998**
Less: Expected Credit losses	(13,324)	-	-	**(13,324)**
Financial Drivatives	1,606	-	-	**1,606**
Financial Investments: at Fair value through OCI				
Debt instruments	24,317,334	-	-	**24,317,334**
Financial Investments: Amortized cost				
Debt instruments	8,023,396	-	-	**8,023,396**
Less: Expected Credit losses	(48,548)	-	-	**(48,548)**
Other Assets (Accrued Revenue)	1,300,546	51,659	14,851	**1,367,056**
Total	**151,786,662**	**11,493,991**	**1,888,862**	**165,169,515**

3.1.8.2 Industry Segments

EGP Thousands

	Government Sector	Private Sector	External and Intrnational transactions Sector	individuals and other activities Sector	Total
Cash and due from Central Bank of Egypt	7,990,286	-	-	-	**7,990,286**
Less: Expected Credit losses	(23,034)	-	-	-	**(23,034)**
Due from banks	51,073,159	-	6,125,018	-	**57,198,177**
Less: Impairment of Credit losses	(67,537)	-	-	-	**(67,537)**
Financial Assets at Fair value through P&L:Debt instruments	210,777	-	-	-	**210,777**
loans and advances to customers :					
Individual :					
Overdraft	-	-	-	243,877	**243,877**
Credit cards	-	-	-	235,288	**235,288**
Personal loans	-	-	-	8,784,771	**8,784,771**
Mortgages	-	-	-	1,068,109	**1,068,109**
Corporate:					
Overdraft	707,471	34,680,691	-	313,895	**35,702,058**
Direct loans	69,624	11,875,471	-	54,503	**11,999,598**
Syndicated loans	5,460,378	3,837,403	-	-	**9,297,781**
Less: interest in suspense	-	(101,501)	-	-	**(101,501)**
Less: Expected Credit losses	(6,161)	(2,380,202)	-	(1,290)	**(2,387,653)**
Loans and advances to Banks	1,304,385	-	66,613	-	**1,370,998**
Less: Expected Credit losses	(13,321)	-	(3)	-	**(13,324)**
Financial Drivatives	1,606	-	-	-	**1,606**
Financial Investments: at Fair value through OCI					
Debt instruments	23,666,555	650,779	-	-	**24,317,334**
Financial Investments: Amortized cost					
Debt instruments	8,023,396	-	-	-	**8,023,396**
Less: Expected Credit losses	(48,548)	-	-	-	**(48,548)**
Other Assets (Accrued Revenue)	393,744	11,260	-	962,052	**1,367,056**
Total	**98,742,779**	**48,573,902**	**6,191,628**	**11,661,206**	**165,169,515**

3.2 Market Risks

The bank is exposed to market risk represented in volatility in fair value or future cash flows resulted from changes in market prices. Market risk arise from the open positions of interest rates, currency rates and the equity instruments, the management of market risk resulted from trading, non-trading activities are centralized in the market risk department in the bank.

3.2.1 Foreign exchange rate volatility risk

The Bank is exposed to foreign exchange rate volatility risk in terms of the financial position and cash flows. The board of directors set limits for foreign exchange risk at the total value of positions at the end of the day and during the day when timely control is exercised.

The following table summarizes the bank's exposure to the risks of fluctuations in foreign exchange rates at the end of the reporting Period. This table includes the carrying amounts of the financial instruments in terms of their relevant currencies and in EGP equivalent.

EGP Thousands

Sep 30,2024	LE	USD	EUR	GBP	Other currencies	Total
Cash and due from Central Bank of Egypt	3,006,608	4,859,481	66,558	10,316	24,288	**7,967,251**
Due from banks	35,551,709	17,804,749	2,912,087	783,469	78,627	**57,130,640**
Financial Assets at Fair value through P&L	322,059	-	-	-	-	**322,059**
Loans and advances to customers	47,406,228	15,377,276	2,004,472	54,352	1	**64,842,329**
Loans and advances to Banks	214,830	1,128,424	14,420	-	-	**1,357,674**
Financial derivatives	1,606	-	-	-	-	**1,606**
Financial Investments: at Fair value through OCI	13,566,381	10,124,483	1,500,380	-	-	**25,191,244**
Financial Investments: Amortized cost	6,339,975	1,587,213	47,659	-	-	**7,974,847**
Financial investments in subsidiaries and associated co	773,039	-	-	-	-	**773,039**
Non-Current Assets held for sale	176,547	-	-	-	-	**176,547**
Other financial assets	1,101,483	250,403	14,635	503	33	**1,367,056**
Total financial assets	**108,460,467**	**51,132,029**	**6,560,211**	**848,640**	**102,947**	**167,104,294**
Financial Liabilities						
Due to banks	14,890,045	4,848,135	803,638	-	-	**20,541,818**
Repurchase agreement - sale of treasury bills	18,834	-	-	-	-	**18,834**
Customers deposits	77,209,324	43,114,597	5,618,883	814,546	93,762	**126,851,112**
Financial derivatives	-	-	-	-	-	**-**
Other loans	181,991	2,271,724	-	-	-	**2,453,715**
Other financial liabilities	579,242	150,781	2,719	79	-	**732,821**
Total financial liabilities	**92,879,437**	**50,385,237**	**6,425,239**	**814,624**	**93,762**	**150,598,300**
Net balance	**15,581,030**	**746,790**	**134,972**	**34,015**	**9,185**	**16,505,994**

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 :

