

بنك القاهرة
Banque du Caire



PREPARING FOR THE NEXT CHAPTER

2025

ANNUAL REPORT



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2025
ANNUAL REPORT

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Bank Overview

01

At a Glance

Banque du Caire was established in 1952 as one of Egypt’s leading state-owned banks. Over more than seven decades, the Bank has steadily expanded its operations, building a strong legacy of achievements and earning numerous prestigious awards. Today, Banque du Caire stands among the country’s largest commercial banks, playing a key role in supporting the development of Egypt’s financial sector and contributing to the nation’s economic growth.

The Bank provides a comprehensive range of banking and financial products and services tailored to meet the evolving needs of retail and microfinance clients, small and medium-sized enterprises (SMEs), as well as large corporates. Through its diversified offerings and customer-focused approach, Banque du Caire has strengthened its position within the Egyptian banking sector, ranking sixth among Egyptian banks in terms of total assets while serving a broad and growing customer base exceeding 3.2 million.

Banque du Caire benefits from a wide geographic footprint through its extensive network of 233 branches, with an

additional nine opening soon, and 2,074 ATMs covering all governorates across Egypt. With operations spanning 27 governorates, the Bank operates one of the largest banking networks in the country. Notably, the majority of its branches are located outside Cairo, enabling the Bank to serve a broad segment of customers nationwide and ensuring convenient access to its banking services. This strong regional presence supports BdC’s commitment to financial inclusion and its long-standing relationships with customers across Egypt.

The Bank maintains investments in a number of businesses, with 99.9% ownership of Cairo Exchange Company and Taly, and a 97.9% stake in Cairo Lending Company. Beyond its domestic operations, BdC also maintains a presence outside the Egyptian market through a representative office in the United Arab Emirates and its subsidiary, Cairo Bank – Uganda, in which its stake is 99.9%. This international presence enhances the Bank’s footprint and strengthens its ability to support clients engaged in international trade and cross-border business activities.

Market share as per the CBE’s disclosure of banking sector financials in December 2025.
Ranking as per banks’ disclosed financials in December 2025.

Market Heavyweight

*As per consolidated figures

TOTAL ASSETS*	NET PROFIT*	MARKET SHARE	RETAIL LOANS
EGP 540 BN #6 in Egypt	EGP 16.1 BN 31%+ Y-O-Y	2.2%	Ranked 3rd in Egypt

Solid Foundations

EMPLOYEES	ATMS	CLIENTS	BRANCHES
 8,318 23% Women	 2,074	 3.2 MN	 233 #3 in Egypt (9 opening soon)

Inclusive Banking

MICROFINANCE	SME LENDING	INVESTMENTS
 EGP 9.4 BN	 EGP 23.0 BN	 EGP 4.7 BN



AWARDS

 BEST GLOBAL TRANSACTION BANKING – EGYPT 2025 International Finance	 ATHAR” AWARD FOR BEST PRACTICES IN SUSTAINABILITY AND CSR Egypt CSR Forum
 BEST SYNDICATED LOAN IN AFRICA EMEA Finance	 BEST BANK IN SOCIAL RESPONSIBILITY – EGYPT 2025 Global Business and Finance Magazine
 BEST STRUCTURED FINANCE DEAL IN NORTH AFRICA EMEA Finance	 BEST FINANCIAL INSTITUTIONS DEAL – EGYPT Euromoney, Awards for Excellence, Transaction Banking Awards
 BEST STRUCTURED FINANCE DEAL IN AFRICA EMEA Finance	 MOST SUSTAINABLE BANK IN EGYPT 2025 World Economic Magazine
 BEST LOCAL CURRENCY LOAN IN NORTH AFRICA EMEA Finance	 BEST FOREIGN EXCHANGE BANK IN EGYPT 2025 World Economic Magazine
 BEST SUSTAINABLE FINANCE DEAL EMEA Finance	 OUTSTANDING SUSTAINABILITY AND ENVIRONMENTAL IMPACT AWARD – EGYPT 2025 The Global Excellence Chronicle Magazine 2025
 BEST TRANSPORT FINANCE DEAL IN AFRICA (MARITIME SECTOR) EMEA Finance	 ISO 37000 CERTIFICATION IN THE FIELD OF CORPORATE GOVERNANCE
 BEST GOVERNMENT-GUARANTEED SYNDICATED LOAN IN AFRICA EMEA Finance	 ISO 22301 CERTIFICATION FOR BUSINESS CONTINUITY MANAGEMENT SYSTEM
 FASTEST GROWING BANK IN CREDIT IN EGYPT – 2024 Global Banking & Finance Review	 PCI DSS V4.0.1 CERTIFICATION FOR COMPLIANCE WITH INTERNATIONAL INFORMATION SECURITY
 FASTEST GROWING BANK IN TREASURY MANAGEMENT – EGYPT 2025 Global Business Outlook	 ISO 9001:2015 FOR QUALITY MANAGEMENT SYSTEM
 BEST FOREIGN EXCHANGE SERVICES BANK – EGYPT 2025 International Finance	 BANQUE DU CAIRE RANKED AMONG THE TOP 10 STRONGEST BRANDS IN EGYPT FOR 2025 Brand Finance
 BEST CORPORATE BANKING DIVISION OF THE YEAR World Economic Magazine	



Business Model

Banque du Caire operates within a robust operational and financial framework, characterized by a resilient balance sheet, varied lines of business, an unwavering dedication to its clientele, innovation, and continuous growth. During 2025, BdC utilized these core capabilities to steer through macroeconomic challenges, safeguard staff welfare, provide top-tier services to clients, and assure shareholders of consistent profitable yields spanning its multifaceted business lines, service portfolios, and product ranges.

OUR STRENGTHS AND CAPABILITIES



Robust Balance Sheet:

The Bank's lasting resilience amid economic headwinds is mirrored in its solid financial standing, which reinforces trust in its strategic trajectory.



Outstanding Talent:

Our workforce possesses exceptional skills and undergoes regular and consistent training. They are deeply connected to the Bank's core ethos, fueling operational efficiency and long-term expansion.



Multi-Faceted Business Model:

Banque du Caire offers a broad spectrum of tailored financial products and banking services to both retail and institutional clients, constantly adjusting to satisfy shifting market requirements.



Customer Centricity:

Leveraging its profound history of experience alongside a strong digital foundation, the Bank excels in delivering seamless, customer-focused solutions.



Accelerating Economic Growth:

Our institutional banking expertise allows us to back and foster expansion in vital sectors that drive national economic advancement.



Adaptability:

Banque du Caire is highly adaptable to the ever-evolving financial landscape, particularly in the face of growing demand for green and sustainable financing options.



Sustainability:

Banque du Caire continues to build on its legacy as a pioneer in sustainability, specifically sustainable finance, aligning with BdC's strategic emphasis on financial profitability while protecting the welfare of the communities where we operate.

OUR STAKEHOLDER IMPACT



Our Customers

We place customers first and strive for excellence in service delivery.



Our People

We create a culture of empowerment and innovation, fostering employee development and well-being.



Our Shareholders

Our dedication to sustainable returns is key to maintaining shareholder trust in the face of economic changes.



Our Partners

We establish diverse and sustainable partnerships and enrich the national financial ecosystem.



Our Communities

Our approach involves active participation in initiatives that promote positive change within the communities we serve.

OUR ADDED VALUE

Institutional Banking

Our central offerings entail an array of capital financing products, services, and structured solutions for corporations and SMEs across various sectors.

Retail Banking

Our main services enable individuals and micro consumers through banking products and tailored digital services, catering to diverse needs and risk profiles.

Investments

Our core activities allow us to establish and nurture ventures that enhance the financial services landscape and value creation.

Representative Offices

Our Bank's representative office in the UAE aims to support BdC's regional presence by enhancing business development opportunities while maintaining existing relationships with business partners in the UAE and across the GCC.

OUR KEY BUSINESS SUBSIDIARIES





Strategic Report

Our Strategy

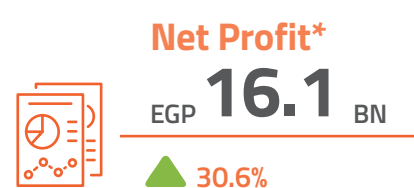
SUSTAINED PROFITABILITY AND LEADERSHIP

Banque du Caire continues to build on its long-standing role as a central pillar of Egypt's banking sector, marking more than seven decades of commitment to financial inclusion, economic resilience, and nationwide accessibility. As the Bank transitions into the execution phase of its 2025–2029 strategy, the overarching strategic ambition is clear: to generate sustainable shareholder value, and maintain its leadership position, with a particular focus on markets beyond Cairo. This is fundamentally a deposit-led strategy, aiming to convert strategic vision into measurable operational impact anchored by disciplined growth, strong risk governance, and a deeply rooted funding advantage.

Building on the successful turnaround achieved during the 2022–2024 plan, Banque du Caire entered 2025 with a strengthened balance sheet, more efficient operating model, and differentiated geographic footprint. These foundations underpin the Bank's momentum as it advances toward becoming Egypt's leading deposit driven institution, with a business model centered on low-cost funding, profitable deployment of assets under prudent risk-weighted assets management, and strong customer engagement across the country.



*As per consolidated figures

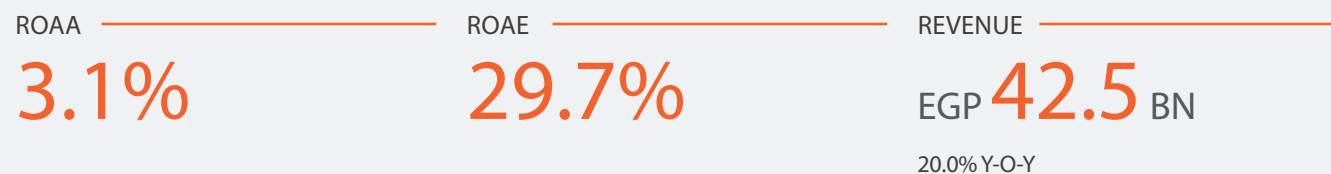


UNIFIED DIRECTION, STRONGER RESULTS

*As per consolidated figures

Banque du Caire’s strategic philosophy remains grounded in disciplined execution, rigorous performance monitoring, and agility in responding to market conditions. This approach continues to translate into strong financial and operational results, during a new macroeconomic cycle.

Banque du Caire remains firmly on track with its strategic roadmap, continuing to outperform the market in its core structural strengths: funding and profitability. In 2025, total deposits grew **14% y-o-y**, driven entirely by growth in low-cost Current and Savings Accounts (CASA), which expanded **32% y-o-y**. This lifted the CASA ratio to **51%**, reinforcing the Bank’s position as one of Egypt’s strongest deposit franchises.



Net interest margin (NIM) strengthened by **0.3% y-o-y** to **7.6%**, improving resilience ahead of anticipated margin compression as policy rates normalize. The Bank’s geographic advantage, anchored in a network where more than half of branches are located outside major cities, continued to unlock significant value. Deposits outside Cairo grew **21.5%**, lifting regional penetration to **55.27%** and underscoring Banque du Caire’s deep local presence.

Net profit increased **30.6% y-o-y**, supported by disciplined pricing, controlled cost structures in key areas, and the continued shift toward a CASA-driven funding mix.

ADVANCING THE SIX PILLARS OF THE STRATEGY

In 2025, the Bank advanced the six pillars that define Banque du Caire’s strategy

Optimize Balance Sheet Structure and Capital Efficiency

BdC continues to enhance profitability through disciplined balance sheet management and efficient capital allocation. By maintaining a balanced mix of assets and liabilities, BdC ensures strong risk-adjusted returns while preserving regulatory capital adequacy. Key initiatives include strengthening the funding mix through growth in low-cost, stable deposits and optimizing capital deployment toward higher-yielding and priority growth segments. In parallel, BdC is expanding foreign currency lending and improving the FCY loan-to-deposit ratio. These actions support BdC’s ambition to become the preferred banking partner outside Greater Cairo while generating sustainable and resilient returns.

Deepen Cross-Sell and Ecosystem Monetization

BdC aims to unlock greater value from its existing customer base, particularly across non-borrowing clients and markets outside Cairo. By strengthening ecosystem monetization through integrated lending, deposits, fee-based services, digital banking solutions, advanced gateway and corporate portal that simplify business payments and services. This allows BdC to increase value per customer, deepen engagement, diversify revenue streams and build stronger long-term relationships across its client franchise. Additionally, digital ecosystem increases scalability, enhances security, and positions the bank as a modern, customer-centric institution.

Grow the Customer Franchise

BdC is focused on expanding its customer base through a combination of branch network optimization, enhanced digital channels, and seamless customer experiences. By delivering convenient and customer-centric financial services, BdC seeks to strengthen its position in targeted segments and reinforce long-term loyalty. Continuous development of tailored financial solutions ensures that BdC remains responsive to evolving customer needs while supporting sustainable franchise growth.

Drive Inclusive and Sustainable Growth

Sustainability and financial inclusion remain key pillars of BdC’s long-term strategy. The Bank is expanding its role in renewable energy financing, green lending, and sustainable investment solutions to support positive environmental and social impact. Through strong partnerships with global development finance institutions, BdC continues to advance financial inclusion across underserved segments and accelerate digital adoption, ensuring growth remains both inclusive and sustainable while contributing to the broader Egyptian economy.

Deliver Long-Term Value for Shareholders

BdC remains focused on generating sustainable shareholder value through a well-capitalized and efficiently managed balance sheet. By prioritizing return on equity, prudent resource deployment, and a strong risk culture, BdC ensures that growth is balanced with financial stability. Consistent dividend policies and disciplined capital allocation further reinforce BdC’s commitment to delivering reliable long-term returns for shareholders.

Foster a High-Performance, Value-Driven Culture

BdC is committed to cultivating a skilled, engaged, and empowered workforce supported by strong operational frameworks and governance. By embedding profitability-focused KPIs, promoting continuous talent development, and encouraging data-driven decision-making, BdC strengthens a culture of efficiency, agility, and prudent risk management. This high-performance environment underpins sustainable operational excellence and long-term institutional success.



Chairman's Note



AS THE BANK MOVES FORWARD WITH THE IMPLEMENTATION OF ITS 2025–2029 STRATEGY, THE BOARD OF DIRECTORS REMAINS FIRMLY COMMITTED TO SAFEGUARDING BANQUE DU CAIRE'S LONG-TERM VISION, STRATEGIC DIRECTION, STANDARDS OF GOVERNANCE, AND TRANSPARENCY.

DEAR SHAREHOLDERS,

It is a privilege to present my annual statement as Chairman of Banque du Caire at a time when the Bank continues to build on its long-standing role as a cornerstone of Egypt's banking sector. With more than seven decades of service, Banque du Caire remains an institution of national importance, recognized by its broad geographic reach, resilient funding base, and enduring commitment to serving communities across the country.

As the Bank moves forward with the implementation of its 2025–2029 strategy, the Board of Directors remains firmly committed to safeguarding Banque du Caire's long-term vision, strategic direction, standards of governance, and transparency.

2025 was a year marked by global geopolitical uncertainty, international economic volatility, and a challenging domestic economic environment. In response, the Board exercised active oversight to ensure that Banque du Caire remained firmly anchored in its core values of integrity and service, underpinned by disciplined governance and a prudent approach to risk.

It is important to note the efforts of our executive management and employees in delivering solid financial performance during the year, reflected by a 31% year-on-year increase in net profit. This achievement demonstrates the effective execution of Board-approved strategic priorities and reinforces confidence in the Bank's leadership and operational teams.

In this regard, the Board remains attentive to the execution of the Bank's strategy, ensuring that growth is pursued prudently and in line with the Bank's risk appetite. Banque du Caire's broad branch network, with a strong presence in many areas in and outside Cairo, continues to support stable funding, deepen customer relationships, and reinforce the Bank's role in serving local businesses across Egypt.

Looking ahead, the Board is confident in Banque du Caire's strategic direction and execution capabilities, anchored by a strong deposit-led model and a wide national footprint that will deliver sustainable growth and long-term value for shareholders while continuing to reinforce its role as an integral pillar of Egypt's banking sector.

In closing, I wish to thank our Board Members for their commitment and contribution, as well as extend our recognition and appreciation to our shareholders, clients, and partners for the trust they continue to place in Banque du Caire. I also would like to sincerely thank all our employees, whose dedication and efforts remain central to the Bank's long-term success.

MR. MOHAMED OZALP
Non-Executive Chairman
Banque du Caire

CEO's Note



WITH MORE THAN SEVEN DECADES OF SERVICE, BANQUE DU CAIRE REMAINS AN INSTITUTION OF NATIONAL IMPORTANCE.

DEAR SHAREHOLDERS,

It is a privilege to share Banque du Caire's progress in 2025. This past year, we moved from planning to performance, delivering a more resilient bank. The transformation journey we started in 2020 has become a high-performance reality. Despite a shifting interest rate environment, the Bank has maintained a stable return on equity, demonstrating the strength of our diversified balance sheet and our ability to deliver consistent value.

Our competitive edge lies in our unparalleled nationwide footprint, with our strongest advantage rooted in our deep presence across Egypt's governorates. With more than 230 branches, we are uniquely positioned to capture growth in underpenetrated, high-potential markets.

In corporate banking, a comprehensive strategic review sharpened our focus on low-cost local currency deposits, sustainable asset returns, cross-selling across our product

range, and growth in fee income; we entered a sector we had not served before, tourism, and the division was named Best Corporate Banking Division of the Year by World Economic Magazine.

Alongside our largest clients, we are expanding our presence in the mid-cap segment, focusing on businesses that are integrated into the broader national industrial network.

Support for small and medium enterprises sits at the heart of our institutional strategy and of Egypt's Vision 2030; we serve them through specialized business centers, relationship managers, and advisory hubs in underpenetrated regions, with our Engaz Online Portal streamlining digital onboarding and approvals.

Retail remains a cornerstone of our lending franchise, built on a customer-first philosophy and market segmentation, serving high-net-worth individuals with personal loans, auto loans, mortgages, and small business financing, while disciplined risk management, advanced credit assessment, and efficient recovery upheld strong loan quality through the year.

We also continue to leverage our cost-of-funds advantage to lead in the microfinance space. Our loan-to-deposit ratio remains among the highest in the industry and is a testament to our core mission of supporting the economy.

We remain focused on profitability over market share, prioritizing high-yield sectors and disciplined risk management.

To continue delivering long-term value, we are improving our cost structures and technical infrastructure. We moved to a next-generation core banking system that will substantially enhance our digital capabilities. Digital tools will increase efficiency for existing clients, while our physical branches remain a primary tool for gaining new clients.

The Bank maintains an extremely strong balance sheet characterized by high liquidity and prudent provisioning. Our capital adequacy ratio has risen to 22.06%, significantly exceeding regulatory requirements. This capital strength enables us to continue to reward shareholders with dividends, while retaining sufficient resources to support future growth.

Asset quality remains a core strength. We maintained a robust non-performing loan coverage of 183% and a healthy 5% buffer on our performing portfolio. These metrics ensure that Banque du Caire remains resilient against potential headwinds.

Beyond the balance sheet, our people remain our most vital asset. We are training and empowering them to lead our next phase of growth. By focusing on this natural evolution of our workforce, we are creating a more efficient and responsive institution that is ready to serve the next generation of clients.

As we look toward 2026, I am confident that our revitalized strategy, both ambitious and grounded, will serve us well. I want to thank our Board of Directors, our shareholders, and our clients for their continued trust. Together, we are shaping a more dynamic and inclusive financial future for Egypt.

HUSSEIN ABAZA

2025 Financial Highlights

Banque du Caire continued to press ahead with its diversification strategy in 2025. This focus allowed the Bank to solidify its standing as a leader in the Egyptian banking sector and deliver strong results for the year, despite a complex global economic environment and regional challenges.

The success of this strategy is evident in the Bank’s 20% expansion in operating income, which reached EGP 42.5 billion in 2025, supported by effective balance sheet management and successful portfolio growth. BdC’s gross loan portfolio grew to EGP 258.3 billion, a 13% increase from EGP 228.5 billion in 2024.

Net profit for the year grew to EGP 16.1 billion, representing a 31% increase compared to 2024. Total assets reached EGP 540.4 billion, up 10% from EGP 489.4 billion the previous year. This growth was

supported by a 14% increase in customer deposits, which reached EGP 404.5 billion. Notably, individual retail deposits accounted for 60% of this total, with corporate deposits making up the remaining 40%.

The Bank’s commitment to low-cost funding saw Current and Savings Accounts (CASA) grow 32% to reach EGP 208 billion. Total equity also rose significantly, standing at EGP 62.6 billion in 2025, a 37% increase over 2024.

Banque du Caire maintained a healthy capital adequacy ratio of 22.1%, up from 17.1% in 2024, remaining comfortably above regulatory requirements. The Bank delivered a return on average assets (ROAA) of 3.1% and a return on average equity (ROAE) of 29.7%.

Income Statement

	Consolidated			
	2025	2024	Y-o-Y Change	
	EGP Mn	EGP Mn	EGP Mn	%
Net Interest Income	34,972	28,729	6,243	22%
Net Non-Interest Income	7,569	6,727	842	13%
Operating Income (Total Revenues)	42,541	35,456	7,085	20%
Other Operating revenues (Expenses)	937	(2,166)	3,103	(143%)
Administrative Expense	(14,560)	(11,677)	(2,883)	25%
Expected Credit Loss	(5,602)	(3,684)	(1,918)	52%
Profit Before Tax	23,316	17,929	5,387	30%
Income Tax Expense	(7,246)	(5,629)	(1,617)	29%
Net Profit After Tax	16,070	12,300	3,770	31%
Holding Company	16,066	12,298	3,768	31%
NCI	4	2	2	100%
Net Profit After Tax	16,070	12,300	3,770	31%

Financial Position

	Consolidated			
	2025	2024	Y-o-Y Change	
	EGP Mn	EGP Mn	EGP Mn	%
Cash & Balances with CBE	35,152	29,109	6,043	21%
Due from Banks	93,413	141,682	(48,269)	(34%)
Net Loans and Advances to Customers & Banks	240,719	212,611	28,108	13%
Financial Investments	144,510	85,107	59,403	70%
Investments in Subsidiaries & Associates	1,649	904	745	82%
Other Assets	24,939	19,957	4,982	25%
Total Assets	540,382	489,370	51,012	10%
Due to Banks	2,508	8,025	(5,517)	(69%)
Customer's Deposits	404,538	354,747	49,791	14%
Other Loans	46,275	59,711	(13,436)	(23%)
Other Liabilities	24,450	21,203	3,247	15%
Total Liabilities	477,771	443,686	34,085	8%
Shareholders' Equity	62,596	45,671	16,925	37%
NCI	15	13	2	15%
Total Liabilities & Shareholders' Equity	540,382	489,370	51,012	10%

Financial Indicators

	2025	2024	Y-o-Y Change
Profitability			
ROAE	29.7%	31.2%	(1.5%)
ROAA	3.1%	2.7%	0.4%
Margins			
Net Interest Margin (NIM)	7.6%	7.2%	0.4%
Efficiency			
Cost-to-Income	34.2%	32.9%	1.3%
Liquidity			
Gross Loans to Deposits	63.8%	64.4%	(0.6%)
Net Loans to Deposits	59.5%	59.9%	(0.4%)
Asset Quality			
NPLs-to-Gross Loans	3.7%	4.6%	(0.9%)
Capital Adequacy Ratio	22.1%	17.1%	5.0%

Four-Year Progression

Four-Year Progression Charts "All amounts EGP Mn"	2025	2024	2023	2022
Operating Income (Total Revenues)	42,541	35,456	22,726	15,990
Net Profit	16,070	12,300	6,617	3,053
Gross Loans (Customers & Banks)	258,258	228,527	179,624	139,958
Customer's Deposits	404,538	354,747	303,735	250,864

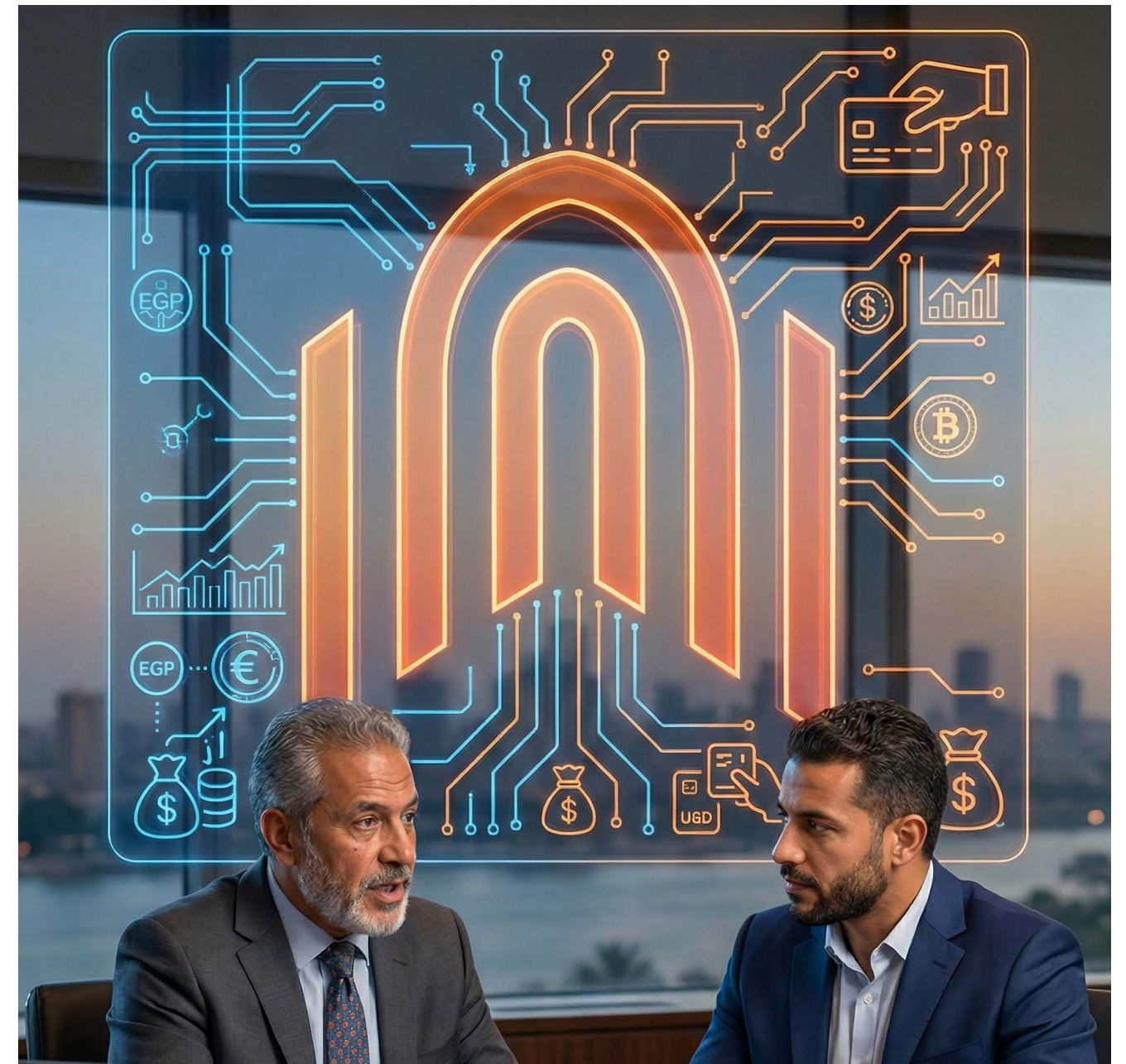
Four-Year Progression Charts %	2025	2024	2023	2022
Capital Adequacy ratio	22.1%	17.1%	17.3%	15.3%
Gross Loans to Deposit Ratio	63.8%	64.4%	59.1%	55.8%
ROAE	29.7%	31.2%	23.7%	14.5%
ROAA	3.1%	2.7%	1.8%	1.1%
Cost to Income Ratio	34.2%	32.9%	38.0%	43.4%
Net Interest Margin	7.6%	7.2%	5.6%	5.0%

Gross Customer Loans

"All amounts EGP Bn"	2025	2024	2023	2022
Corporate	105.7	90.1	72.4	58.4
NBFI	8.2	8.6	5.5	5.2
Retail	92.9	77.8	63.9	47.0
Micro	9.4	11.0	10.5	7.2
SME	23.0	23.5	21.6	16.4
Subsidiaries	0.2	1.2	(0.2)	(0.5)
Total Customer Loans	239.5	212.1	173.7	133.7

Gross Customer and Banks Loans

"All amounts EGP Bn"	2025	2024	2023	2022
Corporate	105.7	90.1	72.4	58.4
Total FI (NBFI & banks)	26.9	25.1	11.4	11.5
Retail	92.9	77.8	63.9	47.0
Micro	9.4	11.0	10.5	7.2
SME	23.0	23.5	21.6	16.4
Subsidiaries	0.2	1.2	(0.2)	(0.5)
Total Customer and Bank Loans	258.3	228.5	179.6	140.0





OPERATIONAL REVIEW

Corporate Banking



Banque du Caire's Institutional Banking Group has established itself as a reliable banking partner for institutions of all sizes, focusing on fostering economic progress by supporting various value-creating sectors. The group's innovative financial products and solutions drive revenue growth and reinforce the Bank's unique value proposition, allowing the Bank to stay committed to serving large corporations, multinational enterprises, and mid-sized firms through the facilitation of capital unlocking, business management, and expansion.

Banque du Caire's strategic objective of bolstering economic advancement is supported by customized working capital solutions, medium-term and long-term financing options, and various credit alternatives. BdC's clients benefit from competitive overdraft facilities, tailored short-term loans, and flexible cheque purchasing services. The group's offerings entail premium commercial services such as trade finance solutions, bill discounting, and refinancing via trust receipts.

CORPORATE BANKING GROUP

Strategic Evolution

In response to Egypt's rapidly evolving banking landscape, Banque du Caire's Corporate Banking division has undertaken a comprehensive strategic review aimed at reinforcing leadership and driving efficiency across the Group. This renewed framework focuses on strengthening liquidity through the acquisition of low-cost local currency deposits, particularly from mid-cap companies and operational accounts. At the same time, the division is optimizing asset allocation to ensure sustainable returns while actively targeting untapped client segments to broaden market reach. A key pillar of the strategy is the integration of cross-selling initiatives across the Bank's diverse product portfolio, enabling holistic solutions for corporate clients. Furthermore, the division is committed to enhancing profitability by increasing revenue streams from fees and commissions, positioning Banque du Caire as a trusted partner for businesses navigating dynamic market conditions.

Milestones and Key Transactions

In 2025, BdC demonstrated robust growth in its client base and portfolio figures. The total number of corporate clients rose to 1,246, from 1,150 the previous year, with loans reaching EGP 105.7 billion as of December 2025 compared to EGP 90 billion in 2024. Deposits also saw an upward trend, reaching EGP 59 billion in December 2025. The

Bank also successfully penetrated a new industry, marking its entry into the tourism sector. In recognition of these achievements, BdC received the Best Corporate Banking Division of the Year award by World Economic Magazine.

Evolution and Digitization

The Corporate Banking arm aligns its asset portfolio with shifting market trends and regulatory standards, optimizing performance and ensuring compliance. By capitalizing on opportunities in key sectors, the division underscores Banque du Caire's position as a reliable partner for businesses seeking creative financial strategies. Via tactical portfolio oversight, the division is prepared to navigate instability and foster expansion, upholding stakeholder interests while actively supporting the Bank's enduring development and prosperity.

Furthermore, the division provides sophisticated digital solutions in partnership with stakeholders, improving customer satisfaction and operational productivity. These offerings include secure electronic signatures, e-commerce platforms, CRM integration, fluid system connectivity, enhanced asset administration, simplified business registration, and rapid fund transfers. By delivering state-of-the-art digital instruments, BdC's Corporate Group continues to spearhead technological advancement in the Banking industry.

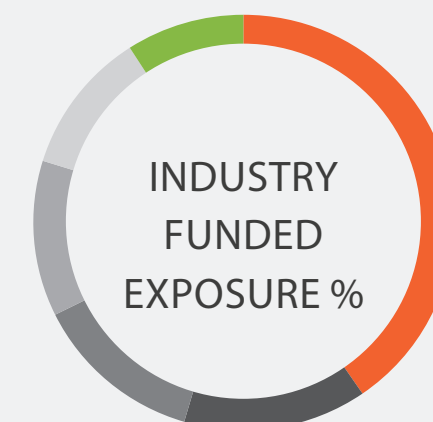
2025 Awards



**BEST CORPORATE BANKING
DIVISION OF THE YEAR**
World Economic Magazine

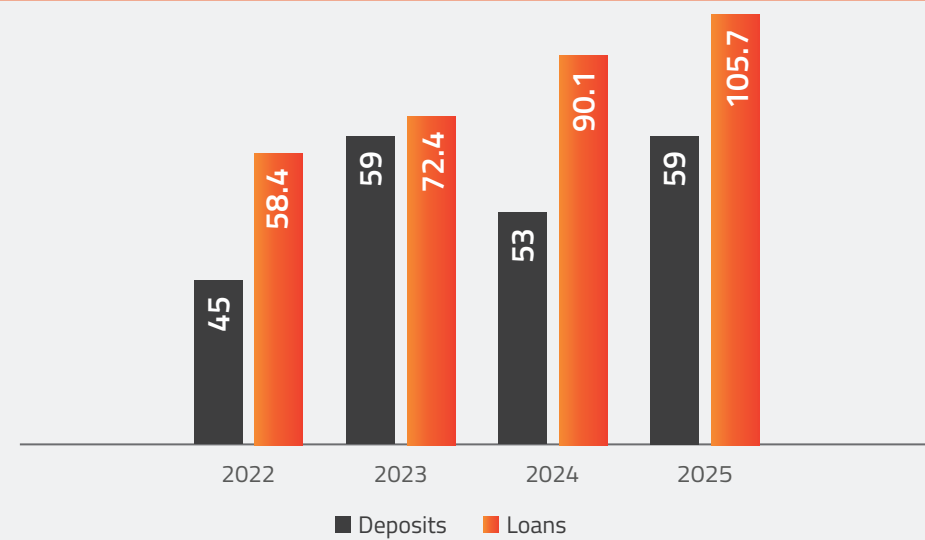


**FASTEST GROWING BANK IN
CREDIT IN EGYPT – 2024**
Global Banking & Finance Review

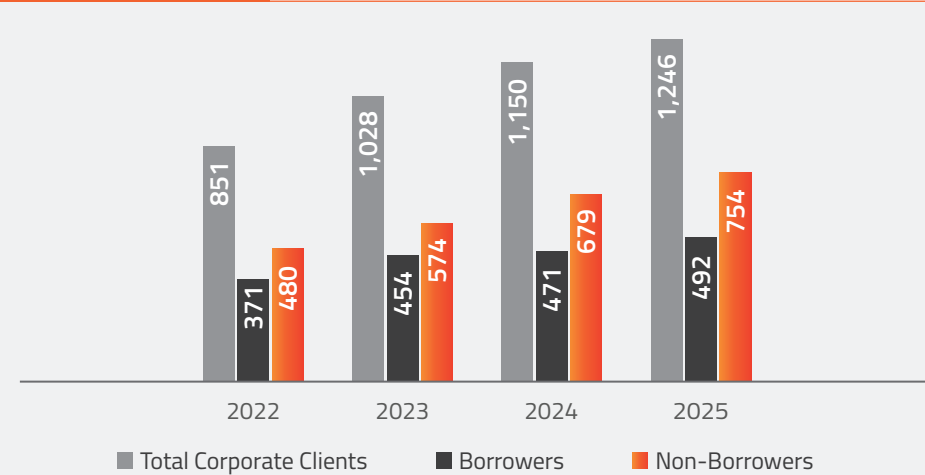


Others	40%
Construction	14%
Oil & Gas	13%
F&B	12%
Energy	11%
Real Estate	9%

Deposit and Loan progression (EGP bn)



Number of Clients



Future Outlook

As we move forward, our strategic priorities are focused on sustainable growth, digital transformation, and operational excellence. BdC will maintain a robust portfolio by pivoting toward profitable segments, ensuring we not only monitor our clients but actively expand our share of wallet, particularly within the mid-cap sector.

To secure a solid financial foundation, we are aggressively pursuing Current and Savings Accounts (CASA) to maintain low-cost liquidity. We aim to drive revenue by leveraging our branch network to expand beyond Cairo, penetrating underserved markets and acquiring high-potential

exporting clients. Concurrently, we will enhance overall profitability through a dedicated focus on cross-selling and ancillary business growth.

Our commitment to operational excellence remains steadfast. We will maintain an efficient structure that attracts high-caliber talent and manages attrition while standardizing customer experience through automation. These initiatives are designed to support BdC's long-term vision, reinforcing our position as a leading financial institution committed to delivering exceptional value to our stakeholders.

DEBT AND STRUCTURED FINANCE

Banque du Caire's Debt and Structured Finance (D&SF) Sector anchors the Bank's role as an integrated financial services provider. Established during the Bank's 2018 restructuring, the division delivers specialized lending products and comprehensive banking services to corporate clients.

The Sector has since enhanced its service portfolio to include unconventional and structured financing products ranging from project finance and syndicated loans to Debt Capital Market (DCM) products. This competitive edge allows Banque du Caire to capture new business opportunities and increase its market share within the Banking industry.

2025 Highlights

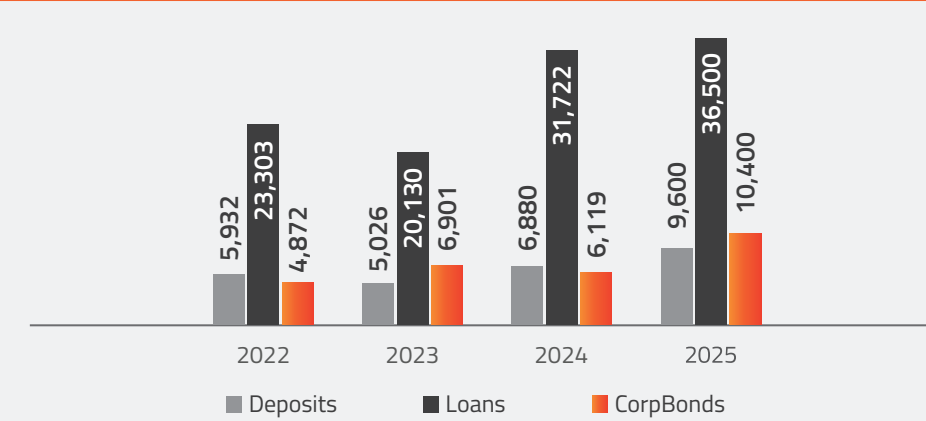
In 2025, the D&SF division drove asset portfolio growth through increased syndicated transactions, project

finance disbursements, and robust demand for foreign currency lending. This activity resulted in an overall increase in balance-sheet assets.

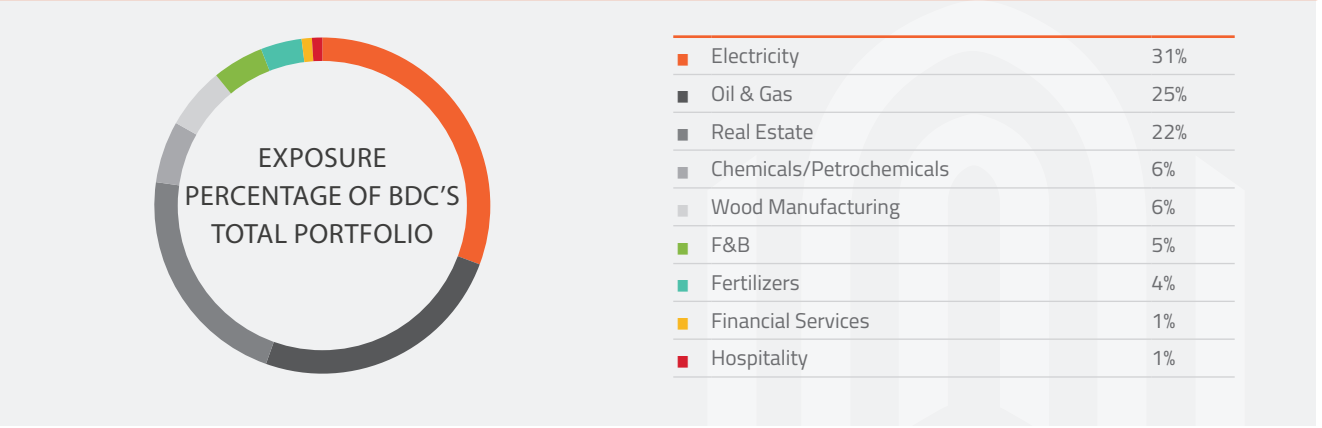
By December 2025, the division recorded significant financial growth. Loans reached EGP 36.5 billion, while corporate bonds stood at EGP 10.4 billion. Deposits also saw an upward trajectory, recording EGP 9.6 billion.

Operational milestones for the year included the Sector's participation as an Initial Mandated Lead Arranger and Mandated Lead Arranger in several mega transactions. These deals spanned diverse industries including oil and gas, petrochemicals, financial services, and real estate.

Progression of BdC's Deposits, Loans, and Corporate Bonds



The DCM team also successfully introduced a new service to its product range, having successfully secured the role of custody bank for a DCM issuance.



Forward-Looking Strategy

The D&SF Sector is committed to enhancing Banque du Caire’s market share by increasing its engagement in large-scale and intricate transactions while fostering robust relationships with local, international, public, and private sector banks. This strategic initiative will be executed through prominent participation in syndicated deals, assuming key roles such as Facility Agent, Security Agent, Account Bank, and Global Coordinator. More specifically, on the role of Account Bank in syndication transactions, BdC targets to cover revenue accounts, equity accounts, and DSA accounts, aiming to enhance cross-selling opportunities for liability products and further boost profitability.

Striving to uphold its position as a prominent player in the Debt Capital Market, BdC encompasses major areas including but not limited to securitization finance, Sukuk finance, corporate bonds. By adopting this strategy, the Bank aims to expand its investment and lending portfolio, thereby minimizing risks and optimizing returns. Moreover, the division aims to increase its presence in the Debt Capital Market by acting as a Custodian in addition to its role of Payment Agent, further enhancing profitability and reinforcing the Bank’s role as a comprehensive financial services provider.

In light of Egypt’s commitment to sustainable development and the pivotal role banks play in advancing sustainable finance, the D&SF division aims to enhance its financing exposure to projects that yield positive environmental and social impacts.

The D&SF division is also focused on sustaining Banque du Caire’s position as the leading market player in syndication arrangements and agency services, bolstering the Bank’s profitability through arrangement and agency fees.

The D&SF sector maintains a consistent strategy focused on cementing Banque du Caire’s presence in the syndicated loans market. The division is strategically focused on securing larger Account Bank mandates and additional agency roles, as well as expanding the range of DCM products and services.

The outlook for the year ahead remains positive, supported by a strong pipeline of foreign currency deals. The division anticipates solid growth across project finance, syndications, and trade. Furthermore, management expects stable asset quality, balance-sheet expansion, and improved profitability driven by higher non-interest income.

Awards



BEST SYNDICATED LOAN IN AFRICA
EMEA Finance



BEST STRUCTURED FINANCE DEAL IN NORTH AFRICA
EMEA Finance



BEST STRUCTURED FINANCE DEAL IN AFRICA
EMEA Finance



BEST LOCAL CURRENCY LOAN IN NORTH AFRICA
EMEA Finance



BEST SUSTAINABLE FINANCE DEAL
EMEA Finance



BEST TRANSPORT FINANCE DEAL IN AFRICA (MARITIME SECTOR)
EMEA Finance



BEST GOVERNMENT-GUARANTEED SYNDICATED LOAN IN AFRICA
EMEA Finance

SME BANKING GROUP

Banque du Caire (BdC) continued to hold a leading role in Egypt’s financial sector, placing the support of small and medium-sized enterprises (SMEs) at the heart of its institutional strategy. In line with Egypt’s Vision 2030, the Bank remains committed to advancing financial inclusion and acknowledges the vital role SMEs play in driving sustainable economic growth and supporting national development.

In 2025, BdC reinforced its commitment to enabling SMEs to reach their full potential by offering a comprehensive suite of tailored financial solutions and non-financial services. The Group continues to operate through a decentralized model, leveraging a network of 53 specialized business centers dedicated to serving small and medium enterprises. This is complemented by the Bank’s extensive footprint of 233 branches, with the majority strategically located outside Greater Cairo.

This expansive reach provides a significant competitive advantage, enabling BdC to build strong community relationships and deliver localized expertise through dedicated Relationship Managers. Furthermore, the Bank continues to empower the entrepreneurial ecosystem through seven non-financial service hubs located in underpenetrated regions, offering capacity-building and advisory support to emerging businesses.

In 2025, BdC’s SME Banking strengthened its SME Banking Group, with a focus on delivering a unique value proposition to SME clients by offering a comprehensive suite of tailored financial solutions and non-financial services, resulting in a notable increase in deposit balances, fees, and commissions.

2025 Highlights

SME deposits recorded strong growth of 32%, reaching EGP 12.6 billion compared to EGP 9.5 billion in 2024. This performance underscores the Bank’s ability to mobilize stable, low-cost funding through the continued expansion of its Current and Savings Account base.

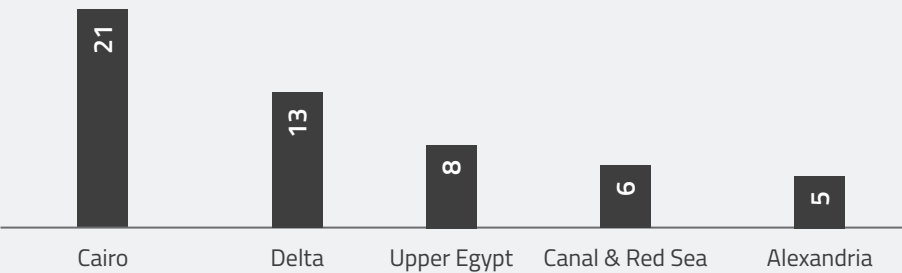
On the lending side, the Bank maintained a strong SME portfolio of EGP 23 billion at year-end. The portfolio’s stability underscores the Bank’s prudent credit strategy, robust risk management framework, and commitment to sustainable lending, ensuring continued support for SME growth while preserving portfolio quality amid a dynamic economic environment.

Fees and commissions income increased by 7.2% y-o-y, rising from EGP 394 million in 2024 to EGP 422 million in 2025. Growth was supported by enhanced product penetration and effective cross-selling across the SME ecosystem, highlighting the strength of BdC’s integrated approach to delivering diversified and sustainable revenue streams.

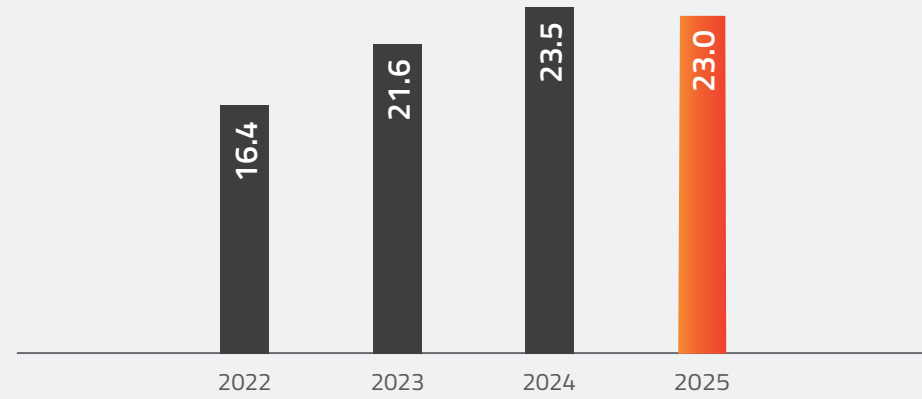
SME Network Geographic Footprint

As part of the SME network expansion, a total of 53 dedicated SME Business Centers (BCs) have been strategically distributed across key regions to ensure broad geographic coverage and enhanced client accessibility. Cairo hosts the largest share with 21 BCs, followed by the Delta region with 13 BCs. Upper Egypt is served by eight BCs, while the Canal and Red Sea regions account for six BCs, and Alexandria is supported by five BCs. This distribution reflects the Bank’s commitment to strengthening its presence and effectively serving SMEs across diverse geographic areas.

SME Business Centers (BCs)



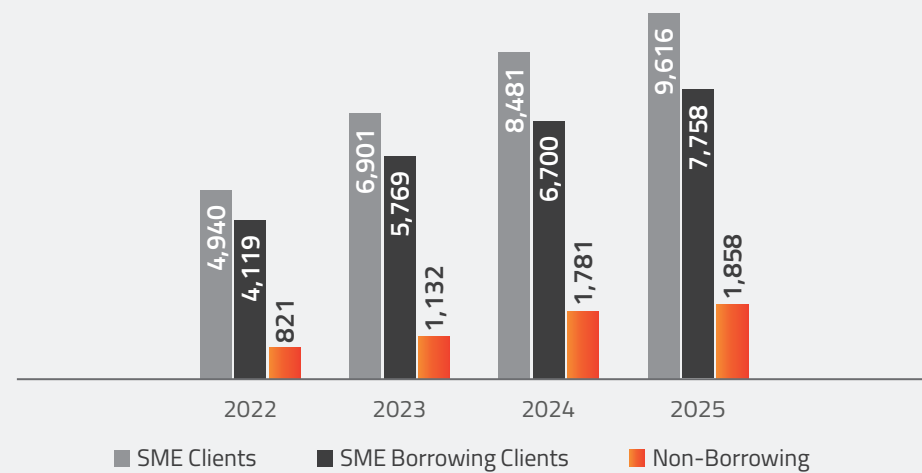
SME Loan Portfolio (EGP bn)



The Bank’s strategic focus on underserved markets continues to yield strong results, with the total SME client base expanding to 9.6K customers in 2025, up from 8.4K in 2024. Regional performance sustained solid upward momentum, with regions outside Cairo recording particularly strong growth, as the number of clients reached 7.2k in 2025 up from 6k in 2024. This outcome reinforces the Bank’s commitment to extending financial access and supporting economic growth across underpenetrated of Egypt.

The SME Banking Group continues to leverage its existing digital capabilities, with a focus on the very small segment, targeting clients with annual sales below EGP 20 million.

Number of SME Clients

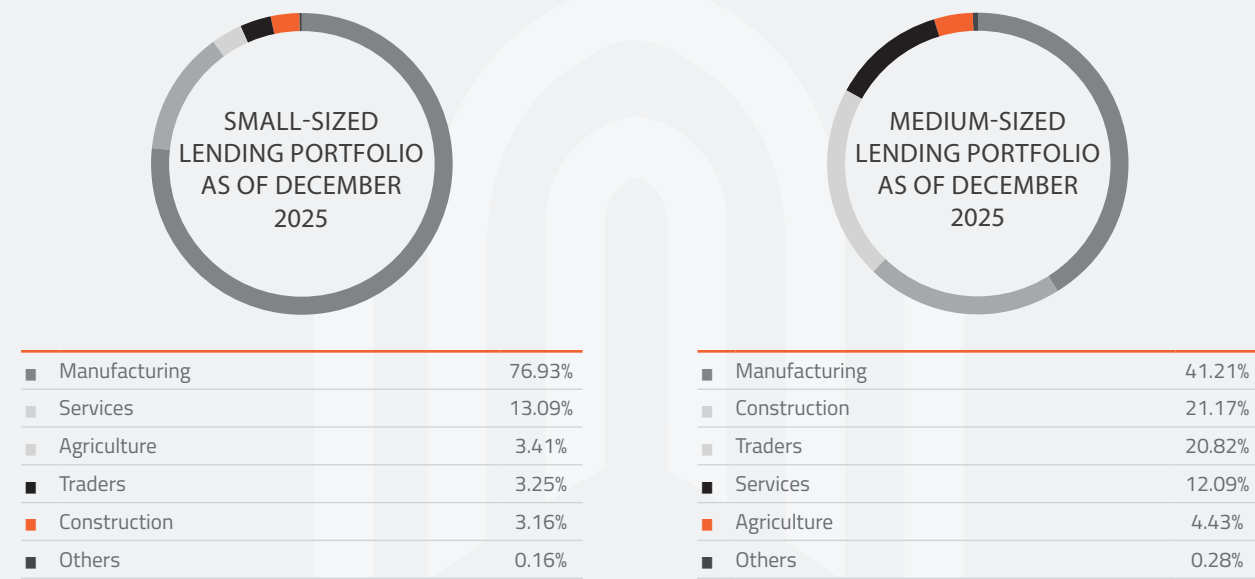


The Engaz Online Portal streamlines digital onboarding and provides fast-track loan approvals, up to EGP 2 million for new clients and EGP 3 million for top-ups or renewals.

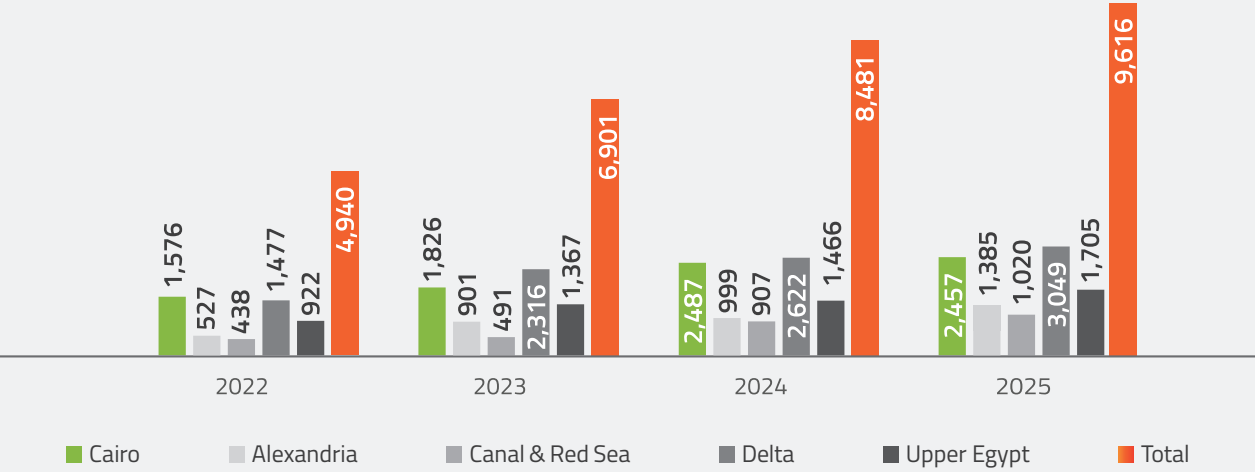
For small and medium clients, the Group has automated its lending processes, reducing turnaround times and enhancing operational efficiency.

These digital solutions enable the Bank to serve a growing client base while delivering a faster, more seamless customer experience. Collectively, they underscore Banque du Caire’s commitment to a modern, efficient, and inclusive SME banking ecosystem.

SME Portfolio by Sector



SME Clients by Region



Forward-Looking Strategy

Looking ahead, Banque du Caire’s SME strategy will focus on orchestration, ensuring clients receive the optimal combination of financial products and non-financial services to support their growth journey.

A key area of focus will be delivering bundled solutions that integrate financing with advisory and capacity-building services.

BdC also intends to broaden its portfolio of ecosystem-linked products that promote sustainable business

practices. Furthermore, the Bank aims to design specialized lending programs tailored to the evolving needs of SMEs, providing customized financial solutions that empower SME businesses to achieve sustainable growth, enhance their competitiveness, and expand their operations.

This forward-looking strategy demonstrates the Bank’s commitment to supporting the long-term development and competitiveness of Egypt’s SME sector.

FINANCIAL INSTITUTIONS

The Financial Institutions (FI) sector at Banque du Caire (BdC) comprises three integral divisions: Banks, Non-Banking Financial Institutions (NBFIs), and Remittances. These divisions serve as the primary focal point for the Bank’s engagement with both banking and non-banking financial entities, overseeing institutional relationships related to assets, liabilities, trade finance, and remittances services.

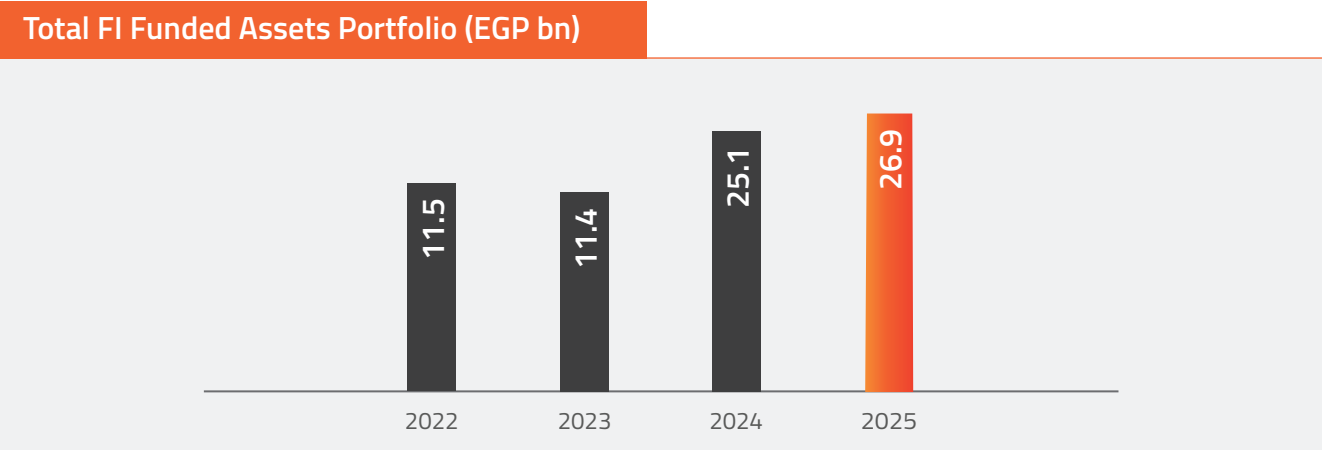
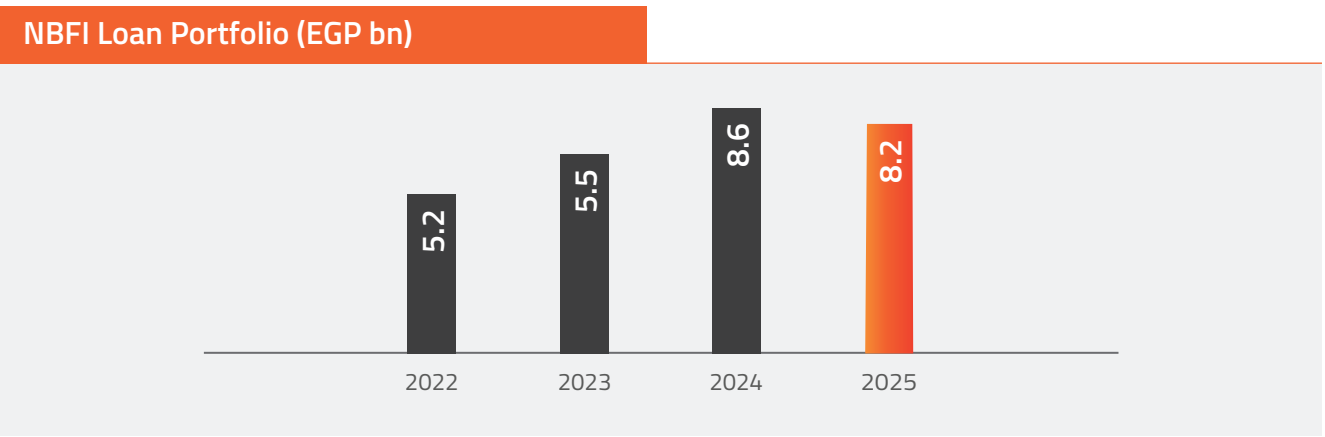
The Banks division enjoys a diversified correspondent network supporting BdC business; while sustaining a strong focus on the African market to support Egyptian corporates, and to expand trade business engagement across the continent through BdC’s broad regional accessibility. The division also maintains strong and well-established relationships with a diverse network of International Financial Institutions (IFIs), which have supported the Bank efforts to diversify its funding sources.

The NBFI division continued to expand its footprint in 2025, through increased engagement in factoring, consumer lending, leasing, microfinance, insurance, auto finance, brokerage, e-payments, and investment funds.

In parallel, the Remittances division delivered a robust performance, processing a significant volume of Egyptian expatriate remittance flows throughout 2025.

Forward-looking Strategy

Looking ahead, the FI sector remains committed to maintaining Banque du Caire’s status as a preferred banking partner in Egypt, with the main focus on growing business with Africa, upholding healthy relations with multinational financial institutions, developing deeper business relations with Egyptian NBFIs, and increasing the market share of Egyptian expatriates’ remittances.



GLOBAL TRANSACTION BANKING

In 2025, the Global Transaction Banking (GTB) Group solidified its role as a cornerstone of Banque du Caire’s consistent performance. The Group adopted a strategic bundled product approach, providing the sales force and coverage teams with greater flexibility and resilience. This shift significantly enhanced the Bank’s ability to deliver comprehensive, tailored solutions, unlocking new opportunities and driving stronger cross-selling ratios across the portfolio.

GTB demonstrated a commanding market position by leading in fees and commissions growth, fully attaining annual budget targets across all revenue streams. The

Group successfully prioritized cashless mega deals through strategic acquisitions and tailored solutions, engaging across the full value chain.

The Group’s excellence was validated by prestigious international accolades. Euromoney recognized the Bank for Egypt’s Best Financial Institutions Deal 2025 in the Awards for Excellence, Transaction Banking category. Additionally, the International Finance Awards awarded it Best Global Transaction Banking, Egypt.

2025 Awards



BEST FINANCIAL INSTITUTIONS DEAL – EGYPT
Euromoney, Awards for Excellence, Transaction Banking Awards



BEST GLOBAL TRANSACTION BANKING – EGYPT
International Finance Awards

Innovation and Digital Banking

In 2025, GTB reaffirmed its commitment to keeping pace with the evolving banking landscape by prioritizing digital transformation. Building on a strategy launched in 2018 through a strong partnership with a leading consulting firm, this effort culminated in one of the year’s major milestones: the launch of the “BdC Tap and Track” Digital Portal and Mobile App, a smart solution designed to streamline corporate expense management.

GTB’s Digital and Innovation division also focused on optimizing existing platforms, by identifying and resolving key obstacles within the BdCbusiness online banking

platform. The division enhanced the user experience, streamlined operational processes, and ensured a seamless customer journey, resulting in a 41% increase in BdCbusiness users, a 36% increase in the transactional clients and a 47% increase in transaction count.

Furthermore, the introduction of host-to-host solutions accelerated digital adoption and elevated client experience, a key factor in securing the Euromoney Award for Excellence. Focus was also placed on cashless mega deals through strategic acquisitions and tailored solutions, engaging the full value chain.

Product Suite Offering

Cash Management and Liquidity Solutions

In 2025, the Cash Management and Liquidity Solutions division successfully navigated shifting market dynamics with agility. Despite a decrease in interest rates, the division successfully safeguarded bank margins and maximized efficiency by adhering to Central Bank of Egypt (CBE) directives. The division maintained its strategic emphasis on digital transformation and promoting a cashless economy, consistently delivering innovative tailored solutions.

To strengthen liquidity and support sustainable growth, the division introduced new products aimed at attracting and mobilizing low-cost deposits. A notable addition to the product suite was the Golden Daily Account, tailored specifically for institutional clients. Furthermore, the successful implementation of small banknotes fees across branches, the introduction of Management Fees and the implementation of FCY outgoing transfers with same day value.

The Cash Management and Liquidity Solutions division delivered a strong financial performance in 2025, driven by strategic initiatives across key areas. Payables recorded a 32% y-o-y increase, reflecting our continued focus on lowering the cost of funds. This directly contributed to a 21% growth in Net Interest Income (NII) compared to 2024. Similarly, collections saw a significant 13% y-o-y increase, resulting in an 11% uplift in NII. In parallel, cash management activities also performed strongly, with fee income rising by 50%, underscoring enhanced client engagement and broader utilization of our solutions.

Trade and Supply Chain Finance

The Trade and Supply Chain Finance division delivered robust results in 2025. In a year where market re-adjustment was the main title & pricing pressure was a core feature, that marked the year as one that witnessed a fierce competition in the trade business acquisition sphere. Banque du Caire managed to amplify the export business portfolio, where substantial year-on-year growth of around 35% has been recorded.

On the supply chain finance front, an unprecedented profit levels have been recorded, as we managed to increase supply chain finance generated income by 300% year-on-year. Signaling a growing momentum that we have been building up for across the previous years, and paving the way for an anticipated triple-digit growth figure, upon launching the automated supply chain finance solution. Moving to the innovation sphere, Banque du Caire managed to lay the foundation for a promising partnership with one of the leading Fintechs in the local market, for the supply chain finance solution offering. Ensuring Banque du Caire is strategically positioned for the capture of the growing need for innovated financing solutions.

Securities Services Product

The Securities Services Product division continued to strengthen the Bank's position as a full-spectrum financial services provider, addressing the diverse needs of clients across investment banking, asset management, and brokerage sectors. The division offers a comprehensive suite of solutions, including local and international custody and clearing, escrow services, depository agency functions, and receiving bank operations. In 2025, the Securities Services Product division experienced significant expansion, introducing a full set of innovative products to cater to the securities business.

The year saw the introduction of several new products and services, including the full activation of Margin Trading, the introduction of Securitization Custodian services, and the role of Escrow Agent. To enhance operational integrity and efficiency, the division implemented a new custody system designed to eliminate manual work and automate day-to-day tasks. The division also ensured full adherence to new Financial Regulatory Authority (FRA) decrees regarding custody activities, aligning with both FRA and CBE regulations.

These strategic initiatives translated into strong financial performance in 2025, with the division recording a remarkable 100% growth in total revenue, 250% increase

in Net Interest Income (NII), and an 11% increase in fee income. Additionally, the division achieved a significant milestone, reaching EGP 241.5 billion in Assets Under Custody (AUC), a 32% growth from the previous year. Furthermore, the division successfully managed seven Capital Increases in 2025, reflecting growing client trust and expanding the scope of securities services.

Sales and Commercialization

In alignment with the Bank's broader strategy, Business Development Management remains focused on delivering innovative cash management solutions that elevate customer experience. Building on the achievements of the previous year, the division's main goal is to enhance the Bank's product portfolio through customized financial offerings designed to meet the needs of both buyers and suppliers. By harnessing technological advancements, the division aims to make its solutions more accessible and easier to use.

The division's continued focus on structured deals strengthened its market positioning and enhanced client value. Commercialization efforts delivered impressive results, with the value of pipeline deals increasing by 203% and Governmental Payments exceeding targets by 185%. This growth was reflected in increased client visits, an expanding client base, improved wallet share, and stronger cross-selling ratios.

Forward-Looking Strategy

Looking ahead, digital transformation will remain central to the GTB Group's growth strategy. The Group will add new features to the "BdC Tap and Track" platform and upgrade the BdCbusiness portal to improve usability and efficiency. It also plans to expand host-to-host and API integrations, including integrated cash management and supply chain financing solutions, while using strategic fintech partnerships to capture emerging opportunities, increasing digital awareness and capacity building.

In Cash Management, the Group will focus on the introduction of more digital, seamless products to attract low-cost deposits and support sustainable growth while focusing on enhancing cross selling and penetration ratios. The Group will also introduce more Supply Chain Finance propositions, such as invoice discounting, to better serve and enhance its client base.

Under Securities Services, GTB aims to introduce new facility lines pledged against securities and alongside the expansion of settlement bank facilities. These initiatives collectively aim to strengthen the Bank's competitive position and drive sustainable revenue growth.

The Group plans to introduce tailored bundled propositions specifically targeting local businesses and SMEs to create synergy across business lines. To support this, the Bank will double the coverage of Commercial Business Officers across regions and branches, driving cross-selling in cash management and trade.

Collectively, these initiatives reinforce GTB's commitment to innovation, client-centricity, and scalable growth, positioning the Group to deliver long-term value across its diversified transaction banking franchise.

TREASURY AND CAPITAL MARKETS

Strategic Evolution

2025 witnessed the Treasury and Capital Markets Group (TCMG) at Banque du Caire implementing strategic adjustments to effectively adapt to the global market's changes. The Group adopted an agile trading strategy designed to capture diverse business opportunities across both local and global markets.

Banque du Caire continued to target an enhanced net interest margin by limiting dependency on Certificates of Deposit (CDs) and focusing on increasing current and savings accounts. Additionally, the treasury sales desk actively assisted in identifying cross-sell opportunities while facilitating the onboarding of new clients.

2025 Highlights

In 2025, TCMG demonstrated strong leadership in navigating market trends and driving operational strength. The Group's accomplishments throughout the year reflected its strategic agility and dedication to delivering solid results.

Throughout the year, the Foreign Exchange and Fixed Income divisions delivered remarkable performances across key metrics. Client FX inflows surged by 50% y-o-y. The Group also boosted External Exchange Houses volumes by 174% and grew Local Exchange Bureaus business by 132% compared to the previous year. Furthermore, the division increased wholesale banknote total turnover by 16%.

On the investment front, the Group amplified EGP Bills and Bonds traded volumes by 61.7% y-o-y. It also raised Eurobond traded volumes by 71.3%. Operational excellence was further evidenced as the Group exceeded the primary dealer's subscription quota by 150% from January to June 2025.

These milestones emphasize the Group's role as a key player in supporting FX liquidity, boosting investor confidence, and capital market development. The Group's performance reaped significant industry recognition, with Banque du Caire named "Best Foreign Exchange Bank

- Egypt 2025" by both International Finance and World Economic Magazine. The Bank was also recognized as the "Fastest Growing Treasury Management" Bank by Global Business Outlook.

Product Innovation

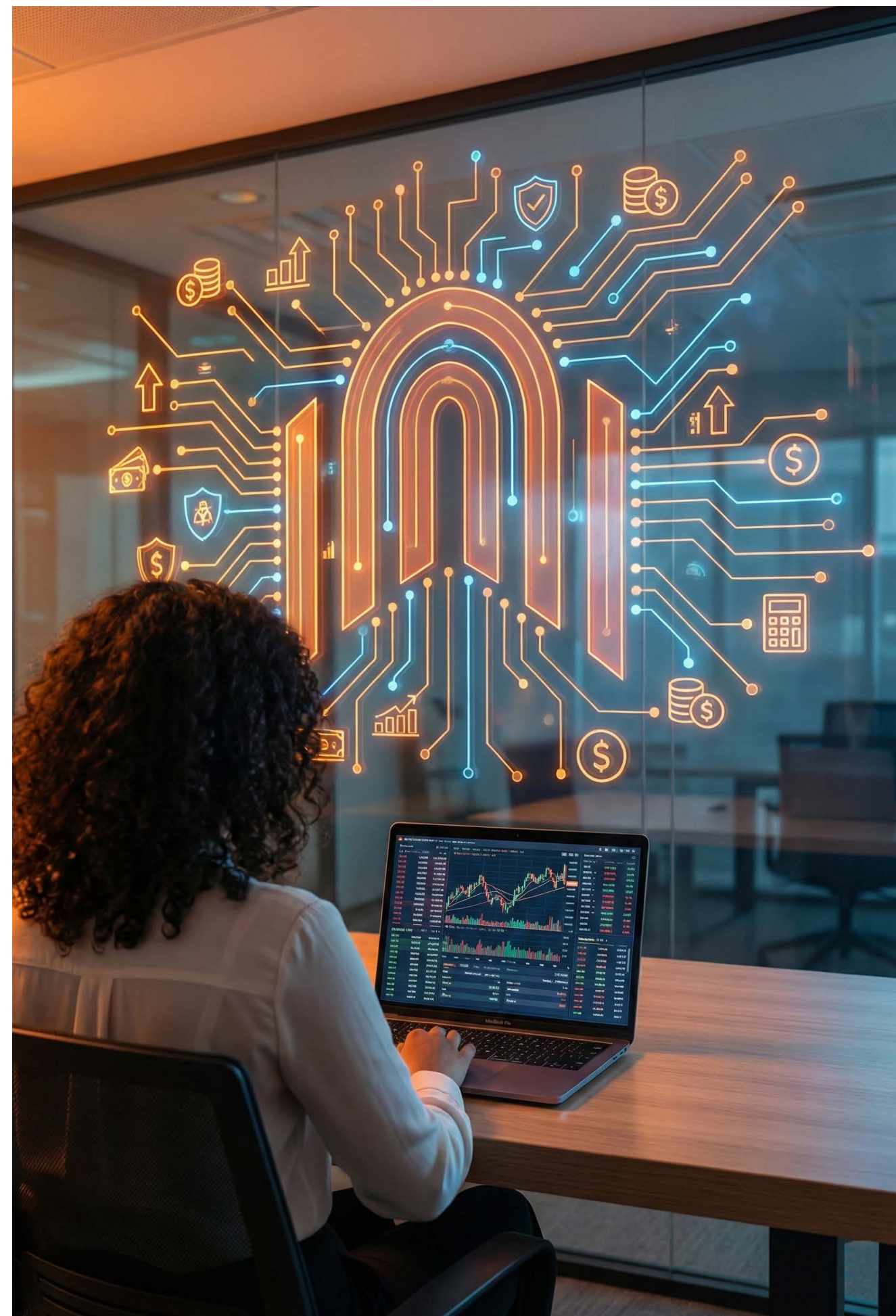
TCMG demonstrated leadership in financial innovation in 2025 by successfully launching Interest Rate Swaps (IRS) for G10 currencies. This introduction expanded the Bank's hedging capabilities, offering clients sophisticated tools to manage interest rate exposure in major global currencies.

This milestone builds upon the Bank's foundational work in previous years regarding system implementation and pricing models. By upgrading its systems to offer G10 IRS, the Group provides the Bank's clients with a broader range of hedging instruments, which positions Banque du Caire as a comprehensive financial service provider.

Forward-Looking Strategy

As Banque du Caire continues to strengthen its position in the market, TCMG is focused on driving forward key initiatives that will enhance efficiency and client value. A core priority for the year ahead includes the launch of an FX ticketing system to streamline operations.

