



# Financial Statements

For The period Ended  
30 June 2023

Crédit Agricole Egypt

WORKING EVERY DAY  
IN YOUR INTEREST



AND  
FOR SOCIETY

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

**PricewaterhouseCoopers Ezzeldeen, Diab & Co.**

**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 June 2023 and the related condensed separate interim statements of income, comprehensive Income, changes in equity and cash flows for the six 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 December 16, 2008 as amended by the regulation issued on February 26, 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 December 16, 2008 as amended by the regulation issued on February 26, 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.

Cairo, 1 August 2023



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MAZARS Mostafa Shawki**

**Condensed Separate Interim Statement of Financial Position – As of 30 June 2023**

(All amounts are in thousand Egyptian pounds)

	Notes	30 June 2023	31 December 2022*
<b>Assets</b>			
Cash and balances with Central Bank of Egypt	14	7,441,385	5,236,268
Due from banks	15	31,224,931	20,763,931
Loans to banks*		-	3,278
Loans and advances to customers	16	35,103,831	33,510,642
Derivative financial assets		27,961	55,294
<b>Financial Investments</b>			
Fair value through other comprehensive income	17	16,806,592	13,095,005
Fair value through profit or loss	17	8,335	11,336
Investments in subsidiaries	18	143,822	143,822
Intangible assets	19	148,607	115,197
Other assets	20	1,935,396	1,597,091
Deferred tax assets	12	72,302	9,401
Fixed assets	21	592,854	570,750
<b>Total assets</b>		<b>93,506,016</b>	<b>75,112,015</b>
<b>Liabilities and Owners' Equity</b>			
<b>Liabilities</b>			
Due to banks	22	1,015,816	460,912
Treasury bills Sold with repurchase agreements		5,951	6,576
Customers' deposits	23	74,987,872	60,492,822
Derivative financial instruments		2,904	38,605
Other Loans	24	926,907	742,302
Other liabilities	25	2,996,454	2,260,787
Current income tax liability		838,072	640,552
Other provisions	26	614,186	353,486
Retirement benefit obligations		190,979	190,979
<b>Total liabilities</b>		<b>81,579,141</b>	<b>65,187,021</b>
<b>Owners' Equity</b>			
Paid-in Capital		5,000,000	5,000,000
Reserves		888,655	1,001,127
Retained earnings		6,038,220	3,923,867
<b>Total owners' equity</b>		<b>11,926,875</b>	<b>9,924,994</b>
<b>Total liabilities and owners' equity</b>		<b>93,506,016</b>	<b>75,112,015</b>



Cairo 1 August 2023

\*Loans to banks presentation was amended as in Note 33  
- The accompanying notes from note 1 to 34 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 June 2023**

(All amounts are in thousand Egyptian pounds)

	Notes	From 1/1/2023 To 30/6/2023	From 1/1/2022 To 30/6/2022	From 1/4/2023 To 30/6/2023	From 1/4/2022 To 30/6/2022
Interest on loans and similar income	4	5,010,957	2,795,326	2,722,416	1,441,157
Interest on deposits and similar expenses	4	(1,779,848)	(1,169,380)	(991,075)	(588,604)
<b>Net interest income</b>		<b>3,231,109</b>	<b>1,625,946</b>	<b>1,731,341</b>	<b>852,553</b>
Fees and commission income	5	1,115,284	528,838	576,122	284,989
Fees and commission expenses	5	(279,579)	(208,528)	(146,159)	(105,159)
<b>Net fee and commission income</b>		<b>835,705</b>	<b>320,310</b>	<b>429,963</b>	<b>179,830</b>
Dividend income	6	8,399	16,151	8,399	16,151
Net trading income	7	235,119	136,594	81,851	63,370
Gains from financial investments	8	109,475	29,619	58,087	11,731
Impairment (charge) for credit losses	9	(10,576)	(91,319)	(13,915)	(13,947)
Administrative expenses	10	(932,824)	(758,787)	(487,850)	(385,156)
Other net operating income (Expense)	11	(144,910)	110,385	(85,022)	(1,643)
<b>Profit before income tax</b>		<b>3,331,497</b>	<b>1,388,899</b>	<b>1,722,854</b>	<b>722,889</b>
Income tax expense	12	(822,384)	(370,027)	(434,919)	(190,397)
<b>Profit for the period</b>		<b>2,509,113</b>	<b>1,018,872</b>	<b>1,287,935</b>	<b>532,492</b>
Earnings per share	13	<b>1.81</b>	<b>0.74</b>	<b>0.93</b>	<b>0.39</b>

-The accompanying notes from note 1 to 34 are an integral part of these condensed financial statements.

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

(All amounts are in thousand Egyptian pounds)

	From 1/1/2023 To 30/6/2023	From 1/1/2022 To 30/6/2022	From 1/4/2023 To 30/6/2023	From 1/4/2022 To 30/6/2022
<b>Net profit for the period</b>	<b>2,509,113</b>	<b>1,018,872</b>	<b>1,287,935</b>	<b>532,492</b>
<b>Items that will not be reclassified to the Profit or Loss:</b>				
Net change in fair value of investments in equity instruments measured at fair value through other comprehensive income	-	23,791	-	23,791
<b>Items that is or may be reclassified to the profit or loss:</b>				
Net change in fair value of debt instruments measured at fair value through other comprehensive income	(274,139)	(94,198)	86,940	(99,019)
Expected credit loss for fair value of debt instruments measured at fair value through other comprehensive income	32,628	16,095	16,795	12,694
	<u>(241,511)</u>	<u>(54,312)</u>	<u>103,735</u>	<u>(62,534)</u>
<b>Total other comprehensive income items for the period</b>	<b>2,267,602</b>	<b>964,560</b>	<b>1,391,670</b>	<b>469,958</b>

-The accompanying notes from note 1 to 34 are an integral part of these condensed financial statements.

