



Financial Statements
For The period Ended
30 September 2023
Crédit Agricole Egypt



CRÉDIT AGRICOLE
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CREDIT AGRICOLE - EGYPT
Egyptian Joint Stock Company
Condensed Separate Financial Statements
And Auditors' Limited Review Report
For The Period Ended 30 September 2023

PricewaterhouseCoopers Ezzeldeen, Diab & Co.
Public Accountants

MAZARS Mostafa Shawki
Public Accountants & Consultants

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Limited Review Report on Condensed Separate Interim Financial Statements

To : Board of Directors of Credit Agricole - Egypt (SAE)

Introduction

We have performed a limited review on the accompanying condensed separate interim statement of financial position of Credit Agricole Egypt (SAE) (the Bank) as at 30 September 2023 and the related condensed separate interim statements of income, comprehensive Income, changes in equity and cash flows for the nine months then ended, and other explanatory notes. Management is responsible for the preparation and fair presentation of these condensed separate interim financial statements in accordance with the rules of preparation and presentation of banks' financial statements and basis of recognition and measurement issued by the Central Bank of Egypt on 16 December 2008 as amended by the regulation issued on 26 February 2019 and its subsequent interpretive instructions and central bank of Egypt board of directors resolution on 3 May 2020 regarding issuing condensed separate interim financial statements for banks and with the requirements of applicable Egyptian laws and regulations. Our responsibility is to express a conclusion on these condensed separate interim financial statements based on our limited review.

Scope of Limited Review

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

Conclusion

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



Fellow of Egyptian Society of Accountants and Auditors
Registry of Accountants and Auditors no. 26144
Financial Regulatory Authority no.381
PricewaterhouseCoopers Ezzeldeen, Diab & Co.
CBE Register No 588
Public Accountants

Auditors



Fellow of Egyptian Society of Accountants and Auditors
Accountants and Auditors Register No. 8173
Fellow of Egyptian Tax Society
Egyptian Financial Supervisory Authority
Register no.258
CBE Register No 573
Accountability State Authority No 1802
MAZARS Mostafa Shawki

Cairo, 9 November 2023

Condensed Separate Interim Statement of Financial Position – As of 30 September 2023

(All amounts are in thousand Egyptian pounds)

	Notes	30 September 2023	31 December 2022*
<u>Assets</u>			
Cash and balances with Central Bank of Egypt	14	7,916,482	5,236,268
Due from banks	15	34,131,901	20,763,931
Loans to banks*		-	3,278
Loans and advances to customers	16	36,950,333	33,510,642
Derivative financial assets		4,331	55,294
<u>Financial Investments</u>			
Fair value through other comprehensive income	17	18,330,294	13,095,005
Fair value through profit or loss	17	8,388	11,336
Investments in subsidiaries	18	143,822	143,822
Intangible assets	19	143,405	115,197
Other assets	20	2,099,254	1,597,091
Deferred tax assets	12	71,545	9,401
Fixed assets	21	581,466	570,750
Total assets		100,381,221	75,112,015
<u>Liabilities and Owners' Equity</u>			
<u>Liabilities</u>			
Due to banks	22	211,956	460,912
Treasury bills Sold with repurchase agreements		5,635	6,576
Customers' deposits	23	80,756,728	60,492,822
Derivative financial instruments		2,483	38,605
Other Loans	24	926,802	742,302
Other liabilities	25	3,308,620	2,260,787
Current income tax liability		1,178,372	640,552
Other provisions	26	658,869	353,486
Retirement benefit obligations		190,979	190,979
Total liabilities		87,240,444	65,187,021
<u>Owners' Equity</u>			
Paid-in Capital		5,000,000	5,000,000
Reserves	27	803,864	1,001,127
Retained earnings	27	7,336,913	3,923,867
Total owners' equity		13,140,777	9,924,994
Total liabilities and owners' equity		100,381,221	75,112,015

Cairo 9 November 2023

•Loans to banks presentation was amended as in Note 34
-The accompanying notes from note 1 to 35 are an integral part of these condensed financial statements.
- Limited Review report attached.



Jean-Pierre Trinelle
Managing Director



Condensed Separate Interim Income Statement for The Period Ended 30 September 2023

(All amounts are in thousand Egyptian pounds)

	Notes	From 1/1/2023 To 30/9/2023	From 1/1/2022 To 30/9/2022	From 1/7/2023 To 30/9/2023	From 1/7/2022 To 30/9/2022
Interest on loans and similar income	4	8,229,535	4,400,542	3,218,578	1,605,216
Interest on deposits and similar expenses	4	(3,008,776)	(1,806,778)	(1,228,928)	(637,398)
Net interest income		5,220,759	2,593,764	1,989,650	967,818
Fees and commission income	5	1,606,659	845,564	491,375	316,726
Fees and commission expenses	5	(438,241)	(322,504)	(158,662)	(113,976)
Net fee and commission income		1,168,418	523,060	332,713	202,750
Dividend income	6	8,399	16,151	-	-
Net trading income	7	310,389	220,324	75,270	83,730
Gains from financial investments	8	122,539	48,922	13,064	19,303
Impairment (charge) for credit losses	9	(74,907)	(152,509)	(64,331)	(61,190)
Administrative expenses	10	(1,496,461)	(1,162,082)	(563,637)	(403,295)
Other net operating income (Expense)	11	(173,325)	106,850	(28,415)	(3,535)
Profit before income tax		5,085,811	2,194,480	1,754,314	805,581
Income tax expense	12	(1,280,245)	(590,028)	(457,861)	(220,001)
Profit for the period		3,805,566	1,604,452	1,296,453	585,580
Earnings per share	13	2.74	1.16	0.93	0.42

-The accompanying notes from note 1 to 35 are an integral part of these condensed financial statements.

Condensed Separate Interim Statement of Comprehensive Income for The Period Ended 30 September 2023

(All amounts are in thousand Egyptian pounds)

	From 1/1/2023 To 30/9/2023	From 1/1/2022 To 30/9/2022	From 1/7/2023 To 30/9/2023	From 1/7/2022 To 30/9/2022
Net profit for the period	3,805,566	1,604,452	1,296,453	585,580
Items that will not be reclassified to the Profit or Loss:				
Net change in fair value of investments in equity instruments measured at fair value through other comprehensive income	-	30,934	-	7,143
Items that is or may be reclassified to the profit or loss:				
Net change in fair value of debt instruments measured at fair value through other comprehensive income	(360,424)	(263,972)	(86,285)	(169,774)
Expected credit loss for fair value of debt instruments measured at fair value through other comprehensive income	36,362	6,776	3,734	(9,319)
Total other comprehensive income items for the period	(324,062)	(226,262)	(82,551)	(171,950)
Total other comprehensive income for the period	3,481,504	1,378,190	1,213,902	413,630

-The accompanying notes from note 1 to 35 are an integral part of these condensed financial statements.