In parallel, TCMG is preparing to introduce a broader range of products tailored to the evolving needs of the market. Key initiatives in the pipeline include the introduction of EGP Interest Rate Swaps, subject to regulatory approvals, and the rollout of EGP Fixed-Floating Sukuk. The Group also plans to initiate further derivative product setups, such as FX options. Together, these forward-looking initiatives reflect TCMG's commitment to innovation, resilience, and long-term growth.



Retail and Microfinance

Leveraging deep industry experience, the Retail Banking Group positions itself as a leader in delivering high-quality, tailored products. The Bank's effective transformation strategy has solidified a customer-first philosophy. By applying market segmentation, strategic cross-selling, and robust digital infrastructure, the group creates specific solutions for a broad client base that spans from micro-enterprises to high-net-worth individuals. Banque du Caire offers a full range of services through an extensive nationwide branch and ATM network. This physical presence works alongside advanced online and mobile platforms to allow customers to manage their finances with freedom and flexibility.



LOANS

Banque du Caire continued to advance its customer-centric lending strategy in 2025 by offering a diverse tailored financial product that appeals to a wide range of customers with solutions for their individual and business financial needs.

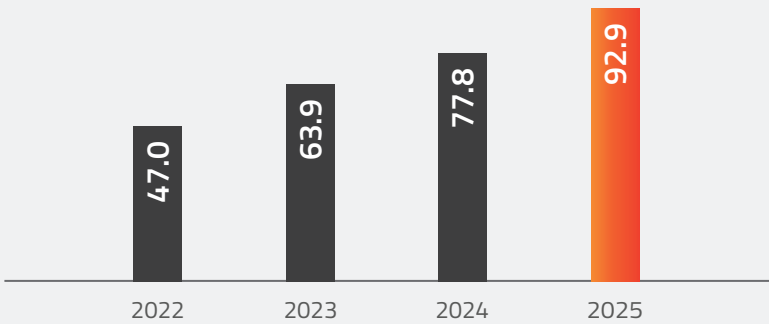
The Bank offers a comprehensive range of products, including secured and unsecured personal loans, auto loans, mortgages, and specialized financing for small businesses.

During 2025, the retail loan portfolio recorded a robust 19% growth, increasing by EGP 15.1 billion. This performance was driven by strong momentum across core segments, particularly secured personal loans, which surged by

over EGP 4.2 billion, and mortgages, which expanded by EGP 4.3 billion. Auto loans also witnessed significant demand, growing by EGP 1.8 billion, while the Very Small Business Loans (VSBL) portfolio increased by EGP 3 billion, reflecting the Bank’s deepened support for the small enterprise sector.

Throughout the year, Banque du Caire upheld strong loan quality through disciplined risk management, leveraging advanced credit assessment tools, proactive monitoring, and efficient recovery processes. Financial performance was further bolstered by higher Net Interest Income, driven by increased acquisition and effective interest rate management.

Retail Loan Portfolio Progression (EGP bn)



PAYMENTS & ACQUIRING SECTOR

Banque du Caire continued to enhance its card offerings in 2025, delivering innovative solutions to meet evolving customer needs while solidifying its position as a leader in Egypt’s cards market. The Bank prioritized secure, convenient, and value-driven services, supported by advanced digital solutions and strategic initiatives to drive growth across credit, debit, and prepaid card segments.

In 2025, Banque du Caire’s cards recorded EGP 4.4 billion in ENR, a 39% net increase vs. 2024, reinforcing the Bank’s position among Egypt’s top market players.

The group issued 105k new credit cards by December 2025, bringing the total portfolio to 297k cards, up from 267k in 2024. Financial performance remained strong, with fees and commissions rising year-over-year.

The Retail Banking Group also deployed various campaign initiatives throughout the year, including three tactical campaigns and more than ten seasonal campaigns during 2025, such as Mother’s Day, Ramadan, Eid, and Valentine’s Day, among others. The most significant campaign is the annual mega summer campaign, featuring prizes such as

luxury cars, golf carts, and iPhones to boost engagement and activity, significantly boosting portfolio performance in terms of spend and ENR growth.

The Debit Card Portfolio remained a cornerstone of our retail payment strategy, characterized by resilient transaction volumes and an increase in digital integration. In 2025, BdC reached 2.46 million debit cards. This expansion was mirrored by robust surge in POS transaction volume, which outpaced 2024 results by 39%, with POS spend at EGP 10 billion. These figures underscore the shift in customer behavior, as BdC’s debit card became the top choice for everyday commercials.

Prepaid cards recorded a 29% net increase in the POS spend to reach EGP 1 billion during the year, with 86% of the growth coming from the Meeza Payroll cards, as a result of the cooperation between the Payments and the Retail Payroll teams.

In line with BdC’s digital transformation strategy, the in partnership with TELDA expanded with the launch of several new features in 2025, underscoring the Bank’s commitment to enhancing the ecosystem and promoting financial inclusion. Among the new features is the “Control Function” feature, which allows customers to save money seamlessly without interest. The service is availed to

foreign customers and payroll companies, enabling salary transfers via TELDA cards. Other services include opening the application to all local banks cards to enable bill payments and donations.

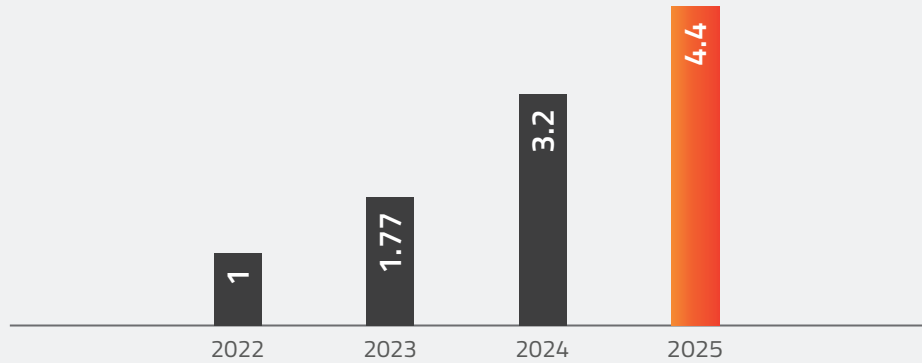
The latest initiative included the launch of Apple Pay on TELDA cards, a significant milestone in enhancing the digital payment experience for customers to perform secure and convenient contactless payments.

As for the acquiring business, Banque du Caire recorded strong growth in 2025 across its main payment channels, including POS, QR codes, and E-Commerce. The Bank expanded its acquiring network to 13.65k terminals serving 8.85k merchants while enhancing digital payment services and increasing transaction activity.

Total acquiring volumes reached EGP 27.45 billion in 2025, reflecting a 289% increase compared to 2024. The number of transactions reached 8.2 million, representing a 256% increase.

During the year, the Bank also launched installment programs and conducted several campaigns in alignment with the Cards business to promote BdC card usage, partnering with leading electronics retailers.

Credit Cards ENR (EGP bn)



INSURANCE BUSINESS

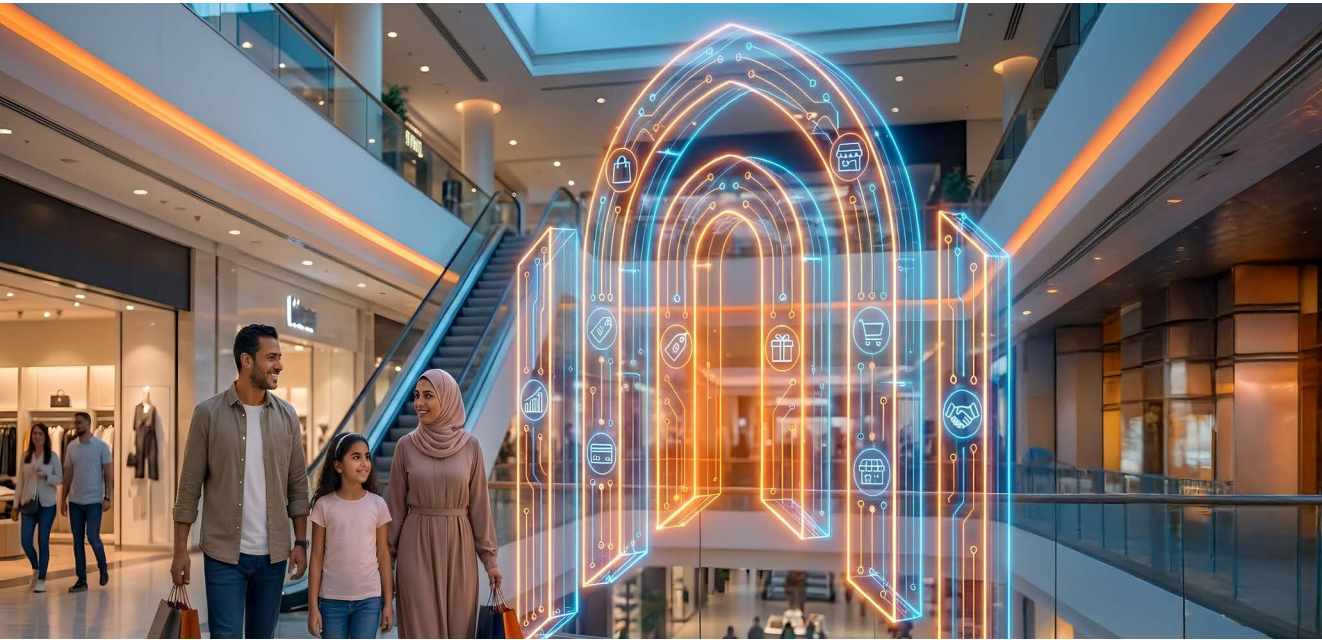
BdC established a strategic partnership with MetLife in December 2023 to provide life insurance solutions through BdC branches. The partnership has driven remarkable growth in bancassurance since its launch.

In 2025, BdC achieved EGP 610 million in premiums across 150 branches, reflecting 78% growth, compared to EGP 343 million in 2024. This momentum expanded the portfolio to EGP 1.6 billion by 2025 and increased average ticket size per policy by 27%.

The partnership has consistently enhanced customer penetration, delivering steady revenue generation and reinforcing BdC's position in the bancassurance market.

The Bank also successfully enhanced retail products by introducing embedded and bundled products, such as Mega Saving, credit card, and credit life portfolios. Moreover, we have enriched our conventional mortgage product with fire and theft insurance benefit, expanding market penetration rate.

In 2025, BdC officially announced its new partnership with Orient and Euro Assist, introducing insurance services that include Auto Insurance and Roadside Assistance to enhance segment penetration, meet diverse customer needs, and strengthen customer loyalty.



WEALTH MANAGEMENT

Capitalizing on the launch of the Tharwa segment in 2019 and the full refined segmentation model and portfolio assignment structure in 2024 that was designed to optimize service delivery and deepen client relationships, BdC grew aggressively on the affluent segments during 2025. Tharwa ELECT grew by 45%, while Tharwa Prime was up by 31% and Tharwa by 23%.

This growth was achieved through acquisition activities done throughout the year to attract Tharwa ELECT/ Tharwa Prime customers, focusing on segment-based products such as the “day 1 credit card” for Tharwa ELECT customers, the ELECT auto loan, and the boat loan. BdC continuously refines product-related processes and is conducting an ongoing revamp for the propositions offered to the Affluent customer segment.

PAYROLL

BdC has a payroll base of around 200k, with a large base of governmental employees. During 2025, significant focus was placed on the private sector, with three packages developed, monthly customer campaigns implemented, and synergy with the business lines paid out reflecting on customer numbers and average salaries.

DIGITAL BANKING

Recognizing the fast-paced nature of global digital transformation, Banque du Caire continues to prioritize initiatives that enhance operations and elevate the customer experience. In 2025, the Bank successfully launched its two-way SMS service, facilitating more dynamic and immediate client communication. Simultaneously, the Bank advanced the development of

several core digital platforms scheduled for deployment in 2026. These strategic projects include a comprehensive overhaul of the internet and mobile banking interfaces, a revamped mobile wallet application, the introduction of interactive e-statements, and a modernized Interactive Voice Response (IVR) channel.

	2022	2023	2024	2025
Total Customer Base Qahera Cash	866,054	743,222	650,000	492,000
Total Customer Base Online Banking	469,701	735,601	871,205	980,987

BRANCH AND ATM NETWORK

BdC has a wide-reaching geographical presence, with a network of 233 branches across all 27 governorates in Egypt. BdC intends to open nine new branches in locations for which agreements have been entered into that will be opened during 2026 and 2027.

In 2025, the Bank advanced its branch optimization strategy, focusing on upgrading high-traffic locations to better serve diverse communities. Key milestones included the reopening of fully renovated branches in Youssef Abbas, Al Azhar, and Suez. Simultaneously, the Bank executed strategic relocations for its Komombo, Sherbin, Baghdad St., and Hurghada Airport Foreign Exchange branches. Looking ahead, the network continues to expand with ongoing relocations in Salah Salem (Alexandria), New Minya, and Akhmim Sohag, alongside the establishment of new branches in Golden Gate (Cairo) and El Gouna (Hurghada). Customer centricity remains the cornerstone

of the division's operational focus. To facilitate seamless service for high-volume corporate clients, the Bank implemented the Commercial Business Officer (CBO) role across select branches. This is complemented by the assignment of dedicated Relationship Managers aimed at strengthening client engagement and fostering long-term loyalty, while the Bank's centralization strategy continues to enhance operational efficiency.

In parallel, the ATM network witnessed substantial growth and technological enhancement. The Bank added 237 new machines, bringing the total network to 2,074 ATMs by year-end. Service offerings were significantly upgraded with the introduction of contactless functionality for both Banque du Caire and non-bank customers. Furthermore, the Bank enriched the user experience by deploying a new, intuitive user interface platform designed to streamline the customer journey across all machines.

BRANCH PROGRESSION

233

BdC intends to open 9 new branches in locations for which agreements have been entered into that will be opened during 2026 and 2027.

MICROFINANCE

Banque du Caire remains dedicated to promoting financial inclusion and empowering individuals in marginalized communities through its evolving microfinance business. In 2025, total micro acquisitions gained significant traction, achieving an acquisition volume of EGP 6.1 billion during the year.

MICROFINANCE
CLIENTS

163_K

By the end of 2025, the Bank's microfinance loan portfolio stood at EGP 9.4 billion, supporting a client base of 163k. The Bank continues to focus on improving accessibility and efficiency by further digitalizing its lending processes.

MICROFINANCE
LOAN PORTFOLIO

9.4_{BN}

FINANCIAL INCLUSION

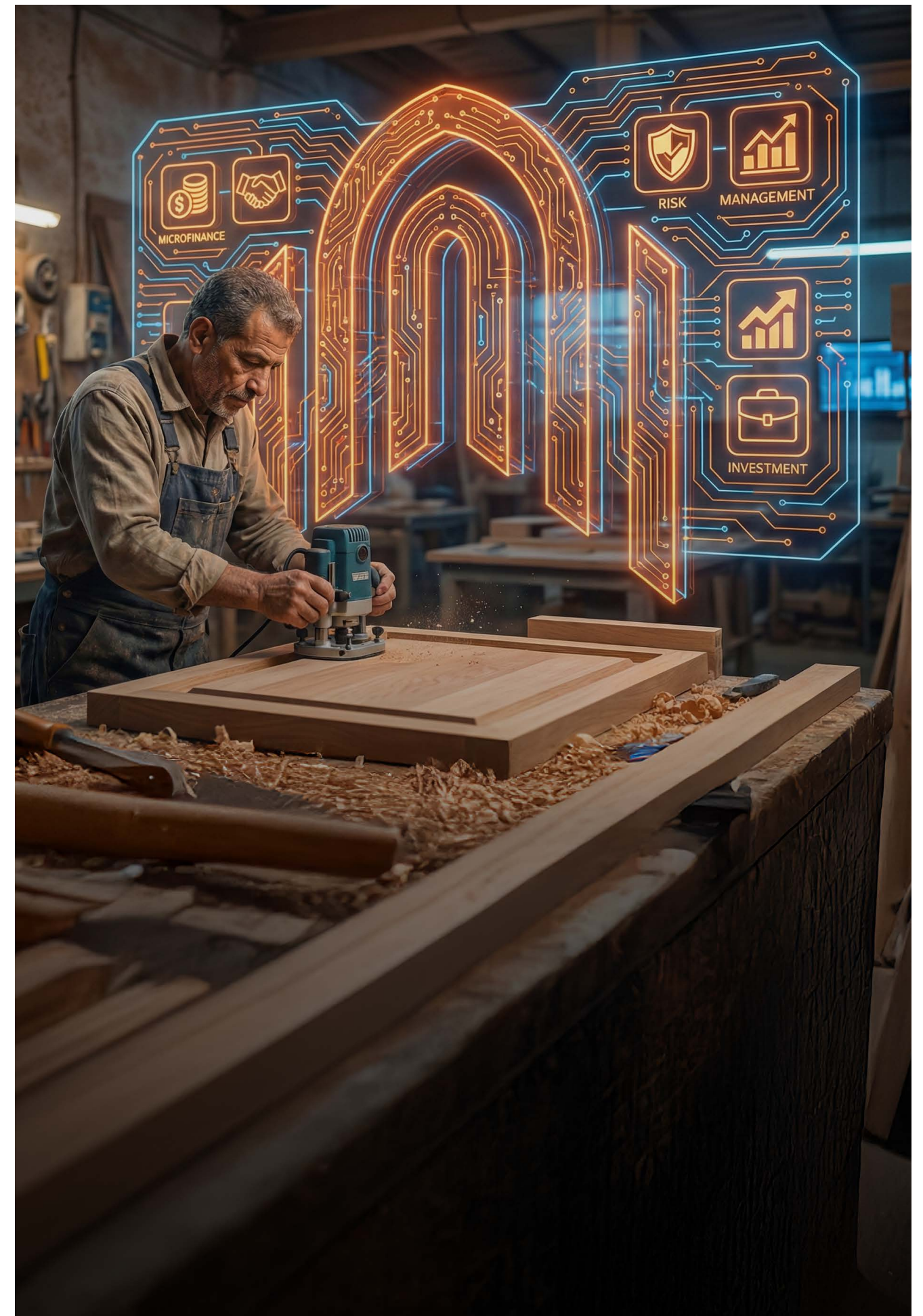
In 2025, Banque du Caire added several new unbanked customers as part of its financial inclusion initiatives through the financial inclusion accounts "Waffar". These accounts are characterized by their simplicity and very affordable charges, and are available for all expected segments (customers with or without work, students 15 years of age and without their guardian, fingerprint customers, women without any source of income, special needs individuals, craftsmen, freelancers or people with business on social media, and startups and small entities with incomplete documents to encourage them to deal

with formal sector instead of dealing with cash.

BdC also conducted several initiatives to spread financial literacy. Chief among these was visits to universities nationwide to provide financial literacy sessions to the Youth segment at more than 50 locations. Prepaid cards were issued during these visits, and attendees were able to open financial inclusion accounts and learn how to use them for their payments.

FORWARD-LOOKING STRATEGY

Looking ahead, Banque du Caire plans to continue to enhance and expand its offering and services, with the objective of providing clients with their exact needs. The Bank plans to deploy further upgrades to its mobile wallet to provide the best experience. New services are also in the pipeline for the mobile application.



Marketing and Corporate Communications

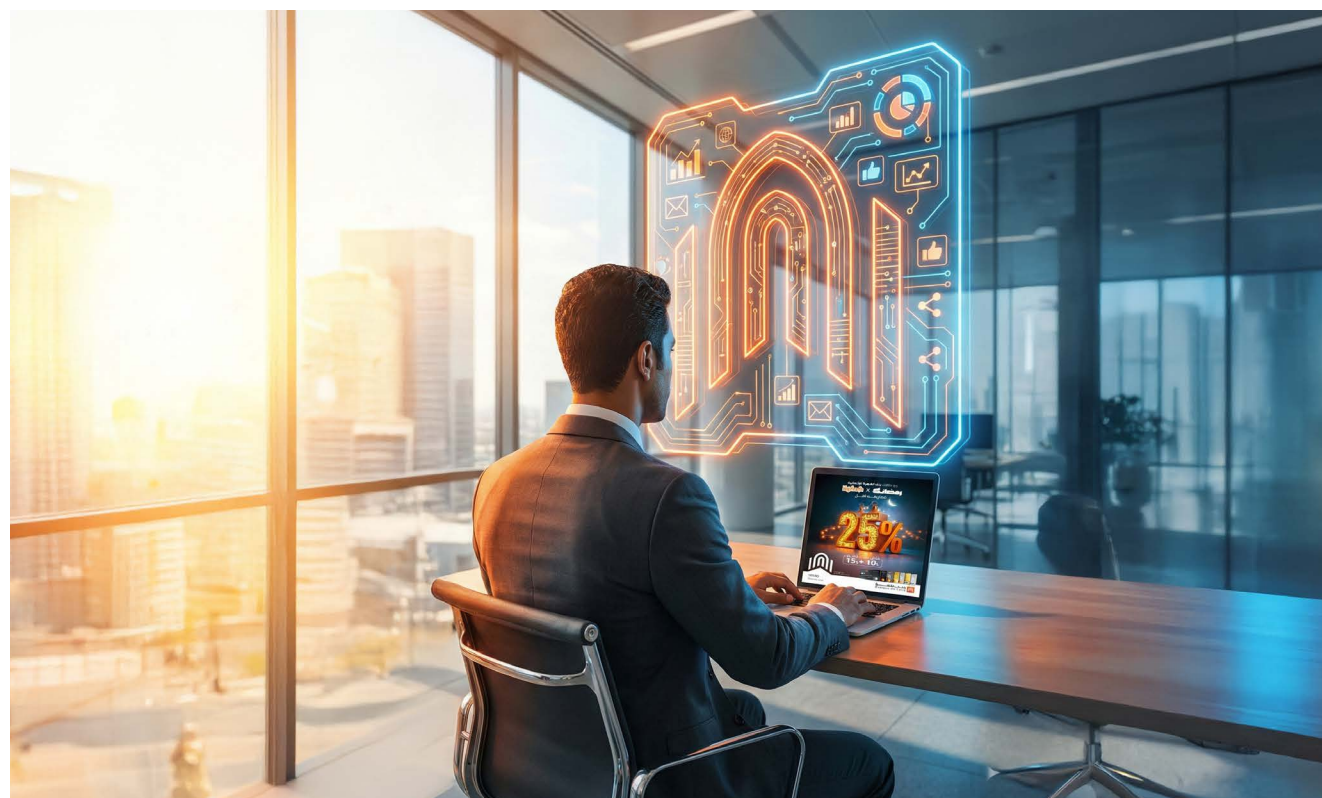
DIGITAL MARKETING

In 2025, Banque du Caire's digital marketing strategy continued to focus on strengthening customer engagement, expanding digital reach, and supporting conversion objectives. The team leveraged data-driven insights and automation capabilities to deliver relevant and targeted content, enhancing the overall customer experience and supporting the Bank's digital transformation and customer-centric growth agenda.

A comprehensive multi-channel digital marketing approach was maintained across key platforms, including Facebook,

Instagram, YouTube, LinkedIn, TikTok, and search engine marketing (SEM), to maximize reach and support lead generation efforts.

Through the effective use of analytics, digital marketing activities supported increased market penetration, stronger customer engagement, and greater awareness and adoption of the Bank's digital banking services.



CORPORATE MARKETING

In 2025, Banque du Caire continued to leverage strategic event sponsorships to enhance brand visibility and reinforce its role in driving economic progress, inclusion, and innovation across Egypt's financial and business landscape. Through active engagement with key stakeholders, the Bank reaffirmed its commitment to supporting national priorities, fostering inclusive growth, and strengthening long-term partnerships.

The Bank's sponsorship of the Management & Innovation Conference highlighted Banque du Caire's focus on innovation and forward-looking management practices. Banque du Caire also strengthened its employer brand presence by sponsoring several prominent employment fairs, including AUC, GIU, and ITI, enabling meaningful engagement with top talent and future leaders. Additionally, the Bank supported a number of high-impact corporate platforms throughout the year, such as the EBRD Conference, GTR, Enterprise, and the Future of Finance Summit, further positioning Banque du Caire as an active contributor to dialogue on financial development, trade, and the future of banking.

RETAIL MARKETING

The Retail Marketing strategy remains a core pillar of Banque du Caire's overarching business objectives, supporting the Bank's transformation toward a segment-led and digitally-centric operating model. During 2025, the Bank further solidified its presence within the high-net-worth and affluent customer segments through the continued development and promotion of the Tharwa ELECT, Prime, and Tharwa propositions, reinforcing value creation and deepening customer relationships across priority segments.

Customer Acquisition, Onboarding, and Retention

Throughout the year, Banque du Caire executed an integrated 360-degree marketing approach that aligned online, offline, and on-ground channels to support

segmented growth. Targeted, data-driven campaigns successfully expanded the Bank's footprint across the Affluent, Very High Net Worth (VHNW), and Youth segments. In parallel, the Bank remained strongly committed to advancing financial inclusion by leveraging its extensive nationwide branch network to drive customer acquisition and promote financial literacy among the unbanked population. This omni-channel strategy enabled a seamless and frictionless onboarding experience, contributing to a significant acceleration in New-to-Bank (NTB) customer acquisition.

Promotional Activities and Digital Adoption

Retail marketing efforts in 2025 were primarily focused on increasing share of wallet through the promotion of flagship assets and liabilities products, including credit cards, loans, and high-yield certificates of deposit (CDs). These initiatives were supported by tactical and seasonal campaigns aimed at rewarding customer loyalty and stimulating product penetration. Alongside these efforts, strong emphasis was placed on accelerating digital adoption, with sustained campaigns driving awareness and usage of the Qahera Cash mobile wallet, as well as the Bank's enhanced mobile and internet banking platforms, positioning digital self-service as a central engagement channel.

Strategic Partnerships and Brand Positioning

Banque du Caire continued to strengthen its brand positioning through a robust ecosystem of strategic partnerships and collaborations. Key alliances with Telda and Mastercard, alongside seasonal partnerships across the telecommunications, real estate, and food and beverage sectors, remained instrumental in embedding the Bank's offerings within customers' everyday lifestyles. Additionally, exclusive marketing initiatives targeting the Tharwa ELECT VIP segment at premium events and destinations further reinforced Banque du Caire's positioning as a provider of bespoke and high-value banking solutions.

BRANDING AND ACTIVATIONS

Since its brand relaunch in 2019, Banque du Caire has continued to strengthen its positioning as an innovative, dynamic, and business-oriented financial institution. In 2025, the Bank remained committed to reinforcing its brand values of professionalism, elegance, and trustworthiness through impactful branding initiatives that emphasize modernity, approachability, and relevance. Through consistent and effective communication, Banque du Caire further cemented its reputation as a forward-looking bank that balances expertise with a customer-centric and supportive approach.

As part of its ongoing branding and visibility strategy, Banque du Caire continued to expand its presence across high-profile sports and lifestyle platforms. In the sports arena, the Bank reaffirmed its dedication to athletic excellence and youth development by supporting prominent national athletes, including Nour El Sherbiny, international squash player, Mayar El Sherif, professional tennis player, and Omar Assar, international table tennis champion. Additionally, the Bank invested in the rapidly growing padel sports community through the sponsorship of multiple padel courts, reflecting its commitment to nurturing emerging sports and fostering local talent.

In parallel, Banque du Caire deepened its engagement within the lifestyle sector by partnering with some of Cairo's and the North Coast's most sought-after destinations, including Lucida Cairo and Babbo's Taverna. During Ramadan, the Bank sponsored the Sawa tent throughout the holy month. The Bank also sponsored iconic summer venues such as Sol Beach, where it played an active role in engaging audiences through on-ground activations and interactive giveaways distributed to booth visitors. The summer also brought about BdC's sponsorship of a concert for Amr Diab. In collaboration with renowned local designer Temraza, these activations underscored Banque du Caire's commitment to supporting homegrown brands and contributing to Egypt's cultural and creative landscape. Furthermore, the Bank's participation in the El Gouna Boat Show extended its reach among premium audiences, aligning the Banque du Caire brand with distinctive lifestyle and cultural experiences.

CAMPAIGNS

In 2025, Banque du Caire continued to reinforce its brand positioning through a range of targeted branding initiatives, supporting its presence as one of Egypt's leading banking brands. Marketing campaigns were implemented to promote the Bank's cards, CASA deposits, CDs, and treasury deposits, across carefully selected destinations and high-profile events nationwide, reinforcing the Bank's premium positioning and engagement with high-value customer segments.

BRANCH MARKETING

Branch marketing remained a key driver of customer engagement, with the physical branch continuing to serve as a vital touchpoint for personalized service delivery and revenue generation across the Bank's branch network. In 2025, branch marketing activities focused on showcasing Banque du Caire's key offerings across the Retail Mass, SME, and Microfinance segments through the effective use of in-branch assets, including digital screens, ATMs, and targeted shelf advertisements. Branch environments were regularly refreshed with the latest promotional materials and updates on flagship products and services, ensuring in-branch communication remained relevant and impactful. These communication channels were designed to highlight both existing and newly introduced offerings, enabling customers to fully benefit from the Bank's evolving product suite while supporting branch staff in effectively cross-selling and up-selling a wide range of banking solutions.





Investments

Investments

The Investments division is responsible for helping BdC to achieve its objectives by selecting diversified investment mandates while optimizing the risk and return profile. It targets long-term investments focusing on value creation with promising dividend income and/or capital gains.

The Investment and Securities department includes the following investment categories:

- **Direct investments**, including subsidiaries, associates, and affiliates.
 - **Subsidiaries, Associates and Affiliates**
BdC invests in subsidiaries, associates and affiliates that complement its core business. BdC's subsidiaries include CBU, CLC, CEC and Taly. Its associates and affiliates include Herasat, EgyServ and IBAG.
- **Trading portfolio**, which includes internally and externally managed trading equity portfolios.
- **Mutual funds**, which includes equity, money market, Islamic equity and fixed income funds; the combined NAV of those funds exceeded EGP8bn by December 2025.
- And **Alternative investments**, which includes private equity and SME funds, venture capital funds, fund of funds and real estate funds; with combined NAV of EGP815mn as at 31 December 2025.

KEY HIGHLIGHTS 2025

- BdC successfully divested its stake in AFREXIM, generating a capital gain and enhancing portfolio returns.
- Achieving outstanding performance that surpassed the EGX across both the internal and external portfolios during 2025:
 - The internal portfolio recorded a return of approximately 51%, compared to 40.6% for the EGX. Similarly, the external portfolio achieved a return of around 43.3%, also exceeding the index's 40.6%.
 - Establishing new internal trading portfolio of EGP 50 million, activated at the beginning of 2026.
 - Establishing two external portfolios, each with a value of EGP 50 million. The necessary procedures are currently underway to activate and commence their implementation.

- In 2025, Banque du Caire (BdC) witnessed a substantial growth in its mutual funds AUMs, ending year 2025 with a total size exceeding EGP 8.0 billion compared to EGP 4.9 billion at ending 2024 which translated to an impressive growth of 85% year-over-year, which significantly bolstered the bank's fee-based income. Consequently, the fees and related collections from these funds surged to EGP 38 million, reflecting the heightened scale and activity within the mutual fund department arm.

LOOKING FORWARD 2026 Strategic Investment

BdC aims to pursue strategic investments that align with and enhance its overall strategy, focusing on assets that deliver attractive yields while sustainably driving profitability. This will be achieved through:

- **Value Creation:** Strengthening governance frameworks, streamlining reporting, enhancing monitoring mechanisms, and promoting cross-selling opportunities across the portfolio.
- **Network Leverage:** Expanding and utilizing a strong network of investors, advisors, and strategic partners.
- **Market Intelligence:** Continuously conducting up-to-date market research to better understand evolving market dynamics and identify emerging opportunities.

Equity Trading Portfolios

BdC manages both internal and external equity trading portfolios that generate strong returns. The strategy is to expand both the number and size of these portfolios through:

- Building a highly qualified team with strong technical and fundamental trading expertise.
- Optimizing manager selection through a robust network of external asset managers.
- Launching three new portfolios (internally and externally managed) to diversify strategies and enhance returns.

Mutual Funds Platform

BdC offers a diversified range of mutual funds (Money Market, Fixed Income, Islamic, and Equity) aimed at enriching its product suite and generating fee income. The forward plan includes:

- Introducing new fund types, including multi-asset funds.
- Increasing the AUM of existing funds.
- Enhancing digital capabilities through automated subscription processes.
- Driving product awareness and client education.
- Strengthening fund manager monitoring frameworks.
- Developing innovative instruments aligned with market needs.
- Launching a new Money Market fund through subsidiaries.

Private Equity & Venture Capital Investments

BdC continues to expand its exposure to private markets through PE and VC funds targeting fintech, SDGs, and alternative asset classes, managed by experienced external partners. Key priorities include:

- Maintaining a first-mover advantage in innovative asset classes.
- Building internal capabilities following the appointment of a Head of Department (Dec 2025).
- Actively collaborating with General Partners (GPs) to support portfolio companies.
- Engaging with new fund managers to structure innovative investment products.
- Developing new offerings across Real Estate, Private Credit, and Green Funds.
- Assessing the establishment of a dedicated fund management company to enable a more active investment approach by BdC.



Direct Investments

CAIRO BANK UGANDA LIMITED (CBU)

Cairo Bank Uganda Limited (CBU), a subsidiary of Banque du Caire, plays an active role in Uganda’s banking sector, delivering customer-centric financial solutions supported by a strong focus on service quality and innovation. Since completing its rebranding in 2020, the Bank has strengthened its position as a trusted partner to small and medium-sized enterprises (SMEs), educational institutions, government entities, and corporate clients.

Through a strategically located network of six branches across Uganda, CBU offers a comprehensive range of retail and corporate banking services tailored to local market needs. By continuously expanding its customer base and adapting its offerings, the Bank remains focused on supporting economic activity and sustainable growth within the Ugandan market.

BRANCHES	REVENUE
6	EGP 558 MN
NET INCOME (LOSS)	TOTAL EQUITY
EGP -41 MN	EGP 148.3 MN



During the year, Cairo Bank Uganda Limited (CBU) made significant progress in strengthening asset quality and balance sheet resilience. The Bank successfully completed non-performing loan (NPL) recoveries exceeding UGX 21 billion, resulting in a substantial reduction in the NPL ratio

from 15.7% to 3.7%. This achievement reflects enhanced credit risk management practices and a focused recovery strategy, reinforcing the Bank’s financial stability and supporting sustainable growth going forward.

Advancing Product Innovation

In line with its commitment to continuous innovation, CBU expanded its product offering during the year with the launch of the Furaha Digital School Fees Loan, a retail-focused solution designed to support education financing through a streamlined digital experience. This addition reflects the Bank’s ongoing efforts to develop targeted products that respond to evolving customer needs across both retail and corporate segments.

through NSSF, and UGX 750 million via National Water and Sewerage Corporation (NWSC). CBU also plans to deepen its institutional footprint by onboarding five new institutional client relationships and 15 new schools while partnering with ENSIBUKO fintech to onboard SACCOs and organized groups.

On the lending side, CBU will pursue selective portfolio growth across new and existing sectors, with targeted loan book expansion of UGX 5 billion in retail lending, UGX 2 billion in agribusiness loans, UGX 5 billion in Edu-Bridge school financing, UGX 1.5 billion in Furaha digital school fees loans, and UGX 1.5 billion in ENSIBUKO SACCO and group loans. These initiatives will be supported by the automation of the loan origination process, with a target turnaround time of 30 days, alongside aggressive recoveries of written-off exposures and a commitment to achieve and maintain a non-performing assets (NPA) ratio below 5%.

Digitalization Initiatives

During the year, Cairo Bank Uganda (CBU) continued to advance its digital transformation agenda, focusing on enhancing customer convenience and improving operational efficiency. Key initiatives included the deployment of recycler deposit-taking ATMs across all branches, enabling faster and more efficient cash handling, as well as the rollout of instant card issuance, significantly reducing turnaround times for customers.

Forward-Looking Strategy

Looking ahead, Cairo Bank Uganda (CBU) will focus on driving sustainable growth through targeted balance sheet expansion, diversified income streams, and accelerated digital transformation. A key priority will be increasing the uptake of alternative banking channels, with targeted transaction volumes of UGX 27.5 billion through SchoolPay, UGX 50 billion via Agent Banking, UGX 12.5 billion through MNO Wallet–Bank integrations, UGX 10 billion via Pesapal, and UGX 2.5 billion in deposits through ATM recyclers.

In parallel, the Bank aims to scale its statutory and utility collections business, targeting UGX 30 billion in Uganda Revenue Authority (URA) tax collections, UGX 3.5 billion

Digital enablement remains a central pillar of CBU’s strategy. Planned initiatives include the rollout of an omni-channel banking platform (internet and mobile applications), digital account opening, USSD banking services, and expanded functionalities on the ABC platform, including withdrawals, transfers, and fee collections. The Bank also intends to introduce additional remittance channels, including PAPPs transfers and Etranzact, and to roll out the VISA card scheme, further strengthening customer access and engagement across digital and physical channels.

CAIRO LENDING COMPANY

Established in early 2018, Cairo Lending Company (CLC) was founded to expand Banque du Caire's footprint into the non-bank commercial financing space. The company offers a diversified portfolio of leasing solutions spanning commercial and administrative real estate, information technology and systems, and fleet management. In 2022, CLC further broadened its value proposition with the launch of factoring services, providing clients with flexible working capital solutions tailored to their operational needs.

Supported by a team of experienced professionals and a disciplined operating model, CLC combines strong advisory capabilities with effective portfolio management to deliver consistent client value. As a wholly owned subsidiary of Banque du Caire, the company benefits from strategic synergies and cross-selling opportunities, leveraging the Bank's scale, market presence, and long-standing institutional relationships.

2025 Highlights

During 2025, CLC demonstrated continued operational stability and financial resilience, navigating challenging market conditions, including currency devaluation and broader economic pressures. Through a disciplined and prudent operating approach, the company sustained positive financial performance, expanded its client base, and maintained solid portfolio coverage, enabling it to preserve its market share and reinforce its position as one of the top 10 leasing companies in Egypt. These outcomes underscore CLC's effective risk management capabilities and its ability to continue supporting clients in a dynamic business environment.

A key milestone during the year was CLC's successful leadership of a project finance transaction with Ezz Steel Group valued at approximately EGP 600 million, underscoring the company's capability to structure and execute large-scale, complex financing transactions. In parallel, CLC further expanded its business scope by strengthening its vendor financing leasing activities, with continued emphasis on the healthcare and printing and packaging sectors, supporting clients across multiple industries and geographies.

CLC also continued to diversify its product offering through the rollout of its mortgage product, enhancing its ability to serve a broader range of client financing needs. On the operational front, the company progressed with its digital transformation agenda, advancing the implementation of two new core systems supporting its factoring and mortgage products, aimed at improving efficiency, scalability, and service delivery.

By year-end 2025, CLC reported paid-in capital of EGP 500 million, total revenues of EGP 1.5 billion, and net income attributable to shareholders of EGP 171 million as of December 2025, achieving an average return on equity (ROE) of 22% over the same period, reflecting the company's continued stability and disciplined value creation.

Forward-Looking Strategy

Looking ahead, CLC will focus on targeted initiatives aimed at strengthening operational efficiency, expanding its product offering, and supporting sustainable growth. A key priority for the period ahead is the implementation of a new electronic invoicing system, designed to streamline accounting processes, enhance financial controls, and improve overall operational efficiency.

In parallel, CLC plans to expand into full mortgage finance services, broadening its suite of financing solutions and supporting deeper integration with client needs across different asset classes. This expansion is expected to contribute to market share growth while reinforcing the company's position as a diversified non-bank financial services provider.

Recognizing the importance of capital adequacy in supporting growth and regulatory requirements, CLC also plans to increase its paid-in capital by EGP 250 million. This step will strengthen the company's capital base and ensure sufficient capacity to execute its strategic initiatives and support future portfolio expansion.

CAIRO EXCHANGE COMPANY

Founded in November 2022, Cairo Exchange Company is Banque du Caire's first standalone entity specializing exclusively in foreign currency exchange services. The company's primary mandate is to facilitate the conversion of foreign currencies to and from the Egyptian pound, operating under the regulatory supervision of the Central Bank of Egypt and the Anti-Money Laundering Unit. Through this focused mandate, Cairo Exchange Company complements the Bank's broader financial services offering while serving a diverse customer base.

Cairo Exchange Company plays an integral role in advancing financial inclusion, providing accessible and compliant foreign exchange solutions to both banked and unbanked segments across Egypt. By supporting formal currency exchange channels, the company contributes to national economic objectives and helps mitigate reliance on parallel market activity. A strong emphasis is placed on customer experience, reflected in thoughtfully designed branch environments and comprehensive staff training programs. This client-centric approach underpins the company's commitment to service quality, trust, and long-term customer relationships.

Key Milestones

During the year, Cairo Exchange Company achieved several important operational and financial milestones that strengthened its governance framework and improved overall performance. A key achievement was the successful completion of the fixed assets register, addressing historical data accuracy challenges. Despite initial delays and technical complexities, the register was finalized through sustained effort and effective collaboration across teams, resulting in improved financial data quality and enhanced decision-making efficiency.

On the financial front, the company fully achieved its approved budget targets for the year, with actual operating revenues reaching approximately EGP 60.8 million, in line with projected levels. This reflects improved operational discipline and effective execution of the company's business plan.

The company represents one of the Bank's key sources of foreign currency. During 2025, the value of foreign currencies injected to the Bank amounted to approximately USD 352 million, generating revenues of around USD 35 million for the Bank.

Forward-Looking Strategy

Looking ahead to 2026, Cairo Exchange Company will continue to pursue a disciplined growth strategy aligned with prevailing market conditions and regulatory requirements. A new Managing Director has been appointed for the company, and a new strategy will be implemented, including the opening of new branches as well as the required capital increase.

TALY

Taly is Egypt's pioneering digital payments enabler and one of the region's leading payment processors, playing a central role in the modernization of financial ecosystems across the Middle East. Built on a fully integrated, end-to-end platform, Taly supports banks, merchants, consumers, corporates, and fintech innovators in digitizing the entire payments value chain. By enabling seamless connectivity between consumers and service providers, merchants and suppliers, and employers and employees, Taly facilitates secure, efficient, and fully traceable transactions that power everyday economic activity. Through this holistic approach, the company actively advances financial inclusion and accelerates digital transformation across multiple sectors.

Designed as a tech-led organization from inception, Taly differentiates itself through unmatched infrastructure depth and technological leadership. It is the first Egyptian company to deploy on-soil payment gateway services, 3D Secure authentication, and a tokenization platform for digital card issuance. Its comprehensive service portfolio spans full card and wallet processing, omni-channel payment acceptance, Buy Now, Pay Later (BNPL) solutions, and digital supply-chain financing, positioning Taly as Egypt's only true one-stop provider of fully integrated digital payment and financing solutions.

Taly's ecosystem-driven strategy emphasizes collaboration over competition. Rather than operating as a consumer-facing value-added services provider, the company partners with and enables market players, empowering them through robust, scalable infrastructure. With direct connectivity to global payment networks, including Mastercard and Visa, as well as local schemes such as Meeza, Meeza Digital, and IPN, and supported by a regional open SaaS license, Taly is uniquely positioned to deliver its capabilities across borders. Looking ahead, Taly remains committed to strengthening the fintech landscape through continuous innovation, resilient infrastructure, and frictionless digital payment experiences.

Key Milestones

During the year, Taly completed the successful delivery of core infrastructure capabilities and the execution of a refined business model. Key product launches include the rollout of the Tap & Track solution for Banque du Caire's Global Transaction Banking (GTB), the activation of consumer credit card processing for BdC's retail segment, and the deployment of a 3D Secure authentication system for Bank Misr, strengthening transaction security and compliance across high-volume payment flows.

During the year, responsibility for merchant acquiring was transitioned to Banque du Caire, allowing Taly to focus exclusively on payment infrastructure, processing, and platform enablement, reinforcing its role as a technology and processing backbone for financial institutions. By year-end 2025, Taly had onboarded two customers (Banque Misr and BdC), processed 9,622,203 transactions, and facilitated payment flows of approximately EGP 31,643,772,572, underscoring its role as a core infrastructure enabler within Egypt's digital economy.

Forward-Looking Strategies

Looking ahead, Taly's strategy is focused on strengthening its position as Egypt's leading independent third-party payment processor, anchored in resilient infrastructure, advanced processing capabilities, and institutional-grade reliability. The company aims to become the go-to enablement partner for both established and emerging fintechs, providing scalable, secure, and configurable processing technologies that support rapid product development and market deployment.

By continuing to invest in platform modernization, regulatory alignment, and service excellence, Taly is positioning itself to deepen its role within the national payments ecosystem and to support the next phase of fintech innovation in Egypt while maintaining a disciplined, infrastructure-led growth model.



Sustainability Approach

05



Sustainability Strategy

SUSTAINABILITY AND LONG-TERM GROWTH

Guided by future-focused strategies and an unwavering commitment to sustainability, Banque du Caire has laid the groundwork for enduring growth that bridges

financial performance and societal advancement. This approach is supported by a sustainability framework built on pivotal pillars underpinning the Bank's second phase of strategic transformation.



STRATEGY

Sustainability is firmly embedded in Banque du Caire's strategic vision and is operationalized through the Bank's integrated strategy. Building on the foundation established in 2015, the Bank has continuously refined its sustainability practices to remain aligned with national development agendas and global best practices. This strategic focus is reflected across both internal operations and financing activities, supporting informed decision-making and the creation of long-term sustainable value.

CAPACITY BUILDING

Advancing its sustainability agenda, Banque du Caire invests in the development of capacity-building tools and engagement platforms aimed at strengthening awareness across its stakeholder ecosystem. This approach is brought to life through initiatives such as targeted training and collaboration with subject-matter experts, empowering both employees and partners to incorporate sustainability principles into their everyday roles and responsibilities.

INTERNAL SUSTAINABILITY AND GOVERNANCE

In support of its transition to a more sustainable banking model, Banque du Caire has undertaken a series of structural reforms aimed at bolstering sustainability governance across the institution. A key milestone in this journey has been the establishment of the Sustainability & Sustainable Finance Department, which plays a central role in driving the Bank's sustainability agenda. This progress is further solidified by the integration of environmental and social considerations into lending policies, as well as the development of a Sustainable Finance Framework that clearly defines Banque du Caire's approach to sustainable finance.

Additionally, Banque du Caire cemented its commitment to sustainable finance through the development of a detailed Climate Finance Strategy in collaboration with the IFC. This key milestone signals Banque du Caire's ambitions to take a leading role in transforming the Egyptian economy and further embed the Bank's sustainability principles into its overall business model.

SUSTAINABLE FINANCE

Reflecting its commitment to sustainable finance, Banque du Caire actively channels capital toward green initiatives through partnerships with leading development finance institutions, strengthening its contribution to Egypt's environmental and economic resilience. This approach is anchored in the Bank's Sustainable Finance Framework, which integrates environmental and social considerations and sets out a medium- to long-term roadmap to support clients in their sustainable transformation efforts. Together with a structured Environmental and Social Risk Management (ESRM) system, the framework enables the Bank to deliver climate-focused financing solutions, capacity-building programs, and complementary non-financial support to help clients advance their sustainability objectives.

ENSURING RESPONSIBLE LENDING PRACTICES

Banque du Caire's sustainability approach is underpinned by a strong commitment to transparency and responsible banking practices, reflected in its alignment with the Principles for Responsible Banking and full compliance with Central Bank of Egypt regulations. These commitments are translated into practice through a robust lending framework that systematically integrates environmental and social risk considerations into credit assessment and approval processes. Supporting this framework, the Bank invests in targeted capacity-building initiatives to ensure staff are equipped with the skills required to identify, evaluate, and manage sustainability-related risks effectively.

GREEN LENDING INITIATIVES AND SUSTAINABLE BONDS

Banque du Caire offers a range of green financing solutions, supporting investments such as solar energy systems and electric mobility. Looking ahead, the Bank is focusing on identifying market needs and strategically building the

solutions needed to ensure our customers receive best-in class offerings regardless of their segment.

RISK MANAGEMENT

Banque du Caire is strengthening its ESG integration by systematically incorporating environmental and social considerations across its risk management practices. This includes the development of dedicated Environmental and Social Risk Management (ESRM) frameworks tailored to both Large Corporates and MSMEs, supported by a dedicated Environmental and Social Lending Policy and a specialized E&S Risk Unit. In parallel, the Bank is progressing toward the completion of a Climate Risk Management Framework that will embed climate-related risks into credit assessment processes. These initiatives are complemented by ongoing efforts to enhance the capabilities of the Bank's risk management teams.

REPORTING AND DISCLOSURES

Since 2015, Banque du Caire has taken a leading role in sustainability reporting by maintaining a strong track record of transparent and consistent disclosures. This focus on accountability is reinforced through alignment with the Global Reporting Initiative standards, active engagement with the United Nations Environment Programme Finance Initiative, and public commitment to the Principles for Responsible Banking. In addition, the Bank annually discloses its progress and commitments in line with the United Nations Global Compact Principles.

MOVING FORWARD

Banque du Caire is committed to fostering sustainable business practices across its client base by engaging clients through targeted awareness and advocacy initiatives. These efforts are designed to support informed decision-making, enabling clients to pursue long-term value while effectively managing environmental and social risks over the long term.

Environmental Impact

Banque du Caire continues to prioritize environmental responsibility as a core pillar of its sustainability agenda. Through a comprehensive environmental strategy and forward-looking initiatives, the Bank is actively working to reduce its environmental footprint while strengthening climate risk management in support of the transition toward a net-zero future.

ENVIRONMENTAL REGULATIONS AND STANDARDS

Banque du Caire's environmental impacts are governed by a combination of internal and external regulatory frameworks. These include the BdC Exclusion List, compliance with national environmental laws, and adherence to applicable international standards, such as the IFC Performance Standards, where relevant.

Compliance with Environmental Regulations

Banque du Caire strictly adheres to all national environmental regulations and mandates set forth by the Central Bank of Egypt (CBE). Compliance is supported through a structured Environmental and Social Risk Management (ESRM) approach, including screening against the Bank's exclusion list, the conduct of Environmental and Social Due Diligence (ESDD), and the review of client documentation to identify and assess potential environmental and social risks. Where applicable, the Bank proposes corrective action plans and undertakes ongoing follow-up with clients to ensure effective implementation and sustained compliance.

CLIMATE CONSIDERATIONS IN CLIENT FINANCING

Banque du Caire's efforts to support client decarbonization form part of its medium- to long-term strategic agenda. In 2025, the Bank finalized

its Climate Finance Strategy in cooperation with the International Finance Corporation (IFC), establishing a clear framework to support clients in transforming their business models, improving energy efficiency, and reducing carbon emissions. In parallel, and in line with this strategy, the Sustainability and Sustainable Finance team is working closely with the Risk Management Group to develop the frameworks and tools required to integrate climate risk considerations into the Bank's credit risk processes, further strengthening its ability to support clients' transition to more sustainable operations.

ENVIRONMENTAL AND SOCIAL RISK MANAGEMENT IN LENDING

The Environmental and Social (E&S) Lending Policy is a core component of Banque du Caire's Environmental, Social, and Governance (ESG) Strategy and underpins the Bank's approach to environmental and social risk management. The policy establishes minimum standards for identifying, assessing, and managing E&S risks and impacts across all financing decisions, promotes transactions with positive environmental and social outcomes, and excludes financing for activities listed under the Bank's exclusion framework. It also provides clear guidance on E&S expectations for staff and stakeholders and supports the ongoing strengthening of internal capabilities to enhance E&S risk identification, assessment, and oversight.

MOVING FORWARD

As part of its ongoing sustainability journey, the Bank plans to further develop its Carbon Footprint Report as it advances to the next stage of its climate risk management strategy. This phase will focus on assessing the carbon intensity of the sectors within its lending portfolio, reinforcing the Bank's commitment to responsible and sustainable financing practices.

SDG COMMITMENTS

In 2025, Banque du Caire's environmental initiatives support the following Sustainable Development Goals:



MANAGEMENT APPROACH



Strategy



Policies, Frameworks, and Risk Integration



Digitalization and Data Management



Capacity Building and Awareness



Reporting and Disclosure



Sustainable Finance



Strategic Partnerships

Social Impact

OUR COMMUNITY

Social responsibility is integral to Banque du Caire’s role as a national financial institution and underpins its contribution to inclusive and sustainable development in Egypt. Through initiatives that are guided by its strategic priorities and institutional values, the Bank works in partnership with credible organizations to address community needs and create long-term social impact. These initiatives are designed to support national development objectives and are aligned with global frameworks, including the United Nations Sustainable Development Goals (SDGs) and Egypt’s Vision 2030.

BANQUE DU CAIRE’S CSR POLICY

Strategic Objective

The CSR Policy aims to deliver responsible, sustainable, and high-impact initiatives aligned with national and international development priorities, including the United Nations Sustainable Development Goals (SDGs) and Egypt’s Vision 2030.

Key Focus Areas

Banque du Caire’s CSR activities concentrate on five key areas: health, through support to healthcare services and awareness programs; education, via scholarships, infrastructure development, and digital learning; economic empowerment, including skills development, small business support, and microfinance; environmental sustainability, through green and conservation-focused projects; and community development, with a focus on supporting vulnerable groups, including persons with disabilities.

Governance and Oversight

The CSR strategy is approved by the Board of Directors, with implementation and monitoring led by a dedicated CSR team. Activities and outcomes are reviewed and

Banque du Caire further reinforces its commitment to responsible business practices through its participation in international sustainability initiatives. As a signatory to the United Nations Global Compact, the Bank adheres to globally recognized principles across human rights, labor, environment, and anti-corruption. Progress in embedding sustainability across the Bank’s operations is disclosed annually through its Communication on Progress (CoP), reflecting Banque du Caire’s commitment to transparency, accountability, and responsible corporate leadership.

disclosed through annual reporting to ensure transparency and accountability.

Project Approval and Controls

All CSR projects undergo a structured review process assessing financial soundness, impact, and feasibility, followed by multiple approval levels culminating with Board approval. In accordance with regulatory requirements, the Central Bank of Egypt approves all NGO-related disbursements prior to fund transfers.

Impact Measurement

The Bank applies Social Return on Investment (SROI) methodologies to assess both social and financial outcomes, supporting effective capital allocation and long-term sustainability in line with international CSR reporting standards.

Compliance and Ethics

CSR partners are subject to due diligence and anti-money laundering (AML) checks, with strict policies prohibiting political or religious affiliations and enforcing conflict-of-interest controls.

Financial Transparency

CSR activities are supported by a dedicated budget regular audits conducted to ensure proper and reviewed annually by the Board. Administrative transparent use of funds. expenses are capped at 15% of total funding, with



BDC’S CONTRIBUTION TO THE SDG GOALS

Goals 01 and 02

“No Poverty, Zero Hunger”



In 2025, Banque du Caire continued to support poverty alleviation and food security through a range of social development initiatives. During the Holy Month of Ramadan, the Bank organized its annual food drive, distributing iftar meals and Ramadan boxes across Egypt in partnership with Tahya Masr, Bedaya, and Sonaa El Kheir.

Banque du Caire launched a strategic partnership with the Egyptian Food Bank to support “Hayah Karima” villages by providing school meals and educational supplies, contributing to improved child nutrition, health, and equal access to education.

Goal 03

“Good Health and Well-being”



Egypt’s healthcare sector has continued to advance, with broader access to modern medical facilities and higher standards of care. In line with national healthcare priorities,



Baheya Foundation

Banque du Caire supports the establishment of the new Baheya Hospital in Sheikh Zayed through contributions toward essential medical equipment for breast cancer treatment. The Bank also promotes awareness by organizing educational seminars for female employees and supporting breast cancer survivors through the promotion of their products at Bank-hosted exhibitions.



Magdi Yacoub Heart Foundation

The Bank continues to support Magdi Yacoub Heart Foundation through contributions to the adult cardiac care unit at the new heart hospital. The unit, comprising 16 beds, serves as a specialized facility for heart patients and is fully equipped to deliver intensive monitoring, advanced treatment, and comprehensive patient care.



Al-Nas Children’s Hospital

The Bank partnered with Al-Nas Children’s Hospital, one of the largest medical centers in the Arab region and Africa, which has been providing specialized care for chronic heart diseases since its establishment in 2019.

Banque du Caire has collaborated with the Ministry of Health and leading medical institutions to strengthen service delivery and support community well-being. The Bank’s contributions have enabled the expansion of medical facilities, coverage of operational needs, and the acquisition of advanced medical equipment. These include:



Ahl Masr Hospital

Banque du Caire provides support to Ahl Masr Hospital, the first specialized institution in Egypt, the Middle East, and Africa dedicated to the treatment of burn victims. The Bank’s contributions focus on the hospital’s rehabilitation center, helping patients restore functionality, improve quality of life, and address the psychological impacts associated with severe burn injuries.



Children’s Cancer Hospital 57357

Banque du Caire contributes to Children’s Cancer Hospital 57357 by supporting the acquisition of the CyberKnife® system, a state-of-the-art technology used for precise, non-invasive tumor treatment across various parts of the body. The Bank has also supported the hospital’s operational needs, provided medical equipment, and contributed to the establishment and upkeep of an arts and music activity room to enhance the psychological well-being of young patients during treatment.



Mervat Sultan Foundation

Banque du Caire supports medical convoys organized by the Mervat Sultan Foundation in Asyut Governorate, aimed at addressing preventable causes of blindness. The initiative provides medical examinations, eye surgeries, prescription eyeglasses, and cataract procedures for underserved communities.



Dar Shifa El Orman

Banque du Caire supported the establishment of a solar power station for Dar Shifa El Orman, enabling the institution to adopt a more sustainable energy model. This initiative significantly reduces electricity costs and supports the hospital’s long-term operational efficiency, as well as supporting the treatment of critical medical cases.



Ibrahim Badran Foundation

Banque du Caire launched a community healthcare project with Ibrahim Badran Charity Foundation in Giza, delivering medical convoys and a fixed clinic to underserved areas. The project provided free examinations, treatment, medication, and health awareness services to beneficiaries across multiple medical specialties.

Goal 04

“Quality Education”



Banque du Caire continues to prioritize education as a key driver of sustainable development and future workforce readiness. Through the Banque du Caire Scholarships program, the Bank supports high-performing students pursuing higher education in fields aligned with labor market needs, particularly in technology and engineering disciplines. The program is designed to help bridge skills gaps in areas such as computer science, data science, network and cybersecurity, and electrical and electronic engineering, in line with the United Nations Sustainable Development Goals and Egypt’s Vision 2030. In 2025, scholarships were awarded to outstanding students enrolled at El Sewedy Polytechnic University, Nile University, and Zewail City for Science and Technology.

In addition, Banque du Caire supported the operational costs of the Federation of Egyptian Banks school complex in Helwan, in response to a request from the Central Bank of Egypt. This contribution supports a three-year operational plan aimed at developing the complex



The Egyptian Red Crescent Hospital

Banque du Caire supported the Egyptian Red Crescent Hospital in Tanta, Gharbia Governorate, which serves approximately 70,000 patients annually across multiple departments. The support aimed to enhance the hospital’s operational capacity by procuring medical supplies, an automated autoclave device, renewing and replacing 50 hospital beds, providing two ventilators, and contributing to improving access to quality healthcare services.



Ain Shams University Hospital

In line with the Central Bank of Egypt’s recommendation, Banque du Caire supported Ain Shams University Hospital through a donation to procure advanced medical equipment for monitoring bone marrow transplant cases, contributing to enhancing the quality of critical healthcare services.

into an integrated technical and technology-focused school, covering curriculum development, workshop and laboratory equipment, and administrative requirements, and reinforcing the Bank’s commitment to youth skills development and technical education.

Goals 06 and 11

“Sustainable Cities and Clean Water”



Banque du Caire supports community development in underserved areas across Egypt through partnerships with civil society organizations and the financing of projects that improve living conditions and access to essential services. These initiatives are aligned with national priorities aimed at promoting sustainable urban development and improving quality of life in vulnerable communities.

In collaboration with Sonaa El Kheir, the Bank supported a comprehensive development project in Kalh village focused on economic empowerment and access to basic resources. The initiative introduced 30 fully equipped

mobile fish-selling units to provide affordable, high-quality food to areas with limited market access while creating employment opportunities for trained youth. To enhance food safety, the project included the provision of insulated storage equipment. Addressing water security, the initiative also delivered water filters benefiting 1,000 residents, implemented water quality awareness activities reaching 2,000 individuals, and established a centrally operated purification station using modern technology to ensure a sustainable supply of safe drinking water.

Goal 8

“Decent Work and Economic Growth”



Women and Youth

Banque du Caire supports decent work and inclusive economic growth by investing in initiatives that strengthen the skills and economic participation of women and young people. Leveraging its role in microfinance, the Bank helps equip beneficiaries with the financial tools needed to enter the labor market, launch income-generating activities, and build sustainable livelihoods.

In partnership with the Orman Association, Banque du Caire launched the Good Loan Project, an initiative designed to finance approximately 2,000 small-scale projects for women and young breadwinners. The program supports entrepreneurship and income generation while expanding financial inclusion, particularly in Upper Egypt, contributing to broader economic empowerment and employment opportunities.

Goal 10

“Reducing Inequalities”



Banque du Caire continues to advance social inclusion by supporting initiatives that empower persons with disabilities and encourage cultural participation. Through partnerships with specialized organizations, the Bank has contributed to programs with tangible social impact

across Egypt. In collaboration with the Helm Foundation, Banque du Caire supported the Seed Project for the fourth consecutive year, providing training and job-readiness support to more than 500 persons with disabilities and facilitating their integration into the labor market. The Bank also partnered with the Baseera Foundation to support a five-month art training program for 25–30 visually impaired participants, culminating in a public exhibition showcasing their creative works and promoting inclusive cultural expression.

Goal 12,13,14,15,16

“Environment”



Banque du Caire continues to advance its environmental agenda through initiatives that promote sustainable practices, protect natural resources, and raise environmental awareness.

In collaboration with MSMEDA, the Bank participated in the “Turathna” exhibition as part of its bGreen initiative, supporting the promotion of environmentally friendly products and the preservation of traditional crafts and cultural heritage. Through this partnership, Banque du Caire showcased the work of more than 20 artisans from various governorates at its exhibition booth, contributing to increased visibility for sustainable craftsmanship and encouraging environmentally conscious production.

In addition, Banque du Caire partnered with the United Nations Development Programme (UNDP) on the “Sharm El-Sheikh Without Plastic” initiative, which aims to reduce the use of single-use plastic bags in the city. The campaign also includes ongoing cleanup activities to mitigate the environmental impact of plastic waste and promote long-term environmental sustainability.

Goal 17

“Partnership for the Goals”



As part of its CSR approach, Banque du Caire works closely with a broad range of partners to enhance the reach and effectiveness of its social and development initiatives. Through these collaborations, the Bank

supports inclusive and sustainable growth across key sectors. Its partnerships span public and private stakeholders, including government entities, foreign diplomatic missions, national institutions and presidential initiatives, United Nations agencies, non-governmental organizations, leading healthcare providers, and accredited academic institutions.



OUR PEOPLE

Banque du Caire continues to strengthen its position as an employer of choice within Egypt’s banking sector, building on a workplace culture recognized for its dynamism, inclusiveness, and commitment to professional development. Central to this positioning is the Bank’s identity as the intersection of heritage and innovation, offering employees the stability and national reach of a long-established institution alongside the ambition and pace of a digital challenger. This distinctive proposition attracts professionals motivated by national impact, digital transformation, and long-term value creation.

The Bank remains focused on attracting, developing, and retaining high-caliber talent by fostering an empowering, transparent, and ethically grounded work environment. Open communication and institutional transparency continue to underpin employee engagement, with regular updates on strategic priorities and organizational developments. In parallel, Banque du Caire maintains a strong emphasis on employee health and well-being through comprehensive medical coverage and

wellness initiatives that support sustained performance and engagement.

Building on employee feedback, Banque du Caire is progressing from a culture of listening to one of co-creation, actively involving employees in shaping solutions and improving the workplace experience. At the same time, the Bank is accelerating internal digitalization through modern platforms, collaborative tools, and streamlined HR processes, reinforcing its employer brand and supporting a more efficient and connected employee experience.

These efforts are supported by a periodic, bank-wide Employee Engagement Survey, which serves as a key tool for assessing engagement levels and informing people-related decisions. Survey results are used to support retention, reduce turnover, enhance productivity, strengthen leadership and management practices, and track progress over time through structured action planning.

EMPLOYEES	NEW HIRES IN 2025	FEMALE NEW HIRES IN 2025	UNDER 30 NEW HIRES IN 2025
8,318	697	32%	66%

REMUNERATION AND BENEFITS

Banque du Caire remains committed to providing a compensation and benefits framework that supports its strategic objectives while prioritizing employee well-being, motivation, and long-term engagement. The Bank’s approach is designed to promote sustainable performance through market-competitive remuneration and a comprehensive range of benefits that address employees’ professional and personal needs.

Employees are offered a competitive compensation package comprising fixed pay, allowances, and performance-driven variable compensation, ensuring alignment between individual performance and organizational outcomes. To maintain competitiveness and internal equity, the Bank reviews its compensation structure on an annual basis, informed by market benchmarking exercises and prevailing economic conditions, including market movements and inflation.

In addition to remuneration, Banque du Caire provides a broad suite of benefits aimed at supporting employee welfare and financial security. These include medical insurance coverage for employees and their eligible dependents, end-of-service pension benefits, and life and disability insurance coverage. Employees also benefit from preferential rates across the Bank’s products and services, further enhancing the overall employee value proposition.

Diversity and Inclusion

Banque du Caire is committed to promoting diversity, inclusion, and equal opportunity across all aspects of employment, recognizing that a respectful and inclusive workplace is fundamental to organizational performance and sustainability. The Bank’s approach embraces diversity across multiple dimensions, including gender, age, background, and differing abilities, and seeks to ensure that all employees are treated fairly and with dignity.

This commitment is embedded within the Bank’s governance and ethical framework, which includes the Code of Ethics, Whistleblowing mechanisms, and Disciplinary Bylaws. Together, these policies establish clear standards of conduct, support ethical behavior, and provide employees with secure and confidential channels to raise concerns or report misconduct. Impartial grievance procedures are in place to ensure that reported issues are addressed fairly, consistently, and without retaliation.

Equal opportunity is further reinforced through transparent, merit-based employment practices across recruitment, performance evaluation, and career progression. Clear criteria for promotions, compensation reviews, and performance assessments are communicated across the organization, fostering trust, accountability, and a culture where opportunity is based on performance and capability.

OF EMPLOYEES ARE DIFFERENTLY ABLED	OF EMPLOYEES ARE WOMEN	FEMALE FUNCTION HEADS	INCIDENTS OF DISCRIMINATION REPORTED IN 2025
206	23%	5	4

A TOTAL OF 697 HIRES DURING 2025 ARE CLASSIFIED AS BELOW

2025 Employee Count by Gender		2025 Employee Count by Age	
Female	220	Under 30	457
Male	477	From 30 to 50	237
		Above 50	3
Total	697	Total	697

2025 Employee Count by Region

Headquarters	360
Network (branches and microfinance)	337
Total	697

Total Employees by Age Bracket

UNDER 30 YEARS	30-50 YEARS OLD	OVER 50 YEARS OLD
1,508	3,987	2,823

Management and Governance Positions by Age Bracket

UNDER 30 YEARS	30-50 YEARS OLD	OVER 50 YEARS OLD
0	11	19

Employee Engagement and Retention

Employee engagement continues to be a key driver of performance and talent retention at Banque du Caire, closely linked to employee satisfaction, motivation, and long-term commitment. In support of this, the Bank places continued emphasis on learning, training, and capability development as central components of its people strategy. Engagement initiatives are designed to foster a culture of continuous development, providing employees across all

functions with access to diverse learning opportunities. These include inclusive development pathways available to all employees regardless of role or gender, alongside simulation-based training, virtual and e-learning programs, and customized development tracks tailored to the needs of each business line.

TOTAL TURNOVER FOR 2025 WAS 9%.

Turnover by Gender

Female	1.1%
Male	7.9%
Total	9%

Turnover by Age

Under 30	2.3%
From 30 to 50	2.4%
Above 50	4.3%
Total	9%

Turnover by Region

Headquarters	5%
Network (branches and microfinance)	4%
Total	9%

EMPLOYEES THAT TOOK CHILD CARE LEAVE IN 2025

185

Training and Development

Banque du Caire continues to invest in the attraction, development, and retention of talent as a core component of its people strategy. To strengthen its talent pipeline and engage early-career professionals, the Bank actively participates in employment and career fairs and maintains close collaboration with academic institutions. In 2025, Banque du Caire participated in five employment fairs, with plans to expand this outreach to eight employment fairs in 2026, reinforcing its commitment to identifying and nurturing high-potential talent across the Banking sector.

Employee development is guided by a structured Training Needs Analysis and management direction, ensuring alignment between learning initiatives and business priorities. Through its Human Resources Learning and Development function, the Bank delivers a comprehensive suite of career development programs, including Management Academies, Future Leaders Programs,

Leadership Tracks, and specialized banking and financial programs, designed to support progression across all career stages.

In parallel, Banque du Caire offers a wide range of technical and behavioral training tracks to enhance professional capabilities and support continuous learning. The Bank has also implemented structured management development programs, comprising three distinct tracks covering all management levels. In 2025, these programs collectively delivered 26,370 training hours, underscoring the Bank’s ongoing investment in leadership development, skills enhancement, and long-term organizational capability.

EMPLOYEES TRAINED

6,770

TRAINING HOURS

220,240

AVERAGE TRAINING HOURS PER EMPLOYEE

32.5

AVERAGE TRAINING HOURS FOR WOMEN

33.9

Training Hours by Training Path

Induction	13,890
Control and Regulatory	26,610
Certificates	30,900
Interpersonal Skills	108,050
Technical Skills	184,429

Average Training Hours by Managerial Level

BAND	HOURS
Professionals	47
Supervisory	40.8
Middle Management	32.6
Senior Management	53.5
Total	173.7

Average Training Hours by Function

FUNCTION	HOURS
Business	39
Control	54.7
Support	40.4





Governance and Controls

Corporate Governance

In 2025, Banque du Caire continued to operate under a robust corporate governance framework that guides its business activities in line with internationally recognized best practices. The Bank remains committed to upholding transparency, sustainability, and operational efficiency across all areas of its operations, reinforcing its professional integrity.

CORPORATE GOVERNANCE STRATEGY

Banque du Caire remains firmly committed to upholding professional integrity and delivering sustainable value to its stakeholders. To this end, the Bank operates under a comprehensive corporate governance framework applied across all business activities and aligned with internationally recognized best practices. Banque du Caire adheres to all applicable Egyptian laws and regulatory requirements and enforces high ethical standards among

its employees. This framework is designed to safeguard the interests of all stakeholders, including customers, shareholders, employees, and the communities in which the Bank operates. The Bank’s strong culture of integrity continues to promote accountability and encourages employees to carry out their responsibilities with diligence and professionalism. In this context, BdC renewed its ISO 37000 certification in 2025.

BOARD OF DIRECTORS

Throughout 2025, Banque du Caire’s Board of Directors consisted of ten members, as per the following composition:

Name	Title	Joining Date
Mr. Mohamed Ozalp	Non-Executive Chairman	22/9/2024
Mr. Hussien Abaza	Managing Director & CEO	22/9/2024
Mr. Bahaa El Shafie	Deputy CEO & Executive Board Member	13/10/2021
Mr. Hisham AbdElaal	Deputy CEO & Executive Board Member	13/10/2024
Mrs. Leila El Mokaddem	Independent Non-Executive Board Member	31/3/2021
Mr. Hisham Hendi	Non-Executive Board Member	31/3/2021
Mr. Osama El Messiry	Non-Executive Board Member	22/9/2024
Mr. Ahmed El Guindy	Non-Executive Board Member	22/9/2024
Mr. Mahmoud Elsafty	Non-Executive Board Member	22/9/2024
Ms. Nihal Kamal	Independent Non-Executive Board Member	22/9/2024

The Board of Directors plays a central role in guiding Banque du Caire’s operations by defining responsibilities that uphold ethical standards, ensure compliance with applicable laws and regulations, and support the Bank’s overall performance. The Board also oversees progress of the Bank’s strategic objectives and growth strategy.

Banque du Caire benefits from a Board composition that reflects a wide range of skills, professional backgrounds, and perspectives, including the participation

of accomplished younger professionals. This collective expertise contributes to the effective development and oversight of the Bank’s strategic priorities, internal policies, and regulatory obligations, as well as to the supervision of risk management practices in line with Egyptian legislation, Central Bank requirements, and the Bank’s governance framework. The diversity within the Board enhances constructive dialogue and informed decision-making, strengthening governance effectiveness and enabling the Bank to respond flexibly to evolving business needs.

Duties of Board Members

Board members conduct their duties with due care, integrity, and accountability, acting in good faith and within the powers conferred upon them by applicable laws and regulations. They are required to adhere to the corporate governance principles and directives issued by the Central Bank of Egypt as well as Banque du Caire’s internal governance policies. In performing their duties, Board members rely on complete and accurate information and consistently prioritize the interests of the Bank and its shareholders in their decision-making.

Chairman of the Board

The Chairman provides strategic oversight and leadership to the Board, guiding the Bank’s long-term vision while ensuring sound governance, effective risk oversight, and regulatory compliance. Through promoting a strong

corporate culture, engaging with key stakeholders, and supporting sustainable growth, the Chairman plays a central role in reinforcing the Bank’s stability and long-term success.

Secretary of the Board of Directors

The Secretary of the Board supports the effective functioning of the Board by organizing meetings, documenting discussions and decisions, and maintaining official records, reports, and correspondence related to Board activities. The Secretary also facilitates timely communication and coordination among Board members, shareholders, and executive management, ensuring the efficient flow of information and proper governance processes.



BOARD OF DIRECTORS



Mr. Mohamed Ozalp
Non-Executive Chairman

In September 2024, Mr. Ozalp was appointed as the Non-Executive Chairman of Banque du Caire. With over four decades of extensive banking experience, he provides strategic oversight and guidance to the Bank's board of directors.