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

(All amounts are in thousand Egyptian pounds)

**30 June 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 &amp; Development Fund

**Balances after profit distribution**

Net change in other comprehensive income

Net profit for the period

**Balance as at 30 June 2022**

	Paid in capital	Reserves	Retained earnings	Total
<b>Balance at 1 January 2022</b>	<b>5,000,000</b>	<b>871,248</b>	<b>2,797,685</b>	<b>8,668,933</b>
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)
<b>Balances after profit distribution</b>	<b>5,000,000</b>	<b>997,874</b>	<b>1,584,046</b>	<b>7,581,920</b>
Net change in other comprehensive income	-	(54,312)	-	(54,312)
Net profit for the period	-	-	1,018,872	1,018,872
<b>Balance as at 30 June 2022</b>	<b>5,000,000</b>	<b>943,562</b>	<b>2,602,918</b>	<b>8,546,480</b>

**30 June 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 &amp; Development Fund

**Balances after profit distribution**

Net change in other comprehensive income

Net profit for the period

**Balance as at 30 June 2023**

	Paid in capital	Reserves	Retained earnings	Total
<b>Balance at 1 January 2023</b>	<b>5,000,000</b>	<b>1,001,127</b>	<b>3,923,867</b>	<b>9,924,994</b>
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)
<b>Balances after profit distribution</b>	<b>5,000,000</b>	<b>1,130,166</b>	<b>3,529,107</b>	<b>9,659,273</b>
Net change in other comprehensive income	-	(241,511)	-	(241,511)
Net profit for the period	-	-	2,509,113	2,509,113
<b>Balance as at 30 June 2023</b>	<b>5,000,000</b>	<b>888,655</b>	<b>6,038,220</b>	<b>11,926,875</b>

-The accompanying notes from note 1 to 34 are an integral part of these condensed financial statements.



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

(All amounts are in thousand Egyptian pounds)

	Notes	For the period ended	
		30 June 2023	30 June 2022
<b><u>Cash flows from operating activities</u></b>			
Net profit before income tax		3,331,497	1,388,899
<b>Adjustments to reconcile net profit to cash flow from operating activities:</b>			
Depreciation and amortization		81,119	70,226
Impairment charge for credit losses	9	10,576	91,319
Other provision (release) / charge	26	220,560	(86,161)
Used provision - other than loans provision	26	(103)	(656)
Amortization of discount/premium on investments through OCI	17	(481,753)	(319,984)
Foreign currencies revaluation of provisions rather than LLP		60,619	27,423
Foreign currencies revaluation of investments rather than through P&L	17	(751,516)	(9,879)
Revaluation of investments at fair value through profit / Loss	17	412	15,851
(Profit) on sale of fixed assets		(6,203)	(201)
Foreign currencies revaluation of other loans		184,605	92,583
<b>Operating profit before changes in operating assets &amp; liabilities</b>		<b>2,649,813</b>	<b>1,269,420</b>
<b><u>Net decrease (increase) in assets and liabilities</u></b>			
Due from Central Bank of Egypt		(1,940,706)	1,007,214
Due from banks		(495,787)	820,386
Loans and advances		(1,582,712)	(2,595,988)
Derivative financial instruments (net)		(23,300)	11,573
Other assets		(338,305)	(161,555)
Due to banks		554,904	585,296
Customers' deposits		14,495,050	897,625
Other liabilities		710,933	272,048
Income taxes paid		(687,765)	(356,521)
<b>Net cash flow generated from operating activities</b>		<b>13,342,125</b>	<b>1,749,498</b>
<b><u>Cash flows from investing activities</u></b>			
Purchase of assets & branches leasehold improvements		(137,063)	(40,969)
Proceeds from sale of fixed assets & Intangible assets		6,633	201
Proceeds from sale and redemption of financial investments		77,071,581	114,963,043
Purchases of securities other than trading other investments		(78,752,241)	(115,527,791)
<b>Net cash flow (used in) investing activities</b>		<b>(1,811,090)</b>	<b>(605,516)</b>
<b><u>Cash flows from financing activities</u></b>			
Dividends paid		(241,612)	(1,071,583)
<b>Net cash (used in) financing activities</b>		<b>(241,612)</b>	<b>(1,071,583)</b>

<b>Net change in cash and cash equivalents during the period</b>		11,289,423	72,399
Cash and cash equivalents at beginning of the Period		20,781,456	11,420,372
<b>Cash and cash equivalents at the end of the period</b>		<b>32,070,879</b>	<b>11,492,771</b>
<b>Cash and cash equivalents are represented in :</b>			
Cash and due from Central Bank of Egypt	14	7,441,385	4,386,495
Due from banks	15	31,238,156	8,274,457
Treasury bills	17	10,818,057	9,032,736
Balances with Central Bank of Egypt (Reserve ratio)		(5,365,730)	(2,363,202)
Deposits with banks ( Maturity more than three months)		(2,419,289)	(250,000)
Treasury bills ( Maturity more than three months)		(9,641,700)	(7,587,715)
<b>Cash and cash equivalents at the end of the period</b>	<b>28</b>	<b>32,070,879</b>	<b>11,492,771</b>

-The accompanying notes from note 1 to 34 are an integral part of these condensed financial statements.

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

**1. General Information**

Credit Agricole - Egypt Bank (S.A.E.) provides corporate banking, retail, and investment banking services in the Arab Republic of Egypt through its head office at 5<sup>th</sup> Settlement and 83 branches that employs over 2,541 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 statements have been approved for issuance by the board of directors on August 1, 2023.

This is the first separate periodic condensed financial statements issued by the bank instead of the full periodic financial statements in accordance with the instructions of the Central Bank dated 3 May 2020 to prepare condensed periodic financial statements

**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. 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. 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)

	<b><u>30 June</u></b> <b><u>2023</u></b>	<b><u>31 December</u></b> <b><u>2022</u></b>
<b>Credit risk exposures relating to on-balance sheet items :</b>		
Cash and balances with central bank of Egypt	5,365,730	3,425,024
Due from banks	31,238,157	20,771,634
Loans to banks	-	3,278
<b><u>Loans to customers</u></b>		
<b>Loans to Individuals:</b>		
- Overdrafts	104,582	124,051
- Credit cards	1,183,522	1,172,542
- Personal Loans	8,032,824	8,116,570
- Real Estate Loans	705,229	486,036
<b><u>Loans To corporate entities:</u></b>		
- Overdrafts	8,580,736	7,170,554
- Direct Loans	16,329,137	15,540,329
- Syndicated loans	1,374,561	1,598,834
- Other Loans	315,405	792,937
Derivative financial instruments	27,961	55,294
<b><u>Investment securities</u></b>		
- Fair value through other comprehensive income	16,566,393	12,884,675
Other Assets	920,395	690,426
<b>Total</b>	<b><u>90,744,632</u></b>	<b><u>72,832,184</u></b>
	<b><u>30 June</u></b> <b><u>2023</u></b>	<b><u>31 December</u></b> <b><u>2022</u></b>
<b>Credit risk exposures relating to off-balance sheet items:</b>		
Customer Liabilities Under Acceptances	2,905,271	2,512,516
Commitments (Loans and liabilities – irrevocable)	2,621,676	2,811,864
Letter of credit	1,020,680	1,471,500
Letters of guarantee	15,719,466	14,237,198
<b>Total</b>	<b><u>22,267,093</u></b>	<b><u>21,033,078</u></b>