EGP Thousands

Sep 30,2024	Up to 1 month	More than 1 month up to 3 months	More than 3 months up to 1 Period	More than 1 Period up to 3 Periods	More than 3 Periods	Total
Financial assets						
Cash and due from central banks	35,724,259	4,724,331	-	-	-	**40,448,590**
Due from banks	14,666,446	4,342,617	2,912,334	-	-	**21,921,397**
Other financial investments & Bonds	596,051	7,293,839	18,344,332	7,646,273	1,396,940	**35,277,435**
Loans and advances to customers and banks	59,104,983	7,600,521	4,415,549	5,467,526	5,213,947	**81,802,526**
Other financial assets	18,588	71,701	53,861	-	56,440	**200,590**
Total financial assets	**110,110,327**	**24,033,008**	**25,726,077**	**13,113,799**	**6,667,327**	**179,650,539**
Total insensitive assets						**11,301,406**
derivatives For trading	1,606	-	-	-	-	**1,606**
Total interest sensitive assets-derivatives other than trading	**110,111,933**	**24,033,008**	**25,726,077**	**13,113,799**	**6,667,327**	**190,953,551**
Financial liabilities						
Due to banks	20,674,772	-	1,106	2,388	16,220	**20,694,486**
Customers deposits	80,449,180	13,387,156	22,249,927	20,523,501	3,799,650	**140,409,415**
Other loans	1,318,719	749,160	523,742	39,702	1,582	**2,632,905**
Other financial liabilities	2,847,592	-	-	-	-	**2,847,592**
Total financial liabilities	**105,290,263**	**14,136,317**	**22,774,775**	**20,565,591**	**3,817,453**	**166,584,398**
Total interest non sensitive liabilities						**20,904,745**
Total interest sensitive liabilities-derivatives other than trading	**105,290,263**	**14,136,317**	**22,774,775**	**20,565,591**	**3,817,453**	**166,584,398**
Repricing Gap	**4,821,670**	**9,896,692**	**2,951,302**	**(7,451,792)**	**2,849,875**	**13,067,747**

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 Interim 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.

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:-

Sep 30,2024	Book value	Fair value
Financial Assets	**EGP Thousands**	**EGP Thousands**
Due from banks	57,130,640	57,130,640
Loans and advances to customers	64,842,329	64,842,329
Loans and advances to Banks	1,357,674	1,357,674
Financial investments:		
Amortized cost	7,974,847	7,812,344
Financial liabilities		
Due to banks	20,541,818	20,541,818
Customer’s deposits	126,851,112	126,851,112
Other loans	2,453,715	2,453,715

- **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.

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

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 Sep 30,2024

According to Basel II:	Sep 30,2024 EGP Thousands	Dec 31,2023 EGP Thousands
Capital	16,622,815	13,138,661
Tier one (Basic capital):		
Paid up capital	9,896,668	7,441,104
Reserves	1,336,579	1,021,635
Retained Earnings	1,820,679	1,595,242
Total balance of accumulated OCI items after regulatory adjustments	343,270	204,159
Interim Profits	2,372,515	2,209,221
Un controllable interest	30,153	27,114
Total deductions from tier one	(228,112)	(214,641)
Total basic capital	**15,571,751**	**12,283,833**
Tier two (Supplementary capital)		
45%of special reserve	10,098	10,098
Impairment provision for loans and regular contingent liabilities	1,040,966	844,730
Total tier two	**1,051,064**	**854,828**
Risk weighted assets and contingent liabilities:		
Total credit risk	95,036,791	73,413,103
The excess value of the top 50 customers for the prescribed limits is weighted by risk weights	2,276,589	-
Total market risk	386,230	572,329
Total operational risk	5,962,155	4,072,889
Total	**103,661,764**	**78,058,322**
	16.04%	**16.83%**

Capital adequacy ratio (%) *Taking into consideration the effect of Top 50 Customers

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 Sep 30, 2024 :

	Sep 30,2024	Dec 31,2023
Tier one (Basic capital):	EGP Thousands	EGP Thousands
Paid up capital	9,896,668	7,441,104
Reserves	1,336,579	1,021,635
Total balance of accumulated OCI items after regulatory	343,270	204,159
Retained profits	1,820,679	1,595,242
Interim Profits	2,372,515	2,209,221
Un controllable interest	30,153	27,114
Total deductions from basic capital	(228,112)	(214,641)
Total basic capital	**15,571,751**	**12,283,833**
Assets and contingent liabilities :		
Assets	171,502,034	117,114,289
contingent liabilities	18,504,959	14,098,809
Total Assets and contingent liabilitie	**190,006,993**	**131,213,098**
Leverage ratio (%)	**8.20%**	**9.36%**

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 Period. Estimates and assumptions are continuously assessed based on historical experience and other factors as well, including the expectations of future events, which are considered reasonable in the light of available information and surrounding circumstances.

(A) The fair value of derivatives

The fair values of financial instruments, which are not listed in active markets, is identified by applying valuation methods. When such methods are used to identify fair value, they are tested and reviewed Periodically by qualified personnel who are independent of the body that prepared them.

(B) Income taxes

The bank records the liabilities of the expected results of tax examination according to estimates of the probability of the emergence of additional taxes. When there is, a variance between the final result of taxes and the amounts previously recorded then these variances will affect the income tax and deferred tax provision for the Period in which the variance has been identified.

(C) Analysis by Geographical Segment

EGP Thousands

Sep 30,2024	CAIRO	Alex,Delta & Sinai	Upper Egypt	Total
Revenue according to geographical segment	14,731,550	4,132,266	779,862	**19,643,679**
Expenses according to geographical segment	(11,527,202)	(2,143,770)	(547,386)	**(14,218,358)**
Profit befor tax	**3,204,348**	**1,988,497**	**232,476**	**5,425,321**
Tax	(912,087)	(564,982)	(66,052)	**(1,543,121)**
Profit for the Period end	**2,292,261**	**1,423,515**	**166,424**	**3,882,199**
Sep 30,2023				
Revenue according to geographical segment	9,146,894	1,907,390	116,712	11,170,995
Expenses according to geographical segment	(6,992,317)	(1,015,303)	(34,639)	(8,042,260)
Profit befor tax	**2,154,577**	**892,087**	**82,073**	**3,128,736**
Tax	(670,812)	(276,707)	(25,457)	(972,976)
Profit for the Period end	**1,483,765**	**615,380**	**56,615**	**2,155,758**

Assets & liabilities by Geographical Segment

EGP Thousands

	CAIRO	Alex,Delta & Sinai	Upper Egypt	Total
Sep 30,2024				
Assets by Geographical Segment	166,172,309	3,377,476	1,056,159	**170,605,945**
Total Assets	**166,172,309**	**3,377,476**	**1,056,159**	**170,605,945**
liabilities by Geographical Segment	138,040,125	28,301,944	4,263,877	**170,605,945**
Total liabilities	**138,040,125**	**28,301,944**	**4,263,877**	**170,605,945**
Dec 31,2023				
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**