Prior to his appointment at Banque du Caire, Mr. Ozalp served as the Non-Executive Chairman of the United Bank from August 2023 to September 2024. Before that, he held the position of Managing Director and CEO of BLOM Bank Egypt since April 2010. Additionally, Mr. Ozalp was the Vice Chairman and Board Member of Banque Misr from October 2002 to March 2010. He also served as a Board Member and Executive Vice Chairman of Banque du Caire from October 2005 to September 2008.

Mr. Ozalp spent 24 years at Misr International Bank, gaining experience in various areas of the Bank's operations, reaching the position of Senior General Manager and member of the Executive Committee.

Furthermore, Mr. Ozalp has served on the boards of numerous institutions, including Misr International Bank, UAE Arab Italian Bank (Rome), Banque Misr Lebanon, the Federation of Egyptian Banks, the Cairo and Alexandria Stock Exchange, the Egypt-US Presidential Council, The Arab Contractors, the Egyptian Mortgage Refinance Company, Vodafone Egypt, and Banque Misr Europe.

Mr. Ozalp also served as the Executive Vice President of the American Chamber of Commerce in Egypt and as the Chairman of the French Chamber of Commerce.

Mr. Ozalp holds a BA in Economics and Business from the United States and has participated in several intensive training programs at The First National Bank of Chicago.



Mr. Hussein Abaza
Managing Director and Chief Executive Officer

Mr. Hussein Abaza assumed the position of Managing Director and Chief Executive Officer of Banque du Caire in September 2024. Bringing over three decades of extensive banking experience, he leads one of Egypt's premier state-owned banks. Banque du Caire serves a substantial client base exceeding four million customers, including 1,000+ corporates. Supported by a dedicated workforce of over 8,300 employees, the Bank operates through a network of 233 branches (with nine opening soon) and 2,074 ATMs. Banque du Caire offers a comprehensive suite of personalized banking solutions, innovative digital products, a broad range of non-banking financial services, and is strategically focused on sustainable transformation.

Mr. Abaza was CIB's Chief Executive Officer and Managing Director from June 2021 to September 2024, and Chief Executive Officer and a Member of the Board of Directors from March 2017 to June 2021. He also Chaired the Executive Committees (Management and High Lending & Investment Committees). He assumed this position after a six-year run as CEO of Institutional Banking. Prior to this, Mr. Abaza was the Bank's Chief Operating Officer and, from 2001 to 2010, its Chief Risk Officer, responsible for managing credit, market, and operational risk across CIB.

Mr. Abaza was also a leader of the Bank's award-winning Investor Relations program; in which capacity he has helped CIB grow from a market capitalization of EGP 10.8 billion in 2008 to EGP 82.3 billion as of July 2021. Under Mr. Abaza's leadership, the team managed Ripplewood's 2009

exit from CIB, the entry into the shareholding structure of global emerging markets private equity firm Actis, and the subsequent sale of Actis's 6.5% stake to Canadian insurance firm Fairfax Financial Holding Ltd. in the Egyptian Exchange's first block trading transaction. The Bank's IR program has taken home wins from the Extel / MEIRA poll for five consecutive years, from 2014 to 2018.

In his more than 30 years with CIB, Mr. Abaza has become actively involved in the Bank's regionally renowned credit training program, providing talented young bankers with the theoretical basis and hands-on experience needed to assess the creditworthiness of organizations across all sectors of the economy.

He brought to CIB a sharp interest in financial markets and non-bank financial services, having served as Head of Research and then Managing Director at EFG Hermes Asset Management from 1995 until his return to CIB in 2001. He called on that experience from 2014 to 2017 as Chairman of CI Capital, a leading Egyptian investment bank and subsidiary of CIB until the Bank exited its investments.

Mr. Abaza joined CIB after obtaining his BA in Business Administration from AUC. He has pursued post-graduate training and education in Belgium, Switzerland, London, and New York.



Mr. Mohamed Bahaa El Shafie

Deputy CEO & Executive Board Member

Mr. Bahaa El Shafie was appointed Vice Chairman of Banque du Caire in 2021, bringing more than 30 years of distinguished experience in corporate and investment banking. Throughout his career, he has played a pivotal role in advancing strategic growth and strengthening financial performance across the institutions he has served.

Prior to joining Banque du Caire, Mr. El Shafie spent nearly a decade leading the Corporate and Investment Banking sector at QNB Al Ahli (formerly National Société Générale Bank), where he was instrumental in shaping the Bank's corporate strategy, scaling its investment portfolio, and deepening client relationships across a diverse range of sectors.

In addition to overseeing the Bank's large corporate portfolio, he was responsible for the Private Equity Portfolio, Custody services, and Mutual Funds. He served as a leading member of several governance bodies at QNB Al Ahli, including the Management Committee, the Assets and Liability Committee, the Risk Review Committee, the Recovery Committee, and the Investment Committee.

Mr. El Shafie's multidisciplinary background led to his appointment as QNB Al Ahli's representative on the boards of a number of companies across diverse sectors, including tourism, petroleum, and asset management.

Earlier, Mr. El Shafie served for several years as Head of Project Finance and Structured Finance at QNB Al Ahli, where he arranged and managed numerous syndicated loans for large-scale projects across a range of economic sectors, including petroleum and petrochemicals, telecommunications, and construction, as well as flagship national projects requiring close

coordination among Egyptian and foreign banks and multilateral institutions.

Under his leadership, his team assumed numerous facility agency and security agency mandates and led the arrangement of almost all syndicated transactions in the local market. He also structured and oversaw the execution of complex transactions, including mergers, acquisitions, and leveraged buy-outs.

As an Executive Director and a core member of the senior governance committees at QNB Al Ahli, Mr. El Shafie played an active role in several major financial sector transactions, including the initial merger between National Société Générale Bank and Misr International Bank and the subsequent acquisition of National Société Générale Bank by QNB.

Mr. El Shafie has earned a wide range of professional certifications over the course of his career. He holds a postgraduate degree in Investment Appraisal and Risk Management from Harvard University in Massachusetts, USA, and has continued to advance his expertise through internal and external training in Advanced Capital Markets and Portfolio Management and Advanced Credit Analysis at the American University in Cairo, as well as in Derivatives and Options at SOGEMARC – Paris.

He maintains an active engagement with industry developments and has most recently completed the Future Leaders Program at the Egyptian Banking Institute, the Leadership Program at London Business School, and the Executive Leadership Program at Harvard Business School, in addition to a professional CEO leadership program provided jointly by the world's largest universities MIT and IESE.



Mr. Hisham M. AbdElal

Deputy CEO & Executive Board Member

Mr. Hisham AbdElal is a visionary and strategic luminary in the Banking sector, boasting over three decades of progressive expertise. His specialization encompasses a broad spectrum, including corporate finance, investment strategies, operations, risk management and mitigation, policy formulation and execution, financial forecasting, and the cultivation of business growth.

He has consistently demonstrated a remarkable ability to bridge corporate aspirations with the attainment of tangible outcomes, principally through the empowerment of personnel and the adept utilization of resources, methodologies, and technology. His approach is characterized by a meticulous capacity for planning, developing, and steering business ventures toward peak efficiency, with an acute emphasis on profit augmentation and maintaining a prudent risk threshold.

Mr. AbdElal is celebrated for his potent motivational qualities, paired with exceptional leadership, communicative clarity, decision-making precision, problem-solving acuity, and interpersonal adeptness, all underscored by a steadfast commitment to corporate objectives and a relentless pursuit of excellence.

His tenure is marked by adeptness in complex, innovative corporate restructuring, rebranding, digital evolution,

and the revitalization of multi-divisional entities. He is distinguished for prudent fiscal and operational stewardship, strategic alliances, and mergers and acquisitions that have culminated in elevated profitability, cost mitigation, and the amplification of shareholder value.

Possessing a profound understanding of banking regulations, he has a verified history of instituting rigorous controls to ensure regulatory compliance. He is committed to upholding a legacy of excellence built upon quality, service, and uncompromising ethical standards.

Mr. AbdElal previously served as a Deputy CEO and Executive Board Member at Bank NXT where he led a comprehensive restructuring of all business, operational, and digital functions. Before that, he held senior positions at Arab African International Bank and contributed to its strategic growth. His career began at National Bank of Abu Dhabi and Arab Bank, where he gained extensive experience in corporate banking, credit, and operations.

He holds a BSc in Accounting from Cairo University and is actively engaged in industry developments and international trends. He has completed several professional development programs, including the Future Leaders Program at the Egyptian Banking Institute and the Certified Lender Business Banker (CLBB) certification.



Mrs. Leila Farah El Mokaddem
Non-Executive Board Member

Mrs. Leila El Mokaddem joined Banque du Caire as Non-Executive Board Member in March 2021.

She occupied the position of Director-General Southern Africa of the African Development Bank (AfDB), responsible for 13 countries in the region and a Board member of the West African Development Bank and Alternate Board member at Afreximbank.

Prior to that, Mrs. El Mokaddem was the Country Manager and Resident Representative of the AfDB in Morocco and Egypt from 2014 to 2020. She also held the position of Regional Resident Representative in Dakar, Senegal, from 2011 to 2013.

Mrs. El Mokaddem started at the AfDB in 2002 as Head of Financial Institutions, where she supported the financing and capacity building of financial institutions across

Africa, including regional commercial banks and capital market development. She designed innovative financial solutions for Africa, including the African SME Guarantee Fund, AfDB trade finance Initiative, and the Women in the Business initiative.

Mrs. El Mokaddem led the origination and management of multi-billion investment portfolios in 35 African countries, particularly in the infrastructure and financial services sectors.

Prior to AfDB, she was the long-term fiscal advisor to the IMF. She started her career at the Ministry of Economy of Tunisia, later becoming a Board Member of the West Africa Development Bank and Microfinance Advans Holding.

Mrs. El Mokaddem has an MBA in Finance and International Trade.



Ms. Nihal Kamal
Board Member

Ms. Nihal Kamal Hassanein has more than 20 years of experience in the field of banking, distributed between credit and marketing in the corporate sector, foreign trade operations, wealth management, and retail banking, where she held several positions in many banks (such as HSBC International Bank).

She held many prominent positions and has many leadership, supervisory, and professional experiences in the field of financial and banking services, in addition to experiences in developing strategies and business planning in the boards of directors of the banks and companies where she worked.

She started her career at HSBC International Bank in the foreign trade sector then moved to the corporate credit and marketing sector, where she gained extensive experience in corporate business and played a major role in expanding the bank's activity and customer base between borrowing and non-borrowing companies. She assumed responsibility for financial portfolios for several international, local and governmental companies. She also participated in conducting comprehensive risk assessments to determine credit risks and take measures aimed at reducing risks for existing and potential corporate clients, contributing to the growth of the bank's business volume and thus the growth of the business volume of the companies under her management, which is an important role in the country's economy, in addition to managing 22 branches of HSBC Bank and contributing 70% of the profits of individual banking services, and also contributed to launching new accounts within the banking sector.

She held the position of Chairman of the Financial Services Committee at Egypt Post, in addition to membership in the Board of Directors, and participated in preparing the business strategy and its medium and short-term plans in addition to reviewing their implementation, she reviewed the implementation of strategies and measured performance against plans and major capital projects and investments in line with international trends and social responsibility.

As a member of the Board of Directors in many boards, she contributed to developing companies' strategies and planning to maximize revenues and use resources and assets to ensure sound growth, and the ability to bear risks, including membership in the Board of Directors of MID Bank, Post Investment Company, Misr Life Insurance Company, and Misr Hotels Company, in addition to membership in several committees, including the Chairmanship of the Financial Services Committee at Egypt Post and membership in the Audit Committee and the Investment Committee.

She graduated from the Faculty of Economics and Political Science at Cairo University and holds an MBA from Edinburgh Business School. She also holds a board of directors certificate. She obtained many training programs, such as "Leadership: The Roadmap", "How to Perform the Best Amazing Sales Performance". Obtained a course in "Bank Credit Management - Asset Protection" and "Asset Transfer Lending Course", Fast Track Certificate in Relationship Management for International Banking Services, and she also obtained a credit course for HSBC Bank in Egypt. She has strong leadership skills and extensive experience in financial analysis, risk assessment, and strategy development.



Mr. Hisham Hendi
Board Member

Mr. Hisham Hendi is an Egyptian currently living and working in Riyadh, Saudi Arabia. He is the Chief Commercial Officer at Mobily (Etihad El Etisalat), with more than 20 years of global experience across the UK, Spain, Egypt, South Africa, and Tanzania.

He has been a Non-Executive Board Director at Banque du Caire for the past three years and leads the board's investment committee.

As an accomplished strategist, Mr. Hendi has extensive experience leading multi-billion and multi-million-dollar businesses across EMEA. His expertise lies in shaping and operationalizing plans to drive business transformation and turnaround within the telecommunications sector, driving mobile financial services, growing market share and sales, advancing digital agendas and IoT, and delivering excellent customer value management and service.

Over the last two decades at Vodafone and Vodacom, he has taken up the mantle of various senior leadership roles including the CEO of Vodafone Tanzania, the Consumer Business Unit Director at Vodafone Spain, and Chief Commercial Officer for International Markets in Africa based in South Africa. He also led Consumer Marketing at Vodafone Egypt, where he started his telecoms career.

Prior moving to Riyadh, Mr. Hendi spent three years in Spain, one of the most active European markets in the telecom sector, where he restructured many areas within

the Vodafone consumer business to enhance customer experience and drive business profitability.

Mr. Hendi worked at Vodafone Egypt for more than eight years across different areas within the commercial business, prior heading to South Africa.

Previously, he was in Vodafone Group in London, where he focused on growing partner networks consumer revenue across 13 different markets in Latin America, Europe, and the Middle East.

As the CEO of Vodafone Tanzania, he led a high-performance, diverse team, responsible for a customer base of over 15.5 million customers. He was also P&L accountable for all business functions of the organization, with a focus on profitable revenue and market growth.

Mr. Hendi pioneered the innovative Mobile Money services for customers, and has been the backbone for the digitalization and automation of processes.

He holds a BA in Business Management from the Faculty of Commerce (English Section) at Cairo University in Egypt. He is also a graduate of executive programs at IMD Business School in Switzerland and London Business School in the UK.



Mr. Osama El Messiry
Board Member

Mr. Osama El Messiry was appointed as a Non-Executive Board Member at Banque du Caire in September 2024, bringing around four decades of banking experience across North Africa.

Mr. El Messiry is the former General Manager of the National Bank of Egypt – Sudan, where he served in that role from February 2014 to August 2022. In this capacity, he led a dedicated team and successfully achieved strategic objectives, marking his tenure by effective management and commitment to driving the Bank's growth in the Sudanese market.

Mr. El Messiry began his professional career in 1982 at Arab Bank Egypt, where he progressed through various key positions for 40 years. Transitioning from Retail

Banking, Branch Management, Trade Finance, and Treasury Operations to Corporate Credit and Risk, he acquired comprehensive exposure and a deep understanding of banking operations.

In February 2009, Mr. El Messiry was nominated by Arab Bank to assume the role of Corporate Credit Restructuring Advisor and Supervisor at Wahda Bank Libya (subsidiary of Arab Bank Group), and later, in January 2012, he held the same position at Arab Bank Tunis, where he successfully specialized in restructuring corporate credit portfolios and overseeing the implementation of effective strategies.

Mr. El Messiry holds a BA in Business Administration, complemented by various training programs and certifications in banking and finance.



Mr. Ahmed El Guindy
Board Member

Mr. Ahmed El Guindy is a Founding Partner of Tanmiya Capital Ventures (TCV), one of the most active companies operating in alternative investments in Egypt since 2016.

Before founding his firm, Mr. El Guindy served as the Managing Director and Head of Investment Banking at EFG-Hermes. Over his 12-year tenor with EFG-Hermes, he led and participated in Mergers & Acquisitions and Equity Capital Market transactions across the Middle East region amounting to USD 45 billion. Before joining the leading investment banking firm in 2004, Mr. El Guindy began his career as a Macroeconomic Research Analyst at the World Bank's Cairo office in 2002.

Mr. El Guindy served as a Non-Executive Director on the boards of several leading Egyptian institutions, including Banque Misr where he served for 6 years as a Non-Executive Director and Chairperson of the Audit Committee.

Mr. El Guindy obtained a Bachelor's degree in Business Administration and Economics from The American University in Cairo 2002 and a Master's degree in Accounting and Finance from the London School of Economics in 2004.



Mr. Mahmoud Elsafty
Board Member

Mr. Mahmoud Elsafty is Managing Director at RIMCO Investments in Dubai, a role he assumed in 2024. With 25 years of extensive buy-side experience across regional and international markets, Mr. Elsafty is a seasoned investment professional who has held key positions at top-tier banks, financial institutions, and family offices. His expertise spans equities, credit, and alternative investments.

Prior to joining RIMCO Investments, Mr. Elsafty led the Listed Investments division at Ghobash Trading and Investments (GTI) for over a decade. In 2013, he co-founded Scope Investments, a Dubai-based single-family office, where he served as Investment Director, managing investments across the MENA region. Earlier, as Director at Union Bancaire Privée (UBP) in 2010, Mr. Elsafty co-managed the UBP MENA Equity Fund. From 2005, he

worked at Majid Al Futtaim (MAF) Asset Management and MAF Trust, where he played a key role in building the research team, developing advanced financial models, shaping MENA investment strategies, and establishing a structured investment framework.

Mr. Elsafty began his career at Commercial International Bank (CIB) in Egypt, where he spent five years and completed the Bank's in-house Credit and Investment Training Program in 2001.

He holds a Master of Finance from Queen's University in Canada and an MBA from the Arab Academy Graduate School of Business (AAGSB). In 2023, he completed the Alternative Investments Program at Harvard Business School, further enhancing his investment expertise.

COMMITTEES AND ATTENDANCE

Banque du Caire’s Board of Directors is assisted by several specialized committees established under defined mandates that outline their scope of work and composition requirements. These committees convene on a regular basis, and additionally as required, to enable the Board to carry out its responsibilities efficiently and effectively.

In line with the Bank’s Governance Manual, the Board is required to meet at least six times annually. In 2025, the Board held a total of 13 meetings.

Committees and Attendance

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Audit Committee

The Audit Committee provides oversight of the Bank’s financial reporting processes and the effectiveness of internal control systems. It also oversees the performance of both internal and external audit functions to ensure compliance with applicable regulatory and professional standards.

Risk Management Committee

The Risk Management Committee oversees the Bank’s risk identification, assessment, and management processes, ensuring alignment with Board-approved risk strategies and policies.

Remuneration Committee

The Remuneration Committee advises the Board of Directors on compensation frameworks applicable to Board members and executive management. It ensures that remuneration structures and incentive schemes are aligned with the Bank’s strategic priorities and are designed to attract, retain, and motivate high-performing talent.

Corporate Governance and Nomination Committee

The Corporate Governance and Nomination Committee assists the Board in overseeing the Bank’s governance framework and related principles while fostering a corporate culture grounded in integrity and accountability. The Committee is also tasked with identifying, evaluating, and nominating qualified candidates for Board membership.

Investment Policy Committee

The Investment Policy Committee monitors the execution of the Bank’s investment policy with the objective of optimizing returns and developing a well-balanced, high-quality investment portfolio across diversified asset classes.

Banking Information Systems and Technology Committee

The Banking Information Systems and Technology Committee oversees the advancement of digital banking solutions and monitors their operational performance, reliability, and accuracy. The Committee also focuses on risk mitigation, service continuity, and the protection of data and information systems.

Sustainability and Sustainable Finance Committee

In 2025, Banque du Caire’s Board of Directors established the Sustainability and Sustainable Finance Committee as a dedicated governance body to oversee the Bank’s sustainability agenda and sustainable finance strategy. The Committee was formed to ensure effective integration of environmental, social, and governance (ESG) considerations across the Bank’s operations, credit policies, product development, and long-term business planning, in line with the international best practices.

Committee Meetings in 2025

	Audit	Risk Man- agement	Remunera- tion	Corporate Governance and Nomi- nation	Investment Policy	Banking Information Systems and Tech- nology	Sustain- ability and Sustainable Finance Committee
Total # of meetings	9	5	2	3	3	3	0

Executive Committees

The Executive Committee oversees the Bank’s credit and investment portfolios to ensure the quality and soundness of related activities in line with the Bank’s overall growth strategy, in addition to carrying out other delegated responsibilities.

In addition, a dedicated Credit Executive Committee is entrusted with all credit-related authorities, strengthening credit governance, enhancing oversight, and reinforcing the Bank’s ability to manage credit risk in a disciplined and effective manner.

Executive Committee Members

- Mr. Hussein Abaza, CEO and Managing Director – Chairperson

Committee Members:

- Mr. Mohamed Bahaa El Shafie, Deputy CEO and Executive Board Member
- Mr. Hisham AbdElaal, Deputy CEO and Executive Board Member
- Mr. Ahmed Effat, Deputy CEO
- Ms. Hala El Kassar, Chief Risk Officer
- Mr. Mohamed Aly, Head of Treasury and Capital Markets Group
- Mr. Mohamed Ibrahim, CFO



Mr. Hussein Abaza
Managing Director and Chief Executive Officer

Mr. Hussein Abaza assumed the position of Managing Director and Chief Executive Officer of Banque du Caire in September 2024. Bringing over three decades of extensive banking experience, he leads one of Egypt's premier state-owned banks. Banque du Caire serves a substantial client base exceeding four million customers, including 1,000+ corporates. Supported by a dedicated workforce of over 8,300 employees, the Bank operates through a network of 233 branches (with nine opening soon) and 2,074 ATMs. Banque du Caire offers a comprehensive suite of personalized banking solutions, innovative digital products, a broad range of non-banking financial services, and is strategically focused on sustainable transformation.

Mr. Abaza was CIB's Chief Executive Officer and Managing Director from June 2021 to September 2024, and Chief Executive Officer and a Member of the Board of Directors from March 2017 to June 2021. He also Chaired the Executive Committees (Management and High Lending & Investment Committees). He assumed this position after a six-year run as CEO of Institutional Banking. Prior to this, Mr. Abaza was the Bank's Chief Operating Officer and, from 2001 to 2010, its Chief Risk Officer, responsible for managing credit, market, and operational risk across CIB.

Mr. Abaza was also a leader of the Bank's award-winning Investor Relations program; in which capacity he has helped CIB grow from a market capitalization of EGP 10.8 billion in 2008 to EGP 82.3 billion as of July 2021. Under Mr. Abaza's leadership, the team managed Ripplewood's 2009

exit from CIB, the entry into the shareholding structure of global emerging markets private equity firm Actis, and the subsequent sale of Actis's 6.5% stake to Canadian insurance firm Fairfax Financial Holding Ltd. in the Egyptian Exchange's first block trading transaction. The Bank's IR program has taken home wins from the Extel / MEIRA poll for five consecutive years, from 2014 to 2018.

In his more than 30 years with CIB, Mr. Abaza has become actively involved in the Bank's regionally renowned credit training program, providing talented young bankers with the theoretical basis and hands-on experience needed to assess the creditworthiness of organizations across all sectors of the economy.

He brought to CIB a sharp interest in financial markets and non-bank financial services, having served as Head of Research and then Managing Director at EFG Hermes Asset Management from 1995 until his return to CIB in 2001. He called on that experience from 2014 to 2017 as Chairman of CI Capital, a leading Egyptian investment bank and subsidiary of CIB until the Bank exited its investments.

Mr. Abaza joined CIB after obtaining his BA in Business Administration from AUC. He has pursued post-graduate training and education in Belgium, Switzerland, London, and New York.



Mr. Mohamed Bahaa El Shafie
Deputy CEO & Executive Board Member

Mr. Bahaa El Shafie was appointed Vice Chairman of Banque du Caire in 2021, bringing more than 30 years of distinguished experience in corporate and investment banking. Throughout his career, he has played a pivotal role in advancing strategic growth and strengthening financial performance across the institutions he has served.

Prior to joining Banque du Caire, Mr. El Shafie spent nearly a decade leading the Corporate and Investment Banking sector at QNB Al Ahli (formerly National Société Générale Bank), where he was instrumental in shaping the Bank's corporate strategy, scaling its investment portfolio, and deepening client relationships across a diverse range of sectors.

In addition to overseeing the Bank's large corporate portfolio, he was responsible for the Private Equity Portfolio, Custody services, and Mutual Funds. He served as a leading member of several governance bodies at QNB Al Ahli, including the Management Committee, the Assets and Liability Committee, the Risk Review Committee, the Recovery Committee, and the Investment Committee.

Mr. El Shafie's multidisciplinary background led to his appointment as QNB Al Ahli's representative on the boards of a number of companies across diverse sectors, including tourism, petroleum, and asset management.

Earlier, Mr. El Shafie served for several years as Head of Project Finance and Structured Finance at QNB Al Ahli, where he arranged and managed numerous syndicated loans for large-scale projects across a range of economic sectors, including petroleum and petrochemicals, telecommunications, and construction, as well as flagship national projects

requiring close coordination among Egyptian and foreign banks and multilateral institutions.

Under his leadership, his team assumed numerous facility agency and security agency mandates and led the arrangement of almost all syndicated transactions in the local market. He also structured and oversaw the execution of complex transactions, including mergers, acquisitions, and leveraged buy-outs.

As an Executive Director and a core member of the senior governance committees at QNB Al Ahli, Mr. El Shafie played an active role in several major financial sector transactions, including the initial merger between National Société Générale Bank and Misr International Bank and the subsequent acquisition of National Société Générale Bank by QNB.

Mr. El Shafie has earned a wide range of professional certifications over the course of his career. He holds a postgraduate degree in Investment Appraisal and Risk Management from Harvard University in Massachusetts, USA, and has continued to advance his expertise through internal and external training in Advanced Capital Markets and Portfolio Management and Advanced Credit Analysis at the American University in Cairo, as well as in Derivatives and Options at SOGEMARC – Paris.

He maintains an active engagement with industry developments and has most recently completed the Future Leaders Program at the Egyptian Banking Institute, the Leadership Program at London Business School, and the Executive Leadership Program at Harvard Business School, in addition to a professional CEO leadership program provided jointly by the world's largest universities MIT and IESE.



Mr. Hisham M. AbdElaal
Deputy CEO & Executive Board Member

Mr. Hisham AbdElaal is a visionary and strategic luminary in the Banking sector, boasting over three decades of progressive expertise. His specialization encompasses a broad spectrum, including corporate finance, investment strategies, operations, risk management and mitigation, policy formulation and execution, financial forecasting, and the cultivation of business growth.

He has consistently demonstrated a remarkable ability to bridge corporate aspirations with the attainment of tangible outcomes, principally through the empowerment of personnel and the adept utilization of resources, methodologies, and technology. His approach is characterized by a meticulous capacity for planning, developing, and steering business ventures toward peak efficiency, with an acute emphasis on profit augmentation and maintaining a prudent risk threshold.

Mr. AbdElaal is celebrated for his potent motivational qualities, paired with exceptional leadership, communicative clarity, decision-making precision, problem-solving acuity, and interpersonal adeptness, all underscored by a steadfast commitment to corporate objectives and a relentless pursuit of excellence.

His tenure is marked by adeptness in complex, innovative corporate restructuring, rebranding, digital evolution,

and the revitalization of multi-divisional entities. He is distinguished for prudent fiscal and operational stewardship, strategic alliances, and mergers and acquisitions that have culminated in elevated profitability, cost mitigation, and the amplification of shareholder value.

Possessing a profound understanding of banking regulations, he has a verified history of instituting rigorous controls to ensure regulatory compliance. He is committed to upholding a legacy of excellence built upon quality, service, and uncompromising ethical standards.

Mr. AbdElaal previously served as a Deputy CEO and Executive Board Member at Bank NXT where he led a comprehensive restructuring of all business, operational, and digital functions. Before that, he held senior positions at Arab African International Bank and contributed to its strategic growth. His career began at National Bank of Abu Dhabi and Arab Bank, where he gained extensive experience in corporate banking, credit, and operations.

He holds a B.Sc. in Accounting from Cairo University and is actively engaged in industry developments and international trends. He has completed several professional development programs, including the Future Leaders Program at the Egyptian Banking Institute and the Certified Lender Business Banker (CLBB) certification.



Ahmed Effat
Deputy Chief Executive Officer

Ahmed Effat currently serves as the Deputy Chief Executive Officer of Banque du Caire, a position he has held since January 2023. With over two decades of experience in the Banking sector, Effat has established a strong track record in consumer banking, risk management, and strategic business development, driving growth and operational excellence across diverse market environments.

Throughout his career, Effat has demonstrated exceptional leadership in transforming retail banking operations, optimizing risk frameworks, and enhancing customer-centric strategies.

Prior to joining Banque du Caire, he held several senior executive roles at Abu Dhabi Islamic Bank (ADIB), where

he led the Consumer Banking division and oversaw Retail Risk Management. In these capacities, he successfully restructured key business units, strengthened portfolio quality, and delivered sustained financial performance amid a dynamic and competitive market landscape.

Earlier in his career, Effat gained extensive experience at Banque Misr and Citibank Egypt, where he refined his expertise in risk management, analytics, and strategic planning — foundations that continue to inform his leadership approach today.

Effat holds a Bachelor's degree in Accounting from Helwan University and an MBA from the Arab Academy Graduate School of Business.



Hala El Kassar
Chief Risk Officer

Hala El Kassar has over 30 years of banking experience, spanning in various banking activities, particularly corporate credit, diverse risk areas, enterprise risk management, and information security. She has been the Head of the Risk Management Group at Banque du Caire since 2012 and serves on several committees at the Bank, such as the Executive Committee, Asset & Liability Management, Provisions, Operational Risk, Cybersecurity, Debt & Settlements, among others. She previously worked at Abu Dhabi Islamic Bank - Egypt, Arab Banking Corporation - Egypt, and Mashreq Bank.

Ms. El Kassar is a non-executive board member of the Egyptian Credit Bureau. She has also held the position of

non-executive board member at Nile Holding Company for Investment and independent non-executive board member at Misr Insurance Holding Company.

Ms. El Kassar holds a Bachelor's degree in Economics with a minor in Business Administration from the American University in Cairo, an Executive Leadership Certificate from Harvard Business School, and an Effective Board Member Certification from the Egyptian Institute of Directors (a collaboration between the Financial Regulatory Authority and the International Finance Corporation).



Mohamed Aly
Treasurer

Mohamed Aly joined Banque du Caire in September 2018 as the Head of Treasury & Capital Markets Group and Executive Committee Member capitalizing on his 30 years of experience in covering international markets as well as the Egyptian market. He is also a member of the ALCO and Investment Committees at Banque du Caire.

Moreover, He is currently Non-Executive Chairman of Cairo Exchange Co., and a Non-Executive Board member of Misr for Central Clearing, Depository and Registry Co. (M.C.D.R).

Prior to joining the Bank, Mr. Aly was the Head of Capital Markets at QNB Alahli, and prior to that, he was the Head of Capital Markets at NSGB Bank in Cairo.

Mr. Aly is certified from Harvard Business School – Boston USA for Executive Leadership Program fall 2019, Future Leaders Program, EBI in 2018, and Strategic Management in Banking Program fall 2022, London, UK. During his professional experience, Mr. Aly attended numerous seminars & workshops for well-known international investment houses in Europe, United states & Gulf Countries covering various banking and finance topics, and attended numerous workshops in Société Générale Bank France.

Mr. Aly holds a BA in Business Administration from Ain Shams University.



Mr. Mohamed Ibrahim
Chief Financial Officer

Mohamed Ibrahim currently serves as the Chief Financial Officer at Banque du Caire, overseeing finance, strategy, and investor relations. With a career spanning over 25 years, Mr. Ibrahim brings a wealth of experience in financial control, financial planning and analysis, and banking operations. He also serves as a board member of Cairo Bank Uganda.

Before assuming his current role, Mr. Ibrahim held various positions within Banque du Caire, including Financial Controller and Deputy CFO. Prior to joining Banque du Caire, Mr. Ibrahim held a prominent position as the Financial Controller and Vice President at Attijariwafa Bank Egypt from 2017 to 2018.

His earlier career was marked by a nine-year tenure at Barclays Bank Egypt, where he held progressive roles. Starting as an Assistant Vice President and Retail

Business Planning & Analysis Manager, he eventually became Vice President, Head of Accounting and Financial Regulatory Reporting, and Head of Financial Planning and Analysis. In these capacities, Mr. Ibrahim played a critical role in supporting senior-level decision-making, providing valuable financial insights and highlighting key risks and issues.

Previously, Mr. Ibrahim spent seven years with Citibank Egypt, culminating in his position as Business Planning Assistant Manager within the Global Consumer Group.

Mr. Ibrahim holds a Bachelor of Commerce in Accounting from Ain Shams University and completed the Egyptian Banking Institute Executive Leadership Program at Harvard University - School of Business Administration. He is a Certified Management Accountant, further underscoring his expertise in financial management and accounting.

Credit Executive Committee Members

- Ms. Hala El Kassar, Chief Risk Officer – Chairperson

Committee Members:

- Mr. Hussein Abaza, Managing Director and CEO
- Mr. Mohamed Bahaa El Shafie, Deputy CEO and Executive Board Member
- Mr. Hisham AbdElaal, Deputy CEO and Executive Board Member
- Mr. Adel El Ashmawy, Head of Corporate Credit Risk Sector
- Mr. Mohamed Shaker Aboul Ezz, Chief Corporate and Structured Finance Officer



Risk Management

Banque du Caire established a dedicated risk management function in 2009, setting a precedent within the Egyptian banking sector. This function is now fundamental to the Bank’s sustainable operations, implementing comprehensive controls to mitigate risks and support strategic goals. The Bank continuously refines its framework by adopting international best practices, supported by clear policies and methodologies.

The Bank’s sustainability relies on a proactive approach to identifying, assessing, and addressing risks. Supported by experienced officers, the framework ensures thorough evaluation, reporting, and mitigation across all operations. A strong risk culture is fostered through comprehensive awareness training, empowering employees to navigate the evolving risk landscape effectively.

Sustainable success depends on the ability to detect potential risks, execute mitigation plans, and continuously review practices for seamless operation. The Risk Management Group employs a highly skilled team to develop and maintain evaluation and reporting standards throughout the institution.

Banque du Caire mandates comprehensive risk awareness training for employees at all levels to uphold an exceptional risk culture. This extensive curriculum equips staff to

handle various prevention and mitigation scenarios. A knowledgeable workforce ensures that both the Board and executive management maintain effective oversight of risk frameworks and processes.

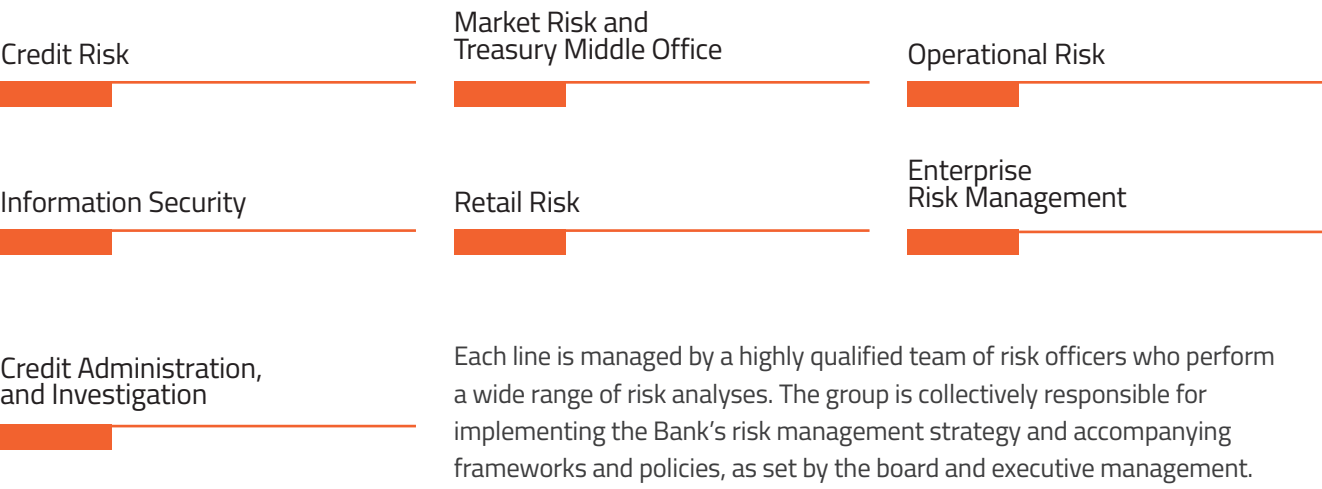
The Bank integrates Environmental and Social (E&S) due diligence into its risk management framework. This involves an E&S lending policy and specific procedures to identify and manage risks associated with client activities, ensuring compliance with Egyptian environmental laws and regulations. The Environmental and Social Risk Management (ESRM) process includes distinct stages outlined in the framework. Supporting tools, such as checklists and templates for screening, categorization, assessment, and monitoring, facilitate the creation of necessary action plans.

RISK GOVERNANCE

Risk management oversight at Banque du Caire takes place through the:

- Board Risk Committee: Composed of Non-executive Board Members in charge of overseeing risk activities.
- Risk Management Group: Composed of dedicated officers, each overseeing specific risks.

RISK MANAGEMENT GROUP COMPOSITION



The Risk Management Group is primarily responsible for implementing the risk management strategy, frameworks, and policies approved by the board. The group is also tasked with upholding the overall risk culture and environment across all banking functions by regularly reporting key risk

awareness indicators to the Board Risk Committee. These indicators include the Bank’s overall risk profile, limits, concentrations, and thresholds, which serve as a guide to maintaining a stable risk environment for Banque du Caire.

THREE LINES OF DEFENSE MODEL

To establish a rigorous control environment, Banque du Caire implements an activity-based, three-line defense model. This framework clearly defines management accountabilities and responsibilities regarding risk management and control functions. By assigning distinct responsibilities, fostering collaboration, and facilitating efficient coordination of risk activities, the model aligns seamlessly with the Bank’s overall risk management strategy.



RISK DRIVERS

EXTERNAL DRIVERS	INTERNAL DRIVERS
Economic environment	Strategy execution challenges
Regulatory or government policy	Competency of personnel
Competitor or market evolution	Business decisions
Emerging technology	Process or execution error
Natural disasters	Internal and external fraud
	IT security breaches

RISK APPETITE FRAMEWORK

Banque du Caire’s Risk Appetite Framework (RAF) defines the Bank’s risk parameters on a scale ranging from high to no appetite. This framework determines appropriate behaviors and includes policies, processes, controls, and systems to establish, communicate, and monitor risk appetite. It also outlines the roles, responsibilities, and accountability of the officers and groups overseeing the implementation and monitoring of the RAF.

RISK IDENTIFICATION, EVALUATION, AND MITIGATION

Banque du Caire holds the belief that effective risk management requires:

- **Accountability:** including identification and escalation of risks by all individuals in the organization.
- **Ownership:** risk characterization, assessment, management, mitigation, and monitoring within each business line.

The Risk Management Group is primarily responsible for identifying, measuring, controlling, and reporting risk exposures that could negatively impact the Bank. As part of BdC’s ongoing digital transformation, data analytics and reporting are now incorporated into risk governance, enabling the Bank to assess and respond to risks by leveraging both internal and external data.

Risk identification serves as the essential prerequisite for implementing control measures. The Risk Group champions a holistic management approach that embeds risk accountability across all functions. Leading this effort, the Enterprise Risk Management team establishes the framework for efficient risk processes, ensuring that significant risks arising from business activities are identified, measured, monitored, and mitigated within defined risk appetite limits.

To maintain alignment with its risk strategy, Banque du Caire employs the Internal Capital Adequacy Assessment Process (ICAAP). This process informs the Board regarding annual risk exposures and verifies that capital and liquidity levels remain consistent with the Bank’s risk appetite. Furthermore, the Risk Group oversees emerging, specialized, and IT-related risks in strict accordance with international standards, including ISO 31000 for Risk Management, ISO 27005 for Information Security Risk Assessment Management, and the COBIT framework.

STRESS TESTING

The Bank conducts regular and rigorous stress testing scenarios to assess its capacity to withstand financial losses. In evaluating capital needs, these tests account for the impact of economic cycles and sensitivity to external risk factors. Capital requirements are calculated in strict compliance with Central Bank of Egypt (CBE) and Basel regulations. Management incorporates stress testing results into capital adequacy planning, long-term strategies, and broader business operations. To facilitate accurate risk monitoring, the Bank establishes specific thresholds that enable comparison between risk measurements and tolerance levels. Analysis is reported through various channels with varying frequencies, primarily on a quarterly basis or in response to emerging market developments.



RISK CATEGORIES AND MITIGATION MEASURES

Risk	Mitigation Measures
Credit Risk Credit risk refers to the financial loss that occurs when a counterparty is unable or unwilling to fulfill an obligation. It is one of the most significant risk factors that a financial institution can encounter. Credit risk encompasses both direct credit risk (default on on-balance-sheet credit exposure) and contingent credit risk (default on off-balance-sheet credit exposure). Given the importance of credit risk, the Bank established a robust credit risk mitigation framework that includes comprehensive measurement and monitoring processes to ensure effective control over credit risk. The Bank’s credit risk management function is primarily responsible for measuring, monitoring, managing, and limiting credit risks across various business lines, including corporates, SMEs, financial institutions, non-bank financial institutions, retail, and microfinance. The parameters and methodologies used by the Bank to assess the materiality of credit risk are highly dependent on the type of asset and its associated risk management and collection processes.	- Implementing a well-structured credit rating framework can be accomplished through the Obligor Risk Rating (ORR) system. This system assigns credit ratings to borrowers through a comprehensive evaluation process. - Maintaining a controlled and consistent evaluation process to proactively manage credit risk and accurately assign a risk rating reflecting creditworthiness and probability of default based on financial indicators, qualitative assessments, and macroeconomic analysis. - The Basel Committee sets the standards for the risk rating system, which mandates regular creditworthiness reviews for clients with credit facilities. - To prevent default, an Early Warning Signals (EWS) system is implemented. EWS utilizes several financial and non-financial performance indicators to ensure early identification of potential issues and take corrective action before the client’s position becomes irretrievable. This system covers various industries and helps determine the appropriate course of action for every case. - Credit policies and practices are continuously developed and tailored to preserve the autonomy of approval and decision-making processes. The policy framework establishes credit approval authorities, concentration limits, risk-rating methodologies, portfolio review parameters, and guidelines for the management of distressed exposures.
Market Risk Market risk is one of the main risks facing the Bank and encompasses potential losses resulting from unfavorable movements in market prices that may negatively affect the value of the Bank’s investment positions for trading purposes. Market risk also pertains to exchange rate risks, which impact the Bank’s balance sheet as a whole and affect the profitability of the Bank and its capital base. All investments in debt instruments, equity, investment funds or financial derivatives also fall under market risk.	- Utilizing various mitigation and prevention measures to tackle market-associated risks faced across operations, such as interest rates, currency and exchange rates, volatility, and investment risks. - The Treasury Middle Office (TMO) monitors and controls the entirety of the Treasury Group’s positions daily, including treasury products P&L, all executed transactions, MTM revaluation, FX prices, CBE reserve ratios, and fund transfer pricing (FTP), to ensure they comply with both the Bank’s and the CBE’s updated policy changes and regulatory requirements.
Interest Rate Risk in the Banking Book (IR-RBB) The IRRBB function monitors, evaluates, and manages potential interest rate risks stemming from adverse market movements. Given its significant impact on the Bank’s financial standing, accurately monitoring interest rate risk is paramount.	Balances are monitored and evaluated monthly to measure their impact and ensure compliance with the limits set by the CBE.

Risk	Mitigation Measures
Liquidity Risk The liquidity risk function’s primary objective is to assess, quantify, monitor, and manage liquidity risk across the Bank. BdC strives to maintain adequate funding in terms of both amount and duration to meet all payment obligations and ensure sufficient cash and high-quality liquid assets, especially during periods of stress.	Monitoring various regulatory liquidity ratios on a regular basis to ensure the Bank’s ability to meet its short- and long-term obligations while evaluating the effects of different scenarios on the Bank’s liquidity positions.
Cybersecurity Risk Cybersecurity threats continue to evolve in both sophistication and frequency, presenting significant risks to financial institutions worldwide. BdC recognizes that maintaining robust cyber defenses is essential for protecting confidential assets, ensuring business continuity, and sustaining customer trust. In response, BdC is in the process of adopting a forward-looking cybersecurity strategy for 2025–2028, anchored in the principles of Zero Trust and proactive risk management. This strategy is designed to reduce risk and promote resilience by securing the Bank’s digital ecosystem against emerging threats, including those posed by artificial intelligence and advanced persistent threats. BdC’s Information Security Sector is dedicated to safeguarding the Bank from unauthorized access, data breaches, service disruptions, and other forms of cyber sabotage. The sector invests in advanced technological resources and system-wide defenses, ensuring that operations are secure and resilient. The Bank’s cybersecurity vision is to strengthen its resilience against the evolving threat landscape, while its mission is to enable the Bank’s objectives through rigorous controls and the protection of critical information assets, applying a risk-based approach to confidentiality, integrity, and availability.	Strategic Framework Alignment: BdC continuously identifies key areas of cybersecurity focus, tailoring its framework to support the Bank’s digitalization strategy. This includes aligning with the CBE’s cybersecurity framework, the National Institute of Standards and Technology (NIST) Cybersecurity Framework, and international standards such as ISO/IEC 27001:2022. The Bank has successfully attained ISO 27001 and PCI-DSS certifications, underscoring its commitment to global best practices. Zero Trust and Advanced Controls: The 2025–2028 strategy is built on a Zero Trust security model, ensuring that no user, device, or transaction is inherently trusted, regardless of its origin. The Bank employs a comprehensive suite of security technologies, including Security Information and Event Management (SIEM), Privileged Access Management (PAM), Endpoint Detection and Response (EDR), Security Orchestration, Automation, and Response (SOAR), Data Loss Prevention (DLP), File Integrity Monitoring (FIM), and Database Activity Monitoring (DAM). These tools are complemented by advanced threat intelligence, brand protection, and forensic capabilities. Continuous Monitoring and Response: BdC’s Security Operations Center (SoC) operates 24/7/365, providing real-time monitoring, detection, and response to both internal and external threats. The SoC conducts regular red/blue team assessments, tabletop exercises, and leverages the MITRE ATT&CK framework to enhance cyber resilience and readiness. Proactive Risk Management: The Bank conducts regular vulnerability assessments, penetration tests, and risk assessments to identify and mitigate potential threats before they materialize. Predictive analytics and machine learning/artificial intelligence (ML/AI)-powered solutions are increasingly leveraged to anticipate and respond to emerging cyber risks. Human Firewall and Talent Development: Recognizing the importance of human factors in cybersecurity, BdC has adopted the “human firewall” concept, conducting cyclical staff training tailored to specific roles and responsibilities. Phishing simulations and awareness programs are regularly implemented to ensure staff preparedness. Continuous upskilling and talent development are prioritized to maintain a highly capable cybersecurity workforce. Policy and Governance: Information security policies and standards are regularly updated to remain aligned with regulatory requirements and the evolving threat landscape. The Information Security Management System (ISMS) is maintained and improved as part of the Bank’s commitment to ongoing compliance and operational excellence. BdC’s Information Security sector is thus characterized by a holistic, adaptive, and resilient approach, ensuring that the Bank remains at the forefront of digital security and is well-prepared to meet the challenges of an increasingly complex threat environment.

Risk	Mitigation Measures
Operational Risk (ORM) Operational risk is associated with loss due to errors, breaches, interruptions, or damages — either intentional or accidental — caused by people, internal processes, systems, or external events.	- Banque du Caire has implemented an operational risk strategy, which aims to shift managing operational risks to real-time risk detection and identification with faster action time, through four main pillars: -GRC transformation, risk assessment, reporting, and data analytics -ORM policy updates to ensure operational excellence and business process resilience -Managing emerging and transition risks (digital transformation, technology, and data confidentiality, integrity, and availability (CIA) -Managing climate risk management processes according to BdC’s mission and strategic objectives Banque du Caire continues to adopt a comprehensive approach to ORM, due to the inherent nature of operational risk within the Bank’s functions. The Bank strives to automate and integrate all operational risk frameworks (loss database – KRI – RCSA – Fraud – IT Risk) in GRC to have a 360 view that enhances the process of identifying, mitigating, and preventing fraudulent acts, business interruptions, cybersecurity attacks, non-conformant employee behavior, non-compliance with applicable laws and regulations, or failure of vendors to perform in accordance with their agreements. The Bank successfully refined its risk assessment and reporting approach to mitigate financial losses, disputes, and regulatory fines, as well as other material damages the Bank could face. The Bank’s comprehensive framework surrounding ORM enables it to identify, assess, mitigate, and manage operating risk across all banking activities. The operational risk assessment, in coordination with all stakeholders, is the key enabler of the internal control framework in accordance with the COSO framework. Key Risk Indicators (KRIs) are in place across the Bank’s functions, effectively integrating with ORM tools. KRIs are predefined metrics used as early warning signals to monitor identified risk exposures over time and measure the amount of exposure to a given risk or set of risks, as well as the effectiveness of any controls that have been implemented to reduce or mitigate a given risk exposure. Banque du Caire’s ORM policies and frameworks are fully integrated across all functions of the Bank with the purpose of overseeing the monitoring, self-assessment, and independent processes of material operational risks. Additionally, the Bank works to bolster the risk culture among all employees to further enhance the process of identifying and effectively managing risks. The Bank takes additional steps in the ORM process by revisiting assessments of the control environment across the Bank’s business functions through continuously monitoring, analyzing, and reassessing the materially harmful events the Bank has faced or could face. As a result, the Bank is better positioned to plan for all future areas of operational risk by targeting weaknesses. Banque du Caire also manages emerging, specialized, and information technology risk through its comprehensive regulatory policies and frameworks that are in line with international standards, including ISO 31000 for Risk Management and Information Technology Risk Assessment Management considering the COBIT framework.

Risk	Mitigation Measures
Outsource Risk Outsource risk are associated with transactions conducted through third-party vendors. To safeguard the Bank’s operations and maintain business sustainability, rigorous monitoring of relationships with all third-party vendors is essential to mitigate any adverse impacts on business performance.	- Developing a comprehensive third-party management policy and framework to ensure clear reporting and accountability chains, appropriate classification and optimization of vendor portfolios, managing transitions among third-party vendors, and monitoring the relationship and performance monitoring with vendors. - ORM receive the evaluation results from concerned business areas according to the evaluation periodicity to analyze the evaluation against loss events, KRIs, fraud and forgery risks, RCSA, and IT risks.

BUSINESS CONTINUITY

Business Continuity Management (BCM) is a fundamental component of the Bank’s overarching risk management strategy. It guarantees the seamless availability of vital business resources essential for sustaining critical business functions without interruption.

The Operational Risk Management department plays a pivotal role in:

- Minimizing interruption to critical business operations
- Limiting financial loss
- Simplifying the decision-making process in the event of a disaster
- Continuing to serve customers and counterparties in the financial markets
- Mitigating the adverse effects of disruption on the Bank’s reputation
- Managing operations, liquidity, credit quality, and market position
- Ensuring controlled continuity and normal operations

A visionary bank, Banque du Caire strives to align with the world-class ISO 22301 standard in all areas of its operations and enable its internal teams to effectively communicate and manage its business continuity processes, procedures, and policies to various stakeholders.

ISO 22301 focuses exclusively on business continuity management, helping organizations establish and implement business continuity plans to protect them and help them recover from disruptive incidents should they occur. It also helps identify potential threats to the business and enables the Bank to tackle unforeseen events through:

- Contributing to organizational resilience.
- Supporting the Bank’s strategic objectives.
- Creating a competitive advantage.
- Protecting and enhancing reputation and credibility
- Reducing legal and financial exposure.
- Reducing direct and indirect costs of disruption.
- Improving BdC’s capability to remain effective during disruptions.
- Demonstrating proactive control of risks effectively and efficiently.
- Addressing operational vulnerabilities.

Compliance Group

The Compliance Group operates under a comprehensive framework designed to boost efficiency and effectively navigate risk. This structure guides the identification, evaluation, and reporting of compliance-related risks. To maintain high standards, the Bank continuously updates these policies to align with international best practices.

Functioning independently, the group reports disciplinary matters directly to the Audit Committee and the BOD. It collaborates closely with Internal Audit and Risk departments to ensure strict adherence to Central Bank of Egypt (CBE) regulations and the Bank's Compliance Charter. Additionally, the group submits quarterly governance reports to the Audit Committee that identify key risk areas and propose necessary mitigation controls.

The Compliance Policy serves as the backbone of this strategy, defining the framework and procedures that govern compliance efforts. This policy ensures consistent implementation and rigorous monitoring across all banking functions.

Given the high volume of regional and international transactions, Anti-Money Laundering (AML) and Counter-Terrorism Financing remain top priorities. The group employs stringent monitoring processes, focusing on relevant watchlists and sanctioned countries to scrutinize cross-border transactions. Furthermore, the Bank ensures full compliance with the Foreign Account Tax Compliance Act (FATCA) in accordance with US Internal Revenue Service (IRS) regulations.

In line with CBE directives, the Bank implements a Customer Protection Policy to safeguard client rights. This policy emphasizes transparency and fairness, clearly defining rights and obligations while providing efficient mechanisms for handling complaints and addressing their root causes.

2025 HIGHLIGHTS

Throughout 2025, the Compliance Group maintained its pivotal role as the second line of defense in managing operational compliance risks. Key achievements included the successful navigation of the compliance landscape with zero major incidents recorded.

FORWARD-LOOKING STRATEGY

Recognizing compliance as a pillar of sound management and reputation, Banque du Caire is dedicated to activating and strengthening the function's internal role. The Bank's compliance policy establishes clear principles for mitigating non-compliance risks across all departments. To achieve this, the Bank leverages cutting-edge technology and provides specialized training, ensuring the institution keeps pace with rapid developments in the Banking sector.



Internal Audit

Banque du Caire's Internal Audit Group (IAG) plays a crucial role in the Bank's oversight structure, offering independent and objective assurance and advisory services to enhance Bdc's control environment. The IAG supports the Bank's strategic objectives by employing a systematic and disciplined methodology to evaluate and improve risk management, governance, and control processes.

Throughout 2025, the group prioritized strict adherence to ethical and legal standards across all banking activities. Reporting functionally to the Audit Committee and administratively to the Chief Executive Officer, the IAG ensures compliance with regulatory mandates and internal policies, thereby promoting transparency and sustainability in strategy execution. Furthermore, the group leads fraud investigations and provides proactive guidance to mitigate fraud-related risks.

The Audit Group continually refines internal policies to align with global best practices. It strengthens the Bank's operational framework and risk governance by offering risk-based assurance and advice, insights to all departments. This approach empowers management with crucial data and recommendations, facilitating timely responses to emerging risks and supporting informed decision-making for long-term strategic success.

The IAG's effectiveness relies on a team of skilled professionals ranging from generalist to specialized financial auditors. Equipped with advanced analytical tools, the team conducts thorough reviews to ensure strategic goals are met. A comprehensive Quality Assurance and Improvement Program governs all activities, ensuring compliance with the Global Internal Audit Standards (GIAs), IAG manual, Code of Ethics, and industry standards. This program fosters best practices and keeps staff updated on audit industry trends.

2025 HIGHLIGHTS

The IAG focused on advancing its audit capabilities while aligning with the Bank's strategic goals and international compliance standards, utilizing a risk-based approach and updated manuals. The group consistently monitored the risk management system to validate assessment objectives and identify emerging risks. The scope of review included control system efficiency, regulatory compliance, resource utilization, IT effectiveness, and credit portfolio quality.

To embed a strong control culture, the team performed routine field reviews and investigations as mandated by the Board, Audit Committee, and Executive Management. The IAG collaborated with external auditors to establish efficient frameworks supporting strategic objectives. Additionally, the group recruited qualified staff during the year to complement the existing certified team and achieve departmental goals.

FORWARD-LOOKING STRATEGY

Banque du Caire plans to upgrade the internal audit function as part of its modernization agenda. This initiative involves continuously enhancing the risk-based methodology and adopting the new Global Internal Audit Standards.

The group actively recruits young talent to support succession planning and the audit approach. To strengthen the risk culture, staff are encouraged to obtain professional certifications such as CIA, CISA, CFE, and Credit Course. Finally, the IAG will advance its integrated assurance program by fostering coordination among control functions and enhancing administrative operations, building on its established track record.



A man in a blue shirt is holding a tablet. Overlaid on the tablet and extending into the background is a glowing digital interface. This interface features a large, stylized number '1' in the center, composed of orange circuit-like lines. Surrounding this central element are various financial charts and graphs, including bar charts, pie charts, and line graphs, all rendered in a glowing orange and blue color scheme. The background is dark with some blurred lights, suggesting a modern office or tech environment.

Financial Statements

(CONSOLIDATED & SEPARATE)

_07

Auditors' Report

Translation
Originally issued in Arabic

KPMG Hazem Hassan
Public Accountants & Consultants

Accountability State Authority
Central Department of Banks Financial Control

AUDITORS' REPORT

To the shareholders of Banque Du Caire (S.A.E)

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Banque Du Caire (S.A.E) which comprise the consolidated financial position as of December 31, 2025, and the related consolidated statements of income, comprehensive income, cash flows and changes in Shareholders' equity for the financial year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Consolidated Financial Statements

These consolidated financial statements are the responsibility of Bank's management. Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the rules of preparation and presentation of the banks' financial statements, basis of recognition and measurement issued by Central Bank of Egypt on December 16, 2008 as amended by the regulations issued on February 26, 2019 and in light of the prevailing Egyptian laws and regulations, management responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the consolidated 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated 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 plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 the consolidated 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 consolidated financial statements.

Translation
Originally issued in Arabic

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Banque Du Caire (S.A.E) as of December 31, 2025 and of its consolidated financial performance and its consolidated cash flows for the year then ended, in accordance with the rules of preparation and presentation of the banks' financial statements, basis of recognition and measurement issued by Central Bank of Egypt on December 16, 2008 as amended by the regulations issued on February 26, 2019 and in light of the prevailing Egyptian laws and regulations related to the preparation of these consolidated financial statements.

KPMG Hazem Hassan
Public Accountants and Consultants
(18) **Fares Amer Emam Amer**

Financial Regulator Authority No. 230

KPMG Hazem Hassan
Public accountants & Consultants

Auditors

Lobna Abdel Aziz Abdel Ghaffar
Accountability State Authority

Cairo on: February 11th, 2026

Consolidated Statement of Financial Position

As at 31 December 2025

(All amounts are shown in thousands Egyptian Pounds)

	Note No.	31/12/2025	31/12/2024
Assets			
Cash and balances at Central Bank	(15)	35,151,541	29,109,277
Due from banks	(16)	93,413,017	141,681,591
Loans and advances to banks	(17)	18,692,588	16,374,143
Loans and advances to customers	(18)	222,026,608	196,236,960
Financial investments			
At fair value through other comprehensive income	(19)	104,695,385	66,546,674
At amortized cost	(19)	39,814,734	18,560,532
Investments in associates	(20)	1,649,334	904,171
Intangible assets	(21)	645,986	408,324
Investment Property	(22)	13,893	--
Other assets	(23)	14,968,076	12,288,715
Deferred tax assets	(31)	848,851	1,109,069
Leasing fixed assets (Net)	(24)	4,634,502	3,442,256
Property and equipment	(25)	3,827,440	2,708,017
Total assets		540,381,955	489,369,729
Liabilities and Equity			
Liabilities			
Due to banks	(26)	2,508,159	8,024,902
Customers' deposits	(27)	404,537,989	354,747,216
Other loans	(28)	46,274,958	59,710,857
Other liabilities	(29)	15,250,833	14,331,385
Other provisions	(30)	2,407,480	2,144,936
Current income tax liabilities		4,159,612	2,665,805
Deferred tax liabilities	(31)	512,826	279,549
Retirement benefit liabilities	(32)	2,118,674	1,780,898
Total liabilities		477,770,531	443,685,548
Equity			
Issued and paid-up capital	(33)	20,500,000	19,000,000
Amounts paid under capital increase	(33)	10,000,000	1,500,000
Reserves	(34)	9,181,085	6,635,440
Difference between the present value and face value for subordinated deposit		--	1,179,701
Net profit for the year and retained earnings	(34)	22,915,021	17,356,021
Net equity		62,596,106	45,671,162
Non-controlling interest	(35)	15,318	13,019
Total equity		62,611,424	45,684,181
Total liabilities and equity		540,381,955	489,369,729

- The accompanying notes from (1) to (42) are an integral part of these Financial Statements and are to be read therewith.
- Auditors' report (attached).

Chief Financial Officer
Mohamed Ibrahim

CEO & Managing Director
Hussein Abaza

Consolidated Income Statement

For the year ended 31 December 2025

(All amounts are shown in thousands Egyptian Pounds)

	Note No.	31/12/2025	31/12/2024
Interest and similar income	(6)	84,333,704	72,092,196
Interest and similar expense	(6)	(49,362,175)	(43,363,219)
Net interest income		34,971,529	28,728,977
Fee and commission income	(7)	7,214,938	6,437,588
Fee and commission expense	(7)	(745,294)	(564,050)
Net fee and commission income		6,469,644	5,873,538
Net interest, fee and commission income		41,441,173	34,602,515
Dividend income	(8)	595,199	527,996
Net trading income	(9)	130,660	64,703
Gains from financial investments	(19)	218,279	177,867
(Charged) reversed of expected credit loss	(12)	(5,601,714)	(3,683,538)
Administrative expenses	(10)	(14,559,756)	(11,677,033)
Other operating revenues (expenses)	(11)	937,032	(2,166,389)
Share of results of associates		155,267	82,500
Profit before income tax for the year		23,316,140	17,928,621
Income tax expense	(13)	(7,246,496)	(5,628,613)
Net profit after tax for the year		16,069,644	12,300,008
Holding company		16,066,142	12,297,552
Non-controlling interest		3,502	2,456
Net profit after tax for the year		16,069,644	12,300,008
The basic earnings per share	(14)	1.58	1.46

- The accompanying notes from (1) to (42) are an integral part of these Financial Statements and are to be read therewith.

Chief Financial Officer
Mohamed Ibrahim

CEO & Managing Director
Hussein Abaza

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2025

(All amounts are shown in thousands Egyptian Pounds)

		31/12/2025	31/12/2024
Net profit after tax for the year	(1)	16,069,644	12,300,008
Transferred (from) to retained earnings (net of tax)	(2)	2,921,920	4,317
Items not be reclassified to profit and loss			
Net change-movement in fair value reserve for equity instruments at fair value through other comprehensive income		130,579	78,904
Items reclassified to profit and loss			
Net change-movement in fair value reserve for debt instruments at fair value through other comprehensive income		1,444,144	730,711
Total other comprehensive income items for the year, net of tax	(3)	1,574,723	809,615
Total comprehensive income for the year, net of tax	(1+2+3)	20,566,287	13,113,940

- The accompanying notes from (1) to (42) are an integral part of these Financial Statements and are to be read therewith

Consolidated Statement of Cash flows

For the year ended 31 December 2025

(All amounts are shown in thousands Egyptian Pounds)

	Note No.	31/12/2025	31/12/2024
Cash flows from operating activities			
Profit before income tax for the year		23,316,140	17,928,621
Adjustments (to reconcile profit before tax for the year to cash flows from operating activities)			
Depreciation / Amortization		968,663	747,161
Leasing fixed assets depreciation		201,293	210,282
Investment Property depreciation		2,372	--
Expected credit losses		5,601,714	3,683,538
Charged other provision		711,837	529,251
Charged impairment for other assets		23,960	16,391
Provisions no longer required		(352,114)	(380,257)
Gains of selling property and equipment		(80,415)	(51,601)
Gains of selling reverted assets		(1,779)	(2,743)
Foreign currency translation of other provisions		(38,867)	244,269
Other provisions utilized other than loans' provisions		(57,485)	(43,060)
Proceeds from other provisions other than loans provisions		--	37
Dividend income		(595,199)	(527,997)
Share of results of associates		(155,266)	(82,500)
Foreign currency translation of sovereign provisions for debt instruments		(50,349)	261,183
(Reverse) of gains from sale of debt instruments at fair value through other comprehensive income		(128,278)	(108,172)
(Charge) of valuation resulting from monetary foreign currency investments and other loans		(599,372)	11,323,443
Reverse of amortization of premium/discount of issuing financial investments		(317,867)	337,840
Operating profit before changes in assets and liabilities provided from operating activities		28,448,988	34,085,686
Net Decrease (Increase) in assets			
Due from banks		(4,529,305)	16,396,991
Loans and advances to banks		(2,313,334)	(10,510,918)
Loans and advances to customers		(31,815,591)	(36,997,868)
Other assets		(2,522,704)	(2,600,608)
Net Increase (Decrease) in liabilities			
Due to banks		(5,516,743)	1,347,361
Customers' deposits		50,024,428	50,928,457
Other liabilities		1,144,000	(2,998,609)
Retirement benefit liabilities		337,776	159,577
Income tax paid		(5,702,470)	(3,618,680)
Net cash flows provided from operating activities		27,555,045	46,191,389

Consolidated Statement of Cash flows

For the year ended 31 December 2025

(All amounts are shown in thousands Egyptian Pounds)

	Note No.	31/12/2025	31/12/2024
Net cash flow provided from operating activities		27,555,045	46,191,389
Cash flows from investing activities			
Payments to purchase Fixed assets and prepara- tion of branches		(1,852,570)	(1,407,402)
Prepaid Payments to Purchase of property and equipment		--	137
Payments to purchase leasing fixed assets		(1,532,449)	(116,575)
Prepaid payments to purchase leasing fixed assets		(26,925)	(3,510)
Proceeds from the sale of property and equipment		83,871	54,105
Proceeds from the sale of assets reverted to the Bank		1,847	2,965
Proceeds from the sale of financial investments at fair value through OCI		765,630,918	218,023,961
Payments for purchases of financial investments at fair value through OCI		(801,073,959)	(213,765,213)
Proceeds from the sale of financial investments at amortized cost		7,599,194	28,234,441
Payments for purchases of financial investments at amortized cost		(28,761,618)	(4,518,070)
Payments for investments in associates		(318,196)	(28,729)
Payments to purchase intangible assets		(463,938)	(214,151)
Dividends received		677,299	657,599
Net cash flows (used in) provided from investing activities		(60,036,526)	26,919,558
Cash flows from financing activities			
Capital increase		--	2,000
Proceeds from other loans		4,170,216	8,935,896
Payments for other loans		(16,733,435)	(14,119,975)
Financial lease contracts settlement		165,836	(51,408)
Dividends paid		(12,539,580)	(1,376,613)
Amounts paid under capital increase		10,000,000	--
Net cash flows (used in) financing activities		(14,936,963)	(6,610,100)
Foreign currency translation differences of financial statement		(32,936)	146,010
Net (decrease) increase in cash and cash equivalent during the year		(47,418,444)	66,500,847
Beginning balance of cash and cash equivalent for the year		177,705,341	111,058,484
Cash and cash equivalent at the end of the year		130,253,961	177,705,341
Cash and cash equivalent are represented in the following:			
Cash and balances at the Central Bank	(15)	35,151,541	29,109,277
Due from banks	(16)	93,431,600	141,708,711
Treasury bills and other governmental notes		66,989,467	40,748,254
Balances at the central bank within the manda- tory reserve ratio		(21,922,249)	(17,275,921)
Treasury bills and other governmental notes with maturity more than 3 months		(43,396,398)	(16,584,980)
Total cash and cash equivalent	(37)	130,253,961	177,705,341

- The accompanying notes from (1) to (42) are an integral part of these Financial Statements and are to be read therewith.

Consolidated Statement of Changes in Equity

For the year ended 31 December 2025

(All amounts are shown in thousands Egyptian Pounds)

	Note No.	Issued and paid up capital	Amounts paid under Capital Increase	Reserves	Difference between the face value and present value for subordinat-ed deposit	Net profit for the year and retained earnings	Net equity	Non-con-trolling interest	Total equity
Balance as at 01/01/2024		10,000,000	10,500,000	3,930,094	1,646,308	7,058,084	33,134,486	10,129	33,144,615
Dividend distributions		--	--	--	--	(1,375,486)	(1,375,486)	(1,566)	(1,377,052)
Transferred to capital		9,000,000	(9,000,000)	--	--	--	--	--	--
Amounts paid under capital increase		--	--	--	--	--	--	2,000	2,000
Transferred to legal reserve		--	--	334,367	--	(334,367)	--	--	--
Transferred to general banking risk reserve		--	--	238,012	--	(238,012)	--	--	--
Transferred to capital reserve		--	--	56,067	--	(56,067)	--	--	--
Net Change in items of other comprehensive income		--	--	809,615	--	4,317	813,932	--	813,932
Expected Credit Losses on debt instruments at fair value through OCI		--	--	190,967	--	--	190,967	--	190,967
Difference between the face value and present value for subordinated deposit		--	--	--	(466,607)	--	(466,607)	--	(466,607)
Translation Differences		--	--	1,076,318	--	--	1,076,318	--	1,076,318
Net profit after tax for the year ended 31 December 2024		--	--	--	--	12,297,552	12,297,552	2,456	12,300,008
Balance as at 31/12/2024		19,000,000	1,500,000	6,635,440	1,179,701	17,356,021	45,671,162	13,019	45,684,181
Balance as at 01/01/2025		19,000,000	1,500,000	6,635,440	1,179,701	17,356,021	45,671,162	13,019	45,684,181
Dividend distributions		--	--	--	--	(12,661,663)	(12,661,663)	(1,203)	(12,662,866)
Transferred to capital		1,500,000	(1,500,000)	--	--	--	--	--	--
Amounts paid under capital increase		--	10,000,000	--	--	--	10,000,000	--	10,000,000
Transferred to legal reserve		--	--	621,933	--	(621,933)	--	--	--
Transferred to general banking risk reserve		--	--	93,918	--	(93,918)	--	--	--
Transferred to capital reserve		--	--	51,548	--	(51,548)	--	--	--
Net change in items of other comprehensive income		--	--	1,574,723	--	2,921,920	4,496,643	--	4,496,643
Expected Credit Losses on debt instruments at fair value through OCI		--	--	(53,095)	--	--	(53,095)	--	(53,095)
Difference between the face value and present value for subordinated deposit		--	--	--	(1,179,701)	--	(1,179,701)	--	(1,179,701)
Translation differences		--	--	256,618	--	--	256,618	--	256,618
Net profit after Tax for the year ended 31 December 2025		--	--	--	--	16,066,142	16,066,142	3,502	16,069,644
Balance as at 31/12/2025	(33,34)	20,500,000	10,000,000	9,181,085	--	22,915,021	62,596,106	15,318	62,611,424

- The accompanying notes from (1) to (42) are an integral part of these Financial Statements and are to be read therewith.

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

(All amounts stated in the notes are in thousands of Egyptian pounds unless otherwise stated)

1. General Information:

Banque Du Caire S.A.E. was established as a commercial bank on May 17, 1952 under the provisions of the National Commercial Law for 1883 which was abolished except for the first chapter of Chapter Two of it according to the issuance of Trade Law No. 17 of 1999 on May 17, 1999. The address of its registered head office is as follows: 6 Dr. Moustafa Abo Zahra Street, Nasr City, Cairo, Egypt behind accountability state authority.

Banque Du Caire offers its banking services that related to its activity in Egypt through 249 branches, office and units and agencies. The Bank employs 8,318 employees at the financial statements’ preparation date for the year ended 31 December 2025.

On May 2007, Banque Misr acquired all shares of Banque Du Caire, and its ownership has transferred to Banque Misr on Egyptian Stock Exchange.

On May 2009 the Minister of Finance approved on selling 5 shares stock to Misr for Financial Investment and Misr Abu Dhabi for Real Estates. As a result, the bank became subject to Egyptian Companies Law No. 159 of 1981 and its Executive Regulations.

On March 28, 2010, the amendment of the Bank’s Articles of Association was approved for Law 159 of 1981 in the Office of Investment Documentation under the Registration Document No. 176 of 2010 and its impact at the commercial register on 30 March 2010.

On May 2010, Banque Misr established Misr for Financial Investment Company with 99.999% contribution share of its capital to act as its investment arm.

On June 2010, Banque Misr transferred some of long term investments (including Banque Du Caire) to Misr for financial investment.

On 19 December 2010, Banque Du Caire’s Extraordinary General Assembly approved transferring Banque Du Caire’s ownership to Misr for financial investments Company, the amendment of bank articles of association by that.

On 27 June 2010 Extraordinary General Assembly approved on amend article of association (article 42) amending the financial year to start on 1st of January and end on 31 December instead of 1st of July and ends on 30 June of the following year.

On 15 December 2016 Extraordinary General Assembly approved amendment on article of association (article 6) which increase bank’s capital by the value of retained earnings amounting by EGP 650 million and determine the bank’s authorized capital by EGP 10 billion, and determine the bank’s issued capital by EGP 2,250 billion divided into 562,500 thousand shares with a par value of EGP 4 each and the bank’s shareholders structure became as follows:

Misr Capital company	562,499,985 shares
Banque Misr	8 shares
Misr Abu Dhabi for Real Estate company	7 shares

On 29 December 2016, (article 6) capital increase has been amended in the commercial register and at investment prospectus latest publication number 43396 issued on 30 January 2017 amending (article 7).

On 15 July 2018, Extraordinary General Assembly approved to amend (article 6) to add Banque Misr instead of Misr Investment Company.

On 19 December 2019, the extraordinary general assembly of “Misr for Financial Investments SAE” approved by the Financial Regulation Authority on 11 February 2020 decided to indicate in the commercial register on 20 February 2020 that the company’s name had been changed to Misr Capital SAE without any change in other data.

- On 22 September 2019, Central Bank of Egypt approved on amending article of association (article 6) which related to increase of Issued Capital and Shareholders Structure. On 22 September 2019, Extraordinary General Assembly approved on Capital Increase by 3 billion EGP to increase from EGP 2.250 billion to EGP 5.250 billion, all of the increase related to Banque Misr.