The above table represents a worse-case scenario of credit risk exposure to the bank at 30 June 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**

<b>30 June 2023</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
<b>Credit rating</b>	<b>Months-12</b>	<b>Life time</b>	<b>Life time</b>	
Good debts	25,695,408	2,419,289	-	<b>28,114,697</b>
Normal watch-list	3,123,460	-	-	<b>3,123,460</b>
Special watch-list	-	-	-	-
Non-performing loan	-	-	-	-
Allowance for impairment losses	-	(13,226)	-	<b>(13,226)</b>
<b>Net</b>	<b>28,818,868</b>	<b>2,406,063</b>	-	<b>31,224,931</b>

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

**Retail loans**

<b>30 June 2023</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
<b>Credit rating</b>	<b>Months-12</b>	<b>Life time</b>	<b>Life time</b>	
Good debts	103,968	-	-	<b>103,968</b>
Normal watch-list	9,139,656	226,108	-	<b>9,365,764</b>
Special watch-list	-	357,408	-	<b>357,408</b>
Non-performing loan	-	-	199,017	<b>199,017</b>
Allowance for impairment losses	(59,415)	(46,163)	(120,282)	<b>(225,860)</b>
<b>Net</b>	<b>9,184,209</b>	<b>537,353</b>	<b>78,735</b>	<b>9,800,297</b>

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

**Corporate loans**

30 June 2023	Stage 1	Stage 2	Stage 3	Total
Credit rating	Months-12	Life time	Life time	
Good debts	19,223,077	4,872,952	-	24,096,029
Normal watch-list	313,050	1,512,588	-	1,825,638
Special watch-list	1,383	1,602	-	2,985
Non-performing loan	-	-	777,346	777,346
Allowance for impairment losses	(195,557)	(456,742)	(629,474)	(1,281,773)
<b>Net</b>	<b>19,341,953</b>	<b>5,930,400</b>	<b>147,872</b>	<b>25,420,225</b>

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)
<b>Net</b>	<b>18,699,855</b>	<b>5,113,427</b>	<b>128,221</b>	<b>23,941,503</b>

**Debt instruments at fair value through other comprehensive income**

30 June 2023	Stage 1	Stage 2	Stage 3	Total
Credit rating	Months-12	Life time	Life time	
Good debts	-	-	-	-
Normal watch-list	13,176,426	3,389,967	-	16,566,393
Special watch-list	-	-	-	-
Non-performing loan	-	-	-	-
Allowance for impairment losses	-	(105,738)	-	(105,738)
<b>Total - fair value</b>	<b>13,176,426</b>	<b>3,284,229</b>	<b>-</b>	<b>16,460,655</b>

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)
<b>Total - fair value</b>	<b>9,813,780</b>	<b>2,997,785</b>	<b>-</b>	<b>12,811,565</b>

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 June 2023	Stage 1 Months 12	Stage 2 Life time	Stage 3 Life time	Total
<b>Balance at the beginning of the period</b>	-	7,703	-	7,703
New financial assets purchased or issued	-	11,273	-	11,273
Financial assets have been matured or derecognised	-	(7,703)	-	(7,703)
Foreign exchange translation differences	-	1,953	-	1,953
<b>Balance at the period end</b>	-	13,226	-	13,226

31 December 2022	Stage 1 Months 12	Stage 2 Life time	Stage 3 Life time	Total
<b>Balance at the beginning of the year</b>	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
<b>Balance at the year end</b>	-	7,703	-	7,703

**Retail loans**

30 June 2023	Stage 1 Months 12	Stage 2 Life time	Stage 3 Life time	Total
<b>Balance at the beginning of the period</b>	59,816	46,041	131,038	236,895
Transfer to Stage 1	14,448	(14,448)	-	-
Transfer to Stage 2	(11,222)	13,854	(2,632)	-
Transfer to Stage 3	(579)	(21,414)	21,993	-
Changes in PDs/LGDs/EADs	1,748	22,877	36,553	61,178
Financial assets have been matured or derecognised	(4,796)	(747)	(5,365)	(10,908)
Collections of loans previously written-off	-	-	39,778	39,778
Loans written-off during the period	-	-	(101,083)	(101,083)
<b>Balance at the year period</b>	59,415	46,163	120,282	225,860

31 December 2022	Stage 1 Months 12	Stage 2 Life time	Stage 3 Life time	Total
<b>Balance at the beginning of the year</b>	52,727	59,098	133,777	<b>245,602</b>
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	<b>148,134</b>
Financial assets have been matured or derecognized	(9,096)	(3,356)	(20,887)	<b>(33,339)</b>
Collections of loans previously written-off	-	-	91,524	<b>91,524</b>
Loans written-off during the year	-	-	(215,026)	<b>(215,026)</b>
<b>Balance at the year end</b>	<b>59,816</b>	<b>46,041</b>	<b>131,038</b>	<b>236,895</b>

**Corporate loans**

30 June 2023	Stage 1 Months 12	Stage 2 Life time	Stage 3 Life time	Total
<b>Balance at the beginning of the period</b>	<b>213,014</b>	<b>386,262</b>	<b>648,904</b>	<b>1,248,180</b>
Transfer to Stage 1	10,507	(10,507)	-	-
Transfer to Stage 2	(36,221)	36,221	-	-
Transfer to Stage 3	(243)	(241)	484	-
Changes in PDs/LGDs/EADs	2,303	20,900	(46,496)	<b>(23,293)</b>
Financial assets have been matured or derecognized	(15,522)	(13,559)	(5,095)	<b>(34,176)</b>
Collections of loans previously written-off	-	-	8,577	<b>8,577</b>
Loans written-off during the period	-	-	(3,565)	<b>(3,565)</b>
Foreign exchange translation differences	21,719	37,666	26,665	<b>86,050</b>
<b>Balance at the year period</b>	<b>195,557</b>	<b>456,742</b>	<b>629,474</b>	<b>1,281,773</b>