5- Net Interest Income

	Three Months Ended Sep 30,2024 EGP Thousands	The Period Ended Sep 30,2024 EGP Thousands	Three Months Ended Sep 30,2023 EGP Thousands	The Period Ended Sep 30,2023 EGP Thousands
Interest From Loans and Similar Income:				
- Loans and Facilities for Customers	3,359,890	8,933,673	2,233,323	6,232,641
- Treasury Bills	845,221	2,513,249	585,811	1,381,244
- Treasury Bonds	265,566	769,140	325,085	1,057,568
- Corporate Bonds	48,092	139,056	6,676	14,977
- Deposits and Current Accounts	2,144,681	5,061,851	453,193	943,752
Total	**6,663,449**	**17,416,969**	**3,604,088**	**9,630,183**
Cost of Deposit and Similar Costs:				
Deposits and Current Accounts:				
- Banks	(614,609)	(2,011,029)	(265,406)	(744,620)
- Customers	(3,835,761)	(9,156,154)	(1,856,421)	(4,838,256)
- Other loans	(48,475)	(127,355)	(28,154)	(89,035)
- REPO	(261)	(789)	(275)	(164,779)
Total	(4,499,107)	(11,295,326)	(2,150,256)	(5,836,690)
Net	**2,164,342**	**6,121,643**	**1,453,832**	**3,793,493**

6- Net Income from Fees and Commissions

	Three Months Ended Sep 30,2024 EGP Thousands	The Period Ended Sep 30,2024 EGP Thousands	Three Months Ended Sep 30,2023 EGP Thousands	The Period Ended Sep 30,2023 EGP Thousands
Fees and commissions income:				
- Fees and commission related to credit and operational	460,379	1,336,300	384,740	1,105,037
- Custody Fees	913	4,452	359	1,874
- Other Fees	56,262	126,899	31,324	71,772
Total	**517,554**	**1,467,651**	**416,423**	**1,178,683**
- Fees and Commissions Expenses:				
- Other fees paid	(74,201)	(190,054)	(36,653)	(107,109)
Total	**(74,201)**	**(190,054)**	**(36,653)**	**(107,109)**
Net	**443,353**	**1,277,597**	**379,771**	**1,071,574**

7- Dividend Income

	Three Months Ended Sep 30,2024 EGP Thousands	The Period Ended Sep 30,2024 EGP Thousands	Three Months Ended Sep 30,2023 EGP Thousands	The Period Ended Sep 30,2023 EGP Thousands
- Financial Investments: at Fair value through OCI	2,800	8,288	12,779	20,905
- Associates and Subsidiary companies	50,659	50,659	-	3,950
Total	**53,459**	**58,947**	**12,779**	**24,855**

8- Net Trading Income

	Three Months Ended Sep 30,2024 EGP Thousands	The Period Ended Sep 30,2024 EGP Thousands	Three Months Ended Sep 30,2023 EGP Thousands	The Period Ended Sep 30,2023 EGP Thousands
- Profit (losses) from foreign exchange	134,328	467,256	55,153	228,807
- Profit (losses) on revaluation of forward contracts	-	(4,111)	2,956	5,776
- Profit arising from sale of trading investments	26,497	74,757	4,561	24,042
- Profit (Loss) from swap Contract	2,512	1,505	(41)	(41)
- Valuation differences of trading investments	5,589	8,900	2,984	6,470
- Debt instruments for trading investments:	15,405	60,868	16,819	43,422
Total	**184,331**	**609,176**	**82,432**	**308,476**

9- Administrative expenses

	Three Months Ended Sep 30,2024 EGP Thousands	The Period Ended Sep 30,2024 EGP Thousands	Three Months Ended Sep 30,2023 EGP Thousands	The Period Ended Sep 30,2023 EGP Thousands
Staff Costs				
- Salaries and Wages	(294,609)	(884,008)	(236,918)	(727,106)
- Social insurance	(11,494)	(34,203)	(9,648)	(28,524)
Pension costs				
- Defined contribution scheme	(9,876)	(29,866)	(9,524)	(28,488)
- Defined benefits scheme	(21,268)	(83,860)	(20,383)	(55,873)
Other Administrative expenses				
- Operations expenses	(77,794)	(227,023)	(53,825)	(146,702)
- Communications expenses	(18,413)	(66,184)	(13,542)	(42,950)
- Business expenses	(23,043)	(240,772)	(19,766)	(99,535)
- Stationary Expenses	(4,388)	(16,878)	(5,306)	(13,835)
- Service expenses	(201,381)	(541,827)	(104,571)	(319,540)
- Depreciation expenses	(65,794)	(183,962)	(55,394)	(154,377)
Total	**(728,061)**	**(2,308,584)**	**(528,877)**	**(1,616,931)**

* **Average monthly total salaries of highest 20 employees For the Period ended Sep 30, 2024 was EGP 9,208 thousands**

10- Other operating income (expenses) :	Three Months Ended Sep 30,2024 EGP Thousands	The Period Ended Sep 30,2024 EGP Thousands	Three Months Ended Sep 30,2023 EGP Thousands	The Period Ended Sep 30,2023 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	(14,713)	(1,457)	1,119	(69,598)
- Collected Telex, Swift, Postage, Printed matters & Photocopy	32,416	87,205	21,739	65,350
- Legal service income	15	60	35	104
- (Charges) release of other provisions	12,161	(137,363)	2,093	(76,371)
- Profit (Loss) Acquired assets	20,483	21,294	(269)	355
- Miscellaneous income	11,584	34,435	11,094	38,778
- Miscellaneous expenses	(1,074)	(4,208)	(525)	(3,404)
Total	**60,872**	**(35)**	**35,285**	**(44,593)**