Article of association (6) became as follows: -

The authorized Capital amounted to EGP 10 Billion, and The issued Capital amounted to EGP 5.250 Billion distributed to 1,312,500 Thousand share with nominal value EGP 4 per each and Bank's shareholders structure as follows:

Banque Misr	750,000,008 shares
Misr Capital company	562,499,985 shares
Misr Abu Dhabi for Real Estate company	7 shares

Capital increase has been amended in the commercial register at 2 February 2020.

- On 04 October 2020 article 6 has been amended in investment prospectus as follows: -

The bank's authorized capital determined by EGP 10 billion, and determine the bank's issued capital by EGP 5,250 billion divided into 2,625,000 thousand shares with a par value of EGP 2 each and the bank's shareholders structure became as follows: -

Banque Misr	1,500,000,016 shares
Misr Capital company	1,124,999,970 shares
Misr Abu Dhabi for Real Estate company	14 shares

- On 28 April 2022 Banque Misr purchased the shares of Banque Du Caire owned by Misr Capital company which amount to 1,124,999,956 shares so that Banque Misr's contribution to Banque Du Caire become 99.99% instead of 57.14%.
- On 6 November 2022 article (6) has been amended in investment prospectus as follows: -

The bank's authorized capital determined by EGP 20 billion, and determine the bank's issued capital by EGP 10 billion divided into 5 billion shares with a par value of EGP 2 each.

Capital increase has been amended in the commercial register at 07 November 2022

- On 16 April 2024 article 6 of the bank's statute has been amended in investment prospectus as follows:

The bank's authorized capital determined by EGP 50 billion, and determine the bank's issued capital by EGP 19 billion divided into 9.5 billion shares with a par value of EGP 2 each and the bank's shareholders structure became as follows:

Name	No. of Shares	Face Value by EGP
Banque Misr	9,499,999,972	18,999,999,944
Misr Capital company	14	28
Misr Abu Dhabi for Real Estate company	14	28
Total	9,500,000,000	19,000,000,000

Capital increase has been amended in the commercial register at 28 March 2024.

- On 12 February 2025 article 6 of the bank's statute has been amended in investment prospectus as follows:

The bank's authorized capital determined by EGP 50 billion, and determine the bank's issued capital by EGP 20.5 billion divided into 10.250 billion shares with a par value of EGP 2 each and the bank's shareholders structure became as follows: -

Name	No. of Shares	Face Value by EGP
Banque Misr	10,249,999,972	20,499,999,944
Misr Capital company	14	28
Misr Abu Dhabi for Real Estate company	14	28
Total	10,250,000,000	20,500,000,000

Capital increase has been amended in the commercial register at 5 February 2025.

The Board of Directors approved the consolidated financial statements for the year ended 31 December 2025 on 10 February 2026

2. Summary of significant accounting policies:

Following are the significant accounting policies applied in the preparation of consolidated financial statements. These policies have been consistently applied for all years presented unless otherwise stated.

2.1. Basis of preparing consolidated financial statements

The consolidated financial statements have been prepared in accordance with the instructions of the central bank of Egypt (CBE), approved by the board of directors on 16 December 2008 with the addition of the requirements of IFRS 9 Financial Instruments in accordance with the instructions issued by the Central Bank of Egypt on 28 January 2018 and issued the final instructions for the preparation of the financial statements of banks in accordance with the requirements of International Financial Reporting Standard No.9 on 26 February 2019.

The Bank applied the instructions of the Central Bank of Egypt rules IFRS 9 "Financial Instruments" starting from January 01, 2019, the following summarize the main accounting policies changes resulted from applying the required instructions also, the disclosure of significant judgments and estimates related with impairment in value at financial risk management disclosures.

The bank prepared consolidated financial statement for the bank and subsidiaries companies with the instructions of the central bank of Egypt, approved by the board of directors on 16 December 2008 with the standards referred to, The subsidiaries are fully consolidated in the consolidated financial statements, in which the Bank has, directly and indirectly through subsidiaries, more than half of the voting rights or has the ability to control the financial and operating policies of the subsidiary irrespective of the type of activity.

2.2. Basis of consolidation

2.2.1 Subsidiary Companies:

Subsidiaries are entities over which the bank exercises a direct or indirect control over its financial and operating policies to obtain benefits from its activities. The Bank usually has a shareholding of more than half of its voting rights, and with existence and effect of future voting rights that can be exercised or transferred at the present time are taken into consideration when evaluating whether the Bank has the ability to control the Company.

On consolidated, eliminating all balances and transactions between the Bank and group companies, and exclude unrealized losses unless it provides evidence of impairment in the transferred asset value and the accounting policies of the subsidiary companies changed whenever it's necessary to ensure that the group apply the same policy.

The purchase method is used in accounting for the bank's acquisition of subsidiary companies, and the cost of acquisition is measured at the fair value or the consideration provided by the bank from the assets of the purchase and the equity instruments sourced from or obligations incurred by the bank and obligations accepted by it on behalf of the acquired company, on the date The exchange plus any costs that are directly attributable to the acquisition process, and the net assets, including the possible acquisitions of liabilities acquired, are measured at their fair value at the date of acquisition, regardless of the existence of any minority rights and the increase in the cost of the acquisition is considered to be more than the fair value of the share A bank has a goodwill in it, and if the acquisition cost is less than the fair value of the aforementioned net, the difference is recorded directly in the income statement within other operating income (expenses).

Given the bank's control of its subsidiary, the aggregate consolidation method is the basis for preparing the consolidated financial statements for the bank's own purposes. The group's financial statements are the financial statements of:

- Banque Du Caire
- Cairo Bank Uganda 99.99%
- Cairo Lending Company 98%
- Taly for the digital payments Company 99.997%
- Cairo Exchange Company 99.99%

The Controlling is achieved through the Bank's ability to control the financial and operating policies of investee entities in order to obtain benefits from its activities.

The basics of compilation include the following:

- Exclude all balances and transactions between the Bank and the Company as well as unrealized profits resulting therefrom.
- Non-Controlling interest represented in other shareholder's rights those of controlling shareholders in subsidiaries.

Transactions with Non-controlling interests (NCI)

The Group transactions with NCI as transactions with parties outside the Group. Gains and losses on sale to NCI interests are recognized in the statement of income and the purchase of minority NCI produces a good will for representing the difference between the consideration Paid for acquired shares and the book value of the net assets of the subsidiary.

If the share of non-controlling interests in return losses by a subsidiary exceeds their equity in that company, such increase shall be charged within the equity of the parent company except those losses which the non-controlling interest is obliged to bear and provided that they have the ability to make additional investments to cover the losses. Subsidiaries' future profits These profits are added to the Parent Company's equity to the extent that it covers the losses previously incurred by the non-controlling interest rights on behalf of the minority.

2.2.2. Associated Companies:

- Associates are entities over which the bank exercises a direct or indirect significant influence without reaching the extent of control. Normally the bank holds ownership equities ranging between 20% and 50% of the voting rights.
- The Bank's share of its associates' post-acquisition profits or losses is recognized in profit or loss; its share of post-acquisition reserve movements is recognized in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Bank's share of losses in an associate equal or exceeds its interest in the associate, including any other unsecured receivables, the Bank does not recognize further losses, unless it has incurred obligations or made payments on behalf of the associate.
- Unrealized gains arising from transaction between the bank and its associates are eliminated to the extent of the Bank's interest in the associates. Intergroup losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred, Accounting Policies for associate Companies will change when its necessary to ensure the policies are consolidated.
- Gains and losses resulting from changes in the ownership structure of associates are recognized in the income statement

2.2.3. Controlling

Control means the ability of the Bank to control the financial and operating policies of an investee so as to obtain benefits from its activities.

The Bank shall control the investee if the Bank has voting rights in the subsidiary of 50% or less in the event that:

- The existence of an agreement between some shareholders gives the holding company the ability to direct more than 50% of the voting rights in the investee company.
- The existence of the Bank's authority, derived from legislation or agreement, to control the financial and operating policies of the investee company.
- The ability to appoint or dismiss the majority of the Board of Directors.
- Control more than half of the votes in the board of directors.

2.2.4. Non-Controlling interest

Share of shareholders outside the Group that the Bank does not own directly or indirectly in the net results of operations and net assets of its subsidiaries.

2.3. Segment reports

A business segment is a group of assets and operations engaged in providing products or services that are subject to risk and return that are different from those of other business segments.

A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risk and returns different from those related to geographical segments operate in other economic environments.

2.4. Foreign currencies translation

2.4.1. Functional and presentation currency

Bank's financial statements are presented in Egyptian pounds, which is the bank's functional and presentation currency.

2.4.2. Transactions and balances in foreign currencies

- The bank holds its accounts in Egyptian pounds. Transactions in foreign currencies during the financial period are recorded using the prevailing exchange rates at the date of transactions.
- Monetary assets and liabilities in foreign currencies are re-translated at the end of the period using the prevailing exchange rates at that date.
- Foreign exchange gains and losses resulting from settlement of such transactions and as well as the differences resulting from the re-evaluation are recognized in the income statements under the following items:
 - Net trading income for assets / liabilities classified for trading purpose.
 - Other operating revenue (expenses) for the remaining items.
- Changes in the fair value of the financial instruments with monetary nature in foreign currencies, classified as financial investments at fair value through other comprehensive income (debt instruments), are analyzed into evaluation differences resulting from changes in the amortized cost of the instrument, differences resulting from the changes in the prevailing exchange rates and differences resulting from the changes in the instrument's fair value. The evaluation differences resulting from the changes in the amortized cost are recognized in the income statement within "Interest and similar income" the differences relating to changes in exchange rates are recognized in "other operating revenues (expenses)" "Differences resulting from changes in fair value are recognized under "fair value reserve – financial investments at fair value through other comprehensive income" in the shareholders' equity.
- The translation differences resulting from non-monetary items include profits and losses resulting from changes in fair value such as equity instruments held in fair value through profits and losses, while translation differences resulting from equity instruments classified as financial investments at fair value through other comprehensive income are recognized with "fair value reserve- financial investments at fair value through other comprehensive income " under the shareholders' equity.
 - The financial statements of foreign subsidiary banks are translated into the presentation currency as follows:
- The assets and liabilities in the financial statements of foreign subsidiary banks are translated at the exchange rate prevailing at the date of the financial statements.
- Income and expenses are translated at the average exchange rate during the financial year.
- Items of equity are translated according to historical exchange rates on the date of the transaction.
- The resulting currency differences are recognized in the translation reserve for foreign entities with equity.
- For the purpose of returning the consolidated cash flow statement, the cash flow statements are translated into the foreign subsidiary bank at the average exchange rate during the financial year.

2.5. Financial Assets and liabilities

2.5.1. Recognition and initial measurement

The Bank recognizes financial assets and liabilities on the date that the Bank becomes a party to the contractual terms of the financial instrument.

The financial asset or liability is initially measured at fair value. Those that are not subsequently measured at fair value through profit or loss are measured at fair value plus transaction cost that is directly attributable to the acquisition or issue.

2.5.2. Classification

A. Financial assets

- On initial recognition, the Bank classifies financial assets into financial assets at amortized cost, financial assets at fair value through other comprehensive income or at fair value through profit or loss.

- The financial asset is measured at amortized cost if both of the following conditions are met and have not been allocated by the management of the Bank upon initial recognition at fair value through profit or loss:
 - The financial asset is retained in a business model whose objective is only to maintain the financial asset for the collection of the contractual cash flows.
 - The contractual terms of the financial asset, on specific dates, result in contractual cash flows of the asset that are only the principal of the financial instrument and the proceeds.
- The debt instrument is measured at fair value through other comprehensive income and was not allocated at initial recognition at fair value through profit or loss if both of the following conditions are met:
 - The financial asset is held in a business model whose objective is to collect contractual cash flows and sell the financial asset.
 - The contractual terms of the financial asset, on specific dates, result in contractual cash flows of the asset that are not only the principal of the debt and the return.
- Other financial assets are classified as investments at fair value through profit or loss.
- In addition, at initial recognition, the Bank may allocate irreversibly a financial asset as measured at fair value through profit or loss, although it meets the criteria for classification as a financial asset at amortized cost or at fair value through other comprehensive income, if doing so would substantially prevent or reduce the inconsistency that may arise in accounting measurement.

Business model assessment

Debt instruments and equity instruments are classified and measured as follows:

Financial instrument	Methods of measurement according to business model		
	Amortized cost	Fair value	
		Through other comprehensive income	Through profit and loss
Equity instruments	N/A	One-time option upon first recognition it is irreversible	Regular treatment of equity instruments
Debt instruments	Business model Assets held for collection Contractual cash flows	Business model Assets held for collecting Contractual cash flows and sale	Business model Assets held for trading

The Bank prepares, documents and approves Business Models in accordance with the requirements of IFRS 9 and reflects the Bank’s strategy for managing financial assets and cash flows as follows:

Financial assets	Business model	Basic characteristics
Financial assets at amortized cost	Business model financial assets held for the collection of contractual cash flows	▪ The objective of the business model is to retain financial assets to collect the contractual cash flows represented in the principal amount of the investment and the proceeds ▪ A sale is an exceptional event for the purpose of this model and under the terms of the criterion of a deterioration in the creditworthiness of the issuer of the financial instrument ▪ Less sales in terms of rotating and value. ▪ The Bank performs clear and reliable documentation of the rationale for each sale and its compliance with the requirements of the Standard.
Financial assets at fair value through other comprehensive income	Business model of financial assets held for the collection of contractual cash flows and sales	▪ Both the collection of contractual cash flows and sales are complementary to the objective of the model. ▪ Sales are relatively high (in terms of turnover and value) compared to the business model held for the collection of contractual cash flows
Financial assets at fair value through profit and loss	Other business models include (trading – management of financial assets at fair value – maximizing cash flows by selling)	▪ The objective of the business model is not to retain the financial asset for the collection of contractual cash flows or retained for the collection of contractual cash flows and sales. ▪ Collecting contractual cash flows is an incidental event for the objective of the model ▪ Management of financial assets at fair value through profit or loss to avoid inconsistencies in accounting measurement.

- The Bank assesses the objective of the business model at the portfolio level where the financial asset is retained as reflecting the way the business is managed and the manner in which the management is provided. The information to be taken into account when evaluating the objective of the business model is as follows:
- The documented policies and objectives of the portfolio and the implementation of these policies in practice. In particular, whether the management strategy focuses only on the collection of the contractual cash flows of the asset and maintaining a specific rate of return to meet the maturities of the financial assets with the maturity dates of the liabilities that finance these assets or generate cash flows through the sale of these assets.
- How to evaluate and report on portfolio performance to senior management.
- Risks affecting the performance of the business model, including the nature of the financial assets held within that model and the manner in which these risks are managed.
- How to determine the performance assessment of business managers (fair value, return on portfolio, or both).
- The Periodical, value and timing for the sales transactions, and the reasons for these transactions, and the expectations regarding sales activities. However, the information about the sales activities are not taken into action separately. But it’s taken as part of overall assessment of how to achieve the bank’s objective from Assets management and how to generate Cash flows.
- Financial assets held for trading or managed and its fair value performance are measured at fair value through profit or loss as they are not held to collect contractual cash flows or to collect contractual cash flows and sell financial assets together.
- Assess whether the contractual cash flows of the asset represent payments that are limited to the principal amount of the instrument and the proceeds.

For the purpose of this valuation, the Bank defines the original amount of the financial instrument as the fair value of the financial asset at initial recognition. The return is defined as the time value of money and the credit risk associated with the original amount over a specified period of time and other basic lending risk and costs (such as liquidity risk and administrative costs) as well as profit margin.

To assess whether the contractual cash flows of an asset are payments that are limited only to the asset of the financial instrument and the proceeds, the Bank takes into consideration the contractual terms of the instrument. This includes assessing whether the financial asset includes contractual terms that may change the timing or amount of contractual cash flows, thereby not meeting that requirement. In order to conduct such an assessment, the Bank shall consider:

- Potential events that may change the amount and timing of cash flows.
- Leverage characteristics (rate of return, maturity, currency type ...).
- Terms of accelerated payment and term extension.
- Conditions that may limit the ability of the Bank to claim cash flows from certain assets.
- Features that may be adjusted against the time value of money (re-setting the rate of return periodically).

B. Financial liabilities

- When the initial recognition of the Bank classifies its financial liabilities to financial liabilities at amortized cost, financial liabilities at fair value through profit and loss, based on the objective of the business model of the Bank
- All financial liabilities are recognized initially at fair value at the date on which the Bank becomes a party to the contractual terms of the financial instrument.
- Financial liabilities classified at amortized cost are subsequently measured at amortized cost using the effective interest rate.
- The financial liabilities are measured at fair value through profit and loss are subsequently carried at fair value and recognized the change in the fair value of the change in the degree of the Bank’s credit rating in the statement of other comprehensive income while the remaining amount of the change is displayed in the fair value in the profit or loss statement.

2.5.3. Disposal

A. Financial Assets

- The financial asset is derecognized when the contractual right to receive cash flows from the financial asset expires or when the Bank has transferred the right to receive the contractual cash flows in a transaction in which the risks and rewards of ownership are transferred substantially to another party.
- When a financial asset is derecognized, the difference between the carrying amount of the asset (or the carrying amount of the portion of the asset disposed of) and the aggregate of the consideration received (including any new asset acquired less any new obligation incurred) and Consolidated gains or losses previously recognized in the fair value reserve for financial investments at fair value through other comprehensive income.
- Any cumulative gain or loss recognized in other comprehensive income related to investment in equity instruments designated as investments at fair value through other comprehensive income statement is not recognized in profit or loss when the asset is derecognized so that the differences relating to it are transferred directly to retained earnings. Any share created or retained from the asset eligible for disposal (meeting the disposal terms) is recognized as a separate asset or liability.
- When the Bank enters into transactions by which it transfers assets previously recognized in the statement of financial position but retains substantially all or all of the risks and rewards associated with the transferred asset or part thereof. In such circumstances, the transferred asset is not excluded.

- For transactions where the Bank neither substantially retains substantially all the risks and rewards associated with ownership of the asset nor retains control over the asset, the Bank continues to recognize the asset within its continuing association with the financial asset. The Bank's continuing correlation with the financial asset is determined by the extent to which the Bank is exposed to changes in the value of the transferred asset.
- In some transactions, the Bank retains the obligation to service the transferred asset against a commission, at which point the transferred asset is derecognized if it meets the exclusion criteria. An asset or liability for a service contract is recognized if the commission is greater than the appropriate amount (asset) or less than the appropriate amount (obligation) to perform the service.

B. Financial liabilities

- The Bank will derecognize the financial obligations when the contract is disposed of, canceled or terminated.

2.5.4 Amendments to Financial Assets and Financial Liabilities

A. Financial Assets

- If the terms of a financial asset are adjusted, the Bank assesses whether the cash flows of the asset being modified are materially different. If the cash flows are materially different, the contractual rights to the cash flows from the original financial asset are considered to have expired and the original financial asset is derecognized. A new financial asset is recognized at fair value and the resulting value is recognized as a result of adjustment of the total carrying amount as profit or loss in profit or loss. If the amendment is due to financial difficulties for the borrower, the profits are deferred and presented with the compound of impairment losses while the losses are recognized in the statement of profit and loss.
- If the cash flows of the asset recognized at amortized cost are not materially different, the adjustment does not result in the disposal of the financial asset.

B. Financial liabilities

- The Bank adjusts its financial liability when its terms of reference are modified and the cash flows of the modified obligation are substantially different. In this case, a new financial liability is recognized based on the modified terms at fair value. The difference between the carrying amount of the old financial liabilities and the new financial liabilities is recognized on the adjusted terms in the statement of profit and loss.

Offsetting Financial Assets and Financial Liabilities

Financial assets and liabilities are offset in case the bank has a legal right in force to undertake the offsetting of the recognized amounts and it intends to settle the amounts on a net basis or to receive the asset and settle the liability simultaneously.

Agreements for purchasing treasury bills with commitment to resell and the agreements for selling treasury bills with commitment asynchronous to repurchase are presented based on the net basis in the balance sheet within the item of Treasury Bills and government notes.

2.5.5. Fair value measurement

- The Bank determines the fair value on the basis that it is the price to be acquired for the sale of an asset or to be paid for the transfer of an obligation in an orderly transaction between the market participants on the measurement date, taking into account when measuring fair value the characteristics of the asset or liability, The characteristics are taken into consideration when pricing the asset and / or liability at the measurement date These characteristics include the condition and location of the asset and the restrictions on the sale or use of the asset to market participants.

- The Bank uses the market approach to determine the fair value of financial assets and liabilities as this approach uses prices and other relevant information arising from market transactions involving assets, liabilities or a group of assets and liabilities that are identical or comparable. The Bank may therefore use valuation techniques consistent with the market approach, such as market multipliers derived from comparable groups. The choice of the appropriate multiplier within the range would therefore require the use of personal judgment, taking into account the quantitative and qualitative factors of the measurement.
- When the market cannot be relied upon in determining the fair value of a financial asset or a financial liability, the Bank uses the income method to determine the fair value by which future amounts such as cash flows or income and expenses are transferred to a current amount (discounted) Current market about future amounts.
- Where the fair value of a financial asset or a financial liability cannot be relied upon income and market approach, the Bank uses the cost approach to determine the fair value to reflect the amount currently being requested to replace the asset in its current condition (the current replacement cost) to reflect the fair value The cost borne by the market participant as a buyer of an alternative asset has a similar benefit since the market participant as a buyer will not pay in the original more than the amount for which the benefit is exchanged for the asset.

The valuation techniques used in determining the fair value of a financial instrument include:

- Declared prices of similar assets or liabilities in active markets.
- Interest rate swaps by calculating the present value of expected future cash flows based on the observed yield curves.
- The fair value of future currency exchange contracts using the present value of the expected cash flow value using the future exchange rate of the currency in question.
- Analysis of cash flows discounted in determining the fair value of other financial instruments.

2.6. Financial Derivative instruments and hedge accounting

- Derivatives are recognized at fair value at the date of entering into the derivative contract and are subsequently re measured at their fair value. Fair value is obtained from quoted market prices in active markets, recent market transactions or valuation techniques such as discounted cash flow models and option pricing models, as appropriate. All derivatives are stated as assets if their fair value is positive or included in liabilities if their fair value is negative.
- Derivative contracts are not separated when the derivative is linked to a financial asset and the derivatives contract is therefore fully classified with the associated financial asset.

The method of recognition of gains and losses 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 allocates certain derivatives as any of the following:

1. Fair value hedges of recognized assets and liabilities or commitments (fair value hedges).
2. Hedges of the expected future cash flows attributable to a recognized asset or liability, or attributable to a forecasted transaction (cash flow hedges).
3. Net investment in foreign operations (net investment coverage).

- Hedge accounting is used for derivatives designated for this purpose if they qualify for accounting as hedging instruments.
- At the inception of the transaction, the Bank documents reliably the relationship between hedged items and hedging instruments, as well as the objectives of risk management and strategy from entering into various hedge transactions. The Bank also establishes, at the inception of the hedge, on an ongoing basis, the underlying documentation to assess whether the derivatives used in hedge transactions are effective in meeting changes in the fair value or cash flows of the hedged item.

2.6.1. Fair value hedge

- Changes in the fair value of designated derivatives eligible for fair value hedges are recognized in the statement of profit and loss with any changes in the fair value attributable to the risk of the underlying asset or liability.
- The effect of effective changes in fair value of interest rate swaps and related hedged items is recognized as “net interest income”. While the effect of effective changes in the fair value of future currency contracts is recognized as “Net income of financial instruments at fair value through profit or loss”
- The effect of ineffectiveness in all contracts and related hedged items in the previous paragraph is recognized under “Net income of financial instruments at fair value through profit or loss”
- If coverage no longer meets the hedge accounting requirements, the adjustment to the carrying amount of the hedged item that is accounted for in the amortized cost method is amortized by taking it to profit and loss over the period to maturity. Recognition of equity is continued through adjustments to the carrying amount of the hedged equity instrument until it is derecognized.

2.6.2 Cash flow hedge

- The other comprehensive income statement recognizes the effective portion of changes in the fair value of designated derivatives eligible for cash flow hedges. Gains and losses relating to the ineffective portion of the statement of profit and loss are recognized immediately in “Net income of financial instruments at fair value through profit or loss”.
- Amounts accumulated in the other comprehensive income statement are carried to the statement of income in the same period in which the hedged item has an impact on profit or loss. Gains or losses relating to the effective portion of currency swaps and options are taken to “net income of financial instruments at fair value through profit or loss”.
- When a hedging instrument is due or sold, or if coverage no longer meets the conditions for hedge accounting, gains or losses accumulated in other comprehensive income at that time are recognized in other comprehensive income and recognized in the statement of income when the transaction is ultimately recognized Predicted. If the forecast transaction is no longer expected to occur, then the gain or loss accumulated in other comprehensive income is immediately carried to the statement of profit and loss.

2.6.3. Net investment hedge

Is recognized in the other comprehensive income statement as the gain or loss from the hedging instrument relating to the effective portion of the hedge, while the gain or loss is recognized immediately in profit or loss in respect of the ineffective portion. Gains or losses accumulated in the other comprehensive income statement are carried to the statement of income on disposal of foreign operations.

2-6-4 Derivatives not eligible for hedge accounting

Gains and losses on “net income of financial instruments at fair value through profit or loss” are recognized in changes in the fair value of derivatives that are not eligible for hedge accounting, and are recognized in profit or loss as “net income from financial instruments at fair value through profit or loss” And losses or gains arising from changes in fair value of derivatives managed in connection with financial assets and liabilities at fair value through profit or loss.

2.7. Net income of financial instruments at fair value through profit or loss

Net income of financial instruments at fair value through profit or loss represents gains and losses on assets and liabilities at fair value through profit or loss and includes changes in fair value whether realized or unrealized, interest, dividends and differences in exchange rate.

2.8. Loans and Debts

Loans and advances represent non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, with the exception of:

- Assets which the bank intends to sell immediately or in the short term, in which case. They are classified as assets held for trading or assets classified at inception at fair value through profit or loss.
- Assets classified at fair value through other comprehensive income for sale at initial recognition.
- Assets for which the bank will not be able to substantially recover all of value of its initial investment, for reasons other than creditworthiness deterioration.

2.9. Interest Income and Expenses

Interest income and expense for all interest-bearing financial instruments, except for those classified as held for trading or designated at fair value through profit or loss are recognized within ‘interest and similar income’ and ‘interest and similar expense’ in the income statement using the effective interest rate

The effective interest rate is a method of calculating the amortized cost of a financial asset or a financial liability and allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Bank estimates cash flows considering all contractual terms of the financial instrument (for example, employments options) but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts. Once a financial asset has been classified as nonperforming or impairment then related, interest income is not recognized and it is allocated in marginal records off balance sheet and it is recognized as income on monetary bases according to the following:

- When they are collected and after receiving all past due installments for consumption loans mortgage loans, and small loans business loans, the interest will be recognized as revenues when it’s collected and that is after the full recovery of the overdue.
- Regarding to corporate loans, the cash basis is also followed, as the return calculated later in accordance with the terms of the loan scheduling contract is higher against the recognition of unearned interest on credit balances until 25% of the scheduling installments are paid, with a minimum regularity of one year. In the case of the client continues in regularity, the interest is recognized in the revenue which is calculated on the balance of the existing loan (return on the balance of the regular scheduling) without the marginal return. Before scheduling, which is not recognized in revenue until after paying the full balance that appears in the loan in the budget before scheduling.

2.10. Fee and Commission Income

Fees due from servicing the loan or facility measured at amortized cost shall be recognized in the income when performing the service, while the fee and commission income related to non-performing or impaired loans shall not be recognized, as it shall be on off-balance sheet of the financial statements. Then it shall be recognized within the income pursuant to the cash basis when the interest income is recognized according to item (2-9). As for fees, which represent an integral part of the actual return of the financial assets in general, they shall be treated as an amendment to the effective rate of return.

Commitment fees on loans shall be postponed, if there is a probability that these loans will be withdrawn, taking into account that these fees which the bank receives are a compensation for the constant intervention to acquire the financial instrument. Then they shall be recognized by amending the effective rate of return on the loan. When the period of commitment expires without the loan being issued by the bank, these fees shall be recognized within the income at the expiry of the commitment’s validity.

Fees on debt instruments measured at fair value shall be recognized within revenue at the initial recognition. Fees on the promotion of the syndicated loans shall be recognized within revenue when the promotion process is completed and the bank does not retain any portion of the loan or if the bank retains a portion for itself earning of the actual rate return which is available to other participants as well.

Fees and commission resulting from negotiations or the participation in negotiations on a transaction in favor of a third party shall be recognized within the income statement- such as the arrangement of the acquisition of shares or other financial instruments, or the acquisition or selling of premises- when the specific transaction is completed. The administrative consultations fees and other services are normally recognized based on the distribution over time relative to the service performance period.

However, the financial planning management fees and conservation services fees, which are provided for long periods of time, are recognized over the period during which the service is performed.

2.11. Dividend Income

Dividend income resulted from invested companies other than investments in subsidiaries and associates, is recognized in the income statement when the bank obtains the right to receive it.

2.12. Purchase agreements aligned with resale, and sale agreements aligned with repurchase

Sold securities subject to repurchase agreements are presented within assets in addition to purchased treasury bills with a commitment to resale on the balance sheet, and the commitment (purchase and resale agreements) is presented with the commitment to repurchase on the balance sheet. the difference between sale and repurchase price is treated as interest and accrued over the life of the agreements using the effective interest method.

2.13. Impairment of financial assets

Impairment losses are recognized for the expected credit losses of the following financial instruments that are not measured at fair value through profit or loss:

- Financial assets that represent debt instruments.
- Due debts.
- Financial guarantee contracts
- Loan commitments and similar debt instruments commitment.

Impairment losses on investments in equity instruments are not recognized.

Debt instruments related to retail banking and small and micro finance

The Bank consolidates debt instruments related to retail banking products and micro and small enterprises on the basis of groups with similar credit risk based on the type of banking product.

The Bank classifies debt instruments within the Retail Banking Group or micro and small enterprises into three stages based on the following quantitative and qualitative criteria:

Financial Instru- ment Classifica- tion	Stage 1		Stage 2		Stage 3	
	Basic indicator (Quantitative Criteria)	Additional indi- cator (Qualita- tive Criteria)	Basic indicator (Quantitative Criteria)	Additional indicator (Qualita- tive Criteria)	Basic indicator (Quantitative Criteria)	Additional indicator (Qualitative Criteria)
Financial Instruments Low Credit Risk	There is no Past dues	Scope of accepted risks				
Financial instruments have signifi- cant increase in credit risk			Delay within 30 days from the due date of contrac- tual installments	If the Borrower encoun- ters one or more of the following events: - The Borrower has applied for the conversion of short-term to long-term repayments due to adverse effects related to the borrower’s cash flows. - The bank canceled one of the direct facilities by the bank due to the high credit risk of the borrower. - Extension of the time limit granted for payment at the request of the borrower. - Recurring previous arrears during the previous 12 months. - Negative future economic changes that affect the borrower’s future cash flows		
Impaired finan- cial instruments					When the borrower delays more than 90 days from the payment of his contrac- tual installments	N/A

Financial Instru- ment Classifica- tion	Stage 1		Stage 2		Stage 3	
	Basic indicator (Quantitative Criteria)	Additional indi- cator (Qualita- tive Criteria)	Basic indicator (Quantitative Criteria)	Additional indicator (Qualita- tive Criteria)	Basic indicator (Quantitative Criteria)	Additional indicator (Qualitative Criteria)
Financial Instruments Low Credit Risk	There is no Past due	Scope of risk accepted				
Financial instruments have significant increase in credit risk			Delay within 30 days from the due date of contrac- tual installments	If the borrower is on the checklist and / or the financial instrument you experience one or more of the following events: - Significant increase in the rate of return on the financial asset as a result of increased credit risk. - Significant negative changes in the activity or financial or economic conditions in which the borrower operates. - Request rescheduling. - Significant negative changes in actual or expected operating results or cash flows. - Negative future economic changes that affect the borrower's future cash flows. - Early signs of cash flow / liquidity problems such as delays in service of creditors / business loans.		

Financial Instrument Classification	Stage 1		Stage 2		Stage 3	
	Basic indicator (Quan- titative Criteria)	Additional indicator (Quali- tative Criteria)	Basic indicator (Quan- titative Criteria)	Additional indicator (Quali- tative Criteria)	Basic indicator (Quantitative Criteria)	Additional indicator (Qualitative Criteria)
Impaired finan- cial instruments					When the borrower delays more than 90 days from the payment of his contrac- tual installments*	When the borrower is unable to meet one or more of the following criteria, indicating that the borrower is experiencing signifi- cant financial difficulty. - The death or incapacity of the borrower. - The borrower's financial default. - Initiate scheduling as a result of the deterioration of the borrower's credit capacity. - Non-compliance with finan- cial commitments. - Disappearance of the active market for the financial asset or one of the borrower's financial instruments due to financial difficulties. - Granting lenders privileges related to the financial difficulty of the borrower, which was not granted under normal circumstances. - The probability that the borrower will enter bankruptcy or restruc- turing due to financial difficulties. - If the borrower's financial assets are purchased at a significant discount that reflects the credit losses incurred.

* According to the circular issued by Central Bank of Egypt on 14 December 2021 regarding the temporary amendment of the treatment of non-performing loans to small and medium companies, according to the instructions of implementing IFRS9, as well as its amendments issued on 1 July 2024 to gradually cancel the exception for including customers of small and medium companies are included in the stage 3 during a period of 18 months until end of December 2025, so that this category of customers are included in the stage 3 in the event of non-compliance with the contractual terms as follows:

- there are dues equal to or greater than 180 consecutive days that until end of December 2024.
- there are dues equal to or greater than 150 consecutive days that until end of June 2025.
- there are dues equal to or greater than 120 consecutive days that until end of December 2025
- This will result in the inclusion of customers include in the stage 3 when there are dues equal to or greater than 90 consecutive days as of January 2026.
- The financial assets created or acquired by the Bank are classified as having a higher credit risk rating than the Bank's low risk financial assets on initial recognition at stage 2 directly.

Measurement of expected credit losses

The Bank evaluates debt portfolios on a quarterly basis at the portfolio level for all financial assets of Retails, corporate, and SMEs on a periodic basis with respect to the financial assets of institutions classified as a follow-up to control its credit risk. On a periodic basis, the criteria used to determine the significant increase in credit risk are reviewed and monitored periodically by the credit risk management.

The Bank assesses at each reporting date the impairment loss for financial instruments at an amount equal to the expected credit losses over the life of the financial instrument except for the following cases where the provision for impairment losses is estimated at an amount equal to the expected credit losses over the twelve months:

- 1) A debt instrument that has been identified as having a low credit risk at the date of the financial statements (debt instruments at stage 1).
- 2) Other financial instruments Credit risk at the reporting date has not increased significantly since the initial recognition (debt instruments at stage 1).

The Bank considers the expected credit losses to be a weighted probability estimate of the expected credit losses, which are measured as follows:

- The expected credit losses on financial assets are measured at the stage one based on the present value of the gross deficit calculated based on the historical probability of default scenarios adjusted by the average forecasts of macroeconomic indicators for the future twelve months multiplied by the value at default, taking in consideration the expected recovery rates when calculating the average Loss for each group of debt instruments with similar credit risk. Given the expected credit losses taking into account the amount and timing of payments, the credit losses arise even if the enterprise expects to pay in full but later after debt becomes payable under contractual terms. The expected credit losses over the twelve months are considered to be part of the expected credit losses over a lifetime arising from the defaulting events of a financial instrument and the potential within twelve months after the date of the financial statements.
- The expected credit loss of financial assets in the stage two is measured based on the present value of the total deficit calculated based on the historical probability of default scenarios adjusted by the average forecasts of the macroeconomic indicators for the life of the financial asset multiplied by the value at default, taking in consideration the weighting of the expected recovery rates in calculating the loss rate for each group of debt instruments with similar credit risk.
- Impaired financial assets at the reporting date are measured as the difference between the carrying amount of the asset and the present value of expected future cash flows.
- In calculating the specific loss rates, the Bank calculates the expected recovery rates from the present value of expected cash flows either from cash and in kind guarantees or historical or anticipated future repayment rates as follows:
 - The Stage One: only the value of cash collaterals and their equivalents represented in cash and other financial instruments that can be converted into cash easily in a short period of time (3 months or less) and without any change (loss) in their value as a result of credit risks are considered.
 - Stages two and three: only the types of guarantees are considered in accordance with the rules issued by the Central Bank of Egypt in June 2005 regarding the bases for assessing the creditworthiness of customers and the formation of provisions, while the value of these guarantees is calculated according to what is stated in the rules for preparing financial statements for banks and the basis for recognition and measurement issued by the bank. The Central Bank of Egypt on December 16, 2008.
 - For debt instruments held by banks operating outside Egypt, the probability of default is determined on the basis of the credit rating of the head office of the bank operating outside Egypt and no more than the credit rating of the head office country taking into consideration the central bank instructions for countries risks. The loss rate is 45% at least.

- For the instruments held by the banks operating in Egypt, the probability of default is calculated on the basis of the classification of the bank by the external international rating institutions. The branches of the Egyptian banks abroad are treated as the main center. The branches of the foreign banks operating in Egypt, The loss rate is calculated at 45% at least.
- For debt instruments issued by non-banks, the probability of default is calculated on the basis of the rating of the issuer of the financial instrument by the external international rating institutions and no more than the credit rating of the issuing country in the case of external entities. The loss rate is calculated at 45% at least.
- Impairment provision on financial assets recognized in the financial position is deducted from the value of the financial asset at the time the statement of financial position is prepared, while the provision for impairment relating to loan commitments, financial guarantee contracts and contingent liabilities is recognized under other provisions of the financial position liabilities.
- For financial guarantee contracts, the Bank estimates the expected credit loss on the basis of the difference between the expected payments to the guarantee holder less any other amounts that the Bank expects to recover.

Upgrading from the stage two to the stage one

The bank shall not transfer the financial asset from the stage two to the stage one until all the quantitative and qualitative elements of the stage 1 have been met and the total cash receipts from the financial asset are equal to or greater than the total amount of the installments due to the financial asset, if any and accrued interest that has been 3 months from continuing to meet the conditions.

Upgrading from the stage three to the stage two

The bank does not transfer the financial asset from the stage three to the stage two unless all of the following conditions are met:

1. Completion of all quantitative and qualitative elements of the stage two.
2. Repayment of 25% of the balances of the outstanding financial assets, including unearned / suspended interest according to circumstances.
3. Regularity in paying for at least 12 months.

The period of recognition of the financial asset within the last category of the stage two

The period of recognition (classification) of the financial asset within the last category of the stage two shall not exceed nine months from the date of its conversion to that stage.

2.13.1. Restructured financial assets:

If the terms of a financial asset are renegotiated or modified or a new financial asset replaced by a current financial asset due to the financial difficulties of the borrower, an assessment is made as to whether the financial asset should be derecognized and the expected credit losses are measured as follows:

- If the restructuring will not lead to the disposal of the current asset, the expected cash flows from the adjusted financial asset are used when calculating the cash deficit in the current asset. The expected credit losses are calculated on the life of the instrument.
- If the restructuring will result in the disposal of the present asset, the expected fair value of the new asset is treated as final cash flows from the current financial asset when derecognized. This value is used to calculate the cash deficit from the current financial asset, which is deducted from the expected date of de-recognition of the asset at the reporting date using the original effective interest rate of the current financial asset.

Presentation of the expected credit loss provisions in the statement of financial position

The provision for credit losses is presented in the statement of financial position as follows:

- Financial assets measured at amortized cost as a deduction from the total book value of the assets.
- Commitments for loans and financial guarantee contracts: Generally, as a provision.
- When the financial instrument includes both the used and non-used of the permitted amount of the instrument, and the Bank cannot determine the expected credit losses of the unused portion separately, the Bank presents a provision for collective loss to the used and non-used. the aggregated amount is presented as a deduction from the total book value of the used and any increase in the loss provision is shown on the total amount of the used as a provision for the unused portion.
- Debt instruments at fair value through other comprehensive income a provision for impairment is not recognized in the statement of financial position because the book value of such assets is their fair value. However, the provision for impairment is disclosed and recognized in the fair value reserve.

2.13.2. Debt Write Off

Debt is written off (partly or fully) when there is no realistic possibility of repayment of that debt. Generally speaking, when the Bank determines that the borrower does not have the assets, resources or sources of income that can generate sufficient cash flows to repay the debts that will be written off, however, the impaired financial assets may remain subject to follow-up in light of the Bank's actions to recover the amounts due. Expected credit loss provision is charged to debts that are amortized whether or not they are provisioned. Any recoverable from previously written off loans are added to the expected credit losses.

2.13.3. Financial assets at amortized cost

At the end of each financial period, the Bank assesses whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset (or a group of financial assets) is impaired and impairment losses are incurred when there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (the loss event) and the loss event affects the future cash flows of the financial asset (Or group of financial assets) that can be reliably estimated.

Indicators used by the Bank to determine the existence of objective evidence of impairment losses include:

- Significant financial difficulties facing the borrower or the debtor.
- Violation of the terms of the loan agreement such as non-payment.
- Predict the bankruptcy of the borrower or enter into a liquidation or re-structuring of the financing granted to him.
- The borrower's competitive situation deteriorated.
- The Bank, for economic or legal reasons related to the borrower's financial difficulties, grants him privileges

or concessions that the Bank may not agree to grant under normal circumstances.

- Decline in the value of the guarantee.
- Deterioration of the borrower's credit situation.

An objective evidence of impairment of a group of financial assets is the existence of clear data indicating a measurable decrease in the expected future cash flows from this group since its initial recognition, although it is not possible to determine the decline for each asset individually, for example an increase in the number of defaults for a banking product. The Bank assesses the period of confirmation of loss, the period between the occurrence of loss and the identification of each specific portfolio.

The Bank first assesses whether there is objective evidence of impairment of each financial asset alone if it is of individual importance, as is the estimation at the aggregate or individual level of financial assets that are not individually significant. In this regard, the following shall be considered:

- If the Bank finds that there is no objective evidence that a financial asset has been impaired, whether individually significant or not, then the asset is included in the financial asset having similar credit risk characteristics and is evaluated together to estimate impairment in value at rates Historical failure.
- If the Bank finds that there is objective evidence that a single financial asset is impaired, it is considered to estimate its impairment. If the result of the study is a loss of impairment, the asset is not included in the group for which impairment losses are calculated on a consolidated basis. If the previous study shows that there is no impairment loss in the value of the asset individually, the asset is then included in the group.
- The amount of impairment loss provision is measured as the difference between the carrying amount of the asset and the present value of expected future cash flows discounted using the original effective interest rate of the financial asset. The carrying amount of an asset is reduced using the allowance for impairment losses and the impairment loss on credit losses and the reversal of impairment losses are recognized as a separate item in the statement of income.
- In addition to the impairment charge recognized in the statement of income as mentioned in the previous paragraph, the Bank is also committed to applied to calculate the provisions required for impairment of these Loans and advances as Assets at credit risk measured at amortized cost - including credit related commitments (Contingent Liabilities) on the basis of credit rating ratios determined by the Central Bank of Egypt. If the provision for impairment losses calculated in accordance with these ratios is increased for the purpose of preparing the financial statements of the Bank, the excess shall be deducted as a general reserve for bank risk within equity in respect of retained earnings. This reserve is periodically adjusted to increase or decrease as appropriate. This reserve is not available for distribution except with the approval of the Central Bank of Egypt. Note 34 (a) shows movement at the expense of general bank risk reserve during the financial year.
- If the loan or investment is held to maturity and carries a variable rate of return, then the discount rate used to measure any impairment loss is the effective yield rate in accordance with the contract at the date that objective evidence of impairment of the asset is determined. For practical purposes, the Bank may measure impairment losses on the fair value of the instrument using quoted market prices.
- For financial assets that are secured, when calculating the present value of expected future cash flows from a financial asset, the expected cash flows that may result from the sale and sale of the collateral and after deducting related expenses are taken into account.
- For the purpose of estimating impairment at an aggregate level, financial assets are grouped into similar groups in terms of credit risk characteristics, on the basis of the Bank's internal rating process, taking into consideration the type of asset, industry, geographical location, and type of collateral, arrears position and other relevant factors. These characteristics are related to the estimated future cash flows of groups of these assets as an indication of the ability of debtors to pay the amounts due under the contractual terms of the assets under consideration.
- When estimating the impairment of group of financial assets based on historical default rates, the estimated future cash flows of the Group are estimated on the basis of the contractual cash flows of the Bank's assets and the historical loss of assets with credit risk characteristics similar to the assets held by the Bank. The amount of historical losses is adjusted based on current data to reflect the impact of the current conditions that were not available during the period during which the historical losses were determined, as well as to eliminate the effects of the conditions that existed in historical periods and are no longer present.

- The Bank ensures that changes in the cash flows of a group of financial assets reflect changes in relevant reliable data from period to period (such as changes in unemployment rates, real estate prices, repayment position and any other factors indicating changes in the probability of loss in the group) The Bank conducts a periodic review of the method and assumptions used to estimate future cash flows.
- The carrying amount of financial assets at amortized cost is reduced by the amount of impairment losses for all financial assets measured at amortized cost which recognized at preparing financial position. While the impairment Losses related to Loans Commitments, Financial guarantees Contracts and Contingent Liabilities have been recognized in Other Provisions Item in Financial Position Liabilities.

2.14. Investment properties

The investment properties represent lands and buildings owned by the Bank in order to obtain rental returns or capital gains and therefore does not include real estate assets which the bank operates through or those that have been ceded to the bank as settlement of debts which the bank used in its operation the bank applies cost value method which the same way applied with other similar fixed assets.

2.15. Intangible Assets (Computer Software)

- Software developing and maintenance fees are recognized as expense in the income statement when it has been paid and it is recognized as intangible asset as expenses related to specific programs under the bank’s control and it is expected to generate economic benefits for more than 1 year without exceeding its cost, the direct cost consist of the employee’s costs who are part from the development team and the appropriate share from the related expenses, the costs that lead increase of the performance of the IT programme over the specifications are recognized.
- Developing which leads to improvement and increase in the original IT program are recognized as expenses and it is added to the IT program cost IT programs original costs- recognized as an asset- are amortized through the period of expected benefit in no more than 3 years by 33.3%.

2.16. Property and equipment

- the historical cost includes the charges directly related to acquisition of property and equipment items. Subsequent costs are included in the asset’s carrying amount or are recognized as a separate asset, as appropriate, only when it is probable that future economic benefit associated with the item will flow to the bank and the cost of the item can be measured reliably.
- All other repairs and maintenance are charged to other operating expenses during the financial period in which they are incurred and property and equipment includes Lands and premises represents mainly of land and buildings related to head office, branches and offices.
- Land shall not be subject to depreciation, while depreciation of other property and equipment shall be calculated using the straight-line method to allocate the cost over the useful life property and equipment depreciation percentage represented as follow:

Additions property and equipment from 24 Nov 2019 are depreciation rate as follow:

Buildings & Constructions	5%	20 years	2%	50 years
Furniture	20%	5 years		
Machinery & Equipment	20%	5 years		
Vehicles	25%	4 years	20%	5 years
Integrated automated systems	20%	5 years		
Fixtures & fittings*	33.3%	3 years	16.7%	6 years
Fixtures &fittings rental	33.3%	3 years	16.7%	6 years

**Starting from 28 February 2022, fittings depreciation periods have been amended to be 8- 10 years by percentages (10% - 12.5%) instead of 6 years’ percentages (16.7%)*

- The assets’ useful lives are reviewed, and adjusted if necessary, at the end of each financial period. Assets that are subject to depreciation are reviewed for determining the extent of impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, an asset’s carrying amount is written down immediately to its recoverable amount if the asset’s carrying amount is greater than its estimated recoverable amount.
- The recoverable amount is the greater of its value in use or the net salable value of the asset. Gains and losses on disposals are determined by comparing proceeds from sale with its carrying amount. These are included in other operating revenues (expenses) in the income statement.

2.17. Other Assets

- This item includes the other assets have not been classified within the specific assets of the financial position, such as the accrued revenues, prepaid expenses including the overpayment taxes (excluding tax liabilities Payments under purchase of fixed assets, and the deferred balance for Losses of the first day and not yet amortized, and current and non-current assets that have been transferred to the Bank to meet debt deduction for impairment losses), insurance and covenants, gold bullion, commemorative coins, accounts under settlement, and balances not classified in any of the specified assets.
- The majority of other assets are measured at cost and where objective evidence of impairment exists in the value of the asset, the value of the loss for each asset is measured separately between the carrying amount of the asset and its net realizable value or the present value of estimated future cash flows discounted at the current market rate of assets Similar whichever is higher. The carrying amount of the asset is immediately recognized and the amount of the loss is recognized in the statement of income under other operating income (expenses) If the impairment loss decreases in any subsequent period and the impairment can be objectively related to an event occurring after the impairment loss is recognized, the recognized impairment loss To the income statement provided that such de-recognition does not result in a carrying amount of the asset at the date of the reversal of the impairment loss that exceeds the amount to which the asset could have been had such impairment losses not been recognized.

With respect to the assets to which its ownership transferred to the bank to fulfill debts, the following shall be considered:

- In accordance with of the Law of the Central Bank, it is prohibited for banks to deal in movable or real estate by buying, selling or barter other than the property designated for the management of the bank's business or recreation for workers and movable or property owned by the bank for a third-party debt recognized from the date of the write-down (i.e. the date of amortization) within assets owned by the Bank to meet debts and the Bank shall act accordingly as follows:
- Within one year from the date of the devolution of ownership to the movable.
- Within five years from the date of the devolution of property in relation to the property.
- The Board of Directors of the Central Bank of Egypt may extend the period if circumstances so require and may exempt some banks from this prohibition according to the nature of their activity.
- The assets acquired by the Bank are recognized as debts in accordance with the value of the Bank, which is the value of the debts that the Bank has decided to waive for these assets. If there is objective evidence that an impairment loss has occurred in the asset at a subsequent date of impairment, the loss per asset is measured separately by the difference between the carrying amount of the asset and its net realizable value or the present value of estimated future cash flows from the asset's use discounted at the current market rate of similar assets Top. The carrying amount of the asset is reduced through the use of an impairment account and the loss is recognized in the income statement under "other operating income (expense)". If the impairment loss is reduced in any subsequent period and it is possible to associate that decrease objectively with an event occurring after the impairment loss is recognized, then the impairment loss previously recognized is recognized in the statement of income provided that such a recovery does not result in the impairment loss The asset could have been made to it if such impairment losses had not been recognized.
- In light of the nature of the movable or immovable property of the Bank and subject to the provisions of the said Article, the movable or real estate shall be classified according to the Bank's plan or the nature of the expected benefit thereof within the fixed assets, real estate investments, shares and bonds or other assets available for sale as the case may be. Accordingly, the bases for the measurement of fixed assets, investment properties, shares and bonds are applied to assets acquired by the Bank in fulfillment of debts and classified under any of these terms.
- For other assets not included in any of these classifications and other assets available for sale are measured at cost or fair value determined by the Bank's authorized experts - less the selling costs - whichever is lower. The differences arising from the valuation of these assets are recognized in the income statement under "Other operating expenses", taking into account the disposal of such assets within the period specified in accordance with the provisions of the law. If these assets are not disposed of within the period specified in the Law of the Central Bank, the general bank risk reserve is increased by 10% of the value of these assets annually. The net income and expenses of the assets owned by the Bank. Are recognized in the statement of income under "other operating revenues (expenses)".

2.18. Impairment of non-financial Assets

- Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Assets that have an indefinite useful life - except goodwill - are not subject to amortization and are tested annually for impairment
- An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount, the net realizable value represents the net selling value of the asset or its utilization value which is greater. For the purposes of estimation impairment, assets shall be linked to at the smallest available cash unit. Non-financial assets that have been impaired shall be reviewed to assess a reversal of the impairment to the income statement at each reporting date.

2.19. Lease

All leasing contracts shall be considered operational leasing and processed as followings.

2.19.1. lease

Operating lease payments less any discounts granted from the lessor is recognized as expenses in the income statement using the straight-line method over the contract term.

2.19.2 Leasing out

Operating lease assets are accounted for at the fixed assets caption in the balance sheet and depreciated over the asset expected useful life using the same method applicable to similar assets. The lease rent income less any discount granted to the lessee will be recognized in the income statement using the straight-line method over the contract term.

2.20. Cash and cash equivalent

For the purposes of presentation of the statement of cash flows, cash and cash equivalents include balances due within three months from date of acquisition, Cash and balances with Central Bank of Egypt other than the mandatory reserve, and due from banks and treasury bills and other governmental notes.

2.21. Other provisions

- Provisions for restricting costs and legal claims are recognized when: the bank has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.
- When there are a number of similar obligations, the likelihood that an outflow is required to settle an obligation is determine taking into consideration the group of obligations as a whole, a provision is recognized even if the likelihood of an outflow with respect to any obligation in the group is minimal.
- Provisions no longer required are reversed in other operating revenues (expense).
- Provisions are measured at the present value of the expected required expenditures to settle obligations after one year from financial statement date using the appropriate rate in accordance with the terms of settlement ignoring the tax effect which reflects the time value of money. If the settlement term is less than one year, the provision is recognized using the present value unless time consideration has a significant effect.

2.22. Financial collateral contracts

These are contracts issued by the bank to guarantee loans or debit current accounts presented to banks' clients by other parties and in this case the bank is required to pay certain compensations to beneficiary against losses occurred due to delay in payments at maturity date according to the debt conditions. These guarantees are paid to banks, institutions and others on behalf of banks clients. They are initially recognized at fair value in the balance sheet at the date of granting the guarantee reflecting the guarantee issuance fees some time later. Bank's commitment is measured initially by the amount of guarantee (after deducting calculated amortized recognized for guarantee fees in the income statement by using straight line method through the life of the guarantee) or the best estimate for requested payments to settle any financial obligation resulted from this guarantee which ever higher Estimates are based on previous experience of similar transactions, historical losses and it is supported by the management opinion. Any increase in obligation related to that financial guarantee is recognized at the income statement under other operating revenues (expenses).

2.23. Employee benefits

2.23.1. Employee benefits – Short Term

Represented in salaries, wages social insurance, paid annual vacations and bonus if due within 12 months from the end of the financial period as well as non-financial benefits such as medical care, housing, transportation providing free goods and services for current employees Employee benefits – Short Term’s recognized in the income statement as expenses for the relevant period.

2.23.2. Post employment Medical care

The bank provides medical care benefit to retired employees, where of this benefit condition of being in service until retirement age or to complete the minimum requirement of being in service and it is calculated as determined benefit system.

The commitment to the health care system for retirees is the current value of health care obligation in the date of financial statements after the necessary adjustments are made to obligation.

Retired employees medical care obligation is annually calculated (expected future cash flows) through Actuarial in the project unit credit method Retired employees medical care obligation current value is determined by deducting expected cash flows in respect to interest rate of government bonds in the same currency of benefits and in almost the same maturity dates.

Actuarial profit (loss) resulting from amendments, changes of actuarial expectations are recognized in the income statement for profits or loss exceeding 10% of the system assets or 10% of the estimated benefits determined at the year before which ever higher, where this increase in profit or loss is recognized in the income statement through the expected average remaining working periods.

Previous service costs are recognized in the income statement as administrative expenses unless changes in the retirement policy indicates that employees should spent a certain vesting period in service, in this case the previous service cost are amortized in straight line method in their due period.

2.23.3. Retirement Benefit

The benefits of the pension are represented in the Bank’s share in the social benefits of its employees, which are paid by the Bank to the General Authority for Social Insurance in accordance with the Social Insurance Law No. 79 for the year 1975 and its amendments shares are paid for each period and they are recognized in the income statement as salaries and wages under administrative expenses for the period employees in service.

The bank share is paid as a determined subscription. Accordingly, there is no additional liability to the bank other than its share in social insurance which is due to pay for the social insurance authority.

2.24. Income tax

Income tax on the profit or loss for the period includes the tax of the current period, deferred tax, and is recognized in the income statement. Except when they relate to items that are recognized directly in equity, in which case the tax is also recognized in equity.

The income tax shall be recognized based on the net profit subject to tax through the application of the applicable tax rates at the date of preparing the balance sheet, in addition to the tax adjustments related to previous years.

Deferred tax arising from temporary timing differences between the book value of assets and liabilities calculated according to the accounting principles, as well as its values shall be recognized according to the tax principles. the balance sheet, in addition to the tax adjustments related to previous years.

Deferred tax arising from temporary timing differences between the book value of assets and liabilities calculated according to the accounting principles, as well as its values shall be recognized according to the tax principles.

The deferred tax value is based on the expected method to achieve or resolve asset values or obligations and use applicable tax prices, tax obligations are recognized for all temporary tax differences, while deferred tax assets are recognized for temporary tax differences, when a profit is likely to be achieved.

The deferred tax assets shall be recognized when profits to be subject to tax in the future are likely to be generated, through which this asset can be utilized. The deferred tax shall be decreased with the portion from which the expected taxable benefit will not be achieved over the coming years.

In case of the increase of the expected taxable benefits, the deferred tax assets shall be increased within the limit of previous reduction in the value of deferred tax assets.

Offsetting between assets and deferred tax liabilities if the bank has a legal right that allows it to offset the assets and current tax liabilities

2.25. Borrowing

Loans obtained by the bank shall be recognized at inception at fair value minus the cost of the loan obtaining. Subsequently, the loans shall be measured by amortized cost. The difference between net proceeds and the amount to be paid over the borrowing period using the effective interest rate shall be recognized to the income statement.

2.26. Capital

2.26.1. Capital shares and it’s cost

Capital shares (the equity instruments of the enterprise itself) are recognized within equity, based on net proceeds after deduction the issuance expenses, directly attributable to the issuance of new shares or shares against the acquisition of an entity, or the issuance of options shall be presented as a deduction from the shareholders’ equity in net proceeds after taxes.

2.26.2. Dividends

Dividends shall be recognized through deducting the same from shareholders’ equity in the period where the General Assembly meeting shareholder approves these dividends. They include the employees’ share in profits and the remuneration of the board of directors prescribed by the article of association of the bank and the law. Not recognize any commitment to the bank towards employees and members of the board of directors in retained earnings only when they are decided to distribute.

2.27. Custody Activity

The bank has a custodian activity where it manages assets related to individuals or custody purpose or retirement fund and it is not recognized at the financial position as it is not a bank asset or profit

2.28. Subordinated Deposits(Advance deposits from Central Bank of Egypt and Banque Misr)

The deposit is recognized as liability at present value, calculated by using a discount rate equal to the rate of return on governmental bonds that approximates the deposit term at the date of entry into force of the deposit. The difference between the face value of the deposit and its present value within the owner’s equity is defined as face value difference from the present value of the subordinated deposit. The deposit shall be paid at the end of each financial period to the face value at the maturity date and that charged to the differences as mentioned above to reach, face value on the date of its maturity.

2.29. Comparatives

Whenever necessary comparative figures have been adjusted to conform to changes in presentation in the current period.

3. Financial risk management

The bank is exposed to a variety of financial risks, while it practices its business and activities, and the acceptance of risk is considered the basis of financial business. Some risk aspects or a combination of risk are analyzed, assessed, and managed. The bank targets to achieve adequate balance between the risk and return, and to minimize likely adverse impacts on its financial performance. The most important types of risk are credit risk, market risk, liquidity risk and other operating risks. Market risk includes the risk of foreign exchange rates, interest rates and the other pricing risks.

The bank has developed risk management policies to define, analyze and control risk, and set, control and comply with its limits through a variety of reliable methods and up to date information systems. The bank conducts regular reviews and amendments of the risk management policies in order to reflect changes in the markets, products, and services, as well as the best up to date applications.

Risk management is carried out by Risk Management Division in the light of the policies approved by the Board of Directors. Risk division identifies, assesses, and hedges against the financial risk in close collaboration with the different operating units of the bank. The board of directors provides known principles for risk management as a whole, in addition to written policies, which cover defined risk areas such as credit risk, foreign exchange risk, interest rate risk, and the use of financial derivatives and non-derivatives instruments. In addition, Risk division is responsible for the periodic review to manage risks and control environment independently.

A. Credit Risk

The Bank is exposed to credit risk, which is the risk that a party will fail to meet its obligations. The credit risk is the most important risk to the Bank, so management carefully manages exposure to that risk. Credit risk is mainly the lending activities that result in loans, facilities and investment activities that involve the Bank’s assets on debt instruments. Credit risk is also found in financial instruments off–balance sheet such as loan commitments. Credit risk management and control processes are concentrated in the Credit Risk Management Team, which reports to the Board of Directors, senior management and heads of activity units on a regular basis.

The credit risk group establishes requirements at the bank level to identify, evaluate, monitor, follow and report on credit risk, while business / support units are responsible for credit risk in their units while integrating business strategies with the Bank’s risk to recover.

Credit risk policies and procedures have been developed to provide control over credit portfolios by periodically assessing borrowers’ credit position and setting the maximum risk limit for a specific borrower. Risks to individual and / or group exposures are monitored periodically on a portfolio-by-portfolio basis. The Bank’s credit policy provides detailed guidelines for effective credit risk management, where best market practices and instructions issued by emergency entities are reviewed and updated from time to time based on regulatory experience.

Credit policy is designed to ensure that risk management’s strategies and objectives are fully identified, including:

- Strengthen and improve the Bank’s ability to measure and reduce credit risk on a prudent basis to reduce credit losses.
- Strengthen and improve credit portfolio management procedures.
- Strengthen and improve the Bank’s procedures for early identification of problem areas.
- Adherence to regulatory and industry best practices for credit risk management.

The policy addresses all activities and functions related to credit procedures covering coverage criteria. It contains the Bank’s risk tolerance criteria and includes guidance on target markets (companies, businesses, SMEs and high solvency). The policy also defines the type of borrowers / industries to be desired. Some of the criteria relate to specific products and are monitored by the individual credit product policy. Other sections generally include credit quality criteria, purpose and terms of facilities, unsolicited loans, credit analysis, risk concentration, repayment ability, compliance with laws and regulations, expected losses and documentation

B. Portfolio Control

The portfolio is managed through portfolio diversification on purpose, industry / business sectors, ratings and geographical areas to avoid over-risking to specific economic sectors / credit products, which may be affected by adverse developments in the economy. In general, the Bank uses criteria for borrowers and business sectors to minimize risk concentration. The Bank’s operations are concentrated in Arab Republic of Egypt, which reduces the risks of currency exchange, although geographical concentration remains present but acceptable and within the Bank’s risk tolerance.

Personal loan portfolio is diversified where relatively small risks are adopted for a large number of customers based on the bank’s salary conversion or the existence of specific risk guarantees on the products / employees, etc...

A.1. Credit risk measurement

Loan Facilities to Banks and Customers

To measure credit risk related to loans and facilities to banks and customers, the Bank considers the following three components:

- Probability of default by the customer or third parties in meeting their contractual obligations.
- The current status of the direct facilities and the future development of the indirect facilities likely to result in the Bank’s resulting exposure at default.
- Loss given default

The Bank assesses the probability of default at each customer level using internal rating methods for detailed classification of different categories of clients. These methods have been developed internally and statistical analyzes are taken into account with the professional judgment of the credit officer to reach an appropriate merit rating. The Bank’s customers are divided into four categories of merit and reflect the merit structure The following table shows the probability of default for each category of merit. This means that credit centers are transferred between categories of merit according to the change in the assessment of the probability of default. If necessary, the Bank periodically assesses the performance of the rating methods and their ability to predict delays.

Bank’s internal rating categories

Rating	Meaning of the classification
1	Good debts
2	Normal watch- list
3	Special watch- list
4	Non- performing loans

The position subject to failure depends on the amounts that the bank expects to be outstanding when the delay occurs. For example, for a loan, this position is the face value. As for the commitments, the bank lists all the amounts actually withdrawn in addition to the other amounts that are expected to have been withdrawn until the date of delay, if it occurs.

The default loss or acute loss represents the bank’s expectations of the extent of the loss when claiming the debt if the delay occurred. This is expressed in the ratio of the loss to the debt, and certainly this varies according to the type of debtor, the priority of the claim, and the availability of guarantees or other means of credit coverage.

Debt instruments

Concerning debt instruments, the bank uses the external foreign rating or equivalent rating to manage credit risk. If such ratings are not available, then the bank applies similar methods to those applied to credit customers and these investments in securities has been obtained better credit quality and at the same time provide an available source to meet financing requirements.

A.2. Risk Limit control and Mitigation Policies

The bank manages, mitigates, and controls credit risk concentration at the level of debtor, groups, industries, and countries.

The bank structures the levels of credit risk tolerance by placing limits for the risk tolerance in relation to each borrower or a class of borrowers, and at the level of economic activities and geographical sectors. Such risk shall be constantly monitored and controlled and shall be subject to reviews on an annual basis or more frequently if necessary. Limits of credit risk at the level of borrower/ the group / producer, the sector and the country shall be quarterly approved by the board of directors.

Also, credit risk exposure is managed by the periodical analysis of the present as well as the possible borrower’s ability on fulfilling their obligations and also by amendment of the lending limits if appropriate.

The following are some means of mitigating risk:

Collaterals

The bank employs a range of policies and controls to mitigate credit risk. Among the methods implemented is to obtain collateral against the extended funds.

The bank has set guiding rules for defined types of acceptable collaterals.

Among the main types of collaterals to loans and advances are the following:

- Mortgage
- Mortgage of business assets such as equipment and goods.
- Mortgage of financial instruments such as debt instruments and equity.

Usually, corporate lending is for a longer term and secured whereas credit facilities extended to individuals are unsecured. To reduce credit loss to its minimum, the bank seeks to get additional collaterals from the concerned parties as soon as indicators of a loan or facility impairment appear.

The collaterals have been taken as collateral for assets other than loans and facilities are determined by the nature of the instrument, and debt instruments and treasury bills are usually unsecured, with the exception of sets of financial instruments covered by similar assets and instruments that are secured by a portfolio of financial instruments.

Derivatives

The Bank maintains prudent control over the net open positions of the derivatives, the difference between the purchase and sale contracts at the level of value and duration. The amount of credit risk at any given time is determined by the fair value of the instrument that is beneficial to the Bank, a positive fair value asset that is a fraction of the contractual / default value used to express the size of the existing instruments. This credit risk is managed as part of the total lending limit granted to the client with the expected risk due to changes in the market. Collateral against credit risk on these instruments is normally not obtained except for amounts requested by the Bank as marginal deposits from third parties.

The risk of settlement arises in situations where payment is made by cash, equity instruments or other securities or in exchange for the expectation of cash, equity instruments or other securities and daily settlement limits are set for each of the other parties to cover the risk of consolidated settlement arising from bank transactions any day.

Credit related commitments

- The main reason for credit related commitments is to ensure availability of funds upon client’s request. Also the financial guarantees contract bears the same loans credit risk. Letters of credit that bank issued instead of its clients to grant a third party the right to withdraw a certain value according to terms and conditions usually guaranteed with goods traded so it bear a less risk degree that direct loan.
- Credit related commitments represent the unused portion from approved limit, financial guarantees contracts or letters of credit. The bank bear expected losses with amount of total unused commitments and that is for credit risk resulted from grant credit. Although the more viable loss actually is less than unused commitments and that is for credit related commitments is grant for clients with specific credit nature. Bank is observing the commitments until maturity and that is for the long-term commitments have more credit risk degrees than short-term commitments.

A.3. Impairment policies and provisions

- The internal systems of aforementioned assessments focus to a great extent on the planning of the credit quality, from initially recognition of credit and investment activities. However, the impairment losses incurred every period end only recognized for purpose of the preparation of financial statements based on objective evidence, which refers to impairment pursuant to the disclosure below in light of the implementation of different methods.

The credit losses charged to the financial statements are usually less than the estimated loss amount using the creditworthiness model used for the purposes of the Central Bank of Egypt rules.

- The impairment loss provision at the end of the financial period is derived from the three internal ratings; however, the majority of the provision results from the last two ratings. The following table shows the percentage for the items within financial position relate to loans and facilities and the relevant impairment for each of the bank's internal ratings:

Bank's Assessment	31/12/2025 Loans and advances	31/12/2024 Loans and advances
1- Stage 1	77.93 %	78.18%
2- Stage 2	18.08%	16.85%
3- Stage 3	3.99%	4.97%
	100 %	100%

A.4. the General Model for Measurement of General Banking Risk reserve

In addition to the four-creditworthiness ratings shown in (note no. A-1), the management also prepares ratings in the form of more detailed subgroups, which are in line with the requirements of the Central Bank of Egypt (CBE). Assets exposed to credit risk shall be rated in these subgroups pursuant to detailed rules and terms, which depend largely on customer related information, business and activities, financial position and performance of payments thereof.

According to Central Bank of Egypt adjusted rules starting from first year which the bank commit to apply this rules, the bank calculates the provision required for the impairment of these assets exposed to credit risk which impairment value has been individually estimated including credit related commitments using cash flow discounted method and for the group of asset that the impairment has been estimated as a group, the impairment calculated by historical default rates method. In case the impairment loss provision required according to ORR issued from Central Bank of Egypt exceeds the provisions as required according to adjusted rules by Central Bank of Egypt, that excess shall be debited to retained earnings and carried to the general reserve for banking risk in the shareholders' equity section. Such reserves shall be regularly adjusted, by any increase or decrease so that the reserve shall always be equal to the amount of increase between the two provisions. Such reserve shall not be subject to distribution, note (A-35) shows the "general banking risk reserve" movement during the year. Following is an indication of corporate credit worthiness categories according to internal rating principles, compared to the rating principles of the Central Bank of Egypt, and of the required provision percentages for the impairment of assets exposed to credit risk:

CBE Rating	Rating's meaning	Provision Ratio required' according CBE ORR	Internal Rating according CBE ORR	Meaning of internal Rating
1	Low risk	0%	1	Performing loans
2	Average risk	1%	1	Performing loans
3	Satisfactory risk	1%	1	Performing loans
4	Reasonable risk	2%	1	Performing loans
5	Acceptable risk	2%	1	Performing loans
6	Marginally acceptable risk	3%	2	Regular follow up
7	Watch list	5%	3	Watch list
8	Substandard	20%	4	Non-Performing loans
9	Doubtful	50%	4	Non-Performing loans
10	Bad debts	100%	4	Non-Performing loans

A.5. The Maximum Limit for Credit Risk before Collateral, Interest in Suspense and provisions

Credit risk exposures of financial position items:	31/12/2025	31/12/2024
Cash and balances at Central Bank	21,922,249	17,349,575
Due from banks	93,431,600	141,708,711
Loans and advances to banks	18,718,022	16,407,767
Loans and advances to customers:		
Retail: -		
-Overdraft accounts	1,559,695	1,453,772
-Credit cards	4,428,140	3,191,034
-Direct Loans	594,655	669,931
-Personal loans	83,576,052	75,669,045
-Mortgage loans	12,845,694	8,553,093
Corporate:		
- Overdraft accounts	41,568,067	41,428,974
-Direct loans	59,580,586	49,694,784
-Syndicated loans	33,897,278	30,608,776
-Discounted documents	1,489,782	850,200
Financial investments at fair value through other compre- hensive income		
-Debt instruments and treasury bills and other governmental notes	103,813,989	63,530,767
Financial investments at amortized cost		
-Debt instruments	39,529,672	18,519,725
-Treasury bills and other governmental notes	285,062	40,807
Leased Fixed Assets	4,634,502	3,442,256
Other assets *	5,534,662	4,955,016
Total	527,409,707	478,074,233

The previous table represents the loans without taking into consideration the expected credit Loss as disclosed in notes (15), (16), (17), (18), (19), (23) and (24)

(*) The above mentioned other assets represents in accrued revenues.

The table (A-5) represents the maximum credit risk exposure that the bank may face as of December 31, 2025, and December 31, 2024, without taking any guarantees into consideration. The table shows that 48.98% of the maximum credit risk exposure arises from loans and facilities granted to customers and banks, including discounted documents (December 2024: 47.80%). Meanwhile, investments in debt instruments classified within financial assets at fair value through other comprehensive income and at amortized cost represent 27.24% of this exposure (December 2024: 17.17%).