31 December 2022	Stage 1 Months 12	Stage 2 Life time	Stage 3 Life time	Total
<b>Balance at the beginning of the year</b>	309,184	399,881	560,599	<b>1,269,664</b>
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	<b>125,586</b>
Financial assets have been matured or derecognized	(28,960)	(22,307)	-	<b>(51,267)</b>
Collections of loans previously written-off	-	-	632	<b>632</b>
Loans written-off during the year	-	-	(231,710)	<b>(231,710)</b>
Foreign exchange translation differences	35,248	36,101	63,926	<b>135,275</b>
<b>Balance at the year end</b>	<b>213,014</b>	<b>386,262</b>	<b>648,904</b>	<b>1,248,180</b>



**Debt instruments at fair value through other comprehensive income**

30 June 2023	Stage 1 Months 12	Stage 2 Life time	Stage 3 Life time	Total
<b>Balance at the beginning of the period</b>	-	73,110	-	73,110
Changes in PDs/LGDs/EADs	-	(36,674)	-	(36,674)
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	-	18,423	-	18,423
<b>Balance at the year period</b>	-	<b>105,738</b>	-	<b>105,738</b>

31 December 2022	Stage 1 Months 12	Stage 2 Life time	Stage 3 Life time	Total
<b>Balance at the beginning of the year</b>	-	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
<b>Balance at the year end</b>	-	<b>73,110</b>	-	<b>73,110</b>

**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.

**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.

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#### **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.

### **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**

pounds)

(All amounts are in thousand Egyptian

<u>30 June 2023</u>	Corporate banking	SMEs	Investment banking	Retail	Assets and liabilities management	Total
<b>Revenues and expenses according to the sector activity</b>						
Revenues of the sector activity(net)*	1,804,624	563,876	207,794	1,280,039	563,474	<b>4,419,807</b>
Expenses of the sector	(416,055)	(133,766)	(18,927)	(523,414)	3,852	<b>(1,088,310)</b>
<b>Result of the sector operations</b>	<b>1,388,569</b>	<b>430,110</b>	<b>188,867</b>	<b>756,625</b>	<b>567,326</b>	<b>3,331,497</b>
Profit before tax	1,388,569	430,110	188,867	756,625	567,326	<b>3,331,497</b>
Taxes	(344,195)	(106,250)	(48,267)	(184,407)	(139,265)	<b>(822,384)</b>
<b>Net profit</b>	<b>1,044,374</b>	<b>323,860</b>	<b>140,600</b>	<b>572,218</b>	<b>428,061</b>	<b>2,509,113</b>
<b>Assets and Liabilities according to the sector activity</b>						
Assets of the sector activity	23,618,966	1,684,567	37,087,401	9,800,297	21,314,785	<b>93,506,016</b>
<b>Total assets</b>	<b>23,618,966</b>	<b>1,684,567</b>	<b>37,087,401</b>	<b>9,800,297</b>	<b>21,314,785</b>	<b>93,506,016</b>
Liabilities of the sector activity	38,203,287	8,987,146	1,019,541	28,245,965	5,103,202	<b>81,559,141</b>
<b>Total Liabilities</b>	<b>38,203,287</b>	<b>8,987,146</b>	<b>1,019,541</b>	<b>28,245,965</b>	<b>5,103,202</b>	<b>81,559,141</b>
<u>30 June 2022</u>	Corporate banking	SMEs	Investment banking	Retail	Assets and liabilities management	Total
<b>Revenues and expenses according to the sector activity</b>						
Revenues of the sector activity(net)*	688,588	179,209	109,112	834,380	317,331	<b>2,128,620</b>
Expenses of the sector	(134,385)	(73,727)	(77,172)	(480,333)	25,896	<b>(739,721)</b>
<b>Result of the sector operations</b>	<b>554,203</b>	<b>105,482</b>	<b>31,940</b>	<b>354,047</b>	<b>343,227</b>	<b>1,388,899</b>
Profit before tax	554,203	105,482	31,940	354,047	343,227	<b>1,388,899</b>
Taxes	(143,517)	(31,361)	(9,269)	(93,325)	(92,555)	<b>(370,027)</b>
<b>Net profit</b>	<b>410,686</b>	<b>74,121</b>	<b>22,671</b>	<b>260,722</b>	<b>250,672</b>	<b>1,018,872</b>
<b>Assets and Liabilities according to the sector activity</b>						
Assets of the sector activity	21,352,105	729,761	13,633,928	9,655,029	16,777,673	<b>62,148,496</b>
<b>Total assets</b>	<b>21,352,105</b>	<b>729,761</b>	<b>13,633,928</b>	<b>9,655,029</b>	<b>16,777,673</b>	<b>62,148,496</b>
Liabilities of the sector activity	18,726,876	5,491,541	925,728	25,036,897	3,420,974	<b>53,602,016</b>
<b>Total Liabilities</b>	<b>18,726,876</b>	<b>5,491,541</b>	<b>925,728</b>	<b>25,036,897</b>	<b>3,420,974</b>	<b>53,602,016</b>

\* 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 June 2023</u>	Cairo	Alex, Delta & Sinai	Upper Egypt	Total
<b>Revenues &amp; Expenses according to the geographical sectors</b>				
Revenues of the Geographical sectors	5,927,878	441,330	110,026	<b>6,479,234</b>
Expenses of the Geographical sectors	(2,787,091)	(300,806)	(59,840)	<b>(3,147,737)</b>
Result of sector operations	<b>3,140,787</b>	<b>140,524</b>	<b>50,186</b>	<b>3,331,497</b>
Profit before tax	3,140,787	140,524	50,186	<b>3,331,497</b>
Tax	(779,474)	(31,618)	(11,292)	<b>(822,384)</b>
<b>Profit of the period</b>	<b>2,361,313</b>	<b>108,906</b>	<b>38,894</b>	<b>2,509,113</b>