11- Impairment (charge) release for credit losses	Three Months Ended Sep 30,2024 EGP Thousands	The Period Ended Sep 30,2024 EGP Thousands	Three Months Ended Sep 30,2023 EGP Thousands	The Period Ended Sep 30,2023 EGP Thousands
Expected of Credit losses for Loans and overdrafts for customers	(60,648)	(258,746)	(87,303)	(379,377)
Expected of Credit losses for Treasury bills	43,118	(46,495)	13,217	(17,322)
Expected of Credit losses for Treasury Bonds	(9,920)	(25,439)	278	1,224
Expected of Credit losses for Loans and overdrafts for Banks	8,427	50,128	(20,065)	(19,891)
Expected of Credit losses for Due from banks	(24,279)	(67,661)	10,753	(2,965)
Expected of Credit losses for Corporate Bonds	4	5	(3,047)	(1,338)
Expected of Credit losses for Accrued revenues	337	(2,475)	408	(294)
	(42,961)	**(350,683)**	**(85,759)**	**(419,963)**

12- Income Tax expense	Three Months Ended Sep 30,2024 EGP Thousands	The Period Ended Sep 30,2024 EGP Thousands	Three Months Ended Sep 30,2023 EGP Thousands	The Period Ended Sep 30,2023 EGP Thousands
- Income tax	(575,881)	(1,549,726)	(401,954)	(977,967)
Deferred tax	1,608	6,604	3,773	4,989
Total	**(574,273)**	**(1,543,122)**	**(398,181)**	**(972,978)**

Adjustments for calculating effective tax rate	The Period Ended Sep 30,2024	The Period Ended Sep 30,2023
- Accounting profit before tax	5,425,321	3,128,736
- tax rate	22.5%	22.5%
- income tax calculated on accounting profit	1,220,697	703,966
- **Add / Deduct**		
- Non-deducted expenses	494,002	359,745
- tax exemption	(846,629)	(583,427)
- impact of provision	94,950	45,554
- impact of depreciations	6,705	11,053
- tax on bills & Bonds on income statement	1,543,122	972,978
Effective tax rate (including teasury bills and bonds)	**28.44%**	**31.10%**

13- Earnings Per Share

	Three Months Ended Sep 30,2024 EGP Thousands	The Period Ended Sep 30,2024 EGP Thousands	Three Months Ended Sep 30,2023 EGP Thousands	The Period Ended Sep 30,2023 EGP Thousands
- Net profit for the Period	1,565,696	3,882,199	955,655	2,155,758
- Board member's bonus	31,314	77,644	19,113	43,115
- Staff Profit Sharing	156,570	388,220	95,565	215,576
- Shareholder's Share in Profit	1,377,813	3,416,335	840,976	1,897,067
- Average number of shares	730,108	762,060	549,184	549,184
Earnings Per Share	**1.89**	**4.48**	**1.53**	**3.45**

14- Cash and balances with central bank of Egypt

	Sep 30,2024 EGP Thousands	Dec 31,2023 EGP Thousands
- Cash on hand	574,843	376,756
- Due from Central Bank of Egypt (mandatory reserve)	7,415,443	8,822,474
- Less: Expected of Credit losses	(23,034)	(14,487)
Total	**7,967,251**	**9,184,743**
- Fixed bearing balances	4,639,655	2,918,071
- Non- interest bearing balances	3,327,597	6,266,672
	7,967,251	**9,184,743**

* **Balances with the Central Bank of Egypt includes the dollar deposit under the reserve ratio (10%), which is settled on maturity 20 November 2024**

15- Due from banks

	Sep 30,2024 EGP Thousands	Dec 31,2023 EGP Thousands
- Current accounts	114,675	747,862
- Deposits	57,083,502	19,969,927
- Less: Expected of Credit losses	(67,537)	-
Total	**57,130,640**	**20,717,789**
- Central Bank (other than obligatory resrve)	35,542,467	11,352,381
- Local banks	15,530,692	5,536,556
- Foreign banks	6,125,018	3,828,852
- Less: Impairment of Credit losses	(67,537)	-
Total	**57,130,640**	**20,717,789**
- Non - interest bearing balances	114,675	747,862
- Fixed bearing balances	57,015,965	19,969,927
Total	**57,130,640**	**20,717,789**
- Current Balances	57,130,640	20,717,789

16- Financial Assets at Fair value through P&L

	Sep 30,2024 EGP Thousands	Dec 31,2023 EGP Thousands
Debt instruments:		
- Treasury bonds	35,238	-
- Financial investment portfolios managed by others	111,282	102,871
- Treasury bills and other governmental notes at Fair value through P&L	190,598	157,217
- Unearned income	(15,060)	(1,061)
Total	**322,059**	**259,027**

17- Loans and advances to customers

	Sep 30,2024 EGP Thousands	Dec 31,2023 EGP Thousands
Individual :		
- Overdraft	243,877	374,017
- Credit cards	235,288	169,734
- Personal loans	8,784,771	6,332,254
- Mortgages	1,068,109	837,564
Corporate:		
- Overdraft	35,702,058	29,566,745
- Direct loans	11,999,598	9,807,001
- Syndicated loans	9,297,781	7,529,938
Total	**67,331,482**	**54,617,254**
- Less: interest in suspense	(101,501)	(151,582)
- Less: Expected Credit losses	(2,387,653)	(2,108,301)
Net	**64,842,329**	**52,357,371**

Loans and advances for Banks

	Sep 30,2024 EGP Thousands	Dec 31,2023 EGP Thousands
- Discounted documents	1,370,998	732,630
Total	**1,370,998**	**732,630**
- Less: Expected Credit losses	(13,324)	(40,854)
Net	**1,357,674**	**691,776**

Loans Provisions Analysis for custmers

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

	Sep 30,2024			
	Stage 1	Stage 2	Stage 3	Total
	months 12 EGP Thousands	Life time EGP Thousands	Life time EGP Thousands	EGP Thousands
Balance at the beginning of the Period	516,777	624,069	967,455	**2,108,301**
Expected Credit losses	(108,928)	79,228	288,446	**258,746**
Used Provision during the Period	-	-	(115,585)	**(115,585)**
Collections from loans previously written-off	9,011	-	-	**9,011**
Cumulative foreign currencies translation differences	37,158	49,110	40,912	**127,179**
Balance at the end of the Period	**454,018**	**752,406**	**1,181,228**	**2,387,653**

Loans Provisions Analysis for banks

losses between the beginning and end of the Period as aresult of these factors:

	Stage 1	Stage 2	Stage 3	Total
	months 12 EGP Thousands	Life time EGP Thousands	Life time EGP Thousands	EGP Thousands
Balance at the beginning of the Period	-	40,854	-	**40,854**
Expected Credit losses	-	(50,128)	-	(50,128)
Cumulative foreign currencies translation differences	-	22,598	-	22,598
Balance at the end of the Period	**-**	**13,324**	**-**	**13,324**

	Dec 31,2023			
	Stage 1	Stage 2	Stage 3	Total
	months 12	Life time	Life time	
	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands
Balance at the beginning of the Period	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 Period	-	-	(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 Period	**516,777**	**624,069**	**967,455**	**2,108,301**

	Stage 1	Stage 2	Stage 3	Total
	months 12	Life time	Life time	
	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands
Balance at the beginning of the Period	-	207	-	**207**
Expected Credit losses	-	40,596	-	40,596
Cumulative foreign currencies translation differences	-	52	-	52
Balance at the end of the Period	**-**	**40,854**	**-**	**40,854**

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

	Sep 30,2024		Dec 31,2023	
	Assets	Liabilities	Assets	Liabilities
	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands
Spot Contract	780,746	779,142	27,606	27,505
Forward Contract	-	-	68,781	64,671
Total Assets (Liabilities) Drivatives	**1,604**	**-**	**4,211**	**-**

19- **Financial Investment**

		Sep 30,2024 EGP Thousands	Dec 31,2023 EGP Thousands
A/19	**Financial Assets at Fair value through OCI :**		
-	Debt instruments-fair value:		
-	Listed in stock market	2,075,630	1,658,420
	NET	**2,075,630**	**1,658,420**
-	Treasury bills and other governmental notes at Fair value through OCI	23,507,079	19,610,853
-	Unearned income	(1,265,375)	(478,717)
	NET	**22,241,704**	**19,132,136**
-	**Equity instruments-fair value:**		
-	Certificates of mutual funds issued according to determined percentages	79,434	62,198
-	Unlisted in stock market	794,476	582,990
	(1) Total Financial Assets at Fair value through OCI	**25,191,244**	**21,435,744**
B/19	**Amortized cost investment**		
	Debt instruments at amortized cost:		
-	listed in stock market	8,023,396	6,862,470
-	Unearned income	-	(14,419)
-	Less: Expected Credit losses	(48,548)	(13,390)
	(2) Total Amortized cost investment	**7,974,847**	**6,834,661**
	(1+2) Total Financial Investments	**33,166,092**	**28,270,405**
-	Current balances	32,371,616	27,687,415
-	Non-current balances	794,476	582,990
		33,166,092	**28,270,405**
-	Fixed interest debt instruments	31,641,402	26,862,329
-	Variable interest debt instruments	650,779	762,888
		32,292,181	**27,625,217**

* 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 Sep 30, 2024) Amounted to 1,810,973 thousand EGP

The following table shows book value & fair value as at 30 Sep 2024 for reclassified government bonds:

	Book Value	Fair Value
Government Bonds	**1,810,973**	**1,648,469**

The fair value that would have been recognized in equity gains if government bonds had not been reclassified amount of 162,503 Thousands EGP

EGP Thousands

	Financial investment at Fair value through OCI	Financial investment Amortized cost	Total
The balance after Adjasment 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 at 31 Dec 2023	**16,341,726**	**6,834,661**	**23,176,387**
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
Begining balance at 1 jan 2024	**21,435,745**	**6,834,661**	**28,270,407**
Additions	568,094	2,447,533	3,015,627
Deductions (selling-redemptions)	(617,814)	(2,526,903)	(3,144,717)
Changes in Zero copoun bonds' unearned income	-	14,419	14,419
Foreign Exchange revaluation differences	393,781	1,172,662	1,566,442
Profit (loss) from change in fair value	295,171	1,849	297,021
amortization for Discount and premium	6,700	65,784	72,484
Expected Credit losses	-	(35,158)	(35,158)
Ending balance	**22,081,677**	**7,974,847**	**30,056,525**
Net change in Treasury bills and other governmental notes at Fair value through OCI	3,896,225	-	3,896,225
The change in Unearned income	(786,658)	-	(786,658)
Ending balance at 30 September 2024	**25,191,245**	**7,974,847**	**33,166,092**

Treasury bills and other governmental notes at Fair value through OCI

	Sep 30,2024 EGP Thousands	Dec 31,2023 EGP Thousands
Represented in:		
- 91 days Maturity	1,633,650	9,607,125
- 182 days Maturity	830,000	2,330,225
- 273 days Maturity	3,489,450	402,300
- 364 days Maturity	17,645,445	7,269,833
Total	**23,598,545**	19,609,483
- Unearned income	(1,265,375)	(478,717)
Total	**22,333,170**	**19,130,766**
- Profit (loss) from change in fair value	(91,466)	12,137
- Foreign exchange differences	0	(10,767)
Total	**22,241,704**	**19,132,136**

Within the item of treasury bills amount 21,900 EGP thousands owed to the Central Bank of Egypt against mortgage finance and amount 24,000 EGP thousands of small & medium enterprises 7% As of 30 Sep 2024

Profit (losses) from financial investment

	Three Months Ended Sep 30,2024 EGP Thousands	The Period Ended Sep 30,2024 EGP Thousands	Three Months Ended Sep 30,2023 EGP Thousands	The Period Ended Sep 30,2023 EGP Thousands
Profit from selling Financial Investments at Fair value through OCI	-	-	-	696
Profit from selling treasury bills	5	12,175	1,923	1,979
Profit from selling treasury bonds	4,629	5,085	2,450	9,149
Total	**4,634**	**17,260**	**4,373**	**11,825**

20- Financial investment in subsidiaries and associated companies

	Sep 30,2024 EGP Thousands	%	Dec 31,2023 EGP Thousands	%
a Participations in subsidiaries companies' capital				
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 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	170,279	83.333
EGYPT CAPITAL FOR REAL ESTATE	3	0.050	3	0.050
Total	**773,039**		**773,039**	

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

On October 21, 2024, the bank's contribution to A-Beta for real estate investment Company was reduced to EGP 98,000 based on the decision of the Extraordinary General Assembly, which approved reducing the company's capital from EGP 171 million to EGP 250,000.