Condensed Separate Interim Statement of Changes in Owners' Equity for The Period Ended 30 September 2023

(All amounts are in thousand Egyptian pounds)

30 September 2022
Balance at 1 January 2022

Dividends declared related to 2021

Transfer to Capital reserve

Transfer to Legal reserve

Transfer to Banking general risks reserve

Transfer to Banking Sector Support & Development Fund

Balances after profit distribution

Net change in other comprehensive income

Net profit for the period

Balance as at 30 September 2022

	Paid in capital	Reserves	Retained earnings	Total
Balance at 1 January 2022	5,000,000	871,248	2,797,685	8,668,933
Dividends declared related to 2021	-	-	(1,071,583)	(1,071,583)
Transfer to Capital reserve	-	48,914	(48,914)	-
Transfer to Legal reserve	-	77,177	(77,177)	-
Transfer to Banking general risks reserve	-	535	(535)	-
Transfer to Banking Sector Support & Development Fund	-	-	(15,430)	(15,430)
Balances after profit distribution	5,000,000	997,874	1,584,046	7,581,920
Net change in other comprehensive income	-	(226,262)	-	(226,262)
Net profit for the period	-	-	1,604,452	1,604,452
Balance as at 30 September 2022	5,000,000	771,612	3,188,498	8,960,110

30 September 2023
Balance at 1 January 2023

Dividends declared related to 2022

Transfer to Capital reserve

Transfer to Legal reserve

Transfer to Banking general risks reserve

Transfer to Banking Sector Support & Development Fund

Balances after profit distribution

Net change in other comprehensive income

Transfer to Retained earnings

profit for the period

Balance as at 30 September 2023

	Paid in capital	Reserves	Retained earnings	Total
Balance at 1 January 2023	5,000,000	1,001,127	3,923,867	9,924,994
Dividends declared related to 2022	-	-	(241,612)	(241,612)
Transfer to Capital reserve	-	2,998	(2,998)	-
Transfer to Legal reserve	-	120,806	(120,806)	-
Transfer to Banking general risks reserve	-	5,235	(5,235)	-
Transfer to Banking Sector Support & Development Fund	-	-	(24,109)	(24,109)
Balances after profit distribution	5,000,000	1,130,166	3,529,107	9,659,273
Net change in other comprehensive income	-	(324,062)	-	(324,062)
Transfer to Retained earnings	-	(2,240)	2,240	-
profit for the period	-	-	3,805,566	3,805,566
Balance as at 30 September 2023	5,000,000	803,864	7,336,913	13,140,777

-The accompanying notes from note 1 to 35 are an integral part of these condensed financial statements.

Condensed Separate Interim Statement of Cash Flows for The Period Ended 30 September 2023

(All amounts are in thousand Egyptian pounds)

	Notes	For the period ended	
		30 September 2023	30 September 2022
<u>Cash flows from operating activities</u>			
Net profit before income tax		5,085,811	2,194,480
Adjustments to reconcile net profit to cash flow from operating activities:			
Depreciation and amortization		123,131	106,880
Impairment charge for credit losses	9	74,907	152,509
Other provision (release) / charge	26	268,001	(70,340)
Used provision - other than loans provision	26	(103)	(657)
Amortization of discount/premium on investments through OCI	17	(864,651)	(502,547)
Foreign currencies revaluation of provisions rather than LLP		57,848	33,719
Foreign currencies revaluation of investments rather than through P&L	17	(742,916)	(102,423)
Revaluation of investments at fair value through profit / Loss (Profit) on sale of fixed assets	17	359	8,979
Foreign currencies revaluation of other loans		(8,361)	(201)
		184,500	115,068
Operating profit before changes in operating assets & liabilities		4,178,526	1,935,467
<u>Net decrease (increase) in assets and liabilities</u>			
Due from Central Bank of Egypt		(2,255,013)	804,458
Due from banks		(406,818)	(325,746)
Loans and advances		(3,487,220)	(4,248,644)
Derivative financial instruments (net)		(91)	(23,714)
Other assets		(504,963)	(279,724)
Due to banks		(248,956)	160,233
Customers' deposits		20,263,906	5,502,963
Other liabilities		1,022,783	593,399
Income taxes paid		(804,569)	(454,317)
Net cash flow generated from operating activities		17,757,585	3,664,375
<u>Cash flows from investing activities</u>			
Purchase of assets & branches leasehold improvements		(162,567)	(76,827)
Proceeds from sale of fixed assets & Intangible assets		8,873	201
Proceeds from sale and redemption of financial investments		117,682,064	171,160,132
Purchases of securities other than trading other investments		(120,495,228)	(170,587,622)
Net cash flow (used in) investing activities		(2,966,858)	495,884
<u>Cash flows from financing activities</u>			
Dividends paid		(241,612)	(1,071,583)
Net cash (used in) financing activities		(241,612)	(1,071,583)

Net change in cash and cash equivalents during the period	14,549,115	3,088,676
Cash and cash equivalents at beginning of the Period	20,781,456	11,420,372
Cash and cash equivalents at the end of the period	35,330,571	14,509,048

Cash and cash equivalents are represented in:

Cash and due from Central Bank of Egypt	14	7,916,482	4,738,974
Due from banks	15	34,144,905	11,575,693
Treasury bills	17	12,139,420	9,098,874
Balances with Central Bank of Egypt (Reserve ratio)		(5,680,037)	(2,565,958)
Deposits with banks (Maturity more than three months)		(2,330,320)	(1,396,132)
Treasury bills (Maturity more than three months)		(10,859,879)	(6,942,403)
Cash and cash equivalents at the end of the period	29	35,330,571	14,509,048

-The accompanying notes from note 1 to 35 are an integral part of these condensed financial statements.

Notes to the condensed separate interim financial statements for the period ended 30 September 2023

1. General Information

Credit Agricole - Egypt Bank (S.A.E.) provides corporate banking, retail, and investment banking services inside and outside the Arab Republic of Egypt through its head office at 5th Settlement and 83 branches that employs over 2,535 people at the balance sheet date.

The bank is an Egyptian Joint Stock Company incorporated in accordance with law 159 of 1981 in the Arab Republic of Egypt. The head office of the bank is at the Touristic Area, land piece (9/10/11/12/13) A - 5th Settlement, Cairo Governance, Egypt. The bank is listed in the Egyptian Stock Exchanges.

This financial statement has been approved for issuance by the board of directors on November 9, 2023.

2. Basis of preparation

The Condensed separate financial statements have been prepared in accordance with the Central Bank of Egypt approved by the Board of Directors on December 16, 2008, also according to the instructions for applying IFRS 9 issued by the Central Bank of Egypt on February 2019. in accordance with the instructions of the Central Bank dated 3 May 2020 to prepare condensed periodic financial statements.

The bank issued condensed financial statements based on the Central Bank of Egypt instructions on May 5, 2020, which allows banks to issue condensed Interim financial statements. The bank also prepared the condensed consolidated interim financial statements and its subsidiaries in accordance with the rules of preparation and presentation of the banks' financial statements approved by Central Bank of Egypt as mentioned previously, Subsidiaries are entirely included in the consolidated financial statements and these companies are the companies that the Bank - directly or indirectly – has more than half of the voting rights or has the ability to control the financial and operating policies, regardless of the type of activity and the Bank consolidated financial statements can be obtained from the Bank management . The Bank accounts for investments in subsidiaries companies in the separate financial statements at cost net of impairment loss

References is made to what not mentioned in the instructions of Central Bank of Egypt to the Egyptian accounting standards.

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

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

These interim condensed separate financial statements are not indicative of the financial results of the bank for the full financial year ended 31 December 2023.

A. Credit risk exposure before guarantees

(All amounts are in thousand Egyptian pounds)

	<u>30 September</u> <u>2023</u>	<u>31 December</u> <u>2022</u>
Credit risk exposures relating to on-balance sheet items:		
Cash and balances with central bank of Egypt	5,680,037	3,425,024
Due from banks	34,144,905	20,771,634
Loans and advances to banks	-	3,278
<u>Loans and advances to customers</u>		
Loans to Individuals:		
- Overdrafts	77,901	124,051
- Credit cards	1,300,535	1,172,542
- Personal Loans	8,205,020	8,116,570
- Real Estate Loans	825,557	486,036
<u>Loans To corporate entities:</u>		
- Overdrafts	9,967,548	7,170,554
- Direct Loans	16,559,882	15,540,329
- Syndicated loans	1,352,425	1,598,834
- Other Loans	238,561	792,937
Derivative financial instruments	4,331	55,294
<u>Investment securities</u>		
- Fair value through other comprehensive income	18,071,161	12,884,675
Other Assets	992,600	690,426
Total	<u>97,420,463</u>	<u>72,832,184</u>
	<u>30 September</u> <u>2023</u>	<u>31 December</u> <u>2022</u>
Credit risk exposures relating to off-balance sheet items:		
Customer Liabilities Under Acceptances	1,898,672	2,512,516
Commitments (Loans and liabilities – irrevocable)	2,322,767	2,811,864
Letter of credit	1,167,964	1,471,500
Letters of guarantee	15,011,775	14,237,198
Total	<u>20,401,178</u>	<u>21,033,078</u>

The above table represents a worse-case scenario of credit risk exposure to the bank at 30 September 2023 and 31 December 2022, without taking into account of any collateral held or other credit enhancements attached. For on-balance-sheet assets, the exposures set out above are based on gross carrying amounts before deducting their excepted credit losses.

