



بَنكُ فَیصَلِ الْإِسْلَامِیِّ الْمَصْرِیِّ

FAISAL ISLAMIC BANK OF EGYPT

Annual Report 2024

Mission

To be a leading bank in Islamic banking activities in Egypt in order to be the first choice for our customers and to bring major benefits to all related parties. coupled with full commitment to Islamic sharia principles and banking regulations".

Vision

To be the best bank in providing Islamic banking products and services to our customers and correspondents. as well as achieving a positive and sustainable development in the Bank's position at regional and international levels.



Our values

Customer First: customer satisfaction is our top priority and primary goal. We are committed to understanding and fulfilling our customers' needs. building long-term customer loyalty and meeting all their expectations.

Islamic Banking: to fully comply with Islamic sharia principles that govern FIBE's Islamic banking activities and operations.

Excellence and Superiority: to be excellent in all activities is our standard; we are committed to improve our banking services and provide excellent. efficient and first-class services to our customers.

Shareholders' objectives: to reap competitive. stable and growing dividends on shareholders' investments in order to achieve long-term stability and growth. resulting in an increase of the Bank's economic value.

Job Satisfaction for employees: to create a perfect harmony in the workplace among employees at different levels of management and providing them with essential and effective means to enhance their skills and abilities to meet all the job requirements. This in addition to designing effective and fair system of pay and bonuses as well as increasing chances of promotion to achieve a high level of job satisfaction.

Social Responsibility: to participate in moving the national economy forward by investing in vital projects in different sectors. improving economic and social conditions and reducing the unemployment rates. This in addition to improving standards of living and offering help and assistance to the most vulnerable groups under the Bank's Social Responsibility.

Sustainability: The Bank strongly believes in achieving its goals according to the Principles of Sustainable Development by full commitment to governance and social standards. becoming more eco-friendly and adopting the latest FinTech trends.

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The Late His Royal Highness Prince
**Mohammed Al -Faisal bin Abdul-Aziz
Aal-Saoud,**

The founder of Faisal Islamic Bank of Egypt,
Former Chairman of The Board of Directors
And The pioneer of Islamic banking in the world



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**His Royal Highness Prince
Amr Mohammed Al-Faisal
Aal-Saoud**
Chairman of the Board Of Directors



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Governor
**Mr. Abdel Hamid Mohammed
Aboumoussa**



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Board of Directors*

His Royal Highness Prince
Amr Mohammed Al-Faisal Aal-Saoud
Chairman

Sheikh. Ibrahim Bin Khalifa Aal-Khalifa
(Representative of Faisal Islamic Bank. Jersey)

Mr. Ahmed Attia Mohammed Abu Alwafa
(Representative of Al AWQAF Egyptian Authority)

Dr. Amani Khaled Mohammed Mubarak Bouresli
(Representative of Dar Al-Maal Al-Islami Holding (DMI))

Dr. Galal Mostafa Mohammed Saeed
(Representative of Faisal for Financial Investments Co.)

Dr. Hussein Mohammed Ahmed Isaa
(Representative of Egyptian company for Investments)

Mr. Abdel Hamid Mohammed Aboumoussa
(The Bank's Governor)

Dr. Amr Ahmed Samih Talaat

Mr. Mohammed Bin Abdullah Bin Abdelkarim Elkhareiji

Mr. Mohammed Hani Bin Al Sayed Bin Ibrahim Al Ayouti
(Representative of Dar Al Maal Al Islami for Limited Administrative Services)

Dr. Nahed Mohammed Hassan Taher
(Representative of Saudi Gulf Business Co. for Trade)

Governor

Mr. Abdel Hamid Mohammed Aboumoussa

* Board members are arranged in Arabic alphabetical order.

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Board of Directors' Committees

(1) Senior Management Committee

- His Royal Highness Prince/ Amr Mohammed Al-Faisal Aal -Saoud	Chairman
- Mr. Abdel Hamid Mohammed Aboumoussa (The Bank's Governor)	Member
- Mr. Ahmed Attia Mohammed Abu Alwafa	Member
- Dr. Galal Mostafa Mohammed Saeed	Member
- Dr. Nahed Mohammed Hassan Taher	Member
- Mr. Raafat Mokbel Hussein (CEO's Assistant)	Member

(2) Audit Committee

- Sheikh. Ibrahim Bin Khalifa Aal-Khalifa	Chairman
- Dr. Hussein Mohammed Ahmed Isaa	Member
- Mr. Mohamed Hani Bin Al Sayed Bin Ibrahim Al Ayouti	Member

(3) Risk Policies Committee

- Dr. Amani Khaled Mohammed Mubarak Bouresli	Chairman
- Mr. Abdel Hamid Mohammed Aboumoussa (The Bank's Governor)	Member
- Mr. Mohammed Bin Abdullah Abdelkarim Elkhareiji	Member

(4) Governance and Nominations Committee

- Sheikh. Ibrahim Bin Khalifa Aal-Khalifa	Chairman
- Dr. Amr Ahmed Samih Talaat	Member
- Dr. Hussein Mohammed Ahmed Isaa	Member
- Mr. Mohamed Hani Bin Al Sayed Bin Ibrahim Al Ayouti	Member

(5) Salaries and Remunerations Committee

- His Royal Highness Prince/ Amr Mohammed Al-Faisal Aal-Saoud	Chairman
- Mr. Ahmed Attia Mohammed Abu Alwafa	Member
- Mr. Mohammed Bin Abdullah Abdelkarim Elkhareiji	Member

(6) Information Technology & Digitalization Committee

- Dr. Amr Ahmed Samih Talaat	Chairman
- Mr. Abdel Hamid Mohammed Aboumoussa (The Bank's Governor)	Member

Religious Supervisory Board

Dr. Nasr Farid Mohammed Wassel	Chairman
Dr. Ali Gomaa Mohammed Abdulwahab	Deputy Chairman
Dr. Hamdi Sobh Taha Dawood	Member
Dr. Abdelhady Mohammed Abdelhady Zarea	Member
Dr. Ata Abdelaty Mohamed ELsonbaty	Member

Auditors

Mr. Mohanad Taha Khaled
(A partner in BDO Khaled & Co)

Mr. Ahmed Ibrhim Ahmed Yossaf
(A partner in KPMG- Hazem Hassan)

Statement of the Chairman

Dear Shareholders of Faisal Islamic Bank of Egypt

Peace, mercy and blessings of Allah be upon you

On behalf of the Board members and on my own behalf, I would like to welcome you all in our annual meeting and it's my pleasure to present you with the Bank's annual report for the fiscal year 2024. Despite the ongoing challenges at local and international levels, our Bank was able to realize impressive results and remarkable achievements to be added to its outstanding record of progress. This was mainly due to the sincere efforts devoted by its diligent staff, the Executive Management, the Board of Directors and its committees as well as the spirit of harmony, coordination and a sense of belonging featuring this prestigious institution. Moreover, the Bank was very keen to reach high levels of professionalism and readiness to deal with incidents by adopting proactive and flexible plans. All of these enable the Bank to achieve outstanding record of progress and long-term success and strengthen its strong and pre-eminent position among the banks operating in Egypt to become a key partner in creating a positive image living up to the Egypt's banking sector. This was motivated by our strong and real desire to achieve an outstanding record of progress based on a scientific approach that is consistent with the status quo and our outlook.

At the international level, the global economy proved remarkably resilient to economic crises and rising political tensions in the Middle East region, avoiding to slip into a global recession, but instead the global economy is projected to grow 3.2% during 2024 and 2025, according to the International Monetary Fund's (IMF's) World Economic Outlook (WEO). Moreover, central banks around the world adopted a contractionary monetary policy in an attempt to bring inflation under control. These banks, led by the U.S. Federal Reserve (Fed), have recently began to ease this policy in order to accelerate the pace of global economic activity. Locally, Egypt's economy showed the first signs of recovery and was highly resilient to negative impacts of the global economic and political crises, driven by a series of corrective measures taken by Egypt's government and the Central Bank with the aim of getting the country's economy back on its normal track and enhancing the Egyptian economy's ability to face these challenges.

Despite the unfavorable environment in which our Bank operates as well as inflationary pressures, the Bank achieved a high level of performance and impressive financial results due to the sound management of operating and financing costs and the Bank's strategic goals aimed at developing its banking operations, providing quality customer service and optimally allocating financial resources to a wide variety of economic activities to be up against fierce competition among the banks operating in Egypt. To this end, the Bank offered an excellent package of innovative digital banking solutions featuring best-in-class experience that meet the changing needs and expectations of the Bank's customers to keep pace with the changes and developments witnessed by local and regional banking sector. Therefore, the Bank managed to achieve a significant increase in net profit up to a total of EGP 11.739 billion during 2024, as well as the return on average assets and the return on average equity reached 5.6% and 36.7% respectively, largely exceeding the Egypt's banking sector average. Given the outstanding record of progress, the Bank was awarded two prestigious ISO certificates: ISO 31000-Risk Management and ISO 22316-Security & Organizational Resilience, to be the first and only local bank in Egypt to obtain such an international accreditation. Moreover, our Bank occupied a high position in the Top 50 Arab Islamic Banks ranking by total assets according to the Union of Arab Banks (UAB) magazine. The Bank also gained pre-eminent positions locally and globally in The Banker's Top 1000 World Banks 2024 ranking and Africa's Top 100 Banks based on the 2024 ranking of "African Business". Additionally, the Bank held a dominant position among the "Egypt's Top 50 Listed Companies" based on the ranking of "The Forbes Middle East", occupying the 8th position at the corporate level and the 3rd position at the banking sector level among the 11 banks included in the ranking.

Regarding the Bank's financial indicators, total volume of business - represented in total assets, contingent liabilities and commitments - reached EGP 242.6 billion at the end of 2024, recording an annual increase of EGP 62.6 billion at a growth rate of 34.7%. Total balances of saving pools and certificates (funds under

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management) amounted to EGP 177.1 billion. These balances represent 73.7% of total liabilities and shareholders' equity, which are distributed among more than 2 million accounts managed by the Bank for its click here to go to contents page 11 11 customers. This was mainly due to the ambitious strategy adopted by the Bank, which is aimed at giving top priority to the Bank's customers in order to meet their changing needs and high expectations and to enhance their confidence and encourage them to save and invest in the banking services and products provided by the Bank. Furthermore, the Bank was able to provide its financing and banking services to many parts of the country, covering a wide range of economic activities with a special focus on real estate, contracting, food and wholesale & retail sectors as well as Small and Medium-sized Enterprises (SMEs) to which much attention is being paid by the government due to its critical role in achieving Egypt's sustainable development goals. Net finance and investment balances (after deducting the provision) reached EGP 222.7 billion, recording an increase of EGP 60.7 billion at a rate of 37.5%. These balances account for 92.7% of total assets. On the other hand, the Bank managed to achieve a significant increase in the shareholders' equity up to a total of EGP 38.8 billion, recording a 57% increase at the end of December 2024 to greatly boost the Bank's own Fund, enabling it to grow and expand so as to be able to attract and make major investments and also to fulfill the customers' growing needs of both individuals and corporates.

Good management of assets and liabilities, monitoring market trends and efficient liquidity management were reflected positively on FY 2024 business results, as total revenues amounted to EGP 30.8 billion (including an amount of EGP 5759.1 million generated from devaluation of the Egyptian pound against foreign currencies due to the decision of exchange rate liberalization, compared to EGP 1532.1 million during 2023), recording a 63% increase amounting to EGP 11.9 billion compared to EGP 18.9 billion during 2023. Therefore, returns distributed to owners of saving pools and certificates increased to EGP 14 billion against EGP 10.3 billion a year earlier. Consequently, average annual return rates increased to reach 5.5% for General Investment Accounts held in local currency, 4.5% for Investment Accounts held in US dollar, 19.10% for three-year saving certificates, 13.90% for four-year saving certificates, 19.30% for five-year saving certificates "Izdhar", and 19.80% for seven-year saving certificates "Nam'a" with a 21.78% cumulative return. As a result, total profits of the year amounted to EGP 23170.8 million, including retained earnings of EGP 11434.7 million, so the residual amount of EGP 11736.1 million representing the net distributable profit for FY 2024. These positive results affirmed the Bank's long-term success in dealing with customers' changing needs by offering a wide variety of first-class banking products and services especially designed to satisfy these needs.

Moreover, The Bank was very keen to fully abide by banking rules and regulations imposed by Central Bank of Egypt (CBE), especially Risk-based Capital Adequacy Ratio (CAR) that represents the most important regulatory indicator amounted to 22.6% against a regulatory minimum of 12.5%. Non-risk based Leverage Ratio (LR) reached 12.7% against a regulatory minimum of 3%.

Given the rapid technological changes worldwide, the Bank was able to keep up with the fast pace of technological developments by accelerating digital transformation, adopting digital financial solutions-based strategies and launching a wide range of first-class digital banking services and products that meet the changing needs and expectations of the Bank's customers, along with increased operational efficiency and transaction processing in order to enhance customer experience of daily banking transactions with a full commitment to Sharia rules and principles. In this regard, the Bank has launched its new website to enable its visitors to get more information about all products and services offered by the Bank, and it also updated and developed systems for E-wallet application and Online Banking service with the aim of improving the quality level of current services and offering new ones. During 2024, the Bank launched a number of services and products, including "Return it to Fabrica" product to provide financing for vehicle repair and maintenance through Sharia compliant "Service Leasing" model, a Financing Product to provide credit facilitates for production, agricultural and industrial sectors based on the initiative launched by the Central Bank of Egypt. Furthermore, the Bank launched "Faisal Royal" Service for VIP customers which gives them exclusive privileges in all the Bank's branches to meet their unique banking needs with complete privacy. This in addition to providing Mobile ATMs which offer convenient and easy to use ATMs services anywhere all over the country, and also "Ahalina Investment Account" in local currency which is mainly designed for craftsmen, freelancers and housewives.

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During 2025, the Bank is planning to launch a number of new services and products, most notably the “online Finance” service through the Bank’s website, and “Digital Onboarding” solution which allows customers to digitally open their accounts via online banking application without actually visiting any of the Bank’s branches, this in addition to issuing Virtual Cards.

In line with CBE's guidelines for Financial Inclusion, the Bank actively participated in all CBE's initiatives either inside or outside its branches through the presence in sports clubs and universities by providing exclusive offers to encourage citizens to have access to the financial system. Furthermore, the Bank held a series of educational seminars and signed a set of cooperation protocols with several Egyptian universities, including Galala University, enabling all university staff and faculty members to benefit from the Bank's distinctive finance options based on Sharia-compliant transactions at competitive return rates, along with tuition installment plans for college students. With regard to the geographical expansion in the banking activities and transactions conducted through the Bank’s branches and ATMs with the aim of attracting new customers and applying financial inclusion principles, a second branch in Heliopolis district was opened with all the potential required to enable our customers to benefit from our Bank’s high-quality products and services in an easy and convenient way, bringing the total number of the Bank's branches to 42 at the end of 2024 covering most governorates and main cities all over the country. During 2025, the Bank is planning to open three branches in different cities, namely the New Administrative Capital, Kafr El-Sheikh and Mit Ghamr. Moreover, the Bank has an advanced ATM system with 565 machines equipped with cutting-edge technologies allowing its customers anywhere across the country to carry out different banking transactions such as cash deposit, withdrawal and money transfer. Additionally, around 18 branches were developed and fully equipped with different accessibility features designed for People of Determination (PoD), enabling them to carry out different banking transactions and to benefit from a wide variety of banking products and services provided by the Bank in an easy and convenient way. To this end, the Bank also provided 60 ATMs equipped with talking functionality and Braille keypads to help visually-impaired customers to independently use the machine and manage their accounts and conduct their banking transactions easily and safely. The number of active Visa & Meeza cards increased by 44 thousand cards to reach 414.3 thousand cards at the end of 2024.

In the light of the Bank’s strategy aimed at taking up a portion of its investments to support and enhance the human capital especially in the midst of fierce competition for highly-skilled cadres in the banking sector, our Bank always seeks to develop practical and professional skills of its employees and drawing up effective training plans in order to achieve greater efficiency in the business environment and to maintain a high level of their performance at all job levels, enabling them to use the best and latest methods in providing diverse and innovative banking products and services. In this regard, the Bank provided a set of specialized training courses and programs on large-scale banking operations such as Customer Service, Credit, Sales Skills, Letters of Credit (LCs) and Letters of Guarantee (LGs), along with core and mandatory training courses in Anti-money Laundering, Information Security and Operational Risk Management. This in addition to other training courses in behavioral and managerial skills development as well as training courses in “Sign Language and How to deal with PoD in a highly professional way” to offer help and support for hearing-impaired customers to be able to carry out their banking transactions in an easy and convenient way. In the same context, some training courses and programs were offered to employees holding supervisory and leading positions, enabling them to acquire leadership skills and use the best tools and techniques in work teams management with the aim of unlocking the untapped potential of their team members and guiding them in achieving the Bank’s set goals.

In the light of the Bank’s strategies aimed at achieving sustainability with its broader concept in all banking operations and activities, the Bank has always given a top priority to social well-being for all, which acts as a responsible Islamic financial institution distinguished by its ethical and social objectives that benefit individuals and society as a whole. Therefore, the Bank fully committed to applying Environmental, Social and Governance (ESG) sustainability standards and practices in all its daily banking operations and activities by using the best scientific methods to measure and monitor these practices, which acts as a main driver of enhancing our operations and achieving also creating value for our customers, partners and society. During 2024, our Bank issued its second Sustainability Report for the FY 2023 based on the Global Reporting Initiative (GRI) standards, to be in line with the ambitious goals established in “Egypt Vision 2030” and the United Nations

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Sustainable Development Goals (UN-SDGs). Additionally, the Bank also issued its second Carbon Footprint Report for the FY 2023, showing a decline in the amount of Scope 1 and 2 carbon emissions (GHGs) generated by the Bank's operations and activities by 11.8% compared to the previous fiscal year, driven by the bank's efforts and a series of measures aimed at improving the efficiency in electricity and water consumption, recycling, cutting down on waste and reducing refrigerant gas leakage, along with raising awareness among the Bank's employees and their significant role in using various forms of eco-friendly and sustainable transportation.

In completion of its sustained efforts to fulfill social responsibility, the Bank increased its support and participation in social activities and initiatives, especially Healthcare, Education and Social Solidarity to improve the living conditions of the poor and needy of Egypt's population, bringing the total contributions made by the Bank on these activities to about EGP 456 million during 2024. These contributions were disbursed on legitimate channels including EGP 196 million was allocated for Zakat beneficiaries of individuals with a total of 70 thousand cases recommended by Social Solidarity Directorates, Hospitals and Medical Centers, as well as urgent surgeries such as Kidney, liver and bone marrow transplants and open-heart surgeries for children and adults. This in addition to an amount of EGP 4.1 million was earmarked for students in South Sinai Governorate and students who are studying at colleges of Commerce at Cairo and Ain Shams Universities as well as students at Zewail City of Science, Technology and Innovation. The Bank contributed EGP 2.3 million to provide about 35 mosques all over Egypt with furniture and equipment, an amount of EGP 27 million for Tahya Misr Fund to provide help and assistance to the most vulnerable families all over the country. Additionally, an amount of EGP 10 million was earmarked for Eid Al-Adha Sukuk (Al-Adha Feast sacrifice certificates) and feeding project implemented by Egypt's Ministry of Awqaf, and an amount of EGP 5 million to establish the Egyptian Zakat and Charity House (EZCH) in Al-Azhar headquarters. Moreover, the Bank provided financial support and assistance to several public hospitals, including: (an amount of EGP 6.5 million was allocated for Al-Nas Charitable Hospital for treatment of Cardiac and Gastrointestinal diseases, EGP 5.5 million for Shifaa Al-Orman Hospital for treatment of child and Adult Cancer Patients in Upper Egypt, EGP 8.7 million for the Gastroenterology and Hepatology Department at Ahmed Maher Educational Hospital, EGP 2.6 million for University Hospitals in Sohag Governorate, EGP 4.7 million for Zagazig Fever Hospital, EGP 1 million for Premature infants Unit at Helwan General Hospital, and EGP 2.3 million for Baheya Hospital for Early Detection and Treatment of Breast Cancer). Furthermore, the Bank contributed EGP 2.5 million to the Egypt's Ministry of Health and Population's General Authority for Educational Hospitals and Institutes, along with an amount of EGP 14.2 million for Theodor Bilharz Research institute (TBRI), and an amount of EGP 2.1 million for Abu El-Reesh Children University Hospital. The Bank also allocated EGP 30 million for "Eliminating Waiting Lists" initiative launched by the Central Bank of Egypt to perform urgent surgeries. All of these social activities and initiatives were undertaken under the umbrella of the Bank's Zakat Fund whose total resources reached EGP 1.671 billion at the end of 2024.

In conclusion, let me express my sincere gratitude and appreciation to you, the board members, all the Bank's customers and our correspondents for their continuing support, full cooperation and great confidence which strongly motivate us to take up challenge and make progress. I also appreciate hard work and sincere efforts devoted by the Bank's management and staff, wishing them all tremendous success. I highly praised the CBE's decisions and measures aimed at enhancing stability and resilience of Egypt's banking sector. I also extend my sincere appreciation to the chairman and members of the Bank's Sharia Supervisory Board for their good communication and fruitful coordination. I must also never forget our pledge to expend a great deal of effort by unlocking our full potential to be on our forward march towards sustainable growth and progress and to be always the undisputed leader in Islamic banking

" Allah is the grantor of success and He is the only one whose help should be sought ".

Peace. mercy and blessings of Allah be upon you.

Chairman of the Board of Directors

Prince Amr Al-Faisal

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Domestic Economic Developments

Egypt's economy showed signs of recovery and modest improvement during 2024, driven by a package of reform measures and policies that was taken by the government throughout the year to enhance the Egyptian economy's resilience in the face of internal challenges and to mitigate the negative consequences of global and regional crises. This package included devaluation of the Egyptian pound against foreign currencies in March 2024, which resulted in foreign exchange market stability and crackdown on parallel exchange rate market as well as tightening monetary policy by an 8% increase in CBE's key interest rates to contain inflationary pressures. Furthermore, this recovery was aided by the US\$ 35 billion coastal city of Ras El-Hekma development project deal between Egypt the United Arab Emirates, along with similar deals would be concluded soon, as well as large investments by foreigners in government debt instruments reaching US\$ 36.71 billion at the end of June 2024. Additionally, new funding facilities offered by international financial institutions, particularly the International Monetary Fund (IMF) which approved to increase Egypt's current Extended Fund Facility (EFF) by US\$ 5 billion to reach US\$ 8 billion and the European Union's financial support package for Egypt through a combination of loans and grants totaling EUR€ 7.4 billion for 2024-2027. These inflows helped boost foreign currency reserves to reach US\$ 47.11 billion at the end of 2024 and to turn a deficit in foreign assets of the banking sector into a surplus of US\$ 11.8 billion in November 2024, which led to rebuilding investor confidence in Egypt's economy. The reform measures taken by Egypt's government to get the country's economy back on its right track were highly praised by the International Financial Institutions, including the IMF during its fourth review of Egypt's economic reform program in November 2024 under the Extended Fund Facility (EFF) arrangement, which could unlock \$1.2 billion in financing. On 1st November 2024, Fitch Ratings upgraded Egypt's credit rating from "B-" to "B" with a stable outlook, to be the first upgrade since March 2019.

On the other hand, the International Institutions emphasized that effective measures should be taken by Egypt's government to speed up the implementation of exit mechanisms from certain number of economic activities and sectors either fully or partially by selling stakes in state-owned assets as stipulated in Egypt's State Ownership Policy Document with the aim of enhancing and expanding the role of the private sector in economic activity, acting as a key driver of sustainable growth, economic stability and job creation. Moreover, Egypt's economy is still facing significant risks and challenges due to mounting geopolitical tensions in the Middle East and disruptions to vital trade routes in the Red Sea region, which adversely affected the performance of Egypt's key economic indicators, particularly the Suez Canal revenues that fell by 68% during the last quarter of FY 2023/2024. This in addition to a surge in public debt levels, namely external debt and its servicing costs as well as declining Foreign Direct Investments (FDIs), and growing number of refugees and asylum-seekers that would lead to intensify financial pressures on the public services, especially health and education.

The most significant developments of economic indicators during 2024 are as follows:

- 1- Egypt's economy achieved a 2.4% growth rate during FY 2023/2024 compared to 3.8% during the previous fiscal year.
- 2- Overall deficit in the State's General Budget showed a decline during FY 2023/2024 to record 3.6% of GDP compared with 6% of GDP in FY 2022/2023.
- 3- Total domestic public debt increased by EGP 558 billion to reach EGP 8.727 trillion at the end of June 2024 compared to EGP 8.169 trillion at the end of December 2023. The external debt decreased by US\$ 15.1 billion to record US\$ 152.9 billion at the end of June 2024 compared with US\$ 168 billion at the end of December 2023.
- 4- The average annual inflation rate for urban areas declined from 33.8% during 2023 to 28.4% during 2024.
- 5- Regarding Egypt's credit rating during 2024. On 7th March, Moody's Investors Service affirmed Egypt's credit rating at "Caa1" and revised its outlook to "positive" from "negative". On 18th October, S&P Global Ratings maintained Egypt's credit rating at "B-" with a positive outlook. On 1st November, Fitch Ratings upgraded Egypt's credit rating from "B-" to "B" with a stable outlook.

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- 6- Transactions of the Egyptian economy with the external world resulted in an overall Balance of Payments "BOP" surplus of US\$ 9.687 billion during FY 2023/2024 compared with a surplus of US\$ 882.4 million a year earlier. This was driven mainly by a significant surge in net inflows channeled into the capital and financial account to record US\$ 29.879 billion compared to US\$ 8.932 billion during the same period of 2023 (due to the increase in net foreign direct investment to reach US\$ 46.065 billion against US\$ 10.039 billion and transforming a \$ 3.766 billion deficit in the outflows of the portfolio investment in Egypt into a surplus of \$ 14.532 billion). Meanwhile, the Current account deficit experienced a substantial increase to record US\$ 20.807 billion compared to US\$ 4.711 billion (this was an outcome of the rise in trade balance deficit by 27% to reach US\$ 39.574 billion against US\$ 31.160 billion as well as the drop in the services balance surplus by 34.5% to record US\$ 14.355 billion against US\$ 21.927 billion a year earlier).
- 7- Egypt's main sources of foreign exchange varied during the FY 2023/2024 according to the following:
 - Tourism revenues increased by 5.9% to reach US\$ 14.4 billion against US\$ 13.6 billion in the previous fiscal year.
 - The Suez Canal revenues declined by 25% to reach US\$ 6.6 billion compared to US\$ 8.8 billion a year earlier.
 - Remittances of Egyptians working abroad decreased slightly by 0.9% to record US\$ 21.9 billion compared with US\$ 22.1 billion in FY 2022/2023. (During the fourth quarter of FY 2024/2025, remittances increased by 63% to reach US\$7.5 billion compared to US\$4.6 billion during the same quarter of FY 2023/2024, driven mainly by the unification of the official and parallel exchange rates to maintain a single exchange rate market).
- 8- The CBE's International Reserves increased by US\$11.89 billion to reach US\$ 47.11 billion at the end of 2024 compared to US\$ 35.22 billion at the end of 2023.
- 9- The Monetary & Banking Developments
 - 9/1 The CBE's Monetary Policy Committee (MPC) raised key interest rates two times by a total of 8% during 2024. Consequently, the overnight deposit rate, overnight lending rate and the rate of the main operation increased to reach 27.25%, 28.25% and 27.75% respectively. On the other hand, The Egyptian Pound's exchange rate against the US dollar at the end of 2024 decreased by 64.6% to reach 50.84 EGP/USD compared with 30.89 EGP/USD at the end of 2023, and it fell against the Euro by 55.3% to reach 52.85 EGP/EUR compared to 34.04 EGP/EUR a year earlier.
 - 9/2 Financial Soundness Indicators (FSIs) of the Banking Sector (commercial banks) varied during the FY 2023/2024, as loans to deposits ratio increased to 60.3% compared to 53.3% in the FY 2022/2023. Meanwhile, the Risk-based Capital Adequacy Ratio (CAR) remained stable at 18.6% (12.5% regulatory minimum). Additionally, the average liquidity ratio in local currency declined to 33.1% compared to 36.8% (20% regulatory minimum), the average liquidity ratio in foreign currency increased to 83.6% compared to 67.5% (25% regulatory minimum). The return on average assets and the return on average equity remained stable at 2% and 32.2% respectively during the two comparative years.