<u>30 June 2022</u>	Cairo	Alex, Delta & Sinai	Upper Egypt	Total
<b>Revenues &amp; Expenses according to the geographical sectors</b>				
Revenues of the Geographical sectors	3,093,239	311,508	101,781	<b>3,506,528</b>
Expenses of the Geographical sectors	(1,790,462)	(263,398)	(63,769)	<b>(2,117,629)</b>
Result of sector operations	<b>1,302,777</b>	<b>48,110</b>	<b>38,012</b>	<b>1,388,899</b>
Profit before tax	1,302,777	48,110	38,012	<b>1,388,899</b>
Tax	(350,649)	(10,825)	(8,553)	<b>(370,027)</b>
<b>Profit of the period</b>	<b>952,128</b>	<b>37,285</b>	<b>29,459</b>	<b>1,018,872</b>

	<b>30 June 2023 LE,000</b>	<b>30 June 2022 LE,000</b>
<b>4. <u>Net interest income</u></b>		
<b>Interest on loans and similar income</b>		
To customers	2,772,481	1,837,419
	<b>2,772,481</b>	<b>1,837,419</b>
Treasury bills	520,744	336,975
Balances with banks	1,304,719	178,428
Investments in debt instruments	413,013	442,504
	<b>2,238,476</b>	<b>957,907</b>
	<b>5,010,957</b>	<b>2,795,326</b>
<b>Interest on deposits and similar expenses</b>		
Deposits and current accounts:		
- To banks	(20,216)	(52,804)
- To customers	(1,722,312)	(1,107,239)
- Other Loans	(37,229)	(9,087)
- Others	(91)	(250)
	<b>(1,779,848)</b>	<b>(1,169,380)</b>
<b>Net interest income</b>	<b>3,231,109</b>	<b>1,625,946</b>
<b>5. <u>Net fee and commission income</u></b>		
<b>Fee and Commission income :</b>		
Credit related fees and commissions	892,852	413,876
Trust and other custody fees	25,747	14,356
Other fees	196,685	100,606
	<b>1,115,284</b>	<b>528,838</b>
<b>Fee and Commission expense :</b>		
Other fees and commissions paid	(279,579)	(208,528)
	<b>(279,579)</b>	<b>(208,528)</b>
<b>Net fee and Commission income</b>	<b>835,705</b>	<b>320,310</b>
<b>6. <u>Dividend Income</u></b>		
	<b>30 June 2023 LE,000</b>	<b>30 June 2022 LE,000</b>
Subsidiaries	-	10,999
Investment at Fair value through OCI	8,399	5,152
<b>Total</b>	<b>8,399</b>	<b>16,151</b>

<b>7. <u>Net trading income</u></b>	<b>30 June 2023 LE,000</b>	<b>30 June 2022 LE,000</b>
<b>Foreign exchange:</b>		
Gains from foreign currencies transactions	220,854	124,158
Gain on revaluation of currency swap contracts	7,629	6,463
Gain on revaluation of option deals	2,073	7,756
Net changes in fair value through profit / Loss	(412)	(15,855)
Interest Income from investment at fair value through profit / Loss	3,819	12,650
Gain on investment at fair value through profit / Loss	1,156	1,422
	<b>235,119</b>	<b>136,594</b>
<b>8. <u>Gains from financial investments</u></b>	<b>30 June 2023 LE,000</b>	<b>30 June 2022 LE,000</b>
Gain on sale of investments at fair value through OCI	109,475	29,619
	<b>109,475</b>	<b>29,619</b>
<b>9. <u>Impairment (charge) for credit losses</u></b>	<b>30 June 2023 LE,000</b>	<b>30 June 2022 LE,000</b>
Loans and advances to customers	7,199	(81,927)
Due from banks	(3,570)	(1,759)
Debt instruments at fair value through other comprehensive income	(14,205)	(7,633)
	<b>(10,576)</b>	<b>(91,319)</b>
<b>10. <u>Administrative expenses</u></b>	<b>30 June 2023 LE,000</b>	<b>30 June 2022 LE,000</b>
<b>Staff costs</b>		
Wages and salaries	(375,252)	(299,380)
Social insurance costs	(76,636)	(64,269)
	<b>(451,888)</b>	<b>(363,649)</b>
Other Administrative expenses	(480,936)	(395,138)
	<b>(932,824)</b>	<b>(758,787)</b>

<b>11. <u>Other operating (expense) / income</u></b>	<b>30 June 2023 LE,000</b>	<b>30 June 2022 LE,000</b>
Other provisions	(220,560)	86,161
Revaluation on foreign currencies assets & Liabilities rather than those held for trading	34,130	20,193
Profit on sale of fixed assets	6,203	201
Others	35,317	3,830
	<b>(144,910)</b>	<b>110,385</b>

Other provisions includes (176,411) thousand EGP (Charge) Provision for contingent liabilities for financial period ended on June 30, 2023 ( June 30, 2022 : 59,295 thousand EGP release)

<b>12. <u>Income tax expense</u></b>	<b>30 June 2023 LE,000</b>	<b>30 June 2022 LE,000</b>
Current tax	(885,285)	(383,135)
Deferred tax	62,901	13,108
	<b>(822,384)</b>	<b>(370,027)</b>

	<b>30 June 2023 LE,000</b>	<b>30 June 2022 LE,000</b>
<b>Profit before tax</b>	<b>3,331,497</b>	<b>1,388,899</b>
Tax calculated at applied tax rate	(749,587)	(312,502)
Nondeductible expenses including deferred tax	(181,254)	(164,512)
Tax on interest from T-bills and G-bonds	(189,199)	(160,084)
Tax exempted income	281,027	267,071
Prior years adjustment	16,629	-
<b>Income tax expense</b>	<b>(822,384)</b>	<b>(370,027)</b>
Effective tax rate	<b>24.7%</b>	<b>26.6%</b>

### **Movement of deferred tax assets**

	<b>30 June 2023 LE,000</b>	<b>31 December 2022 LE,000</b>
<b>Deferred tax assets:</b>		
Provisions	110,387	61,728
	<b>110,387</b>	<b>61,728</b>
<b>Deferred tax liabilities:</b>		
Fixed assets	38,085	39,539
Provisions	-	12,788
	<b>38,085</b>	<b>52,327</b>
<b>Net balance of deferred tax assets</b>	<b>72,302</b>	<b>9,401</b>