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

	31 December 2025			Total
	Stage 1	Stage 2	Stage 3	
	12-Months	Life time	Life time	
Due from banks				
Credit rating				
Good debts	82,318,633	11,112,967	--	93,431,600
Normal watch-list	--	--	--	--
Special watch-list	--	--	--	--
Non-performing loan	--	--	--	--
Total	82,318,633	11,112,967	--	93,431,600
ECL Provision	(351)	(18,232)	--	(18,583)
Net carrying amount	82,318,282	11,094,735	--	93,413,017

	31 December 2024			Total
	Stage 1	Stage 2	Stage 3	
	12-Months	Life time	Life time	
Due from banks				
Credit rating				
Good debts	129,609,941	12,098,770	--	141,708,711
Normal watch-list	--	--	--	--
Special watch-list	--	--	--	--
Non-performing loan	--	--	--	--
Total	129,609,941	12,098,770	--	141,708,711
ECL Provision	(286)	(26,834)	--	(27,120)
Net carrying amount	129,609,655	12,071,936	--	141,681,591

Treasury bills and other governmental notes	31 December 2025			Total
	Stage 1	Stage 2	Stage 3	
	12-Months	Life time	Life time	
Credit rating				
Good debts	48,133,969	18,855,498	--	66,989,467
Normal watch-list	--	--	--	--
Special watch-list	--	--	--	--
Non-performing loan	--	--	--	--
Total	48,133,969	18,855,498	--	66,989,467
ECL Provision	--	(135,758)	--	(135,758)
Net carrying amount	48,133,969	18,719,740	--	66,853,709

Treasury bills and other governmental notes	31 December 2024			Total
	Stage 1	Stage 2	Stage 3	
	12-Months	Life time	Life time	
Credit rating				
Good debts	21,020,709	19,727,545	--	40,748,254
Normal watch-list	--	--	--	--
Special watch-list	--	--	--	--
Non-performing loan	--	--	--	--
Total	21,020,709	19,727,545	--	40,748,254
ECL Provision	--	(190,194)	--	(190,194)
Net carrying amount	21,020,709	19,537,351	--	40,558,060

Treasury Bonds	31 December 2025			Total
	Stage 1	Stage 2	Stage 3	
	12-Months	Life time	Life time	
Credit rating				
Good debts	55,586,064	10,306,993	--	65,893,057
Normal watch-list	--	--	--	--
Special watch-list	--	--	--	--
Non-performing loan	--	--	--	--
Total	55,586,064	10,306,993	--	65,893,057
ECL Provision	--	(420,175)	--	(420,175)
Net carrying amount	55,586,064	9,886,818	--	65,472,882

Treasury Bonds	31 December 2024			Total
	Stage 1	Stage 2	Stage 3	
	12-Months	Life time	Life time	
Credit rating				
Good debts	25,793,505	9,321,635	--	35,115,140
Normal watch-list	--	--	--	--
Special watch-list	--	--	--	--
Non-performing loan	--	--	--	--
Total	25,793,505	9,321,635	--	35,115,140
ECL Provision	--	(422,729)	--	(422,729)
Net carrying amount	25,793,505	8,898,906	--	34,692,411

Corporate Bonds	31 December 2025			Total
	Stage 1	Stage 2	Stage 3	
	12-Months	Life time	Life time	
Credit rating				
Good debts	10,667,314	78,885	--	10,746,199
Normal watch-list	--	--	--	--
Special watch-list	--	--	--	--
Non-performing loan	--	--	--	--
Total	10,667,314	78,885	--	10,746,199
ECL Provision	(9,017)	(285)	--	(9,302)
Net carrying amount	10,658,297	78,600	--	10,736,897

Corporate Bonds	31 December 2024			Total
	Stage 1	Stage 2	Stage 3	
	12-Months	Life time	Life time	
Credit rating				
Good debts	6,150,382	77,523	--	6,227,905
Normal watch-list	--	--	--	--
Special watch-list	--	--	--	--
Non-performing loan	--	--	--	--
Total	6,150,382	77,523	--	6,227,905
ECL Provision	(4,972)	(435)	--	(5,407)
Net carrying amount	6,145,410	77,088	--	6,222,498

Loans and advances to Banks	31 December 2025			Total
	Stage 1	Stage 2	Stage 3	
	12-Months	Life time	Life time	
Credit rating				
Good debts	--	18,718,022	--	18,718,022
Normal watch-list	--	--	--	--
Special watch-list	--	--	--	--
Non-performing loan	--	--	--	--
Total	--	18,718,022	--	18,718,022
ECL Provision	--	(25,434)	--	(25,434)
Net carrying amount	--	18,692,588	--	18,692,588

Loans and advances to Banks	31 December 2024			Total
	Stage 1	Stage 2	Stage 3	
	12-Months	Life time	Life time	
Credit rating				
Good debts	--	16,407,767	--	16,407,767
Normal watch-list	--	--	--	--
Special watch-list	--	--	--	--
Non-performing loan	--	--	--	--
Total		16,407,767	--	16,407,767
ECL Provision	--	(33,624)	--	(33,624)
Net carrying amount	--	16,374,143	--	16,374,143

Loans and advances to Retail	31 December 2025			Total
	Stage 1	Stage 2	Stage 3	
	12-Months	Life time	Life time	
Credit rating				
Good debts	92,020,560	7,202,494	--	99,223,054
Normal watch-list	--	13,829	--	13,829
Special watch-list	--	--	--	--
Non-performing loan	--	--	3,767,353	3,767,353
Total	92,020,560	7,216,323	3,767,353	103,004,236
ECL Provision	(1,476,489)	(366,146)	(2,755,793)	(4,598,428)
Net carrying amount	90,544,071	6,850,177	1,011,560	98,405,808

Loans and advances to Retail	31 December 2024			Total
	Stage 1	Stage 2	Stage 3	
	12-Months	Life time	Life time	
Credit rating				
Good debts	81,394,495	5,369,354	--	86,763,849
Normal watch-list	--	15,580	--	15,580
Special watch-list	--	--	--	--
Non-performing loan	--	--	2,757,446	2,757,446
Total	81,394,495	5,384,934	2,757,446	89,536,875
ECL Provision	(931,012)	(104,759)	(1,986,046)	(3,021,817)
Net carrying amount	80,463,483	5,280,175	771,400	86,515,058

Loans and advances to large & medium Corporate	31 December 2025			Total
	Stage 1	Stage 2	Stage 3	
	12-Months	Life time	Life time	
Credit rating				
Good debts	78,721,800	33,490,770	--	112,212,570
Normal watch-list	--	32,268	--	32,268
Special watch-list	--	268,136	--	268,136
Non-performing loan	--	--	5,012,103	5,012,103
Total	78,721,800	33,791,174	5,012,103	117,525,077
ECL Provision	(670,965)	(6,366,237)	(4,356,776)	(11,393,978)
Net carrying amount	78,050,835	27,424,937	655,327	106,131,099

Loans and advances to large & medium Corporate	31 December 2024			Total
	Stage 1	Stage 2	Stage 3	
	12-Months	Life time	Life time	
Credit rating				
Good debts	71,463,730	25,949,789	--	97,413,519
Normal watch-list	--	36,353	--	36,353
Special watch-list	--	2,143,393	127,234	2,270,627
Non-performing loan	--	--	5,868,540	5,868,540
Total	71,463,730	28,129,535	5,995,774	105,589,039
ECL Provision	(601,452)	(5,171,005)	(5,154,281)	(10,926,738)
Net carrying amount	70,862,278	22,958,530	841,493	94,662,301

Loans and advances to small corporate	31 December 2025			Total
	Stage 1	Stage 2	Stage 3	
	12-Months	Life time	Life time	
Credit rating				
Good debts	15,932,312	2,297,845	--	18,230,157
Normal watch-list	--	--	--	--
Special watch-list	--	--	--	--
Non-performing loan	--	--	780,479	780,479
Total	15,932,312	2,297,845	780,479	19,010,636
ECL Provision	(1,022,163)	(229,618)	(216,461)	(1,468,242)
Net carrying amount	14,910,149	2,068,227	564,018	17,542,394

Loans and advances to small corporate	31 December 2024			Total
	Stage 1	Stage 2	Stage 3	
	12-Months	Life time	Life time	
Credit rating				
Good debts	12,982,061	2,217,913	--	15,199,974
Normal watch-list	--	--	--	--
Special watch-list	--	--	--	--
Non-performing loan	--	--	1,793,721	1,793,721
Total	12,982,061	2,217,913	1,793,721	16,993,695
ECL Provision	(675,219)	(138,714)	(1,090,610)	(1,904,543)
Net carrying amount	12,306,842	2,079,199	703,111	15,089,152

The following table shows the changes in ECL between the beginning and end of the year as a result of these factors:

Due from banks	31 December 2025			Total
	Stage 1	Stage 2	Stage 3	
	12-Months	Life time	Life time	
ECL Provision at January 01, 2025	381	26,834	--	27,215
New financial assets purchased or issued	75	--	--	75
Financial assets have been matured or derecognized	--	(6,571)	--	(6,571)
Transfer to stage 1	--	--	--	--
Transfer to stage 2	--	--	--	--
Transfer to stage 3	--	--	--	--
Foreign exchange translation differences	(105)	(2,031)	--	(2,136)
Balance at the end of the year	351	18,232	--	18,583

Due from banks	31 December 2024			Total
	Stage 1	Stage 2	Stage 3	
	12-Months	Life time	Life time	
ECL Provision at January 01, 2024	112	21,079	--	21,191
New financial assets purchased or issued	248	13,781	--	14,029
Financial assets have been matured or derecognized	--	(21,079)	--	(21,079)
Transfer to stage 1	--	--	--	--
Transfer to stage 2	--	--	--	--
Transfer to stage 3	--	--	--	--
Foreign exchange translation differences	21	13,053	--	13,074
Balance at the end of the year	381	26,834	--	27,215

Treasury bills and other governmental notes	31 December 2025			Total
	Stage 1	Stage 2	Stage 3	
	12-Months	Life time	Life time	
ECL Provision at January 01, 2025	--	190,194	--	190,194
New financial assets purchased or issued	--	(37,648)	--	(37,648)
Financial assets have been matured or derecognized	--	--	--	--
Transfer to stage 1	--	--	--	--
Transfer to stage 2	--	--	--	--
Transfer to stage 3	--	--	--	--
Changes in the probability of failure and loss in the event	--	--	--	--
of failure and the balance exposed to failure				
Changes on model assumptions and methodology	--	--	--	--
written-off during the year	--	--	--	--
Foreign exchange translation differences	--	(16,788)	--	(16,788)
Balance at the end of the year	--	135,758	--	135,758

Treasury bills and other governmental notes	31 December 2024			Total
	Stage 1	Stage 2	Stage 3	
	12-Months	Life time	Life time	
ECL Provision at January 01, 2024	--	160,873	--	160,873
New financial assets purchased or issued	--	92,422	--	92,422
Financial assets have been matured or derecognized	--	(160,873)	--	(160,873)
Transfer to stage 1	--	--	--	--
Transfer to stage 2	--	--	--	--
Transfer to stage 3	--	--	--	--
Changes in the probability of failure and loss in the event	--	--	--	--
Of failure and the balance exposed to failure				
Changes on model assumptions and methodology	--	--	--	--
written-off during the year	--	--	--	--
Foreign exchange translation differences	--	97,772	--	97,772
Balance at the end of the year	--	190,194	--	190,194

Treasury Bonds	31 December 2025			Total
	Stage 1	Stage 2	Stage 3	
	12-Months	Life time	Life time	
ECL Provision at January 01, 2025	--	422,729	--	422,729
New financial assets purchased or issued	--	33,562	--	33,562
Financial assets have been matured or derecognized	--	(2,555)	--	(2,555)
Transfer to stage 1	--	--	--	--
Transfer to stage 2	--	--	--	--
Transfer to stage 3	--	--	--	--
Changes in the probability of failure and loss in the event	--	--	--	--
of failure and the balance exposed to failure				
Changes on model assumptions and methodology	--	--	--	--
written-off during the year	--	--	--	--
Foreign exchange translation differences	--	(33,561)	--	(33,561)
Balance at the end of the year	--	420,175	--	420,175

	31 December 2024			
	Stage 1	Stage 2	Stage 3	Total
	12-Months	Life time	Life time	
Treasury Bonds				
ECL Provision at January 01, 2024	--	250,640	--	250,640
New financial assets purchased or issued	--	24,258	--	24,258
Financial assets have been matured or derecognized	--	(15,580)	--	(15,580)
Transfer to stage 1	--	--	--	--
Transfer to stage 2	--	--	--	--
Transfer to stage 3	--	--	--	--
Changes in the probability of failure and loss in the event	--	--	--	--
of failure and the balance exposed to failure				
Changes on model assumptions and methodology	--	--	--	--
written-off during the year	--	--	--	--
Foreign exchange translation differences	--	163,411	--	163,411
Balance at the end of the year	--	422,729	--	422,729

	31 December 2025			
	Stage 1	Stage 2	Stage 3	Total
	12-Months	Life time	Life time	
Corporate Bonds				
ECL Provision at January 01, 2025	4,972	435	--	5,407
New financial assets purchased or issued	4,045	--	--	4,045
Financial assets have been matured or derecognized	--	(150)	--	(150)
Transfer to stage 1	--	--	--	--
Transfer to stage 2	--	--	--	--
Transfer to stage 3	--	--	--	--
Changes in the probability of failure and loss in the event	--	--	--	--
of failure and the balance exposed to failure				
Changes on model assumptions and methodology	--	--	--	--
written-off during the year	--	--	--	--
Foreign exchange translation differences	--	--	--	--
Balance at the end of the year	9,017	285	--	9,302

Corporate Bonds	31 December 2024			Total
	Stage 1	Stage 2	Stage 3	
	12-Months	Life time	Life time	
ECL Provision at January 01, 2024	5,916	9,934	--	15,850
New financial assets purchased or issued	--	--	--	--
Financial assets have been matured or derecognized	(944)	(9,499)	--	(10,443)
Transfer to stage 1	--	--	--	--
Transfer to stage 2	--	--	--	--
Transfer to stage 3	--	--	--	--
Changes in the probability of failure and loss in the event	--	--	--	--
of failure and the balance exposed to failure	--	--	--	--
Changes on model assumptions and methodology	--	--	--	--
written-off during the year	--	--	--	--
Foreign exchange translation differences	--	--	--	--
Balance at the end of the year	4,972	435	--	5,407

Loans and advances to Banks	31 December 2025			Total
	Stage 1	Stage 2	Stage 3	
	12-Months	Life time	Life time	
ECL Provision at January 01, 2025	--	33,624	--	33,624
New financial assets purchased or issued	--	--	--	--
Financial assets have been matured or derecognized	--	(5,111)	--	(5,111)
Transfer to stage 1	--	--	--	--
Transfer to stage 2	--	--	--	--
Transfer to stage 3	--	--	--	--
Foreign exchange translation differences	--	(3,079)	--	(3,079)
Balance at the end of the year	--	25,434	--	25,434

Loans and advances to Banks	31 December 2024			Total
	Stage 1	Stage 2	Stage 3	
	12-Months	Life time	Life time	
ECL Provision at January 01, 2024	--	16,502	--	16,502
New financial assets purchased or issued	--	22,548	--	22,548
Financial assets have been matured or derecognized	--	(16,502)	--	(16,502)
Transfer to stage 1	--	--	--	--
Transfer to stage 2	--	--	--	--
Transfer to stage 3	--	--	--	--
Foreign exchange translation differences	--	11,076	--	11,076
Balance at the end of the year	--	33,624	--	33,624

Loans and advances to Retail	31 December 2025			Total
	Stage 1	Stage 2	Stage 3	
	12-Months	Life time	Life time	
ECL Provision at January 01, 2025	931,012	104,761	1,986,046	3,021,819
Cairo Bank Uganda adjustments	--	--	(1,897)	(1,897)
New financial assets purchased or issued	380,506	109,867	176,084	666,457
Financial assets have been matured or derecognized	(65,392)	(23,742)	(1,152,352)	(1,241,486)
Transfer to stage 1	21,669	(12,095)	(9,574)	--
Transfer to stage 2	(223,207)	225,029	(1,822)	--
Transfer to stage 3	(1,238,192)	(614,604)	1,852,796	--
Changes	1,670,105	577,196	(83,759)	2,163,542
written-off during the year	--	--	(8,424)	(8,424)
Foreign exchange translation differences	(12)	(266)	(1,305)	(1,583)
Balance at the end of the year	1,476,489	366,146	2,755,793	4,598,428

Loans and advances to Retail	31 December 2024			Total
	Stage 1	Stage 2	Stage 3	
	12-Months	Life time	Life time	
ECL Provision at January 01, 2024	588,600	60,045	1,428,115	2,076,760
Cairo Bank Uganda adjustments	(1,037)	3,002	(11,600)	(9,635)
New financial assets purchased or issued	281,570	30,077	188,101	499,748
Financial assets have been matured or derecognized	(42,415)	(10,852)	(649,084)	(702,351)
Transfer to stage 1	7,547	(5,985)	(1,562)	--
Transfer to stage 2	(57,278)	59,050	(1,772)	--
Transfer to stage 3	(778,655)	(306,806)	1,085,461	--
Changes	932,300	274,427	(69,438)	1,137,289
written-off during the year	--	--	--	--
Recovery from written-off during the year	--	--	6,148	6,148
Foreign exchange translation differences	380	1,803	11,677	13,860
Balance at the end of the year	931,012	104,761	1,986,046	3,021,819

Loans and advances to large & medium Corporate	31 December 2025			Total
	Stage 1	Stage 2	Stage 3	
	12-Months	Life time	Life time	
ECL Provision at January 01, 2025	601,452	5,171,004	5,154,281	10,926,737
Cairo Bank Uganda adjustments	--	--	1,897	1,897
New financial assets purchased or issued	317,591	3,083,944	2,634,420	6,035,955
Financial assets have been matured or derecognized	(278,857)	(990,960)	(2,255,309)	(3,525,126)
Transfer to stage 1	57,026	(57,026)	--	--
Transfer to stage 2	(10,164)	10,164	--	--
Transfer to stage 3	(539)	(744,895)	745,434	--
Commitments for loans (unused limits)	--	--	--	--
written-off during the year	--	--	(1,890,584)	(1,890,584)
Proceeds from written-off during the year	--	--	51,884	51,884
Foreign exchange translation differences	(15,544)	(105,994)	(85,247)	(206,785)
Balance at the end of the year	670,965	6,366,237	4,356,776	11,393,978

Loans and advances to large & medium Corporate	31 December 2024			Total
	Stage 1	Stage 2	Stage 3	
	12-Months	Life time	Life time	
ECL Provision at January 01, 2024	446,724	3,349,204	4,574,916	8,370,844
Cairo Bank Uganda adjustments	1,060	7,142	1,432	9,634
New financial assets purchased or issued	108,295	1,557,009	2,196,736	3,862,040
Financial assets have been matured or derecognized	(184,521)	(695,408)	(1,138,715)	(2,018,644)
Transfer to stage 1	126,967	(126,967)	--	--
Transfer to stage 2	(25,000)	25,000	--	--
Transfer to stage 3	(832)	(246,814)	247,646	--
Commitments for loans (unused limits)	--	--	--	--
written-off during the year	--	--	(1,646,300)	(1,646,300)
Proceeds from written-off during the year	--	--	3	3
Foreign exchange translation differences	128,759	1,301,838	918,563	2,349,160
Balance at the end of the year	601,452	5,171,004	5,154,281	10,926,737

Loans and advances to small Corporate	31 December 2025			Total
	Stage 1	Stage 2	Stage 3	
	12-Months	Life time	Life time	
ECL Provision at January 01, 2025	675,219	138,714	1,090,610	1,904,543
New financial assets purchased or issued	449,206	102,637	1,185,457	1,737,300
Financial assets have been matured or derecognized	(101,939)	(9,977)	(1,022,853)	(1,134,769)
Transfer to stage 1	25	(25)	--	--
Transfer to stage 2	(333)	333	--	--
Transfer to stage 3	(15)	(2,064)	2,079	--
Loans written-off during the year	--	--	(1,055,241)	(1,055,241)
Proceeds from written-off	--	--	16,409	16,409
Foreign exchange translation differences	--	--	--	--
Balance at the end of the year	1,022,163	229,618	216,461	1,468,242

Loans and advances to small Corporate	31 December 2024			Total
	Stage 1	Stage 2	Stage 3	
	12-Months	Life time	Life time	
ECL Provision at January 01, 2024	147,076	122,109	1,094,404	1,363,589
New financial assets purchased or issued	536,831	29,069	191,157	757,057
Financial assets have been matured or derecognized	(9,127)	(9,492)	(104,271)	(122,890)
Transfer to stage 1	483	(483)	--	--
Transfer to stage 2	(38)	1,603	(1,565)	--
Transfer to stage 3	(6)	(4,092)	4,098	--
Loans written-off during the year	--	--	(104,618)	(104,618)
Proceeds from written-off	--	--	11,405	11,405
Foreign exchange translation differences	--	--	--	--
Balance at the end of the year	675,219	138,714	1,090,610	1,904,543

The following tables represent summary of expected credit losses at the end of the year.

Items	31 December 2025			Total
	Stage 1	Stage 2	Stage 3	
	12-Months	Life time	Life time	
Due from banks	351	18,232	--	18,583
Treasury bills & other governmental notes	--	135,758	--	135,758
Treasury bonds	--	420,175	--	420,175
Corporate bonds	9,017	285	--	9,302
Loans and advances to banks	--	25,434	--	25,434
Loans and advances to customers	1,476,489	366,146	2,755,793	4,598,428
Loans and advances to large& medium corporate	670,965	6,366,237	4,356,776	11,393,978
Loans and advances to small corporate	1,022,163	229,618	216,461	1,468,242
Expected credit losses for contingent liabilities corporate	87,111	297,425	192,103	576,639
Expected credit losses for contingent liabilities SMEs	24,311	214	3,684	28,209
Expected credit losses for contingent liabilities due from banks	4,628	13,792	--	18,420
Commitment on unused Loans corporate	143,307	86,379	--	229,686
Commitment on unused Loans SMEs	34,286	1,039	865	36,190
Other provisions (leased assets customers)	52,010	72,028	44,033	168,071
Balance at the end of the year	3,524,638	8,032,762	7,569,715	19,127,115

Items	31 December 2024			Total
	Stage 1	Stage 2	Stage 3	
	12-Months	Life time	Life time	
Due from banks	286	26,834	--	27,120
Treasury bills & other governmental notes	--	190,194	--	190,194
Treasury bonds	--	422,729	--	422,729
Corporate bonds	4,972	435	--	5,407
Loans and advances to banks	--	33,624	--	33,624
Loans and advances to customers	931,012	104,759	1,986,046	3,021,817
Loans and advances to large& medium corporate	601,452	5,171,005	5,154,281	10,926,738
Loans and advances to small corporate	675,219	138,714	1,090,610	1,904,543
Expected credit losses for contingent liabilities corporate	104,601	293,694	79,878	478,173
Expected credit losses for contingent liabilities SMEs	8,824	147	4,894	13,865
Expected credit losses for contingent liabilities due from banks	5,059	19,627	8,892	33,578
Commitment on unused Loans corporate	99,861	343,065	65,200	508,126
Commitment on unused Loans SMEs	16,727	3,570	754	21,051
Other provisions (leased assets customers)	47,618	58,468	43,523	149,609
Balance at the end of the year	2,495,631	6,806,865	8,434,078	17,736,574

Off balance sheet items exposed to credit risk	31/12/2025	31/12/2024
Non-revocable credit related commitments for loans and other liabilities	17,537,440	17,519,193
Letter of credit	11,375,891	13,973,574
Letters of guarantee	47,319,515	49,711,434
Customers Acceptances	2,746,544	2,156,060
Total	78,979,390	83,360,261

The management has confidence in its abilities to continue of controlling and maintaining the minimum

limit of credit risk resulted from loans, facilities, and debt instruments portfolios based on the following:

- 71.73% of loans and advances portfolio are considered to be neither past due nor impaired (75.81%: 31 December 2024).
- 4.73% of loans and advances portfolio individually impaired (5.61%: 31 December 2024).
- Loans and advances that are not impaired represent 94. 90% from total loans portfolio (94.39 %:31 December 2024) including past due loans but not impaired represent 23.54 % from total loans portfolio (18.58%: 31 December 2024).

A.6. Loans and advances

The following is the position of loans and advances' balances as regarding creditworthiness

	31/12/2025		31/12/2024	
	Loans and advances to customers	Loans and advances to banks	Loans and advances to customers	Loans and advances to banks
Neither past due nor impaired	166,508,701	18,718,022	160,802,935	16,407,767
With past due but not impaired	60,813,933	--	39,412,649	--
Individually impaired	12,217,315	--	11,904,025	--
Total	239,539,949	18,718,022	212,119,609	16,407,767
(Less):Expected Credit Loss	(17,460,648)	(25,742)	(15,853,099)	(33,624)
(Less): Unearned discount of discounted documents	(52,693)	--	(29,550)	--
Net	222,026,608	18,692,280	196,236,960	16,374,143

- Total Expected Credit Loss provision of loans and advances to customers amounted EGP 17,460,648 thousand as at 31 December 2025 of which EGP 7,329,030 thousand represents impairment of individual loans (Stage 3) and the balance of EGP 10,131,618 thousand represents the provision of ECL (Stage 1 and Stage 2)

(31 December 2024: EGP 15,853,099) thousands of which EGP 8,230,937 thousand represents impairment of individual loans and the balance of EGP 7,622,161 thousand represents the provision of ECL (Stage 1 and Stage 2) Additional information on provision for ECL of loans and advances is provided in notes (18).

- During the current year loans and advances to customers and Banks increased by 13.01%

Loans and advances Neither past due nor impaired:

- The creditworthiness of the loans and advances portfolio with no past dues or impairment is assessed with reference to the internal assessment adopted by the bank.

31 December 2025										
Grade	Retail					Corporate				
	Over drafts	Credit cards	Personal loans	Direct loans	Mortgage loans	Over drafts	Direct loans	Syndicated loans	Total Loans and advances to customers	Total Loans and advances to banks
1 Performing loans	905,212	3,906,300	78,284,281	380,268	12,814,949	1,836,088	22,279,161	5,725,276	126,131,535	18,718,022
2 Regular watching	27,478	--	--	42,744	--	700,812	19,211,429	19,869,986	39,852,449	--
3 Watch list	16,283	--	--	72,664	--	203,725	232,045	--	524,717	--
Total	948,973	3,906,300	78,284,281	495,676	12,814,949	2,740,625	41,722,635	25,595,262	166,508,701	18,718,022

31 December 2024										
Grade	Retail					Corporate				
	Over drafts	Credit cards	Personal loans	Direct loans	Mortgage loans	Over drafts	Direct loans	Syndicated loans	Total Loans and advances to customers	Total Loans and advances to banks
1 Performing loans	1,253,447	3,115,864	71,777,178	446,184	8,519,220	3,009,125	28,412,465	7,396,869	123,930,352	16,407,767
2 Regular watching	28,678	--	--	44,610	--	2,000,691	13,983,964	19,845,346	35,903,289	--
3 Watch list	16,995	--	--	75,837	--	373,569	502,893	--	969,294	--
Total	1,299,120	3,115,864	71,777,178	566,631	8,519,220	5,383,385	42,899,322	27,242,215	160,802,935	16,407,767

Loans and advances past due but not impaired:

These are loans and advances with delays up to 90 days but are not considered impaired unless there is another information to the contrary, a loans and facilities to customers with past dues but not impaired and the fair value of their collaterals are represented in following:

31 December 2025	Retail			Corporate			Total Loans and advances to customers
	Overdrafts	Direct Loans	Overdrafts	Direct loans	Syndicated loans		
Past dues up to 30 days	--	--	33,256,245	16,650,544	5,171,248		55,078,037
Past dues more than 30 to 60 days	34,708	56,915	1,196,209	608,946	--		1,896,778
Past dues more than 60 to 90 days	2,215	11,657	149,634	462,313	2,974,299		3,600,118
Past dues more than 90 days	--	--	13,966	68,565	156,469		239,000
Total	36,923	68,572	34,616,054	17,790,368	8,302,016		60,813,933

31 December 2024	Retail		Corporate			Total Loans and advances to customers
	Overdrafts	Direct Loans	Overdrafts	Direct loans	Syndicated loans	
Past dues up to 30 days	--	--	28,099,894	5,527,594	2,587,339	36,214,827
Past dues more than 30 to 60 days	36,223	59,400	836,901	723,773	--	1,656,297
Past dues more than 60 to 90 days	2,312	12,166	239,573	228,167	665,333	1,147,551
Past dues more than 90 days	--	--	34,691	245,394	113,889	393,974
Total	38,535	71,566	29,211,059	6,724,928	3,366,561	39,412,649

Individually impaired loans

Loans and advances to customers

The loans and advances which are subject to impairment on an individual basis, before taking into consideration expected cash flow from the collateral amounted to EGP 12,217,315 thousand as at 31 December 2025 (31 December 2024: EGP 11,904,025 thousand).

Herein below, is the analysis of the gross value of loans and advances subject to impairment on individual basis including the fair value of collaterals the bank has obtained against these loans:

31 December 2025	Retail					Corporate		
	Over-drafts	Credit cards	Personal loans	Direct loans	Mort-gages Loans	Overdraft	Direct loans	Total
impaired loans	573,799	521,840	5,291,771	30,407	30,745	5,701,170	67,583	12,217,315

31 December 2024	Retail					Corporate		
	Over-drafts	Credit cards	Personal loans	Direct loans	Mort-gages Loans	Overdraft	Direct loans	Total
Individually impaired loans	116,117	75,170	3,891,867	31,734	33,873	7,684,730	70,534	11,904,025

- The fair value of collaterals held by the Bank against above loans is totaled EGP 3,689,963 thousand (2024: EGP 2,860,719 thousand).

At the initial recognition of loans and advances, the fair value of collaterals is evaluated based on the same financial assets evaluation method used and in subsequent periods, the fair value is updated by the market prices or the similar assets' prices.

All collaterals held by the Bank against loans and advances that are subject to impairment represent Checks and order bills equal to their related booked debts.

Restructured Loans and advances

Restructuring activities include rescheduling arrangements, applying obligatory management programs, modifying and deferral of payments. The application of restructuring policies is based on indications or criteria of credit performance of the borrower that is based on the personal judgment of the management, which indicate that payment will most likely continue. These policies are subject to continuous review. Restructuring is commonly applied to long-term loans, especially customers financing loans.

Loans, which have been subject to Renegotiation, have reached EGP 10,344,325 thousand as of 31 December 2025 (31 December 2024: EGP 9,210,730 thousand)

Loans and advances to customers	31/12/2025	31/12/2024
Corporate		
- Direct loans	396,850	485,657
- Syndicated loans	9,936,506	8,717,755
Retail		
- Personal loans	10,969	7,318
Total	10,344,325	9,210,730

A.7. Debt instruments, treasury bills and other governmental notes

The following table represents an analysis of debt instruments and treasury bills and other governmental notes at the end of financial year, based on the assessment Evaluation agencies at end of the year:

Rating	Net treasury bills and treasury notes at FVTOCI	Bonds at FVTOCI	Zero Coupon Bonds	Bonds at amortized Cost	Total	Period/year
B	66,704,405	37,109,584	39,758,621	56,113	143,628,723	12/2025
B-	40,707,447	22,823,320	18,504,419	56,113	82 091 299	12/2024

A.8. Acquisition of collaterals

Acquired assets are classified under the "Other Assets" item in the financial position; the accounting policy disclosed in Note 2 is followed in the first recognition and subsequent measurement. These assets are sold or used for the purposes of the Bank whenever practicable and in accordance with the legal periods set by the Central Bank of Egypt to dispose acquired assets.

A.9. The concentration of financial assets' risks exposed to credit risk

Geographical sectors:

The following is breakdown of the bank's credit exposure at their book values categorized by geographical region at the end of the year.

The bank has allocated to regions based on areas related to Bank's clients

	Arab Republic of Egypt			Out of Arab Republic of Egypt	Total
	Cairo	Alex and Delta - Sinai	Upper Egypt		
Loans and advances to banks	--	--	--	18,718,022	18,718,022
Loans and advances to customers					
Retail :					
-Overdraft	448,001	976,483	38,407	96,804	1,559,695
-Credit cards	3,148,465	860,194	419,481	--	4,428,140
-Direct loans	--	--	--	594,655	594,655
-Personal loans	34,131,545	30,152,824	19,291,683	--	83,576,052
-Mortgages loans	10,364,158	1,212,493	1,269,043	--	12,845,694
Loans to corporate:					
- Overdraft	32,637,551	7,974,395	730,244	225,877	41,568,067
-Direct loans	47,092,368	9,096,391	2,004,299	1,387,528	59,580,586
-Syndicated loans	29,303,666	2,887,258	1,706,354	--	33,897,278
Discounted documents	1,302,945	186,837	--	--	1,489,782
Financial investment at fair value through other comprehensive income					
-Debt instrument	37,109,584	--	--	--	37,109,584
-Treasury bills and other governmental notes	66,704,405	--	--	--	66,704,405
Financial investment at amortized cost					
-Debt instrument	37,549,336	--	--	1,980,336	39,529,672
-Treasury bills and other governmental notes	--	--	--	285,062	285,062
Leased fixed assets	4,634,502	--	--	--	4,634,502
Other assets*	5,003,556	423,915	107,191	--	5,534,662
Total as at 31 December 2025	309,430,082	53,770,790	25,566,702	23,288,284	412,055,858
Total as at 31 December 2024	225,218,245	48,206,251	24,704,486	20,886,965	319,015,947

(*)The above - mentioned other assets represented in accrued revenue

Industry Sectors

The following table represents analysis the Bank’s main credit exposure at book value, distributed according to the Bank’s customers’ business and activities.

	Financial institu- tions	Manufac- turing	Real es- tate	Wholesale and retail trade	Govern- ment sector	Other activities	Individual	Total
Loans and advances to banks	18,718,022	--	--	--	--	--	--	18,718,022
Loans and advances to customers								
Retail:								
- Overdrafts	--	10,467	9,495	7,319	--	58,476	1,473,938	1,559,695
- Credit cards	--	--	--	--	--	--	4,428,140	4,428,140
- Direct loans	--	26,594	27,258	234,481	--	278,254	28,068	594,655
- Personal loans	--	--	--	--	--	--	83,576,052	83,576,052
- Mortgages Loans	--	--	12,845,694	--	--	--	--	12,845,694
Corporate:								
- Overdrafts	--	10,515,401	12,792	3,174,684	8,491,242	19,348,458	25,490	41,568,067
- Direct loans	--	4,564,346	164,295	603,191	13,259,108	40,926,159	63,487	59,580,586
- Syndicated loans	--	6,808,472	299,873	--	14,831,320	11,957,613	--	33,897,278
Discount documents	--	200,292	--	251,458	--	1,038,032	--	1,489,782
Financial investment at fair value through other comprehensive income								
-Debt instrument	10,726,200	--	--	--	26,383,384	--	--	37,109,584
-Treasury bills and other governmental notes	--	--	--	--	66,704,405	--	--	66,704,405
Financial investment at amortized cost								
-Debt instruments	--	--	--	--	39,529,672	--	--	39,529,672
-Treasury bills and other governmental notes	--	--	--	--	285,062	--	--	285,062
Leased fixed assets	--	--	--	--	--	4,634,502	--	4,634,502
Other assets (*)	--	--	--	--	--	5,534,662	--	5,534,662
Total as at 31 December 2025	29,444,222	22,125,572	13,359,407	4,271,133	169,484,193	83,776,156	89,595,175	412,055,858
Total as at 31 December 2024	22,635,672	19,128,307	14,498,051	4,691,421	105,086,944	72,637,074	80,338,478	319,015,947

* Other assets listed are represented in accrued revenues in which have categorized as other activities due to the unavailability of data required to be distributed over business segments.

B. Market risk

The Bank exposed to Market risk which is represented as fluctuations in fair value or future cash flow provided from changes in Market prices, the market risk produces from open positions for interest rates, currency and equity products, as each is subject to public and private movements in the market. And changes in the level of sensitivity to market rates or to prices, such as rates of return, exchange rates and prices of equity instruments. The bank separates exposures to market risk into trading or non-trading portfolios.

Trading portfolios include positions arising from dealing with clients directly or with the market. Non-trading portfolios include positions that primarily arise from the interest rate for assets and liabilities related to retail transactions, and these portfolios include foreign currencies Risks from financial investments at amortized cost, and also equity instruments Risks from financial investments designated as fair value through other comprehensive income

B.1. Market risk measurement techniques

As part of the management of market risk, the Bank undertakes various hedging strategies and enters into interest rate swaps to match the interest rate risk associated with the fixed-rate long-term debt instrument and loans to which the fair value option has been applied.

The following are the most important measurement techniques used to control market risk:

Value at Risk

The Bank applies a “Value at Risk” methodology (VAR) to its trading and non-trading portfolios, to estimate the market risk of positions held and the maximum losses expected under normal market conditions, based upon a number of assumptions for various changes in market conditions the board of directors sets limits for value at risk which the bank can accept for trading and non-trading separately.

Value at risk is a statistically based estimate of the potential loss on the current portfolio from adverse market movements. It expresses the ‘maximum’ amount the Bank might lose, but only to a certain level of confidence (99%). There is therefore a specified statistical probability (1%) that actual loss could be greater than the VAR estimate. The VAR model assumes a certain ‘holding period’ until positions can be closed (10 Days). Before it could be closing open positions and it’s also assumed that the market movement during the holding period will follow the same pattern of movement that occurred during the previous ten days. The Bank assesses the historical movements in the market prices based on volatilities and correlations data for the past five years.

And the bank applies those historical changes in rates, prices and indicators, directly to the current centers - this method is known as historical simulation, and the actual outputs are monitored regularly to measure the integrity of the assumptions and factors used to calculate the value at risk.

The use of this method does not prevent the loss from exceeding these limits in the event of greater movements in the market. As the value at risk is considered an essential part of the bank’s system in controlling market risk, the Board of Directors sets annual limits for the value at risk for both trading and non-trading operations and is divided into activity units, and the actual values at risk are compared to the objective limits by the bank and its review Daily by the bank’s risk management. The quality of the value-at-risk model is continuously monitored through reinforcement tests of the value-at-risk results of the trading portfolio, and the results of those tests are reported to senior management and the board of directors.

Stress tests

Stress tests provide an indication of the potential size of losses that could arise under extreme market conditions. The stress tests are designed to be suitable for the activity is tailored using standard analyzes for specific scenarios. The stress tests carried out by the bank's risk management department include stress testing Risk factors, as a set of sharp moves is applied to each risk category and the pressures of developing markets are tested, as developing markets are subject to for sharp movements and a special stress test, it includes possible events affecting certain centers or regions, such as what may be produced in a region due to liberation Restrictions on a currency. Senior management and the Board of Directors review the stress test results.

B.2. Summary of value at risk

VAR as per the risk type

(Thousand EGP)						
	12 months till the end of current year 2025			12 months till the end of compared year 2024		
	Average	High	Low	Average	High	Low
Foreign exchange risk	13,486	142,567	1,059	32,243	148,518	1,153
VAR	13,486	142,567	1,059	32,243	148,518	1,153

B.3. The risk of fluctuations in foreign exchange rates

The bank is exposed to the risk of fluctuations in foreign exchange rates on its financial position and cash flows and the board of directors have set limits of foreign currencies in total value for each position at the end of the day and during the day, which are monitored on the spot The following table includes the book value of financial instruments distributed into its component currencies and translated to EGP

31 December 2025	EGP	USD	Euro	GBP	Other Currencies	Total
Financial Assets						
Cash and balances at Central Bank	29,111,075	4,020,564	877,372	109,024	1,033,506	35,151,541
Due from banks	22,327,404	64,918,316	4,239,823	599,083	1,328,391	93,413,017
Loans and advances to banks	--	17,593,584	1,099,004	--	--	18,692,588
Loans and advances to customers	195,451,989	23,071,633	1,747,014	--	1,755,972	222,026,608
Financial Investments						
At fair value through other comprehensive income	75,458,178	26,693,734	2,543,196	--	277	104,695,385
At amortized cost	37,549,336	--	--	--	2,265,398	39,814,734
Investments in associates	574,015	1,075,319	--	--	--	1,649,334
Total financial Assets	360,471,997	137,373,150	10,506,409	708,107	6,383,544	515,443,207
Financial liabilities						
Due to banks	5,871	2,840	37,679	1,400,028	1,061,741	2,508,159
Customers' deposits	2,976,621	674,563	9,891,718	93,824,024	297,171,063	404,537,989
Other loans	3,463,022	42,531,891	280,045	--	--	46,274,958
Total financial Liabilities	301,695,826	137,755,943	10,209,442	677,403	2,982,492	453,321,106
Net financial assets in Financial Position	58,776,171	(382,793)	296,967	30,704	3,401,052	62,122,101
31 December 2024						
Total financial assets	289,059,711	162,817,317	11,717,068	512,573	5,307,562	469,414,231
Total financial liabilities	240,643,723	167,360,709	11,684,702	493,387	2,300,453	422,482,974
Net financial assets in Financial Position	48,415,988	(4,543,392)	32,366	19,186	3,007,109	46,931,257

B.4. Interest rate risk

The bank is exposed to the impact of the fluctuations in the levels of interest rates prevailing in the market; include the cash flow risk of interest rate represented in the fluctuations of future cash flow of a financial instrument due to changes in the interest rate of the mentioned instrument. Whereas the interest rates fair value risk is the risk of fluctuations in the value of the financial instrument due to changes in interest rates in the market. The interest margin may rise due to these changes but still the profits may decrease if unexpected movements occur. The board of directors set limits for the level of difference in the re-pricing of interest rate that the bank can maintain and bank's risk management monitors this daily. The following table summarizes the extent of the bank's exposure to the risk of fluctuations in interest rates that includes the book value of financial instruments distributed based on the price of repricing dates or maturity dates whichever is sooner:

31 December 2025	Up to 1 month	More than 1 to 3 months	More than 3 to 12 months	More than 1 to 3 Years	More than 3 Years	Due in next day	non – bearing interest	Total
Financial Assets								
Cash and balances at Central Bank	--	--	--	--	--	--	35,151,541	35,151,541
Due from banks	80,706,662	11,112,967	--	--	--	1,193,066	418,905	93,431,600
Loans and advances to banks	1,990,225	6,247,218	10,480,579	--	--	--	--	18,718,022
Loans and advances to customers	7,839,304	77,587,595	24,065,909	31,145,769	59,299,055	39,602,317	--	239,539,949
Financial Investments								
- At fair value through other comprehensive income	3,686,881	31,914,250	48,376,167	18,009,856	7,586,081	--	881,396	110,454,631
- At amortized cost	3,670,050	6,749,607	3,486,281	24,917,793	691,302	299,701	--	39,814,734
Total financial assets	97,893,122	133,611,637	86,408,936	74,073,418	67,576,438	41,095,084	36,451,842	537,110,477

31 December 2025	Up to 1 month	More than 1 to 3 months	More than 3 to 12 months	More than 1 to 3 Years	More than 3 Years	Due in next day	non – bearing interest	Total
Financial liabilities								
Due to banks	1,263,717	--	--	--	--	1,244,442	--	2,508,159
Customers' deposits	74,827,223	53,756,013	78,390,004	79,880,515	23,692,200	86,264,911	7,727,123	404,537,989
Other loans	7,526,709	1,412,542	31,407,994	1,457,969	4,469,744	--	--	46,274,958
Total financial liabilities	83,617,649	55,168,555	109,797,998	81,338,484	28,161,944	87,509,353	7,727,123	453,321,106
Total interest re-pricing gap	14,275,473	78,443,082	(23,389,062)	(7,265,066)	39,414,494	(46,414,269)	28,724,719	83,789,371
As at 31 December 2024								
Total financial assets	142,521,088	109,776,033	63,219,306	41,464,486	60,310,538	36,702,409	32,322,115	486,315,975
Total financial liabilities	80,122,923	46,515,977	78,455,657	110,239,794	21,566,378	75,119,776	10,462,470	422,482,975
Total interest re-pricing gap	62,398,165	63,260,056	(15,236,351)	(68,775,308)	38,744,160	(38,417,367)	21,859,645	63,833,000

C. liquidity Risk

Liquidity risk occurs when the Bank does not have sufficient financial resources to meet its obligations arising from its financial liabilities as they fall due or to replace funds when they are withdrawn. Consequently, the bank may fail to meet obligations to repay depositors and fulfill lending commitments.

C.1. Liquidity risk management

Monitoring liquidity risk includes the following:

- Day-to-day funding, managed by monitoring future cash flows to ensure that requirements can be met. This includes replenishment of funds as they mature or is borrowed by customers. The bank maintains an active presence in global money markets to enable this to happen;
- Maintaining a portfolio of highly marketable assets that can easily be liquidated as protection against any unforeseen interruption to cash flow;
- Monitoring the liquidity ratios against internal and regulatory requirements by the Central Bank of Egypt.
- Managing the concentration and profile of debt maturities.

Monitoring and reporting takes the form of cash flow measurement and projections for the next day, week and month respectively, as these are key periods for liquidity management. The starting point for those assets projections is an analysis of the contractual maturity of the financial liabilities and the expected collection date of the financial assets.

Risk Department also monitors unmatched medium-term assets, the level and type of un-drawn lending commitments, the usage of overdraft facilities and the impact of contingent liabilities such as standby letters of credit and guarantees

C.2. Funding approach

Sources of liquidity are regularly reviewed by separate team in the Bank's risk Department and to maintain a wide diversification within currencies, geographical area, depositors, products and tenors.

C.3. Non-derivative cash flows

The following table presents the undiscounted cash flows payable by the Bank under non-derivative financial liabilities, measured by the remaining contractual maturities and the amounts in the table represent the undiscounted contractual cash flows, while the bank manages the liquidity risk on the basis of the expected undiscounted cash flows, not contractua

	Up to 1 month	One to three Months	Three months to one year	One year to three years	More than three Years	non – bearing interest	Total
31 December 2025							
Financial liabilities							
Due to banks	1,217,344	1,291,165	--	--	--	--	2,508,509
Customers' deposits	117,381,728	42,935,364	87,431,869	145,272,952	67,172,870	1,010,650	461,205,433
Other loans	678,377	1,624,961	28,125,118	7,611,371	14,907,591	--	52,947,418
Total liabilities (contractual maturity dates)	119,277,449	45,851,490	115,556,987	152,884,323	82,080,461	1,010,650	516,661,360
Total assets (contractual maturity dates)	165,454,960	48,772,715	133,086,332	167,085,604	170,713,094	994,139	686,106,844

	Up to 1 month	One to three Months	Three months to one year	One year to three years	More than three Years	non – bearing interest	Total
31 December 2024							
Financial liabilities							
Due to banks	6,636,957	--	1,392,736	--	--	--	8,029,693
Customers' deposits	102,020,505	36,656,444	76,946,988	123,038,792	63,441,020	936,535	403,040,284
Other loans	621,727	2,558,242	7,863,947	41,563,195	18,237,278	--	70,844,389
Total liabilities (contractual maturity dates)	109,279,189	39,214,686	86,203,671	164,601,987	81,678,298	936,535	481,914,366
Total assets (contractual maturity dates)	195,209,898	51,448,488	103,666,042	111,662,174	150,545,154	640,224	613,171,980

Assets available to meet all of the liabilities and to cover outstanding loan commitments include cash, due from Central Bank and due from banks, treasury bills and other governmental notes, loans and advances to banks and customers. In the normal course of business, a proportion of customer loans contractually repayable within one year will be extended. In addition, debt instrument and treasury bills and other governmental notes have been pledged to secure liabilities. The Bank would also be able to meet unexpected net cash outflows by selling securities and accessing additional funding sources.

D. Fair value of financial assets and liabilities

The table below summarizes the carrying amounts and fair values of those financial assets and liabilities not presented in the financial position at their fair value:

	Book Value		Fair Value	
	Current Year 31/12/2025	Compared year 31/12/2024	Current Year 31/12/2025	Compared year 31/12/2024
Due from banks	93,431,600	141,708,711	93,440,752	141,849,661
Loans to banks	18,718,022	16,407,767	18,718,022	16,407,767
Loans to customers				
- Retail	103,004,236	89,536,875	103,217,905	89,216,986
- Corporate	136,535,713	122,582,734	136,501,744	122,549,219
Financial Investments				
- At amortized cost	39,814,734	18,560,532	39,519,019	18,332,043
Financial liabilities				
Due to banks	2,508,159	8,024,902	2,912,362	8,220,184
Customers' deposits:				
- Retail	241,131,447	199,519,125	267,225,180	216,766,928
- Corporate	163,406,542	155,228,091	163,475,756	156,780,486
- Other loans	46,274,958	59,710,857	46,274,958	59,710,857

D.1. financial instruments measured at fair value

Classified financial assets are measured as financial assets for the purpose of trading at fair value, with differences in fair value being included in the statement of income within the net income from trading. "Also, debt instruments classified as financial assets at fair value through other comprehensive income are measured at fair value with fair value included the fair value of other comprehensive income statement is included in the fair value reserve.

For investments in equity instruments are restricted stock measuring Stock Exchange securities at fair value, according to the prices of the stated stock exchange in the history of independent financial statements As for the shares of unrestricted stock exchange "with the exception of investment strategy are assessed in one of the accepted technical methods discounted cash flow method, multiples value method and the inclusion of Valuation differences in other comprehensive income are included Fair value reserve; for strategic investments, the par cost or value is the fair value of those investments.

D.2. financial instruments not measured at fair value

Financial investments at amortized cost

Financial investments at amortized cost include governmental securities and not quoted in active market. The fair value of these governmental securities at amortized cost and listed is disclosed based on its quoted price at the end of each financial period.

E. Capital management

The capital adequacy standard is prepared according to the requirements of Basel II based on the decision of the Board of Directors of the Central Bank of Egypt in its session held on December 18, 2012, which was issued on December 24, 2012 as well as in accordance with the instructions of the Central Bank of Egypt regarding the capital adequacy ratio (Basel II) issued during May-2019, as well as the decree of the Board of Directors of the Central Bank of Egypt which has been held on December 27, 2020 which was issued on January 4, 2021 Regarding the commitment of banks to apply the attached regularly instructions for managing operational risks using the standard approach instead of the basic indicator approach within the framework of implementing the final group of reforms for Basel III instructions, and for the purposes of capital management, the equity shown in financial position statement in addition to some other elements other than equity represents from the bank's viewpoint the components of the capital that it manages. The Bank manages its capital to ensure that the following objectives are achieved:

- Complying with the legally imposed capital requirements in Egypt.
- Protecting the bank's ability to continue as a going concern and enable it to continue to generate returns for shareholders and other parties dealing with the bank.
- Maintaining a strong capital base to enhance growth of the bank's operations.

The bank management reviews the adequacy and uses of the capital according to the requirements of the regulatory authority represented in the Central Bank of Egypt, where the bank provides the required data and present it for the Central Bank of Egypt on a monthly basis through forms based on the guidelines of the Basel Committee for Banking Supervision, and the bank must adhere to the following rules according to The requirements of the Central Bank of Egypt:

- Maintaining EGP 5 billion as a minimum requirement for the issued and paid-in capital.
- optimizing the ratio between the total capital base / total assets and contingent liabilities weighted by credit, market and operating risk weights, after adding the requirements of the prudent pillar to become 12.5% (as Banque Du Caire has become one of the banks of listed of importance locally).

The numerator of the capital adequacy standard consists of the following two tiers:

Tier 1 (consist of):

A. Basic capital comprises from.

1. Issued and paid-up capital (after deducting the book value of treasury shares).
2. Retained earnings (Retained losses).
3. The Outstanding reserves that the law, the bank's statute or the central bank's instructions provide for its formation after dividends, except for the general risk reserve and the special reserve, as well as deducting any goodwill previously recognized and any retained losses in addition to the other accumulated comprehensive income items, whether positive or negative
4. Items of accumulated other comprehensive income whether it is positive or negative.
5. Net profit / (losses) according to central bank board of director instruction as at 26/10/2023.
6. Items that are deducted from the tier one of the capital base (exclusions from financial and non-financial companies, investment funds, support loans granted from the bank to other firms, intangible assets, net future profits resulting from securitization operations, pension benefits, and deferred tax assets) As well as an item of elements that are not listed (fair value reserve balance for financial investments available for sale that have been reclassified to financial investments held to maturity) (if it is negative).

B. The additional core capital comprises from.

(permanent, pre-accumulated preferred shares, quarterly interim profits / (losses), minority interest, the Difference between the present value and face value for subordinated time deposit

Tier 2 (Supportive capital) Consist of:

7. The balance of the required provisions against debt instruments / loans, credit facilities and incidental liabilities included in the stage one to the maximum of 1.25% risk weighted assets and contingent liabilities with credit Risk weights.
8. Loans (subordinated deposits) within the prescribed percentage (50% of the first tranche after exclusions), the present value will be entered in full, provided that its consumption is taken into account at 20% of its value in each of the last five years for it.
9. 45% of the special reserve, 45% of the increase in the fair value over the book value of financial investments in subsidiary and associate companies.

The denominator of the capital adequacy ratio consists of:

Credit risk:

credit centers are listed after excluding the allocations required for the stage two and three, and they are weighted according to the weight of risks associated with each credit center, which reflects the credit risks associated with it, and taking into consideration the guarantees the same treatment is used for amounts outside the statement of financial position after making adjustments to reflect the incidental nature and possible losses of these amounts.

Market Risk: -

Banks should apply the standard method when calculating the capital requirement necessary to meet market risks through the cumulative construction of calculating the capital requirements for each type of market risk and then collect them to reach the total capital requirements needed to meet market risks as a whole in accordance with the central bank model.

Banks must determine their investment in the trading portfolio when calculating the capital requirement needed to meet market risks

Financial instruments held for trading purposes must be free from any conditions that impede their circulation and be fully capable of covering them.

Operating Risk: -

Banks should use the standard method to calculate the capital requirements to meet the operational risks, as it is determined as a result of the weighted component of the business index multiplied in the internal losses multiplier.

The risk-weighted assets of operational risks are calculated by multiplying the capital requirement for operational risks by 12.5 times to be included in the denominator of the capital adequacy ratio.

The following table summarizes the components of the basic and supporting capital and the ratios of the capital adequacy according to Basel II & III:

1-The capital adequacy ratio	31/12/2025	31/12/2024
Tier 1 capital (continuous basic capital & additional capital)		
Issued and paid up capital	20,500,000	19,000,000
Amount paid for capital increase	10,000,000	1,500,000
General reserve	187,291	187,291
Legal reserve	2,342,383	1,720,450
Other reserves	852,983	801,435
General risk reserve	68,481	68,481
Retained earnings	6,848,879	5,056,013
Profit for the year	16,066,142	12,300,008
Non-controlling interest	15,318	13,019
Difference between the present value and face value for subordinated time deposit	--	1,179,701
Total other comprehensive income items, accumulated	3,373,159	1,541,818
Total deductions from tier 1 capital common equity	(2,016,694)	(1,886,364)
Total qualifying tier 1 capital	58,237,942	41,481,852
Tier 2 capital (subordinated capital)		
Equal for banking risk provisions against debt instruments / loans, credit facilities in the stage one	3,524,640	2,495,630
Subordinate deposits	7,627,392	9,554,507
45% of the Increase in fair value than the book value for financial investments in associated companies	372,185	176,484
Total Tier 2	11,524,217	12,226,621
Total capital base after deductions	69,762,159	53,708,473
Risk weighted assets and contingent liabilities		
Total credit risk	290,710,436	287,271,174
Total market risk	8,215,934	13,374,883
Total operational risk	17,296,341	12,623,154
Total risk weighted assets and contingent liabilities	316,222,711	313,269,211
Capital adequacy ratio (%)	22.06%	17.14%

The capital adequacy ratio prepared based on consolidated financial statements.

Leverage Ratio

The Board of Directors of the Central Bank of Egypt issued, in its meeting on July 7, 2015, a decision approving the supervisory instructions for leverage, with the banks committing to the minimum prescribed percentage of (3%) as a binding supervisory ratio starting from 2018, in preparation for consideration of their consideration within the first pillar One of the decisions of Basel (the minimum capital adequacy standard) with the aim of preserving the strength and safety of the banking system and keeping abreast of international best practices in this regard.

The leverage reflects the relationship between the tier 1 of capital used in the capital adequacy standard (after exclusions), and the bank's assets (both on balance sheet and off balance sheet) are not weighted by risk weights.

Ratio components

(A) The numerator components:

The numerator of the ratio consists of tier one of capital (after exclusions) used to extend the capital adequacy standard currently applied in accordance with the Central Bank of Egypt instructions.

(B) the denominator components

The denominator of the ratio consists of all the assets of the bank inside and outside the budget according to the financial statements, which is called "bank exposures" and includes the following total:

1. Exposures within the financial statements after deducting some of the exclusions, the tier one of the capital base
2. Exposures resulting from derivative contracts
3. Exposures resulting from securities financing operations
4. Extra budgetary exposure (weighted by conversion factors)

2- Leverage Ratio	31/12/2025	31/12/2024
Total qualifying tier 1 capital after deduction	58,237,942	41,481,852
Total on-balance sheet exposure	539,875,024	487,117,204
Total off balance sheet exposure	45,668,523	51,425,205
Total on and off balance sheet exposure	585,543,547	538,542,409
Leverage (%)	9.95%	7.70%

According to Central Bank of Egypt Letter on January 11, 2017, On December 28, 2016 The Board of directors of Central Bank of Egypt approved on the following decision:

The Bank applied the CBE accounting treatment for the subordinated deposits, and also presented from The Bank's Shareholders in an exceptionally with recognition the difference between the face value for the deposit and the present value in Owner's equity as "Difference between the present value and face value for subordinated deposit" and at the end of each financial period the deposit will increase so it will reach to face value in its matured date based on the mentioned differences.

4. Significant accounting estimates and assumptions

The application of the accounting policies disclosed in Note No. (3) requires the bank to use the provisions of estimates and assumptions about the book values of some assets and liabilities that other sources are unable to provide. These estimates and their accompanying assumptions depend on historical experience and other related factors. Actual results may differ from these estimates. Assumptions and estimates are reviewed on an ongoing basis and accounting changes and accounting estimates are recognized either in the period during which the change occurs if their impact is limited to that period only, or in the period in which the change and future periods occur if the change in the accounting estimate affects both the current and subsequent periods.

The following is a summary of the most important assumptions related to the future and unconfirmed sources of information at the end of the financial period, which are of great risk to lead to a fundamental adjustment to the book values of assets and liabilities during the next financial period

A) Impairment losses for loans and advances (Expected credit loss)

The Bank reviews the portfolio of loans and advances at least quarterly; The Bank uses discretionary judgment on determining whether it is necessary to record impairment loss in the income statement. The Bank has to identify if there is objective evidence indicating a decline in the expected future cash flows from loan portfolio before identifying any decline on individual basis.

- This evidence include data indicating negative changes in a borrower’s portfolio ability to repay to the Bank or local or economic circumstances related to default. On scheduling future cash flows the management uses the past experience to determine the credit impairment loss for assets when there is objective evidence of impairment similar to that of the portfolio.
- The methods and assumptions used in estimating both the amount and timing of the future cash flows are reviewed on a regular basis to minimize any discrepancy between the estimated loss and actual loss based on experience.

B) Fair value of derivatives

The fair values of financial instruments that are not quoted in active markets are determined by using valuation techniques. Where valuation techniques (as models) are used to determine fair values, they are validated and periodically reviewed by qualified personnel independent of the area that created them. All models are certified before they are used, and models are calibrated to ensure that outputs reflect actual data and comparative market prices. To the extent practical.

models use only observable data; however, areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect reported fair value of financial instruments.

The Outstanding Balance for Financial derivatives at the end of the current or a previous period are not considered material comparable with other financial Position items at these dates.

C) Amortized Cost investments

Non-derivative financial assets with fixed and transferable maturities and maturity dates are classified as financial investments at amortized cost within a pattern of their use of the assets that are used for the held.

D) Income taxes

The bank’s profits subject to income tax therefor the bank uses essential estimations to determine the total tax burden for income.as there’s difficult to determine the final tax for some transactions so the bank records tax liability as per according to probability of arising additional tax while tax examination. When there is a discrepancy between the final result of the Tax Authority and the amounts previously recorded, then these discrepancies will affect the income tax and deferred tax provision for the year, in which the discrepancy has been identified.

5. Segment analysis

A) Segment activity

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

Large, medium, and small enterprises:

Includes current accounts, deposits, overdraft accounts, loans, credit facilities, and financial derivatives activities.

Investment:

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

Retail:

Includes current account, saving accounts, deposits, credit card, personal loans, and mortgage loans activities,

Other activities:

Includes other banking operations, such money management

B) By geographical segment

Assets & Liabilities according to geographical segments at 31 December 2025	Cairo	Alex, Delta & Sinai	Upper Egypt	Outside Egypt	Total
Geographical Segments Assets	452,624,331	56,457,569	25,720,704	5,579,351	540,381,955
Geographical Segments Liabilities	295,875,964	136,949,710	41,573,530	3,371,327	477,770,531
Geographical Segments Of Other Items					
Depreciation at 31 December 2025					968,663
Profit before tax					23,316,140
Tax					(7,246,496)
Net Profit for the year					16,069,644

Assets & Liabilities according to geographical segments at 31 December 2024	Cairo	Alex, Delta & Sinai	Upper Egypt	Outside Egypt	Total
Geographical Segments Assets	409,573,118	50,340,364	24,040,252	5,415,995	489,369,729
Geographical Segments Liabilities	295,129,980	114,763,236	30,956,146	2,836,186	443,685,548
Geographical Segments of Other Items					
Depreciation at 31 December 2024					747,161
Profit before tax					17,928,621
Tax					(5,628,613)
Net Profit for the year					12,300,008

6. Net interest income

	31/12/2025	31/12/2024
Interest income from loans and similar income:		
Loans and advances :		
- banks	1,210,281	725,057
- customers	44,230,964	38,045,115
Total	45,441,245	38,770,172
Deposits and current accounts	12,016,473	12,523,695
Investments in debt instrument at fair value through other comprehensive income and at amortized cost	22,509,442	17,421,629
Revenue from Leased contracts	4,366,544	3,376,700
Total	84,333,704	72,092,196
Interest expense of deposits and similar expense:		
Deposits and current accounts:		
- banks	(779,960)	(1,993,428)
- customers	(41,860,878)	(34,786,481)
Total	(42,640,838)	(36,779,909)
Other	(6,721,337)	(6,583,310)
Total	(49,362,175)	(43,363,219)
Net	34,971,529	28,728,977

7. Net fee and commission income

	31/12/2025	31/12/2024
Fee and commission income:		
Fee and commission related to credit	3,446,945	3,508,862
Trust and custody fee	48,026	44,825
Other fee	3,719,967	2,883,901
	7,214,938	6,437,588
Fee and commission expense		
Other fee	(745,294)	(564,050)
	(745,294)	(564,050)
Net	6,469,644	5,873,538

8. Dividend income

	31/12/2025	31/12/2024
Securities at fair value through other comprehensive income	595,199	527,996
Total	595,199	527,996

9. Net trading income

	31/12/2025	31/12/2024
Debt instruments for trading	71,025	32,708
Gains from foreign currencies Contracts	59,635	31,995
Total	130,660	64,703

10. Administrative expenses

	31/12/2025	31/12/2024
Employee's cost		
Wages and salaries*	(5,822,105)	(4,887,672)
Social insurance	(261,672)	(223,298)
Other retirement benefits (Note 32)	(833,700)	(500,421)
	(6,917,477)	(5,611,391)
Other administrative expenses	(7,642,279)	(6,065,642)
Total	(14,559,756)	(11,677,033)

* The current period includes EGP 50,000 thousand representing the Bank's share in the contributions of the Bank's Special Insurance fund for employees.

11. Other operating revenues (expenses)

	31/12/2025	31/12/2024
Gains (Losses) of translated monetary assets and liabilities in foreign currencies other than classified as held for trading items	1,155,683	(1,299,519)
Gains of sale property and equipment	80,415	51,601
Gains of sale reverted assets	1,779	2,743
Reverse other provisions (note : 23&30)	355,585	381,013
Other provisions charges (note : 23&30)	(735,798)	(546,398)
Other	79,368	(755,829)
Total	937,032	(2,166,389)

12. (Charged) reversed expected credit losses

	31/12/2025	31/12/2024
Loans and advances to customers	(5,616,067)	(3,754,879)
Due from Banks	6,570	7,171
Debt instruments	2,746	70,216
Loans and advances to banks	5,037	(6,046)
Total	(5,601,714)	(3,683,538)

13. Income tax expense

	31/12/2025	31/12/2024
Current tax	(6,835,759)	(5,842,821)
Deferred tax	(410,737)	214,208
Total	(7,246,496)	(5,628,613)
Profit before income tax	23,316,140	17,928,621
Tax Rate	22.5%	22.5%
Income tax calculated on accounting profit	5,246,132	4,033,939
Expenses are not deductible	2,000,364	1,594,674
Net tax	7,246,496	5,628,613
Effective tax rate	31.08%	31.40%

14. The basic earnings per share

The earnings per share is calculated by dividing the profit of shareholder equity by weighted average number of common shares issued during the year.

	31/12/2025	31/12/2024
a- Net profit for the year	16,066,142	12,297,552
The number of weighted /common	10,176,027	8,430,328
Earnings per basic weighted share from net profit for the year	1.58	1.46

** Proposed dividends are subject to change based on the resolution of the General Assembly*

b- Impact of amounts paid under capital increase on earnings per share:

Weighted average number of shares	10,852,740	10,250,000
Earnings per basic weighted share from net profit for the year	1.48	1.20

15. Cash and balances at Central Bank

	31/12/2025	31/12/2024
Cash	13,229,292	11,759 702
Balances at Central Bank within the mandatory reserve ratio	21,922,249	17,349 575
Total	35,151,541	29,109,277
Balances without interest	35,151,541	29,109,277

16. Due from banks

	31/12/2025	31/12/2024
Current Accounts	1,824,287	647,049
Deposits	91,607,313	141,061,662
Expected credit loss provision for due from banks	(18,583)	(27,120)
NET	93,413,017	141,681,591
Central Bank	11,857,997	46,070,882
Local Banks	55,660,523	65,869,757
Foreign Banks	25,913,080	29,768,072
Expected credit loss provision for due from banks	(18,583)	(27,120)
NET	93,413,017	141,681,591
Balances without Interest	1,910,188	684,457
Balances with fixed interest	91,521,412	141,024,254
Expected credit loss provision for due from banks	(18,583)	(27,120)
Net	93,413,017	141,681,591
Current balances	93,413,017	141,681,591

- An analysis of the movement in the expected credit loss provision for due from banks during the year:

	31/12/2025	31/12/2024
Balance at the beginning of the year	27,120	21,191
(Reverse) charged Expected Credit Loss during the year	(6,406)	(7,185)
Foreign currencies translation differences of provisions during the year	(2,041)	13,114
Balance at the end of the year	18,673	27,120

17. Loans and advances to banks

	31/12/2025	31/12/2024
Term Loans	18,718,022	16,407,767
Total	18,718,022	16,407,767
Less: Expected Credit Loss provision	(25,434)	(33,624)
Loans and advances to banks	18,692,588	16,374,143
Current balances	18,718,022	16,407,767
Total	18,718,022	16,407,767

- An analysis of the movement in the expected credit loss provision for loans and advances to banks during the year:

	31/12/2025	31/12/2024
Balance at the beginning of the year	33,624	16,502
(Reversed) Expected Credit Loss during the year	(5,111)	6,046
Foreign currencies translation differences of provisions during the year	(3,079)	11,076
Balance at the end of the year	25,434	33,624

18. Loans and advances to customers

	31/12/2025	31/12/2024
Retail		
Overdraft accounts	1,559,695	1,453,772
Credit cards	4,428,140	3,191,034
Direct loans	594,655	669,931
Personal loans	83,576,052	75,669,045
Mortgage loans	12,845,694	8,553,093
Total	103,004,236	89,536,875
Corporate including small loans for economic activities		
Overdraft accounts	41,568,067	41,428,974
Direct loans	59,580,586	49,694,784
Syndicated loans	33,897,278	30,608,776
Discounted documents	1,489,782	850,200
Total	136,535,713	122,582,734
Total loans and advances to customers	239,539,949	212,119,609
Expected Credit Loss provision	(17,460,648)	(15,853,099)
Unearned discount of discounted documents	(52,693)	(29,550)
Net loans and advances to customers	222,026,608	196,236,960
Total is distributed as follow: -		
Current balances	97,627,720	85,552,350
Non-current balances	141,912,229	126,567,259
Total	239,539,949	212,119,609

- An analysis of the movement in the expected credit loss provision for loans and advances to customers during the year.

	31/12/2025	31/12/2024
Balance at the beginning of the year	15,853,099	11,811,194
Expected credit loss charged during the year	5,616,067	3,754,879
Provision utilized for written off debts during the year	(4,146,839)	(2,357,014)
Proceeds from written off debts during the year	346,690	281,005
Foreign currencies translation differences of provisions during the year	(208,369)	2,363,035
Balance at the end of the year	17,460,648	15,853,099

	31/12/2025			31/12/2024		
	Corporate	Retail	Total	Corporate	Retail	Total
Balance at the beginning of the year	12,831,280	3,021,819	15,853,099	9,734,433	2,076,761	11,811,194
Expected credit loss charged during the year	3,113,361	2,502,706	5,616,067	2,477,563	1,277,316	3,754,879
Transfers	1,897	(1,897)	--	9,634	(9,634)	--
Provision utilized for written off during the year	(2,945,826)	(1,201,013)	(4,146,839)	(1,750,918)	(606,096)	(2,357,014)
Proceeds from written off debts during the year	68,293	278,396	346,689	11,408	269,597	281,005
Foreign currencies translation differences of provisions during the year	(206,785)	(1,583)	(208,368)	2,349,160	13,875	2,363,035
Balance at the end of the year	12,862,220	4,598,428	17 460 648	12,831,280	3,021,819	15,853,099

19. Financial investment

Financial investments at fair value through other comprehensive income	31/12/2025	31/12/2024
a) Debt Instruments at fair value		
- Listed	37,109,584	22,823,320
b) Treasury bills and other governmental notes at fair value		
- Listed		
Treasury bills– local currency*	47,848,907	20,979,902
- Unlisted		
Treasury bills and other governmental notes**	18,855,498	19,727,545
Total Treasury bills and other governmental notes at fair value	66,704,405	40,707,447
c) Equity instruments at Fair Value		
- Listed	141,346	111,370
- Unlisted **	300,873	2,516,272
d) Investment Certificates		
- Unlisted Certificate – recoverable amount	439,177	388,265
Total financial investments at fair value through other comprehensive income (1)	104,695,385	66,546,674
Financial investments at amortized cost		
a) Debt Instruments-at amortized cost		
- Listed	39,473,559	18,463,612
- Unlisted ***	56,113	56,113
b) Treasury Bills-at amortized cost		
- Unlisted	285,062	40,807
Total financial investments at amortized cost (2)	39,814,734	18,560,532
Total financial investments (1)+(2)	144,510,119	85,107,206
Current balances	73,786,279	54,870,311
Non-current balances	70,723,840	30,236,895
Total	144,510,119	85,107,206
Fixed interest debt instruments	120,879,117	66,481,681
Floating interest debt instruments	20,769,270	15,609,618
Total	141,648,387	82,091,299

* Treasury bills at fair value – local currency includes mortgaged and treasury bills for Central Bank of Egypt due to Mortgage, Machines and equipment and its nominal value amounted to EGP 1,469,150 thousands as of 31 December 2025 (31 December 2024: EGP 1,665,225 thousands)

**The following are the financial investments – unlisted equity instruments at cost:

	31/12/2025	31/12/2024
African export – import bank	--	2,301,952
Misr Bank-Europe	63,164	84,218
Arab Financial services company	242	242
Credit guarantee company	1,364	1,364
Taba Tourism development Co.	13,615	2,250
I-Score company	63,156	1,848
Misr for central clearing	1,396	1,396
Arab trade financing program – ATFP	11,028	11,028
Rimmit for money transfer services (IBAG)	43,300	25,320
Other companies *	103,608	86,654
Total	300,873	2,516,272

The companies (Taba Tourism Development, I-Score, Rimmit Exchange company (IBAG)) were valued at fair value on 31 December 2025. Given that the bank owns only a small stake in the other companies, which hinders access to detailed information for valuation purposes, they were recorded at cost

African export – import bank

- Our bank's share was sold at 26/11/2025

Misr Bank – Europe

- The bank is unlisted
- The main purpose of establishing the bank is to organize the trade with middle Europe countries and Egypt, the bank has only one branch that makes it difficult to find similar listed banks.
- The bank owns an insignificant share in Egypt Europe bank (3.75%), which restrains the bank from reaching accurate and detailed information make evaluation process related and applicable to Banking sector to reach fair value of the investment.
- The Net equity for the bank is Positive according to its financial statement, which is reflecting the absence of any indicators of impairment in the investment value

Arab trade financing program – ATFP

- Arab trade financing program is unlisted.
- Arab trade financing program aims to enhance and develops Arab trading, in addition to improve the competitive abilities of Arab exporters. This goal has been achieved by provide funding in the form of credit lines for exporters and importers to the member's countries through local organizations that has been designated by the central bank or any other concerned organization in Arab Countries, this makes it difficult to find similar companies that are restricted in the market to reach the fair value of the program.
- The bank owns an insignificant share in Arab trade financing program (0.33%), which restrains the bank from reaching accurate and detailed information to reach fair value of the investment.
- The bank achieves positive net profit and net equity according to its financial statements, which are reflecting the absence of any indicators of impairment in the investment value.
 - It includes a customer whose part of his outstanding balance was transferred to financial investments - equity instruments with a memorial value for investment based on the settlement contract concluded with the customer on 31/07/2024.

***Amount paid to the ministry of finance prepaid for purchasing treasury bonds, in accordance with the presidential decision No, 1112 for year 1974 which stated that 5% from distribution net profit to the public sector should be invested in governmental bonds or deposit it in an account in the ministry of finance, it was deposited in an account in the ministry of finance with 3.5% annual interest, and this for execution that decision.

The following movements in financial investments during the Year:

	Financial investments at fair value through other comprehensive income	Financial investments at amortized cost	Total
Balance of 01/01/2025	66,546,674	18,560,532	85,107,206
Additions	801,073,959	28,861,594	829,935,553
Disposals (sales / redemption)	(759,304,827)	(7,677,956)	(766,982,783)
Monetary assets translation differences	(1,620,781)	--	(1,620,781)
Net change	(2,246,943)	--	(2,246,943)
Amortization of (premium) / discount of issuance	247,303	70,564	317,867
Balance as at 31/12/2025	104,695,385	39,814,734	144,510,119

	Financial investments at fair value through other comprehensive income	Financial investments at amortized cost	Total
Balance of 01/01/2024	73,892,981	41,539,454	115,432,435
Additions	213,765,213	4,497,456	218,262,669
Disposals (sales / redemption)	(233,489,986)	(28,309,696)	(261,799,682)
Monetary assets translation differences	11,442,519	783,157	12,225,676
Net change	1,323,948	--	1,323,948
Amortization of (premium) / discount of issuance	(388,001)	50,161	(337,840)
Balance as at 31/12/2024	66,546,674	18,560,532	85,107,206

Gains from financial investments

	31/12/2025	31/12/2024
Gains from selling Treasury bills at fair value through OCI	90,001	69,695
Gain from selling debt instruments at fair value through OCI	128,278	108,172
Total	218,279	177,867

20. Investments in associates

31/12/2025 Company	Currency	Last financial data	Country	Assets	Liabilities	Revenues	Profit/ (Loss)	Share %	Value of Investment
Herasat for Security Services	EGP	12/2025	Egypt	58,280	46,190	228,358	1,590	30	3,627
Nile Holding Company for Development and Investment	EGP	12/2025	Egypt	369,518	961	58,704	39,803	33.33	122,852
Financial Sector Mutual Fund	EGP	12/2025	Egypt	176,802	6,254	66,016	56,644	63.21	107,798
Egy Serv for Postal Services	EGP	12/2025	Egypt	462,242	204,376	823,724	183,107	40	155,542
Misr for investment and export development	EGP	12/2025	Egypt	48,852	25,972	9,755	(8,079)	20	4,576
Nclude fintech innovation fund	USD	9/2025	UAE	2,460,548	2,320	99,450	(285,880)	23.57	1,075,318
Misr real-estate fund 1	EGP	12/2025	Egypt	636,415	1,480	90,751	76,967	27.8	176,389
Misr for investements Funds managment	EGP	12/2025	Egypt	16,957	1,541	7,200	768	20	3,232
Total				4,229,614	289,094	1,383,958	64,920	--	1,649,334

31/12/2024 Company	Currency	Last financial data	Country	Assets	Liabilities	Revenues	Profit/ (Loss)	Share %	Value of Investment
Herasat for Security Services	EGP	12/2024	Egypt	44,770	29,141	132,578	6,865	30	4,689
Nile Holding Company for Development and Investment	EGP	12/2024	Egypt	470,350	2,404	29,355	19,667	33.33	155,982
Financial Sector Mutual Fund	EGP	12/2024	Egypt	198,557	43,561	81,855	62,646	46.28	71,728
Egy Serv for Postal Services	EGP	12/2024	Egypt	390,027	186,088	752,273	144,638	40	133,970
Misr for investment and export development	EGP	12/2024	Egypt	55,210	24,267	10,420	(5,978)	20	6,188
Nclude fintech innovation fund	USD	9/2024	UAE	1,552,668	14,082	25,419	(18,063)	23.57	360,547
Misr real-estate fund 1	EGP	12/2024	Egypt	609,139	3,831	110,126	98,525	27.8	168,158
Misr for investements Funds managment	EGP	12/2024	Egypt	16,646	2,101	7,200	5,980	20	2,909
Total				3,337,367	305,475	1,149,226	314,280	--	904,171

The following table shows the structure of associates' shareholders at 31/12/2025.