The following table provides information on the quality of financial assets during the period:

Due from banks

30 September 2023	Stage 1	Stage 2	Stage 3	Total
Credit rating	Months-12	Life time	Life time	
Good debts	25,512,722	2,330,320	-	27,843,042
Normal watch-list	6,301,863	-	-	6,301,863
Special watch-list	-	-	-	-
Non-performing loan	-	-	-	-
Allowance for impairment losses	-	(13,004)	-	(13,004)
Net	31,814,585	2,317,316	-	34,131,901

31 December 2022	Stage 1	Stage 2	Stage 3	Total
Credit rating	Months-12	Life time	Life time	
Good debts	17,996,338	1,923,502	-	19,919,840
Normal watch-list	851,794	-	-	851,794
Special watch-list	-	-	-	-
Non-performing loan	-	-	-	-
Allowance for impairment losses	-	(7,703)	-	(7,703)
Net	18,848,132	1,915,799	-	20,763,931

Retail loans

30 September 2023	Stage 1	Stage 2	Stage 3	Total
Credit rating	Months-12	Life time	Life time	
Good debts	77,260	-	-	77,260
Normal watch-list	9,559,035	244,496	-	9,803,531
Special watch-list	-	342,974	-	342,974
Non-performing loan	-	-	185,248	185,248
Allowance for impairment losses	(60,666)	(43,822)	(117,683)	(222,171)
Net	9,575,629	543,648	67,565	10,186,842

31 December 2022	Stage 1	Stage 2	Stage 3	Total
Credit rating	Months-12	Life time	Life time	
Good debts	123,528	-	-	123,528
Normal watch-list	8,977,325	199,372	-	9,176,697
Special watch-list	-	385,876	-	385,876
Non-performing loan	-	-	213,098	213,098
Allowance for impairment losses	(59,816)	(46,041)	(131,038)	(236,895)
Net	9,041,037	539,207	82,060	9,662,304

Corporate loans

30 September 2023	Stage 1	Stage 2	Stage 3	Total
Credit rating	Months-12	Life time	Life time	
Good debts	21,908,414	3,628,647	-	25,537,061
Normal watch-list	144,166	1,165,756	-	1,309,922
Special watch-list	-	499,967	-	499,967
Non-performing loan	-	-	771,466	771,466
Allowance for impairment losses	(225,063)	(480,761)	(631,889)	(1,337,713)
Net	21,827,517	4,813,609	139,577	26,780,703

31 December 2022	Stage 1	Stage 2	Stage 3	Total
Credit rating	Months-12	Life time	Life time	
Good debts	18,603,810	4,312,152	-	22,915,962
Normal watch-list	309,059	1,109,945	-	1,419,004
Special watch-list	-	77,592	-	77,592
Non-performing loan	-	-	777,125	777,125
Allowance for impairment losses	(213,014)	(386,262)	(648,904)	(1,248,180)
Net	18,699,855	5,113,427	128,221	23,941,503

Debt instruments at fair value through other comprehensive income

30 September 2023	Stage 1	Stage 2	Stage 3	Total
Credit rating	Months-12	Life time	Life time	
Good debts	-	-	-	-
Normal watch-list	14,587,074	3,484,087	-	18,071,161
Special watch-list	-	-	-	-
Non-performing loan	-	-	-	-
Allowance for impairment losses	-	(109,471)	-	(109,472)
Total - fair value	14,587,074	3,374,616	-	17,961,689

31 December 2022	Stage 1	Stage 2	Stage 3	Total
Credit rating	Months-12	Life time	Life time	
Good debts	-	-	-	-
Normal watch-list	9,813,780	3,070,895	-	12,884,675
Special watch-list	-	-	-	-
Non-performing loan	-	-	-	-
Allowance for impairment losses	-	(73,110)	-	(73,110)
Total - fair value	9,813,780	2,997,785	-	12,811,565

The following table shows changes in impairment credit losses between the beginning and ending of the period as a result of these factors:

Due from banks

30 September 2023	Stage 1 Months 12	Stage 2 Life time	Stage 3 Life time	Total
Balance at the beginning of the period	-	7,703	-	7,703
New financial assets purchased or issued	-	11,052	-	11,052
Financial assets have been matured or derecognised	-	(7,703)	-	(7,703)
Foreign exchange translation differences	-	1,952	-	1,952
Balance at the period end	-	13,004	-	13,004

31 December 2022	Stage 1 Months 12	Stage 2 Life time	Stage 3 Life time	Total
Balance at the beginning of the year	34	3,647	-	3,681
New financial assets purchased or issued	43	4,955	-	4,998
Financial assets have been matured or derecognised	(80)	(3,647)	-	(3,727)
Foreign exchange translation differences	3	2,748	-	2,751
Balance at the year end	-	7,703	-	7,703

Retail loans

30 September 2023	Stage 1 Months 12	Stage 2 Life time	Stage 3 Life time	Total
Balance at the beginning of the period	59,816	46,041	131,038	236,895
Transfer to Stage 1	22,832	(22,832)	-	-
Transfer to Stage 2	(16,164)	20,100	(3,936)	-
Transfer to Stage 3	(665)	(28,694)	29,359	-
Changes in PDs/LGDs/EADs	1,676	31,083	38,421	71,180
Financial assets have been matured or derecognised	(6,829)	(1,876)	(9,605)	(18,310)
Collections of loans previously written-off	-	-	67,638	67,638
Loans written-off during the period	-	-	(135,232)	(135,232)
Balance at the year period	60,666	43,822	117,683	222,171

31 December 2022	Stage 1 Months 12	Stage 2 Life time	Stage 3 Life time	Total
Balance at the beginning of the year	52,727	59,098	133,777	245,602
Transfer to Stage 1	28,431	(28,401)	(30)	-
Transfer to Stage 2	(34,218)	45,024	(10,806)	-
Transfer to Stage 3	(3,085)	(63,391)	66,476	-
Changes in PDs/LGDs/EADs	25,057	37,067	86,010	148,134
Financial assets have been matured or derecognized	(9,096)	(3,356)	(20,887)	(33,339)
Collections of loans previously written-off	-	-	91,524	91,524
Loans written-off during the year	-	-	(215,026)	(215,026)
Balance at the year end	59,816	46,041	131,038	236,895

Corporate loans

30 September 2023	Stage 1 Months 12	Stage 2 Life time	Stage 3 Life time	Total
Balance at the beginning of the period	213,014	386,262	648,904	1,248,180
Transfer to Stage 1	22,214	(22,214)	-	-
Transfer to Stage 2	(41,021)	160,406	(119,385)	-
Transfer to Stage 3	(253)	(78,538)	78,791	-
Changes in PDs/LGDs/EADs	26,214	13,590	(522)	39,282
Financial assets have been matured or derecognized	(16,415)	(16,301)	(5,829)	(38,545)
Collections of loans previously written-off	-	-	10,820	10,820
Loans written-off during the period	-	-	(7,547)	(7,547)
Foreign exchange translation differences	21,310	37,556	26,657	85,523
Balance at the year period	225,063	480,761	631,889	1,337,713