<b>13. <u>Earnings per share</u></b>	<b>30 June 2023 LE,000</b>	<b>30 June 2022 LE,000</b>
Net profit for the period	2,509,113	1,018,872
Employees share in profit	(250,291)	(96,774)
Profit attributable to shareholders of the bank (1)	<b>2,258,822</b>	<b>922,098</b>
Weighted average number of ordinary shares in issue (2)	1,250,000	1,250,000
Basic earnings per share (Egyptian pound) (1:2)	<b>1.81</b>	<b>0.74</b>

  

<b>14. <u>Cash and balances with Central Bank of Egypt</u></b>	<b>30 June 2023 LE,000</b>	<b>31 December 2022 LE,000</b>
Cash on hand	2,075,655	1,811,244
Balances with the Central Bank of Egypt -reserve ratio	5,365,730	3,425,024
	<b>7,441,385</b>	<b>5,236,268</b>
Non-interest bearing balances	7,441,385	5,236,268
<b>Balance</b>	<b>7,441,385</b>	<b>5,236,268</b>

  

<b>15. <u>Due from banks</u></b>	<b>30 June 2023 LE,000</b>	<b>31 December 2022 LE,000</b>
Current accounts	5,257,829	2,432,585
Placements with other banks	25,980,328	18,339,049
	<b>31,238,157</b>	<b>20,771,634</b>
Expected credit loss	(13,226)	(7,703)
<b>Balance</b>	<b>31,224,931</b>	<b>20,763,931</b>
Central bank of Egypt	15,563,648	13,513,637
Local banks	3,923,460	1,551,794
Foreign banks	11,751,049	5,706,203
	<b>31,238,157</b>	<b>20,771,634</b>
Expected credit loss	(13,226)	(7,703)
<b>Balance</b>	<b>31,224,931</b>	<b>20,763,931</b>
Non-interest bearing balances	5,257,829	2,432,585
Interest bearing balances	25,980,328	18,339,049
	<b>31,238,157</b>	<b>20,771,634</b>
Expected credit loss	(13,226)	(7,703)
<b>Balance</b>	<b>31,224,931</b>	<b>20,763,931</b>



	<b>30 June 2023 LE,000</b>	<b>31 December 2022 LE,000</b>
<b>The movement in expected credit loss - Due from banks</b>		
<b>Balance at 1 January 2022</b>	<b>7,703</b>	<b>3,681</b>
Impairment charge	3,570	1,271
Exchange differences	1,953	2,751
<b>Balance</b>	<b>13,226</b>	<b>7,703</b>
<b>16. <u>Loans and advances to customers (net)</u></b>	<b>30 June 2023 LE,000</b>	<b>31 December 2022 LE,000</b>
<b>Individual</b>		
Overdrafts	104,582	124,051
Credit cards	1,183,522	1,172,542
Personal Loans	8,032,824	8,116,570
Real Estate Loans	705,229	486,036
<b>Total (1)</b>	<b>10,026,157</b>	<b>9,899,199</b>
<b>Corporate entities</b>		
Overdrafts	8,580,736	7,170,554
Direct Loans	16,329,137	15,540,329
Syndicated loans	1,374,561	1,598,834
Other Loans	315,405	792,937
<b>Total (2)</b>	<b>26,599,839</b>	<b>25,102,654</b>
<b>Total Loans and advances (1+2)</b>	<b>36,625,996</b>	<b>35,001,853</b>
Less :		
Unearned Income	(14,532)	(6,136)
Allowance for impairment	(1,507,633)	(1,485,075)
<b>Net</b>	<b>35,103,831</b>	<b>33,510,642</b>
Current Balances	24,221,462	24,037,108
Non-Current Balances	12,404,534	11,051,774
	<b>36,625,996</b>	<b>35,088,882</b>

**Allowance for impairment**  
**30 June 2023**

Individuals	Overdrafts	Credit cards	Personal loans	Real estate loans	Total
<b>Balance at 1 January 2023</b>	<b>523</b>	<b>46,917</b>	<b>187,200</b>	<b>2,255</b>	<b>236,895</b>
Impairment charge	91	4,794	44,933	452	50,270
Loans written off during the period	-	(12,243)	(88,840)	-	(101,083)
Amount recoveries during the period	-	6,727	33,051	-	39,778
<b>Balance at the period end</b>	<b>614</b>	<b>46,195</b>	<b>176,344</b>	<b>2,707</b>	<b>225,860</b>
Corporate entities	Overdrafts	Direct Loans	Syndicated loans	Other Loans	Total
<b>Balance at 1 January 2023</b>	<b>761,438</b>	<b>358,848</b>	<b>125,663</b>	<b>2,231</b>	<b>1,248,180</b>
Impairment (release) / charge	41,074	14,412	(115,412)	2,457	(57,469)
Loans written off during the period	(3,565)	-	-	-	(3,565)
Amount recoveries during the period	8,577	-	-	-	8,577
Exchange differences	26,959	27,613	31,478	-	86,050
<b>Balance at the period end</b>	<b>834,483</b>	<b>400,873</b>	<b>41,729</b>	<b>4,688</b>	<b>1,281,773</b>
<b>Total</b>					<b>1,507,633</b>

**31 December 2022**

Individuals	Overdrafts	Credit cards	Personal loans	Real estate loans	Total
<b>Balance at 1 January 2022</b>	<b>411</b>	<b>46,030</b>	<b>198,886</b>	<b>275</b>	<b>245,602</b>
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
<b>Balance at the year end</b>	<b>523</b>	<b>46,917</b>	<b>187,200</b>	<b>2,255</b>	<b>236,895</b>
Corporate entities	Overdrafts	Direct Loans	Syndicated loans	Other Loans	Total
<b>Balance at 1 January 2022</b>	<b>516,926</b>	<b>705,405</b>	<b>46,495</b>	<b>838</b>	<b>1,269,664</b>
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
<b>Balance at the year end</b>	<b>761,438</b>	<b>358,848</b>	<b>125,663</b>	<b>2,231</b>	<b>1,248,180</b>
<b>Total</b>					<b>1,485,075</b>