	Herasat for Security Services %	Nile Holding Company for development and investments %	Financial Sector Mutual Fund %	Egy Service for Postal Services %	Misr for investment and export development %	Nclude fintech innovation fund %	Misr real-estate fund 1 %	Misr for investements Funds managment %
Banque Du Caire	30	33.33	63.21	40	20	23.57	27.8	20
National Bank of Egypt	--	33.33	--	40	20	28.29	--	--
Banque Misr	--	33.34	--	--	20	28.29	27.8	60
Export develop-ment bank of Egypt	--	--	--	--	20	--	--	--
Arab African international bank	--	--	--	--	20	--	--	--
Misr Insurance Co.	--	--	33.14	--	--	--	--	20
Misr Life Insurance Co.	--	--	--	--	--	--	27.8	--
Misr holding for insurance	--	--	--	--	--	--	--	--
National Security Sector	30	--	--	--	--	--	--	--
Insurance Fund for employee at Banque du caire	10	--	--	--	--	--	--	--
Al Baraka bank	10	--	--	--	--	--	--	--
Egypt Agriculture bank	20	--	--	--	--	--	--	--
Other (Individuals & Corporates)	--	--	3.65	20	--	19.85	16.6	--
Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

21. Intangible assets

Intangible assets represent the bank's computer software programs and its details as followings:

	31/12/2025	31/12/2024
Beginning balance of the year		
Cost	1,167,564	905,667
Accumulated amortization	(759,240)	(527,350)
Net book value at the beginning of the year	408,324	378,317
Additions during the year	462,453	216,842
Amortization for the year	(222,916)	(207,705)
Foreign currency exchange	(1,875)	20,870
Net book value at the end of the year	645,986	408,324

22. Investment Property

	31/12/2025	31/12/2024
Balance at the beginning of the year		
Cost at 1/1/2025	--	--
Additions during the year	16,265	--
Cost at 31/12/2025	16,265	--
Accumulated Depreciation at 1/1/2025	--	--
Depreciation during the year	(2,372)	--
Accumulated depreciation at 31/12/2025	(2,372)	--
Balance at the end of the year	13,893	--

23. Other assets

	31/12/2025	31/12/2024
Accrued revenues	5,534,662	4,955,016
Prepaid expenses	666,943	518,858
Advance payments under purchase of fixed assets	2,803,323	2,963,063
Assets reverted to the bank in settlement of debts	216,208	214,270
Insurances and custodies	454,706	273,142
Clearing transactions	1,456,706	1,255,250
Tax authority	189,299	196,167
Other debit balances	3,877,055	2,143,561
Impairment Provision for other assets	(230,826)	(230,612)
Total	14,968,076	12,288,715

An analysis of the movement in the impairment provision for other assets during the year:

	31/12/2025	31/12/2024
Balance at the beginning of the year	230,612	213,212
Impairment charged at income statement of the year	26,289	22,948
Provision utilized during the year	(15,706)	(4,533)
Reversed during the year	(10,369)	(1,015)
Balance at the end of the year	230,826	230,612

24. Leasing fixed assets

	Land	Buildings & Constructions	Vehicles	Machinery & Equipment	Total
Balance at 01/01/2024					
Cost	1,328,109	3,493,916	589,287	1,243,924	6,655,236
Accumulated depreciation	--	(253,548)	(201,862)	(470,257)	(925,667)
Net book value at 01/01/2024	1,328,109	3,240,368	387,425	773,667	5,729,569
Additions	543,471	671,999	475,204	80,524	1,771,198
Disposals	(276,832)	(952,539)	(96,020)	(329,232)	(1,654,623)
Disposals' accumulated depreciation	--	99,488	59,009	205,687	364,184
Depreciation	--	(166,274)	(170,985)	(237,208)	(574,467)
Net book value at 31/12/2024	1,594,748	2,893,042	654,633	493,438	5,635,861
Balance at 01/01/2025					
Cost	1,594,748	3,213,376	968,471	995,216	6,771,811
Accumulated depreciation	--	(320,334)	(313,838)	(501,778)	(1,135,950)
Net book value at 01/01/2025	1,594,748	2,893,042	654,633	493,438	5,635,861
Additions	170,767	904,484	666,179	1,180,526	2,921,956
Disposals	(259,169)	(525,912)	(172,149)	(432,277)	(1,389,507)
Disposals' accumulated depreciation	--	72,972	135,702	294,302	502,976
Depreciation	--	(174,693)	(239,950)	(289,625)	(704,268)
Net book value at 31/12/2025	1,506,346	3,169,893	1,044,415	1,246,364	6,967,018
Balances at 31/12/2025					
Cost	1,506,346	3,591,947	1,462,501	1,743,466	8,304,260
Accumulated depreciation	--	(422,054)	(418,086)	(497,102)	(1,337,242)
Net book value at 31/12/2025	1,506,346	3,169,893	1,044,415	1,246,364	6,967,018

The following are net leased assets after adjustments:

	31/12/2025	31/12/2024
Leasing fixed assets (net)	6,967,018	5,635,861
Advance payments under purchase of leasing fixed assets	76,687	49,761
Lease Settlement Account	(2,409,203)	(2,243,366)
Net leased assets after adjustments	4,634,502	3,442,256

25. Property and equipment

	Land	Buildings & Constructions	Integrated automated systems	Vehicles	Machinery & Equipment	Furniture	Fixtures & fittings	Total
Balances at 01/01/2024								
Cost	306,850	740,709	1,386,733	60,069	231,792	379,170	1,221,185	4,326,508
Accumulated depreciation	--	(400,196)	(1,003,589)	(53,650)	(111,117)	(225,675)	(595,655)	(2,389,882)
Net book value at 01/01/2024	306,850	340,513	383,144	6,419	120,675	153,495	625,530	1,936,626
Adjustment	--	--	--	--	--	--	(66)	(66)
Transfers*	--	--	23,300	--	112,338	85,847	(221,485)	--
Additions	--	18,384	680,693	--	142,788	57,624	443,610	1,343,099
Disposals	(45)	(2,794)	(78,172)	--	(55,357)	(11,978)	(9,176)	(157,522)
Disposals' accumulated depreciation	--	611	78,131	--	13,425	11,951	8,736	112,854
Transfers' accumulated depreciation	--	--	(8,898)	--	(48,656)	(45,225)	102,779	--
Foreign currency exchange	--	--	--	855	--	9,423	16,999	27,277
Depreciation	--	(17,740)	(222,217)	(2,430)	(74,975)	(76,178)	(160,711)	(554,251)
Net book value at 31/12/2024	306,805	338,974	855,981	4,844	210,238	184,959	806,216	2,708,017
Balances at 31/12/2024	306,805	338,974	855,981	4,844	210,238	184,959	806,216	2,708,017
Cost	306,805	756,299	2,012,554	60,924	431,561	520,086	1,451,067	5,539,296
Accumulated depreciation	--	(417,325)	(1,156,573)	(56,080)	(221,323)	(335,127)	(644,851)	(2,831,279)
Net book value at 31/12/2024	306,805	338,974	855,981	4,844	210,238	184,959	806,216	2,708,017
Balances at 1/1/2025	306,805	338,974	855,981	4,844	210,238	184,959	806,216	2,708,017
Transfers*	--	--	4,790	--	29,482	11,716	(45,988)	--
Additions	--	24,000	782,625	173,123	234,867	45,857	625,889	1,886,361
Disposals	(91)	--	(28,859)	(12,008)	(8,804)	(17,058)	(33,900)	(100,720)
Disposals' accumulated depreciation	--	--	28,475	12,008	7,414	16,831	32,536	97,264
Transfers' accumulated depreciation	--	--	168	--	(68)	(122)	22	--
Foreign currency exchange	--	--	--	(61)	--	(775)	(6,775)	(7,611)
Depreciation	--	(10,953)	(332,933)	(20,392)	(101,687)	(67,569)	(222,337)	(755,871)
Net book value at 31/12/2025	306,714	352,021	1,310,247	157,514	371,442	173,839	1,155,663	3,827,440
Balances at 31/12/2025	306,714	352,021	1,310,247	157,514	371,442	173,841	1,155,661	3,827,440
Cost	306,714	780,299	2,768,474	222,468	683,069	561,082	2,000,637	7,322,743
Accumulated depreciation	--	(428,278)	(1,458,227)	(64,954)	(311,627)	(387,241)	(845,976)	(3,495,303)
Net book value at 31/12/2025	306,714	352,021	1,310,247	157,514	371,442	173,841	1,155,661	3,827,440

* Represents transfers between items

- Property and equipment include specifically (land & buildings) unregistered assets by an amount of EGP 275,634 thousand, legal procedures are being undertaken to register them.
- The cost of depreciation includes an amount of EGP 10,161 thousand, the value of which is charged to the deferred revenue account, and represents the cost of depreciation of the gifted asset to the bank.

26. Due to banks

	31/12/2025	31/12/2024
Current accounts	1,216,994	2,056,673
Deposits	1,291,165	5,968,229
Total	2,508,159	8,024,902
Central Bank	1,291,165	1,478,739
Local Banks	37,813	60,369
Foreign Banks	1,179,181	6,485,794
Total	2,508,159	8,024,902
Balances without interest	1,204,295	2,049,630
Balances with Fixed interest	1,303,864	5,975,272
Total	2,508,159	8,024,902
Current balances	2,508,159	8,024,902
Total	2,508,159	8,024,902

27. Customers' deposits

	31/12/2025	31/12/2024
Demand deposits	138,427,260	102,487,478
Term and notice deposits	93,791,303	96,518,877
Certificates of savings and deposits	96,026,460	94,684,965
Saving deposits	69,576,492	55,350,260
Other deposits	6,716,474	5,705,636
Total	404,537,989	354,747,216
Corporate deposits	163,406,542	155,228,091
Retail deposits	241,131,447	199,519,125
Total	404,537,989	354,747,216
Balances without interest	7,567,882	61,560,738
Balances with fixed interest	396,970,107	293,186,478
Total	404,537,989	354,747,216

28. Other loans

	Currency	31/12/2025	31/12/2024
The loan of Micro, Small and Medium Enterprises Development Agency	EGP	601,050	608,849
Arab Trade financing program Loan	USD	172,808	552,872
Arab fund for economic and social development loan - Kuwait	USD	2,795,439	2,558,208
Green for growth fund	USD	173,350	277,303
European investment bank	USD	3,539,876	5,610,017
European bank for reconstruction & development	USD	136,203	3,268,209
African export – import bank	USD	24,431,490	28,596,825
Saudi fund for development	EGP	40,000	60,000
International Finance Corporation	USD	1,787,670	2,541,940
Agence Francaise De Development	USD	1,867,662	1,564,266
KfW Development Bank	Eur	280,045	264,603
Present value - CBE subordinated deposit*	EGP	--	1,536,809
Present value - Banque Misr subordinated deposit*	EGP	--	2,283,490
Green for growth fund (subordinated Loan)	USD	1,430,136	1,525,164
SANAD fund for MSME (subordinated Loan)	USD	1,430,136	1,525,164
European bank for reconstruction & development (subordinated Loan)	USD	2,383,560	2,541,940
British international investment (subordinated Loan)	USD	2,383,560	2,541,940
Others	EGP	2,821,973	1,853,258
Total		46,274,958	59,710,857
Current balances		27,563,941	1,976,273
Non- current balances		18,711,017	57,734,584
Total		46,274,958	59,710,857

* The loan was repaid (early) on 28 December 2025

29. Other liabilities

	31/12/2025	31/12/2024
Accrued interest	1,857,509	2,200,458
Prepaid revenues	378,413	401,395
Accrued expenses	822,618	548,402
Clearing transactions	5,230,330	5,328,904
Tax authority	1,154,576	797,417
Creditor's banknote- export foreign currencies	352,207	1,220,155
Creditors	304,702	235,013
Other credit balances	5,150,478	3,599,641
Total	15,250,833	14,331,385

30. Other Provisions

	31/12/2025	31/12/2024
Balance at the beginning of the year	2,144,936	1,796,914
Foreign currency exchange	(39,347)	248,279
Provision charged to income statement during the year	711,838	523,450
Reversed to income statement during the year	(347,339)	(379,998)
Utilized during the year	(62,608)	(43,746)
Proceed during the year	--	37
Balance at the end of the year	2,407,480	2,144,936

Other provisions details:	31/12/2025	31/12/2024
Provision for operation risks	40,394	3,838
Provision for legal claims	243,754	256,077
Provision for other claims	932,057	622,102
Provision for tax	302,131	208,126
Expected credit losses Provision for contingent liabilities & commitments for corporate loans	576,639	478,173
Commitment on unused Corporate Loans	229,686	508,126
Expected credit losses Provision for contingent liabilities & commitments for SMEs loans	28,209	13,865
Commitment on unused Corporate Loans - SMEs	36,190	21,051
Expected credit losses Provision for contingent liabilities-Due from Banks	18,420	33,578
Total	2,407,480	2,144,936

31. Deferred income tax

Deferred income tax was fully recognized on the temporary difference according to the obligation method using tax rate 22.5%.

Clearing is made between deferred assets and liabilities if the bank has legal rights to make clearing between deferred tax assets and liabilities if they both have to be settled with the same tax administration.

Deferred tax assets (liabilities)

Deferred tax assets and liabilities resulting from temporary differences attributable to the following:

	Deferred tax assets 31/12/2025	Deferred tax li- abilities 31/12/2025
Fixed assets and other items	--	(391,151)
Provisions (other than Expected Credit loss provision)	830,305	--
Foreign currency exchange for Investment in Fair value through OCI	--	(121,675)
Undistributed profits from associated companies	18,546	--
Total deferred tax assets (liabilities)	848,851	(512,826)
Net deferred tax assets (liabilities)	336,025	--

Movement during the year

Item	31/12/2025 Deferred tax assets	31/12/2024 Deferred tax assets	31/12/2025 Deferred tax li- abilities	31/12/2024 Deferred tax li- abilities
Deferred tax liabilities				
Beginning balance of the year	1,109,069	721,011	(279,549)	(138,710)
Additions	-	295,976	(264,910)	(128,136)
Disposals	(260,218)	--	31,633	--
Foreign currency exchange	-	92,082	--	(12,703)
End of the year balance	848,851	1,109,069	(512,826)	(279,549)

Unrecognized deferred tax assets

	31/12/2025	31/12/2024
Unrecognized deferred tax assets for the following items:		
Expected Credit Loss provision for loans other than 80%	3,483,952	3,162,272
Other provisions and other items	1,501,341	1,728,508
Total	4,985,293	4,890,780

Net change in the fair value of deferred tax assets (liabilities) directly included in equity as of December 31, 2025, amounting to (121,675) thousand EGP.

32. Retirement benefit liabilities

	31/12/2025	31/12/2024
Liabilities included in the financial position		
Medical benefits after retirement	2,118,674	1,780,898
Recognized in income statement		
Medical benefits after retirement	833,700	500,421
Amount recognized in financial position represented in		
Present value of unfinanced liabilities	3,735,864	2,256,620
Unrecognized actuarial losses	(1,617,190)	(475,722)
Balance included in financial position	2,118,674	1,780,898
Liabilities movement during the year		
Beginning balance of the year	1,780,898	1,621,321
Current service cost	28,761	21,212
Interest cost	742,720	466,084
Recognized actuarial losses	62,219	13,125
Paid benefits	(495,924)	(340,844)
Ending balance of the year in financial position	2,118,674	1,780,898
Amount recognized in income statement represented in		
Current service cost	28,761	21,212
Interest cost	742,720	466,084
Recognized auctorial losses	62,219	13,125
Ending balance included in the cost of employees (Note 10)	833,700	500,421

33. Issued and paid up capital

Banque Du Caire – Egypt

A. Issued and paid up Capital

The Bank’s authorized capital amounted to EGP 50 billion. The issued and paid up capital amounted to

EGP 20.5 billion divided into 10.250 billion shares with a par value of EGP 2 per each.

B. Amounts Paid on Account of Capital Increase:

On 6 November 2025, the Ordinary General Assembly of Banque du Caire was convened and approved the following:

- An increasing the bank’s issued and paid-up capital by EGP 10 billion, distributed over 5 billion shares with a par value of EGP 2 per share.
- bringing the issued and paid-up capital after the increase to EGP 30.5 billion divided into 15.250 billion shares instead of EGP 20.5 billion and the legal procedures are being completed and registration in the commercial register is underway.

On 30 December 2025, the Extraordinary General Assembly of Banque du Caire was convened and approved the following:

- An amendment to Article (6) of the Bank’s Articles of Association, with the relevant legal procedures currently underway.

Cairo bank Uganda limited

The Bank’s authorized capital amounted to Ushs 206,444,601 thousand the issued capital and it has been fully subscribed divided into 41,288 shares with a par value of Ushs 5 million per each share which has been fully subscribed.

Cairo Lending Company-Egypt *

The authorized capital amounted to EGP 750 million, the issued capital amounted to EGP 500 million divided into 500 thousand shares with a par value of EGP 1000 per each fully paid.

** The name has been amended according to the commercial register on 07 August 2025, from Cairo Leasing Company to Cairo Lending Company,*

*** On 11 January 2026, the board of directors of Banque Du Caire approved increasing the capital of Cairo Lending Company from EGP 500 Mn to 750 Mn*

Taly for the digital payments Company-Egypt

The authorized capital amounted to EGP 850 million the issued and paid-up capital amounted to EGP 850 million fully paid.

**On 11 January 2026, the board of directors of Banque Du Caire approved increasing the capital of Taly for digital Payments company from EGP 850 Mn to 1,170 Mn.*

Cairo exchange Company-Egypt

The authorized capital amounted to EGP 250 million the issued and paid-up capital amounted to EGP 200 million fully paid.

34. Reserves and net profits for the year and retained earnings

Reserves	31/12/2025	31/12/2024
General reserve	187,291	187,291
General Banking Risk Reserve*	1,791,553	1,697,635
Legal reserve	2,342,383	1,720,450
Fair value reserve – financial investments at fair value through other comprehensive income	1,665,132	90,408
Expected credit loss for debt instrument at fair value through other comprehensive income	565,235	618,330
Capital reserve	438,930	362,505
Regular reserve	414,053	438,930
Foreign currencies translation Reserve	1,708,027	1,451,410
General risk reserve**	68,481	68,481
Total reserves	9,181,085	6,635,440

** General Banking Risk Reserve at 31 December 2025 consists of EGP 3,339 thousand, represented of reserve formed for Assets reverted to the bank in settlement of debts and hadn’t been sold for 5 years, as well as the amount of EGP 1,601,670 thousand, which represents the credit gap on 31 December 2024, and the credit gap is in 31 December 2025 amounted to EGP 413,356 thousand, which represent the difference between provisions of expected credit loss for loans and contingent liabilities and to obligors risk rating provisions as per Central Bank of Egypt instructions. therefore the amount of EGP 1,188,314 thousand must be transferred to the retained earnings account through the approval of 2025 profit distribution project.*

***Formed according to the Central Bank’s instructions issued in 26 February 2019*

Reserves Movements as follows:

a) General banking risk reserves

	31/12/2025	31/12/2024
Beginning balance for the year	1,697,635	1,459,623
Transferred from retained earnings	94,219	238,927
(Release) reserve of assets reverted to the bank	(301)	(915)
Ending balance for the year	1,791,553	1,697,635

b) Legal reserves

	31/12/2025	31/12/2024
Beginning balance for the year	1,720,450	1,386,083
Transferred from the previous year's profit	621,933	334,367
Ending balance for the year	2,342,383	1,720,450

In accordance with the Bank's Articles of Association and Law No. 159 of 1981, 5% of the net profit for the year is reserved for the statutory reserve until the balance reaches 50% of the capital, which is a non-distributable reserve.

c) Fair value reserve – financial investment through other comprehensive income:

	31/12/2025	31/12/2024
Beginning balance for the year	90,408	(719,207)
Net change in fair value for financial investments (after tax)	1,574,724	809,615
Ending balance at the end of the year	1,665,132	90,408

d) Expected credit loss – Debt instrument at fair value through other comprehensive income:

	31/12/2025	31/12/2024
Beginning balance for the year	618,330	427,363
(Reverse) of Expected credit losses for the year	(2,746)	(70,216)
Foreign currency exchange	(50,349)	261,183
Ending balance of the year	565,235	618,330

Net profits for the year and Retained earnings

	31/12/2025	31/12/2024
Beginning balance of the year	17,356,021	7,058,084
Net profit for the year	16,066,142	12,297,552
Transferred from fair value reserve for equity instrument	2,921,920	4,317
Dividends paid	(12,539,736)	(1,311,349)
Transferred to general banking risk reserve	(93,918)	(238,012)
Transferred to legal reserve	(621,933)	(334,367)
Transferred to capital reserve	(51,548)	(56,067)
Banking Sector Development Fund	(121,927)	(64,137)
Ending balance of the year	22,915,021	17,356,021

35. Non-controlling interest

Non-controlling interest mainly represented as follows:

	Cairo Lending	Cairo bank Uganda	Taly for the digital payments Company-Egypt	Cairo exchange Company-Egypt
Corporate	2%	-	-	0.01%
Retail	0.0005%	0.01%	0.01%	-
Total	2.0005%	0.01%	0.01%	0.01%

The movement on the NCI as following:

	31/12/2025	31/12/2024
Beginning balance of the year	13,019	10,129
Increase in Capital for (Cairo lending company)	--	2,000
Net profits for the year	3,502	2,456
Dividends	(1,203)	(1,566)
Ending balance of the year	15,318	13,019

36. Dividends

Dividend are not recorded nor deducted from retained earnings as a financial liability until it is approved by the shareholder's general assembly at the end of the financial year proposed dividend to the shareholders and also employee's shares and board of director's bonus will be presented to the general assembly, which will be held to approve end of financial year after which it will be deducted from shareholder's equity under retained earnings for the year through dividends.

37. Cash and cash equivalent

For the presentation of the cash flow statement, cash and cash equivalents include the following balance with maturities of no more than three months from the acquisition date

	31/12/2025	31/12/2024
Cash and due from the Central Bank	13,229,292	11,833,356
Due from banks	93,431,600	141,708,711
Treasury bills and other governmental notes	23,593,069	24,163,274
Total	130,253,961	177,705,341

38. Contingent Liabilities and Commitments

A. Legal Claims:

There are a number of lawsuits filed by our bank against defaulters to obtain all the rights of our bank. There are a number of existing legal cases filed against the bank as of 31/12/2025 where no provision was allocated for this purpose as it is not expected losses will be incurred.

B. Capital commitments

The bank capital commitments amounted to EGP 1,539,138 thousand which are represented in purchases of fixed assets and intangible assets the management have enough confidence of making enough profits and availability of finance to cover those commitments.

Also, the commitments related to financial were not yet required to pay until period end including an amount of EGP 568,759 thousand related to investments at fair value through OCI and investments in subsidiaries and associated companies.

C. Commitments related to loans, guarantees, and facilities

	31/12/2025	31/12/2024
Accepted Documentation	2,637,793	2,038,643
Loans commitments	17,537,440	17,475,187
Letters of credit	6,305,385	5,143,092
Letters of guarantee	42,732,039	47,224,099
Total	69,212,657	71,881,021

39. Related party transactions

A. Main Shareholder and associated companies

As the following our transaction with banque Misr (main Shareholder related party):

	31/12/2025	31/12/2024
Due from banks		
Current accounts	404	6,075
Deposits	16,000,000	12,000,000
Other assets		
Other	22,613	22,398
Accrued revenues	28,050	27,250
Other loans		
Present value of Banque Misr subordinated deposit	--	2,283,490
Owners' equity		
Difference between the face value and present value for subordinated deposit	--	716,510

Our transaction with Herasat for Security Services (Investments in associates):

	31/12/2025	31/12/2024
Customers' deposits		
Current accounts	2,784	11,277
Loans and advances to customers		
Corporate loans (over draft accounts)	9,398	3,198
Other liabilities		
Accrued expenses	7,300	4,200

Our transaction with Egyserv (Investments in associates):

	31/12/2025	31/12/2024
Customers' deposits		
Current accounts	372	3,926
Other liabilities		
Accrued expenses	23,500	29,000

Our transaction with Nile co. (Investments in associates):

	31/12/2025	31/12/2024
Customers' deposits		
Current accounts	42	73

B. Directors and other key management personal (and close family members)

	31/12/2025	31/12/2024
Loans and advances to customers	1,500	1,500

In accordance with the Central Bank of Egypt's instructions issued on 23 August 2011 regarding bank governance, the monthly average of salaries and bonuses received collectively by the twenty highest-paid employees of the Bank amounted to EGP 11,190,863 during the financial year ended 31 December 2025.

40. Banque Du Caire Mutual funds

A. Banque Du Caire first fund (with accumulated return)

The fund is one of investment activities licensed for the Bank under Capital Market Law No. 95 for the year 1992 and its executive regulations; the fund is managed by Hermes Funds Management Company.

This fund consists of 20 million Certificates amounted to EGP 200 million with face value of EGP 100 each according to the approval from the Capital Market Authority (CMA) on 30 October 1997.

According to Banque du caire first fund's holder meeting dated 13 March 2007 and the approval of the Capital Market Authority the face value was amended to EGP 10 instead of EGP 100 each, the amendments have been effective from June 2007.

The number of outstanding certificates as of 31 December 2025 was 4,374,182 certificate with a redeemable value of EGP 398.10 each. 500,000 Certificates were allocated to the Bank in the initial offering until 31 December 2025 with total amount of EGP 202,075,000 which should be held by the Bank till the end of the Fund's year as required by laws, it appears as investments in unlisted equity instruments within financial investments at fair value through other comprehensive income on the same date

According to the fund's management contract and its prospectus, the Bank receives fees and commissions in return for its supervision of the fund and other administrative services rendered thereby. Total fees and commissions are amounted to EGP 6,883,859 for the period ended 31 December 2025 (31 December 2024 EGP 13,755,848) which is presented under the item of "other fees and commissions income" in the income statement

B. Banque Du Caire second fund (Money Market Fund) - daily

Banque Du Caire S.A.E. established the second accumulated daily return fund in Egyptian pound as one of its licensed banking activities under license No. 526 issued by the Egyptian Financial Supervisory Authority on 18 June 2009 according to the capital market regulations law No. 95 for 1992 and its executive regulations. The Fund is managed by Belton for funds Management Company.

The number of certificates in the initial offering amounted to 10 million certificates with a face value of EGP 10 per certificate, the documents in the portfolio of other comprehensive income according to what was allocated during the year from the initial launch of the fund until 31 December 2025 numbered 500,000 documents with a book value of EGP 32,866,315

The number of outstanding certificates as of 31 December 2025 was 96,888,341 certificate with a redeemable value of EGP 65.7 each.

According to the fund's management contract and its prospectus, the Bank receives fees and commissions in return for its supervision of the fund and other administrative services rendered thereby. Total fees and commissions are amounted to EGP 29,920,909 for the period ended 31 December 2025 (31 December 2024: EGP 21,750,960) which is presented under the item of "other fees and commissions income" in the income statement.

C. Principal Bank for Development & Agricultural Credit and Banque du Caire Fund According to Islamic Sharia (Al Wefak)

The Fund is one of the investments activity licensed for the bank under Capital Market Law (CMA) No. 95 for the year 1992 and its executive regulations, HC Securities manage the Fund Which was replaced by CI Assets Management as of

1/4/2021 The number of certificates was 5 million certificate amounted to EGP 50 million with face value EGP 10 each according to the approval No. 625 dated 6 January 2011 from the Capital Market Authority (CMA), the fund's year is 25 years from the date of the license.

The number of outstanding certificates as of 31 December 2025 was 2,125,200 certificate with a redeemable value of EGP 41.43 each. 250,000 Certificates were allocated to the Bank in the initial offering until 31 December 2025 with total amount of EGP 10,577,370 which should be held by the Bank till the end of the Fund's year as required by law, it appears as investments in unlisted equity instruments within financial investments at fair value through other comprehensive income on the same date

According to the fund's management contract and its prospectus, the Bank receives fees and commissions in return for its supervision of the fund and other administrative service rendered

thereby. Total fees and commissions are amounted to EGP 132,644 for the period ended 31 December 2025 (31 December 2025 : EGP 84,016) which is presented under the item of "other fees and commissions income" in the income statement.

D. Banque Du Caire Fund for debt instruments (Fixed)

On 8 May 2012 Banque Du Caire's Board of Directors approved to establish Banque Du Caire Fixed Income Fund, and the approval of Central Bank of Egypt was on 15 August 2012, it was decided that subscription offering year is two month starting from 4 December 2012. The fund is managed by CI Asset Management Company.

The fund consists of 1 million certificates amounted to EGP 100 million with a face value of EGP 100 per certificate each.

The number of outstanding certificates as of 31 December 2025 was 85,082 certificates with a redeemable value of EGP 450.52 each. 50,000 Certificates were allocated to the Bank in the initial offering until 31 December 2025 with total amount of EGP 22,910,000 which should be held by the Bank till the end of the Fund's year as required by law, it appears as investments in unlisted equity instruments within financial investments at fair value through other comprehensive income on the same date

According to the fund's management contract and its prospectus, the Bank receives fees and commissions in return for its supervision of the fund and other administrative service rendered thereby. Total fees and commissions are amounted to EGP 234,202 for the year ended 31 December 2025 (31 December 2024: EGP 186,825) which is presented under the item of "other fees and commissions income" in the income statement.

41. Tax Position

41.1. Income Tax

Years from beginning of the activity till 31/12/2016

The inspection and final settlement for those years have been done, with the exception of years 1991/1992 where the tax due to the bank were paid by paying the tax differences for years 1991/1992 according to the judgement number 49 for the year 2008 by amount of EGP 77 million and the bank paid this amount and recorded it on debit account waiting the results of the raised lawsuit and the case is still pending before the administrative judiciary court.

Years from 01 January 2017 till 31 December 2019:

The inspection of this period has been prepared, and there is a disagreement Infront of the internal committee.

Years from 2020 till 2024

The tax returns have been submitted in the legal deadlines and the solidarity contribution and tax due for these years were paid.

41.2. Stamp Duty

Periods from beginning of the activity till 31 December 2020

The head office and branches were examined, and the examination resulted in tax claims, some of which have been settled, while other claims remain under dispute and are currently pending before the administrative judiciary court, with no final rulings issued yet, in respect of branch claims prior to 01 August 2006.

As for the other financial periods, the settlement of those years has been finalized, except for one disputed item related to the year 2020. Regarding the period from 01 January 2010 to 31 December 2013, all items are pending before the administrative judiciary court and have not yet been adjudicated, and provisions for taxes have been made to cover the value of the dispute.

Period from 01 January 2021 till 31 December 2022:

The examination is in progress.

Period from 01 January 2023 till 31 December 2025:

The tax due for this period was paid on a regular basis and within the legally prescribed deadlines.

41.3. Salary Tax

Periods from beginning of the activity till 31 December 2022

The inspection and payment have been done.

Periods from 01 January 2023 till 31 December 2025

The bank pays the tax monthly and submits the annual and quarterly tax returns on the legal deadlines.

41.4. Sales Tax & VAT

First: Sales tax for periods from 2002 till 07 June 2016 (date of issuance of Law 67 of 2016)

The years have been inspected by tax authority and the bank paid the due tax, and challenged the incoming claims in the legal deadlines and the dispute is still pending before the administrative judiciary court till to date.

Second: VAT for Periods from 08 June 2016 till 31 December 2025

An Administrative Court ruling was issued stating that our Bank is not subject to registration under the Value Added Tax (VAT) system. The ruling was enforced in favor of our Bank.

The Egyptian Tax Authority appealed the ruling; however, the Supreme Administrative Court upheld the judgment. The Egyptian Tax Authority was duly notified with the enforceable formula, and an official letter was subsequently issued confirming the cancellation of our Bank's VAT registration and its registration solely for reverse charge purposes.

41.5. Real estate tax

Our bank pays the real estate tax on the legal dates with the exception of some units whose tax value is overvalued and part of the claim is paid with the submission of challenged and a provision is made of the difference, due to the different methods of calculating the tax between our bank and the Tax Authority, since 01 July 2013 till 31 December 2025 also the real estate Tax Authority also sends claims for ATM machines, which are paid with an appeal against them, due to the Authority's lack of entitlement to claim them as it is considered a movable asset.

42. Translation

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

The original Arabic statements are the official financial statements.

Auditors' Report

Translation
Originally issued in Arabic

KPMG Hazem Hassan
Public Accountants & Consultants

Accountability State Authority
Central Department of Banks Financial Control

AUDITORS' REPORT

To the shareholders of Banque Du Caire (S.A.E)

Report on the Separate Financial Statements

We have audited the accompanying separate financial statements of Banque Du Caire (S.A.E) which comprise the separate financial position as of December 31, 2025, and the related separate statements of income, comprehensive income, cash flows and changes in Shareholders' equity for the financial year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Separate Financial Statements

These separate financial statements are the responsibility of Bank's management. Management is responsible for the preparation and fair presentation of these separate financial statements in accordance with the rules of preparation and presentation of the banks' financial statements, basis of recognition and measurement issued by Central Bank of Egypt on December 16, 2008 as amended by the regulations issued on February 26, 2019 and in light of the prevailing Egyptian laws and regulations, management responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the separate 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.

Auditors' 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 plan and perform the audit to obtain reasonable assurance whether the separate financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material 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 the 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.

Translation
Originally issued in Arabic

Opinion

In our opinion, the separate financial statements referred to above present fairly, in all material respects, the separate financial position of Banque Du Caire (S.A.E) as of December 31, 2025 and of its separate financial performance and its separate cash flows for the year then ended, in accordance with the rules of preparation and presentation of the banks' financial statements, basis of recognition and measurement issued by Central Bank of Egypt on December 16, 2008 as amended by the regulations issued on February 26, 2019 and in light of the prevailing Egyptian laws and regulations related to the preparation of these separate financial statements.

Report on Legal and Other Regulatory Requirements

The Bank maintains proper books of accounts, which include all that is required by law and by the statutes of the Bank, the 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 and its executive regulations and their amendments, are in agreement with the Bank's accounting records within the limit that such information is recorded therein.

KPMG Hazem Hassan
Public Accountants and Consultants
(18) **Fares Amer Emam Amer**

Financial Regulator Authority No. 230

KPMG Hazem Hassan
Public accountants & Consultants

Auditors

Lobna Abdel Aziz Abdel Ghaffar
Lobna Abdel Aziz Abdel Ghaffar
Accountability State Authority

Cairo on: February 11th, 2026

Separate Statement of Financial Position

As at 31 December 2025

(All amounts are shown in thousands Egyptian Pounds)

	Note No.	31 December 2025	31 December 2024
Assets			
Cash and balances at Central Bank	(15)	34,492,394	28,575,056
Due from banks	(16)	92,858,426	141,212,795
Loans and advances to banks	(17)	18,692,588	16,374,143
Loans and advances to customers	(18)	221,850,702	195,139,026
Financial investments			
At fair value through other comprehensive income	(19)	104,695,385	66,546,674
At amortized cost	(19)	37,549,336	16,677,966
Investments in subsidiaries and associates	(20)	3,868,372	3,324,990
Intangible assets	(21)	441,991	198,010
Other assets	(22)	13,639,816	11,669,409
Deferred tax assets	(29)	830,305	829,922
Property and equipment	(23)	3,642,984	2,551,026
Total assets		532,562,299	483,099,017
Liabilities and Equity			
Liabilities			
Due to banks	(24)	2,912,210	8,215,951
Customers' deposits	(25)	401,359,713	352,272,142
Other loans	(26)	43,452,985	57,857,599
Other liabilities	(27)	14,838,627	13,852,260
Other provisions	(28)	2,228,165	1,983,035
Current income tax payable		4,096,570	2,613,988
Deferred tax liabilities	(29)	508,840	245,338
Retirement benefit liabilities	(30)	2,118,674	1,780,898
Total liabilities		471,515,784	438,821,211
Equity			
Issued and paid-up capital	(31)	20,500,000	19,000,000
Amounts paid under capital increase	(31)	10,000,000	1,500,000
Reserves	(32)	7,210,046	4,876,721
Difference between present value and face value for subordinated deposit		--	1,179,701
Net profit for the year and retained earnings	(32)	23,336,469	17,721,384
Total equity		61,046,515	44,277,806
Total liabilities and equity		532,562,299	483,099,017

- The accompanying notes from (1) to (39) are an integral part of these separate financial statements and are to be read therewith.
- Auditors' report (attached).

Chief Financial Officer
Mohamed Ibrahim

CEO & Managing Director
Hussein Abaza

Separate Income Statement

For the year ended 31 December 2025

(All amounts are shown in thousands Egyptian Pounds)

	Note No.	31 December 2025	31 December 2024
Interest and similar income	(6)	79,852,131	68,703,788
Interest and similar expense	(6)	(45,709,355)	(40,590,514)
Net interest income		34,142,776	28,113,274
Fee and commission income	(7)	7,068,104	6,310,457
Fee and commission expense	(7)	(745,294)	(564,050)
Net fee and commission income		6,322,810	5,746,407
Net interest, fee and commission income		40,465,586	33,859,681
Dividend income	(8)	717,673	658,015
Net Trading Income	(9)	70,863	43,763
Gains (Losses) from financial investments	(20)	243,465	138,064
(Charged) reversed of expected credit losses	(12)	(5,599,230)	(3,667,653)
Administrative expenses	(10)	(13,770,094)	(10,971,856)
Other operating revenues (expenses)	(11)	916,393	(2,130,295)
Profit before income tax for the year		23,044,656	17,929,719
Income tax expense	(13)	(6,911,853)	(5,560,030)
Net profit for the year		16,132,803	12,369,689
The basic earnings per share from net profit for the year	(14)	1.28	1.17

- The accompanying notes from (1) to (39) are an integral part of these separate financial statements and are to be read therewith.

Chief Financial Officer
Mohamed Ibrahim

CEO & Managing Director
Hussein Abaza

Separate Statement of Comprehensive Income

For the year ended 31 December 2025

(All amounts are shown in thousands Egyptian Pounds)

		31 December 2025	31 December 2024
Net profit for the year after income tax	(1)	16,132,803	12,369,689
Amount transferred to retained earnings (net of tax)	(2)	2,921,919	4,340
Items not reclassified to profit and loss			
Net change-movement in fair value reserve for equity instruments at fair value through other comprehensive income		144,455	45,761
Items reclassified to profit and loss			
Net change in fair value reserve for debts instruments at fair value through other comprehensive income		1,444,144	730,711
Total other comprehensive income items for the year, net of tax	(3)	1,588,599	776,472
Total comprehensive income for the year, net of tax	(1+2+3)	20,643,321	13,150,501

- The accompanying notes from (1) to (39) are an integral part of these separate financial statements and are to be read therewith.

Separate Statement of Cash Flows

For the year ended 31 December 2025

(All amounts are shown in thousands Egyptian Pounds)

	Note No.	31 December 2025	31 December 2024
Cash flows from operating activities			
Profit before income tax for the year		23,044,656	17,929,719
Adjustments to reconcile net profit to cash flows from operating activities			
Depreciation		694,823	504,434
Amortization	(21)	192,582	177,152
Expected credit losses charged	(12)	5,599,230	3,667,653
Other provisions charged	(28)	688,821	465,199
Impairment for other assets formed	(22)	23,960	17,147
Other provisions no longer required	(11)	(351,907)	(380,257)
Gains from the sale of property and equipment	(11)	(80,415)	(51,549)
Gains from the sale of assets revert to the bank	(11)	(1,779)	(2,743)
Foreign currency translation of other provisions	(28)	(38,867)	244,269
Utilized provisions other than loans provision	(28)	(57,485)	(43,060)
Proceeds from other provisions other than loans provisions	(28)	--	37
(Reverse) impairment for associates' companies	(19)	(25,186)	28,884
Dividend income	(8)	(717,673)	(658,015)
Foreign currency translation of sovereign debt instruments	(32)	(50,349)	261,183
(Reverse) gain from selling of debt instruments at fair value through OCI	(19)	(128,278)	(108,172)
(Reverse) foreign currency translation of financial investments of a monetary nature and other loans		(599,372)	11,323,443
Amortization of premium/discount of issuing financial investments	(19)	(317,867)	337,840
Operating profit before changes in assets and liabilities provided from operating activities		27,874,894	33,713,164
Net (Increase) Decrease in assets			
Due from banks		(4,471,037)	16,428,331
Loans and advances to banks		(2,313,334)	(10,510,918)
Loans and advances to customers		(32,325,333)	(36,767,915)
Other assets		(1,987,861)	(2,340,000)
Net Increase (Decrease) in liabilities			
Due to banks	(24)	(5,303,741)	1,398,996
Customers' deposits	(25)	49,087,571	50,206,042
Other liabilities		1,391,699	(2,240,645)
Retirement benefit liabilities	(30)	337,776	159,577
Income tax paid		(5,650,653)	(3,555,053)
Net cash flows provided from operating activities (after)		26,639,981	46,491,579

Separate Statement of Cash Flows

For the year ended 31 December 2025

(All amounts are shown in thousands Egyptian Pounds)

	Note No.	31 December 2025	31 December 2024
Net cash flows provided from operating activities (Before)		26,639,981	46,491,579
Cash flows from investing activities			
Payments to purchase property and equipment and preparation of branches	(23)	(1,800,352)	(1,342,266)
Proceeds from the sale of property and equipment		83,871	54,053
Proceeds from the sale of assets revert to the bank		1,847	2,965
Proceeds from the sale of financial investments at fair value through OCI		765,630,918	218,023,961
Payments for purchases of financial investments at fair value through OCI		(801,073,959)	(213,765,213)
Proceeds from the redemption of financial investments at amortized cost	(19)	7,599,194	28,234,441
Payments for purchases of financial investments at amortized cost	(19)	(28,400,000)	(4,497,456)
Payments for investments in subsidiaries and associates		(518,196)	(810,588)
Payments to purchase intangible assets	(21)	(436,609)	(193,206)
Dividends received		717,299	657,599
Net cash flows (used in) provided from investing activities		(58,195,987)	26,364,290
Cash flows from financing activities			
Proceeds from other loans		1,365,928	7,401,635
Payments for other loans		(14,730,090)	(12,834,054)
Dividends paid		(12,519,330)	(1,298,050)
Amounts paid under capital increase		10,000,000	--
Net cash flows (used in) financing activities		(15,883,492)	(6,730,469)
Net (decrease) increase in cash and cash equivalent during the year		(47,439,498)	66,125,400
Beginning balance of cash and cash equivalent		176,891,503	110,766,103
Cash and cash equivalent at the end of the year		129,452,005	176,891,503
Cash and cash equivalent are represented in the following:			
Cash and balances at the Central Bank		34,492,394	28,575,056
Due from banks		92,876,658	141,239,629
Treasury bills and other governmental notes		66,704,405	40,707,447
Balances at the central bank within the mandatory reserve ratio		(21,510,116)	(17,045,649)
Treasury bills and other governmental notes with maturity more than 3 months		(43,111,336)	(16,584,980)
Total cash and cash equivalent	(34)	129,452,005	176,891,503

- The accompanying notes from (1) to (39) are an integral part of these separate financial statements and are to be read therewith.

Separate Statement of Changes in Equity

For the year ended 31 December 2025

(All amounts are shown in thousands Egyptian Pounds)

	Note No.	Issued and paid-up capital	Amounts paid under capital increase	Reserves	Difference between the present value and Face value for subordinated deposit	Net profit for the year and retained earnings	Total
Balance as at 31 December 2023		10,000,000	10,500,000	3,333,150	1,646,308	7,285,674	32,765,132
Dividends distributions		--	--	--	--	(1,362,187)	(1,362,187)
Amounts paid under capital increase		9,000,000	(9,000,000)	--	--	--	--
Transferred to legal reserve		--	--	330,245	--	(330,245)	--
Transferred to general banking risk reserve		--	--	189,819	--	(189,819)	--
Transferred to capital reserve		--	--	56,068	--	(56,068)	--
Expected Credit Loss on debt instruments at FVTOCI		--	--	190,967	--	--	190,967
Difference between the present value and face value for subordinated time deposit		--	--	--	(466,607)	--	(466,607)
Net Change in other comprehensive income		--	--	776,472	--	4,340	780,812
Net profit for the year ended 31 December 2024		--	--	--	--	12,369,689	12,369,689
Balance as at 31 December 2024		19,000,000	1,500,000	4,876,721	1,179,701	17,721,384	44,277,806
Dividends distributions		--	--	--	--	(12,641,816)	(12,641,816)
Transferred to capital		1,500,000	(1,500,000)	--	--	--	--
Amounts paid under capital increase		--	10,000,000	--	--	--	10,000,000
Transferred to legal reserve		--	--	615,907	--	(615,907)	--
Transferred to general banking risk reserve		--	--	130,366	--	(130,366)	--
Transferred to capital reserve		--	--	51,548	--	(51,548)	--
Expected Credit Loss on debt instruments at FVTOCI		--	--	(53,095)	--	--	(53,095)
Difference between the present value and face value for subordinated time deposit		--	--	--	(1,179,701)	--	(1,179,701)
Net Change in other comprehensive income		--	--	1,588,599	--	2,921,919	4,510,518
Net profit for the year ended 31 December 2025		--	--	--	--	16,132,803	16,132,803
Balance as at 31 December 2025	(31,32)	20,500,000	10,000,000	7,210,046	--	23,336,469	61,046,515

- The accompanying notes from (1) to (39) are an integral part of these separate financial statements and are to be read therewith.

Notes to the Separate financial statements

For the year ended 31 December 2025

(All amounts stated in the notes are in thousands of Egyptian pounds unless otherwise stated)

1. General Information

Banque Du Caire S.A.E. was established as a commercial bank on 17 May 1952 under the provisions of the National Commercial Law for 1883 that was later replaced by the Commercial Law No. 17 for 1999 on 17 May 1999.

The address of its registered head office is as follows: 6 Dr. Moustafa Abo Zahra Street, Nasr City, behind Accountability State Authority, Cairo, Egypt.

Banque Du Caire offers its banking services that related to its activity in Egypt through 249 branches, offices, units and agencies. The Bank employs 8,318 employees at the financial statements preparation date for the year ended 31 December 2025.

On May 2007, Banque Misr acquired all shares of Banque Du Caire, and its ownership has transferred to Banque Misr on Egyptian Stock Exchange.

On May 2009 the Minister of Finance approved on selling 5 shares stock to Misr for Investment and Misr Abu Dhabi for Real Estates. As a result, the bank became subject to Egyptian Companies Law No. 159 of 1981 and its Executive Regulations.

On March 28, 2010, the amendment of the Bank’s Articles of Association was approved for Law 159 of 1981 in the Office of Investment Documentation under the Registration Document No. 176 of 2010 and its impact by the commercial registration on 30 March 2010.

On May 2010, Banque Misr established Misr Financial Investment Company with 99.999% of its contribution share capital to act as its investment arm.

On June 2010, Banque Misr transferred some of long-term investments (including Banque Du Caire) to Misr Financial Investment Company.

On 19 December 2010, Banque Du Caire’s Extraordinary General Assembly approved transferring Banque Du Caire’s ownership to Misr for financial investments Company, the amendment of bank articles of association by that.

On 27 June 2010 Extraordinary General Assembly approved on amend article of association (article 42) amending the financial year to start on 1st of January and end on 31 December instead of 1st of July and end at the end of June of the following year.

On 15 December 2016 Extraordinary General Assembly approved amendment on article of association (article 6) which increase bank’s capital by the value of retained earnings amounting by EGP 650 million, and determine the bank’s authorized capital by EGP 10 billion, and determine the bank’s issued capital by EGP 2,250 billion divided into 562,500 thousand shares with a par value of EGP 4 each and the bank’s shareholders structure became as follows:

Misr Financial Investment company	562,499,985 shares
Banque Misr	8 shares
Misr Abu Dhabi for Real Estate company	7 shares

On 29 December 2016 article 6 capital increase has been amended in the commercial register and at investment prospectus latest publication number 43396 issued on 30 January 2017 amending article7.

On 15 July 2018, Extraordinary General Assembly approved to amend article 6 to add Banque Misr instead of Misr Investment Company.

On 19 December 2019, the Extraordinary General Assembly of “Misr Financial Investments SAE” approved by the Financial Regulation Authority on 11 Feb 2020 by noting in the Commercial Register on February 20, 2020 that the company name has been changed to “Misr Capital SAE.” without any change in other data.

On 22 September 2019, Central Bank of Egypt approved amendment on article of association (article 6) which related to increase of Issued Capital and Shareholders Structure.

- On 22 September 2019, Extraordinary General Assembly approved on Capital Increase by 3 billion EGP to increase from EGP 2,250 billion to EGP 5,250 billion, all of the increase related to Banque Misr and article 6 in the commercial register has been amended as follows: -

The authorized Capital amounted to EGP 10 billion, and the issued Capital amounted to EGP 5,250 billion distributed to 1,312,500 thousand shares with Face Value EGP 4 per each and Bank’s shareholders structure as follows:

Banque Misr	750,000,008 shares
Misr Capital company	562,499,985 shares
Misr Abu Dhabi for Real Estate company	7 shares

- Capital increase has been amended in the commercial register at 02 February 2020.
- On 04 October 2020 article 6 of the bank’s statute has been amended in investment prospectus as follows: -

The bank’s authorized capital determined by EGP 10 billion, and determine the bank’s issued capital by EGP 5,250 billion divided into 2,625,000 thousand shares with a par value of EGP 2 each and the bank’s shareholders structure became as follows: -

Banque Misr	1,500,000,016 shares
Misr Capital company	1,124,999,970 shares
Misr Abu Dhabi for Real Estate company	14 shares

- On 28 April 2022 Banque Misr purchased the shares of Banque du Caire owned by Misr Capital Company, which amounted to 1 124 999 956 shares, so that Banque Misr’s contribution to Banque du Caire became 99.99% instead of 57.14%.
- On 06 November 2022 article 6 of the bank’s statute has been amended in investment prospectus as follows: -

The bank’s authorized capital determined by EGP 20 billion, and determine the bank’s issued capital by EGP 10 billion divided into 5 billion shares with a par value of EGP 2 each.

Capital increase has been recognized in the commercial register at 07 November 2022.

- On 16 April 2024 article 6 of the bank’s statute has been amended in investment prospectus as follows: -

The bank’s authorized capital determined by EGP 50 billion, and determine the bank’s issued capital by EGP 19 billion divided into 9.5 billion shares with a par value of EGP 2 each and the bank’s shareholders structure became as follows: -

Name	No. of shares	Face value by EGP
Banque Misr	9,499,999,972	18,999,999,944
Misr Capital company	14	28
Misr Abu Dhabi for Real Estate company	14	28
Total	9,500,000,000	19,000,000,000

Capital increase has been recognized in the commercial register at 28 March 2024.

- On 12 February 2025 article 6 of the bank’s statute has been amended in investment prospectus as follows: -

The bank’s authorized capital determined by EGP 50 billion, and determine the bank’s issued capital by EGP 20.5 billion divided into 10.250 billion shares with a par value of EGP 2 each and the bank’s shareholders structure became as follows: -

Name	No. of shares	Face value by EGP
Banque Misr	10,249,999,972	20,499,999,944
Misr Capital company	14	28
Misr Abu Dhabi for Real Estate company	14	28
Total	10,250,000,000	20,500,000,000

Capital increase has been recognized in the commercial register at 05 February 2025.

The Board of Directors approved the separate financial statements for the year ended 31 December 2025 on 10 February 2026.

2. Summary of significant accounting policies

Following are the significant accounting policies applied in the preparation of Separate financial statements. These policies have been consistently applied for all years presented unless otherwise stated.

2.1. Basis of preparing separate financial statements

The separate financial statements have been prepared in accordance with the instructions of the Central Bank of Egypt (CBE), approved by the board of directors on 16 December 2008 with the addition of the requirements of IFRS 9 Financial Instruments in accordance with the instructions issued by the Central Bank of Egypt on 28 January 2018 and issued the final instructions for the preparation of the financial statements of banks in accordance with the requirements of International Financial Reporting Standard No. 9 on 26 February 2019,the separate financial statements have been prepared in accordance with provision of relevant local law.

The Bank applied the instructions of the Central Bank of Egypt (CBE) rules IFRS 9 “Financial Instruments” starting from January 01, 2019, the following summarize the main accounting policies changes resulted from applying the required instructions also, the disclosure of significant judgments and estimates related with impairment in value at financial risk management disclosures.

The consolidated financial statements of the Bank and its subsidiaries have been prepared in accordance with the instructions of the Central Bank of Egypt (CBE) rules, the affiliated companies are entirely included in the consolidated financial statements and these companies are the companies that the Bank - directly or indirectly has more than half of the voting rights or has the ability to control the financial and operating policies, regardless of the type of activity.

The investments in subsidiaries and associates are presented in the Bank's separate financial statements and accounted for at cost less impairment losses. The Bank's separate financial statements are read in therewith consolidated financial statements as at and to obtain complete information on the Bank's financial position and the results of its operations, its cash flows and changes in its ownership rights.

The financial statements at December 31, 2018 have been prepared in accordance with the instructions of the Central Bank of Egypt (CBE) rules approved by its Board of Directors on December 16, 2008 and starting from January 01, 2019, the financial statements have been prepared according to Central Bank of Egypt (CBE) instructions dated on February 26, 2019 to prepare financial statements according to IFRS 9 "Financial Instruments".

The accounting policies set out below have been changed by the management to comply with the adoption of these instructions.

2.2. Accountancy for Investments in subsidiaries and associates

Investments in subsidiaries and associates are accounted for using the cost method; which represent the bank direct ownership shares and not based on financial results and not on net assets of the invested in companies And the consolidated financial statements provide a wider understanding for the consolidated financial position, business results and the consolidated cash flows for the bank and its subsidiaries (The Group), in addition to the bank's share in the net assets of its associate companies.

2.2.1. Subsidiary Companies

Subsidiaries are entities (including Special Purpose Entities / SPEs) over which the bank exercises a direct or indirect control over its financial and operating policies to obtain benefits from its activities. The Bank usually has a shareholding of more than half of its voting rights, and with existence and effect of future voting rights that can be exercised or transferred at the present time are taken into consideration when evaluating whether the Bank has the ability to control the Company.

2.2.2. Associate Companies

Associates are entities over which the bank exercises a direct or indirect significant influence without reaching the extent of control. Normally the bank holds ownership equities ranging between 20% and 50% of the voting rights.

Purchase method of accounting has been applied for the bank's acquisition of subsidiaries and associates when initial recognized (on the date of acquisition); the acquisition date is the date on which the acquirer obtains control or significant influence of acquire "subsidiary or associate". According to the purchase method, the investments in subsidiaries and associates are initially recognized at cost (which may be incorporated goodwill). The acquisition cost represents the fair value of the consideration given in addition to the other acquisition related costs.

In business combination achieved in stages, and business combination achieved through more than one transaction, is then dealing with every transaction of such transactions that separately on the basis of the acquisition consideration and fair value information at the date of each transition until the date where the control is achieved.

Investments in subsidiaries and associates are accounted for using the cost method; According to this method, the investments are recognized at an acquisition cost, including any goodwill, and any subsequent impairment losses in the value are deducted from it. The income of the bank from the distribution of profits of the subsidiary and Associate companies is recorded in the income statement when the companies have approved the distribution of these profits and the bank's right to collect them is proven.

2.3. Segment reports

A business segment is a group of assets and operations engaged in providing products or services that are subject to risk and return that are different from those of other business segments.

A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risk and returns different from those related to geographical segments operate in other economic environments.

2.4. Foreign currencies translation

2.4.1. Functional and presentation currency

Bank's financial statements are presented in Egyptian pounds, which is the bank's functional and presentation currency.

2.4.2. Transactions and balances denominated in foreign currencies

- The bank holds its accounts in Egyptian pounds. Transactions in foreign currencies during the financial period are recorded using the prevailing exchange rates at the date transactions. Monetary assets and liabilities in foreign currencies are re-translated at the end of the period using the prevailing exchange rates at that date.
- Foreign exchange gains and losses resulting from settlement of such transactions and as well as the differences resulting from the re-evaluation are recognized in the income statements under the following items:
 - Net trading income for assets / liabilities classified for trading purpose.
 - Other operating revenue (expenses) for the remaining items.
- Changes in the fair value of the financial instruments with monetary nature in foreign currencies, classified as financial investments at fair value through other comprehensive income (debt instruments), are analyzed into evaluation differences resulting from changes in the amortized cost of the instrument, differences resulting from the changes in the prevailing exchange rates and differences resulting from the changes in the instrument's fair value. The evaluation differences resulting from the changes in the amortized cost are recognized in the income statement within "Interest and similar income". The differences relating to changes in exchange rates are recognized in "other operating income (expenses)". Differences resulting from changes in fair value are recognized under "fair value reserve – financial investments at fair value through other comprehensive income" in the shareholders' equity.
- The translation differences resulting from non-monetary items include profits and losses resulting from changes in fair value such as equity instruments held in fair value through profits and losses, while translation differences resulting from equity instruments classified as financial investments at fair value through other comprehensive income are recognized with "fair value reserve- financial investments at fair value through other comprehensive income " under the shareholders' equity.

2.5. Financial Assets and liabilities

2.5.1 Recognition and initial measurement

The Bank recognizes financial assets and liabilities on the date that the Bank becomes a party to the contractual terms of the financial instrument.

The financial asset or liability is initially measured at fair value. Those that are not subsequently measured at fair value through profit or loss are measured at fair value plus transaction cost that is directly attributable to the acquisition or issue.

2.5.2 Classification

A. Financial assets

- On initial recognition, the Bank classifies financial assets into financial assets at amortized cost, financial assets at fair value through other comprehensive income or at fair value through profit or loss.
- The financial asset is measured at amortized cost if both of the following conditions are met and have not been allocated by the management of the Bank upon initial recognition at fair value through profit or loss:
 - The financial asset is retained in a business model whose objective is only to maintain the financial asset for the collection of the contractual cash flows.
 - The contractual terms of the financial asset, on specific dates, result in contractual cash flows of the asset that are only the principal of the financial instrument and the proceeds.
- The debt instrument is measured at fair value through other comprehensive income and was not allocated at initial recognition at fair value through profit or loss if both of the following conditions are met:
 - The financial asset is held in a business model whose objective is to collect contractual cash flows and sell the financial asset.
 - The contractual terms of the financial asset, on specific dates, result in contractual cash flows of the asset that are not only the principal of the debt and the return.
- Other financial assets are classified as investments at fair value through profit or loss.
- In addition, at initial recognition, the Bank may allocate irreversibly a financial asset as measured at fair value through profit or loss, although it meets the criteria for classification as a financial asset at amortized cost or at fair value through other comprehensive income, if doing so would substantially prevent or reduce the inconsistency that may arise in accounting measurement.

Business model assessment

Debt instruments and equity instruments are classified and measured as follows:

Methods of measurement according to business model			
Financial instrument	Amortized cost	Fair value	
		Through other comprehensive income	Through profit and loss
Equity instruments	N/A	One-time option upon first recognition it is irreversible	Regular treatment of equity instruments
Debt instruments	Business model Assets held for collection Contractual cash flows	Business model Assets held for collecting Contractual cash flows and sale	Business model Assets held for trading

The Bank prepares, documents and approves Business Models in accordance with the requirements of IFRS 9 and reflects the Bank's strategy for managing financial assets and cash flows as follows:

Financial assets	Business model	Basic characteristics
Financial assets at amortized cost	Business model financial assets held for collection contractual cash flows	▪ The objective of the business model is to retain financial assets to collect the contractual cash flows represented in the principal amount of the investment and the proceeds. ▪ A sale is an exceptional event for the purpose of this model and under the terms of the criterion of a deterioration in the creditworthiness of the issuer of the financial instrument. ▪ Less sales in terms of rotating and value. ▪ The Bank performs clear and reliable documentation of the rationale for each sale and its compliance with the requirements of the Standard.
Financial assets at fair value through other comprehensive income	Business model of financial assets held for the collection of contractual cash flows and sales	▪ Both the collection of contractual cash flows and sales are complementary to the objective of the model. ▪ Sales are relatively high (in terms of turnover and value) compared to the business model held for the collection of contractual cash flows
Financial assets at fair value through profit and loss	Other business models include (trading - management of financial assets at fair value - maximizing cash flows by selling)	▪ The objective of the business model is not to retain the financial asset for the collection of contractual cash flows or retained for the collection of contractual cash flows and sales. ▪ Collecting contractual cash flows is an incidental event for the objective of the model. ▪ Management of financial assets at fair value through profit or loss to avoid inconsistencies in accounting measurement.

- The Bank assesses the objective of the business model at the portfolio level where the financial asset is retained as reflecting the way the business is managed and the manner in which the management is provided. The information to be taken into account when evaluating the objective of the business model is as follows:
 - The documented policies and objectives of the portfolio and the implementation of these policies in practice. In particular, whether the management strategy focuses only on the collection of the contractual cash flows of the asset and maintaining a specific interest rate to meet the maturities of the financial assets with the maturity dates of the liabilities that finance these assets or generate cash flows through the sale of these assets.
 - How to evaluate and report on portfolio performance to senior management.
 - Risks affecting the performance of the business model, including the nature of the financial assets held within that model and the manner in which these risks are managed.
 - How to determine the performance assessment of business managers (fair value, return on portfolio, or both).
 - The periodically, value and timing of sales in prior periods, the reasons for such transactions, and expectations regarding future selling activities. However, information on sales activities is not taken into account separately, but as part of a comprehensive assessment of how the Bank's objective of managing financial assets and how to generate cash flows is achieved.
 - Financial assets held for trading or managed and its performance are measured at fair value through profit or loss as they are not held to collect contractual cash flows or to collect contractual cash flows and sell financial assets together.
- Assess whether the contractual cash flows of the asset represent payments that are limited to the principal amount of the instrument and the proceeds.

For the purpose of this valuation, the Bank defines the original amount of the financial instrument as the fair value of the financial asset at initial recognition. The return is defined as the time value of money and the credit risk associated with the original amount over a specified period of time and other basic lending risk and costs (such as liquidity risk and administrative costs) as well as profit margin.

To assess whether the contractual cash flows of an asset are payments that are limited only to the asset of the financial instrument and the yield, the Bank takes into consideration the contractual terms of the instrument. This includes assessing whether the financial asset includes contractual terms that may change the timing or amount of contractual cash flows, thereby not meeting that requirement. In order to conduct such an assessment, the Bank shall consider:

- Potential events that may change the amount and timing of cash flows.
- Leverage characteristics (interest rate, maturity, currency type).
- Terms of accelerated payment and term extension.
- Conditions that may limit the ability of the Bank to claim cash flows from certain assets.
- Features that may be adjusted against the time value of money (re-setting the interest rate Periodicity).

B. Financial liabilities

- When the initial recognition of the Bank classifies its financial liabilities to financial liabilities at amortized cost, financial liabilities at fair value through profit and loss, based on the objective of the business model of the Bank.
- All financial liabilities are recognized initially at fair value at the date on which the Bank becomes a party to the contractual terms of the financial instrument.
- Financial liabilities classified at amortized cost are subsequently measured at amortized cost using the effective interest rate.
- The financial liabilities are measured at fair value through profit and loss are subsequently carried at fair value and recognized the change in the fair value of the change in the degree of the Bank's credit rating in the statement of other comprehensive income while the remaining amount of the change is displayed in the fair value in the statement of profits and losses.

2.5.3. Disposal

A. Financial Assets

- The financial asset is derecognized when the contractual right to receive cash flows from the financial asset expires or when the Bank has transferred the right to receive the contractual cash flows in a transaction in which the risks and rewards of ownership are transferred substantially to another party.
- When a financial asset is derecognized, the difference between the carrying amount of the asset (or the carrying amount of the portion of the asset disposed of) and the aggregate of the consideration received (including any new asset acquired less any new obligation incurred) is recognized in P/L and Consolidated gains or losses previously recognized in the fair value reserve for financial investments at fair value through other comprehensive income.
- Any cumulative gain or loss recognized in other comprehensive income related to investment in equity instruments designated as investments at fair value through Other comprehensive income statement is not recognized in profit or loss when the asset is derecognized so that the differences relating to it are transferred directly to retained earnings. Any share created or retained from the asset eligible for disposal (meeting the disposal terms) is recognized as a separate asset or liability.
- When the Bank enters into transactions by which it transfers assets previously recognized in the statement of financial position but retains substantially all or all of the risks and rewards associated with the transferred asset or part thereof. In such circumstances, the transferred asset is not excluded.

- For transactions where the Bank neither substantially retains substantially all the risks and rewards associated with ownership of the asset and retains control over the asset, the Bank continues to recognize the asset within its continuing association with the financial asset. The Bank's continuing correlation with the financial asset is determined by the extent to which the Bank is exposed to changes in the value of the transferred asset.
- In some transactions, the Bank retains the obligation to service the transferred asset against a commission, at which point the transferred asset is derecognized if it meets the exclusion criteria. An asset or liability for a service contract is recognized if the commission is greater than the appropriate amount (asset) or less than the appropriate amount (obligation) to perform the service.

B. Financial liabilities

- The Bank will derecognize the financial obligations when the contract is disposed of, canceled or terminated.

2.5.4. Amendments to Financial Assets and Financial liabilities

A. Financial Assets

- If the terms of a financial asset are adjusted, the Bank assesses whether the cash flows of the asset being modified are materially different. If the cash flows are materially different, the contractual rights to the cash flows from the original financial asset are considered to have expired and the original financial asset is derecognized. A new financial asset is recognized at fair value and the resulting value is recognized as a result of adjustment of the total carrying amount as profit or loss in profit or loss. If the amendment is due to financial difficulties for the borrower, the profits are deferred and presented with the compound of impairment losses while the losses are recognized in the statement of profit and loss.
- If the cash flows of the asset recognized at amortized cost are not materially different, the adjustment does not result in the disposal of the financial asset.

B. Financial liabilities

The Bank adjusts its financial liability when its terms of reference are modified and the cash flows of the modified obligation are substantially different. In this case, a new financial liability is recognized based on the modified terms at fair value. The difference between the carrying amount of the old financial liabilities and the new financial liability is recognized on the adjusted terms in the statement of profit and loss.

Offsetting Financial Assets and Financial liabilities

Financial assets and liabilities are offset in case the bank has a legal right in force to undertake the offsetting of the recognized amounts and it intends to settle the amounts on a net basis or to receive the asset and settle the liability simultaneously.

Agreements for purchasing treasury bills with commitment to resell and the agreements for selling treasury bills with commitment to repurchase are presented based on the net basis in the balance sheet within the item of accrued expenses.

2.5.5. Fair value measurement

- The Bank determines the fair value on the basis that it is the price to be acquired for the sale of an asset or to be paid for the transfer of an obligation in an orderly transaction between the market participants on the measurement date, taking into account when measuring fair value, the characteristics of the asset or liability, the characteristics are taken into consideration when pricing the asset and / or liability at the measurement date. These characteristics include the condition and location of the asset and the restrictions on the sale or use of the asset to market participants.
- The Bank uses the market approach to determine the fair value of financial assets and liabilities as this approach uses prices and other relevant information arising from market transactions involving assets, liabilities or a group of assets and liabilities that are identical or comparable. The Bank may therefore use valuation techniques consistent with the market approach, such as market multipliers derived from comparable groups. The choice of the appropriate multiplier within the range would therefore require the use of personal judgment, taking into account the quantitative and qualitative factors of the measurement.
- When the market cannot be relied upon in determining the fair value of a financial asset or a financial liability, the Bank uses the income method to determine the fair value by which future amounts such as cash flows or income and expenses are transferred to a current amount (discounted) Current market about future amounts.
- Where the fair value of a financial asset or a financial liability cannot be relied upon income and market approach, the Bank uses the cost approach to determine the fair value to reflect the amount currently being requested to replace the asset in its current condition (the current replacement cost) to reflect the fair value The cost borne by the market participant as a buyer of an alternative asset has a similar benefit since the market participant as a buyer will not pay in the original more than the amount for which the benefit is exchanged for the asset.

The valuation techniques used in determining the fair value of a financial instrument include:

- Declared prices of similar assets or liabilities in active markets.
- Interest rate swaps by calculating the present value of expected future cash flows based on the observed yield curves.
- The fair value of future currency exchange contracts using the present value of the expected cash flow value using the future exchange rate of the currency in question.
- Analysis of cash flows discounted in determining the fair value of other financial instruments.

2.6. Financial derivative instruments and hedge accounting

- Derivatives are recognized at fair value at the date of entering into the derivative contract and are subsequently re-measured at their fair value. Fair value is obtained from quoted market prices in active markets, recent market transactions or valuation techniques such as discounted cash flow models and option pricing models, as appropriate. All derivatives are stated as assets if their fair value is positive or included in liabilities if their fair value is negative.

Derivative contracts are not separated when the derivative is linked to a financial asset and the derivatives contract is therefore fully classified with the associated financial asset.

The method of recognition of gains and losses 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 allocates certain derivatives as any of the following:

1. Fair value hedges of recognized assets and liabilities or commitments (fair value hedges).
2. Hedges of the expected future cash flows attributable to a recognized asset or liability, or attributable to a forecasted transaction (cash flow hedges).
3. Net investment in foreign operations (net investment coverage).

- Hedge accounting is used for derivatives designated for this purpose if they qualify for accounting as hedging instruments.
- At the inception of the transaction, the Bank documents reliably the relationship between hedged items and hedging instruments, as well as the objectives of risk management and strategy from entering into various hedge transactions. The Bank also establishes, at the inception of the hedge, on an ongoing basis, the underlying documentation to assess whether the derivatives used in hedge transactions are effective in meeting changes in the fair value or cash flows of the hedged item.

2.6.1. Fair value hedges

- Changes in the fair value of designated derivatives eligible for fair value hedges are recognized in the statement of profit and loss with any changes in the fair value attributable to the risk of the underlying asset or liability.
- The effect of effective changes in fair value of interest rate swaps and related hedged items is recognized under “net interest income “. While the effect of effective changes in the fair value of future currency contracts is recognized under “Net income of financial instruments at fair value through profit or loss”.
- The effect of ineffectiveness in all contracts and related hedged items in the previous paragraph is recognized under “Net income of financial instruments at fair value through profit or loss”.
- If coverage no longer meets the hedge accounting requirements, the adjustment to the carrying amount of the hedged item that is accounted for in the amortized cost method is amortized by taking it to profit and loss over the period to maturity. Recognition of equity is continued through adjustments to the carrying amount of the hedged equity instrument until it is derecognized.

2.6.2. Cash flow hedge

- The other comprehensive income statement recognizes the effective portion of changes in the fair value of designated derivatives eligible for cash flow hedges. Gains and losses relating to the ineffective portion of the statement of profit and loss are recognized immediately in “Net income of financial instruments at fair value through profit or loss”.
- Amounts accumulated in the other comprehensive income statement are carried to the income statement in the same period in which the hedged item has an impact on profit or loss. Gains or losses relating to the effective portion of currency swaps and options are taken to “net income of financial instruments at fair value through profit or loss”.
- When a hedging instrument is due or sold, or if coverage no longer meets the conditions for hedge accounting, gains or losses accumulated in other comprehensive income at that time are recognized in other comprehensive income and recognized in the income statement when the transaction is ultimately recognized Predicted. If the forecast transaction is no longer expected to occur, then the gain or loss accumulated in other comprehensive income is immediately carried to the statement of profit and loss.

2.6.3. Net investment hedge

Is recognized in the other comprehensive income statement as the gain or loss from the hedging instrument relating to the effective portion of the hedge, while the gain or loss is recognized immediately in profit or loss in respect of the ineffective portion. Gains or losses accumulated in the other comprehensive income statement are carried to the income statement on disposal of foreign operations.

2.6.4. Derivatives not eligible for hedge accounting

Gains and losses on “net income of financial instruments at fair value through profit or loss” are recognized in changes in the fair value of derivatives that are not eligible for hedge accounting, and are recognized in profit or loss as “net income from financial instruments at fair value through profit or loss” And losses arising from changes in fair value of derivatives managed in connection with financial assets and liabilities at fair value through profit or loss.

2.7. Net income of financial instruments at fair value through profit or loss

Net income of financial instruments at fair value through profit or loss represents gains and losses on assets and liabilities at fair value through profit or loss and includes changes in fair value whether realized or unrealized, interest, dividends and differences in exchange rate.

2.8. Loans and Debts

Loans and advances represent non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, with the exception of:

- Assets which the bank intends to sell immediately or in the short term, in which case. They are classified as assets held for trading or assets classified at inception at fair value through profit or loss.
- Assets classified at fair value through other comprehensive income for sale at initial recognition.
- Assets for which the bank will not be able to substantially recover all of value of its initial investment, for reasons other than creditworthiness deterioration.