Financial information's about subsidiaries companies' as at June 30, 2024

	Total assets	Total liabilities excluding equity	Net profit before Tax	Net income
Egypt capital holding company	601,647	29,059	55,029	53,011
The international holding for financial investments	31,065	81	901	706
BETA Financial holding	115,542	8	909	758
Egyptian company for real estate	365,867	398	194	(696)
A BETA for real estate investment	324,816	3,364	33,285	26,386
Egyptian Tourism Development Company	508,466	124,565	(31,203)	(31,203)
EGYPT CAPITAL FOR REAL ESTATE	10,739	83	935	714
The tourism investment company in Sahl Hashish	210,442	20,974	23,577	18,241
EBE Factors Companies	1,147,308	944,662	17,974	12,124

Financial information's about subsidiaries companies' as at Dec 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

-21 Non-Current Assets held for sale	Sep 30,2024 EGP Thousands	Dec 31,2023 EGP Thousands
	176,547	176,383
	176,547	**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, and in process of 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

	Sep 30,2024 EGP Thousands	Dec 31,2023 EGP Thousands
Net book value at the beginning of the period	390,972	199,537
	84,591	191,435
Net book value at the end of the Period	**475,563**	**390,972**
Accumulated depreciation at the beginning of the Period	249,658	157,489
Amortization expense	89,547	92,169
Accumulated depreciation at the end of the Period	**339,205**	**249,658**
Net intangible assets at the end of the Period	**136,358**	**141,314**

23- Other Assets

	Sep 30,2024 EGP Thousands	Dec 31,2023 EGP Thousands
Accrued revenues*	1,376,280	827,812
Prepaid expenses	307,663	217,529
Advances for purchase of fixed assets	1,064,912	902,157
Acquired assets (Net)*	508,402	468,824
Insurances and trusts	15,256	13,115
Suspense assets	363,748	226,523
Purchase of financial rights	109,882	581,825
Total	**3,746,144**	**3,237,786**
Less: Expected Credit losses	(9,224)	(6,293)
NET	**3,736,920**	**3,231,493**

	Sep 30,2024 EGP Thousands	Dec 31,2023 EGP Thousands
Accrued income for medium term loans	619,498	400,794
Accrued income for due from banks	351,779	76,407
Accrued income for financial investments	405,004	350,611
Total	**1,376,280**	**827,812**
Less: Expected Credit losses	(9,224)	(6,293)
NET	**1,367,056**	**821,519**

* 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 Separate Interimly by the difference between the book value of the asset and its net selling value or the present value of future cash flows estimated from the use of the asset and discounted at the current market rate for similar assets, whichever is higher. The book value of the asset is reduced through the use of an impairment account and the recognition of the value of the loss in the income statement under the item “other operating income (expenses)”. If the impairment loss decreases in any subsequent Period, and that decrease can be linked objectively to an event that occurred after the impairment loss was recognized, then the previously recognized impairment loss is returned to the income statement, provided that this response does not result in an asset value exceeding the value that was previously recognized. It would have been possible for the asset to reach it if these impairment losses had not been recognized, provided that the disposal of these assets is taken into account within the time Period specified in accordance with the provisions of the law. And if these assets are not disposed of within the specified Period in accordance with Law No. 194 of 2020, the general bank risk reserve is reinforced by the equivalent of 10% of the value of these assets annually. Under “other operating income (expenses).

24- FIXED ASSETS (NET)

EGP Thousands

	Land	Premises	Computers	Vehicles	Fixture and improvements	Equipment	Furniture	Others	Total
Cost at the beginning of the Period	152,740	618,171	285,779	16,020	521,566	47,904	38,320	13,265	**1,693,764**
Additions during the Period	-	-	92,744	7,796	38,320	1,793	1,859	339	**142,850**
Disposals during the Period	-	-	-	-	(11)	-	-	-	**(11)**
Cost at the end of the Period (1)	**152,740**	**618,171**	**378,522**	**23,816**	**559,875**	**49,697**	**40,179**	**13,605**	**1,836,604**
Accumulated depreciation at the beginning of the Period	-	99,759	213,756	11,965	379,200	21,872	18,569	3,035	**748,156**
Depreciation charged for the Period	-	11,601	45,177	1,713	29,542	3,288	2,701	393	**94,415**
Accumulated depreciation for disposals	-	-	-	-	(11)	-	-	-	**(11)**
Accumulated depreciation at the end of the Period (2)	**-**	**111,360**	**258,933**	**13,678**	**408,732**	**25,159**	**21,271**	**3,427**	**842,560**
Net book value at the end of the Period (1-2)	**152,740**	**506,810**	**119,590**	**10,138**	**151,143**	**24,538**	**18,908**	**10,177**	**994,044**
Net book value at the beginning of the Period	**152,740**	**518,412**	**72,022**	**4,055**	**142,366**	**26,033**	**19,751**	**10,231**	**945,608**

* **Fixed assets include assets that have not been registered under the name of the bank in the amount of 77,628 Thousand Egyptian pound (Before Depreciation)**

25- Investment property

	Sep 30,2024 EGP Thousands	Dec 31,2023 EGP Thousands
Book value at the beginning of the Period	**3,369**	**3,369**
Book value at the end of the Period	**3,369**	**3,369**
Accumulated depreciation at the beginning of the Period	**1,945**	**1,895**
Depreciation	37	50
Accumulated depreciation at the end of the Period	**1,982**	**1,945**
Net book value at the end of the Period	**1,387**	**1,425**

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 Period. 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	
	Sep 30,2024 EGP Thousands	Dec 31,2023 EGP Thousands	Sep 30,2024 EGP Thousands	Dec 31,2023 EGP Thousands
Deferred tax – other provisions	3,033	1,546	-	28,579
Tax effect of the difference between accounting depreciation and tax depreciation	6,459	1,493	-	30,290
Deferred Taxes - fair value reserve of financial investments through OCI	-	-	97,767	(3,141)
Total Deferred Tax (Asset-Liabilitie)	**9,492**	**3,039**	**97,767**	**55,728**
Net Deferred Tax			**88,276**	**52,689**