Assessment of the Bank's performance during 2024

The Bank's efforts and its financial policies adopted during the FY 2024 led to achieve a number of impressive results, most notably total balance sheet amounted to EGP 240.2 billion and total revenues reached EGP 30.8 billion. These revenues enhanced the Bank's ability to distribute returns to owners of saving pools and certificates at average annual rates of 5.50% for General Investment Accounts held in local currency, 19.10% for three-year saving certificates, 13.90% for four-year saving certificates, 19.30% for five-year saving certificates "Izdhar", 19.80% for seven-year saving certificates "Nam'a" (21.78% cumulative return), and 4.50% for Investment Accounts held in foreign currencies.

Regarding the Bank's different liabilities, the Bank has formed provisions to face finance and investment risks and to cover current expenses (General and administrative expenses, depreciation, legitimate Zakat "Almsgiving" due to the Bank's funds and income taxes).

After fulfilling the above-mentioned obligations and transferring an amount of EGP 3.2 million from the net profit to the capital reserve account (resulted from profits from the sale of some fixed assets under the CBE's regulations), an amount of EGP 11.7 billion represents the net distributable profit for FY 2024.

It is noteworthy that:

- At the end of the FY 2024, the Bank's financial statements were prepared in accordance with instructions regarding the rules of preparation and presentation of financial statements and bases of recognition and measurement for Egyptian banks issued by the Central Bank of Egypt (CBE) dated 16 December 2008. Additionally, these rules were amended based on CBE's Instructions issued on 26 February 2019 and the Central Bank and Banking Sector Law No. 194 of 2020.
- The Foreign exchange rates of the comparative year 2023 were not amended based on the CBE's instructions (USD= EGP 50.8388 at the end of FY 2024 compared to EGP 30.8931 at the end of FY 2023).

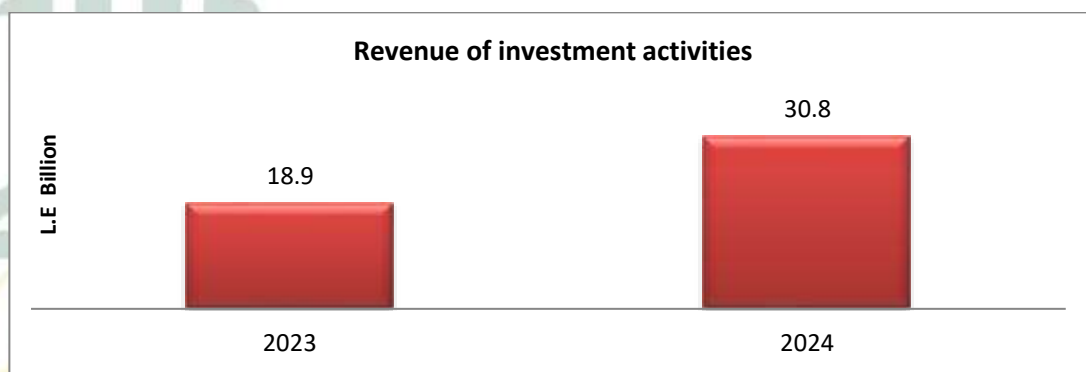
1- Business results:

The net distributable profit for FY 2024 amounted to the equivalent of EGP 11.7 billion. This profit resulted from revenues and expenses stated in the income statement as follows:

1 –1 Revenues:

Total revenues during 2024 amounted to EGP 30.8 billion, which were generated from different banking activities according to the following:

- Revenues from Musharaka, Murabaha and Mudaraba transactions and similar revenues with an amount of EGP 23.7 billion, representing 76.9% of total revenues.
- Revenues from different banking services, net trading income, dividends and profits generated from financial investments amounted to EGP 1.2 billion, which accounted for 4% of total revenues.
- Other operating revenues amounted to EGP 5.9 billion, accounting for 19.1% of total revenue.



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1-2 Expenses:

Total expenses amounted to EGP 19.1 billion which are represented in the following:

1 – 2 -1 Return on saving pools:

Total returns distributed to owners of saving pools and certificates amounted to the equivalent of EGP 14 billion, accounting for 73.2% of total expenses.

1 – 2-2 Impairment charge for finance and investment transactions:

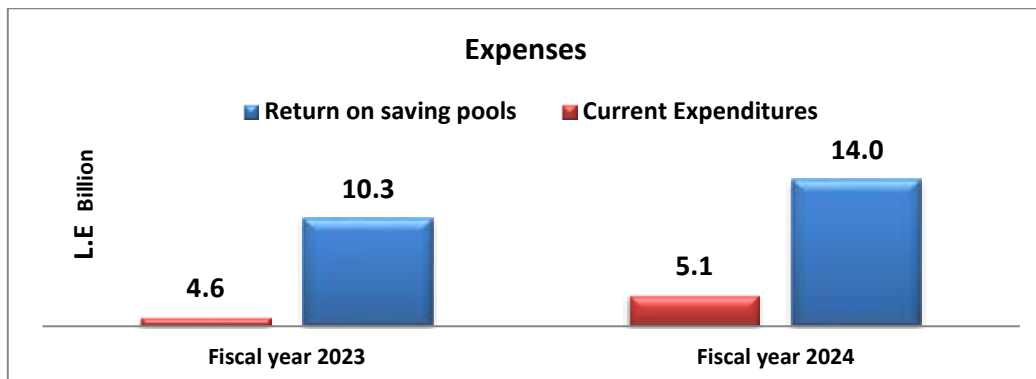
Total Impairment charge (provisions) amounted to the equivalent of EGP 0.3 billion, representing 1.6% of total expenses.

1 – 2 -3 Administrative expenses and legitimate due Zakat (almsgiving):

Total administrative expenses, depreciation and Zakat (almsgiving) amounted to EGP 3 billion, accounting for 15.5% of total expenses.

1 – 2-4 Income Tax expenses:

Total income tax expenses reached EGP 1.8 billion, accounting for 9.7% of total expenses.



2- Volume of Business and Main Activities:

2-1 Business Volume:

Total balance sheet at the end of December 2024 amounted to the equivalent of EGP 240.2 billion. Off-balance contingent liabilities and commitments amounted to the equivalent of EGP 2.4 billion.

2-2 Saving pools:

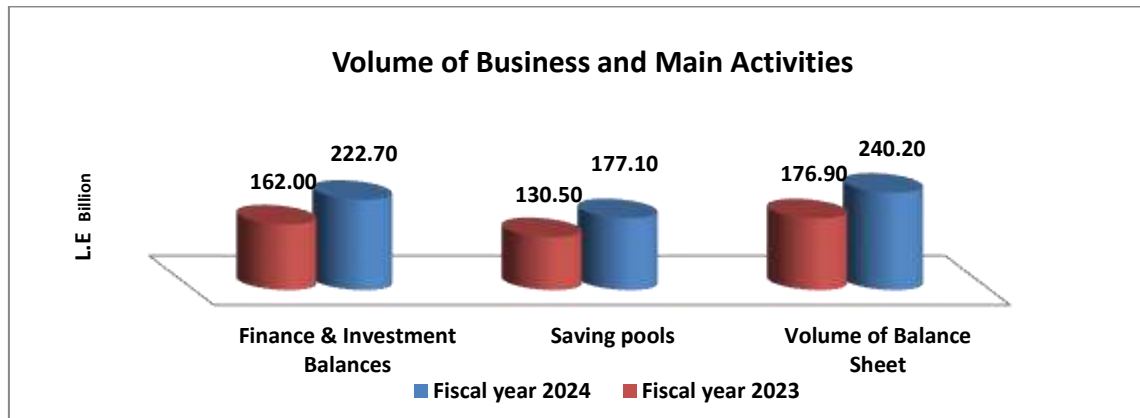
Total balances of current, investment accounts and saving certificates reached EGP 177.1 billion at the end of December 2024. These balances account for 73.7% of total balance sheet.

2-3 Finance and Investment Balances:

Finance and investment balances (after deducting the provision) amounted to the equivalent of EGP 222.7 billion at the end of December 2024. These balances account for 92.7% of total balance sheet. The Bank is keen to provide the necessary finance for various production and service sectors according to the objectives of the country's Socio-Economic plan.

2-4 The Bank Companies:

The Bank directs a part of its investments towards setting up subsidiaries operated in accordance with the Islamic Sharia principles, or having shares in the capitals of similar companies with others. The Bank is also very keen to cover all sectors of economic activity by setting up companies or holding stocks in wide-ranging companies whose number reached (45) companies. Therefore, The Bank arranges finances required for those companies by sharia-compliant instruments. These companies contribute greatly to moving Egypt's economy forward and providing people with thousands of job opportunities. Total issued capital of these companies reached EGP 45.87 billion, of which EGP 45.85 billion is paid. The Bank's shareholding in these companies amounted to EGP 4.1 billion with a book value of EGP 7.1 billion at the end of 2024, accounting for 3% of total balance sheet.



3 - Banking Criteria and Ratios:

Regarding the acceptable banking criteria, our Bank holds a pre-eminent position and adheres to all regulations and instructions issued by the Central Bank of Egypt.

Under the Central Bank and Banking Sector Law No. 194 of 2020, all banks operating in Egypt must have the minimum issued and fully paid-up capital of EGP 5 billion. As a result, our Bank abided by this law and increased its capital to reach more than EGP 5 billion at the end of 2021.

4 - The Bank's staff. Training and branches:

4 -1 Staff and Training:

The Bank's top management pays special attention to human resources by continuous training and learning in order to achieve greater efficiency in the business environment and to maintain a high level of performance of the Bank's employees at all job levels across different banking careers with the aim of achieving the Bank's strategic goals and maintaining its strong leadership in Islamic banking. To this end, a total of 141 training programs were provided at a number of 40999 training hours, with a total of 3043 training opportunities distributed to 1083 employees, accounting for 93% of the bankers as well as 58 service assistants. Total training cost amounted to around EGP 15.5 million. These training programs were designed and provided in accordance with the following pillars:

Pillar 1: Training Approach: The training paths were prepared and developed through a diverse range of training approaches, including (Lectures, Workshops, Simulation Models, International Programs, and Conferences & Seminars) by applying advanced training techniques and various activities to improve and enhance the employees' awareness of the Bank's policies, local regulations, Islamic Sharia principles and the best practices in the banking sector through effective teaching methods and sharing experience and knowledge among employees.

Pillar 2: Customer Rights Protection: Training courses were offered to a number of 261 employees working in Banking Business Departments, the Bank's branches, Marketing & Advertising Departments and other concerned departments. These courses focused on building awareness of customer rights protection principles and achieving excellence in customer service by applying modern techniques for handling and resolving customer complaints.

Pillar 3: Supporting People of Determination (PoD): In the light of providing support and assistance for Determination (PoD), enabling them to integrate into the society and participate fully in all aspects of life, training courses in "Sign Language and How to deal with PoD in a highly professional way" were offered to 50 employees working at the Bank's different branches, showing our firm commitment to making banking experience easy and convenient for our PoD customers.

Pillar 4: Sustainable Development & Financial Inclusion: Given the vital role played by the Bank to meet the targets of Central Bank of Egypt regarding the ambitious goals established in the United Nations Sustainable Development Goals (UN-SDGs) and "Egypt Vision 2030", and to promote Financial Literacy for everyone and to keep up with the rapid changes in this field, and also to be in line with the first principle of Guiding Principles for Sustainable Finance which involves the Bank's employee capacity building and development through training programs with the aim of improving and broadening to contribute to improve and

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their knowledge of sustainable finance concepts and application. To this end, the Bank provided its employees with a total of 424 training opportunities related to programs of Sustainability & Sustainable Finance, Climate Change Risks, Green Banking Products and Financial Inclusion. This in addition to participation in local and international conferences and seminars organized and held by relevant bodies.

Pillar 5: Preparing Second-and Third-level Cadres of Leaders: Due to the importance of leadership and its crucial role in achieving continuous improvement and long-term success in the workplace, a total of 24 employees were trained to be fully prepared to hold supervisory and leading positions in the future by using modern and innovative teaching methods, simulation models and different training techniques in collaboration with a lot of high-profile training institutes and entities offering specialized training services.

Pillar 6: Induction Programs: Induction training program was offered to 16 new employees who recently join our Bank, including lectures and workshops aimed at achieving excellence in the fields of customer service, sales techniques, rules of professional business etiquette, code of business ethics and skills of communication and collaboration with different teams in the workplace, along with meetings held with representatives from the Bank's different departments in order to gain and share experience and knowledge.

Pillar 7: Specialized Certificates: For the purpose of improving practical knowledge and broadening professional experience to the Bank's staff so as to achieve higher levels of performance and business efficiency, a total of 68 employees have completed and received certificates in specialized courses and programs such as Banking Compliance, Financing Small and Medium-sized Enterprises (SMEs), Internal Audit, Cybersecurity & Information Security. These certificates were awarded in collaboration with local and international training institutes and entities offering specialized training services.

Pillar 8: Social Responsibility: As part of our Bank's social responsibility, the Bank provided a total of 878 training opportunities during the summer of 2024 for Egyptian university students across the Bank's headquarters and branches. This is addition to providing "Training for Employment - TFE" program for all trainee students in cooperation with the Egyptian Banking Institute (EBI) which acts as the Central Bank's official training arm. The purpose of this program is to develop necessary technical and business skills to prepare students for the banking job market and bridge the gap between academic education and job market requirements

4-2 Branches:

Number of the Bank's branches operating in Egypt reached (42) branches at the end of 2024 covering most governorates and main cities all over the country. Moreover, three new branches will be opened in different cities across the country; namely the New Administrative Capital, Kafr El-Sheikh and Mit Ghamr.

5 - Budget plan 2025:

The FY 2025 Budget Plan was prepared to reflect the Bank's objectives, policies and business plans for the said year. The budget's estimates were based on actual historical data of the Bank's activities and results during the past years, bearing in mind the current and future business conditions that may affect the economy and the Banking Sector. The draft budget showed the following features:

5- 1 Financial Position: The Bank's total financial position achieved a 5.6% growth rate.

5 -2 Saving pools These balances increased to reach EGP 183.5 billion.

5-3 Shareholders' Dividends: a dividend of 6% from FY 2024 net distributable profit after deducting zakat and other distributions as well as the shareholders' equity increase.

Separate Statement of Financial Position

As at 31 December 2024 corresponding to 30 Jumad Al-Akher 1446 H.

Assets	Note No,	31 December 2024 EGP In Thousand	31 December 2023 EGP In Thousand
Cash and balances at the Central Bank of Egypt	(15)	18,226,147	12,666,596
Due from banks	(16)	78,251,274	45,585,529
Musharaka, Murabaha and Mudaraba with banks	(17/A)	-	64,748
Musharaka, Murabaha and Mudaraba with customers	(17/B)	15,382,244	13,470,142
Financial investments			
At Fair value Through Other Comprehensive Income (FVTOCI)	(18/A)	33,573,907	36,589,011
At Fair value Through Profit or Loss (FVTPL)	(18/B)	752,987	374,891
At Amortized Cost	(18/C)	83,814,528	59,298,264
Investments in subsidiaries and associates	(18/D)	1,268,637	1,273,468
Intangible assets	(19)	678,985	258,816
Other assets	(20)	6,010,285	5,370,223
Property, plant and equipment	(21)	2,272,759	2,009,973
Total assets		240,231,753	176,961,661
Liabilities and Shareholders' Equity			
Liabilities			
Due to banks	(22)	14,810,831	14,866,191
Saving pools and saving certificates	(23)	177,055,178	130,458,803
Other liabilities	(24)	6,803,494	5,200,753
Other provisions	(25)	207,093	224,779
Deferred Tax liabilities		1,021,630	465,914
Current Income Tax Payable		1,303,559	878,397
Total Liabilities		201,201,785	152,094,837
Shareholders' Equity			
Paid-up Capital	(26)	5,677,509	5,677,509
Reserves	(27)	10,178,451	5,959,299
Retained earnings (including profit of the year)	(28)	23,174,008	13,230,016
Total Shareholders' Equity		39,029,968	24,866,824
Total Liability and Shareholders' Equity		240,231,753	176,961,661

Governor
Abdel Hamid Mohammed
Aboumoussa

Chairman of the board
Amr Mohammed Al-Faisal Aal Saoud




- The accompanying notes from (1) to (32) are integral part of the unconsolidated financial statements,
- Auditors' report is attached

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Separate income Statement

For the financial year ended 31 December 2024 corresponding to 30 Jumad Al-Akher 1446 H,

	Note No,	31 December 2024 EGP In Thousand	31 December 2023 EGP In Thousand
Return on Musharaka, Murabaha , Mudaraba and similar revenues	(6)	23,709,313	16,292,204
Cost of saving pools and similar costs	(6)	(13,981,934)	(10,341,305)
Net interest income	(6)	9,727,379	5,950,899
Fees and commissions income	(7)	529,597	516,393
Dividends	(8)	417,626	359,753
Net trading income	(9)	270,316	75,079
Gain from financial investments	(18/H)	24,525	10,319
Impairment credit losses	(10)	(299,048)	(680,502)
Administrative expenses legitimately due Zakat	(11)	(2,655,461)	(2,074,560)
		(305,235)	(234,129)
Other operating revenues	(12)	5,890,320	1,685,534
Profit before income tax		13,600,019	5,608,786
Income tax (expenses)	(13)	(1,860,695)	(1,551,947)
Net profit of the year		11,739,324	4,056,839
Earnings per share (EGP)	(14)	18.749	6.273

Governor

Abdel Hamid Mohammed Aboumoussa



Chairman of the Board

Amr Mohammed Al-Faisal Aal Saoud



Separate other comprehensive income Statement

For the financial year ended 31 December 2024 corresponding to 30 Jumad Al-Akher 1446 H

	31 December 2024 EGP Thousand	31 December 2023 EGP Thousand
Net profit of the year based on income statement	11,739,324	4,056,839
<u>Other comprehensive income items that will not be re-classified in profit or loss</u>		
Net change in fair value of investments in equity instruments at fair value through other comprehensive income	3,706,230	71,912
<u>Other comprehensive income items that are or may be re-classified to profit or loss</u>		
Net change in fair value of investments in debt instruments at fair value through other comprehensive income	53,023	85,820
Expected credit losses of debt instruments at fair value through other comprehensive income	48,881	24,203
Total other comprehensive income during the year	3,808,134	181,935
Total comprehensive income during the year	15,547,458	4,238,774

- The accompanying notes from (1) to (32) are integral part of the Separate financial statements,

Separate statement of changes in Equity

For the financial year ended 31 December 2024 corresponding to 30 Jumad Al-Akher 1446 H

	Note No,	Paid-up Capital EGP In Thousand	Reserves EGP In Thousand	Retained profit EGP In Thousand	Net profit of the year EGP In Thousand	Total EGP In Thousand
Balances as of 1 January 2024 as previously issued		5,677,509	5,959,299	9,173,177	4,056,839	24,866,824
Net change in financial investments at fair value through other comprehensive income	(27/D)	-	3,808,134	28,158	-	3,836,292
Dividends		-	-	-	(1,412,472)	(1,412,472)
Transferred to legal reserve (general)		-	404,711	-	(404,711)	-
Transferred to capital reserve		-	9,732	-	(9,732)	-
Transferred from banking risk reserve for Assets acquired by the Bank		-	(3,425)	3,425	-	-
Transferred to retained profit		-	-	2,229,924	(2,229,924)	-
Net profit of the year		-	-	-	11,739,324	11,739,324
Balances on 31 December 2024	(26),(27),(28)	5,677,509	10,178,451	11,434,684	11,739,324	39,029,968
Balances as of 1 January 2023 as previously issued		5,677,509	5,341,025	6,468,880	4,475,045	21,962,459
Net change in financial investments at fair value through other comprehensive income	(27/D)	-	181,935	13,750	-	316,685
Dividends		-	-	-	(1,469,159)	(1,469,159)
Transferred to legal reserve (general)		-	446,870	-	(446,870)	-
Transferred to capital reserve		-	6,346	-	(6,346)	-
Transferred from banking risk reserve for Assets acquired by the Bank		-	(16,877)	16,877	-	-
Transferred to retained profit		-	-	2,552,670	(2,552,670)	-
Net profit of the year		-	-	-	4,056,839	4,056,839
Balances on 31 December 2023	(26),(27),(28)	5,677,509	5,959,299	9,173,177	4,056,839	24,866,824

The accompanying notes from (1) to (32) are integral part of the Separate financial statements,

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Separate statement Cash Flows

For the financial year ended 31 December 2024 corresponding to 30 Jumad Al-Akher 1446 H,

	Note No,	31 December 2024 EGP In Thousand	31 December 2023 EGP In Thousand
Cash flows from operating activities			
Net Profit before Taxes		13,600,019	5,608,786
Adjustments to reconcile net profit with cash flows from operating activities			
Depreciation and Amortization	(19,21)	407,138	308,348
Impairment of assets		357,864	857,330
Revaluation differences for other provisions in foreign currencies	(25)	5,751	2,166
(Reverse)Charge of other provisions	(12)	(23,109)	3,374
Gain from financial investments		(24,525)	(10,319)
(Profits) of selling property, plant and equipment		(3,248)	(9,732)
Dividends income	(8)	(417,626)	(359,753)
Operating income before changes in assets and liabilities from operating activities		13,902,264	6,400,200
Net change in assets and liabilities			
Balances at the Central Bank of Egypt within the framework of mandatory reserve ratio	(15)	(4,857,877)	308,378
Government securities with maturity exceeding three months	(18/C)	(5,760,897)	(2,230,137)
Financial Investments at fair value through profit and loss	(18/B)	(378,096)	(230,127)
Musharaka, Murabaha and Mudaraba with banks	(17/A)	63,625	(64,748)
Musharaka, Murabaha and Mudaraba with customers	(17/B)	(2,028,797)	(1,312,569)
Other assets	(20)	(493,225)	171,399
Due to banks	(22)	(55,360)	14,099,834
Deferred tax liabilities		555,716	732,560
Saving pools and certificates	(23)	46,596,375	6,832,361
Income tax paid		(1,971,213)	(1,722,673)
Other liabilities	(24)	1,749,696	1,011,709
Net cash flows resulting from operating activities		47,322,211	23,996,187
Cash flows from investment activities			
Acquisition of property, plant and equipment	(21)	(449,747)	(369,747)
Acquisition of intangible assets	(19)	(642,568)	(191,778)
Returned from selling property, plant and equipment		5,470	11,212
Dividends received	(8)	417,626	359,753
Payments to acquire financial investments at fair value through other comprehensive income	(18/A)	(1,893,527)	(1,410,522)
Change in (payments to acquire) investments in subsidiaries and associates	(18/D)	741	(23,209)
(payments to acquire) proceeds from excluding financial investments at amortized cost	(18/C)	(12,487,960)	4,317,718
Net cash flows (used in)resulting from investment activities		(15,049,965)	2,693,427
Cash flows from financing activities			
Dividends paid		(1,559,427)	(1,533,729)
Net cash flows (used in) financing activities		(1,559,427)	(1,533,729)
Net Increase in cash and cash equivalent during the year		30,712,819	25,155,885
Cash and cash equivalent balance - at the beginning of the year		59,607,051	34,451,166
Cash and cash equivalent balance - at the end of the year		90,319,870	59,607,051
Cash and cash equivalent are represented in:			
Cash and balances at the Central Bank of Egypt		18,226,147	12,666,596
Due from banks		78,251,274	45,585,529
Other Government securities deductible at the Central Bank of Egypt		47,880,992	44,777,730
Balances at the Central Bank of Egypt within the framework of reserve ratio		(15,715,178)	(10,860,336)
Government Securities with maturity (exceeding three months)		(38,323,365)	(32,562,468)
Cash and cash equivalent	(29/1)	90,319,870	59,607,051

- Cash Flow Statement did not include non-cash transactions comprising of amounts disclosed in note no, (29/2),
- The accompanying notes from No, (1) to (32) are integral part of these Separate statements,

The Proposed Profit Distribution Statement

For the financial year ended 31 December 2024 corresponding to 30 Jumad Al-Akher 1446 H,

	31 December 2024 EGP In Thousand	31 December 2023 EGP In Thousand
Net profit of the year (from the income statement)	11,739,324	4,056,839
Less:		
Profit from sale of fixed assets credited to the capital reserve according to the provisions of Law	(3,248)	(9,732)
Net distributable profit of the year *	11,736,076	4,047,107
Add:		
Retained earnings at the beginning of the year	11,403,101	9,021,550
Amounts transferred form banking risk reserve due to assets acquired by the bank	3,425	16,877
Amounts transferred from fair value reserve	28,158	134,750
Net retained earnings	11,434,684	9,173,177
Total	23,170,760	13,220,284
Distributed as Follows:		
Legal (general) reserve **	1,173,608	404,711
The Bank's share in the Banking Sector development and Support Fund***	117,361	40,471
Shareholders' Dividends****	1,852,987	1,126,001
Employees' profit share	300,000	220,000
Board of director's Remuneration	50,000	26,000
Retained earnings at the end of the year	19,676,804	11,403,101
Total	23,170,760	13,220,284

* Distributed according to the provisions of Article 59 of the Bank's statute, The distribution process is based on CBE's decision under the provisions of Article 125 of CBE's and banking sector Law no, 194 of 2020,

** Legal reserve (General) is calculated at 10% of net profit for the year less profit from sales of fixed assets according to CBE's instructions,

*** Calculated at 1% of the annual distributable net profits for the fiscal year according to Article no,(178) of the Central Bank and Banking Sector Law No,(194) of the year 2020,

1. Divided per share amounted to \$0.06 equivalent to EGP 3.050328 at a rate of 6% of nominal value of the share (one US dollar),
2. Under the article "56-Bis" of Law no. 53 of 2014, Dividends of Associations of Capital are subject to a tax, and the Bank committed to remit this tax to "Misr for Central Clearing, Depository and Registry (MCDR)" which shall deduct the taxes due from the shareholders,

Notes to the Separate Financial Statements

For the financial year ended 31 December 2024 corresponding to 30 Jumad Al-Akher 1446 H

1- Background

Faisal Islamic Bank of Egypt provides all retail and corporate banking services and investment activities in the Arab Republic of Egypt and abroad through 42 branches and its Head Office located at 3, 26th July St, Cairo, Egypt.

Faisal Islamic Bank of Egypt (Egyptian Joint stock company) was established under the law No, 48 of 1977, amended by the law No, 42 of 1981 and its Executive Regulation in the Arab Republic of Egypt, The Bank is listed in the Egyptian Stock Exchange (EGX).

On 16 January 2025, the Board of Directors approved the Bank's Financial Statements.

2- Summary of significant accounting policies:

The principal accounting policies applied in the preparation of these financial statements are set out below, These policies are consistently applied to all the years presented, unless stated otherwise.

A-Basis of preparation of the separate financial statements.

These separate financial statements have been prepared according to the instructions of the Central Bank of Egypt (CBE) rules approved by its Board of Directors on 16 December 2008, and in accordance with the instructions of the Central Bank of Egypt regarding financial reporting standards in compliance with IFRS9 "Financial Instruments" requirements issued on 26 February 2019.

These Separate Financial Statements are also prepared according to the relevant instructions of the Central Bank of Egypt, and the Bank will prepare Consolidated Financial Statements of the Bank and its subsidiaries in accordance with CBE's instructions, 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 the type of activity, The Consolidated Financial Statements can be obtained from the Bank's Management, The investments in subsidiaries and associated companies are disclosed in the separate financial statements of the Bank and its accounting treatment is at cost less impairment losses.

The separate financial statements of the Bank should be read with its consolidated financial statements for the year ended 31 December 2024 in order to get complete information about the Bank's financial position, business results, cash flows, and changes in shareholder's equity for the year then ended.

The Bank's financial statements were prepared until 31 December 2018 using the rules of preparation and presentation of financial statements and bases of recognition and measurement issued by the Central Bank of Egypt on 16 December 2008, As of 1st January 2019 and based on the CBE's regulations issued on 26 February 2019, The Bank's management has adjusted some accounting policies to comply with these regulations.