31 December 2022	Stage 1 Months 12	Stage 2 Life time	Stage 3 Life time	Total
Balance at the beginning of the year	309,184	399,881	560,599	1,269,664
Transfer to Stage 1	142,212	(142,212)	-	-
Transfer to Stage 2	(262,257)	262,257	-	-
Transfer to Stage 3	-	(197,451)	197,451	-
Changes in PDs/LGDs/EADs	17,587	49,993	58,006	125,586
Financial assets have been matured or derecognized	(28,960)	(22,307)	-	(51,267)
Collections of loans previously written-off	-	-	632	632
Loans written-off during the year	-	-	(231,710)	(231,710)
Foreign exchange translation differences	35,248	36,101	63,926	135,275
Balance at the year end	213,014	386,262	648,904	1,248,180

Debt instruments at fair value through other comprehensive income

30 September 2023	Stage 1 Months 12	Stage 2 Life time	Stage 3 Life time	Total
Balance at the beginning of the period	-	73,110	-	73,110
Changes in PDs/LGDs/EADs	-	(32,928)	-	(32,928)
New financial assets purchased or issued	-	123,989	-	123,989
Financial assets have been matured or derecognized	-	(73,110)	-	(73,110)
Foreign exchange translation differences	-	18,411	-	18,411
Balance at the year period	-	109,472	-	109,472

31 December 2022	Stage 1 Months 12	Stage 2 Life time	Stage 3 Life time	Total
Balance at the beginning of the year	-	42,951	-	42,951
Changes in PDs/LGDs/EADs	-	(3,172)	-	(3,172)
New financial assets purchased or issued	-	47,813	-	47,813
Financial assets have been matured or derecognized	-	(42,066)	-	(42,066)
Foreign exchange translation differences	-	27,584	-	27,584
Balance at the year end	-	73,110	-	73,110

B. Market risk

The bank takes on exposure to market risks, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks arise from open positions in interest rate, currency and equity products all of which to expect are exposed to general and specific market movements and changes in the level of volatility of market rates or prices such as interest rates, credit spreads foreign exchange rates and equity prices. The bank separates exposures to market risk into either trading or non-trading portfolios.

The market risks arising from trading and non-trading activities are concentrated in Risk management and monitored by two teams separately. Regular reports are submitted to the Board of Directors and heads of each business unit regularly.

Trading portfolios include those positions arising from market-making transactions where the bank acts as principal with clients or with the market.

Non-trading portfolios primarily arise from the interest rate management of the entity's retail and commercial banking assets and liabilities. Non-trading portfolios also consist of foreign exchange and equity risks arising from the bank's held-to-maturity and available-for-sale investments.

B.1 Foreign exchange risk

The bank takes on exposure to the effects of fluctuations in the prevailing foreign currency exchange rates on its financial position and cash flows. The Board sets limits on the level of exposure by level of currency and in aggregate for both overnight and intra-day positions which are monitored daily. The table below summarises the bank's exposure to foreign currency exchange rate risk at.

Included in the table are the bank's financial instruments at carrying amounts, categorised by currency:

Foreign currency risk concentration on financial instruments

(All amounts are in thousand Egyptian pounds)

30 September 2023	EGP	USD	EUR	GBP	CHF	Other	Total in EGP
Assets							
Cash and balances with central banks	7,103,780	549,562	162,604	39,998	9,763	50,775	7,916,482
Due from banks	17,864,809	10,405,478	5,043,911	457,333	110,543	249,827	34,131,901
Loans to customers	31,642,256	4,909,038	396,204	526	2,290	19	36,950,333
Financial derivatives	4,331	-	-	-	-	-	4,331
Investments Fair value through other comprehensive income	14,846,207	3,484,087	-	-	-	-	18,330,294
Investments Fair value through profit or loss	8,388	-	-	-	-	-	8,388
Other financial assets	933,839	53,387	5,367	1	6	-	992,600
Total financial assets	72,403,610	19,401,552	5,608,086	497,858	122,602	300,621	98,334,329
Financial liabilities							
due to banks	191,862	20,076	18	-	-	-	211,956
Treasury bills Sold with repurchase agreements	5,635	-	-	-	-	-	5,635
Customers' deposits	56,651,996	17,776,521	5,440,910	495,098	122,245	269,958	80,756,728
Derivative financial instruments	2,483	-	-	-	-	-	2,483
Other Loans	-	926,802	-	-	-	-	926,802
Other financial liabilities	429,349	45,106	510	688	-	1	475,654
Total financial liabilities	57,281,325	18,768,505	5,441,438	495,786	122,245	269,959	82,379,258
Net on balance sheet financial position	15,122,285	633,047	166,648	2,072	357	30,662	15,955,071
Credit commitments	6,388,587	5,924,666	7,401,951	30,732	2,570	652,672	20,401,178

C. Interest rate risk

- Interest rate risk is the risk to income or capital arising from fluctuating interest rates. Interest rate risk is a vital part of the Bank's business activity as taking on excessive interest rate risk exposure can potentially threaten earnings and the Bank's equity.
- Accordingly, interest rate risk is measured to manage the level of exposure to adverse movements of interest rates and limit the potential risk that can be derived.

D. Liquidity risk

- Liquidity risk management is the ability to accurately identify and quantify the main sources of the bank's liquidity risk in a timely manner.
- Liquidity risk arises from either the bank's inability to meet its obligations as they fall due or to fund increases in assets without incurring undesirable cost or losses.
- Liquidity risks are categorized into two risk types:
 - o Funding liquidity risk when the Bank cannot fulfill its payment obligations because of an inability to obtain funding.
 - o Market liquidity risk when the Bank is unable to sell or transform its Liquidity buffer into cash without significant losses.

Capital Adequacy Ratio:

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 and the European Community Directives, as implemented by the Central Bank of Egypt (CBE) for supervisory purposes, the required information is filed with the Authority on a quarterly basis.

The CBE requires the bank to:

- The bank maintains a ratio of 10% or more of total regulatory capital to its risk-weighted assets and liabilities, Minimum level of capital adequacy ratio reached 12.5%.

The capital adequacy ratio numerator comprises two tiers:

Tier 1 capital:

Consists of two parts, Going concern capital and additional going concern.

Tier 2 capital:

Going concern capital, qualifying subordinated loan capital, consists of:

- 45% of the value of the special reserve.
- 45% of the increase in the fair value of the book value of financial investments in subsidiaries and affiliates.
- Other financial convoluted instruments.
- Subordinated loans with amortization of 20% per year in the last 5 years of maturity.
- Loan loss provision "General" by not more than 1.25% of total assets and contingent liabilities weighted risk weights.

Type of Risk:

- Credit Risk.
- Market Risk.
- Operations Risk.

Operational risk has been measured based on the “Standardized Approach” to replace the “Basic Indicator Approach” in accordance with the circular dated on 4 January 2021, regarding the regulatory instructions for operational risk management. Which stated that banks should comply with the implementation of the operational risk model using the “Standardized Approach” to replace the “Basic Indicator Approach” within the application of the final steps for implementing Basel III regulations.

The risk weighted assets are between zero and 200% classified according to the nature of the debit party for each assets which reflect the assets related credit risk taking into consideration the cash guarantees. The same treatment is used for the off balance sheet amounts after performing the adjustments to reflect the contingent nature and the expected losses for these amounts.

The bank complied with local capital requirements and with the countries requirements where outside branches (based on Basel II) were operating in the last two years.