	Deferred Tax Assets		Deferred Tax liabilities	
	Sep 30,2024 EGP Thousands	Dec 31,2023 EGP Thousands	Sep 30,2024 EGP Thousands	Dec 31,2023 EGP Thousands
The beginning of the Period	3,039	1,546	55,728	28,579
Additions during the Period	6,453	1,493	97,767	30,290
Disposals during the Period	-	-	(55,728)	(3,141)
The Ending balance	**9,492**	**3,039**	**97,767**	**55,728**

27- Due to banks

	Sep 30,2024 EGP Thousands	Dec 31,2023 EGP Thousands
Current accounts	658,727	5,131
Deposits	19,883,091	12,408,826
	20,541,818	**12,413,957**
Local banks	16,382,180	10,187,677
Foreign banks	4,159,638	2,226,280
	20,541,818	**12,413,957**
Non - interest bearing balances	658,727	5,131
Fixed bearing balances	19,883,091	12,408,826
	20,541,818	**12,413,957**
Current Balances	20,541,818	12,413,957
	20,541,818	**12,413,957**

28- Repruchase agreement - Sale treasury bills

	Sep 30,2024 EGP Thousands	Dec 31,2023 EGP Thousands
Repruchase agreement - Sale treasury bills	18,834	19,913
	18,834	**19,913**

29- Customers Deposits

	Sep 30,2024 EGP Thousands	Dec 31,2023 EGP Thousands
Demand Deposits	49,299,564	38,320,809
Time Deposits	61,463,705	34,365,875
Saving deposits and certificates of deposit	13,235,383	11,724,135
Other Deposits	2,852,460	2,522,074
Total	**126,851,112**	**86,932,894**
Retail Deposits	18,167,035	15,441,208
Corporate Deposits	108,684,077	71,491,686
Total	**126,851,112**	**86,932,894**
Current balances	52,152,024	40,842,883
Non-current balances	74,699,088	46,090,010
Total	**126,851,112**	**86,932,894**

30- Other loans

	Maturity date	% Rate	Sep 30,2024 EGP Thousands	Dec 31,2023 EGP Thousands
Agricultural Sector Development Program (ADP)	**Sep 14,2026**	3.21%	154,700	199,925
management of the National Bank of Egypt	**Sep 03,2028**	1.75%	12,889	12,570
Green for growth fund	**June 15,2026**	8.13%	489,217	435,312
Sanad fund	**Jan 5,2026**	8.56%	285,377	371,119
CBE for small & medium projects 7%	**July 1,2025**	3.00%	13,329	37,284
projects Development Authority	**Oct 1,2026**	11.00%	1,073	1,500
European Bank for Reconstruction and Development	**Feb 21,2027**	7.36%	1,497,130	278,038
Total			**2,453,715**	**1,335,747**
Non-current Balances			2,453,715	1,335,747
Total			**2,453,715**	**1,335,747**

31- Other liabilities

	Sep 30,2024 EGP Thousands	Dec 31,2023 EGP Thousands
Accrued Interest	732,821	423,099
Prepaid Revenues	162,412	103,662
Accrued Expenses	451,226	328,552
Accrued Taxes and Insurances	23,341	20,056
Suspense assets	1,499,121	1,085,693
Total	**2,868,920**	**1,961,062**

32- **Other Provisions**

Sep 30,2024	Balance at the beginning of the Period EGP Thousands	Charges during the Period EGP Thousands	Foreign currencies revaluation differences EGP Thousands	Reclassification between provisions EGP Thousands	Release (charge)Provisions no longer required EGP Thousands	Provision used during the Period EGP Thousands	Balance at the end of the Period EGP Thousands
Provision for claims (Taxs)	47,751	6,000	-	-	-	(17,371)	**36,380**
Provision for legal claims	13,505	1,656	963	-	(2,644)	-	**13,480**
Provision for contingent liabilities-Stage 1	91,333	126,564	11,378	-	(68,037)	-	**161,238**
Provision for contingent liabilities-Stage 2	3,436	48,096	1,986	-	(26,962)	-	**26,556**
Provision for contingent liabilities-Stage 3	334	290	-	-	(90)	-	**534**
Provision for Commitment -Stage 1	123,589	104,766	-	-	(53,299)	-	**175,057**
Provision for Commitment -Stage 2	32,713	13,028	-	-	(15,531)	-	**30,210**
Provision for Commitment -Stage 3	-	3,525	-	-	-	-	**3,525**
Total	**312,661**	**303,925**	**14,326**	**-**	**(166,562)**	**(17,371)**	**446,979**

Dec 31,2023	Balance at the beginning of the Year EGP Thousands	Charges during the Year EGP Thousands	Foreign currencies revaluation differences EGP Thousands	Reclassification between provisions EGP Thousands	Release (charge)Provisions no longer required EGP Thousands	Provision used during the Year EGP Thousands	Balance at the end of the Year 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)	-	**334**
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**

- **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. 20,000,000,000. The issued and paid up capital amounted to LE 9,896,668,320 as of Sep 30, 2024, distributed over 989,666,832 common shares with a par value of EGP 10 each, and the shareholders structure as following:

Shareholders	No. of shares	%	Paidup capital
National investment bank	403,279,642	40.75%	4,032,796,420
Banque de misr	228,991,281	23.14%	2,289,912,810
National bank of Egypt	195,947,147	19.80%	1,959,471,470
Others	161,448,762	16.31%	1,614,487,620
	989,666,832	**100%**	**9,896,668,320**

- 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
- On March 27,2024 the General Assembly approved the distribution of 2,456 million pounds as free shares distribution

33.2 Reserves

- Reserves on September30,2024 represented in the following

	Sep 30,2024 EGP Thousands	Dec 31,2023 EGP Thousands
- General banking risk reserve	909	316,495
- Banking risk reserve – acquired assets	-	3,870
- Legal reserve	955,499	643,510
- General reserve	172,517	172,517
- Reserve for financial assets at fair value through OCI	434,521	247,008
- Deferred Taxes fair value differences resulting from the evaluation of financial assets at fair value through OCI in foreign currencies	(97,767)	(55,577)
- Expected credit losses for debt instruments at fair value through OCI	174,526	81,866
- Special reserve	22,440	22,440
- Capital reserve	198,440	198,248
- IFRS9 reserve		
Total	**1,861,086**	**1,630,377**