B-Investment in subsidiaries and associates:

Investments in subsidiaries and associates are presented in the attached separate financial statements using the cost method, representing the Bank's direct share in owner's equity and not based on business results and net assets of subsidiaries, The consolidated financial statements reflect full understanding of consolidated financial position, business results, and the consolidated cash flows of the Bank and its subsidiaries (the group), as well as the Bank's share in net assets of its associates.

B/1- Investment in Subsidiaries :

Are the companies over which the Bank owns directly or indirectly the power to control and govern financial and operating policies, Generally, the Bank has a shareholding of more than a half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are consider in assessing whether the bank has the control over its investees.

B/2- Investment in Associates:

Are the companies over which the Bank has direct or indirect significant influence but do not reach to the extent of control, Generally, the Bank has a shareholding between 20% and 50% of the voting rights in associates

The purchase method is used for the accounting of the acquisitions of the companies made by the Bank, The acquisition cost is measured by the fair value of assets, or the equivalent assets presented by the Bank in return, and/or issued equities and/or liabilities incurred by the Bank and/or liabilities accepted by the Bank on behalf of the acquired company in the acquisition date adding any costs directly attributed to the acquisition process, Net identifiable acquired assets including potential liabilities are measured at fair value on the date of acquisition irrespective of minority interest, The excess of acquisition cost over the Bank's share of fair value in the net assets acquired is recorded as goodwill, If the acquisition cost is less than the stated fair value of the net assets, the difference is recognized directly in the income statement under "Other operational revenues (expenses)" item.

Investments in subsidiaries and associates in the separate financial statements are accounted are according to the cost method, under which the investments are recorded at the acquisition cost including any goodwill and less any impairment losses, Dividends are recorded in the income statement when dividends are declared, and the Bank's right in its collection is affirmed.

C-Segment reporting:

An operating segment is a group of assets and operations related to providing products or services subjected to risks and returns that differ from those of other business sectors, The geographical sector is engaged in providing products or services in a particular economic environment subjected to risks and returns that differ from those of other geographical sectors operating in a different economic environment.

D- Functional and Presentation currency:

The Bank's separate financial statements are presented in Egyptian Pound, which is the Bank's Functional and Presentation currency.

D / 1 Transactions and Balances in foreign currencies:

The Bank maintains the separate financial statements in Egyptian Pound and transactions in foreign currencies conducted during the year are recorded at the foreign exchange rates prevailing at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are revaluated at the foreign exchange rate prevailing at the end of reporting year, foreign exchange profits or losses resulting from adjustment introduce to these transactions and evaluation differences are recognized in the income statement in the following items:

- Net trading income (for trading purposes assets and liabilities).
- Other operating revenues (expenses) for the remaining items.
- The other comprehensive income items recorded in equity for the Investment in equity instruments recognized at fair value through other comprehensive income.

Changes in the fair value of monetary financial instruments denominated in foreign currency which are classified as investments at fair value through other comprehensive income (debt instruments) are analyzed into evaluation differences resulting from changes in the amortized cost of the instruments differences resulting from change in the prevailing exchange rates, differences from change in the fair value of the instrument, Evaluation differences resulting from changes in the amortized cost of the instrument are recognized in the income statement under return on

investment and similar revenues, While differences resulted from change in the prevailing exchange rate are recognized under other operationing revenues (expenses), Differences from the change in the fair value (fair value reserve / financial investments at fair value through other comprehensive income) are recognized in the equity Section.

Valuation differences related to the changes in the amortized costs are recognized under the return on investment and like in the income statement while the differences resulting from the exchange rate are recognized in other operationing revenues (expenses) while the differences in changes in the fair value (fair value reserve / investment at fair value through other comprehensive income) are recognized in equity.

Evaluation differences of non-monetary items include profits and losses resulting from change in the fair value such as equity instruments held at fair value through profit and loss, Evaluation differences resulted from equity instruments classified as financial investments at fair value through other comprehensive income are recognized as fair value reserve in equity section.

USD= EGP 50.8388 at the end of December 2024, USD= EGP 30.8931 at the end of December 2023.

E- Financial assets:

Financial assets are classified in the following categories: Financial assets designated at the fair value through profit and loss, finance for customers (Musharaka, Murabaha, and Mudaraba transactions for customers), Financial assets at amortized cost and financial assets at fair value through other comprehensive income, The management identifies classification of its investments upon initial recognition.

Classification of financial assets and liabilities:

Financial assets are classified based on the Bank's business model by which these assets and their contractual cash flows are managed.

The financial asset is measured at amortized cost if the following two conditions are met and was not measured at fair value through profit and loss:

- The asset is held within a business model aimed at holding assets to collect contractual cash flows.
- The contractual terms of the financial asset shall result in cash flows on specific dates which are payments limited only to the principal and the return on the principal amount outstanding.

Debt instruments are measured at fair value through other comprehensive income items only if they meet the following two conditions and were not measured at fair value through profit and loss:

- The asset is held within a business model whose objective was achieved by both collecting contractual cash flows and sale of financial assets.
- The contractual terms of the financial assets shall result in cash flows on specific dates which are payments limited only to the principal and the return on the principal amount outstanding.

Upon initial recognition of investment in non-held for trading equity instruments, the Bank may irrevocably designate subsequent changes in fair value to be measured under other comprehensive income items, This designation is made based on every single investment.

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

In addition, upon initial recognition, the Bank may irrevocably designate a financial asset to be measured at fair value through profit and loss, although it meets requirements of classification as a financial asset at amortized cost or at fair value through other comprehensive income, if this action would eliminate or substantially reduce the inconsistency accounting mismatch that may otherwise arise in accounting measurement.

Business model Evaluation:

The Bank evaluates the objective of the business model in which the asset is held at the portfolio's level, as this best reflects the way the business is managed and information is provided to the Bank's management, The information to be taken into consideration includes the following:

- The stated policies and objectives of the portfolio and the functioning of those policies in practice, especially to know whether the management's strategy focuses on earning the contractual revenues income or matching the duration of financial assets with the duration of financial liabilities that finance those assets or generating cash flows through the sale of the assets.
- The method of evaluating the portfolio's performance and reporting the same to the Bank's management.
- The risks affecting the business model performance and the financial assets held in this model and how these risks are managed.
- Number of sale transactions, volume and timing of sales during the previous periods, the reasons of these sales and their expectations regarding the future sales activity, However, the information related to the sales activity is not considered separately, but rather as a part of a comprehensive evaluation of how to achieve the Bank's stated objective of managing financial assets and how to generate cash flows.

The financial assets held for trading or whose performance is evaluated based on fair value are measured at fair value through profit and loss because they are not held to collect contractual cash flows only and are not held to collect contractual cash flows with the sale of financial assets.

Assessing whether the contractual cash flows are solely payments of the principal and the return:

For the purposes of this evaluation, the principal amount is defined as the fair value of the financial asset at initial recognition, The return is defined as consideration of the time value of money, the credit risks associated with the principal amount over a certain period of time, and other basic credit risks and costs (liquidity risks and administrative costs) as well as profit margin.

In the light of evaluating whether the contractual cash flows are payments limited only to the principal and return, the Bank takes into account the contractual terms of the instrument, This includes an evaluation of whether the financial asset contains contractual terms that may change the timing and amount of contractual cash flows, making them unable to meet that condition.

E/1- Financial assets designated at the fair value through profit and loss:

This category includes financial assets at fair value through profit and loss, The financial assets are classified as held for trading if they are acquired and its value charged mainly for sale in the short-term, or if being a part of a specific financial portfolio that are managed together and there is evidence of actual recent transactions which refers to earning profits in the short term, Derivatives are classified as being for trading purpose unless specified as being hedging instruments.

Any financial derivative designated as financial instruments recognized at fair value through profit and loss can't be re-classified during its custody or validity period, No financial instrument shifted from the category of financial instruments recognized at fair value through profit and loss may be reclassified in case this instrument is classified by the Bank at the initial recognition at fair value through profit and loss.

In all cases, the Bank never reclassifies any financial instrument and shift it to the financial instruments recognized at fair value through profit and loss.

- This category includes financial assets held for trading and financial derivatives,

- The financial instruments are classified as held for trading if they were acquired and its value charged mainly for sale in the short-term or if being a part of a specific financial portfolio including other financial assets and liabilities that are managed together and characterized by earning profits in the short term or classified as unqualified derivatives of hedging instruments.

E/2 Musharaka, Murabaha and Mudaraba with customers:

Represent non-derivative financial assets with fixed or determinable amount, that are not current in active market, except:

- Assets that the Bank intends to sell soon or in the short term, In this case, assets will be classified as at fair value through profit and loss.
- Assets classified by the Bank at fair value through other comprehensive income upon initial recognition.
- Assets that the Bank cannot refund its original investment value for reasons other than deterioration of creditworthiness.

E/3- Financial Investments at amortized cost:

Financial investments at amortized cost are non-derivative assets with fixed or determinable amount and fixed maturity that the Bank management has the ability and the intention to hold it until maturity, The whole group is re-classified as investments at fair value through other comprehensive income if the Bank sells a substantial amount of the financial assets at amortized cost except in the emergency cases.

E/4- Financial Investments at fair value through other comprehensive income :

Financial investments at fair value through other comprehensive income (FVOCI) represent non-derivative financial assets that are intended to be held for indefinite period and may be sold to cover shortage in liquidity or due to changes in return rates, exchange rates or share prices.

For the financial assets, the following has to be applied:

Buying and selling operations of financial assets are recognized as usual on the trade date on which the Bank is committed to buy or sell the financial asset, and this applies to the financial investments at amortized cost as well as financial investments at fair value through other comprehensive income.

Financial assets are derecognized when the contractual right to receive cash flows from the financial assets has expired, or when the Bank has transferred substantially all risks and benefits of ownership to another party, Liabilities are derecognized when they are discharged by disposal, cancellation, or expiry.

Financial investments at fair value through other comprehensive income are subsequently measured at fair value, while financial investments at amortized cost are measured at amortized cost.

Profits and losses arising from changes in the fair value of financial investments at fair value through other comprehensive income are recognized directly in equity until the financial asset is derecognized or impaired, At that time, the accumulative profits and losses that previously recognized in equity should be recognized in the income statement.

Return calculated at amortized cost, as well as profit and loss of foreign currencies of monetary assets classified as at fair value through other comprehensive income are recognized in Income

Statement, Dividends from equity instruments classified as at fair value through other comprehensive income are also recognized in Income Statement when declared.

The fair value of quoted investments in active markets is determined based on current Bid Prices, If there is no active market for such financial asset or no Bid Prices are available, the Bank estimates fair value using one of the valuation techniques, These include the use of recent neutral transactions, discounted cash flow analysis, options pricing methods or other valuation techniques used by other participants, In case of the fair value of equity instruments classified as at fair value through other comprehensive income cannot be reliably determined by the Bank, it should be valued at cost after deducting any impairment.

The Bank reclassifies the financial asset classified within financial instruments at fair value through other comprehensive income defined as - Debts (Bonds), transferred from the financial instruments at fair value through other comprehensive income to financial assets at amortized cost - whenever the Bank has the intention and ability to hold these financial assets during the near future or maturity date, Reclassification is carried out at fair value at the date of reclassification and any related profit or loss previously recognized in the equity are treated as follows:

- Financial asset with fixed maturity date, profits and losses are amortized over the remaining life of the investment at amortized cost using the effective return method, Any difference between value at amortized cost and value at maturity date over the remaining life of the financial asset is amortized by using the effective return method, In case of subsequent impairment, any profits or losses previously recognized directly in equity should be recognized in the profits and losses.
- Financial asset without fixed maturity, profits or losses are recorded in equity until the asset is sold or disposed; only then they are recognized in the profit and loss, In case of impairment, profit or loss that have been previously recognized directly in equity should be recognized in the profit and loss.

If the Bank revised its estimates regarding payments or proceeds, the book value of the financial asset (or group of financial assets) is adjusted to reflect the actual cash flows and the change in estimates through recalculating the book value by calculating the present value of the future cash flows using the effective return rate of the financial instrument, The adjustment is recognized as either revenue or expense in the profits and losses.

In all cases, if the Bank reclassified a financial asset as previously stated, and the Bank increased its estimates of the future cash proceeds in a later date because of the increase of the amount that will be refunded from its cash proceeds, Such increase is recognized as adjustment to the effective return rate as at the date of the change in estimates, and not as adjustments of the book value of the asset at the date of change in estimates.

E/5- Financial policy :

The Bank classifies its financial assets through the following categories: Financial assets at amortized cost, financial assets at fair value through other comprehensive income, and financial assets at fair value through profit and loss, The classification is generally based on the business model by which financial assets and their contractual cash flows are managed.

E/5/1- Financial assets at amortized cost:

The financial asset is held within the business model for financial assets held to collect contractual cash flows, The objective of the business model is to hold the financial assets to collect the contractual cash flow that are represented in the principal amounts and the returns.

The sale is an exceptional incident in relation to the objective of this model and the conditions stated in the standard, which are represented in the following:

- Deterioration in the creditworthiness of the financial instrument issuer.
- Low sales in terms of frequency and value.
- The rationale of each sale transaction and its compliance with the IFRS9 requirements shall be clear, reliable documented.

E/5/2- Financial assets at fair value through other comprehensive income:

The financial asset is held within the business model of financial assets held to collect contractual cash flows and sale.

Both collecting contractual cash flows and selling are complemented to achieve the model objective.

High sales in terms of frequency and value comparing to the business model maintained for collecting contractual cash flows.

E/5/3- Financial assets at fair value through profit and loss:

The financial asset is held within other business models that include trading, managing the financial assets based on fair value and maximizing cash flows through sale.

The objective of the business model is not to hold the financial asset for collecting contractual cash flows or the asset held for collection of the contractual cash flows and sale.

Collection of contractual cash flows is an exceptional incident compared to the model objective.

Characteristics of business model are represented in:

- Structure of a group of activities designed to produce certain output,
- The model represents a complete framework of a certain activity (input - activities - output),
- The single business model can include sub-business models.

F- Offsetting financial instruments

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

Government securities, Repos and Reverse Repos agreements are netted in the balance sheet under "Government securities" item

G- Financial derivatives and hedge accounting:

Derivatives are recognized at fair value at the date of concluding the derivative contract, and they are subsequently revaluated at its fair value, The fair value is obtained from quoted market prices in active markets, recent market transactions, or other valuation methods such as discounted cash flow models, and option pricing models as appropriate, All derivatives are included in assets when their fair value is positive and as liabilities when their fair value is negative.

Derivatives embedded in other financial instruments, such as conversion option in acquired convertible bonds, are treated as separate derivatives if their economic characteristics and risks are not closely related to those of the original contract and provided that the contract itself is not classified as

at fair value through profit or loss, These embedded derivatives are measured at fair value and changes in fair value are recognized in the Income Statement under "Net Trading Income" item.

Embedded derivatives will not be separated if the Bank chooses to designate the whole contract as at fair value through profit or loss.

Recognition of profit and loss arising from changes in fair value depends on whether the derivative is designated as a hedging instrument and the nature of the hedged item, The Bank designates certain derivatives as follows

- Hedging risks of the fair value of recognized assets and liabilities or definite commitments (fair value hedging)
- Hedging risks of highly expected future cash flows attributed to a recognized asset or liability, or to predicted transaction (cash flow hedging).
- Hedging net investments in foreign currencies (net investment hedging).

Hedge accounting is used for derivatives specified for this purpose whenever the required conditions are fulfilled, At the inception of the transaction, the Bank documents the relationship between the hedged items and hedging instruments, along with its risk management objectives and its strategy for undertaking various hedge transactions, Furthermore, at the inception of the hedge, the Bank regularly documents the process in order to estimate whether the derivatives used in hedging transactions are expected to be highly effective in offsetting changes in fair value or cash flows of the hedged item.

G/1 - Fair Value hedging:

Changes in the fair value of derivatives that are designated and qualified for fair value hedges are recognized in Income Statement along with any changes in the fair value attributable to risk of the hedged asset or liability.

The impact of the effective changes in fair value of return rate swap contracts and related hedged items is recognized in "net return income "item, The impact of the effective changes in the fair value of currency forward contracts is recognized in "net trading income" item.

The impact of ineffectiveness of all contracts and related hedge items stated in the previous paragraph is recognized in "net trading income" item.

When the hedging instrument is no longer qualified for hedge accounting, the book value adjustment of the hedged item is measured at amortized cost through charging to profit and loss over the year until the maturity date, Adjustments to the book value of the hedged equity instrument shall be charged to the equity until disposed.

G/2 Cash flow hedging:

The effective portion of changes in the fair value of derivatives that are designated and qualified for cash flow hedging is recognized in equity, Profits and losses of the ineffective portion are recognized immediately in the income statement as "net trading income"

Accumulated amounts in equity should be charged to the income statement at the same periods in which the hedged item affects profit and loss of the effective portion of the swaps and options as "net trading income"

When hedge instrument is mature, sold or no longer qualified for hedge accounting, profit and loss accumulated in equity remain in equity, and recognized in the income statement when the expected transaction is finally recognized, When the projected transaction is not likely to occur, profit and loss accumulated in the equity should be charged immediately to the income statement.

G/3 Net investment hedging:

Net investment hedging is accounted for based on the cash flow hedging, Profit or loss related to the effective portion of the hedging from the hedge instrument should be recognized in equity; while profit or loss of the ineffective portion should be recognized immediately in the income statement, Profit or loss accumulated in the equity should be immediately charged to the income statement when foreign transactions are excluded.

G/4 Unqualified Derivatives for hedge accounting:

Changes in fair value of derivatives that do not qualify for hedge accounting are recognized in the income statement under "net trading income" item, Profit and loss from changes in the fair value of derivatives that are managed in conjunction with financial assets and liabilities are included in "Net income from financial instruments initially recognized at fair value through profit or loss".

H- Return income and expenses:

Return income and expenses are recognized, in the income statement under "Return on Musharaka, Mudaraba, Murabaha, and similar revenues" item or "Cost of saving pools and similar costs" item, with return income and expenses by using the effective return method for all return-bearing financial instruments, except for those classified as held for trading purpose, or initially recognized at fair value through profit and loss.

Effective return is the method of calculating the amortized cost of financial asset or liability, and allocating return income or return expenses over the life of the relevant instrument, The effective rate of return is the rate used to discount the estimated future cash payments or receipts over the expected life of a financial instrument or, when appropriate, a shorter period to accurately reach the book value of the financial asset or liability, When calculating the effective return rate, the Bank estimates the expected cash flows taking into consideration all the contractual terms of the financial instrument (such as early repayment options) disregarding future credit losses, The calculation method includes all fees paid or received between the contract parties that represents an integral part of the effective return rate; the transaction cost includes any premiums or discounts.

When classifying finance transactions (Musharaka, Murabaha and Mudaraba) as non-performing or impaired as the case may be, the return from such is suspended to be recognized as revenue.

I - Fees and commissions revenues:

Fees charged for finance transactions or facilities are recognized as revenues when service is provided, Fee and commission revenues related to non-performing or impaired debts ceased to be recognized as revenues and are rather recorded off balance sheet, These are recognized as revenue on a cash basis, Fees and commissions that represent an integral part of the effective return rate of a financial asset are treated as an adjustment to the effective return rate of that financial asset.

Commitment fees for finance transactions are suspended if there is a probability that such finance will be withdrawn as this commission received by the Bank represents compensation for the continuous interference for acquiring the financial instrument, Such commission is recognized by adjusting the effective rate of return on finance, In case the commitment is expired, without issuing the finance transaction, fees are recognized as revenues upon the commitment expiry.

Fees related to debt instruments measured at fair value are recognized as revenue at initial recognition, Fees charged for marketing syndicated finance transactions are recognized as revenues upon completion of the marketing process, and the finance is fully used by the Bank, or preserves its share using the effective return rate available for other participants.

Fees and commissions, arising from negotiating or participating in the negotiation of a transaction for a third party such as the arrangement of buying shares or other securities, or acquisition or sale of businesses, are recognized in the income statement upon completion of the given transaction, Fees and commissions arising from administrative consulting and other services rendered over a period of time are usually recognized as income over that period and according to all conditions stated in article (19) of the Egyptian Accounting Standard No, (11), Fees related to financial planning and custody services that rendered over a long period of time are usually recognized over that period..

J- Dividend Income:

Dividends are recognized in the income statement when the right to collect it is declared by the General assembly of the investee.

K- Impairment of financial assets:

The Bank uses a three-stage approach to measure expected credit losses (ECL) arising from financial assets designated at amortized cost and debt instruments at fair value through other comprehensive income, The assets go through the following three stages based on the change in credit quality since the initial recognition.

Stage 1: Expected credit loss over 12 months

Stage One includes financial assets at initial recognition, which do not involve significant increase in credit risks since the initial recognition or the assets that have relatively low credit risks.

For these assets, expected credit losses are recognized over a period of 12 months and the returns are calculated on the basis of total book value of the assets (without deducting credit provision), The 12-months expected credit losses represent losses resulting from the defaults that may occur within the next 12 months after the date of financial statements.

Stage 2: Lifetime expected credit losses – with no credit impairment

Stage Two includes financial assets that have a significant increase in credit risks since the initial recognition but there is no objective evidence that the asset is impaired, Lifetime expected credit losses of these assets are recognized and returns are calculated based on total book value of the assets, Lifetime expected credit losses are losses resulting from all possible default events over the life of the financial instrument.

Stage 3: Lifetime expected credit loss – Credit impairment

Stage Three includes financial assets that have objective evidence of impairment at the date of financial statements, Lifetime expected credit losses of these assets are recognized.

K/1 Financial policy:

The Bank shall review all financial assets except for those assets that are measured at fair value through profit and loss to estimate the impairment loss, which are estimated as follows:

At the date of financial statements, the financial assets are classified within three stages:

Stage 1: Financial assets that have not significant increase in credit risks since the initial recognition, Their expected credit losses are calculated for 12 months.

Stage 2: Financial assets that have significant increase in credit risks since the initial recognition or the date of investments, Their expected credit losses are calculated over the lifetime of these assets.

Stage 3: Impaired financial assets whose Expected Credit Losses (ECLs) are calculated based on the difference between the instrument's book value and the current value of the expected future cash flows.

- **Credit losses and impairment losses in the value of Financial instruments are measured as follows:**
 - Upon the initial recognition, Financial instrument with low credit risks in classified in the first stage, Credit risks shall be constantly monitored by the Bank's Credit Risk Department.
 - If there has been a significant increase in the credit risk since the initial recognition, the financial instrument is moved to the second stage, as it is no longer impaired in this stage.
 - If there are signs of impairment in the value of the financial instrument, the instrument shall be moved to the third stage.
 - Financial assets that have been held or acquired by the Bank and those assets have higher credit risks than the Bank's rates of low-risk financial assets upon the initial recognition, are directly classified in the second stage, Therefore, their expected credit losses are measured on the basis of lifetime expected credit losses.

K/2- Significant increase in credit risks :

The Bank determines that financial instrument has experienced a significant increase in credit risk when one or more of the following quantitative and qualitative criteria are met, as well as factors related to Probability of Default (PD).

K/3- Quantitative factors:

If probability of default has increased during the remaining life of the instrument from the date of the balance sheet compared to the probability of default during the expected remaining life upon initial recognition, according to the structure of risks accepted by the Bank.

K/4- Qualitative criteria:

Finance provided to Retail Banking , Micro-, and Small Enterprises:

If the customer has encountered one or more of the following events:

- The customer requested to change the short-term payment plan to long-term payment due to negative impacts related to the customer's cash flows.
- Extension of payment period based on the customer's request.
- Overdues during the previous 12 months.
- Future Negative economic outlook that may affect the customer's future cash flows.

Finance provided to institutions and medium enterprises:

If the customer is rated as a watch list customer and/or the financial instrument have encountered one or more of the following events:

- Significant increase in return rate on the financial asset as a result of credit risk increase.
- Significant negative changes in the activity and financial or economic conditions in the customer's working environment.
- Rescheduling of payments request due to difficulties encountered by the customer
- Significant negative changes occurred in actual or expected operating results or cash flows.
- Future economic changes that may affect the customer's future cash flows.
- Early signs of cash flows and liquidity problems such as delayed payment to creditors/ commercial finance transactions.

Non-payment (default):

Finance and credit facilities of institutions , medium,small,micro and retail banking are included in stage two if the period of non-payment is more than 60 days and less than 90 days, (180 days for SME's according to CBE circular dated 14 December 2021 regarding the temporary amendments of SME's NPL treatment in IFRS9 regulation). Note that this period (60 days) will be reduced by (10) days per year to become (30) days during (3) years from the date of application (year 2019).

Transfer between stages 1, 2 and 3

Transfer from second stage to first stage:

The financial asset shall not be moved from the second stage to the first stage unless all quantitative and qualitative criteria of the first stage are met and all past dues and returns of the financial asset are fully paid.

Transfer from third stage to second stage:

The financial asset shall not be moved from the third stage to the second stage unless all the following conditions are fulfilled:

- Meeting all quantitative and qualitative elements of the second stage.
- Payment of 25% of the financial assets past dues, including deferred / marginal accrued returns.
- Regular payments for at least 12 months.

L- Intangible assets

L/1 Goodwill

Goodwill resulting from acquisition or merger of subsidiaries represents the excess of acquisition cost over the Bank's share in the fair value of acquired entity's identifiable assets and liabilities, including identifiable contingent liabilities that meet the recognition conditions on the date of acquisition, Goodwill is tested annually for impairment, 20% amortization or impairment loss, which is higher, is charged to the income statement.

L/2- Computer programs

The expenses related to developing and maintenance of computer programs are recognized as expenses incurred in income statement, The expenses, related to certain programs controlled by the Bank that have economic benefits with a cost exceeding more than a year, are recognized as an intangible asset, The direct expenses include the cost of program staff, in addition to an appropriate share from related public expenses.

The expenses that lead to increase or expansion of computer program performance other than its main specifications are recognized as development cost and then added to the basic program cost.

The cost of computer programs, recognized as an asset, is amortized over the expected useful life over the year in not more than 3 years.

M- M-Property, plant and equipment

Lands and buildings comprise mainly of head office, branches and offices, all property equipment is stated at historical cost less depreciation and impairment losses, The historical cost includes .expenditure that is directly related to acquisition of property equipment items

Subsequent expenses are recognized within the book value of the current asset or as a separate asset - as appropriate - only when future economic benefits related to the asset are potentially gained by the Bank, and the cost of the item can be reliably determined, Repair and maintenance .expenses are charged to other operating expenses during the year in which they are incurred

Lands are not depreciated; Depreciation of property equipment is calculated using a straight-line method to allocate their scrap value over the estimated useful life for each as follows:

Buildings	50 years
Leasehold improvements	10 years or over period of the lease contract if less,
Office furniture and safes	10 years
Typewriters, calculators and air conditioners	5 years
Vehicles	5 years
Computers / Core systems	5 years

The scrap value and the useful life of the property equipment are reviewed at the date of each financial position, and are amended if necessary, Depreciated assets are reviewed to identify the impairment in case events or changes occurred indicating that the book value may not be refunded, The book value of the asset is immediately declined to the refundable value if the book value exceeds the refundable value. The refundable value represents the net sale value or the usage value of the asset whichever higher, Profits or loss of disposal of property equipment are identified by comparing the net proceeds against the book value, Profit (Loss) are included in other operating revenues (expenses) in the income statement.

N- Impairment of non-financial assets:

The assets that do not have definite useful lives, except for goodwill, shall not be depreciated and are tested annually for impairment, The impairment of depreciated assets is reviewed if there are events or changes in circumstances indicating that the book value may not be refunded,.

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The impairment loss is recognized and the asset value is reduced as much as the increase of the book value over the refundable value of the asset, The refundable value represents the net sale value or the usage value of the asset whichever higher, For estimating the impairment, the asset should be attached to the smallest possible monetary unit, The non-financial assets that had impairment are reviewed to determine if there is impairment was refunded to the income statement at the date of preparation of any financial statements.

O- Leases:

All lease contracts to which the Bank is a party, are considered operating lease contracts and they are treated as follows:

O/1- As a lessee :

Payments under operating lease contracts, minus any discounts obtained by the lessor, are recognized under general and administrative expenses in the income statement based on a straight-line method over the contract period.

O/2- As a lessor:

Operating lease assets are included in the fixed assets in the balance sheet and depreciated over the useful life of the expected remaining life of the asset in the same manner as similar assets, The lease revenue recorded less any discounts granted to the tenant on a straight-line method over the contract period.