	<u>30 September 2023</u>	<u>31 December 2022</u>
	<u>LE,000</u>	<u>LE,000</u>
Going Concern Capital	9,086,992	7,457,931
Gone Concern Capital	1,130,271	1,069,417
Total Capital	<u>10,217,263</u>	<u>8,527,348</u>
Credit Risk	47,398,351	41,406,547
Market Risk	7,018	3,394
Operation Risk	4,219,522	4,219,522
Top 50 Effect	2,705,803	-
Total Risks	<u>54,330,694</u>	<u>45,629,463</u>
Capital Adequacy Ratio %	<u>18.81%</u>	<u>18.69%</u>

Leverage Ratio:

	<u>30 September 2023</u>	<u>31 December 2022</u>
	<u>LE,000</u>	<u>LE,000</u>
Going Concern Capital	<u>9,086,992</u>	<u>7,457,931</u>
On Balance Sheet Risk	99,700,780	74,631,515
Derivatives Risk	9,402	79,610
Off Balance Sheet Risk	11,288,206	11,918,692
Total Risks	<u>110,998,388</u>	<u>86,629,817</u>
Leverage Ratio %	<u>8.19%</u>	<u>8.61%</u>

3. Segment analysis

Segment activity involves operating activities, assets used in providing banking services, and risk and return management associated with this activity, which might differ from other activities. Segment analysis for the banking operations involves the following:

Large, medium, and small enterprises:

Including current account, deposit, overdraft account, loan, credit facilities, and financial derivative activities.

Investment:

Encompasses money management activities.

Retail:

Encompasses current account, saving account, deposit, credit card, personal loans, and real estate loans activities,

Asset and liability management:

Encompasses other banking operations, such as asset and liability management. It also encompasses administrative expenses that can hardly be classified with other sectors.

Transactions among segments are performed according to the bank's operating cycle, and include operating assets and liabilities as presented in the bank's statement of financial position.

a. Segment reporting analysis

(All amounts are in thousand Egyptian pounds)

<u>30 September 2023</u>	Corporate banking	SMEs	Investment banking	Retail	Assets and liabilities management	Total
Revenues and expenses according to the sector activity						
Revenues of the sector activity(net)*	2,684,494	841,510	246,934	1,953,803	1,103,763	6,830,504
Expenses of the sector	(669,310)	(210,826)	(26,633)	(795,195)	(42,729)	(1,744,693)
Result of the sector operations	2,015,184	630,684	220,301	1,158,608	1,061,034	5,085,811
Profit before tax	2,015,184	630,684	220,301	1,158,608	1,061,034	5,085,811
Taxes	(508,404)	(158,589)	(56,561)	(289,373)	(267,318)	(1,280,245)
Net profit	1,506,780	472,095	163,740	869,235	793,716	3,805,566
Assets and Liabilities according to the sector activity						
Assets of the sector activity	24,976,397	1,787,095	229,599	10,186,841	63,201,289	100,381,221
Total assets	24,976,397	1,787,095	229,599	10,186,841	63,201,289	100,381,221
Liabilities of the sector activity	47,090,935	9,312,522	3,667	24,823,887	6,009,433	87,240,444
Total Liabilities	47,090,935	9,312,522	3,667	24,823,887	6,009,433	87,240,444

<u>30 September 2022</u>	Corporate banking	SMEs	Investment banking	Retail	Assets and liabilities management	Total
Revenues and expenses according to the sector activity						
Revenues of the sector activity(net)*	1,138,279	304,571	166,937	1,292,335	500,099	3,402,221
Expenses of the sector	(282,896)	(92,881)	(117,930)	(693,096)	(20,938)	(1,207,741)
Result of the sector operations	855,383	211,690	49,007	599,239	479,161	2,194,480
Profit before tax	855,383	211,690	49,007	599,239	479,161	2,194,480
Taxes	(230,006)	(56,966)	(13,972)	(160,359)	(128,725)	(590,028)
Net profit	625,377	154,724	35,035	438,880	350,436	1,604,452
Assets and Liabilities according to the sector activity						
Assets of the sector activity	22,915,825	682,615	16,056,156	9,685,870	17,815,342	67,155,808
Total assets	22,915,825	682,615	16,056,156	9,685,870	17,815,342	67,155,808
Liabilities of the sector activity	22,004,678	6,551,255	420,976	25,366,226	3,852,563	58,195,698
Total Liabilities	22,004,678	6,551,255	420,976	25,366,226	3,852,563	58,195,698

* Revenues of the sector activity includes Net interest income, Net fee and commission income, Dividend income, Net trading income and Gains from financial investments

b. Geographical sector analysis

(All amounts are in thousand Egyptian pounds)

<u>30 September 2023</u>	Cairo	Alex, Delta & Sinai	Upper Egypt	Total
Revenues & Expenses according to the geographical sectors				
Revenues of the Geographical sectors	9,433,386	670,433	173,702	10,277,521
Expenses of the Geographical sectors	(4,638,305)	(458,435)	(94,970)	(5,191,710)
Result of sector operations	4,795,081	211,998	78,732	5,085,811
Profit before tax	4,795,081	211,998	78,732	5,085,811
Tax	(1,214,830)	(47,700)	(17,715)	(1,280,245)
Profit of the period	3,580,251	164,298	61,017	3,805,566

<u>30 September 2022</u>	Cairo	Alex, Delta & Sinai	Upper Egypt	Total
Revenues & Expenses according to the geographical sectors				
Revenues of the Geographical sectors	4,901,117	476,687	153,699	5,531,503
Expenses of the Geographical sectors	(2,828,830)	(413,576)	(94,617)	(3,337,023)
Result of sector operations	2,072,287	63,111	59,082	2,194,480
Profit before tax	2,072,287	63,111	59,082	2,194,480
Tax	(562,535)	(14,200)	(13,293)	(590,028)
Profit of the period	1,509,752	48,911	45,789	1,604,452

	30 September 2023 LE,000	30 September 2022 LE,000
4. <u>Net interest income</u>		
Interest on loans and similar income		
Loans and advances:		
To customers	4,422,236	2,956,792
	4,422,236	2,956,792
similar income		
Treasury bills	932,398	538,595
Balances with banks	2,227,263	252,709
Investments in debt instruments at fair value through OCI	687,039	652,446
	3,846,700	1,443,750
	8,268,936	4,400,542
Interest on deposits and similar expenses		
Deposits and current accounts:		
- To banks	(24,787)	(77,009)
- To customers	(2,926,598)	(1,713,529)
- Other Loans	(76,929)	(15,942)
- Others	(137)	(298)
	(3,028,451)	(1,806,778)
Net interest income	5,240,485	2,593,764
5. <u>Net fee and commission income</u>		
Fee and Commission income:		
Credit related fees and commissions	1,277,539	665,297
Trust and other custody fees	32,209	19,996
Other fees	296,911	160,271
	1,606,659	845,564
Fee and Commission expense:		
Other fees and commissions paid	(438,241)	(322,504)
	(438,241)	(322,504)
Net fee and Commission income	1,168,418	523,060
6. <u>Dividend Income</u>		
Subsidiaries	-	10,999
Investment at Fair value through OCI	8,399	5,152
Total	8,399	16,151

7. <u>Net trading income</u>	30 September 2023 LE,000	30 September 2022 LE,000
Foreign exchange:		
Gains from foreign currencies transactions	292,325	181,464
Gain on revaluation of currency swap contracts	10,792	10,772
Gain on revaluation of option deals	2,073	18,785
Net changes in fair value through profit / Loss	(359)	(8,982)
Interest Income from investment at fair value through profit / Loss	4,155	16,001
Gain on investment at fair value through profit / Loss	1,403	2,284
Total	310,389	220,324
8. <u>Gains from financial investments</u>	30 September 2023 LE,000	30 September 2022 LE,000
Gain on sale of investments at fair value through OCI	122,539	48,922
	122,539	48,922
9. <u>Impairment (charge) for credit losses</u>	30 September 2023 LE,000	30 September 2022 LE,000
Loans and advances to customers	(53,607)	(141,598)
Due from banks	(3,349)	(1,701)
Debt instruments at fair value through other comprehensive income	(17,951)	(9,210)
	(74,907)	(152,509)
10. <u>Administrative expenses</u>	30 September 2023 LE,000	30 September 2022 LE,000
Staff costs		
Wages and salaries	(611,809)	(460,295)
Social insurance costs	(115,356)	(96,501)
	(727,165)	(556,796)
Other Administrative expenses	(769,296)	(605,286)
	(1,496,461)	(1,162,082)