<b>17. Financial Investments</b>	<b>30 June 2023 LE,000</b>	<b>31 December 2022 LE,000</b>
<b>Fair value through other comprehensive income</b>		
Debt instruments at fair value unlisted - Treasury bills	10,630,774	6,956,595
Debt instruments at fair value listed - Bonds	5,935,619	5,928,080
Equity instruments at fair value unlisted	37,573	37,573
Mutual fund Certificates - according to law requirements*	202,626	172,757
<b>Total investment measured at fair value through other comprehensive income</b>	<b>16,806,592</b>	<b>13,095,005</b>
<b>Fair value through other profit or loss</b>		
Governmental Bonds	8,335	11,336
<b>Total investment measured at fair value through profit or loss</b>	<b>8,335</b>	<b>11,336</b>
<b>Total Financial investments</b>	<b>16,814,927</b>	<b>13,106,341</b>
Current Balances	13,483,419	8,774,983
Non-current balances	3,331,508	4,331,358
	<b>16,814,927</b>	<b>13,106,341</b>
Debt instruments with fixed interest rates	16,574,728	12,896,011
	<b>16,574,728</b>	<b>12,896,011</b>
<b><u>Treasury bills according to the following maturities:</u></b>	<b>30 June 2023 LE,000</b>	<b>31 December 2022 LE,000</b>
Treasury bills, maturity 91 days	1,220,823	122,389
Treasury bills, maturity 182 days	2,105,382	220,828
Treasury bills, maturity 273 days	1,437,159	918,462
Treasury bills, maturity 364 days	6,504,115	5,962,738
Unearned interest	(636,705)	(267,822)
	<b>10,630,774</b>	<b>6,956,595</b>

**18. Investment in subsidiaries**

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

	<b>30 June 2023 LE,000</b>	<b>31 December 2022 LE,000</b>
<b>Balance at cost</b>	<b>143,822</b>	<b>143,822</b>

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

Company	Country	Assets	Liabilities	Revenues	Profit/(Loss)
EHFC June 30, 2023	Egypt	614,972	488,667	51,478	3,863
EHFC December 31, 2022	Egypt	672,018	548,368	99,881	12,724

**19. Intangible assets**
**Balance at beginning of the period**

	<b>30 June 2023 LE,000</b>	<b>31 December 2022 LE,000</b>
Cost	433,409	405,362
Accumulated amortization	(318,212)	(267,833)
<b>Net book value</b>	<b>115,197</b>	<b>137,529</b>

**Balance for the current period**

Net Book value at the beginning of the period	115,197	137,529
Additions	60,665	28,047
Amortization expense	(27,255)	(50,379)
<b>Net Book Value at the end of the current period</b>	<b>148,607</b>	<b>115,197</b>

**Balance at the end of the current period**

Cost	494,074	433,409
Accumulated amortization	(345,467)	(318,212)
<b>Net book value</b>	<b>148,607</b>	<b>115,197</b>

**20. Other assets**

	<b>30 June 2023 LE,000</b>	<b>31 December 2022 LE,000</b>
Accrued revenues	920,395	690,426
Prepaid expenses	357,162	286,539
Advance payments for purchase of fixed assets	221,628	144,388
Assets reverted to the Bank in settlement of debts	117,971	117,971
Deposits with others and imprest fund	16,957	14,321
Other	301,283	343,446
<b>Total</b>	<b>1,935,396</b>	<b>1,597,091</b>

**21. Fixed Assets**

	Land	Buildings	Computer systems	Vehicles	Fixtures	Machinery and equipment	Furniture	Other	Total
<b>Balance as of 31 January 2022</b>									
Cost	56,822	408,369	306,547	25,268	296,641	49,832	38,233	130,425	<b>1,312,137</b>
Accumulated Depreciation	-	(155,263)	(230,170)	(17,802)	(234,352)	(34,108)	(24,480)	(56,260)	<b>(752,435)</b>
<b>Net book value as of 31 January 2022</b>	<b>56,822</b>	<b>253,106</b>	<b>76,377</b>	<b>7,466</b>	<b>62,289</b>	<b>15,724</b>	<b>13,753</b>	<b>74,165</b>	<b>559,702</b>
Additions	-	-	45,401	4,137	31,974	2,140	1,387	21,940	<b>106,979</b>
Disposals – Cost	-	(539)	(21,571)	(147)	(2,640)	(187)	-	(88)	<b>(25,172)</b>
Depreciation expense	-	(13,711)	(36,496)	(3,167)	(22,147)	(4,066)	(3,288)	(12,933)	<b>(95,808)</b>
Disposals – Accumulated Depreciation	-	537	21,466	147	2,626	185	-	88	<b>25,049</b>
<b>Net book value as of 31 December 2022</b>	<b>56,822</b>	<b>239,393</b>	<b>85,177</b>	<b>8,436</b>	<b>72,102</b>	<b>13,796</b>	<b>11,852</b>	<b>83,172</b>	<b>570,750</b>
<b>Balance as of 1 January 2023</b>									
Cost	56,822	407,830	330,377	29,258	325,975	51,785	39,620	152,277	<b>1,393,944</b>
Accumulated Depreciation	-	(168,437)	(245,200)	(20,822)	(253,873)	(37,989)	(27,768)	(69,105)	<b>(823,194)</b>
<b>Net Book value as of 1 January 2023</b>	<b>56,822</b>	<b>239,393</b>	<b>85,177</b>	<b>8,436</b>	<b>72,102</b>	<b>13,796</b>	<b>11,852</b>	<b>83,172</b>	<b>570,750</b>
Additions	-	-	62,886	2,828	658	776	1,100	8,150	76,398
Disposals – Cost	-	(1,416)	(71)	(1,931)	-	(6,687)	(12)	(419)	(10,536)
Depreciation expense	-	(6,808)	(22,229)	(1,653)	(12,728)	(1,746)	(1,713)	(6,987)	(53,864)
Disposals – Accumulated Depreciation	-	1,373	63	1,758	-	6,585	12	315	10,106
<b>Net book value as of 30 June 2023</b>	<b>56,822</b>	<b>232,542</b>	<b>125,826</b>	<b>9,438</b>	<b>60,032</b>	<b>12,724</b>	<b>11,239</b>	<b>84,231</b>	<b>592,854</b>
<b>Balance as of 30 June 2023</b>									
Cost	56,822	406,414	393,192	30,155	326,633	45,874	40,708	160,008	1,459,806
Accumulated Depreciation	-	(173,872)	(267,366)	(20,717)	(266,601)	(33,150)	(29,469)	(75,777)	(866,952)
<b>Net book value as of 30 June 2023</b>	<b>56,822</b>	<b>232,542</b>	<b>125,826</b>	<b>9,438</b>	<b>60,032</b>	<b>12,724</b>	<b>11,239</b>	<b>84,231</b>	<b>592,854</b>