P- Cash and cash equivalent:

For the purposes of preparing the cash flow statement, cash and cash equivalents include balances that have maturities not exceeding three months from the date of acquisition, These balances include cash and balances due from Central Bank of Egypt other than those within the mandatory reserve, balances due from banks, and treasury bills.

Q- Other provisions:

Provision for restructuring costs and legal claims are recognized when the Bank has a current legal or constructive obligation because of the past events, and it is possible that using of bank resources will be required to settle these obligations, and the amount of this obligation has been reliably estimated.

If there are similar obligations, the outflow used for settlement should be identified taking into account this group of obligations, The provision is recognized even under minor probability that it will be linked with outflow for an item of the group.

Provisions no longer required totally or partially are refunded in other operating revenues (expenses).

The current value of the expected payments to settle obligations after one year from the date of balance sheet using the appropriate rate in accordance with the terms of settlement – ignoring the effect of applicable tax rate – which reflects the time value of money, If the settlement term is less than one year, the estimated value of the obligation unless it has a significant effect is stated at the present value.

R - Financial guarantees:

They are contracts issued by the Bank to guarantee finance transactions or debited current accounts obtained by the Bank's customers from other entities, This, in turn, require to pay certain installments by the Bank to compensate the beneficiary against a loss incurred because inability of the debtor to pay due amounts on maturity dates according to the conditions of debt instruments, Those

financial collaterals are submitted to banks and financial institutions and other entities on behalf of the Bank's customers.

The initial recognition at fair value in the financial statements at the date of collateral granting that may reflect the guarantee fees later, So, the Bank commitment is measured by collateral on the basis of the first measuring amount deducting depreciation in order to record collateral fees in the income statement based on straight-line method over the collateral lifetime or a best estimate for the amounts required to settle any obligation resulting from the financial collateral at the date of the balance sheet, whichever higher, These estimates are determined according to experience in similar transactions and historical losses, sustained by the management decree.

Any increase in liabilities resulting from financial collateral is recognized in the income statement under "Other operational revenues (expenses)" item.

S - Employee benefits:

Specific Retirement Schemes are defined as pension regulations whereby the Bank is committed to pay income-based contributions to a separate institution (National Organization for Social Insurance), After payment of these contributions, the Bank is under no legal obligation to pay more contributions if this organization does not have sufficient assets to provide employees with accrued benefits resulting from their service during the current and previous periods.

In this regard, contributions of Specific Retirement Schemes are paid to the concerned authority in accordance with insurance regulations concerning pension scheme designed for private sector workers based on a mandatory or optional contract, with no other liabilities on the Bank other than the contributions to be paid, Those contributions are recognized in employee benefits' expenses.

T- Income Taxes:

Income tax on the profit or loss of the year includes both the current and deferred taxes, and is recognized in the income statement except for income tax related to shareholders equity items that are recognized directly in shareholders' equity item.

Income tax is calculated on the net taxable profit, using the tax rates applicable at the date of balance sheet, in addition to tax adjustments for previous year.

Deferred taxes are recognized due to the temporary differences between the book value of assets and liabilities according to accounting principles and the amounts used for tax bases, Deferred tax is determined based on the method used to realize or settle values of these assets and liabilities by using the tax rates applicable at the date of the balance sheet.

Deferred tax assets shall be recognized if it is probable that future taxable profits will be realized whereby the asset can be utilized, and the value of deferred tax assets shall be reduced by the value of portion not yielding the expected tax benefit during the next years, However, In case of increment of the expected taxable benefit, the deferred tax assets are increased within the limit previously reduced.

U- Financing:

Finances gained by the Bank should be initially recognized at fair value minus the cost of financing, Financing is subsequently measured at amortized cost, and any differences between the net proceeds and the value paid over the finance period using the effective return method should be charged to the income statement.

V- Capital:

V/1 Capital issuance cost:

Issuance cost directly related to issuing new shares or issuing shares against acquisition or share options is charged to shareholders' equity of total proceeds net of tax.

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V/2 Dividends:

Dividends are recognized as a charge of equity upon the General Assembly approval, Those dividends include employees' share in the profits and the Board of Directors' remuneration as prescribed by the Bank's articles of association and firm's law.

W- Trust activities:

The Bank carries out fiduciary activities that resulted in ownership or management of assets on behalf of individuals, trust, and retirement benefit plans, these assets and related profits are excluded from the Bank's financial statements, as they are assets not owned by the Bank.

X- Comparative Figures:

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

3 - Financial Risk Management:

The Bank - as a result of the activities practiced thereby - is exposed to various financial risks, Since financial activity is based on the concept of accepting risks, some risks or group of risks are analyzed, evaluated and managed all together, The Bank aims at striking appropriate balance between the risk and return and to reduce the possible negative effects on the Bank's financial performance, The most important kinds of risks are credit risk, market risk, liquidity risk and other operating risks, The market risk includes foreign currency exchange rate risk, return rate risk and other pricing risks.

The risk management policies have been laid down to identify and analyze risks as well as setting limits to the risks and control them through reliable methods and up-to-date systems, The Bank periodically reviews policies and systems of risk management and introduces makes amendments thereto, so that they reflect the changes occurred in markets, products, services, and the best up-to-date applications.

Those risks are managed by Risk Management Dept, in the light of policies approved by Board of Directors, The Risk Management Dept, determines, evaluates and covers the financial risks through close and mutual cooperation with the Bank's various operating units, The Board of Directors provides written policies for risk management as well as written policies covering certain types of risks such as credit risk, foreign exchange rate risk, return rate risk, and financial and non-financial derivative instruments, Moreover, Risk Management Dept, is independently responsible for the periodic review of risk management and control environment.

Risk Management Governance:

the Bank's Risk Management Governance responsibilities are represented in the following:

- 1-Strong organizational-level intervention, starting from the Bank's Board of Directors to the management of work teams responsible for operating activities.
 - 2- A strong and tight framework for internal procedures and guiding principles.
 - 3- Ongoing monitoring by different business lines and the support staff as well as an independent regulatory body in order to monitor risks and ensure compliance with procedures and regulations.
- The Board of Directors' Risk and Audit Committees are mainly responsible for verifying the compatible internal framework in order to monitor risks and ensure compliance with regulations.

Risk kinds:

A- Credit risk: (including the country risk) is the risk arising from failure of the Bank's customers, sovereign issuers or other counterparties to meet its contractual and financial obligations.

Credit risks also include risks associated with market transactions (swap deals), Credit risk may also increase due to credit concentration risks arising from large credit facilities granted to individuals or credit facilities granted to groups of customers who have a high probability of default.

B- Market risk: It represents losses arising from changes and fluctuations in market prices and return rates

C- Operational Risk: operational risks (including legal risks, compliance risks, accounting and environmental risks, reputational risks etc.) represent the risks resulting from losses, fraud, inaccurate financial and accounting data due to inadequate internal procedures , systems, violation due to human error or external events, Moreover, operational risk can take the form of compliance risk, which means that the Bank is being exposed to financial and legal penalties, regulatory and disciplinary sanctions because of non-compliance with relevant rules and regulations.

D- Foreign exchange rates and return rates risks associated with the Bank's balance sheet: It represents the risks arising from losses or impairment in the value of Bank's assets, whether those recorded in on- and off-balance sheet items, arising from changes or fluctuations in foreign exchange rates and return rates, Foreign exchange rates or return rates risks associated with the Bank's balance sheet arises from commercial banking activities and head office operations (transactions in equity instruments, investments and bond issues).

E- Liquidity risk: is the risk that the Bank is unable to meet its payment obligations when they fall due, The Bank allocates sufficient resources in order to be able to implement the risk management policy within its activities and to ensure the risk management framework's compatibility with the following basic principles.

- Full independence of Risk Assessment Department from the Operating Units.
- Using a consistent and integrated approach to assess and monitor risks in all departments and units of the Bank.

It is worth noting that Risk Management Department is independent from all the Bank's operational units and directly reports to and follows the Bank's Top Management, The department performs a crucial role in developing the Bank's performance and maximizing its profitability by using a robust and coherent risk management framework based on best practices, ensuring sound risk identification and assessment, The risk management team working in this department consists of highly qualified and specially trained members who are able to manage credit and market risks through the best operating mechanisms.

Risk Management Department functions include:

- Responsible for adopting and providing a detailed breakdown for the methods and approaches used to analyze, evaluate, and monitor credit risks, countries risks, market risks and operational risks, In addition, it assumes the responsibility for conducting an in-depth review of trading strategies in high-risk areas and it also earnestly strives for developing models and tools used in prediction and management of such risks.
- Responsible for carrying out an independent evaluation by analyzing credit-risk transactions and providing sales managers with pieces of advice on transactions to be conducted by them.
- Responsible for setting a comprehensive framework for all the Bank's operational risks.

The Financial Treasury Department's Asset and Liability Unit is responsible for evaluating and managing other basic risk types, namely the risks of inadequate liquidity and risks associated with imbalance in the Bank's balance sheet structure (resulting from changes or fluctuations in foreign exchange rates and return rates due to inadequate liquidity), as well as long-term finance transactions

conducted by the Bank maintain adequate liquidity fulfill capital requirements and manage the Bank's capital structure.

The Bank's Internal Legal Affairs Department is responsible for managing legal risks, Compliance Department is responsible for managing compliance risks.

Risk Management Dept, is primarily responsible for setting a robust risk framework to ensure sound risk identification, assessment and mitigation, This in addition to outlining a comprehensive set of policies and guidelines required for risk management, The Financial Treasury Department's Asset and Liability Unit also shares this responsibility in certain areas

The Bank's Risk Management Committee is responsible for reviewing and discussing the key steps for managing the significant banking risks, The committee meets at least every 3 months

Finally, a joint team of internal and external auditors work together to monitor the principles, procedures and structure of the Bank's Risk Management.

3/A - Credit Risk:

The Bank is exposed to credit risk which it is the risk resulting from failure of one party to meet its contractual obligations towards the Bank, The credit risk is considered one of the most significant risks for the Bank, The credit risk is basically represented in financing activities that give rise to facilities and investment activities that resulted in Bank's assets contain debt instruments, The credit risk is also found in off-balance sheet financial instruments such as financing commitments, The credit risk management and control are centralized in credit risk management team at Credit Risk and Investment Department that prepare and submit reports to Board of Directors, top management and head of units on a regular basis.

A/1 Credit risk measurement:

Finances and facilities to customers

In order to measure credit risk related to finances and facilities to customers; the following three factors should be considered by the bank:

- Probability of default (PD) by a customer or third party in fulfilling contractual obligations.
- The current status and possible future progress from which the bank can deduce the balance exposed to default(Exposure at default balance).
- Loss given default (LGD).

These factors are embedded in the Bank's daily administrative operations and activities that reflect expected loss (the expected loss model) required by Basel committee on Banking Supervision, The operational measurements may contradict the impairment loss according to the Egyptian Accounting Standard No, 26, Which is based on losses that have been incurred on the balance sheet date (the incurred loss model) rather than the expected losses (Note A/3).

The Bank assesses the probability of default for each customer using internal rating tools tailored to classify the creditworthiness of various categories of customers, These methods were developed for internal assessment, as to consider statistical analyses, as well as judgment of the credit officials in order to identify the appropriate credit worthiness rating, The Bank's customers were divided into four rating categories, As clarified in the following table, the rating structure applicable in the Bank reflects the probability of delay in payment, Therefore, customers could move between the various rating categories depending on evolving circumstances, Rating methods are reviewed and developed if necessary, The Bank regularly validates the performance methods of the credit worthiness rating and its predictive power with regard to default events.

Internal ratings

Rating	Rating Indicator
1	Performing loans
2	Regular follow up
3	Watch list
4	Non-performing loans

The credit status at default depends on the outstanding amounts at the time when the delay occurred, For example, as for lending, this credit status is considered the nominal value, as for commitments, the Bank records all actual withdrawals in addition to any withdrawals occurred till the date of delay, if any.

Assumed Loss given default or severe loss represents the Bank's expectation of the loss extent of amounts claimed if default occurred, It is expressed as a ratio of loss to the debt amount and this typically varies according to the type of the debtor, priority of claims and availability of collateral or other means of credit coverage.

Debt instruments, Treasury bills and other bills:

As for debt instruments and bills, the Bank uses external ratings issued from credit rating agencies or similar ratings in order to manage credit risk, If these ratings are not available, the Bank uses methods similar to those applicable to credit customers, These investments in securities and bills are deemed as a method to have a better credit quality and at the same time provide an available source to meet financing requirements.

A/2 Risk mitigation and prevention policies:

The Bank manages, limits and controls credit concentration at the level of debtors, groups of debtors, industries and countries.

The Bank controls acceptable credit risk levels using limits for the risk exposure for each customer , group of customers , and at the level of economic activities and geographical sectors, Such risks are monitored on a regular basis and subject to an annual or more frequent review, when considered necessary, Credit risk limits at the level of the customer /the group, the product, the sector, and the state are approved quarterly by the Board of Directors.

Credit risk limits of any customer, including banks, are restricted by sub-limits covering on- and off-balance sheet items, and daily risk limits in relation to trading items such as forward foreign exchange contracts, Actual amounts are monitored daily against limits.

Exposure to credit risk is also managed through regular analysis of the ability of customers and potential customers to pay the amounts due and meet repayment obligations and by amending the finance limits where appropriate.

Some other specific mitigation measures are outlined below:

Collaterals

The Bank sets a range of policies and procedures to mitigate credit risk, One of these procedures is obtaining collateral against money granted by the Bank, The Bank sets guidelines for specific classes of collateral to be accepted, The main collateral types of financing and facilities are:

- Real estate mortgage,
- Pledge of business assets such as machinery and inventory.

- Pledge of financial instruments such as debt and equity instruments.

Longer-term finance granted to corporate entities are generally secured, Whereas credit facilities granted to individuals are generally unsecured, In order to minimize the credit loss, the Bank seeks to obtain additional collateral from certain competent parties as soon as impairment indicators are noticed for the relevant finance and facilities.

The Bank determines the types of collaterals held as a guarantee for other assets other than facilities and finances according to the nature of the instrument, Generally, debt instruments and treasury bills are unsecured, except for asset-backed securities and similar instruments that are secured by a portfolio of financial instruments.

Derivatives:

The Bank maintains strict control procedures on net open derivative positions (i.e, the difference between purchase and sale contracts), in terms of both amount and period, In all cases, the amount subject to credit risk is limited to the current fair value of the instruments that are favorable and beneficial to the Bank (i.e, an asset that has a positive fair value), which represents a small portion of the contractual value/ the assumed value used to express the volume of instruments outstanding, This credit risk exposure is managed as part of the overall finance limits granted to customer, together with the potential risk exposures from market movements, Collateral is not usually obtained for credit risk exposures on these instruments, except where the Bank requires margin deposits from other parties.

Settlement risk arises in any situation where a payment in cash, equities or other securities is made or in return for expecting corresponding receipts in cash, equities or other securities, Daily settlement limits are established for each party of the other parties to cover the aggregate settlement risks arising from the daily Banking transactions.

Credit-related Commitments:

The main purpose of commitments related to credit is to verify the availability of funds to customers upon request, Financial collateral contracts and standby letters of credit bear the same credit risks of finance, Documentary and commercial letters of credit issued by the Bank on behalf of the customer to grant a third party withdrawal right from the Bank are limited to certain amounts under specified terms and conditions mostly guaranteed by cargo goods consequently they hold risks less than direct financing.

Commitments of credit granting represent the unused part of amounts allowed for granting finance, collaterals or letters of credit, The Bank is exposed to potential loss with an amount equal to total unused commitments pertaining to the credit risk emerging from commitments of credit granting, However, the expected loss amount is actually less than unused commitments, as most of these commitments represent potential liabilities of customers with specific credit characteristics, The Bank monitors the period of time till the maturity date of these commitments, because the long-term commitments usually hold higher rate of credit risk compared to short-term commitments.

A/3 Policies of Impairment and provisions:

The Bank's policies require the identification of three stages of classifying financial assets measured at amortized cost, loan commitments and financial guarantees as well as debt instruments at fair value through other comprehensive income in accordance with changes in credit quality since initial recognition and thereafter measuring the impairment losses (expected credit losses) as follows:

The un-impaired financial asset is classified at initial recognition in the first stage and credit risk is monitored continuously by the Bank's credit risk management

In the case of a significant increase in credit risk since the initial recognition, the financial asset is transferred to the second stage and the financial asset is not considered at this stage (the expected credit loss over the life of the asset without impairment)

In case of indications of impairment of the financial asset, it is transferred to the third stage. The Bank relies on the following indicators to determine whether there is objective evidence of impairment:

- A significant increase in the rate of return on the financial asset as a result of increased credit risk
- Significant negative changes in the activity and financial or economic conditions in which the borrower operates.
- Scheduling request as a result of difficulties facing the borrower.
- Significant negative changes in actual or expected operating results or cash flows.
- Future economic changes affecting the borrower's future cash flows.
- Early indicators of cash flow / liquidity problems such as delays in servicing creditors / business loans.
- Cancellation of a direct facility by the bank due to the high credit risk of the borrower.

The following is excluded from the calculation of expected credit losses:

- Deposits with banks that are maturing one month or less from the date of the financial position.
- Current accounts with banks.
- Balances with the Central Bank in local currency Guarantees issued by the Egyptian government and the Central Bank to meet outstanding claims in local currency may are considered for the purpose of calculating expected credit losses.
- Debt instruments issued by the Egyptian government in local currency are excluded from measuring expected credit losses.

The Bank's rating	31 December 2024		31 December 2023	
For customers	Finance and Facilities %	Expected Credit Loss Provision %	Finance and Facilities %	Expected Credit Loss Provision %
Performing loans	97.2	88.6	90,5	69.7
Regular follow up	0.5	0.9	7,1	10.8
Watch list	1.0	0.2	-	-
Non-performing loans	1.3	10.3	2,4	19.5
	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>

The internal rating tools assist the management in determining whether objective evidence of impairment exists under the Egyptian Accounting Standard No, 26, and based on the following criteria set by the Bank:

- Significant financial difficulties are experienced by the finance customer or the debtor.
- Breach of the terms and conditions of the finance agreement such as nonpayment.
- Expected bankruptcy of the customer or subject to liquidation claim, or restructure of the credit facility granted.
- Deterioration of finance customer's competitive position.
- Due to economic or legal financial difficulties of the customer, the Bank offered the finance customer concessions or privileges, which are not granted by the Bank in normal circumstances.
- Impairment of the collateral value.
- Deterioration of the customer's credit worthiness.

The Bank's policies require reviewing all financial assets that exceed certain relative significance (materiality) at least annually or as required, Impairment losses on accounts are identified at individual basis by evaluating incurred losses at the date of the balance sheet on a case by case basis, These are applied to all significant accounts individually, The assessment normally includes the outstanding

collateral, including re-confirmation of its enforceability and the anticipated collections from these accounts.

Expected credit loss provision is formed based on a group of homogenous assets by using the available historical experience, personal judgment and statistical techniques.

A/4 Model for measuring general banking risks:

In addition to the four categories of credit ratings indicated in note (A/1), the management makes classifications based on more detailed sub-groups in accordance with the CBE's regulations, Assets exposed to credit risk in these categories are classified according to detailed conditions and terms depending on information related to the customer, his / her activities, financial position and payment schedules.

The Bank calculates the provisions needed for impairment of assets exposed to credit risk, including commitments related to credit based on rates determined by CBE, If the provision required for impairment losses according to CBE's regulations exceeds the provision required for preparation purposes of financial statements using Expected Credit Losses (ECL), General banking risk reserve included in owners' equity shall be deducted from the retained earning with the value of this increase, this reserve is amended on a regular basis with the increase and decrease, which equals the increase in provisions and this reserve is deemed as undistributable, Note (28/A) shows the "general banking risk reserve" movement during the fiscal year.

Below is a statement of institutional creditworthiness according to internal ratings, compared to CBE's ratings and rates of provisions required for impairment of assets exposed to credit risks:

CBE's rating	Categorization	% of Required provision	Internal rating	Internal rating categorization
1	Low risks	0	1	Performing loans
2	Moderate risks	1%	1	Performing loans
3	Satisfactory risks	1%	1	Performing loans
4	Reasonable risks	2%	1	Performing loans
5	Acceptable risks	2%	1	Performing loans
6	Marginally acceptable risks	3%	2	Normal watch list
7	Watch list	5%	3	Special watch list
8	Substandard	20%	4	Non-performing loans
9	Doubtful	50%	4	Non-performing loans
10	Bad debts	100%	4	Non-performing loans

31 December 2024

(EGP Thousand)

	Note No,	Stage (1) Individual basis	Stage (1) Collective basis	Stage (2) Individual basis	Stage (2) Collective basis	Stage (3) Collective basis	Total
Cash and due from Central Bank of Egypt	(15)	-	-	14,499	-	-	14,499
Due from banks	(16)	-	-	29,634	-	-	29,634
Musharaka, Murabaha and Mudaraba with customers	(17/B)	-	187,132	-	1,144,832	152,993	1,484,957
Financial investments at fair value through other comprehensive income	(27/D)	48	-	82,635	-	-	82,683
Financial investments at amortized cost	(18/C)	283	-	818,631	-	-	818,914
Other provisions (Without provisions for lawsuits, operational losses and provision of assets held by the bank with an amount of EGP 188,519 thousand)	(25)	-	9,314	-	8,211	1,049	18,574
Total impairment loss		331	196,446	945,399	1,153,043	154,042	2,449,261

31 December 2023

(EGP Thousand)

	Note, No,	Stage (1) Individual basis	Stage (1) Collective basis	Stage (2) Individual basis	Stage (2) Collective basis	Stage (3) Collective basis	Total
Cash and due from Central Bank of Egypt	(15)	-	-	8,958	-	-	8,958
Due from banks	(16)	52	-	6,926	-	-	6,978
Musharaka, Murabaha and Mudaraba with banks	(17/A)	861	-	-	-	-	861
Musharaka, Murabaha and Mudaraba with customers	(17/B)	-	116,977	-	771,669	214,903	1,103,549
Financial investments at fair value through other comprehensive income	(27/D)	33,802	-	-	-	-	33,802
Financial investments at amortized cost	(18/C)	322,447	-	-	-	-	322,447
Other provisions (Without provisions for lawsuits, operational losses and provision of assets held by the bank with an amount of EGP 192,160 thousand)	(25)	-	5,875	-	22,046	4,698	32,619
Total impairment loss		357,162	122,852	15,884	793,715	219,601	1,509,214

A/5 Musharaka, Murabaha and Mudaraba with customers

The following table represents the status of balances of Musharaka, Murabaha and Mudaraba with customers according to their creditworthiness for finance and investment:

The Bank's rating	Musharaka, Murabaha and Mudaraba with customers 31 December 2024 EGP in Thousand	Musharaka, Murabaha and Mudaraba with customers 31 December 2023 EGP in Thousand
Neither overdues nor impairment exit	18,098,228	15,659,201
Overdues but not impaired	177,873	8,263
Subject to impairment	238,331	382,907
Total	18,514,432	16,050,371
less:		
Unearned Revenues	(1,647,231)	(1,476,680)
Expected credit loss provision	(1,484,957)	(1,103,549)
Net	15,382,244	13,470,142

Analysis of total Musharaka, murabaha and mudaraba with customers based on stages: 31 December 2024 (EGP Thousand)

Internal rating Bases	Stage (1)	Stage (2)	Stage (3)	Total
Performing	12,235,538	5,769,022	-	18,004,560
Regular watching	-	93,668	-	93,668
watch list	-	177,873	-	177,873
Non-performing	-	-	238,331	238,331
Total	12,235,538	6,040,563	238,331	18,514,432

Analysis of total Musharaka, murabaha and mudaraba with customers based on stages: 31 December 2023 (EGP Thousand)

Internal rating Bases	Stage (1)	Stage (2)	Stage (3)	Total
Performing	10,277,936	4,244,346	-	14,522,282
Regular watching	40	1,136,879	-	1,136,919
watch list	-	8,263	-	8,263
Non-performing	-	-	382,907	382,907
Total	10,277,976	5,389,488	382,907	16,050,371

The following table illustrates total Expected credit loss provision based on stages:

31 December 2024		(EGP Thousand)		
Internal rating Bases	Stage (1) Collective basis	Stage (2) Collective basis	Stage (3) Collective basis	Total
Performing	187,132	1,128,898	-	1,316,030
Regular watching	-	12,677	-	12,677
watch list	-	3,257	-	3,257
Non-performing	-	-	152,993	152,993
Total	187,132	1,144,832	152,993	1,484,957

The following table illustrates total Expected credit loss provision based on stages:

31 December 2023		(EGP Thousand)		
Internal rating Bases	Stage (1) Collective basis	Stage (2) Collective basis	Stage (3) Collective basis	Total
Performing	116,977	652,603	-	769,580
Regular watching	-	118,733	-	118,733
Watch list	-	333	-	333
Non-performing	-	-	214,903	214,903
Total	116,977	771,669	214,903	1,103,549

A/ 6 - Debt instruments and Government securities

The following table represents an analysis of debt instruments and government securities based on the ratings issued by credit rating agencies at the end of the fiscal year.

31 December 2024		(EGP in Thousand)	
	Government securities	Investments in financial securities	Total
AA+ to AA-	-	4,930,530	4,930,530
Less than A-	50,018,575	51,880,852	101,899,427
Total	50,018,575	56,811,382	106,829,957

31 December 2023		(EGP in Thousand)	
	Government securities	Investments in financial securities	Total
AA+to AA-	-	593,920	593,920
A+ to A-	-	1,832,470	1,832,470
Less than A-	47,490,760	41,319,183	88,809,943
Total	47,490,760	43,745,573	91,236,333

A/7 Acquisition of collaterals

During the current year, the Bank has possessed assets by acquiring some collateral, as follows:

Asset's nature	Book value EGP Thousand
Housing & office units, villas and plots of land	Not found
Total	Not found

Acquired assets are classified within "other assets" item in the balance sheet, These assets are sold whenever possible.

A/8 Concentration of risks of financial assets exposed to investment and finance risk

Geographical sectors

The following table represents an analysis of the most significant finance and investment transactions of the Bank stated at the book value, categorized by geographical sector at the end of the current financial year, For preparing this table, The Bank has allocated exposures to geographical regions based on the customer-domiciled regions:

31 December 2024 (EGP Thousand)					
	Arab Republic of Egypt	Europe	Arab Gulf Countries	Other countries	Total
Musharaka, Murabaha and Mudaraba with customers	15,382,244	-	-	-	15,382,244
Financial investments:					
-At fair value through other comprehensive income	25,411,784	2,310,601	2,261,652	3,589,870	33,573,907
-At fair value through profit and loss	523,289	-	229,698	-	752,987
- At amortized cost	77,932,846	-	5,474,048	407,634	83,814,528
Other assets	5,960,368	-	49,917	-	6,010,285
Total at the end of the current year	125,210,531	2,310,601	8,015,315	3,997,504	139,533,951
Total at the end of the comparative year	107,291,619	1,446,325	4,697,833	1,731,502	115,167,279

Business Activity Sectors

The following table represents an analysis of the most significant finance and investment risk exposures of the Bank stated at book value, and categorized according to the Bank's customers' activities:

31 December 2024								
(EGP Thousand)								
	Financial institutions	Industrial institutions	Real estate	Wholesale and retail trade	Governmental Sector	Other activities	Individuals	Total
Musharaka, Murabaha and Mudaraba with customers	531,590	5,493,494	1,910,094	1,523,002	-	2,839,427	3,084,637	15,382,244
Financial investments:								
- At fair value through other comprehensive income	1,574,122	2,949,537	2,722,230	986,868	19,551,199	5,789,951	-	33,573,907
- At fair value through profit and loss	-	-	-	-	-	752,987	-	752,987
- At amortized cost	-	-	-	-	83,257,837	556,691	-	83,814,528
Other assets	4,632,867	-	1,377,418	-	-	-	-	6,010,285
Total at the end of the current year	6,738,579	8,443,031	6,009,742	2,509,870	102,809,036	9,939,056	3,084,637	139,533,951
Total at the end of the comparative year	6,737,068	5,427,757	4,922,436	1,550,714	87,908,927	5,578,468	3,041,909	115,167,279

3/B- Market risk

The Bank is exposed to market risks of fluctuation in the fair value or future cash flows due to change in the market rates, Market risks emerge from open positions of return rates, currency, equity instruments; as each of them is exposed to public and private movements in the market as well as sensitivity levels to market rates or prices such as return rates, exchange rates, and equity instruments, The Bank segregates market risks into either trading or non-trading portfolios.