2.9. Interest Income and Expenses

Interest income and expense for all interest-bearing financial instruments, except for those classified as held for trading or designated at fair value through profit or loss are recognized within ‘interest and similar income’ and ‘interest and similar expense’ in the income statement using the effective interest rate.

The effective interest rate is a method of calculating the amortized cost of a financial asset or a financial liability and allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Bank estimates cash flows considering all contractual terms of the financial instrument (for example, early payment options) but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts. Once a financial asset has been classified as nonperforming or impairment then related, interest income is not recognized and it is allocated in marginal records off-balance sheet and it is recognized as income on monetary bases according to the following:

- When they are collected and after receiving all past due installments for consumption loans mortgage loans, and small loans business loans, the interest will be recognized as revenues when it’s collected and that is after the full recovery of the overdue.
- Regarding to corporate loans, the cash basis is also followed, as the return calculated later in accordance with the terms of the loan scheduling contract is higher against the recognition of unearned interest on credit balances until 25% of the scheduling installments are paid, with a minimum regularity of one year. In the case of the client continues in regularity, the interest is recognized in the revenue which is calculated on the balance of the existing loan (return on the balance of the regular scheduling) without the marginal return. Before scheduling, which is not included in revenue until after paying the full balance that appears in the loan in the budget before scheduling.

2.10. Fees and Commission Income

Fees due from servicing the loan or facility which is measured by amortized cost shall be recognized in the income when performing the service, while the fee and commission income related to non-performing or impaired loans shall not be recognized, as it shall be on off-balance sheet of the financial statements. Then it shall be recognized within the income pursuant to the cash basis when the interest income is recognized according to item (2-9). As for fees, which represent an integral part of the actual return of the financial assets in general, they shall be treated as an amendment to the effective interest rate Commitment fees on loans shall be postponed, if there is a probability that these loans will be withdrawn, taking into account that these fees which the bank receives are a compensation for the constant intervention to acquire the financial instrument. Then they shall be recognized by amending the effective interest rate on the loan. When the period of commitment expires without the loan being issued by the bank, these fees shall be recognized within the income at the expiry of the commitment’s validity.

Fees on debt instruments measured at fair value shall be recognized within revenue at the initial recognition. Fees on the promotion of the syndicated loans shall be recognized within revenue when the promotion process is completed and the bank does not retain any portion of the loan or if the bank retains a portion for itself earning of the actual rate return which is available to other participants as well.

Fees and commission resulting from negotiations or the participation in negotiations on a transaction in favor of a third party shall be recognized within the income statement- such as the arrangement of the acquisition of shares or other financial instruments, or the acquisition or selling of premises- when the specific transaction is completed. The administrative consultations fees and other services are normally recognized based on the distribution over time relative to the service performance period. However, the financial planning management fees and conservation services fees, which are provided for long period of time, are recognized over the period during which the service is performed.

2.11. Dividend Income

Dividends are recognized in the income statement when decision is taken by the competent authority of declaring the right of collection.

2.12. Purchase agreements aligned with resale and sale agreements aligned with repurchase

Sold securities subject to repurchase agreements are presented within assets in addition to purchased treasury bills with a commitment to resale on the balance sheet, and the commitment (purchase and resale agreements) is presented with the commitment to repurchase on the balance sheet. the difference between sale and repurchase price is treated as interest and accrued over the life of the agreements using the effective interest method.

2.13. Impairment of financial assets

Impairment losses are recognized for the expected credit losses of the following financial instruments that are not measured at fair value through profit or loss:

- Financial assets that represent debt instruments.
- Due debts.
- Financial guarantee contracts.
- Loan commitments and similar debt instruments commitment

Impairment losses on investments in equity instruments are not recognized.

Debt instruments related to retail banking and small and micro finance

The Bank consolidates debt instruments related to retail banking products and micro and small enterprises on the basis of groups with similar credit risk based on the type of banking product.

The Bank classifies debt instruments within the Retail Banking Group or micro and small enterprises into three stages based on the following quantitative and qualitative criteria:

Financial Instru- ment Classifica- tion	Stage 1		Stage 2		Stage 3	
	Basic Indicator (Quantitative Criteria)	Additional Indi- cator (Qualita- tive Criteria)	Basic Indicator (Quantitative Criteria)	Additional Indicator (Qualita- tive Criteria)	Basic Indicator (Quantitative Criteria)	Additional Indicator (Qualitative Criteria)
Financial Instruments Low Credit Risk	There are no Past dues	Scope of risks accepted				
Financial instruments have significant increase in credit risk			Delay within 30 days from the due date of contractual installments	If the Borrower encoun- ters one or more of the following events: - The Borrower has applied for the conversion of short-term to long-term repayments due to adverse effects related to the borrower's cash flows. - The bank canceled one of the direct facilities by the bank due to the high credit risk of the borrower. - Extension of the time limit granted for payment at the request of the borrower. - Recurring previous arrears during the previous 12 months. - Negative future economic changes that affect the borrower's future cash flows		
Impaired financial instruments					When the borrower delays more than 90 days from the payment of his contractual installments	N/A

Debt instruments related to medium enterprises and projects

The Bank aggregates debt instruments relating to medium-sized enterprises and enterprises based on similar credit risk groups on the basis of the Borrower Client Unit.

The Bank classifies customers within each group into three stages based on the following quantitative and qualitative criteria:

Financial Instru- ment Classifica- tion	Stage 1		Stage 2		Stage 3	
	Basic Indicator (Quantitative Criteria)	Additional Indi- cator (Qualita- tive Criteria)	Basic Indicator (Quantitative Criteria)	Additional Indicator (Qualita- tive Criteria)	Basic Indicator (Quantitative Criteria)	Additional Indicator (Qualitative Criteria)
Financial Instruments Low Credit Risk	There are no Past dues	Scope of risks accepted				
Financial instruments have significant increase in credit risk			Delay within 30 days from the due date of contractual installments	If the borrower is on the checklist and / or the financial instrument you experience one or more of the following events: - Significant increase in the interest rate on the financial asset as a result of increased credit risk. - Significant negative changes in the activity or financial or economic conditions in which the borrower operates. - Request rescheduling. - Significant negative changes in actual or expected operating results or cash flows. - Negative future economic changes that affect the borrower's future cash flows. - Early signs of cash flow / liquidity problems such as delays in service of creditors / business loans.		

Financial Instrument Classification	Stage 1		Stage 2		Stage 3	
	Basic Indicator (Quantitative Criteria)	Additional Indicator (Qualitative Criteria)	Basic Indicator (Quantitative Criteria)	Additional Indicator (Qualitative Criteria)	Basic Indicator (Quantitative Criteria)	Additional Indicator (Qualitative Criteria)
Impaired financial instruments					When the borrower delays more than 90 days from the payment of his contractual installments*	When the borrower is unable to meet one or more of the following criteria, indicating that the borrower is experiencing significant financial difficulty. ▪ The death or incapacity of the borrower. ▪ The borrower's financial default. ▪ Initiate scheduling as a result of the deterioration of the borrower's credit capacity. ▪ Non-compliance with financial commitments. ▪ Disappearance of the active market for the financial asset or one of the borrower's financial instruments due to financial difficulties. ▪ Granting lenders privileges related to the financial difficulty of the borrower, which was not granted under normal circumstances. ▪ The probability that the borrower will enter bankruptcy or restructuring due to financial difficulties. ▪ If the borrower's financial assets are purchased at a significant discount that reflects the credit losses incurred.

* According to the circular issued by Central Bank of Egypt on 14 December 2021 regarding the temporary amendment of the treatment of non-performing loans to small and medium companies, according to the instructions of implementing IFRS9, as well as its amendments issued on 1 July 2024 to gradually cancel the exception for including customers of small and medium companies are included in the stage 3 during a period of 18 months until end of December 2025, so that this category of customers are included in the stage 3 in the event of non-compliance with the contractual terms as follows:

1. there are dues equal to or greater than 180 consecutive days that until end of December 2024.
2. there are dues equal to or greater than 150 consecutive days that until end of September 2025.
3. there are dues equal to or greater than 120 consecutive days that until end of December 2025.

This will result in the inclusion of customers include in the stage 3 when there are dues equal to or greater than 90 consecutive days as of January 2026.

- The financial assets created or acquired by the Bank are classified as having a higher credit risk rating than the Bank's low risk financial assets on initial recognition at stage 2 directly.

2.13.1. Measurement of expected credit losses

The Bank evaluates debt portfolios on a quarterly basis at the portfolio level for all financial assets of Retails, corporate, and SMEs on periodic basis with respect to the financial assets of institutions classified as a follow-up to control its credit risk. On a periodic basis, the criteria used to determine the significant increase in credit risk are reviewed and monitored periodically by the credit risk management.

The Bank assesses at each reporting date the impairment loss for financial instruments at an amount equal to the expected credit losses over the life of the financial instrument except for the following cases where the provision for impairment losses is estimated at an amount equal to the expected credit losses over the twelve months:

- 1) A debt instrument that has been identified as having a low credit risk at the date of the financial statements (debt instruments at stage1).
- 2) Other financial instruments Credit risk at the reporting date has not increased significantly since the initial recognition (debt instruments at stage1).

The Bank considers the expected credit losses to be a weighted probability estimate of the expected credit losses, which are measured as follows:

- The expected credit losses on financial assets are measured at the stage one based on the present value of the gross deficit calculated based on the historical probability of default scenarios adjusted by the average forecasts of macroeconomic indicators for the future twelve months multiplied by the value at default, taking in consideration the expected recovery rates when calculating the average Loss for each group of debt instruments with similar credit risk. Given the expected credit losses taking into account the amount and timing of payments, the credit losses arise even if the enterprise expects to pay in full but later after debt becomes payable under contractual terms. The expected credit losses over the twelve months are considered to be part of the expected credit losses over a lifetime arising from the defaulting events of a financial instrument and the potential within twelve months after the date of the financial statements.
- The expected credit loss of financial assets in the stage two is measured based on the present value of the total deficit calculated based on the historical probability of default scenarios adjusted by the average forecasts of the macroeconomic indicators for the life of the financial asset multiplied by the value at default, taking in consideration the weighting of the expected recovery rates in calculating the loss rate for each group of debt instruments with similar credit risk.
- Impaired financial assets at the reporting date are measured as the difference between the carrying amount of the asset and the present value of expected future cash flows.
- In calculating the specific loss rates, the Bank calculates the expected recovery rates from the present value of expected cash flows either from cash and in kind guarantees or historical or anticipated future repayment rates as follows:
 - The Stage One: only the value of cash collaterals and their equivalents represented in cash and other financial instruments that can be converted into cash easily in a short period of time (3 months or less) and without any change (loss) in their value as a result of credit risks are considered.
 - Stages two and three: only the types of guarantees are considered in accordance with the rules issued by the Central Bank of Egypt in September 2005 regarding the bases for assessing the creditworthiness of customers and the formation of provisions, while the value of these guarantees is calculated according to what is stated in the rules for preparing financial statements for banks and the basis for recognition and measurement issued by the bank. The Central Bank of Egypt on December 16, 2008.
 - › For debt instruments held by banks operating outside Egypt, the probability of default is determined on the basis of the credit rating of the head office of the bank operating outside Egypt and no more than the credit rating of the head office country taking into consideration the central bank instructions for countries risks. The loss rate is 45% at least.
 - › For the instruments held by the banks operating in Egypt, the probability of default is calculated on the basis of the classification of the bank by the external international rating institutions. The branches of the Egyptian banks abroad are treated as the main center. The branches of the foreign banks operating in Egypt, the loss rate is calculated at 45% at least.
 - › For debt instruments issued by non-banks, the probability of default is calculated on the basis of the rating of the issuer of the financial instrument by the external international rating institutions and no more than the credit rating of the issuing country in the case of external entities. The loss rate is calculated at 45% at least.
 - › Impairment provision on financial assets recognized in the financial position is deducted from the value of the financial asset at the time the statement of financial position is prepared, while the provision for impairment relating to loan commitments, financial guarantee contracts and contingent liabilities is recognized under other provisions of the financial position liabilities.
 - › For financial guarantee contracts, the Bank estimates the expected credit loss on the basis of the difference between the expected payments to the guarantee holder less any other amounts that the Bank expects to recover.

Upgrading from the stage 2 to the stage 1

The bank shall not transfer the financial asset from the stage2 to the stage1 until all the quantitative and qualitative elements of the stage 1 have been met and the total cash receipts from the financial asset are equal to or greater than the total amount of the installments due to the financial asset, if any the accrued interest as there has been continues 3 months from continuing to meet the conditions.

Upgrading from the stage3 to the stage2

- The bank does not transfer the financial asset from the stage three to the stage two unless all of the following conditions are met:

- 1) Completion of all quantitative and qualitative elements of the stage two.
- 2) Repayment of 25% of the balances of the outstanding financial assets, including unearned suspended interest according to circumstances.
- 3) Regularity in paying for at least 12 months.

The period of recognition of the financial asset within the last category of the stage2

The period of recognition (classification) of the financial asset within the last category of the stage2 shall not exceed nine months from the date of its conversion to that stage.

2.13.2. Restructured financial assets

If the terms of a financial asset are renegotiated or modified or a new financial asset replaced by a current financial asset due to the financial difficulties of the borrower, an assessment is made as to whether the financial asset should be derecognized and the expected credit losses are measured as follows:

- If the restructuring will not lead to the disposal of the current asset, the expected cash flows from the adjusted financial asset are used when calculating the cash deficit in the current asset. The expected credit losses are calculated on the life of the instrument.
- If the restructuring will result in the disposal of the present asset, the expected fair value of the new asset is treated as final cash flows from the current financial asset when derecognized. This value is used to calculate the cash deficit from the current financial asset, which is deducted from the expected date of derecognition of the asset at the reporting date using the original effective interest rate of the current financial asset.

Presentation of the expected credit loss provisions in the statement of financial position

The provision for credit losses is presented in the statement of financial position as follows:

- Financial assets measured at amortized cost as a deduction from the total book value of the assets.
- Commitments for loans and financial guarantee contracts: Generally, as a provision.
- When the financial instrument includes both the used and non-used of the permitted amount of the instrument, and the Bank cannot determine the expected credit losses of the unused portion separately, the Bank presents a provision for collective loss to the used and non-used. The aggregated amount is presented as a deduction from the total book value of the user and any increase in the loss provision is shown on the total amount of the used as a provision for the unused portion.
- Debt instruments at fair value through other comprehensive income A provision for impairment is not recognized in the statement of financial position because the book value of such assets is their fair value. However, the provision for impairment is disclosed and recognized in the fair value reserve.

2.13.3. Debt Write Off

Debt is written off (partly or fully) when there is no realistic possibility of repayment of that debt. In general, when the Bank determines that the borrower does not have the assets, resources or sources of income that can generate sufficient cash flows to repay the debts that will be written off, however, the impaired financial assets may remain subject to follow-up in light of the Bank's actions to recover the amounts due. Impairment allowance is charged the expected credit losses provision that are amortized whether or not they are provisioned. Any recoverable from previously written of loans are added to the expected credit losses.

2.13.4. Financial assets at amortized cost

At the end of each financial period, the Bank assesses whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset (or a group of financial assets) is impaired and impairment losses are incurred when there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (the loss event) and the loss event affects the future cash flows of the financial asset (Or group of financial assets) that can be reliably estimated.

Indicators used by the Bank to determine the existence of objective evidence of impairment losses include:

- Significant financial difficulties facing the borrower or the debtor.
- Violation of the terms of the loan agreement such as non-payment.
- Predict the bankruptcy of the borrower or enter into a liquidation or re-structuring of the financing granted to him.
- The borrower's competitive situation deteriorated.
- The Bank, for economic or legal reasons related to the borrower's financial difficulties, grants him privileges or concessions that the Bank may not agree to grant under normal circumstances.
- Decline in the value of the guarantee.
- Deterioration of the borrower's credit situation.

Objective evidence of impairment of a group of financial assets is the existence of clear data indicating a measurable decrease in the expected future cash flows from this group since its initial recognition, although it is not possible to determine the decline for each asset individually, for example an increase in the number of defaults for a banking product.

The Bank assesses the period of confirmation of loss, the period between the occurrence of loss and the identification of each specific portfolio.

The Bank first assesses whether there is objective evidence of impairment of each financial asset alone if it is of individual importance, as is the estimation at the aggregate or individual level of financial assets that are not individually significant. In this regard, the following shall be considered:

- If the Bank finds that there is no objective evidence that a financial asset has been impaired, whether individually significant or not, then the asset is included in the financial asset having similar credit risk characteristics and is evaluated together to estimate impairment in value at rates Historical failure.
- If the Bank finds that there is objective evidence that a single financial asset is impaired, it is considered to estimate its impairment. If the result of the study is a loss of impairment, the asset is not included in the group for which impairment losses are calculated on a consolidated basis. If the previous study shows that there is no impairment loss in the value of the asset individually, the asset is then included in the group.
- The amount of impairment loss provision is measured as the difference between the carrying amount of the asset and the present value of expected future cash flows discounted using the original effective yield rate of the financial asset. The carrying amount of an asset is reduced using the allowance for impairment losses and the impairment loss on credit losses and the reversal of impairment losses are recognized as a separate item in the income statement.

- In addition to the impairment charge recognized in the income statement as mentioned in the previous paragraph, the bank is also committed to applied to calculate the provisions required for impairment of these loans and advances as Assets at credit risk measured at amortized cost - including credit related commitments (Contingent Liabilities) - on the basis of credit rating ratios determined by the Central Bank of Egypt. If the provision for impairment losses calculated in accordance with these ratios is increased for the purpose of preparing the financial statements of the Bank, the excess shall be deducted as a general reserve for bank risk within equity in respect of retained earnings. This reserve is Periodically adjusted to increase or decrease as appropriate. This reserve is not available for distribution except with the approval of the Central Bank of Egypt. Note (33-a) shows movement at the expense of general bank risk reserve during the financial year.
- If the loan or investment is held to maturity and carries a variable interest rate, then the discount rate used to measure any impairment loss is the effective yield rate in accordance with the contract at the date that objective evidence of impairment of the asset is determined. For practical purposes, the Bank may measure impairment losses on the fair value of the instrument using quoted market prices.
- For financial assets that are secured, when calculating the present value of expected future cash flows from a financial asset, the expected cash flows that may result from the sale and sale of the collateral and after deducting related expenses are taken into account.
- For the purpose of estimating impairment at an aggregate level, financial assets are grouped into similar groups in terms of credit risk characteristics, on the basis of the Bank's internal rating process, taking into consideration the type of asset, industry, geographical location, type of collateral, arrears position and other relevant factors. These characteristics are related to the estimated future cash flows of groups of these assets as an indication of the ability of debtors to pay the amounts due under the contractual terms of the assets under consideration.
- When estimating the impairment of group of financial assets based on historical default rates The estimated future cash flows of the Group are estimated on the basis of the contractual cash flows of the Bank's assets and the historical loss of assets with credit risk characteristics similar to the assets held by the Bank. The number of historical losses is adjusted based on current data to reflect the impact of the current conditions that were not available during the period during which the historical losses were determined, as well as to eliminate the effects of the conditions that existed in historical period and are no longer present.
- The Bank ensures that changes in the cash flows of a group of financial assets reflect changes in relevant reliable data from period to period (such as changes in unemployment rates, real estate prices, repayment position and any other factors indicating changes in the probability of loss in the group). The Bank conducts a periodic review of the method and assumptions used to estimate future cash flows.
- The carrying amount of financial assets at amortized cost is reduced by the amount of impairment losses for all financial assets measured at amortized cost which recognized at preparing financial position. While the impairment Losses related to Loans Commitments, Financial guarantees Contracts and Contingent Liabilities have been recognized in Other Provisions Item in Financial Position Liabilities.

2.14. Investment Properties

The investment properties represent lands and buildings owned by the Bank in order to obtain rental returns or capital appreciation and therefore does not include real estate assets which the bank operates through or those that have been ceded to the bank as settlement of debts which the bank used in its operation the bank applies cost value method which the same way applied with other similar property and equipment.

2.15. Intangible Assets (Computer Software)

Software developing and maintenance fees are recognized as expense in the income statement when it has been paid and it is recognized as intangible asset as expenses related to specific programs under the bank’s control and it is expected to generate economic benefits for more than 1 year without exceeding its cost, the direct cost consist of the employee’s costs who are part from the development team and the appropriate share from the related expenses, the costs that lead increase of the performance of the IT program over the specifications are recognized.

- Developing which leads to improvement and increase in the original IT program are recognized as expenses and added to the IT program cost IT programs costs- recognized as an asset- are amortized through the period of expected benefit in no more than 3 years by 33.3%.

2.16. Property and equipment

- the historical cost includes the charges directly related to acquisition of property and equipment items. Subsequent costs are included in the asset’s carrying amount or are recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the bank and the cost of the item can be measured reliably.
- All other repairs and maintenance are charged to other operating expenses during the financial period in which they are incurred and property and equipment includes Lands and premises represents mainly of land and buildings related to head office, branches and offices.
- Land shall not be subject to depreciation, while depreciation of other property and equipment shall be calculated using the straight-line method to allocate the cost over the useful life Property and equipment depreciation percentage represented as follow:

Additions property and equipment from 24 Nov 2019. are depreciation rate as follow:				
Buildings & Constructions	5%	20 years	2%	50 years
Furniture	20%	5 years		
Machinery & Equipment	20%	5 years		
Vehicles	25%	4 years	20%	5 years
Integrated Automated systems	20%	5 years		
Fixtures & fittings*	33.3%	3 years	16.7%	6 years
Fixtures & fittings rental	33.3%	3 years	16.7%	6 years

** Starting from 28 February 2022, fittings depreciation periods have been amended to be 8- 10 years by percentages (10% - 12.5%) instead of 6 years’ percentages (16.7%).*

- The assets’ residual values and useful lives are reviewed, and adjusted, if necessary, at the end of each financial period. Assets that are subject to depreciation are reviewed for determining the extent of impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, an asset’s carrying amount is written down immediately to its recoverable amount if the asset’s carrying amount is greater than its estimated recoverable amount.
- The recoverable amount is the greater of its value in use or the net salable value of the asset. Gains and losses on disposals are determined by comparing proceeds from sale with it carrying amount. These are included in other operating revenues (expenses) in the income statement.

2.17. Other assets

This item includes the other assets have not been classified within the specific assets of the financial position, such as the accrued revenues, prepaid expenses including the overpayment taxes (excluding tax liabilities Payments under purchase of property and equipment, and the deferred balance for losses of the first day and not yet amortized, and current and non-current assets that have been transferred to the Bank to meet debt Deduction for impairment losses), Insurance and covenants, gold bullion, commemorative coins, accounts under settlement, and balances not classified in any of the specified assets.

- The majority of other assets are measured at cost and where objective evidence of impairment exists in the value of the asset, the value of the loss for each asset is measured separately between the carrying amount of the asset and its net realizable value or the present value of estimated future cash flows discounted at the current market rate of assets Similar whichever is higher. The carrying amount of the asset is immediately recognized and the amount of the loss is recognized in the income statement under other operating income (expenses) If the impairment loss decreases in any subsequent period and the impairment can be objectively related to an event occurring after the impairment loss is recognized, the recognized impairment loss To the income statement provided that such de-recognition does not result in a carrying amount of the asset at the date of the reversal of the impairment loss that exceeds the amount to which the asset could have been had such impairment losses not been recognized.

With respect to the assets to which its ownership transferred to the bank to fulfill debts, the following shall be considered:

- In accordance with the Law of the Central Bank, it is prohibited for banks to deal in movable or real estate by buying, selling or barter other than the property designated for the management of the bank’s business or recreation for workers and movable or property owned by the bank for a third-party debt recognized from the date of the write-down (i.e., the date of amortization) within assets owned by the Bank to meet debts and the Bank shall act accordingly as follows:
 - Within one year from the date of the devolution of ownership to the movable.
 - Within five years from the date of the devolution of property in relation to the property.
- The Board of Directors of the Central Bank of Egypt may extend the period if circumstances so require and may exempt some banks from this prohibition according to the nature of their activity.
- The assets acquired by the Bank are recognized as debts in accordance with the value of the Bank, which is the value of the debts that the Bank has decided to waive for these assets. If there is objective evidence that an impairment loss has occurred in the asset at a subsequent date of impairment, the loss per asset is measured separately by the difference between the carrying amount of the asset and its net realizable value or the present value of estimated future cash flows from the asset’s use discounted at the current market rate of similar assets Top. The carrying amount of the asset is reduced through the use of an impairment account and the loss is recognized in the income statement under “other operating income (expense)”. If the impairment loss is reduced in any subsequent period and it is possible to associate that decrease objectively with an event occurring after the impairment loss is recognized, then the impairment loss previously recognized is recognized in the income statement provided that such a recovery does not result in the impairment loss The asset could have been made to it if such impairment losses had not been recognized.
- In light of the nature of the movable or immovable property of the Bank and subject to the provisions of the said Article, the movable or real estate shall be classified according to the Bank’s plan or the nature of the expected benefit thereof within the property and equipment, real estate investments, shares and bonds or other assets available for sale as the case may be. Accordingly, the bases for the measurement of property and equipment, investment properties, shares and bonds are applied to assets acquired by the Bank in fulfillment of debts and classified under any of these terms.

- For other assets not included in any of these classifications and other assets available for sale are measured at cost or fair value determined by the Bank's authorized experts - less the selling costs - whichever is lower. The differences arising from the valuation of these assets are recognized in the income statement under "Other operating expenses", taking into account the disposal of such assets within the year specified in accordance with the provisions of the law. If these assets are not disposed of within the year specified in the Law of the Central Bank, the general bank risk reserve is increased by 10% of the value of these assets annually. The net income and expenses of the assets owned by the Bank are recognized in the income statement under "other operating revenues (expenses)".

2.18. Impairment of non-financial assets

- Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Assets that have an indefinite useful life except goodwill are not subject to amortization and are tested annually for impairment.
- An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount, the net realizable value represents the net selling value of the asset or its utilization value which is greater. For the purposes of estimation impairment, assets shall be linked to at the smallest available cash unit. Non-financial assets that have been impaired shall be reviewed to assess a reversal of the impairment to the income statement at each reporting date.

2.19. Lease

All leasing contracts shall be considered operational leasing ones.

2.19.1. Lease

Operating lease payments less any discounts obtained from lessor is recognized as expenses in the income statement using the straight-line method over the contract term.

2.19.2. Leasing out

Operating lease assets are accounted for at the property and equipment caption in the balance sheet and depreciated over the asset expected useful life using the same method applicable to similar assets. The lease rent income less any discount granted to the lessee will be recognized in the income statement using the straight-line method over the contract term.

2.20. Cash and cash equivalent

For the purposes of presentation of the statement of cash flows, cash and cash equivalents include balances due within three months from date of acquisition, Cash and balances with Central Bank of Egypt other than the mandatory reserve, and due from banks and treasury bills and other governmental notes.

2.21. Other provision

- Provisions for restricting costs and legal claims are recognized when: the bank has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.
- When there are a number of similar obligations, the likelihood that an outflow is required to settle an obligation is determine taking into consideration the group of obligations as a whole, a provision is recognized even if the likelihood of an outflow with respect to any obligation in the group is minimal.
- Provisions no longer required are reversed in other operating revenues (expense).

- Provisions are measured at the present value of the expected required expenditures to settle obligations after one year from financial statement date using the appropriate rate in accordance with the terms of settlement ignoring the tax effect which reflects the time value of money. If the settlement term is less than one year, the provision is recognized using the present value unless time consideration has a significant effect.

2.22. Financial collateral contracts

These are contracts issued by the bank to guarantee loans or debit current accounts presented to banks' clients by other parties and in this case the bank is required to pay certain compensations to beneficiary against losses occurred due to delay in payments at maturity date according to the debt conditions. These guarantees are paid to banks, institutions and others on behalf of banks clients. They are initially recognized at fair value in the balance sheet at the date of granting the guarantee reflecting the guarantee issuance fees sometime later bank's commitment is measured initially by the amount of guarantee (after deducting calculated amortized recognized for guarantee fees in the income statement by using straight line method through the life of the guarantee) or the best estimate for requested payments to settle any financial obligation resulted from this guarantee which ever higher Estimates are based on previous experience of similar transactions, historical losses and it is supported by the management opinion. Any increase in obligation related to that financial guarantee is recognized at the income statement under other operating revenues (expenses).

2.23. Employee benefits

2.23.1. Employee benefits - Short Term

Represented in salaries, wages social insurance, paid annual vacations and bonus if due within 12 months from the end of the fiscal period as well as non-financial benefits such as medical care, housing, transportation providing free goods and services for current employees.

Employee benefits - Short Term's recognized in the income statement as expenses for the relevant period.

2.23.2. Post-employment benefits - Medical Care

The bank provides medical care benefit to retired employees, where of this benefit condition of being in service until retirement age or to complete the minimum requirement of being in service and it is calculated as determined benefit system

- The commitment to the health care system for retirees is the current value of health care obligation in the date of financial statements after the necessary adjustments are made to obligation
- Retired employees medical care obligation is annually calculated (expected future cash flows) through Actuarial in the project unit credit method Retired employees medical care obligation current value is determined by deducting expected cash flows in respect to interest rate of government bonds in the same currency of benefits and in almost the same maturity dates.
- Actuarial profit(loss) resulting from amendments, changes of actuarial expectations are recognized in the income statement for profits or loss exceeding 10% of the system assets or 10% of the estimated benefits determined at the year before which ever higher, where this increase in profit or loss is recognized in the income statement through the expected average remaining working period.

Previous service costs are recognized in the income statement as administrative expenses unless changes in the retirement policy indicates that employees should spent a certain vesting period in service, in this case the previous service cost are amortized in straight line method in their due period.

2.23.3. Retirement Benefit

The benefits of the pension are represented in the Bank's share in the social benefits of its employees, which are paid by the Bank to the General Authority for Social Insurance in accordance with the Social Insurance Law No. 79 for the year 1975 and its amendments shares are paid for each period and they are recognized in the income statement as salaries and wages under administrative expenses for the period employees in service .

The bank share is paid as a determined subscription. Accordingly, there is no additional liability to the bank other than its share in social insurance which is due to pay for the social insurance authority.

2.24. Income tax

- Income tax on the profit or loss for the period includes the tax of the current period, deferred tax, and is recognized in the income statement. Except when they relate to items that are recognized directly in equity, in which case the tax is also recognized in equity.
- The income tax shall be recognized based on the net profit subject to tax through the application of the applicable tax rates at the date of preparing the balance sheet, in addition to the tax adjustments related to previous years.
- Deferred tax arising from temporary timing differences between the book value of assets and liabilities calculated according to the accounting principles, as well as its values shall be recognized according to the tax principles.
- The deferred tax value is based on the expected method to achieve or resolve asset values or obligations and use applicable tax prices, tax obligations are recognized for all temporary tax differences, while deferred tax assets are recognized for temporary tax differences, when a profit is likely to be achieved.
- The deferred tax shall be decreased with the portion from which the expected taxable benefit will not be achieved over the coming years. In case of the increase of the expected taxable benefits, the deferred tax assets shall be increased within the limit of previous reduction in the value of deferred tax assets Deferred tax assets and liabilities are offset if the bank has a legal right that permits it to offset current tax assets and liabilities and when deferred income taxes are due to the same tax administration.

2.25. Borrowing

Loans obtained by the bank shall be recognized at inception at fair value minus the cost of the loan obtaining. Subsequently, the loans shall be measured by amortized cost. The difference between net proceeds and the amount to be paid over the borrowing period using the effective interest rate shall be recognized to the income statement.

2.26. Capital

2.26.1. Capital shares and its cost

The issuance expenses, directly attributable to the issuance of new shares or shares against the acquisition of an entity, or the issuance of options shall be presented as a deduction from the shareholders' equity in net proceeds after taxes.

2.26.2. Dividends distribution to the shareholders of the bank

Dividends shall be recognized through deducting the same from shareholders' equity in the period where the General Assembly meeting shareholder approves these dividends. They include the employees' share in profits and the remuneration of the board of directors prescribed by the article of association of the bank and the law, not recognize any commitment to the bank towards employees and members of the board of directors in retained earnings only when they are decided to distribute.

2.27. Custody Activity

The bank has a custodian activity where it manages assets related to individuals or custody purpose or retirement fund and it is not recognized at the financial position as it is not a bank asset or profit.

2.28. Subordinated Deposits (deposits advanced from Central Bank of Egypt and Banque Misr)

The deposit is recognized as liability at current value, calculated by using a discount rate equal to the interest rate on governmental bonds that approximates the deposit term at the date of entry into force of the deposit. The difference between the face value of the deposit and its present value within the owner's equity is defined as face value difference from the present value of the subordinated deposit. The deposit shall be paid at the end of each financial period to the face value at the maturity date and that charged to the differences as mentioned above to reach, face value on the date of its maturity.

2.29. Comparatives

Comparative figures for financial assets and liabilities are reclassified to comply with the current period financial statements presentation.

3. Financial risk management

The bank is exposed to a variety of financial risks, while it practices its business and activities, and the acceptance of risk is considered the basis of financial business. Some risk aspects or a combination of risk are analyzed, assessed, and managed. The bank targets to achieve adequate balance between the risk and return, and to minimize likely adverse impacts on its financial performance. The most important types of risk are credit risk, market risk, liquidity risk and other operating risks. Market risk includes the risk of foreign exchange rates, interest rates and the other pricing risks.

The bank has developed risk management policies to define, analyze and control risk, and set, control and comply with its limits through a variety of reliable methods and up to date information systems. The bank conducts regular reviews and amendments of the risk management policies in order to reflect changes in the markets, products, and services, as well as the best up to date applications.

Risk management is carried out by Risk Management Division in the light of the policies approved by the Board of Directors. Risk division identifies, assesses, and hedges against the financial risk in close collaboration with the different operating units of the bank. The board of directors provides known principles for risk management as a whole, in addition to written policies, which cover defined risk areas such as credit risk, foreign exchange risk, interest rate risk, and the use of derivatives and non-derivatives financial instruments. In addition, Risk division is responsible for the periodically review to manage risk and control environment independently.

A. Credit Risk

The Bank is exposed to credit risk, which is the risk that a party will fail to meet its obligations. The credit risk is the most important risk to the Bank, so management carefully manages exposure to that risk. Credit risk is mainly the lending activities that result in loans, facilities and investment activities that involve the Bank's assets on debt instruments. Credit risk is also found in financial instruments off-balance sheet such as loan commitments. Credit risk management and control processes are concentrated in the Credit Risk Management Team, which reports to the Board of Directors, senior management and heads of activity units on a regular basis.

The credit risk group establishes requirements at the bank level to identify, evaluate, monitor follow and report on credit risk, while business / support units are responsible for credit risk in their units while integrating business strategies with the Bank's risk to recover.

Credit risk policies and procedures have been developed to provide control over credit portfolios by Periodicity assessing borrowers’ credit position and setting the maximum risk limit for a specific borrower. Risks to individual and / or group exposures are monitored Periodicity on a portfolio-by-portfolio basis. The Bank’s credit policy provides detailed guidelines for effective credit risk management, where best market practices and instructions issued by emergency entities are reviewed and updated from time to time based on regulatory experience.

Credit policy is designed to ensure that risk management’s strategies and objectives are fully identified, including:

- Strengthen and improve the Bank’s ability to measure and reduce credit risk on a prudent basis to reduce credit losses.
- Strengthen and improve credit portfolio management procedures.
- Strengthen and improve the Bank’s procedures for early identification of problem areas.
- Adherence to regulatory and industry best practices for credit risk management.

The policy addresses all activities and functions related to credit procedures covering coverage criteria. It contains the Bank’s risk tolerance criteria and includes guidance on target markets (companies, businesses, SMEs and high solvency). The policy also defines the type of borrowers / industries to be desired. Some of the criteria relate to specific products and are monitored by the individual credit product policy. Other sections generally include credit quality criteria, purpose and terms of facilities, unsolicited loans, credit analysis, risk concentration, repayment ability, compliance with laws and regulations, expected losses and documentation.

B. Portfolio Control

The portfolio is managed through portfolio diversification on purpose, industry / business sectors, ratings and geographical areas to avoid over-risking to specific economic sectors / credit products, which may be affected by adverse developments in the economy. In general, the Bank uses criteria for borrowers and business sectors to minimize risk concentration. The Bank’s operations are concentrated in the Egypt, which reduces the risks of currency exchange, although geographical concentration remains present but acceptable and within the Bank’s risk tolerance.

Personal loan portfolio is diversified where relatively small risks are adopted for a large number of customers based on the bank’s salary conversion or the existence of specific risk guarantees on the products / employees

A-1 Credit risk measurement
Loan Facilities to Banks and Customers

To measure credit risk related to loans and facilities to banks and customers, the Bank considers the following three components:

- Probability of default by the customer or third parties in meeting their contractual obligations.
- The current status of the direct facilities and the future development of the indirect facilities likely to result in the Bank’s resulting exposure at default.
- Loss given default

The Bank assesses the probability of default at each customer level using internal rating methods for detailed classification of different categories of clients. These methods have been developed internally and statistical analyzes are taken into account with the professional judgment of the credit officer to reach an appropriate merit rating. The Bank’s customers are divided into four categories of merit and reflect the merit structure The following table shows the probability of default for each category of merit. This means that credit centers are transferred between categories of merit according to the change in the assessment of the probability of default. If necessary, the Bank periodically assesses the performance of the rating methods and their ability to predict delays.

Bank’s internal rating categories:

Rating	Rating significance
1	Good debts
2	Normal watch-list
3	Special watch-list
4	Non-performing loan

The position subject to default depends on the amounts the bank expects to remain outstanding when the delay occurs. For example, for a loan, this position is the face value. For commitments, the bank lists all the amounts already withdrawn in addition to other amounts expected to be withdrawn up to the date of the delay, if it occurs.

Debt instruments

Concerning debt instruments, the bank uses external foreign rating or their equivalent rating to manage credit risk. If such ratings are not available, the bank applies similar methods to those applied to credit customers, and these investments in securities are seen as a way to obtain better credit quality and at the same time provide an available source to meet financing requirements.

A-2 Risk Limit control and Mitigation Policies

The bank manages, mitigates, and controls credit risk concentration at the level of debtor, groups, industries, and countries.

- The bank structures the levels of credit risk tolerance by placing limits for the risk tolerance in relation to each borrower or a class of borrowers, and at the level of economic activities and geographical sectors. Such risk shall be constantly monitored and controlled and shall be subject to reviews on an annual basis or more frequently if necessary. Limits of credit risk at the level of borrower/ the group / producer, the sector and the country shall be quarterly approved by the board of directors.
- Also, credit risk exposure is managed by the yearly analysis of the present as well as the possible borrower’s ability on fulfilling their obligations and also by amendment of the lending limits if appropriate.

The following are some means of mitigating risk:

Collaterals

The bank employs a range of policies and controls to mitigate credit risk. Among the methods implemented is to obtain collateral against the extended funds.

The bank has set guiding rules for defined types of acceptable collaterals.

Among the main types of collaterals to loans and advances are the following:

- Mortgage.
- Mortgage of business assets such as equipment and goods.
- Mortgage of financial instruments such as debt instruments and equity.

Usually, corporate lending is for a longer term and secured whereas credit facilities extended to individuals are unsecured. To reduce credit loss to its minimum, the bank seeks to get additional collaterals from the concerned parties as soon as indicators of a loan or facility impairment appear ,The collaterals taken as collateral for assets other than loans and facilities are determined by the nature of the instrument, and debt instruments and treasury bills are usually unsecured, with the exception of sets of financial instruments covered by similar assets and instruments that are secured by a portfolio of financial instruments.

Derivatives

The Bank maintains prudent control over the net open positions of the derivatives, the difference between the purchase and sale contracts at the level of value and duration. The amount of credit risk at any given time is determined by the fair value of the instrument that is beneficial to the Bank, a positive fair value asset that is a fraction of the contractual / default value used to express the size of the existing instruments. This credit risk is managed as part of the total lending limit granted to the client with the expected risk due to changes in the market. Collateral against credit risk on these instruments is normally not obtained except for amounts requested by the Bank as marginal deposits from third parties.

The risk of settlement arises in situations where payment is made by cash, equity instruments or other securities or in exchange for the expectation of cash, equity instruments or other securities and daily settlement limits are set for each of the other parties to cover the risk of consolidated settlement arising from bank transactions any day.

Credit related commitments

- The main reason for credit related commitments is to ensure availability of funds upon client’s request. Also, the financial guarantees contract bears the same loans credit risk. Letters of credit that bank issued instead of its clients to grant a third party the right to withdraw a certain value according to terms and conditions usually guaranteed with goods traded so it bears a less risk degree that direct loan.
- Credit related commitments represent the unused portion from approved limit, financial guarantees contracts or letters of credit. The bank bear expected losses with amount of total unused commitments and that is for credit risk resulted from grant credit. Although the more viable loss actually is less than unused commitments and that is for credit related commitments is grant for clients with specific credit nature. Bank is observing the commitments until maturity and that is for the long-term commitments have more credit risk degrees than short-term commitments.

A-3 Provisioning policy (Measurement of expected credit losses)

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 (stage1) 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 (stage2) 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 (stage3). The Bank relies on the following indicators to determine whether there is objective evidence of impairment:

- A significant increase in the interest rate 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 table illustrates the proportional distribution of loans, credit facilities and their relevant impairment losses reported in the financial position for each of the internal ratings of the Bank:

	31 December 2025 Loans and advances (%)	31 December 2024 Loans and advances (%)
Bank’s Assessment		
1- Stage 1	72.34%	72.53%
2- Stage 2	24.02%	22.91%
3- Stage 3	3.64%	4.56%
Total	100%	100 %

A-4 The General Model for Measurement of Banking Risk

In addition to the four-creditworthiness ratings shown in (note no. A-1), the management also prepares ratings in the form of more detailed subgroups, which are in line with the requirements of the Central Bank of Egypt. Assets exposed to credit risk shall be rated in these subgroups pursuant to detailed rules and terms, which depend largely on customer related information, business and activities, financial position and performance of payments thereof.

According to Central Bank of Egypt adjusted rules starting from first year which the bank commit to apply these rules, the bank calculates the provision required for the impairment of these assets exposed to credit risk which impairment value has been solely estimated including credit related commitments using cash flow discounted method and for the group of assets that the impairment has been estimated as a group, the impairment calculated by historical default rates method. In case the impairment loss provision required according to ORR issued from Central Bank of Egypt exceeds the provisions as required according to adjusted rules by Central Bank of Egypt, that excess shall be debited to retained earnings and carried to the general reserve for banking risk in the shareholders’ equity section. Such reserves shall be regularly adjusted, by any increase or decrease so that the reserve shall always be equal to the amount of increase between the two provisions. Such reserve shall not be subject to distribution, note (A-32) shows the “general banking risk reserve” movement during the period. Following is an indication of corporate credit worthiness categories according to internal rating principles, compared to the rating principles of the Central Bank of Egypt, and of the required provision percentages for the impairment of assets exposed to credit risk:

CBE Rating	Rating’s meaning	Provision Ratio required’ According (CBE) (ORR)	Internal Rating Ac-cording (CBE) (ORR)	Meaning of internal
1	Low risk	0%	1	Performing loans
2	Average risk	1%	1	Performing loans
3	Satisfactory risk	1%	1	Performing loans
4	Reasonable risk	2%	1	Performing loans
5	Acceptable risk	2%	1	Performing loans
6	Marginally acceptable risk	3%	2	Regular follow up
7	Watch list	5%	3	Watch list
8	Substandard	20%	4	Non-Performing loans
9	Doubtful	50%	4	Non-Performing loans
10	Bad debts	100%	4	Non-Performing loans

A-5 The Maximum Limit for Credit Risk before Collaterals and Suspended interest and provisions

Credit risk exposures of financial position items:	31 December 2025	31 December 2024
Cash and balances at Central Bank	21,510,116	17,045,649
Due from banks	92,876,658	141,239,629
Loans and advances to banks	18,718,022	16,407,767
Loans and advances to customers:		
Retail Loans		
-Overdraft accounts	1,462,891	1,344,713
-Credit cards	4,428,140	3,191,034
-Personal loans	83,576,052	75,669,045
-Mortgage loans	12,845,694	8,553,093
Corporate Loans		
-Overdraft accounts	41,342,909	41,174,504
-Direct loans	60,254,976	49,554,949
-Syndicated loans	33,897,278	30,608,776
-Discount document	1,489,782	850,200
Financial investments at fair value through other comprehensive income		
-Debt instruments	103,813,989	63,530,767
Financial investments at amortized cost		
-Debt instruments	37,549,336	16,677,966
Other assets*	5,533,725	4,941,225
Total	519,299,568	470,789,317

The previous table represents the loans without taking into consideration Expected Credit Loss as disclosed in notes (15), (16), (17), (18) and (19).

** The above – mentioned other assets represents in accrued revenues.*

- The first table (A/5) represents the maximum limit of exposure as at 31 December 2025 and as at 31 December 2024, without taking into consideration any financial guarantees and it illustrated from the table that 49.69% of the maximum limit exposed to credit risk arises from loans and advances to customers and banks including the discounted documents (31 December 2024: 48.29%), where investments in debt instrument measured at fair value through OCI and amortized cost represent 27.22% (31 December 2024: 17.04%).

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

31 December 2025				
	Stage 1	Stage 2	Stage 3	
	12-Months	Life time	Life time	Total
Due from banks				
Credit rating				
Good debts	81,763,691	11,112,967	--	92,876,658
Normal watch-list	--	--	--	--
Special watch-list	--	--	--	--
Non-performing loan	--	--	--	--
Total	81,763,691	11,112,967	--	92,876,658
ECL Provision	--	(18,232)	--	(18,232)
Net carrying amount	81,763,691	11,094,735	--	92,858,426

31 December 2024				
	Stage 1	Stage 2	Stage 3	
	12-Months	Life time	Life time	Total
Due from banks				
Credit rating				
Good debts	129,140,859	12,098,770	--	141,239,629
Normal watch-list	--	--	--	--
Special watch-list	--	--	--	--
Non-performing loan	--	--	--	--
Total	129,140,859	12,098,770	--	141,239,629
ECL Provision	--	(26,834)	--	(26,834)
Net carrying amount	129,140,859	12,071,936	--	141,212,795

31 December 2025				
	Stage 1	Stage 2	Stage 3	
	12-Months	Life time	Life time	Total
Treasury bills				
Credit rating				
Good debts	47,848,907	18,855,498	--	66,704,405
Normal watch-list	--	--	--	--
Special watch-list	--	--	--	--
Non-performing loan	--	--	--	--
Total	47,848,907	18,855,498	--	66,704,405
ECL Provision	--	(135,758)	--	(135,758)
Net carrying amount	47,848,907	18,719,740	--	66,568,647

31 December 2024				
	Stage 1	Stage 2	Stage 3	
	12-Months	Life time	Life time	Total
Treasury bills				
Credit rating				
Good debts	20,979,902	19,727,545	--	40,707,447
Normal watch-list	--	--	--	--
Special watch-list	--	--	--	--
Non-performing loan	--	--	--	--
Total	20,979,902	19,727,545	--	40,707,447
ECL Provision	--	(190,194)	--	(190,194)
Net carrying amount	20,979,902	19,537,351	--	40,517,253

31 December 2025				
Governmental treasury bonds	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	Total
Credit rating				
Good debts	53,605,727	10,306,993	--	63,912,720
Normal watch-list	--	--	--	--
Special watch-list	--	--	--	--
Non-performing loan	--	--	--	--
Total	53,605,727	10,306,993	--	63,912,720
ECL Provision	--	(420,175)	--	(420,175)
Net carrying amount	53,605,727	9,886,818	--	63,492,545

31 December 2024				
Governmental treasury bonds	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	Total
Credit rating				
Good debts	23,951,746	9,321,635	--	33,273,381
Normal watch-list	--	--	--	--
Special watch-list	--	--	--	--
Non-performing loan	--	--	--	--
Total	23,951,746	9,321,635	--	33,273,381
ECL Provision	--	(422,729)	--	(422,729)
Net carrying amount	23,951,746	8,898,906	--	32,850,652

31 December 2025				
Corporate bonds	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	Total
Credit rating				
Good debts	10,667,314	78,885	--	10,746,199
Normal watch-list	--	--	--	--
Special watch-list	--	--	--	--
Non-performing loan	--	--	--	--
Total	10,667,314	78,885	--	10,746,199
ECL Provision	(9,017)	(285)	--	(9,302)
Net carrying amount	10,658,297	78,600	--	10,736,897

31 December 2024				
Corporate bonds	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	Total
Credit rating				
Good debts	6,150,382	77,523	--	6,227,905
Normal watch-list	--	--	--	--
Special watch-list	--	--	--	--
Non-performing loan	--	--	--	--
Total	6,150,382	77,523	--	6,227,905
ECL Provision	(4,972)	(435)	--	(5,407)
Net carrying amount	6,145,410	77,088	--	6,222,498

31 December 2025				
Loans and advances to banks	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	Total
Credit rating				
Good debts	--	18,718,022	--	18,718,022
Normal watch-list	--	--	--	--
Special watch-list	--	--	--	--
Non-performing loan	--	--	--	--
Total	--	18,718,022	--	18,718,022
ECL Provision	--	(25,434)	--	(25,434)
Net carrying amount	--	18,692,588	--	18,692,588

31 December 2024				
Loans and advances to banks	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	Total
Credit rating				
Good debts	--	16,407,767	--	16,407,767
Normal watch-list	--	--	--	--
Special watch-list	--	--	--	--
Non-performing loan	--	--	--	--
Total	--	16,407,767	--	16,407,767
ECL Provision	--	(33,624)	--	(33,624)
Net carrying amount	--	16,374,143	--	16,374,143

31 December 2025				
Loans and advances to retail	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	Total
Credit rating				
Good debts	91,391,332	7,202,494	--	98,593,826
Normal watch-list	--	--	--	--
Special watch-list	--	--	--	--
Non-performing loan	--	--	3,718,951	3,718,951
Total	91,391,332	7,202,494	3,718,951	102,312,777
ECL Provision	(1,476,214)	(360,090)	(2,729,771)	(4,566,075)
Net carrying amount	89,915,118	6,842,404	989,180	97,746,702

31 December 2024				
Loans and advances to retail	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	Total
Credit rating				
Good debts	80,685,614	5,369,354	--	86,054,968
Normal watch-list	--	--	--	--
Special watch-list	--	--	--	--
Non-performing loan	--	--	2,702,917	2,702,917
Total	80,685,614	5,369,354	2,702,917	88,757,885
ECL Provision	(930,725)	(98,439)	(1,950,808)	(2,979,972)
Net carrying amount	79,754,889	5,270,915	752,109	85,777,913

31 December 2025				
Loans and advances to large and medium corporate	Stage 1	Stage 2	Stage 3	Total
	12-Months	Life time	Life time	
Credit rating				
Good debts	79,316,239	33,490,770	--	112,807,009
Normal watch-list	--	--	--	--
Special watch-list	--	268,136	--	268,136
Non-performing loan	--	--	4,899,164	4,899,164
Total	79,316,239	33,758,906	4,899,164	117,974,309
ECL Provision	(669,038)	(6,356,604)	(4,334,368)	(11,360,010)
Net carrying amount	78,647,201	27,402,302	564,796	106,614,299

31 December 2024				
Loans and advances to large and medium corporate	Stage 1	Stage 2	Stage 3	Total
	12-Months	Life time	Life time	
Credit rating				
Good debts	71,233,012	25,949,791	--	97,182,803
Normal watch-list	--	--	--	--
Special watch-list	--	2,143,391	--	2,143,391
Non-performing loan	--	--	5,868,540	5,868,540
Total	71,233,012	28,093,182	5,868,540	105,194,734
ECL Provision	(599,441)	(5,160,951)	(5,132,831)	(10,893,223)
Net carrying amount	70,633,571	22,932,231	735,709	94,301,511

31 December 2025				
Loans and advances to small corporate	Stage 1	Stage 2	Stage 3	Total
	12-Months	Life time	Life time	
Credit rating				
Good debts	15,932,312	2,297,845	--	18,230,157
Normal watch-list	--	--	--	--
Special watch-list	--	--	--	--
Non-performing loan	--	--	780,479	780,479
Total	15,932,312	2,297,845	780,479	19,010,636
ECL Provision	(1,022,163)	(229,618)	(216,461)	(1,468,242)
Net carrying amount	14,910,149	2,068,227	564,018	17,542,394

31 December 2024				
Loans and advances to small corporate	Stage 1	Stage 2	Stage 3	Total
	12-Months	Life time	Life time	
Credit rating				
Good debts	12,982,061	2,217,913	--	15,199,974
Normal watch-list	--	--	--	--
Special watch-list	--	--	--	--
Non-performing loan	--	--	1,793,721	1,793,721
Total	12,982,061	2,217,913	1,793,721	16,993,695
ECL Provision	(675,219)	(138,714)	(1,090,610)	(1,904,543)
Net carrying amount	12,306,842	2,079,199	703,111	15,089,152

The following table shows the changes in ECL between the beginning and end of the year as a result of these factors:

31 December 2025				
	Stage 1	Stage 2	Stage 3	
Due from banks	12-Months	Life time	Life time	Total
ECL Provision at January 01, 2025	--	26,834	--	26,834
New financial assets purchased or issued	--	--	--	--
Financial assets have been matured or derecognized	--	(6,571)	--	(6,571)
Foreign exchange translation differences	--	(2,031)	--	(2,031)
Balance at the end of the year	--	18,232	--	18,232

31 December 2024				
	Stage 1	Stage 2	Stage 3	
Due from banks	12-Months	Life time	Life time	Total
ECL Provision at January 01, 2024	--	21,079	--	21,079
New financial assets purchased or issued	--	13,781	--	13,781
Financial assets have been matured or derecognized	--	(21,079)	--	(21,079)
Foreign exchange translation differences	--	13,053	--	13,053
Balance at the end of the year	--	26,834	--	26,834

31 December 2025				
	Stage 1	Stage 2	Stage 3	
Treasury bills	12-Months	Life time	Life time	Total
ECL Provision at January 01, 2025	--	190,194	--	190,194
New financial assets purchased or issued	--	--	--	--
Financial assets have been matured or derecognized	--	(37,648)	--	(37,648)
Foreign exchange translation differences	--	(16,788)	--	(16,788)
Balance at the end of the year	--	135,758	--	135,758

31 December 2024				
	Stage 1	Stage 2	Stage 3	
Treasury bills	12-Months	Life time	Life time	Total
ECL Provision at January 01, 2024	--	160,873	--	160,873
New financial assets purchased or issued	--	92,422	--	92,422
Financial assets have been matured or derecognized	--	(160,873)	--	(160,873)
Written-off during the year	--	--	--	--
Foreign exchange translation differences	--	97,772	--	97,772
Balance at the end of the year	--	190,194	--	190,194

31 December 2025				
Governmental treasury bonds	Stage 1	Stage 2	Stage 3	Total
	12-Months	Life time	Life time	
ECL Provision at January 01, 2025	--	422,729	--	422,729
New financial assets purchased or issued	--	33,562	--	33,562
Financial assets have been matured or derecognized	--	(2,555)	--	(2,555)
Foreign exchange translation differences	--	(33,561)	--	(33,561)
Balance at the end of the year	--	420,175	--	420,175

31 December 2024				
Governmental treasury bonds	Stage 1	Stage 2	Stage 3	Total
	12-Months	Life time	Life time	
ECL Provision at January 01, 2024	--	250,640	--	250,640
New financial assets purchased or issued	--	24,258	--	24,258
Financial assets have been matured or derecognized	--	(15,580)	--	(15,580)
Foreign exchange translation differences	--	163,411	--	163,411
Balance at the end of the year	--	422,729	--	422,729

31 December 2025				
Corporate bonds	Stage 1	Stage 2	Stage 3	Total
	12-Months	Life time	Life time	
ECL Provision at January 01, 2025	4,972	435	--	5,407
New financial assets purchased or issued	4,045	--	--	4,045
Financial assets have been matured or derecognized	--	(150)	--	(150)
Balance at the end of the year	9,017	285	--	9,302

31 December 2024				
Corporate bonds	Stage 1	Stage 2	Stage 3	Total
	12-Months	Life time	Life time	
ECL Provision at January 01, 2024	5,916	9,934	--	15,850
New financial assets purchased or issued	--	--	--	--
Financial assets have been matured or derecognized	(944)	(9,499)	--	(10,443)
Balance at the end of the year	4,972	435	--	5,407

31 December 2025				
Loans and advances to banks	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	Total
ECL Provision at January 01, 2025	--	33,624	--	33,624
New financial assets purchased or issued	--	--	--	--
Financial assets have been matured or derecognized	--	(5,111)	--	(5,111)
Foreign exchange translation differences	--	(3,079)	--	(3,079)
Balance at the end of the year	--	25,434	--	25,434

31 December 2024				
Loans and advances to banks	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	Total
ECL Provision at January 01, 2024	--	16,502	--	16,502
New financial assets purchased or issued	--	22,548	--	22,548
Financial assets have been matured or derecognized	--	(16,502)	--	(16,502)
Foreign exchange translation differences	--	11,076	--	11,076
Balance at the end of the year	--	33,624	--	33,624

31 December 2025				
Loans and advances to retail	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	Total
ECL Provision at January 01, 2025	930,725	98,439	1,950,808	2,979,972
New financial assets purchased or issued	380,506	109,867	173,674	664,047
Financial assets have been matured or derecognized	(65,392)	(23,742)	(1,152,352)	(1,241,486)
Transfer to stage 1	21,669	(12,095)	(9,574)	--
Transfer to stage 2	(223,207)	225,029	(1,822)	--
Transfer to stage 3	(1,238,192)	(614,604)	1,852,796	--
Changes	1,670,105	577,196	(83,759)	2,163,542
Balance at the end of the year	1,476,214	360,090	2,729,771	4,566,075

31 December 2024				
Loans and advances to retail	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	Total
ECL Provision at January 01, 2024	587,657	58,528	1,414,860	2,061,045
New financial assets purchased or issued	281,570	30,077	172,343	483,990
Financial assets have been matured or derecognized	(42,415)	(10,852)	(649,084)	(702,351)
Transfer to stage 1	7,547	(5,985)	(1,562)	--
Transfer to stage 2	(57,278)	59,050	(1,772)	--
Transfer to stage 3	(778,655)	(306,806)	1,085,461	--
Changes	932,299	274,427	(69,438)	1,137,288
Balance at the end of the year	930,725	98,439	1,950,808	2,979,972

31 December 2025				
Loans and advances to large and medium corporate	Stage 1	Stage 2	Stage 3	Total
	12-Months	Life time	Life time	
ECL Provision at January 01, 2025	599,441	5,160,951	5,132,831	10,893,223
New financial assets purchased or issued	317,591	3,083,944	2,634,420	6,035,955
Financial assets have been matured or derecognized	(278,857)	(990,960)	(2,255,309)	(3,525,126)
Transfer to stage 1	57,026	(57,026)	--	--
Transfer to stage 2	(10,164)	10,164	--	--
Transfer to stage 3	(539)	(744,895)	745,434	--
Loans written-off during the year	--	--	(1,890,584)	(1,890,584)
Proceeds from written –off during the year	--	--	51,884	51,884
Foreign exchange translation differences	(15,460)	(105,574)	(84,308)	(205,342)
Balance at the end of the year	669,038	6,356,604	4,334,368	11,360,010

31 December 2024				
Loans and advances to large and medium corporate	Stage 1	Stage 2	Stage 3	Total
	12-Months	Life time	Life time	
ECL Provision at January 01, 2024	446,320	3,348,554	4,563,238	8,358,112
New financial assets purchased or issued	108,295	1,557,009	2,196,736	3,862,040
Financial assets have been matured or derecognized	(184,521)	(695,408)	(1,138,715)	(2,018,644)
Transfer to stage 1	126,967	(126,967)	--	0
Transfer to stage 2	(25,000)	25,000	--	0
Transfer to stage 3	(832)	(246,814)	247,646	0
Loans written-off during the year	--	--	(1,646,300)	(1,646,300)
Proceeds from written –off during the year	--	--	3	3
Foreign exchange translation differences	128,212	1,299,577	910,223	2,338,012
Balance at the end of the year	599,441	5,160,951	5,132,831	10,893,223

31 December 2025				
Loans and advances to small corporate	Stage 1	Stage 2	Stage 3	Total
	12-Months	Life time	Life time	
ECL Provision at January 01, 2025	675,219	138,714	1,090,610	1,904,543
New financial assets purchased or issued	449,206	102,637	1,185,457	1,737,300
Financial assets have been matured or derecognized	(101,939)	(9,977)	(1,022,853)	(1,134,769)
Transfer to stage 1	25	(25)	--	--
Transfer to stage 2	(333)	333	--	--
Transfer to stage 3	(15)	(2,064)	2,079	--
Loans written-off during the year	--	--	(1,055,241)	(1,055,241)
Proceeds from written –off during the year	--	--	16,409	16,409
Balance at the end of the year	1,022,163	229,618	216,461	1,468,242

31 December 2024				
Loans and advances to small corporate	Stage 1	Stage 2	Stage 3	Total
	12-Months	Life time	Life time	
ECL Provision at January 01, 2024	147,076	122,109	1,094,404	1,363,589
New financial assets purchased or issued	536,831	29,069	191,157	757,057
Financial assets have been matured or derecognized	(9,127)	(9,492)	(104,271)	(122,890)
Transfer to stage 1	483	(483)	--	0
Transfer to stage 2	(38)	1,603	(1,565)	0
Transfer to stage 3	(6)	(4,092)	4,098	0
Loans written-off during the year	--	--	(104,618)	(104,618)
Proceeds from written –off during the year	--	--	11,405	11,405
Balance at the end of the year	675,219	138,714	1,090,610	1,904,543

The following table provides summary of expected credit losses (ECL) at the end of the year:

31 December 2025				
Items	Stage 1	Stage 2	Stage 3	Total
	12-Months	Life time	Life time	
Due from banks	--	18,232	--	18,232
Treasury bills	--	135,758	--	135,758
Governmental treasury bonds	--	420,175	--	420,175
Corporate bonds	9,017	285	--	9,302
Loans and advances to banks	--	25,434	--	25,434
Loans and advances to retail	1,476,214	360,090	2,729,771	4,566,075
Loans and advances to large & medium corporate	669,038	6,356,604	4,334,368	11,360,010
Loans and advances to small corporate	1,022,163	229,618	216,461	1,468,242
ECL Provision for contingent liabilities-corporate	87,111	297,425	192,103	576,639
Commitments on unused corporate loans-corporate	143,307	86,379	--	229,686
ECL Provision for contingent liabilities-SMEs	24,311	214	3,684	28,209
Commitments on unused corporate loans-SMEs	34,286	1,039	865	36,190
ECL Provision for contingent liabilities-Due from Banks	4,628	13,792	--	18,420
Balance at the end of the year	3,470,075	7,945,045	7,477,252	18,892,372

31 December 2024				
Items	Stage 1	Stage 2	Stage 3	Total
	12-Months	Life time	Life time	
Due from banks	--	26,834	--	26,834
Treasury bills	--	190,194	--	190,194
Governmental treasury bonds	--	422,729	--	422,729
Corporate bonds	4,972	435	--	5,407
Loans and advances to banks	--	33,624	--	33,624
Loans and advances to retail	930,725	98,439	1,950,808	2,979,972
Loans and advances to large & medium corporate	599,441	5,160,951	5,132,831	10,893,223
Loans and advances to small corporate	675,219	138,714	1,090,610	1,904,543
ECL Provision for contingent liabilities-corporate	104,601	293,694	79,878	478,173
Commitments on unused corporate loans-corporate	99,861	343,065	65,200	508,126
ECL Provision for contingent liabilities-SMEs	8,824	147	4,894	13,865
Commitments on unused corporate loans-SMEs	16,727	3,570	754	21,051
ECL Provision for contingent liabilities-Due from Banks	5,059	19,627	8,892	33,578
Balance at the end of the year	2,445,429	6,732,023	8,333,867	17,511,319

Off balance sheet items exposed to credit risk

	31 December 2025	31 December 2024
Non-revocable credit related commitments for loans and other liabilities	17,409,289	17,475,187
Letter of credit	11,278,778	12,957,724
Letters of guarantee	46,288,455	49,537,122
Accepted draft	2,746,544	2,156,060
Total	77,723,066	82,126,093

A-6 Loans and advances

The following is the position of loans and advances' balances as regarding credit worthiness:

	31 December 2025		31 December 2024	
	Loans and advances to customers	Loans and advances to banks	Loans and advances to customers	Loans and advances to banks
Neither past due nor impaired	166,787,381	18,718,022	160,047,923	16,407,767
With past due but not impaired	60,543,432	--	39,130,337	--
Individually impairment	11,966,909	--	11,768,054	--
Total	239,297,722	18,718,022	210,946,314	16,407,767
(Less): Expected Credit loss provision	(17,394,327)	(25,742)	(15,777,738)	(33,624)
(Less): Unearned discount of documents	(52,693)	--	(29,550)	--
Net	221,850,702	18,692,280	195,139,026	16,374,143

The management has confidence in its abilities to continue of controlling and maintaining the minimum limit of credit risk resulted from loans, facilities, and debt instruments portfolios based on the following:

- 71.90% of the loans and advances portfolio are considered to be neither past due nor impaired (31 December 2024: 77.61%).
- 4,.64% of loans and advances portfolio individually impaired (31 December 2024: 5.18%).
- Loans and advances that are not impaired represent 95.36% from total loans portfolio (31 December 2024: 94.82%) including past due loans but not impaired represent 23.46% from total loans and advances portfolio (31 December 2024: 17.21%).
- Total Expected Credit Loss provision of loans and advances to customers amounted EGP 17,394,327 thousands as at 31 December 2025 of which EGP 7,280,600 thousands represents impairment of individual loans (Stage 3) and the balance of EGP 10,113,727 thousands represents the provision of ECL (Stage 1 and Stage 2); (31 December 2024: ECL provision of loans and advances amounted EGP 15,777,738 thousands of which EGP 8,174,249 thousands represents impairment of individual loans and the balance of EGP 7,603,489 thousands represents the provision of ECL (Stage 1 and Stage 2). and note (18) includes additional information on provision for ECL of loans and advances.
- During the current financial year loans and facilities to customers and banks increased by 13.49%.

Loans and advances Neither past due nor impaired

The creditworthiness of the loans and advances portfolio with no past dues or impairment is assessed with reference to the internal assessment adopted by the bank.

31 December 2025									
Grade	Retail				Corporate			Total Loans and advances to customers	Loans and advances to banks
	Over drafts	Credit cards	Personal loans	Mortgage loans	Over drafts	Direct loans	Syndicated loans		
1 Good debts	1,019,980	3,906,300	78,284,281	12,814,949	1,702,105	23,516,055	5,725,276	126,968,946	18,718,022
2 Normal watch-list	--	--	--	--	687,378	19,095,408	19,869,986	39,652,772	--
3 Special watch-list	--	--	--	--	165,663	--	--	165,663	--
Total	1,019,980	3,906,300	78,284,281	12,814,949	2,555,146	42,611,463	25,595,262	166,787,381	18,718,022

31 December 2024									
Grade	Retail				Corporate			Total Loans and advances to customers	Loans and advances to banks
	Over drafts	Credit cards	Personal loans	Mortgage loans	Over drafts	Direct loans	Syndicated loans		
1 Good debts	1,239,831	3,115,864	71,777,178	8,519,220	2,849,811	28,859,695	7,396,869	123,758,468	16,407,767
2 Normal watch-list	--	--	--	--	1,986,671	13,862,876	19,845,346	35,694,893	--
3 Special watch-list	--	--	--	--	333,844	260,718	--	594,562	--
Total	1,239,831	3,115,864	71,777,178	8,519,220	5,170,326	42,983,289	27,242,215	160,047,923	16,407,767

Loans and advances past due but not impaired

These are loans and advances with delays up to 90 days but are not considered impaired unless there is another information to the contrary, a loans and facilities to customers with past dues but not impaired and the fair value of their collaterals are represented in following:

31 December 2025	Corporate			Total Loans and advances to customers
	Overdrafts	Direct loans	Syndicated loans	
Past dues up to 30 days	33,256,245	16,650,544	5,171,248	55,078,037
Past dues more than 30 to 60 days	1,182,596	526,707	--	1,709,303
Past dues more than 60 to 90 days	145,096	397,697	2,974,299	3,517,092
Past due more than 90 days	13,966	68,565	156,469	239,000
Total	34,597,903	17,643,513	8,302,016	60,543,432

31 December 2024	Corporate			Total Loans and advances to customers
	Overdrafts	Direct loans	Syndicated loans	
Past dues up to 30 days	28,099,894	5,527,594	2,587,339	36,214,827
Past dues more than 30 to 60 days	822,694	637,943	--	1,460,637
Past dues more than 60 to 90 days	234,837	160,729	665,333	1,060,899
Past due more than 90 days	34,691	245,394	113,889	393,974
Total	29,192,116	6,571,660	3,366,561	39,130,337

Individually impaired loans

Loans and advances to customers

The loans and advances which are subject to impairment on an individual basis, before taking into consideration expected cash flow from the collateral amounted to EGP 11,966,909 thousand as at 31 December 2025 (31 December 2024: EGP 11,768,054 thousand), herein below is the analysis of the gross value of loans and advances subject to impairment on individual basis including the fair value of collaterals the bank has obtained against these loans:

31 December 2025	Retail				Corporate			Total
	Over drafts	Credit Card	Personal Loans	Mortgages Loans	Over drafts	Direct Loans	Syndicated Loans	
Individually impaired loans	442,911	521,840	5,291,771	30,745	5,679,642	--	--	11,966,909

- The fair value of collaterals held by the Bank against above loans is totaled EGP 3,689,663 thousand.

31 December 2024	Retail				Corporate			Total
	Over drafts	Credit Card	Personal Loans	Mortgages Loans	Over drafts	Direct Loans	Syndicated Loans	
Individually impaired loans	104,882	75,170	3,891,867	33,873	7,662,262	--	--	11,768,054

- The fair value of collaterals held by the Bank against above loans is totaled EGP 2,860,719 thousand.

At the initial recognition of loans and advances, the fair value of collaterals is evaluated based on the same financial asset’s evaluation method used and in subsequent periods, the fair value is updated by the market prices or the similar assets’ prices.

All collaterals held by the Bank against loans and advances that are subject to impairment represent Checks and order bills equal to their related booked debts.

Loans and advances restructured

Restructuring activities include rescheduling arrangements, applying obligatory management programs, modifying and deferral of payments. The application of restructuring policies is based on indications or criteria of credit performance of the borrower that is based on the personal judgment of the management, which indicate that payment will most likely continue, these policies are subject to continuous review. Restructuring is commonly applied to long-term loans, especially customers financing loans.

Loans, which have been subject to Renegotiation, have reached EGP 10,344,325 thousand as at 31 December 2025 (31 December 2024: EGP 9,210,730 thousand).

Loans and advances to customers	31 December 2025	31 December 2024
Corporate		
- Direct loans	396,850	485,657
- Syndicated loans	9,936,506	8,717,755
Retail		
- Personal loans	10,969	7,318
Total	10,344,325	9,210,730

A/7 Debt instruments, treasury bills and other governmental notes

The following table represents an analysis of debt instruments and treasury bills and other governmental notes at the end of financial year, based on the assessment evaluation agencies:

Rating	Net Treasury bills at FVTOCI	Bonds at FVTOCI	Bonds at amortized cost	Other investment at amortized cost	Total	Year
B	66,704,405	37,109,584	37,493,223	56,113	141,363,325	31 December 2025
B-	40,707,447	22,823,320	16,621,853	56,113	80,208,733	31 December 2024

A-8 Acquisition of collaterals

- Acquired assets are classified under the "Other Assets" item in the financial position; the accounting policy disclosed in Note (2) is followed in the first recognition and subsequent measurement. These assets are sold or used for the purposes of the Bank whenever practicable and in accordance with the legal periods set by the Central Bank of Egypt to dispose acquired assets.

A-9 The concentration of financial assets' risks exposed to credit risk

Geographical segments

The following is breakdown of the bank's credit exposure at their book values categorized by geographical region at the end of the current year.

The bank has allocated the risks to the geographical segments based on regions of the bank's clients

	Arab Republic of Egypt			Out of Arab Republic of Egypt	Total
	Cairo	Alex and Delta – Sinai	Upper Egypt		
Loans and advances to banks	--	--	--	18,718,022	18,718,022
Loans and advances to customers					
Retail:					
- Overdraft	448,001	976,483	38,407	--	1,462,891
-Credit cards	3,148,465	860,194	419,481	--	4,428,140
-Personal loans	34,131,545	30,152,824	19,291,683	--	83,576,052
-Mortgages loans	10,364,158	1,212,493	1,269,043	--	12,845,694
Corporate:					
- Overdraft	32,638,270	7,974,395	730,244	--	41,342,909
-Direct loans	49,154,286	9,096,391	2,004,299	--	60,254,976
-Syndicated loans	29,303,666	2,887,258	1,706,354	--	33,897,278
-Discounted documents	1,302,945	186,837	--	--	1,489,782
Financial investment at fair value through other comprehensive income					
-Debt instrument	37,109,584	--	--	--	37,109,584
-Treasury bills and other governmental notes	66,704,405	--	--	--	66,704,405
Financial investment at amortized cost					
-Debt instrument	37,549,336	--	--	--	37,549,336
Other assets*	5,002,619	423,915	107,191	--	5,533,725
Total at 31 December 2025	306,857,280	53,770,790	25,566,702	18,718,022	404,912,794
Total at 31 December 2024	223,185,535	48,206,251	24,704,486	16,407,767	312,504,039

*The above - mentioned other assets represents in accrued revenues.

Industry sectors

The following table represents analysis the Bank’s main credit exposure at book value, distributed according to the Bank’s customers’ business and activities.