1- General bank risk reserve

It represents the increase in the provisions calculated according to creditworthiness principles over the provision for impairment in accordance with the instructions of the Central Bank of Egypt issued on February 26, 2019 regarding the requirements for applying the IFRS9 standard, in addition to the remainder of the impact of the application of IFRS9 where the balance of the general banking risk reserve, IFRS9 reserve and the credit reserve were merged The largest part of this reserve was used to offset expected credit losses upon the initial application of the international standard (1 July 2019)

2- Banking risk reserve - acquired assets

If the assets acquired by the Bank are not disposed of in accordance with the provisions of Article 60 of Law 88 of 2003 the general bank risk reserve shall be increased by 10% of the value of these assets annually during the Period of retention by the Bank

3- Legal reserve

In accordance with the Bank's Articles of Association, an amount equal to 10% of the profits shall be deducted annually to form the statutory reserve. The General Assembly may stop this deduction when the reserve total equals 50% of the issued capital of the Bank

4- Fair value reserve - at Fair value through OCI

Represents revaluation differences arising from changes in the fair value of financial investments available for sale

5- Capital reserve

Representing the Profit sale of fixed assets

	Sep 30,2024 EGP Thousands	Dec 31,2023 EGP Thousands
A - General banking risk reserve		
Beginning balance	316,495	231,334
Transferred To retained earnings	(315,585)	85,162
the balance after Adjusment	909	**316,495**
Ending balance	**909**	**316,495**
B - Banking risk reserve – acquired assets		
Beginning balance	3,870	1,913
Transferred to banking risk reserve – acquired assets	(5,580)	-
Transferred to Retained earnings	1,710	1,957
Ending balance	**-**	**3,870**
C - Legal reserve		
Beginning balance	643,510	520,902
Transferred from retained earnings	311,990	122,608
Ending balance	**955,499**	**643,510**
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	198,248	195,432
Strengthening to capital reserve	192	2,816
Ending balance	**198,440**	**198,248**
G - Fair value reserve - financial assets at through OCI		
Beginning balance	273,298	118,913
the balance after Adjasment	**273,298**	**118,913**
Net change in fair value	187,513	134,622
Deffered Tax -Fair value differncies for financial assets through OCI in foreign currncies	(42,190)	(30,290)
Expected credit losses for debt instruments at fair value through OCI	92,660	50,052
Transferred to retained earnings	-	-
Ending balance	**511,280**	**273,297**
Total reserves at the end of the Period	**1,861,086**	**1,630,377**
H- Retained earnings		
Beginning balance	4,654,180	2,825,225
Net profit for the Period	3,882,199	3,120,089
Previous Period dividends	(2,970,630)	(1,078,592)
Transferred to reserves	(313,892)	(127,381)
Transferred to General banking risk reserve	315,585	(85,162)
Transferred to banking risk reserve – acquired assets	5,580	-
Transferred to Fair value through OCI	5,516	-
Ending balance	**5,578,538**	**4,654,180**

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 Period

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

	Sep 30,2024 EGP Thousands	Sep 30,2023 EGP Thousands
Cash and due from central bank of Egypt	574,843	496,071
Due from banks	54,348,801	15,670,739
Treasury bills and other governmental notes	1,649,175	4,752,724
	56,572,819	**20,919,534**

36- Contingent liabilities and commitments

(A) Legal claims

There are a number of existing cases filed against the bank in 30 Sep 2024 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 1,341,975 thousands as follows

	Investment value	Paid	Remaining
Financial assets at fair value through O(	2,262,226	1,408,984	853,242
Fixed asset capital Commitment	-	-	488,733
Total	**2,262,226**	**1,408,984**	**1,341,975**

(B)/2 Commitment for operating leases

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

	Sep 30,2024 EGP Thousands	Dec 31,2023 EGP Thousands
Not more than one Period	1,473	1,295
More than a Period and less than five Periods	-	-
More than five Periods	202,639	218,058
Total	**204,112**	**219,354**

(C) Loans, facilities and guarantees commitments

	Sep 30,2024 EGP Thousands	Dec 31,2023 EGP Thousands
Letter of guarantee	17,078,691	14,595,795
Letter of Credit (Import)	4,485,994	2,670,651
Letters of credit (Export-confirmed)	3,023,884	2,767,794
Shipping documents (Export)	873,586	967,846
Less : Cash cover	(4,986,203)	(4,038,375)
Net	**20,475,953**	**16,963,712**
Irrevocable commitments to loans and credit facilities	3,831,681	2,821,794
Total	**24,307,634**	**19,785,506**

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:

- Assets:	Sep 30,2024 EGP Thousands	Dec 31,2023 EGP Thousands
Loans and advances to customers	**251,180**	**292,914**

- Liabilities:	Sep 30,2024 EGP Thousands	Dec 31,2023 EGP Thousands
Customers' deposits	**636,901**	**225,510**

(B) Shareholders:	Sep 30,2024 EGP Thousands	Dec 31,2023 EGP Thousands
Assets:		
Due from banks	15,512,785	5,014,909
Liabilities:		
Due to banks	3,000,000	2,000,000
Customers' deposits	5,098,016	419,064

(C) Board of directors benefits:	Sep 30,2024 EGP Thousands	Sep 30,2023 EGP Thousands
Wages and short term benefits	**120,903**	**87,851**

38. Tax status

- **Corporate income Tax.**

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

  Tax Inspections done and pay all tax due.

- Year 2019-2020

  The Tax Inspection has been completed, and the inspection differences for those years are being paid.

- Years 2021-2023

  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.

- 2020-2023 years

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

- **Salaries tax**

- The beginning of the years till 31/12/2022

  Tax Inspections done and pay any tax due.

- 2023 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.

- **Real Estate Tax**

  The Bank pays the real estate taxes due on all its assets on the legal dates whenever it received.

39. 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	115,743	1,050,930	52,427
the number of owned certificates by the bank	79،191	39،440	50،000
The Bank percentage from total no. of certificates	68.42%	3.75%	95.37%
The redemption value per certificate as of Sep 30, 2024	364.50	651.7093	497.3149
fees and commission income/other fees collected as of 30 Sep, 2024	707.2 Thousands	1,962,4 Thousands	86.6 Thousands

40. Comparative figures

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