B/1 Value at Risk summary

Total Value at Risk according to the risk type:

	(EGP Thousand)					
	12 months till the end of December 2024			12 months till the end of December 2023		
	Average	High	Low	Average	High	Low
Foreign exchange risk	148,181,360	159,609,899	103,427,324	105,167,242	107,220,304	102,878,403
Return rate risk	61,848,210	68,580,218	45,105,312	44,598,278	46,014,987	41,715,985
Equity instruments risk	23,746,476	27,929,395	17,127,546	17,466,880	17,771,658	17,112,846
Total value at risk	<u>233,776,046</u>	<u>256,119,512</u>	<u>165,660,182</u>	<u>167,232,400</u>	<u>171,006,949</u>	<u>161,707,234</u>

Value at risk for trading portfolio by risk type

	(EGP Thousand)					
	12 months till the end of December 2024			12 months till the end of December 2023		
	Average	High	Low	Average	High	Low
Foreign exchange risk	210,279	234,967	152,508	159,869	174,173	142,761
Return rate risk	-	-	-	-	-	-
Equity instruments risk	-	-	-	-	-	-
Total value at risk	<u>210,279</u>	<u>234,967</u>	<u>152,508</u>	<u>159,869</u>	<u>174,173</u>	<u>142,761</u>

Value at risk for non-trading portfolio by risk type

	(EGP Thousand)					
	12 months till the end of December 2024			12 months till the end of December 2023		
	Average	High	Low	Average	High	Low
Foreign exchange risk	147,971,080	159,380,201	103,269,335	105,007,373	107,059,061	102,732,632
Return rate risk	61,848,210	68,580,218	45,105,312	44,598,278	46,014,987	41,715,985
Equity instruments risk	23,746,476	27,929,395	17,127,546	17,466,880	17,771,658	17,112,846
Total value at risk	<u>233,565,766</u>	<u>255,889,814</u>	<u>165,502,193</u>	<u>167,072,531</u>	<u>170,845,706</u>	<u>161,561,463</u>

Increase in the value at risk, particularly the return rate, depends on the increase of return rate sensitivity in international financial markets,

The above three results of value at risk are calculated independently from the underlying positions and historical market movements, Total trading and non-trading value at risk does not represent the Bank's value at risk due to correlation between risk types and portfolio types and their subsequent various effects,

B/2 Foreign currency Fluctuation risk

The Bank is exposed to the risk of fluctuations in foreign currency exchange rates and its impact on the financial position and cash flows, The Board of Directors has set limits by total value for foreign currencies for each position at the end of the day and during the day in which they are timely monitored, The following table summarizes the Bank exposure to foreign currency risks at the end of the financial year, The table includes the book value of the financial instruments distributed and categorized by their currencies:

31 December 2024 (EGP Thousand)

	EGP	USD	EUR	GBP	Other currencies	Total
Financial assets						
Cash and balances at the Central Banks	6,592,034	11,257,112	206,907	59,541	110,553	18,226,147
Due from banks	16,833,297	54,325,088	2,247,398	414,825	4,430,666	78,251,274
Musharaka, Murabaha and Mudaraba with customers	12,091,353	3,084,605	206,286	-	-	15,382,244
Financial investments:						
-At fair value through other comprehensive income	20,123,415	11,607,969	1,842,523	-	-	33,573,907
-At fair value through profit or loss	523,289	-	-	-	229,698	752,987
-At amortized cost	29,272,277	54,542,251	-	-	-	83,814,528
Other financial assets	5,739,177	269,853	(2,013)	311	2,957	6,010,285
Total financial assets	91,174,842	135,086,878	4,501,101	474,677	4,773,874	236,011,372
Financial liabilities						
Due to banks	8,401	14,006,579	795,838	13	-	14,810,831
Saving pools and certificates	75,557,421	92,862,159	3,446,181	475,074	4,714,343	177,055,178
Other financial liabilities	5,434,730	1,279,122	35,014	5,275	49,353	6,803,494
Total financial liabilities	81,000,552	108,147,860	4,277,033	480,362	4,763,696	198,669,503
Net balance sheet	10,174,290	26,939,018	224,068	(5,685)	10,178	37,341,869
Commitments related to finance	819,675	1,527,187	11,515	-	1,671	2,360,048
At the end of the comparative year						
Total financial assets	86,329,261	80,420,609	3,587,313	274,851	2,807,370	173,419,404
Total financial liabilities	78,574,411	65,398,576	3,478,392	274,851	2,799,517	150,525,747
Net balance sheet	7,754,850	15,022,033	108,921	-	7,853	22,893,657

Dealing Room Functions:

- Submitting periodic reports on the financial market movements.
- Implementing the Asset and Liability Management Committee's recommendations that were approved, as well as presenting progress reports on implementation of these recommendations.
- Coordinating with the Asset and Liability Management Unit (ALMU) with regard to natural hedging against risks that may arise from specific transactions and ensuring their compliance with the policies and recommendations approved by Asset and Liability Management Committee (ALCO).
- Assuming responsibility for short-term liquidity management.
- Preparing periodic reports on any developments that occur in the market conditions and paying attention to any liquidity shortfalls.
- Informing the Asset and Liability Management Unit of funding needs to deal the liquidity gap.

Return rate risk management structure :

This risk is identified and measured by the Treasury Department's Asset and Liability Management Unit (ALMU). The risks, their limits and corrective actions to be taken are assessed by Assets and Liability Management Committee (ALCO), chaired by the Bank's Chief Executive Officer, and the membership of all executive directors, Chief Financial Officer, Managers of Trade Finance Departments, Manager of Branches Department, Secretary General and Head of Dealing Room. Dealing Room implements the necessary procedures established by Asset and Liability Management committee (ALCO) in order to adjust gaps identified in financial markets, Dealing Room prepares its reports on the developments occurred and presents them to ALCO and ALMU.

Asset and Liability Management Committee (ALCO) Functions:

- Deciding on acceptable limits for sensitivity analysis purposes.
- Examining the assumptions used in identifying and measuring risks and verifying their accuracy and validity.
- Reviewing the return rate risks and gaps and the Bank's sensitivity level, which are stated in the reports prepared by Assets and Liabilities Management Unit (ALMU).
- Evaluating, amending and endorsing the proposed recommendations to adjust the gaps (if any) to be in line with previously approved limits.

Asset and Liability Management Unit (ALMU) duties:

- Documenting the risk management policy as approved by the Asset and Liability Management Committee.
- Preparing the models used in identifying and measuring risks and constantly developing them.
- Preparing reports on values at risk (VAR) and their position over time, as well as presenting these reports to Asset and Liability Management Committee.
- Submitting recommendations to adjust the gaps in accordance with the previously- approved limits,
- Overseeing and following up the implementation of Asset and Liability Management Committee's decisions and the progress in the implementation process must be notified to the committee.

B/3 Return rate fluctuation risk

The Bank is exposed to risk of fluctuations in return rates prevailing at the market, that is the possibility that changes in the return rates will affect future cash flows or fair value of a financial instrument due to changes in market return rates, The return margin could increase as a result of these changes, and profits may be decrease in case of unexpected movements, The board of directors sets limits to the difference in the level of return rate re-pricing rate that the Bank may apply.

The Bank's objective of return rate risk management:

The Bank aims at reducing its exposure to return rate risks as far as possible, taking into consideration that the value of the residual risks resulting from return rates is within limits of the sensitivity level approved by the Asset and Liability Management Committee (ALCO).

The sensitivity level is defined as a change in the net current value of the Bank's future fixed return rate positions for every 1% increase in return rate curve, Regular follow-up is carried out to measure the Bank's compliance with the prescribed limits.

The following table summarizes the Bank exposure to risk of return rate fluctuations that includes book value of financial instruments distributed based on re-pricing dates or maturity dates, whichever is earlier:

31 December 2024

	(EGP Thousand)						
	Up to one month	More than one month and up to 3 months	More than 3 months and up to 1 year	More than 1 year and up to 5 years	More than 5 years	Without return	Total
Financial assets							
Cash and due from Central Bank of Egypt	9,897,804	-	-	-	-	8,328,343	18,226,147
Due from banks	46,378,179	31,627,853	-	-	-	245,242	78,251,274
Musharaka, Murabaha and Mudaraba with customers	53,096	254,115	3,387,818	2,130,415	9,358,789	198,011	15,382,244
Financial investments:							
At fair value through other comprehensive income	1,528,499	7,604,813	7,936,633	13,989,353	2,514,609	-	33,573,907
At fair value through profit or loss	-	752,987	-	-	-	-	752,987
At amortized cost	799,731	14,198,577	7,189,415	60,802,364	824,441	-	83,814,528
Other financial assets	1,502,571	1,502,571	1,502,571	1,502,572	-	-	6,010,285
Total financial assets	60,159,880	55,940,916	20,016,437	78,424,704	12,697,839	8,771,596	236,011,372

	Up to one month	More than one month and up to 3 months	More than 3 months and up to 1 year	More than 1 year and up to 5 years	More than 5 years	Without return	Total
Financial liabilities							
Due to banks	14,599,775	-	-	-	-	211,056	14,810,831
Saving pools and other deposits	28,820,233	24,296,219	24,296,219	28,152,982	55,297,059	16,192,466	177,055,178
Other financial liabilities	1,700,873	1,700,873	1,700,873	1,700,875	-	-	6,803,494
Total financial liabilities	45,120,881	25,997,092	25,997,092	29,853,857	55,297,059	16,403,522	198,669,503
Return re-pricing gap At the end of the comparative year	15,038,999	29,943,824	(5,980,655)	48,570,847	(42,599,220)	(7,631,926)	37,341,869
Total financial assets	49,120,428	24,198,653	17,055,093	64,864,905	10,499,689	7,680,636	173,419,404
Total financial liabilities	32,534,898	17,663,918	16,535,783	28,602,219	42,097,002	13,091,927	150,525,747
Return re-pricing gap	16,585,530	6,534,735	519,310	36,262,686	(31,597,313)	(5,411,291)	22,893,657

3/C Liquidity risk

Liquidity risk represents difficulties that encounter the Bank in meeting its financial commitments when they fall due and replace funds when they are withdrawn, The consequences may be the failure to meet obligations to repay the depositors and fulfill commitments of investment and finance operations.

Liquidity risk management

The Bank's liquidity management process, as carried out by the Bank's Financial Sector includes:

- Daily funding managed through monitoring future cash flows to ensure that all requirements can be met, This includes replenishment of funds as they are due or when granted to customers, The Bank maintains an active presence in the global money markets in order to achieve this goal.
- The Bank maintains a portfolio of highly marketable assets that can be easily liquidated in the event of any unexpected shortfall in cash flows.
- Monitoring liquidity ratios against internal requirements and CBE's requirements.
- Managing the concentration and breakdown of finance transaction maturities.

The Bank's objective of Liquidity Management

The Bank aims at financing its activities based on the best possible prices under normal circumstances and in order to be able to meet its obligations in the event of the occurrence of a crisis, To this end, the Bank adopts the following main principles of liquidity management:

- Short-term Liquidity management in accordance with regulatory framework.
- Diversification of funding sources
- Maintaining high-quality liquid Assets.

Measuring and monitoring the liquidity risk structure

The bank's liquidity mangment framework is summarized in the following functions:

- Regular evaluation of the Bank's liquidity structure and its development over time,
- Focusing on strategies to diversify funding sources
- The bank assesses funding needs based on the expectations set out in the budget plan in order to provide appropriate funding solutions.

The potential liquidity gaps are identified by listing the items recorded on and off-balance sheet according to currency type and maturity dates for these items, The maturity dates for the assets and liabilities are determined based on the contractual terms of the transactions and historical patterns of customer behaviors (as in the case of Investment Accounts), as well as the traditional assumptions related to certain items in the balance sheet (as in the case of shareholders' equity).

For the purpose of monitoring and reporting, cash flows are measured and expected for the next day, week and month respectively, as these are key periods for liquidity management, The starting point

for those expectations is an analysis of the contractual maturities of financial liabilities and expected collection dates of the financial assets.

Local Investment Department also monitors unmatched medium-term assets, the level and type of the portion of the finance commitments, the usage of the debit and credit facilities and the impact of contingent liabilities such as letters of credit and guarantee.

Funding approach

Liquidity sources are regularly reviewed by a separate team in the Bank's market risk Dept, to maintain a wide diversification in respect of currencies, geographical areas, sources, products and terms.

Non-derivative cash flows:

The following table represents cash flows paid by the Bank under non-derivative financial liabilities distributed over the remaining period of contractual maturities at the date of the balance sheet, Amounts stated in the table represent undiscounted contractual cash flows, while the Bank manages liquidity risk on the basis of expected - and not contractual - undiscounted cash flows:

31 December 2024

(EGP Thousand)

	Up to one month	More than one month and up to 3 months	More than 3 months and up to 1 year	More than 1 year and up to 5 years	More than 5 years	Total
Financial liabilities						
Due to banks	14,599,775	-	-	-	211,056	14,810,831
Saving pools and other deposits	28,820,233	24,296,219	24,296,219	28,152,982	71,489,525	177,055,178
Other financial liabilities	1,700,873	1,700,873	1,700,873	1,700,875	-	6,803,494
Total financial liabilities based on the contractual maturity date	45,120,881	25,997,092	25,997,092	29,853,857	71,700,581	198,669,503
Total financial assets based on the contractual maturity date	60,159,880	55,940,916	20,016,437	78,424,704	21,469,435	236,011,372

31 December 2023

(EGP Thousand)

	Up to one month	More than one month and up to 3 months	More than 3 months and up to 1 year	More than 1 year and up to 5 years	More than 5 years	Total
Financial liabilities						
Due to banks	13,533,285	1,128,135	-	-	204,771	14,866,191
Saving pools and other deposits	17,701,424	15,235,595	15,235,595	27,302,031	54,984,158	130,458,803
Other financial liabilities	1,300,189	1,300,188	1,300,188	1,300,188	-	5,200,753
Total financial liabilities based on the contractual maturity date	32,534,898	17,663,918	16,535,783	28,602,219	55,188,929	150,525,747
Total financial assets based on the contractual maturity date	49,120,428	24,198,653	17,055,093	64,864,905	18,180,325	173,419,404

3/D Capital management

The Bank manages its capital, which includes equity plus some other items as reported in the balance sheet to ensure that the following objectives are achieved:

- Complying with legally-imposed capital requirements in Egypt and in other countries in which the Bank's branches are operating.
- Protecting the Bank's ability to continue as a going concern enabling the generation of yield for shareholders and other parties dealing with the bank.
- Maintaining a strong capital base to enhance growth of the Bank's operations.

Capital adequacy and the use of capital are monitored daily by the Bank's management according to the requirements of the regulatory bodies (CBE's requirements), employing techniques and models based on the guidelines developed by the Basel Committee on Banking Regulations, The required data as well as deposits are submitted to the CBE on a quarterly basis.

The CBE requires the Bank to:

- Maintain EGP 5 billion as minimum requirement for the Issued and paid-up capital.
- Maintain a ratio of 12,50% or more between the capital elements and the risk-weighted assets and contingent liabilities, Since the beginning of January 2019, the minimum level of Capital Adequacy Ratio (CAR) has recorded 12,50% after taking into account the requirements of Conservation Buffer and Domestic Systemically Important Banks (D-SIBs).

, In this regard, the numerator of capital adequacy ratio includes the two following tiers:

Tier one: Is the principal capital that contains paid-up capital (after deducting the book value of the treasury stocks), retained earnings and reserves resulting from the distribution of profits except for the general banking risk reserve, (less) previously-recognized goodwill and any carried-forward losses, as well as total balance of other comprehensive income items in the balance sheet.

Tier two: Is the supplementary capital that contains an equivalent of the general risk provision based on the balance of less provisions against debt instruments and credit facilities required under stage one by not more than 1,25% of total risk-weighted assets and contingent liabilities, subordinate finances/deposits with maturity of more than 5 years (amortizing 20% of its carrying amount in each year of the remaining five years to maturity), and 45% of the increase between the fair value and book value for each of the financial investments in subsidiaries and associates.

When calculating total numerator of capital adequacy ratio, , it is to be taken into account that the supplementary capital must not exceed the core capital and that the subordinated finances (deposit) must not exceed half the core capital.

The assets risk weights scale ranging from zero to 100% is based on the debtor nature for each asset to reflect its related credit risks, taking into consideration cash collateral, The same treatment is used for off-balance sheet amounts after adjustments in order to reflect the contingent nature and the potential losses of those amounts.

In accordance with Basel II, the numerator of capital adequacy ratio consists the two following tiers:

Tier one: Tier one is the core capital that comprises of paid-up capital (after deducting the book value of the treasury shares), retained profit, reserves created under law and the Bank's Articles of Association resulting from the distribution of profits after deducting previously-recognized goodwill and any carried-forward losses (except the general banking risk reserve and banking reserve),

Net interim profits has been included in Tier one according to the decision made by CBE's Board of Directors in its session held on 15 February 2017.

Tier two: Is the supplementary capital that contains an equivalent of the the balance of required provisions against debt instruments and credit facilities required under stage 1 by not more than 1,25% of total credit risk-weighted assets and contingent liabilities, subordinated finances/deposits with maturity of more than 5 years (amortizing 20% of its carrying amount in each year of the remaining five years to maturity), in addition to 45% of the increase in fair value than book value for each of the financial investments at fair value through other comprehensive income ,debt instruments at amortized cost ,investments in subsidiaries and associates and 45% of the special reserve value.

When calculating total numerator of capital adequacy ratio, it is to be taken into account that the supplementary capital must not exceed the core capital and that the subordinated finance (deposit) must not exceed half the core capital.

The assets risk weights scale ranging from zero to 200% is based on the debtor nature for each asset to reflect its related credit risks, taking into consideration cash collateral. The same treatment is used for off-balance sheet amounts after adjustments in order to reflect the contingent nature and the potential losses of those amounts.

Capital Adequacy Ratio was calculated in accordance with Basel II requirements based on the decision taken by CBE's Board of Directors in its session held on 18 December 2012, which was issued on 24 December 2012.

The Bank has complied with all local capital requirements, during the past two year.

The following table summarizes the components of the core supplementary capital and capital adequacy ratios at the end of the financial year:

	31 December 2024	31 December 2023
	<u>EGP in Thousands</u>	<u>EGP in Thousands</u>
<u>Tier 1 (core and supplementary capital)</u>		
Issued and paid-up capital	5,677,509	5,677,509
Treasury stocks (-)	(9,892)	(9,892)
Reserves (Legal, general and capital)	2,807,366	2,392,923
Risk reserve	149,153	149,153
Retained earning	11,479,991	9,196,258
Interim profit	6,875,836	2,176,751
Minority interest	5,029	4,917
Total deductions from Going-Concern Capital "Common Equity"	(3,639,365)	(1,606,781)
Total balance of accumulated other comprehensive income items after regulatory adjustments	7,204,993	3,396,859
Total Tier 1 - core and supplementary capital	30,550,620	21,377,697
<u>Tier 2 (supplementary capital):</u>		
45% of the increase in fair value over the book value of financial investments in subsidiaries and associates,	1,208,674	760,058
Balance of provisions required against debt instruments and credit facilities under stage 1	196,729	446,213
Total (supplementary capital)	1,405,403	1,206,271
Total Capital Base after deductions (total capital)	31,956,023	22,583,968
<u>Risk-weighted assets and contingent liabilities:</u>		
Total assets and contingent liabilities adjusted with credit, market and operational risk weights	141,863,604	98,101,899
Total capital base / Total assets and contingent liabilities adjusted with credit, market and operation risk weights	22.53%	23.02%

In its session held on 7th July 2015, the Central Bank of Egypt has approved leverage ratio regulations, under which banks must abide by a minimum requirement limit of (3%) on a quarterly basis as follows:

As a guide ratio applicable as from the end of September 2015 until 2017.

As a mandatory ratio as of 2018.

The CBE requires the Bank to disclose leverage ratio and its components (the numerator and denominator) in published financial statements in the same manner as Risk-based Capital Adequacy Ratio (CAR).

The numerator and denominator of financial leverage ratio include:

Components of the numerator: the numerator of leverage ratio consists of Tier 1 of capital (after deductions) used in the numerator of Risk-based Capital Adequacy Ratio (CAR).

Components of the denominator: the denominator of leverage ratio consists of all on-and off-balance sheet assets of the Bank - in accordance with the financial statements - what is called "the Bank exposures"

Ratio: ratio of Tier 1 capital from capital base (after deductions) to total Bank exposures should not be less than (3%).

EGP Thousand

	31 December 2024	31 December 2023
	<u>EGP in Thousands</u>	<u>EGP in Thousands</u>
<u>First: The numerator</u>		
Capital "Tier 1" after deductions	30,550,620	21,377,697
<u>Second: The denominator</u>		
Total on balance sheet, derivatives transactions and securities financing transaction exposures	236,948,721	175,956,502
Off-balance sheet exposures	4,581,857	6,196,489
Total on- and off -balance sheet exposures	241,530,578	182,152,991
Financial Leverage ratio %	12.65%	11.74%

4- Significant accounting estimates and assumptions:

4/A Impairment losses of Musharaka, Mudaraba and Murabaha

The Bank reviews its portfolio of Musharaka, Murabaha and Mudaraba transactions to assess impairment on quarterly basis at least, The Bank depends on personal judgments to identify whether the impairment losses should be recorded in the income statement or not, and to verify any reliable information indicating that measurable impairment occurred in the estimated future cash flows of Murabaha portfolio before recognizing the impairment level of each Murabaha in the portfolio, These evidences might include information indicating that there has been an adverse change in the payment capacity of the bank portfolio of finance customers or local or economic conditions that correlate with the default of bank assets, When rescheduling the future cash flows, the management uses estimates based on past experience in the assets losses associated with credit risk having characteristics of finance and investment transactions at the existence of objective evidences of the impairment similar to those in the portfolio, The methodology and assumptions for estimating both the amount and period of the future cash flows should be regularly reviewed in order to eliminate any differences between estimated loss and actual loss based on experience.

4/B Financial investments at amortized cost

The non-derivative financial assets with fixed or determinable payments and fixed maturity are classified as investments held to maturity, This classification requires high degree of personal judgment, In making this judgment, the Bank assesses the intention and ability to keep such these investments at amortized cost, If the Bank fails to hold these investments to maturity – other than for specific circumstances such as selling insignificant quantity close to maturity, at that time all investments at amortized cost are reclassified as at fair value through other comprehensive income, Hence, these investments will be measured at fair value not at amortized cost, In addition to suspending any other investment classification in this item.

4/C Fair value of derivatives

Fair value of the financial instruments not quoted in active markets is determined by using valuation techniques, When these valuation techniques are used as models, they are periodically validated and reviewed by qualified personnel who are fully independent of the body that prepared them, Valuation results depend relatively on experience.

4/D Financial instruments measured at fair value:

Financial assets classified as held for trading are measured at fair value, and the differences resulting from change in fair value are recognized in the income statement under "Net Trading Income" item, The debt instruments classified as financial assets at fair value through other comprehensive income are measured at fair value, and the differences resulting from change in fair value are recognized in other comprehensive income statement items under "Fair Value Reserve", With regard to investments in equity instruments, listed shares are measured at fair value according to the Stock Exchange Market's quoted prices at the date of separate financial statements, As for unlisted shares, except for strategic investments, they are evaluated by using acceptable technical evaluation methods such as "Discounted Cash Flow (DCF) and Multiples Approach", and valuation differences are to be recognized in the other comprehensive income statement under "Fair Value Reserve", As for strategic investments, the cost or nominal value is deemed as the fair value of these investments.

The Bank works according the fair value hierarchy based on levels of inputs that are significant to the entire fair value measurement

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Bank can access at the measurement date.

Level 2 : inputs include all inputs other than quoted prices included and declared within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 : inputs are unobservable inputs for the asset or liability.

Finance and credit facilities for customers

Finance and credit facilities are net of provision for expected impairment in expected credit losses

Due from Banks

Balances due from banks are net of expected credit loss provision.

Debt instruments at amortized cost:

Non-derivative financial assets with payments and fixed or determinable maturity dates are classified as debt instruments at amortized cost under "the business model of financial assets held to collect contractual cash flows

Saving Pools and saving Certificates

Saving Pools and saving Certificates are presented at cost

5- Segment analysis

- By activity segment

Activity segment includes operating processes and assets used in providing banking services, management of inherent risks and the return rate of this activity that might be different from other activities, The segment analysis of operations according to the Banking activities includes:

Large, medium, and small enterprises

Includes current accounts, deposits, debit current accounts, finance and investment transactions, and financial derivatives.

Investment

Includes mergers, purchase of investments, and financing companies restructuring and financial instruments.

Individuals

Includes current accounts, saving pools, deposits, personal Murabaha and real estate Murabaha.

Other activities

Includes other banking activities such as fund management.

Inter-segment transactions are carried out according to the bank's ordinary course of business activity cycle conditions and it includes operating assets and liabilities as stated in the balance sheet.

6- Net income

	31 December 2024 EGP in Thousands	31 December 2023 EGP in Thousands
Return on Musharaka, Murabaha, Mudaraba and similar revenues from:		
The Central Bank of Egypt	2,904,510	1,114,905
Other banks	3,549,351	2,088,811
Customers	3,805,261	2,014,749
Total	10,259,122	5,218,465
Return on government debt instruments	12,993,321	10,848,616
Return on non-government debt instruments	456,870	225,123
Total	23,709,313	16,292,204
Cost of saving pools and similar costs from:		
Banks	(934,757)	(433,535)
Customers	(13,047,177)	(9,907,770)
Total	(13,981,934)	(10,341,305)
Net	9,727,379	5,950,899

7- Fees and commissions revenues

	31 December 2024 EGP in Thousands	31 December 2023 EGP in Thousands
Fees and commissions related to finance and investment transactions	98,879	101,305
Fees of corporate financing services	26,566	16,534
Custody and bookkeeping fees	11,515	7,948
Other fees	392,637	390,606
Total	529,597	516,393

8- Dividends

	31 December 2024 EGP in Thousands	31 December 2023 EGP in Thousands
Financial Investments at fair value through profit or loss	33,676	12,398
Financial investments at fair value through other comprehensive income	259,783	220,273
Subsidiaries and associates	124,167	127,082
Total	417,626	359,753

9- Net trading income

	31 December 2024 EGP in Thousands	31 December 2023 EGP in Thousands
Foreign currency transactions		
Gain (Loss) from foreign currency transactions	168,038	(41,237)
Profits from evaluation of assets and liabilities balances in foreign currency for trading purpose	30,658	45,973
Equity instruments (trading income)	71,620	70,343
Total	270,316	75,079

10- impairment credit losses

	31 December 2024 EGP in Thousands	31 December 2023 EGP in Thousands
Cash and balances at the Central Bank of Egypt	3,035	(4,194)
Due from banks	(16,833)	(3,374)
Debt instruments at fair value through other comprehensive income	(48,815)	(24,203)
Debt instruments at amortized cost	(228,934)	(159,366)
Musharaka, Murabaha and Mudaraba with customers	(8,624)	(488,503)
Musharaka, Murabaha and Mudaraba with banks	1,123	(862)
Total	(299,048)	(680,502)

11- Administrative expenses

	31 December 2024 EGP in Thousands	31 December 2023 EGP in Thousands
Staff cost		
Wages and salaries	(946,050)	(822,790)
Social insurance	(28,962)	(24,277)
Pension cost		
Cost of specific retirement schemes	(16,928)	(18,068)
	(991,940)	(865,135)
Depreciation and amortization (Notes 19,21)	(407,138)	(308,348)
Other administrative expenses	(1,256,383)	(901,077)
Total	(2,655,461)	(2,074,560)

12- Other operating revenues (expenses)

	31 December 2024 EGP in Thousands	31 December 2023 EGP in Thousands
Gain from valuation of monetary assets and liabilities in foreign currency (other than those classified as for trading purposes)	5,759,078	1,532,143
Profits from the sale of property, plant and equipment	3,248	9,732
Operating lease	(2,182)	(1,700)
others	107,067	148,733
Reverse (charge) of other provisions	23,109	(3,374)
Total	5,890,320	1,685,534

13- Income tax (expenses)

	31 December 2024 EGP in Thousands	31 December 2023 EGP in Thousands
Current income taxes	(1,860,695)	(1,551,947)
Current income taxes are represented in:		
Current income taxes	(2,396,375)	(1,795,759)
Deferred tax revenues	535,680	243,812
Total	(1,860,695)	(1,551,947)

Tax position is described below:

First: Legal person earnings tax:

- Final settlement with large Taxpayers Center was reached and accrued taxes were paid since the inception of the Bank's activity until 2018.
- As for 2019, tax calculation and agreement were made with large Taxpayers Center and final settlement is being underway to obtain final tax clearance for 2019.
- As for 2020 and 2023, the tax return was submitted and accrued tax was paid on the prescribed legal dates, however tax inspection has not been made yet until this date.
- As for 2024 : the tax return is being prepared and will be submitted on the legally specified dates.