	30 September 2023 LE,000	30 September 2022 LE,000
11. <u>Other operating (expense) / income</u>		
Other provisions	(268,001)	70,340
Revaluation on foreign currencies assets & Liabilities rather than those held for trading	33,094	24,979
Profit on sale of fixed assets	8,361	201
Others	53,221	11,330
	(173,325)	106,850
12. <u>Income tax expense</u>		
	30 September 2023 LE,000	30 September 2022 LE,000
Current tax	(1,342,389)	(607,307)
Deferred tax	62,144	17,279
	(1,280,245)	(590,028)
	30 September 2023 LE,000	30 September 2022 LE,000
Profit before tax	5,085,811	2,194,480
Tax calculated at applied tax rate	(1,144,307)	(493,758)
Nondeductible expenses including deferred tax	(301,576)	(247,834)
Tax on interest from T-bills and G-bonds	(322,557)	(243,925)
Tax exempted income	471,566	395,489
Prior years adjustment	16,629	-
Income tax expense	(1,280,245)	(590,028)
Effective tax rate	25.2%	26.9%
<u>Movement of deferred tax assets</u>		
	30 September 2023 LE,000	31 December 2022 LE,000
Deferred tax assets:		
Provisions	111,351	61,728
	111,351	61,728
Deferred tax liabilities:		
Fixed assets	39,806	39,539
Provisions	-	12,788
	39,806	52,327
Net balance of deferred tax assets	71,545	9,401

13. <u>Earnings per share</u>	30 September 2023 LE,000	30 September 2022 LE,000
Net profit for the period	3,805,566	1,604,452
Employees share in profit	(379,721)	(152,404)
Profit attributable to shareholders of the bank (1)	3,425,845	1,452,048
Weighted average number of ordinary shares in issue (In thousands) (2)	1,250,000	1,250,000
Basic earnings per share (Egyptian pound) (1:2)	2.74	1.16
14. <u>Cash and balances with Central Bank of Egypt</u>	30 September 2023 LE,000	31 December 2022 LE,000
Cash on hand	2,236,445	1,811,244
Balances with the Central Bank of Egypt -reserve ratio	5,680,037	3,425,024
	7,916,482	5,236,268
Non-interest-bearing balances	7,916,482	5,236,268
Balance	7,916,482	5,236,268
15. <u>Due from banks</u>	30 September 2023 LE,000	31 December 2022 LE,000
Current accounts	2,772,015	2,432,585
Placements with other banks	31,372,890	18,339,049
	34,144,905	20,771,634
Expected credit loss	(13,004)	(7,703)
Balance	34,131,901	20,763,931
Central bank of Egypt	16,272,281	13,513,637
Local banks	6,818,117	1,551,794
Foreign banks	11,054,507	5,706,203
	34,144,905	20,771,634
Expected credit loss	(13,004)	(7,703)
Balance	34,131,901	20,763,931
Non-interest-bearing balances	2,772,015	2,432,585
Interest bearing balances	31,372,890	18,339,049
	34,144,905	20,771,634
Expected credit loss	(13,004)	(7,703)
Balance	34,131,901	20,763,931

The movement in expected credit loss - Due from banks	30 September 2023 LE,000	31 December 2022 LE,000
Balance at 1 January 2022	7,703	3,681
Impairment charge	3,349	1,271
Exchange differences	1,952	2,751
Balance at the end of the period	13,004	7,703
16. <u>Loans and advances to customers (net)</u>	30 September 2023 LE,000	31 December 2022 LE,000
Individual		
Overdrafts	77,901	124,051
Credit cards	1,300,535	1,172,542
Personal Loans	8,205,020	8,116,570
Real Estate Loans	825,557	486,036
Total (1)	10,409,013	9,899,199
Corporate entities		
Overdrafts	9,967,548	7,170,554
Direct Loans	16,559,882	15,540,329
Syndicated loans	1,352,425	1,598,834
Other Loans	238,561	792,937
Total (2)	28,118,416	25,102,654
Total Loans and advances to customers (1+2)	38,527,429	35,001,853
Less:		
Unearned Income	(17,212)	(6,136)
Allowance for impairment	(1,559,884)	(1,485,075)
Net	36,950,333	33,510,642
Current Balances	25,475,055	23,950,079
Non-Current Balances	13,052,374	11,051,774
	38,527,429	35,001,853

Allowance for impairment
30 September 2023

Individuals	Overdrafts	Credit cards	Personal loans	Real estate loans	Total
Balance at 1 January 2023	523	46,917	187,200	2,255	236,895
Impairment charge	118	4,767	47,184	801	52,870
Loans written off during the period	-	(20,789)	(114,443)	-	(135,232)
Amount recoveries during the period	-	10,318	57,320	-	67,638
Balance at the period end	641	41,213	177,261	3,056	222,171

Corporate entities	Overdrafts	Direct Loans	Syndicated loans	Other Loans	Total
Balance at 1 January 2023	761,438	358,848	125,663	2,231	1,248,180
Impairment (release) / charge	106,862	6,145	(115,164)	2,894	737
Loans written off during the period	(7,547)	-	-	-	(7,547)
Amount recoveries during the period	10,820	-	-	-	10,820
Exchange differences +/-	26,924	27,486	31,113	-	85,523
Balance at the period end	898,497	392,479	41,612	5,125	1,337,713
Total					1,559,884

31 December 2022

Individuals	Overdrafts	Credit cards	Personal loans	Real estate loans	Total
Balance at 1 January 2022	411	46,030	198,886	275	245,602
Impairment charge	112	9,366	103,337	1,980	114,795
Loans written off during the year	-	(23,530)	(191,496)	-	(215,026)
Amount recoveries during the year	-	15,051	76,473	-	91,524
Balance at the year end	523	46,917	187,200	2,255	236,895

Corporate entities	Overdrafts	Direct Loans	Syndicated loans	Other Loans	Total
Balance at 1 January 2022	516,926	705,405	46,495	838	1,269,664
Impairment (release) / charge	252,256	(240,455)	61,177	1,341	74,319
Loans written off during the year	(76,531)	(155,179)	-	-	(231,710)
Amount recoveries during the year	632	-	-	-	632
Exchange differences +/-	68,155	49,077	17,991	52	135,275
Balance at the year end	761,438	358,848	125,663	2,231	1,248,180
Total					1,485,075

17. <u>Financial Investments</u>	30 September 2023 LE,000	31 December 2022 LE,000
Fair value through other comprehensive income		
Debt instruments at fair value unlisted - Treasury bills	11,815,123	6,956,595
Debt instruments at fair value listed - Bonds	6,256,038	5,928,080
Equity instruments at fair value unlisted	37,573	37,573
Mutual fund Certificates - according to law requirements	221,560	172,757
Total investment measured at fair value through other comprehensive income	18,330,294	13,095,005
Fair value through other profit or loss		
Governmental Bonds	8,388	11,336
Total investment measured at fair value through profit or loss	8,388	11,336
Total Financial investments	18,338,682	13,106,341
Current Balances	14,923,603	8,774,983
Non-current balances	3,415,079	4,331,358
	18,338,682	13,106,341
Debt instruments with fixed interest rates	18,079,549	12,896,011
	18,079,549	12,896,011
<u>Treasury bills according to the following maturities:</u>	30 September 2023 LE,000	31 December 2022 LE,000
Treasury bills, maturity 91 days	2,336,373	122,389
Treasury bills, maturity 182 days	3,178,443	220,828
Treasury bills, maturity 273 days	699,659	918,462
Treasury bills, maturity 364 days	6,348,644	5,962,738
Unearned interest	(747,996)	(267,822)
	11,815,123	6,956,595

18. Investment in subsidiaries

The bank's participation in subsidiary represents 99.99% and the subsidiary is unlisted in the Egyptian stock exchange.