<b>22. <u>Due to banks</u></b>		<b>30 June 2023 LE,000</b>	<b>31 December 2022 LE,000</b>
Current accounts		1,015,816	460,912
		<b>1,015,816</b>	<b>460,912</b>
Local banks		2,917	1,945
Foreign banks		1,012,899	458,967
		<b>1,015,816</b>	<b>460,912</b>
Non-interest bearing		1,015,816	460,912
Current Balances		<b>1,015,816</b>	<b>460,912</b>
<b>23. <u>Customers' deposits</u></b>		<b>30 June 2023 LE,000</b>	<b>31 December 2022 LE,000</b>
Demand deposits		34,626,178	27,954,750
Time and call deposits		22,299,723	13,592,655
Certificates of deposits		9,673,741	10,957,805
Saving accounts		5,621,072	5,364,285
Other deposits		2,767,158	2,623,327
<b>Total</b>		<b>74,987,872</b>	<b>60,492,822</b>
Corporate Deposits		50,163,985	36,220,465
Retail Deposits		24,823,887	24,272,357
		<b>74,987,872</b>	<b>60,492,822</b>
Current Balances		54,439,168	38,585,663
Non-current balances		20,548,704	21,907,159
		<b>74,987,872</b>	<b>60,492,822</b>
Non-interest bearing balances		19,120,792	15,758,766
Fixed interest rate balances		48,719,969	38,289,767
Variable interest rate balances		7,147,111	6,444,289
		<b>74,987,872</b>	<b>60,492,822</b>
<b>24. <u>Other Loans</u></b>	<b>Interest Rates*</b>	<b>30 June 2023 LE,000</b>	<b>31 December 2022 LE,000</b>
Credit Agricole Paris (13/6/2027)	SOFR+2.97%	308,969	247,434
Credit Agricole Paris (11/5/2028)	SOFR +2.955%	308,969	247,434
Credit Agricole Paris (13/4/2029)	SOFR +3.407%	308,969	247,434
		<b>926,907</b>	<b>742,302</b>

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

<b>25. <u>Other Liabilities</u></b>	<b>30 June 2023 LE,000</b>	<b>31 December 2022 LE,000</b>
Accrued interest	348,532	221,042
Unearned revenue	55,947	53,753
Accrued expenses	498,510	558,300
Other credit balances	2,093,465	1,427,692
	<b>2,996,454</b>	<b>2,260,787</b>

<b>26. <u>Other provisions</u></b>	<b>30 June 2023 LE,000</b>	<b>31 December 2022 LE,000</b>
<b>Balances At 1 January</b>	<b>353,486</b>	<b>347,152</b>
Exchange differences	40,243	53,651
Charged (release) to the income statement	220,560	(39,568)
Utilized during period	(103)	(7,749)
	<b>614,186</b>	<b>353,486</b>

**Other provisions represent the following:**

	<b>30 June 2023 LE,000</b>	<b>31 December 2022 LE,000</b>
Provision for claims	144,840	87,667
Provision for contingent liabilities	469,346	265,819
<b>Balance</b>	<b>614,186</b>	<b>353,486</b>

**27. Contingent liabilities and commitments**

<b>A. Loans, advances and Guarantees Commitments</b>	<b>30 June 2023 LE,000</b>	<b>31 December 2022 LE,000</b>
Letters of guarantee	15,719,466	14,237,198
Commercial letters of credit (import and export)	1,020,680	1,471,500
Acceptances	2,905,271	2,512,516
Other contingent liability	2,621,676	2,811,864
<b>Total</b>	<b>22,267,093</b>	<b>21,033,078</b>

**B. Operational Lease:**

There is no commitment for operational lease at the financial statement Period or 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 115,191 thousand Egyptian pounds in respect of fixed assets purchases and branches fixtures and have not been implemented yet till the balance sheet date.

## **28. 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.

	<b>30 June 2023 LE,000</b>	<b>30 June 2022 LE,000</b>
Cash and balances with central banks	2,075,655	2,023,293
Due from banks	28,818,867	8,024,457
Treasury bills	1,176,357	1,445,021
	<b>32,070,879</b>	<b>11,492,771</b>

## **29. 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 656.29 at balance sheet date and the total value is 98,443,500 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 366,051 EGP as of **30 June 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 44,659,500 EGP with a redeemable price of 297.73 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 209,072 EGP as of **30 June 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 41,757,690 EGP and a redeemable price of 1,070.71 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 1,338,158 EGP as of **30 June 2023** that was classified as fees and commission income 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 17,765,500 EGP with a redeemable price of 355.31 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 75,424 EGP as of **30 June 2023** that was classified as fees and commission income in the income statement.



### 30. 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

	<b>Subsidiary</b>	
	<b>30 June 2023 LE,000</b>	<b>31 December 2022 LE,000</b>
Loans outstanding at 1 January	274,991	355,026
Loans issued (repayment)	(6,702)	(80,035)
<b>Loans outstanding</b>	<b>268,289</b>	<b>274,991</b>
Interest income earned	21,319	34,948

#### B) Deposits from related parties

	<b>Subsidiary</b>	
	<b>30 June 2023 LE,000</b>	<b>31 December 2022 LE,000</b>
Deposits at 1 January	232	6,360
Deposits received (repaid)	5,930	(6,128)
<b>Deposits</b>	<b>6,162</b>	<b>232</b>
Interest expense on deposits	722	1,032

#### C) Other transactions with related parties

	<b>Credit Agricole Group</b>	
	<b>30 June 2023 LE,000</b>	<b>31 December 2022 LE,000</b>
Due from banks	118,500	704,808
Due to banks	982,848	166,927
General and Administrative expenses	16,836	18,537
Other Loans	926,907	742,302
	<b>Subsidiaries and associates</b>	
	<b>30 June 2023 LE,000</b>	<b>31 December 2022 LE,000</b>
Investment in subsidiary	143,822	143,822
Dividends	-	10,999

### **31. 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 7,939 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 10,118 thousand EGP compared to 11,479 thousand for the previous year.

### **32. 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 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 and 2021

Tax Examination was done, and due tax was paid.

##### 2022

Tax Examination was done, and due tax was paid.

### **33. 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.

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

### **34. Translation**

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

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