Second: Payroll Taxes

- Final settlement with large Taxpayers Center was made and accrued taxes were paid since the inception of the Bank's activity until 2020.
- As for the year from 1/1/2021 to 31/12/2024, Accrued monthly tax was remitted on the prescribed legal date, however tax inspection has not been made yet until this date.

Third: Stamp Tax

- Final settlement with Large Taxpayers Center was made and accrued tax was paid since the inception of the Bank's activity until 2020.
- As for the year from 1/1/2021 to 31/12/2024, Quarterly tax return was submitted in scheduled time and accrued tax was paid accordingly, but tax inspection has not been made yet until this date.

Fourth: Property Tax

- All accrued taxes due from the Bank's branches and units were paid until 2024 in accordance with Law No. 196 of 2008, which came into force on 1/7/2013.
- Claims for the year 2024 have been paid, for which claims have been sent from the competent tax authorities

14- Earnings per share

	31 December 2024 EGP in Thousands	31 December 2023 EGP in Thousands
Net profit of the year	11,739,324	4,056,839
Employees' profit share	(300,000)	(220,000)
Board of Director's remuneration	(50,000)	(26,000)
	11,389,324	3,810,839
Weighted average of issued common shares	607,471	607,471
Earnings per share (EGP)	18.749	6.273

Classification and measurement of financial assets and liabilities:

The following table shows total financial assets (before deducting any impairment provisions) based on business model classification :

	31 December 2024	EGP Thousand		
	Amortized cost	Debt instruments at fair value through other comprehensive income	Equity instruments at fair value through other comprehensive income	Total book value
Cash and due from Central Bank of Egypt	18,240,646	-	-	18,240,646
Due from banks	78,280,908	-	-	78,280,908
Musharaka, Murabaha and Mudaraba with customers	16,867,201	-	-	16,867,201
Financial investments at fair value through other comprehensive income	-	20,877,846	12,696,061	33,573,907
Financial investments at amortized cost	84,633,442	-	-	84,633,442
Total assets	198,022,197	20,877,846	12,696,061	231,596,104

The following table shows total financial liabilities based on business model classification:

	EGP Thousand	
31 December 2024	Amortized cost	Total book value
Due to banks	14,810,831	14,810,831
Saving pools and saving certificates	177,055,178	177,055,178
Total Liabilities	191,866,009	191,866,009

The following table shows total financial assets (before deducting any impairment provisions) based on business model classification :

31 December 2023	EGP in Thousands			
	Amortized cost	Debt instruments at fair value through other comprehensive income	Equity instruments at fair value through other comprehensive income	Total book value
Cash and due from Central Bank of Egypt	12,675,554	-	-	12,675,554
Due from banks	45,592,507	-	-	45,592,507
Musharaka, Murabaha and Mudaraba with customers	14,573,691	-	-	14,573,691
Financial investments at fair value through other comprehensive income	-	29,225,039	7,363,972	36,589,011
Financial investments at amortized cost	59,620,711	-	-	59,620,711
Total assets	132,462,463	29,225,039	7,363,972	169,051,474

The following table shows total financial liabilities based on business model classification:

31 December 2023	EGP in Thousands	
	Amortized cost	Total book value
Due to banks	14,866,191	14,866,191
Saving pools and other deposits	130,458,803	130,458,803
Total Liabilities	145,324,994	145,324,994

15 - Cash and due from Central Bank of Egypt

	31 December 2024 EGP in Thousands	31 December 2023 EGP in Thousands
Cash	2,510,969	1,806,260
Balances at the Central Bank of Egypt within the mandatory reserve percentage	15,774,452	10,901,707
Total (1)	18,285,421	12,707,967
Less: Unearned revenues	(44,775)	(32,413)
Less: Expected credit loss provision	(14,499)	(8,958)
Total (2)	(59,274)	(41,371)
Total (1) + (2)	18,226,147	12,666,596
Non-return bearing balances	8,328,343	7,046,400
Return-bearing balances	9,897,804	5,620,196
Total	18,226,147	12,666,596

16 - Due from banks

	31 December 2024 EGP in Thousands	31 December 2023 EGP in Thousands
Current accounts	245,242	312,884
Deposits	78,302,400	45,403,926
Less: Unearned revenues of Central Bank of Egypt	(78,240)	(1,381)
Less: Unearned revenues of foreign banks	(33,766)	(48,811)
Less: Unearned revenues of local banks	(154,728)	(74,111)
Total (1)	78,280,908	45,592,507
Less: Expected credit loss provision of foreign banks	(2,293)	(2,116)
Less: Expected credit loss provision of local banks	(27,341)	(4,862)
Total (2)	(29,634)	(6,978)
Total (1) + (2)	78,251,274	45,585,529
The Central Bank of Egypt other than the mandatory reserve percentage	14,511,177	4,970,939
Local banks	55,563,964	33,909,212
Foreign banks	8,176,133	6,705,378
Total	78,251,274	45,585,529
Non-return bearing balances	245,242	312,884
Return-bearing balances	78,006,032	45,272,645
Total	78,251,274	45,585,529
Current balances	78,006,032	45,272,645
Non-current balances	245,242	312,884
Total	78,251,274	45,585,529

17/a - Musharaka, Murabaha and Mudaraba with customers

	31 December 2024 EGP in Thousands	31 December 2023 EGP in Thousands
Total Musharaka, Mudaraba and Murabaha transactions with banks	-	65,609
Less: Impairment loss provision	-	(861)
Total	-	64,748

The following schedule shows the classification of the portfolio and the expected credit loss provision:

EGP In Thousands				
31 December 2024		31 December 2023		
Stage (1)	expected credit loss provision	Stage (1)	expected credit loss provision	
-	-	65,609	(861)	
Total	-	65,609	(861)	

17/b- Musharaka, Murabaha and Mudaraba with customers

	31 December 2024 EGP in Thousands	31 December 2023 EGP in Thousands
Retail:		
Cars	691,848	578,477
Durable goods and others	498,545	409,679
Real estate	2,382,759	2,296,746
Total retail (1)	3,573,152	3,284,902
Corporate:		
Large and Medium-sized companies	13,649,761	11,762,076
Small companies	1,189,491	999,313
Micro-Sized companies	102,028	4,080
Total Corporate (2)	14,941,280	12,765,469
Total Musharaka, Mudaraba and Murabaha transactions with customers (1+2)	18,514,432	16,050,371
Less: unearned revenues	(1,647,231)	(1,476,680)
Less: Impairment loss provision	(1,484,957)	(1,103,549)
Total	15,382,244	13,470,142
Current balances	3,695,029	2,451,754
Non- current balances	11,687,215	11,018,388
Total	15,382,244	13,470,142

The fair value of tradable securities - that may be disposed only with the approval of the Bank that guarantee commercial finance transactions - amounted to nothing at the date of the balance sheet against EGP -- thousand on the comparative date.

Table below analysis portfolio & ECL for each stage:

	31 December 2024				EGP in Thousands			
	Stage (1)	ECL provision	Stage (2)	ECL provision	Stage (3)	ECL provision	Total	ECL provision
Large companies	7,199,259	50,944	5,393,986	1,090,894	39,764	33,437	12,633,009	1,175,274
Medium-sized companies	600,993	3,898	353,997	8,561	61,762	44,828	1,016,752	57,288
Individuals	3,462,898	122,485	98,193	36,383	12,061	11,743	3,573,152	170,611
Small companies	874,456	9,805	190,291	8,994	124,744	62,985	1,189,491	81,784
Micro-Sized companies	97,932	-	4,096	-	-	-	102,028	-
Total	12,235,538	187,132	6,040,563	1,144,832	238,331	152,993	18,514,432	1,484,957

	31 December 2023				EGP in Thousands			
	Stage (1)	ECL provision	Stage (2)	ECL provision	Stage (3)	ECL provision	Total	ECL provision
Large companies	5,755,033	40,637	4,996,348	742,574	29,458	29,458	10,780,839	812,669
Medium-sized companies	652,801	3,839	132,139	3,122	196,297	91,414	981,237	98,375
Individuals	3,196,241	35,356	77,798	13,371	10,863	10,500	3,284,902	59,227
Small companies	669,821	37,118	183,203	12,602	146,289	83,531	999,313	133,251
Micro-Sized companies	4,080	27	-	-	-	-	4,080	27
Total	10,277,976	116,977	5,389,488	771,669	382,907	214,903	16,050,371	1,103,549

Expected Credit loss provision (ECL)

Analysis of the expected credit loss provision for musharaka, murabaha and mudaraba transactions with customers based on types:

31 December 2024

EGP in Thousands

	Individuals only	Large, medium-sized, small and micro-enterprises,	Total
Balance at the beginning of the year	59,227	1,044,322	1,103,549
Impairment burden during the year	144,963	639,098	784,061
Amounts written off during the year	(54)	(28,736)	(28,790)
Provision no longer required	(33,525)	(741,912)	(775,437)
foreign exchange translation differences	-	401,574	401,574
Balance on 31 December 2024	<u>170,611</u>	<u>1,314,346</u>	<u>1,484,957</u>

31 December 2023

EGP in Thousands

	Individuals only	Large, medium-sized, small and micro-enterprises,	Total
Balance at the beginning of the year	29,966	597,742	627,708
Impairment burden during the year	56,686	757,956	814,642
Amounts written off during the year	(392)	(42,394)	(42,786)
Provision no longer required	(27,033)	(299,106)	(326,139)
foreign exchange translation differences	-	30,124	30,124
Balance on 31 December 2023	<u>59,227</u>	<u>1,044,322</u>	<u>1,103,549</u>

18- Financial investments

	31 December 2024 EGP in Thousands	31 December 2023 EGP in Thousands
18/A- Financial Investments at fair value through other comprehensive income		
Debt instruments listed in the stock exchange market – at fair value:		
- Treasury bills	17,500,036	26,196,144
- Debt instruments	3,377,810	3,028,895
Equity instruments – at fair value:		
- Listed in the stock exchange market	1,541,621	979,892
- Unlisted in the stock exchange market	5,483,993	2,991,110
Mutual Fund Certificates:		
- Mutual Fund Certificates	5,670,447	3,392,970
Total financial investments at fair value through other comprehensive income (1)	33,573,907	36,589,011
18/B- Financial Investments at fair value through profit and loss		
Equity instruments – at fair value:		
- Listed in the stock exchange market	752,987	374,891
Total financial investments at fair value through profit and loss (2)	752,987	374,891
18/C- Financial investments at amortized cost		
Debt instruments Listed in the stock exchange market		
- Treasury bills	31,621,734	19,215,508
- Unearned returns	(915,932)	(476,830)
- Expected credit loss provision	(324,846)	(157,092)
Total (A)	30,380,956	18,581,586
Other debt instruments	53,927,640	40,882,033
- Expected credit loss provision	(494,068)	(165,355)
Total (B)	53,433,572	40,716,678
Total financial investments at amortized cost (A+B) (3)	83,814,528	59,298,264
Total financial investments (1+2+3)	118,141,422	96,262,166

18- Financial investments (Cont.)

An analysis of treasury bills in each financial investment portfolio is below:

Treasury bills in portfolio of financial investments at fair value through other comprehensive income are represented in:

Treasury bills are represented in:

	(EGP in Thousands)	
	31 December 2024	31 December 2023
Treasury bills - 91 days maturity	9,557,627	12,215,262
Treasury bills - 182 days maturity	8,598,381	6,730,702
Treasury bills - 273 days maturity	194,817	5,811,160
Treasury bills - 365 days maturity	370,862	3,675,220
Sale of treasury bills with a commitment to repurchase	(33,787)	(37,794)
Unearned returns	(1,187,864)	(2,198,406)
Total	17,500,036	26,196,144

Treasury bills in portfolio of financial investments at amortized cost are represented in:

Treasury bills are represented in:

(EGP in Thousands)

	31 December 2024	31 December 2023
Treasury bills - 365 days maturity	31,621,734	19,215,508
Undue returns	(915,932)	(476,830)
Expected credit loss provision	(324,846)	(157,092)
Total	30,380,956	18,581,586

18/D- Financial investments – Cont,
18/D- Investments in subsidiaries and associates

The Bank's shareholding percentages in subsidiaries and associates are as follows:

	31 December 2024	EGP Thousand					
	country wherein the company's premises is located	Assets of the company	Liabilities of the company (Without equity)	Company revenues	Profit / (loss) of the company	Book Value	Percentage of shareholding
A- Subsidiaries:							
Ismailia National Co, for Food Industries (FOODICO) (4)	Egypt	341,396	172,241	276,039	77,923	36,479	34.72%
Horizon Co, for Investment and Industrial Development (4)	Egypt	1,398,245	899,780	1,039,631	44,570	56,901	40.00%
Cairo for packaging materials Industry "Copack" (4)	Egypt	3,224,283	1,848,804	3,231,286	509,103	113,493	40.00%
Faisal Bank Foreign Exchange (4)	Egypt	24,370	59	3,450	1,326	19,750	79.00%
Faisal Financial Investments Co, (4)	Egypt	1,037,013	122,677	107,158	83,150	749,958	99.99%
Faisal Securities Brokerage Co, (4)	Egypt	160,303	57,557	60,804	33,353	39,950	79.90%
Al-Faisal Real Estate Investment Co, (4)	Egypt	1,353,598	1,050,586	334,095	36,903	4,990	2.50%
Total (A)						1,021,521	
B- Associates:							
Misr International Hospital (4)	Egypt	1,330,714	296,607	990,442	203,232	23,723	24.30%
Al-Masryia Co, for Takaful Insurance on Property (3)	Egypt	3,549,610	2,655,726	376,751	255,654	74,773	32.75%
Arabiya Co, for Insurance Brokerage (1)	Egypt	653	1,635	6	(191)	-	25.00%
Al-Arabiya Co, for Disinfection Works "ARADIS" (2)	Egypt	755	105	883	3	-	40.00%
GIG Egypt Life Takaful (4)	Egypt	839,002	148,300	114,602	86,237	90,199	25.24%
ARDIC For Real Estate Development and investment (3)	Egypt	3,357,876	3,616,857	6,071	(14,830)	58,421	25.51%
Total (B)						247,116	
Total (A + B)						1,268,637	

Some companies have been listed as subsidiaries, although the percentage of shareholding is less than 50%, as the Bank owns - directly or indirectly - the power to govern financial and operating policies of these companies.

1-	The stated data is according to the financial statements on 31/12/2017
2-	The stated data is according to the financial statements on 31/12/2023
3-	The stated data is according to the financial statements on 30/06/2024
4-	The stated data is according to the financial statements on 30/09/2024

The Bank's shareholding percentages in subsidiaries and associates are as follows:

	31 December 2023				EGP Thousand		
	country wherein the company's premises is located	Assets of the company	Liabilities of the company (Without equity)	Company revenues	Profit / (loss) of the company	Book Value	Percentage of shareholding
A- Subsidiaries:							
Ismailia National Co, for Food Industries (FOODICO) (4)	Egypt	166,804	67,917	110,904	19,793	36,479	34.72%
Horizon Co, for Investment and Industrial Development (4)	Egypt	953,478	474,871	870,550	74,004	56,901	40.00%
Cairo for packaging materials Industry "Copack" (4)	Egypt	2,453,649	1,539,734	2,097,216	267,709	113,493	40.00%
Faisal Bank Foreign Exchange (4)	Egypt	23,644	749	26,163	(516)	19,750	79.00%
Faisal Financial Investments Co, (4)	Egypt	994,001	42,970	102,349	78,229	749,958	99.99%
Faisal Securities Brokerage Co, (4)	Egypt	134,327	62,994	26,780	11,528	39,950	79.90%
TAQA Co, for Electronic Industries (4)	Egypt	50,861	9,754	1,015	(16,141)	-	28.64%
Al-Faisal Real Estate Investment Co, (4)	Egypt	1,316,551	1,035,645	190,167	36,842	4,990	2.50%
Total (A)						<u>1,021,521</u>	
B- Associates:							
Misr International Hospital (4)	Egypt	1,142,206	215,637	787,005	200,153	19,633	24.30%
Al-Masryia Co, for Takaful Insurance on Property (3)	Egypt	867,307	115,855	281,014	213,570	74,773	32.75%
Arabiya Co, for Insurance Brokerage (1)	Egypt	653	1,635	6	(191)	-	25.00%
Ashgar City Co, for Real estate Development (2)	Egypt	1,972,922	1,986,157	383,724	(60,658)	99,120	40.00%
Al-Arabiya Co, for Disinfection Works "ARADIS" (2)	Egypt	762	115	573	5	-	40.00%
Giza Co, for Paints & Chemical Industries (4)	Egypt	8,403	4,380	4,074	404	-	48.57%
ARDIC For Real Estate Development and investment (2)	Egypt	2,874,006	3,074,625	6,034	(63,678)	58,421	25.51%
Total (B)						<u>251,947</u>	
Total (A + B)						<u>1,273,468</u>	

Some companies have been listed as subsidiaries, although the percentage of shareholding is less than 50%, as the Bank owns - directly or indirectly - the power to govern financial and operating policies of these companies.

1-	The stated data is according to the financial statements on 31/12/2017
2-	The stated data is according to the financial statements on 31/12/2022
3-	The stated data is according to the financial statements on 30/6/2023
4-	The stated data is according to the financial statements on 30/9/2023

18/E- gain of financial investments

	31 December 2024 EGP in Thousands	31 December 2023 EGP in Thousands
Gain from selling subsidiaries and associates	20,435	8,810
Return of impairment for subsidiaries and associates	4,090	1,509
Total	24,525	10,319

19- Intangible assets

Represented in the automated systems and computer software

	31 December 2024 EGP in Thousands	31 December 2023 EGP in Thousands
Net book value at the beginning of the year	258,816	193,220
Additions	642,568	191,778
Amortization during the year	(222,399)	(126,182)
Net book value at the end of the year	678,985	258,816

20- Other assets

	31 December 2024 EGP in Thousands	31 December 2023 EGP in Thousands
Accrued revenues	2,135,946	1,621,939
Assets whose ownership has reverted to the Bank as settlement of debts (after deducting impairment) *	1,890,843	2,036,328
Projects under construction **	1,122,604	1,016,886
Advanced payments for purchase of fixed assets	254,814	129,134
Prepaid expenses	227,555	147,505
Insurance and custodies	13,475	10,763
Amounts paid on tax account	17,597	17,597
Interest-free loan	19	38
Others	347,432	390,033
Total	6,010,285	5,370,223

* Represented in housing and administrative units and plots of land that have been acquired by the Bank as settlement of debts of some finance customers, These assets are sold when possible, At the end of every month, the Central Bank of Egypt is notified of the position of these assets in accordance with requirements stated in Article 87 of the Law No, 194 of 2020.

** Stated as follow:

1,073,837	EGP Thousand	The Bank's branch - The New Administrative Capital
48,767	EGP Thousand	Other
<u>1,122,604</u>	EGP Thousand	Total

21- property, plant and equipment

	EGP thousand				
	Lands and buildings	Leasehold improvements	Machinery and equipment	Others	Total
Balance on 1/1/2023					
Cost	1,682,131	35,568	226,491	568,370	2,512,560
Accumulated depreciation	(191,936)	(13,577)	(93,392)	(389,783)	(688,688)
Net book value on 1/1/2023	1,490,195	21,991	133,099	178,587	1,823,872
Balance on 1/1/2023					
Net book value on 1/1/2023	1,490,195	21,991	133,099	178,587	1,823,872
Additions	120,080	41,348	133,685	74,634	369,747
Disposals	(2,453)	-	-	-	(2,453)
Depreciation cost during the year	(25,228)	(4,665)	(83,943)	(68,330)	(182,166)
Depreciation of disposals	973	-	-	-	973
Net book value on 31/12/2023	1,583,567	58,674	182,841	184,891	2,009,973
Balance on 31/12/2023					
Cost	1,799,758	76,916	360,176	643,004	2,879,854
Accumulated depreciation	(216,191)	(18,242)	(177,335)	(458,113)	(869,881)
Net book value on 31/12/2023	1,583,567	58,674	182,841	184,891	2,009,973
Balance on 1/1/2024					
Net book value on 1/1/2024	1,583,567	58,674	182,841	184,891	2,009,973
Additions	53,292	14,579	284,113	97,763	449,747
Disposals	(1,323)	-	-	(1,511)	(2,834)
Depreciation cost during the year	(26,835)	(7,637)	(83,272)	(66,995)	(184,739)
Depreciation of disposals	209	-	-	403	612
Net book value on 31/12/2024	1,608,910	65,616	383,682	214,551	2,272,759
Balance on 31/12/2024					
Cost	1,851,727	91,495	644,289	739,256	3,326,767
Accumulated depreciation	(242,817)	(25,879)	(260,607)	(524,705)	(1,054,008)
Net book value on 31/12/2024	1,608,910	65,616	383,682	214,551	2,272,759

22-Due to banks

	31 December 2024 EGP in Thousands	31 December 2023 EGP in Thousands
Current accounts	211,056	204,771
Balances of deposits	14,599,775	14,661,420
Total	14,810,831	14,866,191
Local banks	1,093,958	945,157
Foreign banks and institutions	13,716,873	13,921,034
Total	14,810,831	14,866,191
Non-return bearing balances	211,056	204,771
Return-bearing balances	14,599,775	14,661,420
Total	14,810,831	14,866,191
Current balances	14,599,775	14,661,420
Non-current balances	211,056	204,771
Total	14,810,831	14,866,191

23- Saving pools and saving certificates

	31 December 2024 EGP in Thousands	31 December 2023 EGP in Thousands
On call accounts	15,902,774	11,415,929
Time deposits and callable accounts	112,354,570	71,938,353
Saving certificates	48,508,142	45,633,294
Other accounts *	289,692	1,471,227
Total	177,055,178	130,458,803
Corporate accounts	4,211,844	4,893,775
Individual accounts	172,843,334	125,565,028

Total	177,055,178	130,458,803
Non-return bearing balances	16,192,466	12,887,156
Floating-return bearing balances	160,862,712	117,571,647
Total	177,055,178	130,458,803
Current balances	77,412,671	48,172,614
Non-current balances	99,642,507	82,286,189
Total	177,055,178	130,458,803

* This item includes balances of EGP --- thousand on 31 December 2024 against EGP 3,089thousand on the comparative date, which represent collateral for irrevocable letters of credit import and export, There is no major difference between the fair value of those deposits and their present value.

24- Other liabilities

	31 December 2024 EGP in Thousands	31 December 2023 EGP in Thousands
Returns due to customers	5,577,388	4,347,373
Sundry creditors	286,202	180,204
Miscellaneous credit balances	290,157	255,852
Legitimate due Zakat	305,235	234,129
Shareholder dividends	327,014	180,059
Accrued expenses	17,498	3,136
Total	6,803,494	5,200,753

25- Other provisions

	31 December 2024 EGP in Thousands	31 December 2023 EGP in Thousands
Balance at the beginning of the year as previously issued	224,779	222,987
Foreign exchange valuation differences	5,751	2,166
No longer required	(57,128)	(53,939)
Charged to Income statement	34,019	57,313
Used during the year	(328)	(3,748)
Total	207,093	224,779
Details of other provisions		
provision for Capital commitments	6,151	14,302
provision for non-performing Capital commitments	429	-
provisions for assets held by the bank	150,000	150,000
provisions for performing contingent liability	3,650	2,426
Provisions for financial commitment	7,724	11,193
Provisions for operational losses	3,680	3,718
provisions for lawsuits	34,839	38,442
provision for non-performing contingent liability	620	4,698
Total	207,093	224,779

26- Paid-up Capital

Paid-up capital reached EGP 5,677,509 thousand as at 31 December 2024, with \$ 1 par value for each share and all shares are fully paid.

	EGP Thousand		
	Number of shares	Common shares	Total
Balance at the beginning of the year	607,471,450	5,677,509	5,677,509
Balance at the end of the year	607,471,450	5,677,509	5,677,509

- Authorized capital reached \$ 1 billion,
- Issued and paid-up capital amounted to \$ 607,5 million equivalent to EGP 5,7 billion, which are distributed among 607,471,450 shares, all shares are common shares.

27-Reserves

	31 December 2024 EGP in Thousands	31 December 2023 EGP in Thousands
General banking risk reserve (A)	16,939	20,364
Legal reserve (general) (B)	2,766,055	2,361,344
Capital reserve (C)	41,311	31,579
Fair value reserve (D)	7,204,993	3,396,859
General risk reserve (E)	149,153	149,153
Total	10,178,451	5,959,299

A- General banking risk reserve

	31 December 2024 EGP in Thousands	31 December 2023 EGP in Thousands
Balance at the beginning of the year	20,364	37,241
Transferred from banking risk reserve for Assets whose ownership have reverted to the Bank	(3,425)	(16,877)
Balance at the end of the year	16,939	20,364

B- Legal reserve (general)

	31 December 2024 EGP in Thousands	31 December 2023 EGP in Thousands
Balance at the beginning of the year	2,361,344	1,914,474
Amount transferred from previous fiscal year profit to legal reserve (general)	404,711	446,870
Balance at the end of the year	2,766,055	2,361,344

C- Capital reserve

	31 December 2024 EGP in Thousands	31 December 2023 EGP in Thousands
Balance at the beginning of the year	31,579	25,233
Amount of previous fiscal year profits transferred to capital reserve	9,732	6,346
Balance at the end of the year	41,311	31,579

Represent profits from sale of fixed assets that have been transferred to the capital reserve before profit distribution, this reserve was formed in accordance with Article 40 of the law No, 159 of 1981

D- Fair value reserve

	31 December 2024 EGP in Thousands	31 December 2023 EGP in Thousands
Balance at the beginning of the year	3,396,859	3,214,924
Change in fair value during the year	3,759,253	157,732
Change in expected credit losses provision of debt instruments	48,881	24,203
Balance at the end of the year	7,204,993	3,396,859

E- General risk reserve

	31 December 2024 EGP in Thousands	31 December 2023 EGP in Thousands
Balance at the beginning of the year	149,153	149,153
Balance at the end of the year	149,153	149,153

28- Retained profit (including profit of the year)

	31 December 2024	31 December 2023
	<u>EGP in Thousands</u>	<u>EGP in Thousands</u>
Balance of retained earnings (including profit of the year) at the beginning of the fiscal year	13,230,016	10,943,925
Transferred from fair value reserve	28,158	134,750
Transferred from general banking risk reserve for assets whose ownership have reverted to the bank	3,425	16,877
Net profit of the year	11,739,324	4,056,839
Distributed as follows:		
The Bank's share in Banking Sector support and development	(40,471)	(44,687)
Transferred to capital reserve	(9,732)	(6,346)
Transferred to legal reserve (general)	(404,711)	(446,870)
Shareholders' dividends	(1,126,001)	(1,202,472)
Employees' profit share	(220,000)	(200,000)
Board members' remuneration	(26,000)	(22,000)
Balance of retained earnings (including profit of the year) *	<u>23,174,008</u>	<u>13,230,016</u>

* Retained earnings represent carried-forward surplus of the Bank's profits during previous years until this date.