	Financial institu- tions	Manufac- turing	Real Es- tate	Wholesale and retail trade	Govern- ment sector	Other activities	Individual	Total
Loans and advances to banks	18,718,022	--	--	--	--	--	--	18,718,022
Loans and advances to customers								
Retail:								
- Overdrafts	--	--	--	--	--	--	1,462,891	1,462,891
- Credit cards	--	--	--	--	--	--	4,428,140	4,428,140
- Personal loans	--	--	--	--	--	--	83,576,052	83,576,052
- Mortgages loans	--	--	12,845,694	--	--	--	--	12,845,694
Corporate:								
- Overdrafts	--	10,503,325	--	3,129,959	8,491,242	19,218,383	--	41,342,909
- Direct loans	--	4,504,193	711	181,146	13,259,108	42,309,818	--	60,254,976
- Syndicated loans	--	6,808,472	299,873	--	14,831,320	11,957,613	--	33,897,278
- Discount documents	--	200,292	--	251,458	--	1,038,032	--	1,489,782
Financial investment at fair value through other comprehensive income								
-Debt instruments	10,726,200	--	--	--	26,383,384	--	--	37,109,584
-Treasury and docu- ments bills and other governmental notes	--	--	--	--	66,704,405	--	--	66,704,405
Financial investments at amortized cost								
-Debt instruments	--	--	--	--	37,549,336	--	--	37,549,336
- Other assets*	--	--	--	--	--	5,533,725	--	5,533,725
Total at 31 December 2025	29,444,222	22,016,282	13,146,278	3,562,563	167,218,795	80,057,571	89,467,083	404,912,794
Total at 31 December 2024	22,635,672	19,014,246	14,275,616	3,951,910	103,204,378	69,217,425	80,204,792	312,504,039

* Other assets listed are represented in accrued revenues in which have categorized as other activities due to the unavailability of data required to be distributed properly.

B. Market risk

The Bank exposed to Market risk which is represented as fluctuations in fair value or future cash flow provided from changes in Market prices, the market risk produces from open positions for interest rates, currency and equity products, as each is subject to public and private movements in the market. And changes in the level of sensitivity to market rates or to prices, such as rates of return, exchange rates and prices of equity instruments. The bank separates exposures to market risk into trading or non-trading portfolios.

Trading portfolios include positions arising from dealing with clients directly or with the market. Non-trading portfolios include positions that primarily arise from the interest rate for assets and liabilities related to retail transactions, and these portfolios include foreign currencies Risks from financial investments at amortized cost, and also equity instruments Risks from financial investments designated as fair value through other comprehensive income.

B-1 Market risk measurement techniques

As part of the management of market risk, the Bank undertakes various hedging strategies and enters into interest rate swaps to match the interest rate risk associated with the fixed-rate long-term debt instrument and loans to which the fair value option has been applied.

The following are the most important measurement techniques used to control market risk

Value at Risk

The Bank applies a “Value at Risk” methodology (VAR) to its trading and non-trading portfolios, to estimate the market risk of positions held and the maximum losses expected under normal market conditions, based upon a number of assumptions for various changes in market conditions the board of directors sets limits for value at risk which the bank can accept for trading and non-trading separately.

Value at risk is a statistically based estimate of the potential loss on the current portfolio from adverse market movements. It expresses the ‘maximum’ amount the Bank might lose, but only to a certain level of confidence (99%). There is therefore a specified statistical probability (1%) that actual loss could be greater than the VAR estimate. The VAR model assumes a certain ‘holding period’ until positions can be closed (10 Days). Before it could be closing open positions and it’s also assumed that the market movement during the holding period will follow the same pattern of movement that occurred during the previous ten days. The Bank assesses the historical movements in the market prices based on volatilities and correlations data for the past five years.

And the bank applies those historical changes in rates, prices and indicators, directly to the current centers - this method is known as historical simulation, and the actual outputs are monitored regularly to measure the integrity of the assumptions and factors used to calculate the value at risk.

The use of this method does not prevent the loss from exceeding these limits in the event of greater movements in the market. As the value at risk is considered an essential part of the bank’s system in controlling market risk, the Board of Directors sets annual limits for the value at risk for both trading and non-trading operations and is divided into activity units, and the actual values at risk are compared to the objective limits by the bank and its review Daily by the bank’s risk management. The quality of the value-at-risk model is continuously monitored through reinforcement tests of the value-at-risk results of the trading portfolio, and the results of those tests are reported to senior management and the board of directors.

Stress tests

Stress tests provide an indication of the potential size of losses that could arise under extreme market conditions. The stress tests are designed to be suitable for the activity is tailored using standard analyzes for specific scenarios. The stress tests carried out by the bank's risk management department include stress testing Risk factors, as a set of sharp moves is applied to each risk category and the pressures of developing markets are tested, as developing markets are subject to for sharp movements and a special stress test, it includes possible events affecting certain centers or regions, such as what may be produced in a region due to liberation Restrictions on a currency. Senior management and the Board of Directors review the stress test results.

B-2 Summary of value at risk VAR as per the risk type

	12 months till ending the current year 2025			12 months till ending the prior year 2024		
	Average	High	Low	Average	High	Low
Foreign exchange risk	13,486	142,567	1,059	32,243	148,518	1,153
VAR	13,486	142,567	1,059	32,243	148,518	1,153

B-3 The risk of fluctuations in foreign exchange rates

The bank is exposed to the risk of fluctuations in foreign exchange rates on its financial position and cash flows and the board of directors have set limits of foreign currencies in total value for each position at the end of the day and during the day, which are monitored on the spot The following table includes the book value of financial instruments distributed into its component currencies' and translated to EGP.

31 December 2025	EGP	USD	Euro	GBP	Other Currencies	Total
Financial Assets						
Cash and balances at Central Bank	29,027,652	3,937,433	868,896	106,277	552,136	34,492,394
Due from banks	22,505,046	64,894,474	4,239,203	598,612	621,091	92,858,426
Loans and advances to banks	--	17,593,584	1,099,004	--	--	18,692,588
Loans and advances to customers	197,514,626	22,589,062	1,747,014	--	--	221,850,702
Financial investments						
At fair value through other comprehensive income	75,458,178	26,693,734	2,543,196	--	277	104,695,385
At amortized cost	37,549,336	--	--	--	--	37,549,336
Investments in subsidiaries and associates	1,875,563	1,992,809	--	--	--	3,868,372
Total financial Assets	363,930,401	137,701,096	10,497,313	704,889	1,173,504	514,007,203
Financial liabilities						
Due to banks	1,465,792	1,400,028	37,679	2,840	5,871	2,912,210
Customers' deposits	297,256,963	92,811,659	9,882,941	674,060	734,090	401,359,713
Other loans	641,049	42,531,891	280,045	--	--	43,452,985
Total financial Liabilities	299,363,804	136,743,578	10,200,665	676,900	739,961	447,724,908
Net Financial Assets in Financial position	64,566,597	957,518	296,648	27,989	433,543	66,282,295
31 December 2024						
Total financial assets	291,415,366	163,379,111	11,702,562	509,626	844,868	467,851,533
Total financial liabilities	239,055,001	166,454,960	11,670,546	492,974	672,211	418,345,692
Net Financial assets in financial position	52,360,365	(3,075,849)	32,016	16,652	172,657	49,505,841

B-4 Interest rate risk

The bank is exposed to the impact of the fluctuations in the levels of interest rates prevailing in the market; include the cash flow risk of interest rate represented in the fluctuations of future cash flow of a financial instrument due to changes in the interest rate of the mentioned instrument. Whereas the interest rates fair value risk is the risk of fluctuations in the value of the financial instrument due to changes in interest rates in the market. The interest margin may rise due to these changes but still the profits may decrease if unexpected movements occur. The board of directors set limits for the level of difference in the re-pricing of interest rate that the bank can maintain and bank’s management monitors this daily.

The following table summarizes the extent of the bank’s exposure to the risk of fluctuations in interest rates that includes the book value of financial instruments distributed based on the price of repricing dates or maturity dates whichever is sooner:

31 December 2025	Up to 1 month	More than One month to three Months	More than Three months to one year	More than one year to three years	More than three years	Due in next day	Non- bearing interest	Total
Financial Assets								
Cash and balances at Central Bank	--	--	--	--	--	--	34,492,394	34,492,394
Due from banks	80,570,458	11,112,967	--	--	--	1,193,066	167	92,876,658
Loans and advances to banks	1,990,225	6,247,218	10,480,579	--	--	--	--	18,718,022
Loans and advances to customers	7,530,727	77,447,287	23,538,178	29,817,521	61,361,692	39,602,317	--	239,297,722
Financial Investments: -								
- At fair value through other comprehensive income	3,686,881	31,914,250	48,376,167	18,009,856	7,586,081	--	881,396	110,454,631
- At amortized cost	3,670,050	6,749,607	3,255,467	22,883,209	691,302	299,701	--	37,549,336
Total financial assets	97,448,341	133,471,329	85,650,391	70,710,586	69,639,075	41,095,084	35,373,957	533,388,763

31 December 2024	Up to 1 month	More than One month to three Months	More than Three months to one year	More than one year to three years	More than three years	Due in next day	Non- bearing interest	Total
Financial liabilities								
Due to banks	1,667,768	--	--	--	--	1,244,442	--	2,912,210
Customers’ deposits	73,685,374	53,649,546	77,470,692	79,880,515	23,692,201	86,264,911	6,716,474	401,359,713
Other loans	7,526,710	1,412,542	31,407,994	1,457,969	1,647,770	--	--	43,452,985
Total financial liabilities	82,879,852	55,062,088	108,878,686	81,338,484	25,339,971	87,509,353	6,716,474	447,724,908
Total interest re-pricing gap	14,568,489	78,409,241	(23,228,295)	(10,627,898)	44,299,104	(46,414,269)	28,657,483	85,663,855
As at 31 December 2024								
Total financial assets	142,006,482	109,176,185	62,976,675	38,069,095	61,733,875	36,702,323	31,592,176	482,256,811
Total financial liabilities	79,765,368	46,396,981	77,584,718	110,239,794	19,713,120	75,119,776	9,525,935	418,345,692
Total interest re-pricing gap	62,241,114	62,779,204	(14,608,043)	(72,170,699)	42,020,755	(38,417,453)	22,066,241	63,911,119

C. Liquidity Risk

Liquidity risk occurs when the Bank does not have sufficient financial resources to meet its obligations arising from its financial liabilities as they fall due or to replace funds when they are withdrawn. Consequently, the bank may fail to meet obligations to repay depositors and fulfill lending commitments.

C-1 Liquidity risk management

Monitoring liquidity risk includes the following:

- Day-to-day funding, managed by monitoring future cash flows to ensure that requirements can be met. This includes replenishment of funds as they mature or is borrowed by customers. The bank maintains an active presence in global money markets to confirm that this goal is achieved.
- Maintaining a portfolio of highly marketable assets that can easily be liquidated as protection against any unforeseen interruption to cash flow;
- Monitoring the liquidity ratios against internal and regulatory requirements by the Central Bank of Egypt.
- Managing the concentration and profile of debt maturities.

Monitoring and reporting takes the form of cash flow measurement and projections for the next day, week and month respectively, as these are key periods for liquidity management. The starting point for those assets projections is an analysis of the contractual maturity of the financial liabilities and the expected collection date of the financial assets.

Risk Management Department also monitors unmatched medium-term assets, the level and type of un-drawn lending commitments, the usage of overdraft facilities and the impact of contingent liabilities such as standby letters of credit and guarantees.

C-2 Funding approach

Sources of liquidity are regularly reviewed jointly by risk management to maintain a wide diversification within currencies, geographical area, depositors, products and tenors.

C-3 non-derivative cash flows

The following table presents the undiscounted cash flows payable by the Bank under non-derivative financial liabilities, measured by the remaining contractual maturities and the amounts in the table represent the undiscounted contractual cash flows, while the bank manages the liquidity risk on the basis of the expected undiscounted cash flows, not contractual.

31 December 2025	Up to 1 month	More than One to Three Months	More than Three months to one year	More than One year to Three years	Over Three Years	Total
Financial liabilities						
Due to banks	1,621,395	1,291,165	--	--	--	2,912,560
Customers’ deposits	116,153,979	42,828,897	86,512,557	145,272,952	67,258,770	458,027,155
Other loans	678,377	1,624,961	28,125,118	7,611,371	12,085,618	50,125,445
Total liabilities according to (contractual maturity dates)	118,453,751	45,745,023	114,637,675	152,884,323	79,344,388	511,065,160
Total assets according to (contractual maturity dates)	164,832,566	48,632,407	132,327,786	163,722,771	170,713,094	680,228,624

31 December 2024	Up to 1 month	More than One to Three Months	More than Three months to one year	More than One year to Three years	Over Three Years	Total
Financial liabilities						
Due to banks	6,828,006	--	1,392,736	--	--	8,220,742
Customers’ deposits	101,398,414	36,537,448	76,076,049	123,038,792	63,514,507	400,565,210
Other loans	621,727	2,558,242	7,863,947	41,563,195	16,384,020	68,991,131
Total liabilities according to (contractual maturity dates)	108,848,147	39,095,690	85,332,732	164,601,987	79,898,527	477,777,083
Total assets according to (contractual maturity dates)	194,780,210	50,848,640	103,423,411	108,266,784	150,545,154	607,864,199

Assets available to meet all of the liabilities and to cover outstanding loan commitments include cash, due from the Central Bank of Egypt and due from banks, treasury bills and other governmental notes, loans and advances to banks and customers.

In the normal course of business, a proportion of customer loans contractually repayable within one year will be extended. In addition, debt instrument and treasury bills have been pledged to secure liabilities. The Bank would also be able to meet unexpected net cash outflows by selling securities and accessing additional funding sources.

D. Fair value of financial assets and liabilities

The table below summarizes the carrying amounts and fair values of those financial assets and liabilities not presented on the financial position at their fair value:

	Book Value		Fair Value	
	Current year 31 December 2025	Compared year 31 December 2024	Current year 31 December 2025	Compared year 31 December 2024
Financial Assets				
Due from banks	92,786,658	141,239,629	92,886,132	141,380,665
Loans to banks	18,718,022	16,407,767	18,718,022	16,407,767
Loans to customers				
- Retail	102,312,777	88,757,885	102,561,568	88,480,007
- Corporate	136,984,945	122,188,429	136,984,945	122,188,429
Financial Investments				
- At amortized cost	37,549,336	16,677,966	37,253,621	16,449,477
Financial liabilities				
Due to banks	2,912,210	8,215,951	2,912,362	8,220,184
Customers’ deposits				
- Retail	240,866,770	197,753,791	266,960,503	216,491,623
- Corporate	160,492,943	154,518,351	160,476,257	154,507,230
Other loans	43,452,985	57,857,599	43,452,985	57,857,599

D-1 Financial instruments measured at fair value

Classified financial assets are measured as financial assets for the purpose of trading at fair value, with differences in fair value being included in the income statement within the net income from trading. “Also, debt instruments classified as financial assets at fair value through other comprehensive income are measured at fair value with fair value included the fair value of other comprehensive income statement is included in the fair value reserve.

For investments in equity instruments are restricted stock measuring Stock Exchange securities at fair value, according to the prices of the stated stock exchange in the history of separate financial statements As for the shares of unrestricted stock exchange “with the exception of investment strategy are assessed in one of the accepted technical methods discounted cash flow method, multiples value method and the inclusion of Valuation differences in other comprehensive income are included Fair value reserve; for strategic investments, the nominal cost or value is the fair value of those investments.

D-2 Financial instruments not measured at fair value

Financial investments at amortized cost

Financial investments at amortized cost include governmental securities and not quoted in active market. The fair value of these governmental securities at amortized cost and listed is disclosed based on its quoted price at the end of each financial period.

E. Capital management

The capital adequacy standard is prepared according to the requirements of Basel II based on the decision of the Board of Directors of the Central Bank of Egypt in its session held on December 18, 2012, which was issued on December 24, 2012 as well as in accordance with the instructions of the Central Bank of Egypt regarding the capital adequacy ratio (Basel II) issued during May-2019, as well as the decree of the Board of Directors of the Central Bank of Egypt which has been held on December 27, 2020 which was issued on January 4, 2021 Regarding the commitment of banks to apply the attached regularly instructions for managing operational risks using the standard approach instead of the basic indicator approach within the framework of implementing the final group of reforms for Basel III instructions, and for the purposes of capital management, the equity shown in financial position statement in addition to some other elements other than equity represents from the bank's viewpoint the components of the capital that it manages. The Bank manages its capital to ensure that the following objectives are achieved:

- Complying with the legally imposed capital requirements in Egypt.
- Protecting the bank's ability to continue as a going concern and enable it to continue to generate returns for shareholders and other parties dealing with the bank.
- Maintaining a strong capital base to enhance growth of the bank's operations.

The bank management reviews the adequacy and uses of the capital according to the requirements of the regulatory authority represented in the Central Bank of Egypt, where the bank provides the required data and present it for the Central Bank of Egypt on a monthly basis through forms based on the guidelines of the Basel Committee for Banking Supervision, and the bank must adhere to the following rules according to the requirements of the Central Bank of Egypt:

- Maintaining EGP 5 billion as a minimum requirement for the issued and paid-in capital.
- Maintaining the achievement of the ratio between the total capital base / total assets and contingent liabilities weighted by credit, market and operating risk weights, after adding the requirements of the prudent pillar to become 12.50%.

The numerator of the capital adequacy standard consists of the following two tiers:

Tier One consists of:

A- Continuous basic capital consists of:

1. Issued and paid-up capital (after deducting the book value of treasury shares).
2. Retained earnings (Retained losses).
3. The Outstanding reserves that the law, the bank's statute or the central bank's instructions provide for its formation after dividends, except for the general risk reserve and the special reserve, as well as deducting any goodwill previously recognized and any retained losses in addition to the other accumulated comprehensive income items, whether positive or negative.
4. Items of the accumulated other comprehensive income statement, whether positive or negative.
5. Interim profits /(losses) in accordance with the decision of the Board of Directors of the Central Bank dated on 26 October 2023.
6. Items that are deducted from the tier one of the capital base (exclusions from financial and non-financial companies, investment funds, support loans granted from the bank to other firms, intangible assets, net future profits resulting from securitization operations, pension benefits, and deferred tax assets) As well as an item of elements that are not listed (fair value reserve balance for financial investments available for sale that have been reclassified to financial investments held to maturity - if it is negative).

B- Additional basic capital consists of:

(Non-cumulative perpetual preferred shares, non-controlling interest, the difference between face value and present value of subordinated loans (deposit)).

Tier Two is supportive capital and consists of:

7. The balance of the required provisions against debt instruments / loans, credit facilities and incidental liabilities included in the stage one to the maximum of 1.25% risk weighted assets and contingent liabilities with credit Risk weights.
8. Loans (subordinated deposits) within the prescribed percentage (50% of the first tranche after exclusions), the present value will be entered in full, provided that its consumption is taken into account at 20% of its value in each of the last five years for it.
9. 45% of the special reserve, 45% of the increase in the fair value over the book value of financial investments in subsidiary and associate companies.

The Denomination the capital adequacy ratio:

Credit risk:

The credit centers are listed after excluding the allocations required for the stage two and three and they are weighted according to the weight of the risks associated with each credit center, which reflects the credit risks associated with it, and taking into account the guarantees. The same treatment is used for amounts outside the statement of financial position after making adjustments to reflect the incidental nature and possible losses of these amounts.

Market risk:

- Banks must apply the standard method when calculating the capital requirement necessary to meet market risks through the cumulative construction of calculating the capital requirements for each type of market risk and then collect them to reach the total capital requirements needed to meet market risk as a whole in accordance with the central bank model.
- Banks must determine their investment in the trading portfolio when calculating the capital requirement necessary to meet market risks.
- Financial instruments held for trading purposes must be free from any conditions that impede their circulation and be fully capable of covering them.

Operational risk:

- Banks should use the standard method to calculate the capital requirements to meet the operational risks, as it is determined as a result of the weighted component of the business index multiplied in the internal losses multiplier.
- The risk-weighted assets of operational risks are calculated by multiplying the capital requirement for operational risks by 12.5 times to be included in the denominator of the capital adequacy ratio.

The following table summarizes the components of the basic and supporting capital and the ratios of the capital adequacy criterion according to Basel II and III.

1-The capital adequacy ratio	31 December 2025	31 December 2024
Tier 1 capital (continuous basic capital + additional basic capital)		
Issued and paid-up capital	20,500,000	19,000,000
Capital increased amount	10,000,000	1,500,000
General reserve	187,291	187,291
Legal reserve	2,342,383	1,720,450
Other reserves	852,983	801,435
General risk reserve	68,481	68,481
Retained earnings	6,848,879	5,056,013
Profit for the year	16,066,142	12,300,008
Non-controlling interest	15,318	13,019
Difference between face value and present value of subordinated loans (deposit)	--	1,179,701
Total accumulated other comprehensive income items, whether positive or negative	3,373,159	1,541,818
Total deductions from tier 1 capital common equity	(2,016,694)	(1,886,364)
Total tier 1 capital	58,237,942	41,481,852
Tier 2 capital (subordinated capital)		
Equivalent to the balance of the required provisions against debt instruments / loans and credit facilities included in the stage one	3,524,640	2,495,630
Subordinate loans (deposits)	7,627,392	9,554,507
45% of the Increase in fair value than book value for financial investments in associates' companies	372,185	176,484
Total Tier 2	11,524,217	12,226,621
Total capital base after deductions	69,762,159	53,708,473
Risk weighted assets and contingent liabilities		
Total credit risk	290,710,436	287,271,174
Total market risk	8,215,934	13,374,883
Total operational risk	17,296,341	12,623,154
Total risk weighted assets and contingent liabilities	316,222,711	313,269,211
Capital adequacy ratio (%)	22.06%	17.14%

The capital adequacy ratio prepared based on consolidated financial statements.

Leverage Ratio:

The Board of Directors of the Central Bank of Egypt issued, in its meeting on July 7, 2015, a decision approving the supervisory instructions for leverage, with the banks committing to the minimum prescribed percentage of (3%) on a quarterly basis as a binding supervisory ratio starting from 2018, in preparation for consideration of their consideration within the first pillar One of the decisions of Basel (the minimum capital adequacy standard) with the aim of preserving the strength and safety of the banking system and keeping abreast of international best practices in this regard.

The leverage reflects the relationship between the tier one of capital used in the capital adequacy standard (after exclusions), and the bank's assets (both on balance sheet and off-balance sheet) are not weighted by risk weights.

Ratio components

(A) The numerator components:

The numerator of the ratio consists of the tier 1 of capital (after exclusions) used to extend the capital adequacy standard currently applied in accordance with the Central Bank of Egypt instructions.

(B) Components of the denominator

The denominator of the ratio consists of all the assets of the bank inside and outside the budget according to the financial statements, which is called "bank exposures" and includes the following total:

1. Exposures within the financial statements after deducting some of the exclusions, the tier one of the capital bases
2. Exposures resulting from derivative contracts
3. Exposures resulting from securities financing operations
4. Extra budgetary exposure (weighted by conversion factors)

The tables below summarize the leverage financial ratio:

2- Leverage Ratio	31 December 2025	31 December 2024
Total tier 1 capital after deductions	58,237,942	41,481,852
Total on-balance sheet exposure	539,875,024	487,117,204
Total off balance sheet exposure	45,668,523	51,425,205
Total on and off-balance sheet exposure	585,543,547	538,542,409
Leverage (%)	9.95%	7.70%

According to letter of CBE on 11 Jan 2017, the board of directors of CBE's accepted on 28 December 2016 for the following decision: -

The bank applied the elimination of CBE subordinated deposits as well as the shareholders of the Bank in an exceptional manner with recognizing the difference in owner equity under the name "Different between the present value and Face value for subordinated deposit" and the deposit at the end of each financial period so that the value to the face value on the date of maturity and so on the above-mentioned differences.

4. Significant accounting estimates and assumptions

The application of the accounting policies disclosed in Note No. (3) Requires the bank to use the provisions of estimates and assumptions about the book values of some assets and liabilities that other sources are unable to provide. These estimates and their accompanying assumptions depend on historical experience and other related factors. Actual results may differ from these estimates. Assumptions and estimates are reviewed on an ongoing basis and accounting changes and accounting estimates are recognized either in the period during which the change occurs if their impact is limited to that period only, or in the period in which the change and future periods occur if the change in the accounting estimate affects both the current and subsequent periods. The following is a summary of the most important assumptions related to the future and unconfirmed sources of information at the end of the financial period, which are of great risk to lead to a fundamental adjustment to the book values of assets and liabilities during the next financial period.

A) Impairment losses for loans and advances (Expected credit loss)

- The Bank reviews the portfolio of loans and advances at least quarterly; The Bank uses discretionary judgment on determining whether it is necessary to record impairment loss in the income statement. The Bank has to identify if there is objective evidence indicating a decline in the expected future cash flows from loan portfolio before identifying any decline on individual basis.
- This evidence include data indicating negative changes in a borrower's portfolio ability to repay to the Bank or local or economic circumstances related to default. On scheduling future cash flows the management uses the past experience to determine the credit impairment loss for assets when there is objective evidence of impairment similar to that of the portfolio.
- The methods and assumptions used in estimating both the amount and timing of the future cash flows are reviewed on a regular basis to minimize any discrepancy between the estimated loss and actual loss based on experience.

B) Fair value of derivatives

The fair values of financial instruments that are not quoted in active markets are determined by using valuation techniques. Where valuation techniques (as models) are used to determine fair values, they are validated and Periodicity reviewed by qualified personnel independent of the area that created them. All models are certified before they are used, and models are calibrated to ensure that outputs reflect actual data and comparative market prices. To the extent practical, models use only observable data; however, areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect reported fair value of financial instruments. The financial derivatives at the end of the current financial period or the end of the previous year are not considered of relative importance for the items of the financial position list on these dates.

C) Investments at amortized cost

Non-derivatives financial assets with fixed or determinable payments and fixed maturity are classified at Amortized cost as its business model to held the asset to collect Contractual cash flows.

D) Income taxes

The bank's profits subject to income tax therefor the bank uses essential estimations to determine the total tax burden for income.as there's difficult to determine the final tax for some transactions so the bank records tax liability as per according to probability of arising additional tax while tax examination. When there is a discrepancy between the final result of the Tax Authority and the amounts previously recorded, then these discrepancies will affect the income tax and deferred tax provision for the period, in which the discrepancy has been identified.

5. Segment analysis

A) Segment activity

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

Large, medium, and small enterprises

Includes current accounts, deposits, overdraft accounts, loans, credit facilities, and financial derivatives activities.

Investment

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

Retail

Includes current account, saving accounts, deposits, credit card, personal loans, and mortgage loans activities.

Other activities

Includes other banking operations, such money management.

B) Geographical segment

Assets & Liabilities according to geographical segments at 31 December 2025				
	Cairo	Alex, Delta & Sinai	Upper Egypt	Total
Geographical Segments Assets	450,384,026	56,457,569	25,720,704	532,562,299
Geographical Segments Liabilities	292,992,544	136,949,710	41,573,530	471,515,784
Geographical segments of other items				
Depreciation and amortization at 31 December 2025				923,852
Profit before tax				23,044,656
Tax				(6,911,853)
Net profit for the year				16,132,803

Assets & Liabilities according to geographical segments at 31 December 2024				
	Cairo	Alex, Delta & Sinai	Upper Egypt	Total
Geographical Segments Assets	408,718,401	50,340,364	24,040,252	483,099,017
Geographical Segments Liabilities	293,101,829	114,763,236	30,956,146	438,821,211
Geographical segments of other items				
Depreciation and amortization at 31 December 2024				688,613
Profit before tax				17,929,719
Tax				(5,560,030)
Net profit for the year				12,369,689

6. Net interest income

	31 December 2025	31 December 2024
Interest income from loans and similar income:		
Loans and advances:		
- banks	1,210,281	725,057
- customers	44,455,695	38,255,190
Total	45,665,976	38,980,247
Deposits and current accounts	11,979,112	12,517,278
Investments in debt instrument at fair value through other comprehensive income and amortized cost	22,207,043	17,206,263
Total	79,852,131	68,703,788
Interest expense of deposits and similar expense:		
Deposits and current accounts:		
- banks	(793,668)	(1,996,381)
- customers	(41,698,538)	(34,656,971)
Total	(42,492,206)	(36,653,352)
Other loans	(3,216,109)	(3,936,642)
Others	(1,040)	(520)
Total	(45,709,355)	(40,590,514)
Net	34,142,776	28,113,274

7. Net fee and commission income

	31 December 2025	31 December 2024
Fee and commission income:		
Fee and commission related to credit	3,343,912	3,405,801
Trust and custody fees	48,026	44,825
Other fees	3,676,166	2,859,831
Total	7,068,104	6,310,457
Fees and commission expense:		
Other fees	(745,294)	(564,050)
Total	(745,294)	(564,050)
Net	6,322,810	5,746,407

8. Dividend income

	31 December 2025	31 December 2024
Securities at fair value through other comprehensive income	595,199	527,997
Subsidiary and Associate companies	122,474	130,018
Total	717,673	658,015

9. Net trading income

	31 December 2025	31 December 2024
Debt instruments for trading	71,025	42,280
Equity instruments for trading	--	1,346
Gains from foreign currencies contracts	(162)	137
Total	70,863	43,763

10. Administrative expense

	31 December 2025	31 December 2024
Employee's cost		
Wages and salaries*	(5,453,842)	(4,564,477)
Social insurance	(235,761)	(206,932)
Other retirement benefit (Note 31)	(833,700)	(500,421)
	(6,523,303)	(5,271,830)
Other administrative expenses	(7,246,791)	(5,700,026)
Total	(13,770,094)	(10,971,856)

* The current year includes EGP 50,000 thousand representing the Bank's share in the contributions of the Bank's Special Insurance fund.

11. Other operating revenues (expenses)

	31 December 2025	31 December 2024
(Losses) of translated monetary assets and liabilities in foreign currencies other than classified as held for trading items	1,143,025	(1,290,121)
Gains of sale property and equipment	80,415	51,549
Gains of sale for assets revert to the bank	1,779	2,743
Reverse impairment of assets & other provisions (note: 22&28)	351,907	380,257
Charge impairment of assets & other provisions (note: 22&28)	(712,781)	(482,346)
Other	52,048	(792,377)
Total	916,393	(2,130,295)

12. (Charged) reversed of expected credit losses

	31 December 2025	31 December 2024
Loans and advances to customers	(5,613,657)	(3,739,121)
Due from banks	6,570	7,298
Financial investments at fair value through OCI	2,746	70,216
Loans and advances to banks	5,111	(6,046)
Total	(5,599,230)	(3,667,653)

13. Income tax expense

	31 December 2025	31 December 2024
Current tax	(6,727,903)	(5,757,807)
Deferred tax	(183,950)	197,777
Total	(6,911,853)	(5,560,030)
Profit before income tax	23,044,656	17,929,719
Tax Rate	22.50%	22.50%
Income tax calculated on accounting profit	5,185,048	4,034,187
Expenses are not deductible	1,726,805	1,525,843
Net tax	6,911,853	5,560,030
Effective tax rate	29.99%	31.01%

14. The basic earnings per share from net profit for the year

The earnings per share is calculated by dividing the net profit of shareholder equity by weighted average of common stock issued during the year.

	31 December 2025	31 December 2024
A) Net profit for the year available for distribution (note: 33)*	13,002,076	9,849,800
The weighted number of shares	10,176,027	8,430,328
The basic earnings per share from net profit for the year	1.28	1.17
<i>* Proposed amounts are subject to change according to GAM decision.</i>		
B) The effect of the payment under the capital increase amount on earning per share:		
The weighted average number of shares	10,852,740	10,250,000
The earnings per share from net profit for the year	1.20	0.96

15. Cash and balances at Central Bank

	31 December 2025	31 December 2024
Cash	12,982,278	11,529,407
Balances at Central Bank within the mandatory reserve ratio	21,510,116	17,045,649
Total	34,492,394	28,575,056
Non-interest-bearing balances	34,492,394	28,575,056

16. Due from banks

	31 December 2025	31 December 2024
Current Accounts	1,193,235	392,950
Deposits	91,683,423	140,846,679
ECL provision for due from banks	(18,232)	(26,834)
Net	92,858,426	141,212,795
Central Bank	11,857,997	46,070,882
Local Banks	55,017,619	65,391,029
Foreign Banks	26,001,042	29,777,718
ECL provision for due from banks	(18,232)	(26,834)
Net	92,858,426	141,212,795
Non-interest-bearing balances	1,193,235	392,950
Balances with fixed interest	91,683,423	140,846,679
ECL provision for due from banks	(18,232)	(26,834)
Net	92,858,426	141,212,795
Current balances	92,858,426	141,212,795

- An analysis of the movement in the ECL provision for Due from banks during the year:

	31 December 2025	31 December 2024
Balance at the beginning of the year	26,834	21,079
(Reverse) ECL during year	(6,570)	(7,298)
Foreign currencies translation differences of provisions during year	(2,032)	13,053
Balance at the end of the year	18,232	26,834

17. Loans and advances to banks

	31 December 2025	31 December 2024
Term Loans	18,718,022	16,407,767
Total	18,718,022	16,407,767
Less: Expected credit loss provision	(25,434)	(33,624)
Net loans and advances to banks	18,692,588	16,374,143
Current balances	18,718,022	16,407,767
Total	18,718,022	16,407,767

- An analysis of the movement in the ECL provision for loans and advances to banks during the year:

	31 December 2025	31 December 2024
Balance at the beginning of the year	33,624	16,502
(Reverse) Charged ECL during year	(5,111)	6,046
Foreign currencies translation differences of provisions during the year	(3,079)	11,076
Balance at the end of the year	25,434	33,624

18. Loans and advances to customers

	31 December 2025	31 December 2024
Retail		
Overdraft accounts	1,462,891	1,344,713
Credit cards	4,428,140	3,191,034
Personal loans	83,576,052	75,669,045
Mortgage loans	12,845,694	8,553,093
Total	102,312,777	88,757,885
Corporate including small loans for economic activities		
Overdraft accounts	41,342,909	41,174,504
Direct loans	60,254,976	49,554,949
Syndicated loans	33,897,278	30,608,776
Discount documents	1,489,782	850,200
Total	136,984,945	122,188,429
Total loans and advances to customers	239,297,722	210,946,314
Expected credit loss provision	(17,394,327)	(15,777,738)
Unearned discount of documents	(52,693)	(29,550)
Net loans and advances to customers	221,850,702	195,139,026
Total is distributed as follow:		
Current balances	97,305,758	85,188,822
Non-current balances	141,991,964	125,757,492
Total	239,297,722	210,946,314

- An analysis of the movement on the ECL provision for loans and advances to customers during the year:

	31 December 2025	31 December 2024
Balance at the beginning of the year	15,777,738	11,782,746
Charged ECL during year	5,613,657	3,739,121
provision utilized from written off during the year	(4,146,839)	(2,357,014)
Proceeds from written off debts during the year	355,114	274,857
Foreign currencies translation differences of provisions during the year	(205,343)	2,338,028
Balance at the end of the year	17,394,327	15,777,738

	31 December 2025			31 December 2024		
	Corporate	Retail	Total	Corporate	Retail	Total
Balance at the beginning of the year	12,797,766	2,979,972	15,777,738	9,721,701	2,061,045	11,782,746
Charged ECL during year	3,113,361	2,500,296	5,613,657	2,477,563	1,261,558	3,739,121
Provision utilized from written off during the year	(2,945,826)	(1,201,013)	(4,146,839)	(1,750,918)	(606,096)	(2,357,014)
Proceeds from written off debts during the year	68,293	286,821	355,114	11,408	263,449	274,857
Foreign currencies translation differences of provisions during the year	(205,342)	(1)	(205,343)	2,338,012	16	2,338,028
Balance at the end of the year	12,828,252	4,566,075	17,394,327	12,797,766	2,979,972	15,777,738

19. Financial investment

Financial investments at fair value through other comprehensive income	31 December 2025	31 December 2024
a) Debt Instruments at fair value		
- Listed	37,109,584	22,823,320
b Treasury bills at fair value		
Listed		
- Treasury bills – local currency*	47,848,907	20,979,902
Unlisted		
- Treasury bills – foreign currency	18,855,498	19,727,545
Total Treasury bills at fair value through other comprehensive income	66,704,405	40,707,447
c) Equity instruments at fair value		
- Listed	141,346	111,370
- Unlisted**	300,873	2,516,272
d Investment Certificates		
- Unlisted – recoverable amount	439,177	388,265
Total financial investments at fair value through other comprehensive income (1)	104,695,385	66,546,674
Financial investments at amortized cost		
a) Debt Instruments		
- Listed	37,493,223	16,621,853
- Unlisted***	56,113	56,113
Total financial investments at amortized cost (2)	37,549,336	16,677,966
Total financial investments (1)+(2)	142,244,721	83,224,640
Current balances	71,520,881	52,987,745
Non-current balances	70,723,840	30,236,895
Total	142,244,721	83,224,640
Fixed interest debt instruments	120,594,055	64,599,115
floating interest debt instruments	20,769,270	15,609,618
Total	141,363,325	80,208,733

* Treasury bills at fair value – local currency includes mortgaged treasury bills for Central Bank of Egypt due to Mortgage, Machines and equipment and its face value amounted to EGP 1,469,150 thousand as of 31 December 2025 (31 December 2024: EGP 1,665,225 thousand).

*** The following are the financial investments – unlisted equity instruments:*

	31 December 2025	31 December 2024
African export – import bank	--	2,301,952
Misr – Europe Bank	63,164	84,218
Arab Financial services company	242	242
Credit guarantee company	1,364	1,364
Taba Tourism development company	13,615	2,250
I-Score company	63,156	1,848
Misr for central clearing	1,396	1,396
Arab trade financing program –ATFP	11,028	11,028
Rimmit for money transfer services (IBAG)	43,300	25,320
Other companies *	103,608	86,654
Balance at the end of the year	300,873	2,516,272

The companies (Taba Tourism Development, I-Score, Rimmit Exchange company (IBAG)) were valued at fair value on 31 December 2025. Given that the bank owns only a small stake in the other companies, which hinders access to detailed information for valuation purposes, they were recorded at cost.

African export – import bank

- Our bank’s share was sold on 26 November 2025.

Misr – Europe Bank

- The bank is unlisted
- The main purpose of establishing the bank is to organize the trade with middle Europe countries and Egypt, the bank has only one branch that makes it difficult to find similar listed banks.
- The bank owns a small share in Egypt Europe bank (3.75%), which restrains the bank from reaching accurate and detailed information to reach fair value of the investment.
- The Net equity for the bank is Positive according to its financial statement, which is reflecting the absence of any indicators of impairment in the investment value.

Arab trade financing program – ATFP

- Arab trade financing program is unlisted.
- Arab trade financing program aims to enhance and develops Arab trading, in addition to improve the competitive abilities of Arab exporters. This goal has been achieved by provide funding in the form of credit lines for exporters and importers to the member’s countries through local organizations that has been designated by the central bank or any other concerned organization in Arab countries.
- The bank owns insignificant shares in Arab trade financing program (0.33%), which restrains the bank from reaching accurate and detailed information to reach fair value of the investment.
- The bank achieves positive net profit and net equity according to its financial statements, which are reflecting the absence of any indicators of impairment in the investment value.

** It includes a customer whose part of his outstanding balance was transferred to financial investments - equity instruments with a memorial value for investment based on the settlement contract concluded with the customer on 31 July 2024.*

**** Amount paid to the ministry of finance prepaid for the purchase of treasury bonds, in accordance with the presidential decision No, 1112 for year 1974 which stated that 5% from distribution net profit to the public sector should be invested in governmental bonds or deposit it in an account in the ministry of finance, it was deposited in an account in the ministry of finance with 3.5% interest annual, executing of this decision.*

The following movements on financial investments through the year:

	Financial invest- ments at fair value through other com- prehensive income	Financial invest- ments at amortized cost	Total
31 December 2025			
Balance of 01 January 2025	66,546,674	16,677,966	83,224,640
Additions	801,073,959	28,400,000	829,473,959
Disposals (sales / redemption)	(759,304,827)	(7,599,194)	(766,904,021)
Translation differences resulting from monetary assets	(1,620,781)	--	(1,620,781)
Net changes	(2,246,943)	--	(2,246,943)
Amortization of (premium) / discount of issuance	247,303	70,564	317,867
Balance as at 31 December 2025	104,695,385	37,549,336	142,244,721

31 December 2024	Financial invest- ments at fair value through other com- prehensive income	Financial invest- ments at amortized cost	Total
Balance of 01 January 2024	73,892,981	40,364,790	114,257,771
Additions	213,765,213	4,497,456	218,262,669
Disposals (sales / redemption)	(233,489,986)	(28,234,441)	(261,724,427)
Translation differences resulting from monetary assets	11,442,519	--	11,442,519
Net changes	1,323,948	--	1,323,948
Amortization of (premium) / discount of issuance	(388,001)	50,161	(337,840)
Balance as at 31 December 2024	66,546,674	16,677,966	83,224,640

Gains (Losses) from financial investments

	31 December 2025	31 December 2024
Gain from selling Treasury bills	90,001	58,776
Gain from selling debt instruments at FV through OCI	128,278	108,172
Reverse (Losses) impairment of associates	25,186	(28,884)
Total	243,465	138,064

20. Investment in Subsidiary and Associate Companies

31 December 2025									
	Currency	Country of residence Country of residence	Last finan- cial data	Assets	Liabilities	Revenues	Profit/ (Loss)	Share %	Value of the invest- ment in EGP
Cairo Bank Uganda	USHS	Uganda	12/2025	6,098,487	3,478,871	558,479	(40,894)	99.99	1,506,420
Cairo lending Company*	EGP	Egypt	12/2025	5,957,110	5,191,374	1,509,862	175,310	97.99	489,995
Taly for digital payments company**	EGP	Egypt	12/2025	375,955	80,112	57,471	(144,361)	99.99	850,000
Cairo Exchange	EGP	Egypt	12/2025	165,708	48,282	59,797	(27,664)	99.99	200,000
Herasat for Security Services	EGP	Egypt	12/2025	58,280	46,190	228,358	1,590	30	2,160
Nile Holding Company for Development and Investment	EGP	Egypt	12/2025	369,518	961	58,704	39,803	33.33	50,000
Financial Sector Mutual Fund	EGP	Egypt	12/2025	176,802	6,254	66,016	56,644	63.21	104,835
Egy Serv for Postal Services	EGP	Egypt	12/2025	462,242	204,376	823,724	183,107	40	72,320
Misr for investment and export development	EGP	Egypt	12/2025	48,852	25,972	9,755	(8,079)	20	4,576
NClude Fintech Innovation Fund	USD	UAE	09/2025	2,460,548	2,320	99,450	(285,880)	23.57	486,389
Misr real-estate fund 1	EGP	Egypt	12/2025	636,415	1,480	90,751	76,967	27.8	100,010
Misr for investments funds management	EGP	Egypt	12/2025	16,957	1,541	7,200	768	20	1,667
Total				16,826,874	9,087,733	3,569,567	27,311	--	3,868,372

31 December 2024									
	Currency	Country of residence Country of residence	Last finan- cial data	Assets	Liabilities	Revenues	Profit/ (Loss)	Share %	Value of the invest- ment in EGP
Cairo Bank Uganda	USHS	Uganda	12/2024	5,702,236	3,192,026	580,643	58,476	99.99	1,506,420
Cairo lending Company*	EGP	Egypt	12/2024	4,148,958	3,498,282	1,225,486	122,975	97.99	489,995
Taly for digital payments company**	EGP	Egypt	12/2024	328,691	88,481	39,371	(178,820)	99.99	649,999
Cairo Exchange	EGP	Egypt	12/2024	188,972	44,438	36,741	(26,247)	99.99	200,000
Herasat for Security Services	EGP	Egypt	12/2024	44,770	29,141	132,578	6,865	30	2,160
Nile Holding Company for Development and Investment	EGP	Egypt	12/2024	470,350	2,404	29,355	19,667	33.33	50,000
Financial Sector Mutual Fund	EGP	Egypt	12/2024	198,557	43,561	81,855	62,646	46.28	71,726
Egy Serv for Postal Services	EGP	Egypt	12/2024	390,027	186,088	752,273	144,638	40	72,320
Misr for investment and export development	EGP	Egypt	12/2024	55,210	24,267	10,420	(5,978)	20	12,500
NClude Fintech Innovation Fund	USD	UAE	09/2024	1,552,668	14,082	25,419	(18,063)	23.57	168,193
Misr real-estate fund 1	EGP	Egypt	12/2024	609,139	3,831	110,126	98,525	27.8	100,010
Misr for investments funds management	EGP	Egypt	12/2024	16,646	2,101	7,200	5,980	20	1,667
Total				13,706,224	7,128,702	3,031,467	290,664	--	3,324,990

* The name was changed in accordance with the commercial register on 07 August 2025 from Cairo Leasing Company to Cairo Lending Company. On 11 January 2026 the Board of Directors of Banque du Caire approved an increase in Cairo Lending's capital from EGP 500 million to EGP 750 million.

** On 11 January 2026, the board of directors of Banque Du Caire approved increasing the capital of Taly for digital payments company from EGP 850 Mn to 1,170 Mn.

The following table shows the structure of subsidiaries & associates shareholders at 31 December 2025:

	Cairo Bank Uganda	Cairo Lending Company	Herasat for Security Services	Nile Holding Company	Financial Sector Mutual Fund	Egy Serv for Postal Services	Misr for invest-ment and export develop-ment	Taly for digital and elec-tronic pay-ments company	Cairo ex-change Company	NClude Fintech Innova-tion Fund	Misr real-estate fund 1	Misr for invest-ments funds manage-ment
Company	%	%	%	%	%	%	%	%	%	%	%	%
Banque Du Caire	99.99	97.99	30	33.33	63.21	40	20	99.99	99.99	23.57	27.8	20
National Bank of Egypt	--	--	--	33.33	--	40	20	--	--	28,29	--	--
Banque Misr	--	--	--	33.34	--	--	20	--	--	28,29	27.8	60
Egyptian Export Development Bank	--	--	--	--	--	--	20	--	--	--	--	--
Arab African Bank	--	--	--	--	--	--	20	--	--	--	--	--
Misr Insurance Company	--	--	--	--	33.14	--	--	--	--	--	--	20
Misr Life Insurance Company	--	--	--	--	--	--	--	--	--	--	27.8	--
Misr Insurance Holding Company	--	--	--	--	--	--	--	--	--	--	--	--
National Security Sector	--	--	30	--	--	--	--	--	--	--	--	--
Insurance Fund for employee at Banque du Caire	--	2	10	--	--	--	--	--	0.005	--	--	--
Al Baraka bank	--	--	10	--	--	--	--	--	--	--	--	--
Agricultural Bank of Egypt	--	--	20	--	--	--	--	--	--	--	--	--
Cairo Leasing	--	--	--	--	--	--	--	--	0.005	--	--	--
Other (Individuals and Corporate)	0.01	0.01	--	--	3.65	20	--	0.01	--	19.85	16.6	--
Total	100 %	100 %	100 %	100 %	100 %	100 %	100%	100 %	100%	100%	100%	100%

21. Intangible Assets

Intangible assets represent the Bank’s computer software programs as following:

	31 December 2025	31 December 2024
Beginning balance of the year		
Cost	869,018	675,812
Accumulated amortization	(671,008)	(493,856)
Net book value at the beginning of the year	198,010	181,956
Additions during the year	436,609	193,206
Amortization for the year	(192,628)	(177,152)
Net book value at the end of the year	441,991	198,010

22. Other Assets

	31 December 2025	31 December 2024
Accrued revenues	5,533,725	4,941,225
Prepaid expenses	638,072	493,226
Advanced payments under purchase of property and equipment	2,733,145	2,941,176
Assets reverted to the bank in settlement of debts	216,208	214,270
Insurance and custodies	432,171	248,629
Clearing transactions	1,456,706	1,255,250
Tax authority	189,280	196,166
Other debit balances	2,668,988	1,604,054
Impairment Provision for other assets	(228,479)	(224,587)
Total	13,639,816	11,669,409

An analysis of the movement on impairment provision for other assets during the year as follows:

	31 December 2025	31 December 2024
Balance at the beginning of the year	224,587	212,232
Impairment charged on income statement of the year	23,960	17,147
Reversed during the year	(4,568)	(259)
Utilized during the year	(15,500)	(4,533)
Foreign currencies exchange differences of provisions during the year	--	--
Balance at the end of year	228,479	224,587

23. Property and equipment

	Land	Buildings & Construc- tions	Integrated automated systems	Vehicles	Machinery & Equip- ment	Furniture	Fixtures & fittings	Fixtures & fittings rental	Total
Balances at 01 January 2024									
Cost	306,850	709,395	1,352,521	52,332	178,541	332,120	768,475	357,965	4,058,199
Accumulated depreciation	--	(400,196)	(995,809)	(50,834)	(100,291)	(213,526)	(407,215)	(166,374)	(2,334,245)
Net book value	306,850	309,199	356,712	1,498	78,250	118,594	361,260	191,591	1,723,954
Additions	--	18,384	672,900	--	181,326	56,462	350,189	63,005	1,342,266
Transfers*	--	--	23,300	--	112,338	85,847	(127,882)	(93,603)	--
Disposals	(45)	(2,794)	(78,172)	--	(6,724)	(11,977)	(8,084)	(684)	(108,480)
Disposals' accumu- lated depreciation	--	611	78,131	--	6,704	11,951	7,983	596	105,976
Transfers' accumu- lated depreciation	--	--	(8,898)	--	(48,656)	(45,225)	59,392	43,387	--
Adjustments	--	--	--	--	--	--	--	(66)	(66)
Depreciation	--	(16,174)	(210,696)	(714)	(74,859)	(69,442)	(87,096)	(53,643)	(512,624)
Net book value at 31 December 2024	306,805	309,226	833,277	784	248,379	146,210	555,762	150,583	2,551,026
Balances at 01 January 2025									
Cost	306,805	724,985	1,970,549	52,332	465,481	462,452	982,698	326,683	5,291,985
Accumulated depreciation	--	(415,759)	(1,137,272)	(51,548)	(217,102)	(316,242)	(426,936)	(176,100)	(2,740,959)
Net book value	306,805	309,226	833,277	784	248,379	146,210	555,762	150,583	2,551,026
Net book value at 01 January 2025	306,805	309,226	833,277	784	248,379	146,210	555,762	150,583	2 551 026
Additions	--	24,000	774,207	164,197	234,867	44,584	417,971	140,526	1,800,352
Transfers*	--	--	4,790	--	29,482	11,716	(16,012)	(29,976)	--
Disposals	(91)	--	(28,859)	(12,008)	(8,804)	(17,058)	(26,588)	(7,312)	(100,720)
Disposals' accumu- lated depreciation	--	--	28,475	12,008	7,414	16,831	26,353	6,183	97,264
Transfers' accumu- lated depreciation	--	--	168	--	(68)	(122)	1,060	(1,038)	--
Depreciation	--	(9,387)	(323,218)	(18,378)	(101,571)	(60,267)	(133,384)	(58,733)	(704,938)
Net book value at 31 December 2025	306,714	323,839	1,288,840	146,603	409,699	141,894	825,162	200,233	3,642,984
Balances at 31 December 2025									
Cost	306,714	748,985	2,720,687	204,521	721,026	501,694	1,358,069	429,921	6,991,617
Accumulated depreciation	--	(425,146)	(1,431,847)	(57,918)	(311,327)	(359,800)	(532,907)	(229,688)	(3,348,633)
Net book value	306,714	323,839	1,288,840	146,603	409,699	141,894	825,162	200,233	3,642,984

* Represents transfers among categories.

- Property and equipment include specifically (land & buildings) unregistered assets by an amount EGP 275,634 thousand, legal procedures are being undertaken to register them.
- The cost of depreciation and amortization include amount by EGP 10,161 thousand this value was charged to the deferred revenue account, and represents the cost of depreciation and amortization of the gifted asset to the bank.

24. Due to Banks

	31 December 2025	31 December 2024
Current accounts	1,244,443	2,069,786
Deposits	1,667,767	6,146,165
Total	2,912,210	8,215,951
Central Bank	1,291,165	1,478,739
Local Banks	24,395	53,326
Foreign Banks	1,596,650	6,683,886
Total	2,912,210	8,215,951
Non-interest-bearing balances	1,244,443	2,069,786
Balances with Fixed interest	1,667,767	6,146,165
Total	2,912,210	8,215,951
Current balances	2,912,210	8,215,951

25. Customers' deposits

	31 December 2025	31 December 2024
Demand deposits	137,632,313	101,767,738
Term and notice deposits	91,672,651	95,038,848
Certificates of Savings and deposits	96,026,460	94,684,965
Saving deposits	69,311,815	55,074,955
Other deposits	6,716,474	5,705,636
Total	401,359,713	352,272,142
Corporate deposits	160,492,943	154,518,351
Retail deposits	240,866,770	197,753,791
Total	401,359,713	352,272,142
Non-interest-bearing balances	6,716,474	5,705,636
Balances with fixed interest	394,643,239	346,566,506
Total	401,359,713	352,272,142

26. Other loans

	Currency	31 December 2025	31 December 2024
Micro, Small and Medium Enterprises Development Agency (MSMEDA)	EGP	601,050	608,849
Arab Trade financing program (ATFP)	USD	172,808	552,872
Arab economic development fund loan-Kuwait	USD	2,795,439	2,558,208
Green for Growth Fund (GGF)	USD	173,350	277,303
European Investments Bank (EIB)	USD	3,539,876	5,610,017
European Bank for Reconstruction & development (EBRD)	USD	136,203	3,268,209
African Export-Import Bank (Afreximbank)	USD	24,431,490	28,596,825
Saudi Fund for Development	EGP	40,000	60,000
International Finance Corporation	USD	1,787,670	2,541,940
Agence Francaise De Development (AFD)	USD	1,867,662	1,564,266
KfW Development Bank	EUR	280,045	264,603
P.V of CBE subordinated deposit*	EGP	--	1,536,809
P.V of Banque Misr subordinated deposit*	EGP	--	2,283,490
Green for Growth Fund (GGF) (subordinated loan)	USD	1,430,136	1,525,164
Sanad Fund for MSME (subordinated loan)	USD	1,430,136	1,525,164
European Bank for Reconstruction & development (EBRD) (subordinated loan)	USD	2,383,560	2,541,940
British International Investment (BII) (subordinated loan)	USD	2,383,560	2,541,940
Total		43,452,985	57,857,599
Current balances		25,893,613	726,269
Non- current balances		17,559,372	57,131,330
Total		43,452,985	57,857,599

* The loan was repaid (early) on 28 December 2025.

27. Other Liabilities

	31 December 2025	31 December 2024
Accrued interest	1,830,374	2,186,781
Prepaid revenues	328,396	390,643
Accrued expenses	773,766	511,957
Clearing transactions	5,228,376	5,326,846
Tax authority	1,123,859	776,141
Creditor's banknote- export foreign currencies	352,207	1,220,155
Creditors	135,578	61,708
Other credit balances	5,066,071	3,378,029
Total	14,838,627	13,852,260

28. Other Provisions

	31 December 2025	31 December 2024
Balance at the beginning of year	1,983,035	1,696,588
Foreign currency exchange	(38,867)	244,269
Provision charged to income statement during the year	688,821	465,199
Reversed during the year	(347,339)	(379,998)
Utilized during the year	(57,485)	(43,060)
Proceed during the year	--	37
Balance at the end of the year	2,228,165	1,983,035

Other provisions details	31 December 2025	31 December 2024
Provision for operation risks	40,394	3,838
Provision for legal claims	243,754	256,077
Provision for other claims	753,258	460,717
Provision for tax	301,615	207,610
ECL Provision for contingent liabilities & commitments-corporate	576,639	478,173
Commitments on unused corporate loans-corporate	229,686	508,126
ECL Provision for contingent liabilities & commitments-SMEs	28,209	13,865
Commitments on unused corporate loans-SMEs	36,190	21,051
ECL Provision for contingent liabilities-Due from Banks	18,420	33,578
Total	2,228,165	1,983,035

29. Deferred income tax

Deferred income tax was fully recognized on the temporary difference according to the obligation method using tax rate 22.5%.

Clearing is made between deferred assets and liabilities if the bank has legal rights to make clearing between deferred tax assets and liabilities if they both have to be settled with the same tax administration.

Deferred tax assets (liabilities)

Deferred tax assets and liabilities resulting from temporary differences attributable to the following:

	Deferred tax assets 31 December 2025	Deferred tax liabilities 31 December 2025
Property and equipment and other items	--	(387,165)
Changes in fair value of investments through OCI*	--	(121,675)
provisions (other than ECL provision for loan) and other items	830,305	--
Total deferred tax assets (liabilities)	830,305	(508,840)
Net deferred tax assets (liabilities)	321,465	--

Movement of deferred tax assets and liabilities

	31 December 2025	31 December 2025
Balance at the beginning of year	829,922	(245,338)
Additions / disposal	383	(263,502)
Balance at the end of year	830,305	(508,840)

Unrecognized deferred taxes assets

Unrecognized deferred taxes assets for these items:	31 December 2025	31 December 2024
Expected Credit Loss for loan other than 80%	3,483,952	3,162,272
Other provisions and other items	1,501,341	1,728,508
Total	4,985,293	4,890,780

*The net change in the fair value of deferred tax assets (liabilities) directly included in equity at 31 December 2025 is (EGP 121,675 thousand).

30. Retirement benefit liabilities

	31 December 2025	31 December 2024
Liabilities included in the financial position		
Medical benefits after retirement	2,118,674	1,780,898
Recognized in income statement		
Medical benefits after retirement	833,700	500,421
Amount recognized in financial position represented in		
Present value of unfinanced liabilities	3,735,864	2,256,620
Unrecognized actuarial losses	(1,617,190)	(475,722)
Balance included in financial position	2,118,674	1,780,898
Liabilities movement during the year		
Beginning balance of year	1,780,898	1,621,321
Current service cost	28,761	21,212
Interest cost	742,720	466,084
Recognized actuarial losses	62,219	13,125
Paid benefits	(495,924)	(340,844)
Ending balance of year in financial position statement	2,118,674	1,780,898
Amount recognized in income statement represented in		
Current service cost	28,761	21,212
Interest cost	742,720	466,084
Recognized auctorial losses	62,219	13,125
Ending balance (included in the cost of employees note 10)	833,700	500,421

31. Issued and paid-up capital

A. Issued and paid capital

The Bank’s authorized capital amounted to EGP 50 billion. The issued and paid-up capital amounted to EGP 20.5 billion divided into 10.250 billion shares with a par value of EGP 2 each share.

B. Amounts paid under capital increase

On 06 June 2025, the ordinary general assembly of Banque du Caire convened and approved to:

An increasing the bank’s issued and paid-up capital by EGP 10 billion, distributed over 5 billion shares with a par value of EGP 2 per share, bringing the issued and paid-up capital after the increase to EGP 30.5 billion divided into 15.250 billion shares instead of EGP 20.5 billion and the legal procedures are being completed and registration in the commercial register is underway.

On 30 December 2025, the extraordinary general assembly of Banque du Caire convened and approved to: Amending the text of Article (6) of the bank’s basic articles and the legal procedures are being completed.

32. Reserves and retained earnings

Reserves	31 December 2025	31 December 2024
General reserve	184,253	184,253
General Banking Risk Reserve*	1,605,009	1,474,643
Legal reserve	2,324,013	1,708,106
Capital reserve	414,053	362,505
Regular reserve	438,930	438,930
Fair value reserve – financial investments at FVTOCI	1,610,072	21,473
Expected credit loss for Debt instrument at FVTOCI	565,235	618,330
General risk reserve**	68,481	68,481
Total reserves	7,210,046	4,876,721

* General Banking Risk Reserve at 31 December 2025 consists of EGP 3,339 thousand, represented of reserve formed for Assets reverted to the bank in settlement of debts and hadn't been sold for 5 years, as well as the amount of EGP 1,601,670 thousand, which represents the credit gap on 31 December 2024, and the credit gap is in 31 December 2025 amounted to EGP 413,356 thousand, which represent the difference between provisions of expected credit loss for loans and contingent liabilities and to obligors risk rating provisions as per Central Bank of Egypt instructions, therefore the amount of EGP 1,188,314 thousand must be transferred to the retained earnings account through the approval of 2025 profit distribution project.

** Formed according to the Central Bank's instructions issued in 26 February 2019.

Movement at reserves as follow:

a) General banking risk reserves

	31 December 2025	31 December 2024
Beginning balance for the year	1,474,643	1,284,824
Transferred from profit of the previous year	130,667	190,734
(Reverse) reserve of assets reverted to the bank	(301)	(915)
Ending balance at the end of the year	1,605,009	1,474,643

b) Legal reserves

	31 December 2025	31 December 2024
Beginning balance for the year	1,708,106	1,377,861
Transferred from profit of the previous year	615,907	330,245
Ending balance at the end of the year	2,324,013	1,708,106

In accordance with the Bank's Articles of Association and Law No. 159 of 1981, 5% of the net profit for the year is reserved for the legal reserve until the balance reaches 50% of the capital, which is a non-distributable reserve.

c) Fair value reserve – financial investment at fair value through other comprehensive income:

	31 December 2025	31 December 2024
Beginning balance for the year	21,473	(754,999)
Net change in fair value for financial investments (after tax)	1,588,599	776,472
Ending balance at the end of the year	1,610,072	21,473

d) Expected credit loss – Debt instrument at fair value through other comprehensive income:

	31 December 2025	31 December 2024
Beginning balance for the year	618,330	427,363
(reverse) of expected credit losses for the year	(2,746)	(70,216)
Foreign currency exchange	(50,349)	261,183
Ending balance at the end of the year	565,235	618,330

The movement in retained earnings is as follows:

	31 December 2025	31 December 2024
Beginning balance for the year	17,721,384	7,285,674
Net profits for the year	16,132,803	12,369,689
Transferred from fair value reserve for equity instrument	2,921,919	4,340
Paid dividends	(12,519,889)	(1,298,050)
Transferred (to) general banking risk reserves	(130,366)	(189,819)
Transferred (to) legal reserve	(615,907)	(330,245)
Transferred (to) capital reserve	(51,548)	(56,068)
Banking Sector Development Fund	(121,927)	(64,137)
Ending balance at the end of the year	23,336,469	17,721,384

33. Dividend's income

Dividends are not recorded nor deducted from retained earnings as a financial liability until it is approved by the shareholder's general assembly at the end of the financial year proposed dividend to the shareholder's and also employees share and board of director's bonus will be presented to the general assembly, which will be held to approve end of financial year after which it will be deducted from shareholder's equity under retained earnings for the year through dividends.

34. Cash and cash equivalent

For the presentation of the cash flow statement, cash and cash equivalents include the following balance with maturities of no more than three months from the acquisition date.

	31 December 2025	31 December 2024
Cash and balances at the Central Bank	12,982,278	11,529,407
Due from banks	92,876,658	141,239,629
Treasury bills and other governmental notes	23,593,069	24,122,467
Total	129,452,005	176,891,503

35. Contingent Liabilities and Commitments

A. Legal Claims:

There are a number of existing legal cases filed against defaulters to recover all bank rights, there are a number of existing legal cases filed against the bank as of 31 December 2025 where no provision was allocated for this purpose, as there are no expected losses.

B. Capital commitments

The bank capital commitments amounted to EGP 1,539,138 thousand which are represented in purchases of property and equipment and intangible assets and the management have enough confidence of making enough profits and availability of finance to cover those commitments.

Also, the commitments related to financial investments were not yet required to pay until year end amounted to EGP 568,759 thousand related to financial investments at fair value through other comprehensive income and financial investments in subsidiaries and associates.

C. Commitments related to loans, guarantees, and facilities

	31 December 2025	31 December 2024
Loans commitments	17,409,289	17,475,187
Accepted Documentation	2,637,793	1,994,637
Letters of credit (import)	4,506,803	3,906,660
Letters of credit (export)	1,701,469	1,062,120
Letters of guarantee	41,700,979	46,208,249
Total	67,956,333	70,646,853

36. Related party transactions

A. The Main Shareholder, subsidiaries and associates' companies

Our transaction with Banque Misr (Main Shareholder related party):

	31 December 2025	31 December 2024
Due from banks		
Current accounts	404	6,075
Deposits	16,000,000	12,000,000
Other assets		
Other	22,613	22,398
Accrued revenues	28,050	27,250
Other loans		
P.V of Banque Misr subordinated deposit	--	2,283,490
Owner equity		
Difference between the present value and face value for subordinated deposit	--	716,510

Our transaction with Cairo Bank Uganda (subsidiary company):

	31 December 2025	31 December 2024
Due to banks		
Current accounts	40,148	20,156
Deposits	376,602	177,936
Other liabilities		
Accrued interest	184	119

Our transaction with Cairo Lending Company (subsidiary company):

	31 December 2025	31 December 2024
Loans and advances to customers		
Corporate loans (Direct)	2,061,919	1,423,337
Corporate loans (Over draft)	719	--
Other assets		
Accrued revenues	13,725	21,153
Customers' deposits		
Demand deposits	56,409	37,408

Our transaction with Taly for digital and electronic payments company (subsidiary company):

	31 December 2025	31 December 2024
Customers' deposits		
Demand deposits	426	26,079
Term and notice deposits	29,013	10,000
Other liabilities		
Accrued interest	168	4,060
Others	14,774	10,131
Other assets		
Other	--	5,166

Our transaction with Cairo Exchange Company (Associate Company):

	31 December 2025	31 December 2024
Customers' deposits		
Demand deposits	53	--
Other liabilities		
Accrued expenses	15	--

Our transaction with Guards Company for Security and Guarding (Associate Company):

	31 December 2025	31 December 2024
Customers' deposits		
Demand deposits	2,784	11,277
Loans and advances to customers		
Corporate loans (Over drafts)	9,398	3,198
Other liabilities		
Accrued expenses	7,300	4,200

Our transaction with International Postal Services Company – Egy Serv. (Associate Company):

	31 December 2025	31 December 2024
Customers' deposits		
Demand deposits	372	3,926
Other liabilities		
Accrued expenses	23,500	29,000

Our transaction with Nile Holding Company for Development and Investment (Associate company):

	31 December 2025	31 December 2024
Customers' deposits		
Demand deposits	42	73

B. Directors and other key management personnel (and close family members)

	31 December 2025	31 December 2024
Loans and advanced to customers (credit card)	1,500	1,500

According to the CBE's instructions issued on 23 August 2011 regarding banks governance, the monthly average of salaries and bonuses received collectively by the twenty highest-paid employees in the bank amounted to EGP 11,190,863 during the financial year ended on 31 December 2025.

37. Banque Du Caire Mutual Funds

A. Banque Du Caire first fund (with accumulated return)

The fund is one of investment activities licensed for the Bank under Capital Market Law No. 95 for the year 1992 and its executive regulations; the fund is managed by Hermes Funds Management Company.

This fund consists of 20 million Certificates amounted to EGP 200 million with face value of EGP 100 each according to the approval from the Capital Market Authority (CMA) on 30 October 1997.

According to Banque du caire first fund's holder meeting dated 13 March 2007 and the approval of the Capital Market Authority the face value was amended to EGP 10 instead of EGP 100 each, the amendments have been effective from June 2007.

The number of outstanding certificates as of 31 December 2025 was 4,374,182 certificates with a redeemable value of EGP 398.10 each. 500,000 Certificates were allocated to the Bank in the initial offering until 31 December 2025 with total amount of EGP 202,075,000 which should be held by the Bank till the end of the Fund's year as required by laws, it appears as investments in unlisted equity instruments within financial investments at fair value through other comprehensive income on the same date.

According to the fund's management contract and its prospectus, the Bank receives fees and commissions in return for its supervision of the fund and other administrative services rendered thereby. Total fees and commissions are amounted to EGP 6,883,859 for year ended 31 December 2025 (31 December 2024: EGP 13,755,848) which is presented under the item of "other fees and commissions income" in the income statement.

B. Banque Du Caire second fund (Money Market Fund) – daily

Banque Du Caire S.A.E. established the second accumulated daily return fund in Egyptian pound as one of its licensed banking activities under license No. 526 issued by the Egyptian Financial Supervisory Authority on 18 June 2009 according to the capital market regulations law No. 95 for 1992 and its executive regulations. The Fund is managed by Belton for funds Management Company.

The number of certificates in the initial offering amounted to 10 million certificates with a face value of EGP 10 per certificate, the documents in the portfolio of other comprehensive income according to what was allocated during the year from the initial launch of the fund until 31 December 2025 numbered 500,000 documents with a book value of EGP 32,866,315.

The number of outstanding certificates as of 31 December 2025 was 96,888,341 certificates with a redeemable value of EGP 65.70 each.

According to the fund's management contract and its prospectus, the Bank receives fees and commissions in return for its supervision of the fund and other administrative services rendered thereby. Total fees and commissions are amounted to EGP 29,920,909 for year ended 31 December 2025 (31 December 2024: EGP 21,750,960) which is presented under the item of "other fees and commissions income" in the income statement.

C. Principal Bank for Development & Agricultural Credit and Banque du Caire Fund with accumulated return according to Islamic Sharia (Al Wefak)

The Fund is one of the investments activities licensed for the bank under Capital Market Law No. 95 for the year 1992 and its executive regulations.

HC Securities manage the Fund. Which was replaced by CI Assets Management as of 01/04/2021 The number of certificates was 5 million certificates amounted to EGP 50 million with face value EGP 10 each according to the approval No. 625 dated 06 Jan 2011 from the Capital Market Authority (CMA), the fund's year is 25 years from the date of the license.

The number of outstanding certificates as of 31 December 2025 was 2,125,200 certificates with a redeemable value of EGP 41.43 each. 250,000 Certificates were allocated to the Bank in the initial offering until 31 December 2025 with total amount of EGP 10,577,370 which should be held by the Bank till the end of the Fund's year as required by law, it appears as investments in unlisted equity instruments within financial investments at fair value through other comprehensive income on the same date.

According to the fund's management contract and its prospectus, the Bank receives fees and commissions in return for its supervision of the fund and other administrative service rendered thereby. Total fees and commissions are amounted to EGP 132,644 for year ended 31 December 2025 (31 December 2024: EGP 84,016) which is presented under the item of "other fees and commissions income" in the income statement.

D. Banque Du Caire Fund for debt instruments (Fixed)

On 8 May 2012 Banque Du Caire's Board of Directors approved to establish Banque Du Caire Fixed Income Fund, and the approval of Central Bank of Egypt was on 15 August 2012, it was decided that subscription offering year is two months starting from 4 December 2012. The fund is managed by CI Asset Management Company. The fund consists of 1 million certificates amounted to EGP 100 million with a face value of EGP100 per certificate each. The number of outstanding certificates as of 31 December 2025 was 85,082 certificates with a redeemable value of EGP 450.52 each. 50,000 Certificates were allocated to the Bank in the initial offering until 31 December 2025 with total amount of EGP 22,910,000 which should be held by the Bank till the end of the Fund's year as required by law, it appears as investments in unlisted equity instruments within financial investments at fair value through other comprehensive income on the same date.

According to the fund's management contract and its prospectus, the Bank receives fees and commissions in return for its supervision of the fund and other administrative service rendered thereby. Total fees and commissions are amounted to EGP 234,202 for year ended 31 December 2025 (31 December 2024: EGP 186,825) which is presented under the item of "other fees and commissions income" in the income statement.

38. Tax position

38.1. Income tax

Years from beginning of the activity till 31 December 2016

The inspection and final settlement for those years have been done, with the exception of years 1991/1992 where the tax due to the bank were paid by paying the tax differences for years 1991/1992 according to the judgement number 49 for the year 2008 by amount of EGP 77 million and the bank paid this amount and recorded it on debit account waiting the results of the raised lawsuit and the case is still pending before the administrative judiciary court.

Years from 01 January 2017 till 31 December 2019

The inspection of this period has been prepared, and there is a disagreement Infront of the internal committee.

Years from 2020 till 2024

The tax returns have been submitted in the legal deadlines and the solidarity contribution and tax due for these years were paid.

38.2. Stamp Duty

Periods from beginning of the activity till 31 December 2020

The head office and branches were examined, and the examination resulted in tax claims, some of which have been settled, while other claims remain under dispute and are currently pending before the administrative judiciary court, with no final rulings issued yet, in respect of branch claims prior to 01 August 2006.

As for the other financial periods, the settlement of those years has been finalized, except for one disputed item related to the year 2020. Regarding the period from 01 January 2010 to 31 December 2013, all items are pending before the administrative judiciary court and have not yet been adjudicated, and provisions for taxes have been made to cover the value of the dispute.

Period from 01 January 2021 till 31 December 2022:

The examination is in progress.

Period from 01 January 2023 till 31 December 2025:

The tax due for this period was paid on a regular basis and within the legally prescribed deadlines.

38.3. Salary tax

Periods from beginning of the activity till 31 December 2022

The inspection and payment have been done.

Periods from 01 January 2023 till 31 December 2025

The bank pays the tax monthly and submits the annual and quarterly tax returns on the legal deadlines.

38.4. Sales tax & VAT

First: Sales tax for periods from 2002 till 07 June 2016 (date of issuance of Law 67 of 2016)

The years have been inspected by tax authority and the bank paid the due tax, and challenged the incoming claims in the legal deadlines and the dispute is still pending before the administrative judiciary court till to date.

Second: VAT for Periods from 08 June 2016 till 31 December 2025

An Administrative Court ruling was issued stating that our Bank is not subject to registration under the Value Added Tax (VAT) system. The ruling was enforced in favor of our Bank.

The Egyptian Tax Authority appealed the ruling; however, the Supreme Administrative Court upheld the judgment. The Egyptian Tax Authority was duly notified with the enforceable formula, and an official letter was subsequently issued confirming the cancellation of our Bank's VAT registration and its registration solely for reverse charge purposes.

38.5. Real estate tax

Our bank pays the real estate tax on the legal dates with the exception of some units whose tax value is overvalued and part of the claim is paid with the submission of challenged and a provision is made of the difference, due to the different methods of calculating the tax between our bank and the Tax Authority, since 01 July 2013 till 31 December 2025 also the real estate Tax Authority also sends claims for ATM machines, which are paid with an appeal against them, due to the Authority's lack of entitlement to claim them as it is considered a movable asset.

39. Translation

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

The original Arabic statements are the official financial statements.