	30 September 2023 LE,000	31 December 2022 LE,000
	143,822	143,822
Balance at cost	143,822	143,822

The bank's interest in its subsidiary is as follows:

Company	Country	Assets	Liabilities without Owners' Equity	Revenues	Profit/(Loss)
EHFC September 30, 2023	Egypt	591,252	462,009	77,675	6,801
EHFC December 31, 2022	Egypt	672,018	548,368	99,881	12,724

19. Intangible assets

	30 September 2023 LE,000	31 December 2022 LE,000
Balance at beginning of the period		
Cost	433,409	405,362
Accumulated amortization	(318,212)	(267,833)
Net book value	115,197	137,529
Balance for the current period		
Net Book value at the beginning of the period	115,197	137,529
Additions	69,165	28,047
Amortization expense	(40,957)	(50,379)
Net Book Value at the end of the current period	143,405	115,197
Balance at the end of the current period		
Cost	502,574	433,409
Accumulated amortization	(359,169)	(318,212)
Net book value	143,405	115,197

20. Other assets

	30 September 2023 LE,000	31 December 2022 LE,000
Accrued revenues	992,600	690,426
Prepaid expenses	335,580	286,539
Advance payments for purchase of fixed assets	278,719	144,388
Assets reverted to the Bank in settlement of debts	115,171	117,971
Deposits with others and imprest fund	20,809	14,321
Other	356,375	343,446
Total	2,099,254	1,597,091

21. Fixed Assets

	Land	Buildings	Computer systems	Vehicles	Fixtures	Machinery and equipment	Furniture	Other	Total
Balance as of 1 January 2022									
Cost	56,822	408,369	306,547	25,268	296,641	49,832	38,233	130,425	1,312,137
Accumulated Depreciation	-	(155,263)	(230,170)	(17,802)	(234,352)	(34,108)	(24,480)	(56,260)	(752,435)
Net book value as of 1 January 2022	56,822	253,106	76,377	7,466	62,289	15,724	13,753	74,165	559,702
Additions	-	-	45,401	4,137	31,974	2,140	1,387	21,940	106,979
Disposals – Cost	-	(539)	(21,571)	(147)	(2,640)	(187)	-	(88)	(25,172)
Depreciation expense	-	(13,711)	(36,496)	(3,167)	(22,147)	(4,066)	(3,288)	(12,933)	(95,808)
Disposals – Accumulated Depreciation	-	537	21,466	147	2,626	185	-	88	25,049
Net book value as of 31 December 2022	56,822	239,393	85,177	8,436	72,102	13,796	11,852	83,172	570,750
Balance as of 1 January 2023									
Cost	56,822	407,830	330,377	29,258	325,975	51,785	39,620	152,277	1,393,944
Accumulated Depreciation	-	(168,437)	(245,200)	(20,822)	(253,873)	(37,989)	(27,768)	(69,105)	(823,194)
Net Book value as of 1 January 2023	56,822	239,393	85,177	8,436	72,102	13,796	11,852	83,172	570,750
Additions	-	-	73,318	2,828	4,391	776	1,100	10,989	93,402
Disposals – Cost	-	(1,416)	(8,987)	(1,971)	-	(8,690)	(1,607)	(4,140)	(26,811)
Depreciation expense	-	(10,191)	(34,452)	(2,435)	(19,373)	(2,604)	(2,566)	(10,553)	(82,174)
Disposals – Accumulated Depreciation	-	1,373	8,976	1,798	-	8,624	1,533	3,995	26,299
Net book value as of 30 September 2023	56,822	229,159	124,032	8,656	57,120	11,902	10,312	83,463	581,466
Balance as of 30 September 2023									
Cost	56,822	406,414	394,708	30,115	330,366	43,871	39,113	159,126	1,460,535
Accumulated Depreciation	-	(177,255)	(270,676)	(21,459)	(273,246)	(31,969)	(28,801)	(75,663)	(879,069)
Net book value as of 30 September 2023	56,822	229,159	124,032	8,656	57,120	11,902	10,312	83,463	581,466

22. <u>Due to banks</u>	30 September 2023 LE,000	31 December 2022 LE,000
Current accounts	211,956	460,912
	211,956	460,912
Local banks	5,756	1,945
Foreign banks	206,200	458,967
	211,956	460,912
Non-interest bearing	211,956	460,912
Current Balances	211,956	460,912

23. <u>Customers' deposits</u>	30 September 2023 LE,000	31 December 2022 LE,000
Demand deposits	36,795,125	27,954,750
Time and call deposits	27,079,084	13,592,655
Certificates of deposits	9,450,817	10,957,805
Saving accounts	5,401,736	5,364,285
Other deposits	2,029,966	2,623,327
Total	80,756,728	60,492,822
Corporate Deposits	55,888,418	36,220,465
Retail Deposits	24,868,310	24,272,357
	80,756,728	60,492,822
Current Balances	59,794,546	38,585,663
Non-current balances	20,962,182	21,907,159
	80,756,728	60,492,822
Non-interest-bearing balances	21,018,779	15,758,766
Fixed interest rate balances	51,993,590	38,289,767
Variable interest rate balances	7,744,359	6,444,289
	80,756,728	60,492,822

24. <u>Other Loans</u>	Interest Rates*	30 September 2023 LE,000	31 December 2022 LE,000
Credit Agricole Paris (13/6/2027)	SOFR+2.97%	308,934	247,434
Credit Agricole Paris (11/5/2028)	SOFR +2.955%	308,934	247,434
Credit Agricole Paris (13/4/2029)	SOFR +3.407%	308,934	247,434
		926,802	742,302

*The interest rates applied according to the signed contracts since April 2017

25. <u>Other Liabilities</u>	30 September 2023 LE,000	31 December 2022 LE,000
Accrued interest	475,654	221,042
Unearned revenue	51,595	53,753
Accrued expenses	569,546	558,300
Other credit balances	2,211,825	1,427,692
Balance	3,308,620	2,260,787

26. <u>Other provisions</u>	30 September 2023 LE,000	31 December 2022 LE,000
Balances At 1 January	353,486	347,152
Exchange differences	37,485	53,651
Charged (release) to the income statement	268,001	(39,568)
Utilized during period	(103)	(7,749)
	658,869	353,486

Other provisions represent the following:

	30 September 2023 LE,000	31 December 2022 LE,000
Provision for claims	184,829	87,667
Provision for contingent liabilities	474,040	265,819
Balance	658,869	353,486

27. <u>Reserves and Retained earnings</u>	30 September 2023 LE,000	31 December 2022 LE,000
A. Reserves		
General Banking Risk Reserve	5,720	2,725
Legal reserve	819,817	699,011
Capital reserve	51,912	48,914
Fair value reserve	(181,136)	142,926
General Risk Reserve	107,551	107,551
Total reserves at the end of the period	803,864	1,001,127
Movements in reserves were as follows:		
a. General Banking Risk Reserve		
Balance at the beginning of the year	2,725	2,190
Transferred from the Net profit	5,235	535
Transferred to retained earnings	(2,240)	-
Balance	5,720	2,725

	30 September 2023	31 December 2022
	LE,000	LE,000
b. Legal reserve		
Balance at the beginning of the year	699,011	621,834
Transferred from the Net profit	120,806	77,177
Balance	819,817	699,011
	30 September 2023	31 December 2021
	LE,000	LE,000
c. Capital Reserve		
Balance at the beginning of the year	48,914	-
Transferred from the prior Net profit	2,998	48,914
Balance	51,912	48,914
	30 September 2023	31 December 2022
	LE,000	LE,000
d. Fair value reserve		
Balance at the beginning of the year	142,926	139,673
Other comprehensive income for the year	(324,062)	3,253
Balance	(181,136)	142,926
	30 September 2023	31 December 2022
	LE,000	LE,000
e. General Risk Reserve		
Balance at the beginning of the year	107,551	107,551
Balance	107,551	107,551