29- Cash and cash equivalent

29/1 For the purpose of preparing cash flows statement, cash and cash equivalent include the following balances with maturities not exceeding 3 months from the acquisition date:

	31 December 2024	31 December 2023
	<u>EGP in Thousands</u>	<u>EGP in Thousands</u>
Cash and balances at the Central Bank of Egypt	2,510,969	1,806,260
Due from banks (less than 3 months)	78,251,274	45,585,529
Treasury bills maturing within a year of (less than 3 months)	9,557,627	12,215,262
Total	<u>90,319,870</u>	<u>59,607,051</u>

29/2 For the purpose of preparing Cash Flow Statement, this statement did not include non-cash **transactions that are represented in This statement:**

- Change in "Murabaha and Musharaka with customers" item didn't include assets whose ownership reverted to the Bank in lieu of debts which were classified under the item of "other assets" with an amount of EGP 145,485 thousand, in addition to bad debts of customers with an amount of EGP 28,790 thousand.
- Change in "Financial Investments at fair value through other comprehensive income" item didn't include evaluation differences which were listed under the two items "Impairment loss of financial investments" and "fair value reserve" with an amount of EGP 3,808,134 thousand.

30- Contingent liabilities and commitments

A- Legal claims

There is a number of outstanding lawsuits filed against the Bank on 31 December 2024, as a result, a provision was formed for these lawsuits, The formed provision represents a legal obligation resulted from an event that happened in the past and which was not reliably estimated, as losses are expected to be incurred as a result there of accordingly that have been previously charged to the income statement of the Bank..

B- Capital commitments

Contractual agreements of the Bank for capital commitments reached EGP 805,815 thousand during the fiscal year ended on 31 December 2024 compared to EGP 696,498 thousand at the end of December 2023, which are represented in commitments on fixed assets contracts, The Bank's top

management is confident that net profits will be generated and there will be available funds sufficient to cover these commitments.

C- Commitments on finance and investment transactions

The Bank's commitments on finance and investment transactions are represented in:

	31 December 2024 EGP in Thousands	31 December 2023 EGP in Thousands
Finance commitments	1,375,243	2,256,083
Letters of guarantee	178,871	118,089
Import letters of credit	119	1,250
Total	1,554,233	2,375,422

31- Related-party transactions

Transactions and balances of related parties at the end of the fiscal year are as follow:

A- Musharaka, Murabaha, and Mudaraba transactions with related parties

	Top management members and direct relatives		Subsidiaries and associates	
	31 December 2024 EGP in Thousands	31 December 2023 EGP in Thousands	31 December 2024 EGP in Thousands	31 December 2023 EGP in Thousands
Musharaka, Murabaha, Mudaraba, and facilities for customers				
At the beginning of the financial year	2,717	1,614	927,606	325,683
Musharaka, murabaha and mudaraba carried out during the year	-	1,500	73,950	660,611
Musharaka, murabaha and mudaraba collected during the year	(1,350)	(397)	(124,859)	(58,688)
At the end of the year	1,367	2,717	876,697	927,606
Return on Musharaka, Murabaha and Mudaraba *	126	251	184,369	192,481

* The indicated return is included under the debit balance of the transactions

- There are musharaka, murabaha and mudaraba facilities granted to top management members and their direct relatives at the end of December 2024 with amount - (against 1,500 thousand during the comparative year.

B- Related-party deposits

	Top management members and direct relatives		Subsidiaries and associates	
	31 December 2024 EGP in Thousands	31 December 2023 EGP in Thousands	31 December 2024 EGP in Thousands	31 December 2023 EGP in Thousands
Deposits at the beginning of the year	16,120	17,092	209,861	92,311
Deposits placed during the year	31,252	108,797	3,515,288	3,664,828
Deposits recovered during the year	(37,679)	(109,876)	(3,525,322)	(3,548,843)
Valuation differences	2,536	107	4,750	1,565
Deposits at the end of the year	12,229	16,120	204,577	209,861
Costs of deposits and similar costs	467	806	9,743	10,928

The above deposits are without guarantee and they have floating return and recovered on demand .

C- According to the decision of the Central Bank of Egypt's Board of Directors in its meeting held on July 5, 2011, and within the framework of banking governance instructions, each bank is required, according to these instructions, to disclose the total value (on a monthly average basis) of what the top twenty recipients of bonuses and highest salaries collectively receive in the bank. Consequently, the mentioned monthly average for the financial year ending on December 31, 2024, amounted to 31,372,990 Egyptian pounds.

D- Mutual funds of Faisal Islamic Bank of Egypt (periodic return and cumulative return)

- Mutual fund of Faisal Islamic Bank of Egypt (periodic return)

The fund is considered one of the banking activities licensed to the Bank by virtue of Capital Market Law no, 95 of 1992 and its executive regulation, The fund is managed by Hermes for Mutual Funds Management, the certificates of the fund reached 500,000 certificates with an amount of EGP 50,000,000, out of which 50,000 certificates (with a nominal value of EGP 100) were allocated to the Bank to undertake the fund activities.

The Bank purchased 162,420 certificates held with an amount of EGP 22,928,496 whose redeemable value amounted to EGP 50,871,568 on 31 December 2024.

The redeemable value of the certificate on 31 December 2024 amounted to EGP 313.21 after distributions amounting to EGP 85.75 since the activity inception, While the number of the Fund's outstanding certificates was 582,230 certificates on the same date.

Mutual fund of Faisal Islamic Bank of Egypt and the CIB (cumulative return)

The fund is considered one of the banking activities licensed to the Bank jointly with the CIB under the Capital Market Law No, 95 of 1992 and its executive regulation, The fund is managed by CI Asset Management for Mutual Funds Management, the number of investment certificates of this fund reached 1,000,000 certificates with a value EGP 100,000,000, out of which 25,000 certificates (with a nominal value of EGP 2,500,000) were allocated to the Bank to undertake the fund activities.

The Bank purchased 32,000 certificates held with an amount of EGP 2,353,653 who's a redeemable value of EGP 8,864,640 on 31 December 2024.

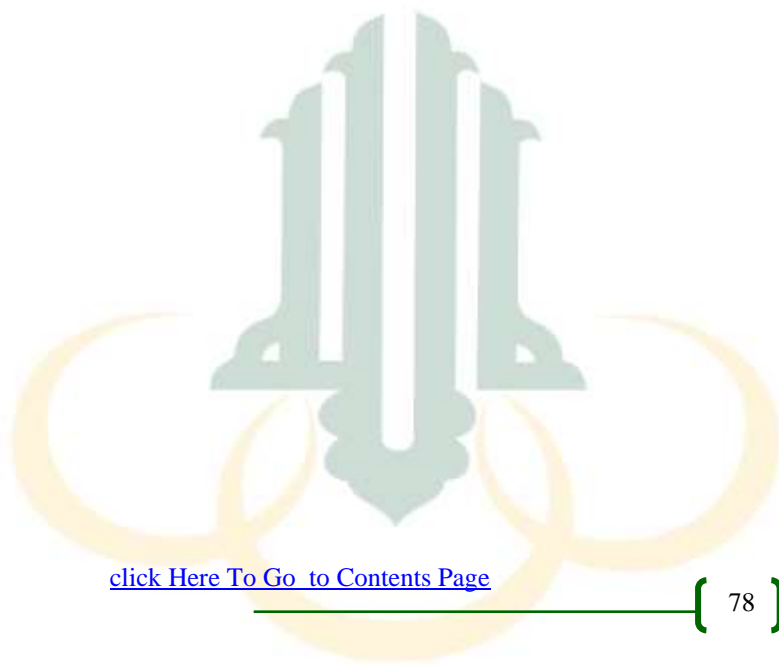
The redeemable value of the certificate on 31 December 2024 amounted to EGP 277.02 The number of outstanding certificates of the fund was 307,753 certificates at the same date.

According to the fund management contract and the prospectus, Faisal Bank receives fees and commissions in exchange for the supervision on both funds, as well as other administrative services offered to the fund, Total fees and commissions earned by the Bank amounted to EGP 4,682,582 for the financial year ending 31 December 2024, these fees and commissions are included under "fees and commissions revenues" item in the income statement.

32- Significant events

There are no significant events after the date of preparing the financial statements.

Auditor's Report



KPMG Hazem Hassan
Public Accountants & Consultants

BDO Khaled & Co.
Public Accountants & Advisers

*Translation of Auditors' report
originally issued in Arabic*

**Reasonable Assurance Report
on The Corporate Governance Compliance Report issued by
the Board of Directors of Faisal Islamic Bank of Egypt (S.A.E.)**

To The Board of Directors of Faisal Islamic Bank of Egypt (S.A.E.)

Introduction

We have carried out the assignments of a reasonable assurance engagement on the preparation and presentation of the Board of Directors' Corporate Governance Compliance report prepared by the Board of Directors of Faisal Islamic Bank of Egypt (S.A.E.) for the financial year ended on 31 December 2024, in accordance with the Board of Directors Guidance report indicated in the Egyptian Stock Exchange letter addressed to the Bank's Board of Directors on 25 December 2018.

The Bank Management's responsibility

The Bank's Board of Directors is responsible for the preparation and presentation of Corporate Governance Compliance report in accordance with the Board of Directors Guidance report indicated in the Egyptian Stock Exchange letter addressed to the Bank's Board of Directors on 25 December 2018. The Board is also responsible for ensuring compliance with the Corporate Governance rules according to the instructions issued by the Financial Regulatory Authority (FRA), and the Egyptian Corporate Governance Guide issued by virtue of the Financial Regulatory Authority's Board of Directors' Resolution No. 84 on 26 July 2016. The Board's responsibility also includes the identification of non-compliance areas and their related justifications.

Auditor's Responsibility

Our responsibility is limited to express a reasonable assurance conclusion based on the reasonable assurance procedures we performed about the Bank's compliance with the aforementioned Board of Directors report as indicated in the Board of directors Guidance report indicated in the Egyptian Stock Exchange letter on 25 December 2018. We conducted our reasonable assurance engagement in accordance with the Egyptian Standard on Assurance engagements No. (3000) "Assurance engagements other than review or audit of Historical Financial Information". This standard requires compliance with professional conduct requirements, including independence requirements.

To reach this conclusion, our procedures include obtaining evidences primarily through inquires and observations of the persons responsible for the preparation and presentation of Corporate Governance Compliance report, and reviewing of supporting documents, when appropriate. We believe that the evidences we have obtained are sufficient and appropriate to provide a basis for our conclusion.

In accordance with the requirements of Paragraph 49 (D) of ESAB 3000, our procedures have been limited to matters that can be accurately measured. Such procedures did not cover non-quantitative aspects, their effectiveness, validity, or completeness, such as the Management's procedures to comply with Corporate Governance rules, the performance of the Board of Directors, its committees and the executive management, as well as violations and provisions. Thus, our responsibility and procedures performed for this report did not include evaluating the effectiveness of the Bank's internal control system and Governance compliance system.

This report has been prepared in accordance with the requirements of Article No. (4) of EGX Listing and De-listing Rules and not for any other purposes. Accordingly, this report cannot be used except for the purpose it was prepared for.

Opinion

We are of the opinion that the Board of Directors' Corporate Governance Compliance Report of Faisal Islamic Bank of Egypt (S.A.E.) for the financial year ended on 31 December 2024, includes information related to the application of Corporate Governance rules and that it has been prepared and presented, in all material aspects, in accordance with the said Board of Directors Guidance report indicated in the Egyptian Stock Exchange letter addressed to the Bank's Board of Directors on 25 December 2018.

Cairo, 23 January 2025

KPMG Hazem Hassan
Public Accountants & Consultants

BDO Khaled & Co.
Public Accountants & Advisers

*Translation of Auditors' report
originally issued in Arabic*

Auditors' Report on the Separate Financial Statements

To The Shareholders of Faisal Islamic Bank of Egypt - S.A.E.

Report on the Separate Financial Statements

We have audited the accompanying separate financial statements of Faisal Islamic Bank of Egypt S.A.E, which comprise the separate financial position as at 31 December 2024, and the related separate statements of income, comprehensive income, changes in equity and cash flows for the financial year then ended, a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Separate Financial Statements

These separate financial statements are the responsibility of the Bank's Management as Management is responsible for the preparation and fair presentation of these separate financial statements in accordance with the rules of preparation and presentation of the banks' financial statements bases of recognition and measurement issued by the Central Bank of Egypt on 16 December 2008 as amended by the regulations issued on 26 February 2019 and in the light of the prevailing Egyptian laws . Management responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair and clear presentation of the financial statements that are free from material misstatement, whether due to fraud or error. Management responsibility also includes selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances

Auditor's Responsibility

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

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

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



Opinion


In our opinion, the separate financial statements referred to above present fairly, in all material respects, the separate financial position of Faisal Islamic Bank of Egypt S.A.E. as of 31 December 2024, its separate financial performance and its separate cash flows for the financial year then ended in accordance with the rules of preparation and presentation of the bank's separate financial statements and the bases of recognition and measurement approved by the Central Bank of Egypt on 16 December 2008 as amended by the instructions issued on 26 February 2019 and in the light of the prevailing Egyptian laws relevant to the preparation of these separate financial statements .

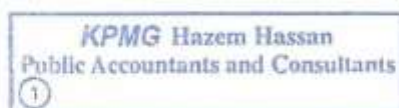
Report on Other Legal and Regulatory Requirements

According to the information and explanations given to us during the financial year ended on 31 December 2024 no contravention of the Central Bank of Egypt and Banking Sector Law No. 194 of 2020 was observed.

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

The financial information included in the Board of Directors' report which is prepared according to Law No. 159 of 1981, its Executive Regulations and their amendments, are in agreement with the relevant information recorded in the books of the bank insofar as such information is recorded therein.


Ahmed Ibrahim Ahmed Yousef
FRA No. 405
KPMG Hazem Hassan
Public Accountants & Consultants



Auditors


Mohanad T. Khaled
Fellow of ACCA
Fellow of ESAA
RAA No. 22444
FRA No. 375
BDO Khaled & Co.
Public Accountants & Advisers



Cairo, 23 January 2025

Religious Supervisory Board Report

Report of the Bank's Religious Supervisory Board ,For the Financial year ended 31/12/2024 corresponding to 29 Jumad Al-Akhir 1446 H

All praise is due to Allah, the lord of all worlds, Peace and blessings be upon the Messenger of Allah; our prophet Mohammed Ibn Abdellah, the last of all prophets and messengers, Allah has sent him as a mercy to all mankind, May Allah's Peace and Blessings be upon him, his Household, Companions and upon those who followed his guidance and path to the Day of Judgment.

The Sharia Supervisory Board of Faisal Islamic Bank of Egypt assembled on Tuesday 23rd of January 2025 corresponding to 23 Ragab 1446 H, at the Bank's head office, During this meeting, Sharia Supervisory Board (SSB) discussed with the Bank's representatives the contents of the Bank's financial statements and their explanatory notes for the fiscal year ended 31 December 2024 corresponding to 30 Jumad Al-Akhir 1446 H,, which have been approved by the Bank's Board of Directors in its session held on 16/01/2024, This meeting was attended by officials from the Bank's different departments including Finance, Investment, Retail and Corporate Banking and also Executive officers.

Therefore

In the light of discussions raised on the financial statements and notes, The Sharia Supervisory Board has decided that Faisal Islamic Bank's transactions including financing & investment activities, banking services, and Zakat's resources and disbursements during the fiscal year ended 31 December 2024 were carried out in accordance with the principles and provisions of Islamic Sharia and were based on the Fatwas (verdicts) and rulings issued by the Board.

To this end, The Board (SSB) has delegated its chairman to prepare the final report to be submitted to the Bank's ordinary General Assembly of the Bank's shareholders upon the request of His Excellency Mr, Abdel Hamid Aboumoussa, the Bank's Governor and Chief Executive Officer.

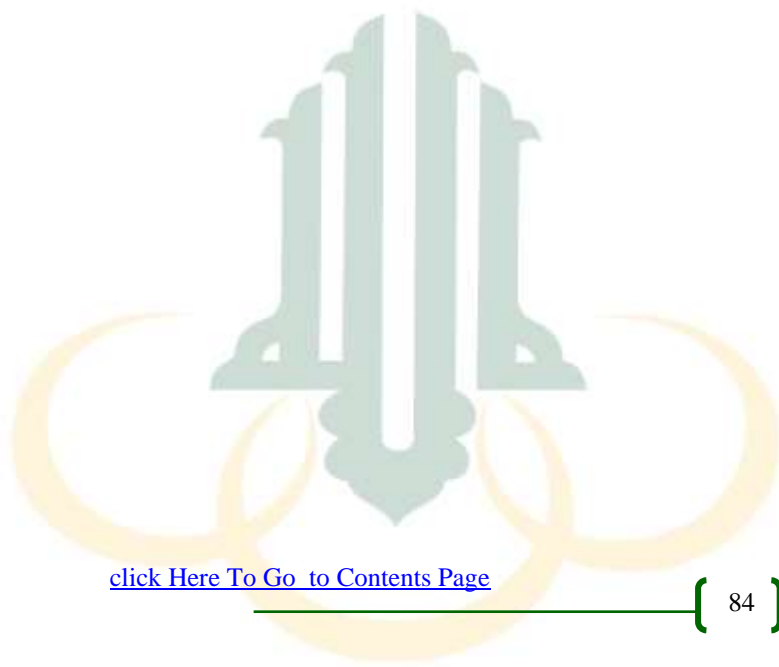
We pray to Allah almighty to guide us to the path of truth and righteousness and bestows prosperity and welfare to all humankind everywhere.

Chairman of the Religious Supervisory Board
Dr, Nasr Farid Mohamed Wasel
Member of Senior Scholars Council
Member of Fiqh Council - Muslim World League
Former Mufti of the Arab Republic of Egypt



، 23 Ragab 1446H
23 January 2024

The Zakat Fund



Zakat Fund

The Balance Sheet

31 December 2024 corresponding to 30 Jumad Al-Akher 1446 H.

<u>Statement</u>	31 December 2024 EGP	31 December 2023 EGP
<u>Assets:</u>		
Cash and balances in the Bank	1,205,840	4,012,173
Fund-owned Lands and buildings	24,325,783	24,770,252
Lands and buildings owned by others	5,782,140	5,782,140
Student housing owned by others	1,479,104	1,479,104
Shares owned by others	10,572,484	6,324,855
Charity Investment Accounts	299,986,303	279,010,295
<u>Total assets</u>	343,351,651	321,378,819
<u>Liabilities:</u>		
Zakat beneficiaries rights	25,531,623	28,872,425
Liabilities against Lands and buildings owned by others	5,782,140	5,782,140
Liabilities against Charitable student housing	1,479,104	1,479,104
Liabilities against Shares owned by others	10,572,484	6,324,855
Liabilities against Charity Investment Accounts	299,986,303	279,010,295
<u>Total liabilities</u>	343,351,654	321,378,819

Resources and Disbursements

31 December 2024 corresponding to 30 Jumad Al-Akher 1446 H.

<u>Statement</u>	31 December 2024 EGP	31 December 2023 EGP
<u>Resources:</u>		
Cash and balances in the Bank (at the beginning of the year)	4,012,173	2,898,709
Zakat due to the Bank's equity	234,129,153	188,050,373
Zakat Provided by the Bank's customers and others	139,973,821	58,470,659
Return on Investment Accounts	256,090	2,539,844
Return on Charity Investment Accounts	18,254,148	12,305,714
Miscellaneous revenues	606,311	4,640,266
Selling fixed assets	-	4,850,000
<u>Total Resources</u>	397,231,696	273,755,565
<u>Disbursements:</u>		
Individuals	203,770,808	174,414,337
Students	4,416,997	11,149,284
The Holy Quran competitions	1,800	1,783,400
Mosques	2,253,877	223,490
Medical institutions & legally-recognized charity associations	185,566,618	82,152,605
Administrative expenses	15,756	20,276
Cash and balances in the Bank (at the end of the year)	1,205,840	4,012,173
<u>Total disbursements</u>	397,231,696	273,755,565

Faisal Islamic Bank of Egypt
Zakat Fund Department
Al-Faisal Foundation for Development (The orphanage)

- A philanthropist donated a plot of land at Al-Mokattam district in Cairo to the Bank's Zakat Fund, with an area of 2100 square meters. Therefore, Zakat Fund's Department has constructed a five-storey building and a recreational facility.
- The orphanage was opened on 16/7/2006 and it fully cared for 46 orphaned children (males only), who are now more than 18 years of age.
- Since its inception, the orphanage has provided these children with high standard of care and they are attending distinctive private schools. Children are also completely offered social and healthcare services, as well as educational, recreational and vocational activities under the auspices of a group of qualified supervisors.
- There are therapists and social workers to modify the children's behaviors and to develop their skills.
- All the boys completed their technical secondary school diplomas in different departments, including (Commerce, Hospitality, Decoration, Electricity, Auto Mechanics, Printing). This in addition to 5 boys who are currently at the final year of the Middle Education stage, one boy is still at basic education stage due to his health condition based on the approval of Social Affairs Department, and also one boy is attending Intellectual Education School.
- The Foundation is responsible for the supervision of Al-Rahma Mosque located in Al-Muqattam district, as the orphanage pays labor costs and covers any other expenses.
- An agreement made between the orphanage and Zakat Fund's Department to open a Charitable Investment Account holding a number of (900608380) under the name of Al-Faisal Development Foundation. The balance of this account amounted to about EGP 4 million and its monthly return is distributed to the children's own accounts. The children shall benefit from this monthly return to cover the living costs when they move out of the orphanage at the age of 18
- There is an account holding a number of (262500) under the name of the Foundation to receive donations at all Bank's branches and there is also the Children's Charity (Sadaka) Account holding a number of (900608380).

Explanatory Notes

Explanatory Notes for the Financial Statements on 31 December 2024 corresponding to 30 Jumad Al-Akher 1446 H

Firstly: About the Fund

The Bank's Zakat Fund is considered one of the main features that distinguish the Bank from any other similar institutions since its inception, Whereas the linkage between the social and economic activities has positive impacts on Sustainable Development Goals.

One of the most important activities of the Fund was establishing Al-Faisal Development Foundation (The Orphanage) in Al-Mokattam district on an area of 2200 square meters with a capacity of 160 orphans. The Orphanage has an independent account no. 262500 to receive donations.

Secondly: Notes to the Fund

For the purposes of the balance sheet preparation, balances in foreign currencies have been converted to Egyptian Pound based on the exchange rates declared by the Central Bank of Egypt within the foreign currency free market at the date of preparation of the Fund's financial statements.

1- Cash and Balances with the Bank

This item represents the balances deposited at Faisal Bank including Zakat legitimately due to the Bank's owner's equity, along with balances of Philanthropists and Almsgivers

2- Fund-owned Plots of land and buildings

Fund-owned plots of Land and buildings amounting to EGP 24.3 million are represented in: (Al-Faisal Development Foundation "The orphanage" building in Al-Mokattam district, two plots of land at EL-Hadaba-El-Wosta in "Al-Mokattam district, Cairo", another plot of land in Al-Mokattam district, 46 housing apartments in Badr City and a villa in Boulak Eldakroun district in Giza governorate).

It is noteworthy that notes 1 and 2 represent "Zakat beneficiaries' rights" item included in liabilities.

3- Plots of Land and buildings owned by others

Plots of Land and buildings owned by others amounting to EGP 5.8 million are represented in: (a villa in New Cairo city and an apartment in El-Matarya district, Cairo) which were donated to the Zakat fund, but they will be received after the death of their owners/donors as stated in the deed of donation. This item is recorded in Liabilities against Plots of Land and Buildings owned by others.

4 - Dormitories owned by others

Charitable dormitories amounting to EGP 1.5 million are represented in buildings and furnishings in El-Mansoura city, which were delivered to the management of Al-Azhar University. This item is recorded in Liabilities against Charitable dormitories owned by others.

5- Shares owned by others

This item represents listed stocks amounting to EGP 10.6 million, which were donated by a philanthropist to the Bank's Zakat Fund and whose returns are disbursed on the Zakat legitimate channels and other charity purposes. These shares shall be transferred to the Fund ownership after the death of the donor as stated in the deed of donation. This item is recorded in Liabilities against shares owned by others".

6- Charity Investment Accounts

Due to the great trust in the Bank's Zakat Fund and its good reputation, benevolent and bountiful benefactors deposited funds in Charity Accounts (Waqf) amounted to EGP 300 million till the end of 2024. Returns on these accounts are disbursed on the Zakat legitimate channels and other charity purposes including charity associations, public hospitals and orphanages according to the terms and conditions of Charitable Investment Contracts. The number of charitable investment accounts reached 4704 accounts. This item is recorded in Liabilities against Charitable Investment Accounts.

7- The Fund's Resources

Regarding the business volume of Zakat Fund during 2024, the Fund's resources reached EGP 397.23 million (including the beginning balance with an amount of EGP 4.01 million plus the Fund's resources during 2024 amounting to EGP 393.22 million) against EGP 387 thousand in 1980. In this regard, cumulative resources of the fund at the end of 2024 amounted to EGP 1671 million; of which EGP 1065 million represents Zakat legitimately due on the Bank's funds, and the remaining balance represents Zakat from investment accounts' holders and individuals, as well as grants, donations, returns on charitable investment accounts and others. These resources were directed to the beneficiaries and taking care of students either in cash and in kind or through construction of dormitories at the universities in several cities including: (Cairo, Assiut, Sohag, El-Mansoura and Shebin-ElKom). Disbursements also included the Holy Koran competitions, rehabilitation of mosques and providing public hospitals and medical facilities in all governorates with medical supplies and equipment. This in addition to establishing Al-Faisal Development Foundation (The Orphanage). Therefore, Total actual disbursements during the reporting year amounted to EGP 396.03 million, which were distributed as follows:

Aspects of spending	Individuals	Students	The Holy Quran Competitions	Mosques	Medical institutions & legally recognized charity associations	Administrative expenses	Total
Amounts	203.77	4.42	0.002	2.25	185.57	0.016	396.03

8- Individuals

Individual is the cornerstone of the nation's integrity and progress of society. Consequently, the Zakat Fund must support individuals. In this regard, an amount of EGP 203.8 million was allocated for zakat beneficiaries of individuals during 2024 compared to EGP 174.4 million a year earlier.

9- Students, The Holy Quran Competitions and Mosques

As part of the Zakat Fund's commitment to support and encourage students, the Holy Quran Competitions and mosque rehabilitation, an amount of EGP 13,2 million was disbursed on this aspect during 2024 compared 4,4 million during 2023.

10- Medical Institutions & Legally-recognized Charity Associations

In the light of the Bank's social responsibility and due to the great challenges facing Egypt's economy, an amount of EGP 185.6 million was disbursed on public hospitals and medical facilities during the year under review compared to EGP 82.2 million during 2023.

KPMG Hazem Hassan
Public Accountants & Consultants

BDO Khaled & Co.
Public Accountants & Advisers

*Translation of Auditors' report
originally issued in Arabic*

Auditors' Report

To The Shareholders of Faisal Islamic Bank of Egypt - S.A.E.

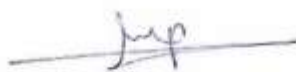
We have audited the accompanying financial statements of Faisal Islamic Bank of Egypt Zakat Fund, represented in the financial position as of 31 December 2024 corresponding to 30 Jumada Al-Akhirah 1446 H, and the Statement of Cash Revenues and Expenses for the financial year then ended, and also a summary of significant accounting policies and other explanatory notes. These financial statements are the responsibility of the Fund Management and our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Egyptian Standards on Auditing and applicable Egyptian laws. Those standards require that we plan and perform the audit in order to obtain reasonable assurance that the financial statements are free from any material misstatements. The audit process involves performing test examination of the documents and audit evidences supporting the amounts and disclosures in the financial statements. The audit works also include assessing the appropriateness of accounting policies and significant accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

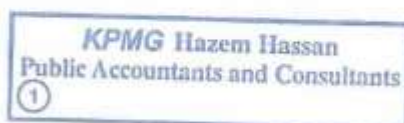
We have obtained from Management the data and Notes that we believe are necessary for the audit purposes. We believe that the audit works performed are sufficient and appropriate to provide a basis for our audit opinion on these financial statements.

The fund's policy is to prepare the accompanying financial statements according to the work system and the bylaws of the Fund based on the cash receipts and payments basis. Based on this principle the revenues are recognized when collected and not when earned and the expenses are recognized when paid not when incurred.

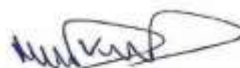
In our opinion, the financial statements referred to above, present fairly, in all material respects, the financial position of Faisal Islamic Bank of Egypt (S.A.E.), Zakat Fund as at 31 December 2024 corresponding to 30 Jumada Al-Akhirah 1446 H, and the revenues collected and expenses disbursed by the Fund during the financial year then ended according to the cash receipts and payments basis as indicated in Note No. (2) to the financial statements.



Ahmed Ibrahim Ahmed Yousef
FRA No. 405
KPMG Hazem Hassan
Public Accountants & Consultants



Auditors



Mohanad T. Khaled
Fellow of ACCA
Fellow of ESAA
RAA No. 22444
FRA No. 375
BDO Khaled & Co.
Public Accountants & Advisers



Cairo, 23 January 2025

Sectoral Distribution of the Bank companies

Attachment (1)

Sectoral Distribution of the Bank companies

The Bank invests a part of its funds directly in establishing companies by participating in their capital with other qualified and experienced investors, The Bank was keen to cover all economic activities by diversity and multiplicity of companies, These companies have contributed to Speeding Up Economic development process and provided thousands of jobs,

Most of these companies have leading positions in their fields, and They have contributed to cover a big part of local market needs and exports,

The Number of companies established and participated in by the Bank amounted to (45) companies,(including 31 available- for sale companies and 14 subsidairies and assocaites) with issued capital amounting to (EGP 7,732 billion, USD 740 million, and SDP 6,212 billion) equivalent to EGP 45,867 billion, of which EGP 45,853 billion is paid after currency evaluation by exchange rates on 31/12/2024.

The Bank's Contributes in these companies with an amount of EGP 4,149 billion, at a cost of EGP 9,066 billion and book value of EGP 7,089 billion,

Statement of consolidated sectoral distribution for these companies is as follows

EGP Thousand

Sector	No, of companies	Issued and Paid-up Capital						Equity	Participation	Book
		EGP		USD		SDP		share	cost	value
		Issued	Paid	Issued	Paid	Issued	Paid	EGP	EGP	EGP
Real estate activities and leasing	3	220600	220600	-----	-----	-----	-----	7390	7490	4990
Agriculture, forest exploitation and logging	1	15000	15000			-----	-----	5	5	0
Food products, drinks, Food, beverage	1	63250	63250	-----	-----	-----	-----	21961	36479	36479
Building and construction	2	588081	574337	-----	-----	-----	-----	79100	218421	107344
Hotel and restaurant (accommodation and food services)	1	-----	-----	23	23	-----	-----	14	826246	826246
Chemical, materials, products and leather products	4	378818.2	378818.2	150000	150000	-----	-----	531375	2021339	2019948
Metallurgy, iron and steel	1	35000	35000	-----	-----	-----	-----	5250	6190	6190
Textile and ready-made clothes	1	142834	142834	-----	-----	-----	-----	1903	1797	4768
Financial mediation and insurance (other than banks)	13	3238442	3238142	425563	425563	-----	-----	2859394	2918468	1161680
Social and administrative activities and education	4	244520	244520	-----	-----	-----	-----	39384	169390	168930
Electricity, gas and water supply	3	36450	36450	164200	164200	-----	-----	420218	1526180	1525420
Transportation, storage, communications and information	4	2182748	2182748	-----	-----	-----	-----	43082	182833	182833
Glass, ceramics, building materials	1	142288	142288	-----	-----	-----	-----	56901	56901	56901
Electrical and household appliances, equipment and machinery	2	191917.5	191917	-----	-----	-----	-----	36665	36595	0
Wholesale and retail trade	1	252000	252000			-----	-----	35245	986868	986868
Others	3	-----	-----	-----	-----	6211674	6211674	11208	70880	0
Total	45	7,731,948	7717904	739786	739786	6211674	6211674	4,149,096	9,066.083	7,088,598

No	Statement	Type of participation	Percentage of Bank's participation	Issued capital of the company	Paid-up capital of the company	Type of currency	No, of Bank's Shares	Nominal value of the company share	The Bank's Share EGP	Contractual participation cost EGP	Book Value EGP	Host Country	Date of starting activity	Company classification
The agriculture sector, forest exploitation and logging														
١	Al-Nubariya Co, for Agricultural	Available for sale	%0,03	15000	15000	EGP	500	EGP 10	5	5	0	El Behiera	1983	Small
Total				15000	15000	EGP			5	5	0			
The sector of food products, drinks														
1	'Ismailia National Co 'FOODICO	Subsidiary	34,72%	63250	63250	EGP	4392215	EGP 5	21961	36479	36479	Ismailia	1987	Medium
Total				63250	63250	EGP			21961	36479	36479			
Real estate activities and leasing sector														
١	Arab Land Direct Mutual Fund	Available for sale	11,36%	17600	17600	EGP	20000	EGP 100	2000	2100	.	Giza	2000	Medium
٢	Al-Faisal for Real Estate Investment	Subsidiary	2,50%	200000	200000	EGP	49900	EGP 100	4990	4990	4990	Cairo	2016	Large
٣	Almasriya Co, for Construction and Management of Commercial Centers	Available for sale	13,33%	3000	3000	EGP	40000	EGP 10	400	400	0	Cairo	2008	Under Liquidation
Total				220600	220600	EGP			7390	7490	4990			
Building and construction works sector														
١	Ashger City for Development & Upgrad	Available for sale	5.,61%	356380	356380	EGP	20000	EGP 1000	20000	160000	48923	Giza	2006	Large
٢	Ardak for Development & Real Estate	Associate	25,51%	231701	217957	EGP	5910029	EGP 10	59100	58421	58421	Cairo	1999	Small
Total				588081	574337	EGP			79100	218421	107344			
Hotel and restaurant sector (accommodation and food services)														
١	T M G investment international	Available for sale	1,25%	23	23	USD	284	EGP 1	14	826246	826246	-	2023	Large
Total				23	23	EGP			14	826246	826246			
The sector of materials, chemical products and leather products														
1	Giza Paints & Chemical Industries	Available for sale	17,90%	6600	6600	EGP	53710	EGP 22	1182	1182	0	6 Octber	1987	Small
2	Cairo Co, for Cartoon Industry "Copack"	Subsidiary	40%	371718	371718	EGP	1487023	EGP 100	148702	113493	113493	6 Octber	2005	Large
3	Al-Arabiya Co, "Aradis"	Associate	40%	500	500	EGP	2000	EGP 100	200	209	0	Giza	1984	Micro
4	Helwan Fertilizers Co,	Available for sale	5%	150000	150000	USD	7500000	\$ 1	381291	1906455	1906455	Helwan	2007	Large
Total				378818	378818	EGP			531375	2021339	2019948			
				150000	150000	USD								

٢	Statement	Type of participation	Percentage of Bank's participation	Issued capital of the company	Paid-up capital of the company	Type of currency	No, of Bank's Shares	Nominal value of the company share	The Bank's Share EGP	Contractual participation cost EGP	Book Value EGP	Host country	Date of starting activity	Company classification
Sector of metallurgy, iron and steel														
١	International Co, For Casting and Modern	Available for sale	15%	35000	35000	EGP	525000	EGP 10	5250	6190	6137	El Sharqeya	2007	Medium
Total				35000	35000	EGP			5250	6190	6190			
The textile and ready-made clothes sector														
١	Golden Textiles & Wool Clothes Co	Available for sale	1,33%	142834	142834	EGP	190345	EGP 10	1903	1797	4768	El Sharqeya	1985	large
Total				142834	142834	EGP			1903	1797	4768			
Financial mediation and insurance sector (financial services other than banks)														
١	Faisal Bank Exchange	Subsidiary	79,00%	25000	25000	EGP	19750	EGP 1000	19750	19750	19750	Giza	1993	Micro
٢	Faisal Financial Investments Co	Subsidiary	99,99%	750000	750000	EGP	7499578	EGP 100	749958	749958	749958	Giza	2011	Medium
٣	Faisal Financial Securities Co	Subsidiary	79,90%	50000	50000	EGP	3995000	EGP 10	39950	39950	39950	Cairo	2016	small
٤	Egyptian-Emirates Life Takaful - salama Co	Available for sale	9,95%	60000	60000	EGP	597000	EGP 10	5970	15498	15498	Cairo	2015	small
٥	Arabiya Co, for insurance brokerage	Associate	25,00%	2000	1700	EGP	50000	EGP 10	500	456	0	Giza	2011	stopped
٦	Egyptian Takaful Insurance on Properties	Associate	32,75%	400000	400000	EGP	1310000	EGP 100	131000	74773	74773	Cairo	2008	large
٧	Egyptian Mortgage Refinance Co	Available for sale	1,02%	455824	455824	EGP	4669	EGP 1000	4669	8849	8849	Cairo	2007	large
٨	Salama Takaful Insurance Co	Available for sale	13,50%	250000	250000	EGP	3375000	EGP 10	33750	53325	53325	Giza	2003	large
٩	International Co, For Leasing Incolease	Available for sale	9,00%	200000	200000	EGP	1799999	EGP 10	18000	76536	76536	Giza	1997	large
١٠	G I G Egypt Haye Takaful Co	Associate	25,24%	275000	275000	EGP	694076	EGP 100	69408	90200	90200	Cairo	2008	Medium
١١	Ayadi Co, for Investment & Development	Available for sale	3,69%	770618	770618	EGP	284413	EGP 100	28441	32841	32841	Cairo	2015	Medium
١٢	Dar Al-Maal Al-Islami Trust	Available for sale	8,20%	390316	390316	USD	320051	\$ 100	1627101	1627101	1	The Bahamas	1981	large
١٣	Islamic Development Limited Co,- Sudan	Available for sale	7,30%	35247	35247	USD	2574762	\$ 1	130898	129232	0	Sudan	1985	
Total				3238442	3238142	EGP			2859394	2918468	1161680			
				425563	425563	USD								
The social and administrative activities and education sector														
١	Educational Projects Co	Available for sale	7,66%	6000	6000	EGP	45980	EGP 10	460	460	0	El Sharqeya	1988	Under Liquidation
٢	Misir International Hospital	Associate	24,30%	120000	120000	EGP	29164	EGP 1000	29164	23723	23723	Giza	1983	large
٣	Cairo Specialized Hospital	Available for sale	7,53%	76520	76520	EGP	576009	EGP 10	5760	136975	136975	Cairo	1981	large
٤	El Mona Co, for Medical Services	Available for sale	9,52%	42000	42000	EGP	4000	EGP 1000	4000	8232	8232	Giza	2004	Medium
Total				244520	244520	EGP			39384	169390	169390			

No	Statement	Type of participation	Percentage of Bank's participation	issued capital of the company	Paid-up capital of the company	Type of currency	No, of Bank's Shares	Nominal value of the company share	The Bank's Share EGP	Contractual participation cost EGP	Book Value EGP	host county	Date of starting activity	Company classification
Electricity, gas and water supply sector														
١	Suez Gas Co, "Sugaz"	Available for sale	7,95%	26000	26000	EGP	20660	EGP 100	2066	689	689	Suez	2003	Medium
٢	Multi Gas Co,	Available for sale	7,27%	10450	10450	EGP	7600	EGP 100	760	760	0	El Menofia	2002	Medium
٣	Midor Co,for Electricity "Midalic"	Available for sale	5,00%	164200	164200	USD	821010	\$ 10	417392	1524732	1524732	Alex	2001	large
Total				36450	36450	EGP			420218	1526180	1525420			
				164200	164200	USD								
Glass, ceramics, building materials sector														
١	Horizon Co, for Investment and Industrial	Subsidiary	39,99%	142288	142288	EGP	4064338	EGP 14	56901	56901	56901	El Menofia	2000	large
Total				142288	142288	EGP			56901	56901	56901			
The sector of electrical and household appliances, equipment and machinery														
١	Egyptian Co "Sitalt Pacific"	Available for sale	2,39%	69730	69730	EGP	166456	EGP 10	1665	1595	0	Cairo	1986	stopped
٢	Energy Co, for Electronic and lighting	Subsidiary	28,64%	122188	122187	EGP	350000	EGP 100	35000	35000	0	Cairo	2015	Under Liquidation
Total				191918	191917	EGP			36665	36595	0			
Wholesale and retail trade sector														
١	" Ibn Sina "Pharma	Available for sale	13,99%	252000	252000	EGP	140981127	EGP0,25	35245	986868	986868	Cairo	2002	large
Total				252000	252000	EGP			35245	986868	986868			
Transportation, storage, communications and information sector														
١	Technology Development Fund Co	Available for sale	11,54%	130000	130000	EGP	1500000	EGP 10	15000	15000	15000	Giza	2005	small
٢	Al Ahly Computer Equipment Co	Available for sale	10,00%	5000	5000	EGP	5000	EGP 100	500	810	810	Giza	1998	Medium
٣	The Egyptian Credit Bureau "I-Score"	Available for sale	3,57%	600000	600000	EGP	5357148	EGP 4	21429	166322	166322	Cairo	2008	large
٤	Misr for Central Clearing	Available for sale	0,43%	1447748	1447748	EGP	61533	EGP 100	6153	702	702	Cairo	1996	large
Total				2182748	2182748	EGP			43082	182833	182833			
Other sectors														
١	Sudanese Islamic Bank	Available for sale	0,68%	1101319	1101319	SDP	57570936	SDP 0,13	633	7872	0	Sudan	1983	
٢	Faisal Islamic Bank of Sudan	Available for sale	2,50%	5000000	5000000	SDP	125108418	SDP 1,00	10574	62598	0	Sudan	1978	
٣	Export Development Bank –Sudan	Available for sale	0,02%	110356	110356	SDP	185696	SDP 0,10	2	410	0	Sudan	1984	
Total				6211674	6211674	SDP			11208	70880	0			

Attachment (2)

Branches

Head office & Cairo branch & Giza

Cairo branch

Address: 3, 26th July St., Cairo, Egypt
Tel.: (02) 27868723 – 27868724 - 27868939
Fax: (02) 27866744
Postal Code: 11531
P,O,Box: 2446 cairo
Postal Address: Faisal Bank
SWIFT Code: FIEG EG CX
Website: <https://www.faisalbank.com.eg>
E-Mail: cairo@faisalbank.com.eg

Giza branch

Address: 149 El-Tahrir St.. Galaa Square. Dokki. Giza
Tel.: (02) 37621285 / 6 / 7 / 9
Fax: (02) 37621281
Telex: 93878 – 20952 F.BANK.UN
Postal Address: Faisal Bank – Cairo.
P.O.Box: 283 cairo
Postal Code: 12311
E-Mail: giza@faisalbank.com.eg

Greater Cairo

Al-Azhar branch

Address: 106 Gohar Alkaed St.. Al-Azhar District. Cairo
Tel.: (02) 25911280 - 25934263 – 25916341
Fax: (02) 27869538
Postal Code: 11111
P.O.Box: 20
E-Mail: azhar@faisalbank.com.eg

Ghamra branch

Address: 14 A El Sabaa St. Al Zaher District. Cairo
Tel.: (02) 25904756 - 25904794 - 27878620
Fax: (02) 25904828
Postal Code: 11271
P.O.Box: 8
E-Mail: ghamra@faisalbank.com.eg

Heliopolis branch

Address: 4 athary mohamed Bin Nafee. Heliopolis. Cairo
Tel.: (02) 256206 - 22561207
Fax: (02) 22561324
P.O.Box: 5962 West Heliopolis
E-Mail: helio@faisalbank.com.eg
Postal Code: 11757

Dokki branch

Address: 17 El Falouga St.. Agouza District. Giza
Tel.: (02) 33027513 - 33040417 - 33445909
Fax: (02) 33465823
P.O Box : 57
Postal Code: 12411 Agouza
E-Mail: dokki@faisalbank.com.eg

Nasr City branch

Address: 15 Ahmed Qassem Gouda St.. From Abbas El Akkad St. Nasr City. Cairo
Tel.: (02) 24023946 - 24029472 – 24029548
Fax: (02) 24023936
Postal Code: 11371
P.O.Box: 8202
E-Mail: nasrcity@faisalbank.com.eg

El Sayeda Zeinab branch

Address: 38 Abdel Magid El Labban St.. El Sayeda Zeinab. Cairo
Tel.: (02) 23611008 - 23637139
Postal Code: 11521
E-Mail: saydah@faisalbank.com.eg
Fax: (02) 25322682
P.O.Box: 5 El Dawaween

Zizinia branch

Address: In front of The American University in Cairo (AUC) Gate 4. Zizinia. 5th Settlement. New Cairo
Tel.: (02) 26083777 - 26083900
Postal Code: 11835
E-mail: zizinia@faisalbank.com.eg
Fax: (02) 26083700
P.O.Box: 184 5th Settlement

6th of October branch

Address: 38. 39 Central Axis. Beside Administrative Prosecution Building . 6th of October City. Giza
Tel.: (02) 38245017 – 38245256 – 38245259
Postal Code: 12596
E-Mail: october@faisalbank.com.eg
Fax: (02) 38245433
P.O.Box: 28 3rd District

El-Obour branch

Address: A.C Milan Club wall. units (8. 9). Golf City. El Obour City
Tel.: (02) 44828404 - 44828406
Fax: (02) 44828268
E-mail: obour@faisalbank.com.eg
Postal Code: 18111

Othman Ibn Affan branch

Address: 82 ST Othman Ibn Affan. Heliopolis. Cairo
Tel.: (02) 27764496 – 27764495 - 2776497
E-mail: othmanbinaffan@faisalbank.com.eg

El Haram branch

Address: 230 El Haram St.. Zizinia Mall Building. El haram. Giza
Tel.: (02) 37808936 - 37808938 - 37808944 - 37808947
Fax: (02) 37808933
Postal Code: 12111
E-mail: haram@faisalbank.com.eg

Shoubra branch

Address: 51 Shoubra St Safwa tower. Cairo
Tel.: (02) 27737074 / 5 / 6
Postal Code: 12111
E-mail: shubra@faisalbank.com.eg
Fax: (02) 25798111
P.O.Box: 283

Madinaty branch

Address: Unit 111. First Floor. building of companies and banks. Administrative buildings area (First Phase). Madinaty. New Cairo.
Tel.: (02)- 2110990 – 2110992 – 21109904
Fax: (02) 21109905
E-mail: madinaty@faisalbank.com.eg

Maadi branch

Address: 62 Corniche El-Maadi St.. Building of Bayt El Khebra Group. Beside Embassy of Japan. Maadi. Cairo.
Tel.: (02) 2565053 - 2565054 - 25265035
Fax: (02) 2563063
E-mail: maadi@faisalbank.com.eg

Al Mokattam branch

Address: 82 Rd. 9. Plot (D). Al-Mokattam district. Cairo.
Tel.: (02) 28469152 - 28469153 – 28469154
Fax: (02) 28469155
E-mail: mokatam@faisalbank.com.eg

Al- Rehab branch

Address: Plot G40. Eastern Market. Banks Area. Al-rehab city. Cairo
Tel.: (02) 26920117 – 26820349 – 26920840
Fax: (02) 26920138
E-mail: Rehab@faisalbank.com.eg

Zayed branch

Address: Unit no. (K3) at Strip Mall Project. the Sodic Beverly Hills. El-Sheikh Zayed City. Giza.
Tel.: (02) 38863476 / 38863477
Fax: (02) 38863473
E-mail: zayed@faisalbank.com.eg

Alexandria & Upper Egypt Region

Alexandria branch

Address: 7 Victor Bassily St.. El-azarita district. Alexandria Governorate.
Tel.: (03) 5466239 - 5466238
Postal Code: 21131
E-Mail: alex@faisalbank.com.eg
Fax: (03) 5466260
P.O.Box: 1215

Mustafa Kamel branch

Address: 392. 394 El Ashraf Towers. Intersection of El Horiya Rd. with Ahmed Shawky St.. Mustafa Kamel. Alexandria
Tel.: (03) 5466039 – 5426848 – 5465278 - 5465426
Fax: (03) 5466075
P.O.Box: 181 Sidi Gaber
E-Mail: alex2@faisalbank.com.eg
Postal Code: 21311

El Montazah branch

Address: 698 (A) El Geish Road. Intersection of Atlas St. with Miami. El-Montazah Police Station. Alexandria

Tel.: (03) 5522125 / 6 / 7

Fax: (03) 5522105

P.O.Box: 230 El Saraya Post office

Postal Code: 31411

E-Mail: montazah@faisalbank.com.eg

El Agamy branch

Address: Commercial Center St.. Agamy Star Mall. Gate 8. Alexandria-Matrouh Rd. El Agmay's Traffic station. El Agamy district. Alexandria

Tel.: (03) 4318739 / 40 / 41 - 4318742

Fax: (03) 4318734

Postal Code: 21221 Hanoville

E-Mail: agamy@faisalbank.com.eg

El Mansoura branch

Address: 1 El Geish St.. Toril district. El Mansoura. El-Dakahlia Governorate

Tel.: (050) 2319965 – 2318792 -

Fax: (050) 2315635

Postal Code: 35111

E-Mail: mansoura@faisalbank.com.eg

New Damietta branch

Address: Plot 85. Central Zone. New Damietta City. Damietta Governorate

Tel.: (057) 2410201 – 2410202

Postal Code: 35417

Fax: (057) 2410203

E-Mail: domiat@faisalbank.com.eg

El Mahala AlKobra branch

Address: El Geish St.. El Awqaf building. El Mahalla El Kobra. El Gharbeya

Tel.: (040) 2237708 - 2231708 - 2239274

Fax: (040) 2246817

Postal Code: 31911

P.O.Box: 244

E-Mail: mehalla@faisalbank.com.eg

El Zagazig branch

Address: El Akkadin building. El Montazah Square. El Zagazig. El Sharkeya Governorate

Tel.: (055) 2308506 – 2308507

Fax: (055) 2314628

Postal Code: 44511

P.O.Box: 435

E-Mail: zagazig@faisalbank.com.eg

Damanhour branch

Address: El Sheikh Mohammed Abdel Karim St.. Damanhour. El Beheira Governorate

Tel.: (045) 3311888 - 3310099 - 3311199

Fax: (045) 3314000

Postal Code: 22511

P.O.Box: 22111

E-Mail: damanhour@faisalbank.com.eg

Tanta branch

Address: 2 Mohamed Said Pasha St.. on the corner of El Galaa St.. El Gomhoureya Sq..
Tanta. El Gharbeya Governorate
Tel.: (040) 3287982 - 3287983 - 3287981
Fax: (040) 3287986
P.O.Box: 393
E-Mail: tanta@faisalbank.com.eg

Postal Code: 31111

Banha branch

Address: El Bahr St.. El Tatbiqeyeen Syndicate building. Banha. El Qalubiya Governorate
Tel.: (013) 3267249 – 3257861
Fax: (013) 3254702
E-Mail: banha@faisalbank.com.eg

Postal Code: 13511

Shebin El-Kom branch

Address: Gamal Abdel Nasser St.. in front of El Gomhoureya Club. Shebin Elkoum City. El Monofeya Governorate
Tel.: (048) 2223622 - 2225050 – 2223092 - 2233100
E-Mail: shebinellkom@faisalbank.com.eg

Canal Region

Suez branch

Address: 3 EL-Galaa St.. Suez
Tel.: (062) 3472731 - 3472746
Postal Code: 43111
E-mail: suez@faisalbank.com.eg

Fax: (062) 3472778
P.O.Box: 79

Ismailia branch

Address: 17 intersection of Orabi St. with El Geish St.. El Afrangy district. next to Suez Canal villa. Ismailia Governorate
Tel.: (064) 3915035 - 3915034 - 3915028 - 3915029
Fax: (064) 3915019
P.O.Box: 10
E-mail: ismailia@faisalbank.com.eg

Postal Code: 41511

Port Said branch

Address: ١٧ Tarh El Bahr St.. Garden city tower. beside the state security apparatus. Port Said Governorate
Tel.: (066) 3222756 - 3222757
Fax: (066) 3222817
P.O.Box: 15 El Amin & El Rous
E-mail: portsaid@faisalbank.com.eg

P.O.Box: 15 El Amin & El Rous
Postal Code: 42515

Tenth of Ramadan branch

Address: Building 4. 1st District. in front of Educational Administration. 10th of Ramadan
Tel.: (015) 373318 - 373319 - 373324
Fax: (015) 373066
P.O.Box: 225
E-Mail: tenthramadan@faisalbank.com.eg

Postal Code: 44637

Lower Egypt Region

El Fayoum branch

Address: 30 (repeated) Saad Zaghloul St.. next to Governmental Authorities Complex.

El Fayoum City. El Fayoum Governorate

Tel.: (084) 2174380 / 81 / 82 / 85

Fax: (084) 2174387

E-mail: fayoum@faisalbank.com.eg

El Menia branch

Address: 244 El Horiya St.. Courniche Al Nil. Awkaf building. El Menia

Tel.: (086) 2319851 / 2 / 3 / 4

Fax: (086) 2319863

Postal Code: 61512 **P.O.Box:** 24

E-mail: menia@faisalbank.com.eg

Sohag branch

Address: Baga St.. El Tatbiqeyeen Syndicate building. Sohag

Tel.: (093) 2100432

Fax: (093) 2100439

Postal Code: 82111

P.O.Box: 16

SWIFT Code: FIEG EG CX XXX

E-Mail: sohag@faisalbank.com.eg

Assiut branch

Address: Extension of Yousry Ragheb St.. Assiut

Tel.: (088) 2343312 - 2343313

Fax: (088) 2333739

Postal Code: 71511

P.O.Box: 112

E-Mail: assiut@faisalbank.com.eg

Aswan branch

Address: 74 Abtaal El-tahrir St.. From Abou Simbel St.. Awkaf Building. Aswan

Tel.: (097) 2440181 - 2306578

Fax: (097) 2440542

Postal Code: 81511

P.O.Box: 150

E-Mail: aswan@faisalbank.com.eg

Qena branch

Address: El Tatbiqeyeen Syndicate building. Extension of Luxor St. El Omal City. Qena

Tel.: (096) 5349315 / 6 / 7 / 8

Fax: (096) 5349314

Postal Code: 83111

P.O.Box: 22 Qena Main Post Office

E-Mail: qena@faisalbank.com.eg

Beni Suef branch

Address: Address: Zahret El Nil Tower. intersection of Corniche El Nil St. with Alrwda St.. Beni Suef city

Tel.: (082) 2160027 / 28 / 34

Fax: (082) 2160053

E-Mail: Banisuef@faisalbank.com.eg

Branches to be opened soon

The New Administrative Capital – Kafr El-Sheikh — Mit Ghamr

Bank Correspondents

Currency	Bank Name	Account Number	IBAN	WIFT / BIC Code
USD	The Bank of New York Mellon, New York	803-3388-676		IRVT US 3N
EUR	UniCredit Bank Austria , Vienna UniCredit Spa, Milan CaixaBank , S,A		AT 22 1200 0127 1714 6801 IT38 U020 0832 9780 0000 8334 200 ES9721000566550900090685	BKAU AT WW UNCR IT MM CAIXESBBXXX
GBP	The Bank of New York Mellon, New York London		GB141RVT70022596470360	IRTV GB 2X
SAR	Riyad Bank, Riyadh	9250307849940	SA8920000009250307849940	RIBL SA RI

Hot Line 19851

Head Office and Main Departments

Contact	E-mail
Internal Audit	Mails@faisalbank.com.eg
Compliance & Governance	Compliance@faisalbank.com.eg
Information Systems	Infosys@faisalbank.com.eg
Human Resources	careers@faisalbank.com.eg
.Training Dept	Training@faisalbank.com.eg
Administrative Affairs	Admindept@faisalbank.com.eg
Foreign Relations	Foreigndept@faisalbank.com.eg
Remittances and Forex	Forex@faisalbank.com.eg
Retail Banking	Retail@faisalbank.com.eg
Real Estate	Realestate@faisalbank.com.eg
SME's	Sme@faisalbank.com.eg
Correspondents Accounts	corres@faisalbank.com.eg
Card Center	Card-center@faisalbank.com.eg
Local Investment	LocalInv@faisalbank.com.eg
Corporate Communication	Publicrelat@faisalbank.com.eg
Risk Management	Risk@faisalbank.com.eg
Financial Dept.	financedept@faisalbank.com.eg
Customer Service	Customer.care@Faisalbank.com.eg
Customers' Rights Protection	cr.Protection@faisalbank.com.eg
.Financial inclusion Dept	Financial.inclusion@faisalbank.com.eg
.Sustainability Dept	Sustainability@faisalbank.cim.eg

 : <https://www.facebook.com/FaisalIslamicBank/>
 : <https://www.instagram.com/fibegypt/>
 : <https://www.linkedin.com/company/faisal-islamic-bank-hr/>

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