	30 September 2023 LE,000	31 December 2022 LE,000
B. Retained earnings		
Balance at the beginning of the year	3,923,867	2,797,685
Dividend	(241,612)	(1,071,583)
Transferred to Legal reserve	(120,806)	(77,177)
Transferred to Capital Reserve	(2,998)	(48,914)
Transferred to General Banking Risk Reserve	(5,235)	(535)
Transferred to Banking Sector Support & Development Fund	(24,109)	(15,430)
Transferred to Fair value Reserve	-	(79,301)
Transferred from General Banking Risk Reserve	2,240	-
Profit of the year	3,805,566	2,419,122
Balance	7,336,913	3,923,867

28. Contingent liabilities and commitments

	30 September 2023 LE,000	31 December 2022 LE,000
A. Loans, advances and Guarantees Commitments		
Letters of guarantee	15,011,775	14,237,198
Commercial letters of credit (import and export)	1,167,964	1,471,500
Acceptances	1,898,672	2,512,516
Other contingent liability	2,322,767	2,811,864
Total	20,401,178	21,033,078

B. Operational Lease:

There is no commitment for operational lease at the financial statement Period or comparative year.

C. Legal Claims

There were a number of legal proceedings outstanding against the bank with provision amounted 29,019 thousand Egyptian pounds.

D. Capital Commitments

The bank had capital commitments of 162,482 thousand Egyptian pounds in respect of fixed assets purchases and branches fixtures and have not been implemented yet till the balance sheet date.

29. Cash and cash equivalents

For the purposes of the cash flow statement presentation, cash and cash equivalents comprise the following balances with less than three months maturity from the date of acquisition.

	30 September 2023 LE,000	30 September 2022 LE,000
Cash and balances with central banks	2,236,445	2,173,016
Due from banks	31,814,585	10,179,561
Treasury bills for 90 days	1,279,541	2,156,471
	35,330,571	14,509,048

30. Mutual funds

Credit Agricole Bank mutual fund no. (1)

The fund is one of the banking activities licensed by the capital law no. 95 for 1992 and its executive rules. The number of investment certificates in the fund have reached 3,000,000 certificates and their value 300,000,000 EGP. The bank owned 150 000 investment certificates (par value 15,000,000 EGP) Credit Agricole 1st fund managed by EFG Hermes, the redeemable price per IC amounted to EGP 728.05 at balance sheet date and the total value is 109,207,500 EGP.

According to the mutual fund management contract and prospects, CA obtains management fees and commission for monitoring and other managerial services, the total commissions amounted 570,723 EGP as of **30 September 2023** that was classified as fees and commission in the income statement.

Credit Agricole Bank mutual fund no. (2)

The mutual fund owns about 3,000,000 certificates (amounted 300,000,000 EGP) of which the bank owns 150,000 certificates (par value 15,000,000) for managing the mutual fund activity, their redemption value at the balance sheet date is 49,305,000 EGP with a redeemable price of 328.70 EGP per IC.

According to the mutual fund management contract and prospects, CA obtains management fees and commission for monitoring and other managerial services, the total commissions amounted 323,045 EGP as of **30 September 2023** that was classified as fees and commission income in the income statement.

Credit Agricole Bank mutual fund no. (3)

The mutual fund owns about 4,000,000 certificates (amounted 4,000,000,000 EGP) of which the bank owns 39,000 Certificates (par value 39,000,000EGP) for managing the mutual fund activity, their redemption value at the balance sheet date is 43,565,340 EGP and a redeemable price of 1,117.06 EGP per IC.

According to the mutual fund management contract and prospects, CA obtains management fees and commission for monitoring and other managerial services, the total commissions amounted 2,102,165 EGP as of **30 September 2023** that was classified as fees and commission income n in the income statement.

Credit Agricole Bank mutual fund no. (4)

The mutual fund owns about 1,000,000 certificates (amounted 100,000,000 EGP) of which the bank owns 50,000 certificates (par value 5,000,000) for managing the mutual fund activity, their redemption value at the balance sheet date is 19,482,000 EGP with a redeemable price of 389.64 EGP per IC.

According to the mutual fund management contract and prospects, CA obtains management fees and commission for monitoring and other managerial services, the total commissions amounted 108,682 EGP as of 30 **September 2023** that was classified as fees and commission income in the income statement.

31. Related party transactions

The Bank's parent company is Credit Agricole (France) which holds 52.19% of the common stock and the remaining portion of 47.81% is held by other shareholders presented in the capital disclosure.

The Bank had transactions with its related parties on an arm's length basis. The nature of such transactions and related balances as presented at the balance sheet date are as follows:

A) Loans and advances to related parties

	Subsidiary	
	30 September 2023	31 December 2022
	LE,000	LE,000
Loans outstanding at 1 January	274,991	355,026
Loans issued (repayment)	(5,395)	(80,035)
Loans outstanding	269,596	274,991
Interest income earned	32,325	34,948

B) Deposits from related parties

	Subsidiary	
	30 September 2023	31 December 2022
	LE,000	LE,000
Deposits at 1 January	232	6,360
Deposits received (repaid)	571	(6,128)
Deposits	803	232
Interest expense on deposits	938	1,032

C) Other transactions with related parties

	Credit Agricole Group	
	30 September 2023	31 December 2022
	LE,000	LE,000
Due from banks	109,177	704,808
Due to banks	180,688	166,927
General and Administrative expenses	24,627	18,537
Other Loans	926,802	742,302

	Subsidiaries and associates	
	30 September 2023	31 December 2022
	LE,000	LE,000
Investment is subsidiary	143,822	143,822
Dividends	-	10,999

32. Short term wages and benefits

The monthly average of net total annual income of the banks' twenty employees with the largest wages and salaries collectively during the period amounted to 7,998 thousand EGP compared to 5,374 thousand for the previous year, and the total outstanding loans for the top management during the period amounted to 6,690 thousand EGP compared to 11,479 thousand for the previous year.

33. Tax position

The tax position of Credit Agricole Bank Egypt includes the tax position of the bank to American Express Bank and Egyptian American bank and Calyon before the merger, due to the merger of all these banks ended in its final form, Credit Agricole Bank Egypt.

1- Corporate Income Tax

Period from Start-up date to 31 Dec. 2018

Tax examination was done together with internal committees & tax challenge committees, and due tax was paid.

from 2019 to 2020

Tax examination was done together with internal committees and due tax was paid.

2021

Tax report has been submitted and due tax paid.

2022

Tax report has been submitted and due tax paid.

2- Salaries Tax

Period from Start-up date to 31 Dec. 2018

Tax examination was done; due tax was paid.

Year 2019/2020

Tax examination was done; due tax was paid.

3- Stamp Duty

Stamp Duty under Law no. 143/2006

Tax examination was done together with internal committees and due tax was paid until 31 December 2015.

2016 & 2017

Tax Examination was done, object to the claim and Internal committees ended and due tax was paid.

2018

Tax Examination was done, internal committees ended and due tax was paid.

2019, 2020, 2021 and 2022

Tax Examination was done, and due tax was paid.

34. Comparative Figures

Some comparative figures for the Year ended 31 December 2022 have been reclassified to be matched with the disclosure presented for the figures for the current period. The Bank has carried out the reclassification operations after studying some facilities and has no effect on total assets and amending its presentation on the balance sheet, the statement of changes in owners' equity and previously recorded profits.

The table below shows a summary of the significant reclassifications that have been made.

<u>Separate statement of financial position</u>	Previous disclosure	Reclassification	Current disclosure
Loans and advances to banks	689,042	(685,764)	3,278
Loans and advances to customers	32,824,878	685,764	33,510,642

35. Translation

These financial statements are a translation into English from the original Arabic statements. The original Arabic statements are the official financial statements.
